KAYNES TECHNOLOGY INDIA LIMITED

Our Company was incorporated on March 28, 2008 as 'Kaynes Technology India Private Limited', at Mysuru, Karnataka, a private limited company under the Companies Act, 1956 pursuant to a certificate of incorporation granted by the Registrar of the Companies, Karnataka at Bengaluru ("**RoC**"). Subsequently, the name of our Company was changed to 'Kaynes Technology India Limited' upon conversion of our Company into a public limited company pursuant to a special resolution passed by our Shareholders on March 24, 2022 and a fresh certificate of incorporation was issued by the RoC consequent upon change of name on conversion to public limited company on March 31, 2022. For further details of changes in the names of our Company and a brief history of our Company, see "*Organisational Structure of our Company*" and "*General Information*" on pages 182 and 233, respectively.

Corporate Identity Number: L29128KA2008PLC045825
Registered and Corporate Office: 23-25, Belagola, Food Industrial Estate, Metagalli P.O., Mysuru – 570 016, Karnataka, India
Telephone: +91 82125 82595; **Email**: kaynestechcs@kaynestechnology.net; **Website:** www.kaynestechnology.co.in
Company Secretary and Compliance Officer: Anuj Mehtha

Issue of 28,72,788 equity shares of face value of ₹10 each of our Company (the "**Equity Shares**") at a price of ₹5,569.50 per Equity Share, including a premium of ₹5,559.50 per Equity Share (the "**Issue Price**"), aggregating to ₹15,999.99 million (the "**Issue**"). For further details, see "*Summary of the Issue*" on page 38.

THE ISSUE IS BEING UNDERTAKEN IN RELIANCE UPON CHAPTER VI OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED (THE "SEBI ICDR REGULATIONS"), SECTION 42 OF THE COMPANIES ACT, 2013, AS AMENDED (THE "COMPANIES ACT, 2013"), READ WITH RULE 14 OF THE COMPANIES (PROSPECTUS AND ALLOTMENT OF SECURITIES) RULES, 2014, AS AMENDED (THE "PAS RULES"), AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013 AND THE RULES MADE THEREUNDER, EACH AS AMENDED.

The Equity Shares of our Company are listed on the National Stock Exchange of India Limited (the "**NSE**") and the BSE Limited (the "**BSE**" and together with NSE, the "**Stock Exchanges**"). The closing prices of the Equity Shares on the NSE and the BSE as on June 18, 2025 were ₹ 5,720.00 and ₹ 5,721.25 per Equity Share, respectively. Our Company has received in-principle approvals pursuant to Regulation 28(1)(a) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "**SEBI Listing Regulations**") for listing of the Equity Shares to be issued pursuant to this Issue, from BSE and NSE, each dated June 19, 2025. Our Company shall make applications to the Stock Exchanges for obtaining final listing and trading approvals for the Equity Shares to be issued pursuant to this Issue. The Stock Exchanges assume no responsibility for the correctness of any statements made, opinions expressed or reports contained herein. Admission of the Equity Shares to be issued pursuant to this Issue for trading on the Stock Exchanges should not be taken as an indication of the merits of our Company or the Equity Shares.

OUR COMPANY HAS PREPARED THIS PLACEMENT DOCUMENT SOLELY FOR PROVIDING INFORMATION IN CONNECTION WITH THE PROPOSED ISSUE. THE ISSUE AND THE DISTRIBUTION OF THIS PLACEMENT DOCUMENT TO ELIGIBLE QIBs (AS DEFINED HEREINAFTER) IS BEING MADE IN RELIANCE UPON CHAPTER VI OF THE SEBI ICDR REGULATIONS, SECTION 42 OF THE COMPANIES ACT, 2013 READ WITH RULE 14 OF THE PAS RULES AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013 AND OTHER RULES MADE THEREUNDER. THE PRELIMINARY PLACEMENT DOCUMENT AND THIS PLACEMENT DOCUMENT WAS CIRCULATED TO ONLY SUCH ELIGIBLE QIBs WHOSE NAMES WERE RECORDED BY OUR COMPANY, PRIOR TO MAKING AN INVITATION TO SUBSCRIBE TO THE EQUITY SHARES. THIS PLACEMENT DOCUMENT IS PERSONAL TO EACH INVESTOR AND DOES NOT CONSTITUTE AN OFFER OR INVITATION OR SOLICITATION OF AN OFFER TO THE PUBLIC OR ANY OTHER PERSON OR CLASS OF INVESTORS WITHIN OR OUTSIDE INDIA OTHER THAN TO QUALIFIED INSTITUTIONAL BUYERS AS DEFINED IN THE SEBI ICDR REGULATIONS. YOU ARE NOT AUTHORIZED TO AND MAY NOT (1) DELIVER THIS PLACEMENT DOCUMENT TO ANY OTHER PERSON; OR (2) REPRODUCE THIS PLACEMENT DOCUMENT, IN ANY MANNER WHATSOEVER; OR (3) RELEASE ANY PUBLIC ADVERTISEMENTS OR UTILIZE ANY MEDIA, MARKETING OR DISTRIBUTION CHANNELS OR AGENTS TO INFORM THE PUBLIC AT LARGE ABOUT THE ISSUE. ANY DISTRIBUTION OR REPRODUCTION OF THIS PLACEMENT DOCUMENT IN WHOLE OR IN PART IS UNAUTHORIZED. FAILURE TO COMPLY WITH THIS INSTRUCTION MAY RESULT IN A VIOLATION OF THE SEBI ICDR REGULATIONS, THE COMPANIES ACT, 2013 AND THE RULES MADE THEREUNDER OR OTHER APPLICABLE LAWS OF INDIA AND OTHER JURISDICTIONS.

INVESTMENT IN EQUITY SHARES INVOLVES A HIGH DEGREE OF RISK AND INVESTORS SHOULD NOT INVEST IN THE ISSUE UNLESS THEY ARE PREPARED TO TAKE THE RISK OF LOSING ALL OR PART OF THEIR INVESTMENT. INVESTORS ARE ADVISED TO CAREFULLY READ "*RISK FACTORS*" ON PAGE 45 BEFORE MAKING AN INVESTMENT DECISION RELATING TO THE ISSUE. EACH INVESTOR IS ADVISED TO CONDUCT ITS OWN DUE DILIGENCE ON US AND THE EQUITY SHARES AND CONSULT ITS OWN ADVISORS ABOUT THE PARTICULAR CONSEQUENCES OF AN INVESTMENT IN THE EQUITY SHARES BEING ISSUED PURSUANT TO THE PRELIMINARY PLACEMENT DOCUMENT AND THIS PLACEMENT DOCUMENT.

A copy of the Preliminary Placement Document (which includes disclosures prescribed under Form PAS-4 (as defined hereinafter) was delivered to the Stock Exchanges and a copy of this Placement Document (which will include disclosures prescribed under Form PAS-4) has been delivered to the Stock Exchanges. Our Company shall also make the requisite filings with the RoC, within the stipulated period as required under applicable law. The Preliminary Placement Document and this Placement Document has not been reviewed by the Securities and Exchange Board of India ("**SEBI**"), the Reserve Bank of India ("**RBI**"), the Stock Exchanges or any other listing or regulatory authority and is intended only for use by Eligible QIBs. This Placement Document has not been and will not be filed as a prospectus with the RoC and will not be circulated or distributed to the public in India or any other jurisdiction and the Issue will not constitute a public offer in India or any other jurisdiction.

Invitations, offers and sales of the Equity Shares to be issued pursuant to this Issue have been made pursuant to the Preliminary Placement Document together with the Application Form, this Placement Document and the Confirmation of Allocation Note (each as defined hereinafter). For further details, see "*Issue Procedure*" on page 189. The distribution of this Placement Document or the disclosure of its contents without the prior consent of our Company to any person, other than Eligible QIBs to whom this Placement Document is specifically addressed, and persons retained by such Eligible QIBs to advise them with respect to their purchase of Equity Shares is unauthorized and prohibited. Each prospective investor, by accepting delivery of this Placement Document, agrees to observe the foregoing restrictions and make no copies of this Placement Document or any documents referred to in this Placement Document.

The information on the websites of our Company, Subsidiaries, or any other website directly or indirectly linked to the websites of our Company, Subsidiaries, or the website of the Book Running Lead Managers (as defined hereinafter) or their respective affiliates, does not constitute nor form part of this Placement Document and investors should not rely on such information contained in, or available through, any such websites for their investment in this Issue.

The Equity Shares offered in the Issue have not been and will not be registered under the United States Securities Act of 1933, as amended ("**U.S. Securities Act**"), or any other applicable state securities laws of the United States and, unless so registered may not be offered, sold or delivered within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, the Equity Shares are being offered and sold only outside the United States in "offshore transactions", as defined in and in reliance on Regulation S under the U.S. Securities Act ("**Regulation S**") and the applicable laws of the jurisdictions where those offers and sales are made. The Equity Shares are transferable only in accordance with the restrictions described under the sections *"Selling Restrictions"* and *"Transfer Restrictions and Purchaser Representations"* on pages 203 and 211, respectively.

This Placement Document is dated June 24, 2025.

BOOK RUNNING LEAD MANAGERS		
Motilal Oswal Investment Advisors Limited	**Axis Capital Limited**	**Nomura Financial Advisory and Securities (India) Private Limited**

TABLE OF CONTENTS

NOTICE TO INVESTORS 1
NOTICE TO INVESTORS IN CERTAIN OTHER JURISDICTIONS 3
REPRESENTATIONS BY INVESTORS 4
OFFSHORE DERIVATIVE INSTRUMENTS 9
DISCLAIMER CLAUSE OF THE STOCK EXCHANGES 10
PRESENTATION OF FINANCIAL AND OTHER FINANCIAL INFORMATION 11
INDUSTRY AND MARKET DATA 13
FORWARD-LOOKING STATEMENTS 14
ENFORCEMENT OF CIVIL LIABILITIES 15
EXCHANGE RATE INFORMATION 16
DEFINITIONS AND ABBREVIATIONS 18
SUMMARY OF BUSINESS 26
SUMMARY OF THE ISSUE 38
SUMMARY OF FINANCIAL INFORMATION 40
RELATED PARTY TRANSACTIONS 44
RISK FACTORS 45
MARKET PRICE INFORMATION 76
USE OF PROCEEDS 78
CAPITALISATION STATEMENT 86
CAPITAL STRUCTURE 87
DIVIDENDS 91
MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS 92
INDUSTRY OVERVIEW 120
OUR BUSINESS 143
BOARD OF DIRECTORS AND SENIOR MANAGEMENT 174
ORGANISATIONAL STRUCTURE OF OUR COMPANY 182
SHAREHOLDING PATTERN OF OUR COMPANY 184
ISSUE PROCEDURE 189
PLACEMENT 201
SELLING RESTRICTIONS 203
TRANSFER RESTRICTIONS AND PURCHASER REPRESENTATIONS 211
THE SECURITIES MARKET OF INDIA 213
DESCRIPTION OF THE EQUITY SHARES 217
TAXATION 220
LEGAL PROCEEDINGS 227
STATUTORY AUDITORS 231
FINANCIAL INFORMATION 232
GENERAL INFORMATION 233
DETAILS OF PROPOSED ALLOTTEES 235
DECLARATION 237
SAMPLE APPLICATION FORM 240

NOTICE TO INVESTORS

Our Company has furnished and accepts full responsibility for all of the information contained in this Placement Document and confirms that to the best of its knowledge and belief, having made all reasonable enquiries, this Placement Document contains all information with respect to our Company and its Subsidiaries and the Equity Shares which our Company considers material in the context of the Issue. The statements contained in this Placement Document relating to our Company, its Subsidiaries and the Equity Shares are, in all material respects, true and accurate and are not misleading, and the opinions and intentions expressed in this Placement Document with regard to our Company, its Subsidiaries and the Equity Shares are honestly held, have been reached after considering all relevant circumstances and are based on reasonable assumptions and information presently available to us. There are no other facts in relation to our Company, its Subsidiaries and the Equity Shares, the omission of which would, in the context of the Issue, make any statement in this Placement Document misleading in any material respect. Further, our Company has made all reasonable enquiries to ascertain such facts and to verify the accuracy of all such information and statements. Unless otherwise stated, all information in this Placement Document is provided as of the date of this Placement Document and neither our Company nor the BRLMs (as defined hereinafter) have any obligation to update such information to a later date.

The information contained in this Placement Document has been provided by our Company and from other sources identified herein. Motilal Oswal Investment Advisors Limited, Axis Capital Limited, and Nomura Financial Advisory and Securities (India) Private Limited (collectively, the "**Book Running Lead Managers**" or the "**BRLMs**") have not separately verified all of the information contained in this Placement Document (financial, legal or otherwise). Accordingly, neither the BRLMs nor any of their respective shareholders, employees, counsel, officers, directors, representatives, agents, associates or affiliates make any express or implied representation, warranty or undertaking, and no responsibility or liability is accepted by the BRLMs or any of their respective shareholders, employees, counsel, officers, directors, representatives, agents, associates or affiliates as to the accuracy or completeness of the information contained in this Placement Document or any other information (financial, legal or otherwise) supplied in connection with the Issue of the Equity Shares or the distribution of this Placement Document. Each person receiving this Placement Document acknowledges that such person has neither relied on the BRLMs nor any of their respective shareholders, employees, counsel, officers, directors, representatives, agents, associates or affiliates in connection with such person's investigation of the accuracy of such information or such person's investment decision, and each such person must rely on its own examination of our Company and the merits and risks involved in investing in the Equity Shares issued pursuant to the Issue.

Distribution of this Placement Document to any person other than the Eligible QIBs, and those persons, if any, retained to advise such investor with respect thereto, is unauthorised, and any disclosure of its contents, without prior written consent of our Company, is prohibited. Any reproduction or distribution of this Placement Document, in whole or in part, and any disclosure of its contents to any other person is prohibited. Each investor, by accepting delivery of this Placement Document, agrees to observe the foregoing restrictions and make no copies of this Placement Document or any offering material in connection with the Equity Shares.

No person is authorised to give any information or to make any representation not contained in this Placement Document and any information or representation not so contained must not be relied upon as having been authorised by, or on behalf of the BRLMs. The delivery of this Placement Document at any time does not imply that the information contained in it is correct as of any time subsequent to its date.

The Equity Shares offered in the Issue have not been and will not be registered under the U.S. Securities Act or any other applicable state securities laws of the United States and, unless so registered, may not be offered, sold or delivered within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, the Equity Shares offered in this Issue are being offered and sold only outside the United States, in "offshore transactions", as defined in and in reliance on Regulation S and the applicable laws of the jurisdiction where those offers and sales are made. The Equity Shares are transferable only in accordance with the restrictions described under the sections "*Selling Restrictions*" and "*Transfer Restrictions and Purchaser Representations*" on pages 203 and 211, respectively.

The Equity Shares offered in the Issue have not been approved, disapproved or recommended by any regulatory authority in any jurisdiction, including SEBI, the United States Securities and Exchange Commission, any other federal or state authorities in the United States or the securities authorities of any non-United States jurisdiction or any other United States or non-United States regulatory authority. No authority has passed on or endorsed the merits of the Issue or the accuracy or adequacy of this Placement Document. Any representation to the contrary is a criminal offence in the United States and may be a criminal offence in other jurisdictions.

Subscribers and purchasers of the Equity Shares will be deemed to make the representations, warranties, acknowledgements and agreements set forth in "*Representations by Investors*", "*Selling Restrictions*" and "*Transfer Restrictions and Purchaser Representations*" on pages 4, 203 and 211 respectively of this Placement Document.

The distribution of this Placement Document and the issue of the Equity Shares in certain jurisdictions may be restricted by law. As such, this Placement Document does not constitute, and may not be used for or in connection with, an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation. In particular, no action has been taken by our Company or the BRLMs which would permit an offering of the Equity Shares or distribution of this Placement Document in any jurisdiction other than India where action for that purpose is required. Accordingly, the Equity Shares may not be offered or sold, directly or indirectly, and neither this Placement Document nor any Issue materials in connection with the Equity Shares may be distributed or published in or from any country or jurisdiction that would require registration of the Equity Shares in such country or jurisdiction.

In making an investment decision, investors must rely on their own examination of our Company, the Equity Shares and the terms of the Issue, including the merits and risks involved. Investors should not construe the contents of this Placement Document as legal, business, tax, accounting or investment advice. Investors should consult their own counsel and advisors as to business, legal, tax, accounting and related matters concerning the Issue. In addition, neither our Company nor the BRLMs are making any representation to any offeree or subscriber of the Equity Shares regarding the legality of an investment in the Equity Shares by such offeree or subscriber under applicable laws or regulations.

Each Bidder in the Issue is deemed to have acknowledged, represented and agreed that it is an Eligible QIB and is eligible to invest in India and in our Company under Indian laws, including Chapter VI of the SEBI ICDR Regulations and Section 42 (read with Rule 14 of the PAS Rules) and other applicable provisions of the Companies Act, 2013, and is not prohibited by SEBI or any other regulatory authority from buying, selling or dealing in securities including the Equity Shares or otherwise accessing the capital markets in India. This Placement Document contains summaries of certain terms of certain documents, which are qualified in their entirety by the terms and conditions of such documents and disclosures included in the section titled "*Risk Factors*" on page 45.

Our Company and the Book Running Lead Managers are not liable for any amendment or modification or change to applicable laws or regulations, which may occur after the date of this Placement Document.

The information on our Company's website at www.kaynestechnology.co.in, the websites of any of its Subsidiaries or any website directly or indirectly linked to our Company's website or the website of each of the BRLMs, their respective associates or affiliates, does not constitute or form part of this Placement Document. Investors should not rely on any such information contained in, or available through, any such websites.

NOTICE TO INVESTORS IN CERTAIN OTHER JURISDICTIONS

This Placement Document is not an offer to sell securities and is not soliciting an offer to subscribe to or buy securities in any jurisdiction where such offer, solicitation, sale or subscription is not permitted. For information relating to investors in certain other jurisdictions, see "*Selling Restrictions*" and "*Transfer Restrictions and Purchaser Representations*" on pages 203 and 211, respectively.

Any information about our Company available on any website of the Stock Exchanges, our Company or the BRLMs, other than this Placement Document, shall not constitute a part of this Placement Document and no investment decision should be made on the basis of such information.

REPRESENTATIONS BY INVESTORS

All references to "you" and "your" in this section are to the Investors in the Issue. By Bidding for and/or subscribing to any Equity Shares under this Issue, you are deemed to have represented, warranted, acknowledged and agreed to contents set forth in "Notice to Investors", "Selling Restrictions" and "Transfer Restrictions and Purchaser Representation" on pages 1, 203 and 211, respectively and have represented, warranted and acknowledged to and agreed to our Company and the Book Running Lead Managers, as follows:

1. Your decision to subscribe to the Equity Shares to be issued pursuant to the Issue has not been made based on any information relating to our Company which is not set forth in the Preliminary Placement Document and this Placement Document;

2. You are a "Qualified Institutional Buyer" as defined in Regulation 2(1)(ss) of the SEBI ICDR Regulations and not excluded pursuant to Regulation 179(2)(b) of the SEBI ICDR Regulations, having a valid and existing registration under applicable laws and regulations of India, and undertake to (i) acquire, hold, manage or dispose of any Equity Shares that are Allotted (hereinafter defined) to you in accordance with Chapter VI of the SEBI ICDR Regulations, the Companies Act, 2013, to the extent applicable, and all other applicable laws; and (ii) comply with all requirements under applicable law, including reporting obligations, requirements/ making necessary filings, if any, in connection with the Issue;

3. You are eligible to invest in India under applicable law, including the FEMA Rules (as defined hereinafter) and any notifications, circulars or clarifications issued thereunder, and have not been prohibited by SEBI, RBI or any other regulatory authority, statutory authority or otherwise, from buying, selling or dealing in securities or otherwise accessing capital markets in India;

4. If you are not a resident of India, but are an Eligible QIB, (i) you are a foreign portfolio investor, and you confirm that you are an Eligible FPI as defined in this Placement Document, you have a valid and existing registration with SEBI under the applicable laws in India and can participate in the Issue only under Schedule II of FEMA Rules, or (ii) a multilateral or bilateral development financial institution. You will make all necessary filings with appropriate regulatory authorities, including RBI, as required pursuant to applicable laws. You have not been prohibited by SEBI, RBI or any other regulatory authority, from buying, selling or dealing in securities including to the Equity Shares or otherwise accessing the capital markets. You confirm that you are not a FVCI;

5. You are eligible to invest in and hold the Equity Shares of our Company in accordance with the FDI Policy and FEMA Rules, read along with the press note no. 3 (2020 Series), dated April 17, 2020, issued by the Department for Promotion of Industry and Internal Trade, Government of India and the related amendments to the FEMA Rules. You confirm that neither is your investment as an entity from a country which shares a land border with India nor is the beneficial owner of your investment situated in or is a citizen of such country (in each which case, investment can only be through the Government approval route);

6. You will provide the information as required under the Companies Act, 2013 and the PAS Rules for record keeping by our Company, including your name, complete address, phone number, e-mail address, permanent account number and bank account details and such other details as may be prescribed or otherwise required even after the closure of the Issue;

7. If you are Allotted Equity Shares pursuant to the Issue, you shall not sell the Equity Shares so acquired, for a period of one year from the date of Allotment (hereinafter defined), except on the Stock Exchanges. Please note additional requirements or requirements apply if you are within the United States. For further details, see "Selling Restrictions" and "Transfer Restrictions and Purchaser Representations" on pages 203 and 211, respectively;

8. You are aware that the Preliminary Placement Document and this Placement Document has not been, and will not be, filed as a prospectus with the RoC under the Companies Act, 2013, the SEBI ICDR Regulations or under any other law in force in India and, no Equity Shares will be offered in India or overseas to the public or any members of the public in India or any other class of investors other than Eligible QIBs. You acknowledge that the Preliminary Placement Document this Placement Document has not been reviewed, verified or affirmed by SEBI, the RoC, the Stock Exchanges or any other regulatory or listing authority and is intended only for use by Eligible QIBs. The Preliminary Placement Document was filed and this Placement Document has been filed with the Stock Exchanges for record purposes only and is displayed on the websites of our Company and the Stock Exchanges;

9. You are entitled to subscribe for and acquire the Equity Shares under the laws of all relevant jurisdictions applicable to you and that you have fully observed such laws and you have all necessary capacity and have obtained all necessary consents and authorities, as may be required and complied with and shall comply with all necessary formalities to enable you to participate in the Issue and to perform your obligations in relation thereto

(including without limitation, in the case of any person on whose behalf you are acting, all necessary consents and authorizations to agree to the terms set out or referred to in the Preliminary Placement Document and this Placement Document), and will honour such obligations;

10. Neither our Company, nor the Book Running Lead Managers nor any of their respective shareholders, directors, officers, employees, counsels, representatives, agents or affiliates are making any recommendations to you or advising you regarding the suitability of any transactions it may enter into in connection with the Issue. Neither the Book Running Lead Managers nor any of their respective shareholders, directors, officers, employees, counsels, representatives, agents or affiliates has any duty or responsibility to you for providing the protection afforded to their clients or customers or for providing advice in relation to the Issue and are not in any way acting in any fiduciary capacity;

11. All statements other than statements of historical fact included in this Placement Document, including, without limitation, those regarding our financial position, business strategy, plans and objectives of management for future operations (including development plans and objectives relating to our business), are forward-looking statements. Such forward-looking statements involve known and unknown risks, uncertainties and other important factors that could cause actual results to be materially different from future results, performance or achievements expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding our present and future business strategies and environment in which we will operate in the future. You should not place undue reliance on forward-looking statements, which speak only as of the date of this Placement Document. Neither our Company, nor the Book Running Lead Managers or any of their respective shareholders, directors, officers, employees, counsels, representatives, agents or affiliates assumes any responsibility to update any of the forward-looking statements contained in this Placement Document;

12. You are aware that the Equity Shares are being offered only to Eligible QIBs on a private placement basis and are not being offered to the general public, or any other category of investors other than the Eligible QIBs and the Allotment shall be on a discretionary basis at the discretion of our Company in consultation with the Book Running Lead Managers;

13. You have made, or been deemed to have made, as applicable, the representations, warranties, acknowledgments and undertakings as set out under *"Selling Restrictions" and "Transfer Restrictions and Purchaser Representations"* on pages 203 and 211, respectively and you warrant that you will comply with such representations, warranties, acknowledgments and undertakings;

14. You have been provided a serially numbered copies of the Preliminary Placement Document and this Placement Document, and have read it in its entirety, including the "*Risk Factors*" on page 45;

15. You are outside the United States, and you are subscribing for the Equity Shares in an "*offshore transaction*" as defined in and in reliance on Regulation S, and are not our Company's or the BRLMs' affiliate or a person acting on behalf of such an affiliate;

16. You are not acquiring or subscribing for the Equity Shares as a result of any "directed selling efforts" (as defined in Regulation S of the U.S. Securities Act) and you understand and agree that offers and sales are being made in reliance on an exemption to the registration requirements of the U.S. Securities Act;

17. In making your investment decision, you have (i) relied on your own examination of our Company and its Subsidiaries and the terms of the Issue, including the merits and risks involved, (ii) made and will continue to make your own assessment of our Company, its Subsidiaries and the Equity Shares and the terms of the Issue based on such information as is publicly available, (iii) consulted your own independent counsels and advisors or otherwise have satisfied yourself concerning, the effects of local laws (including tax laws), (iv) relied solely on the information contained in the Preliminary Placement Document and this Placement Document and no other disclosure or representation by our Company or any other party, and (v) relied upon your own investigation and resources in deciding to invest in the Issue;

18. Neither the Book Running Lead Managers nor any of their respective shareholders, directors, officers, employees, counsels, representatives, agents or affiliates, has provided you with any tax advice or otherwise made any representations regarding the tax consequences of purchase, ownership and disposal of the Equity Shares (including the Issue and the use of proceeds from the Equity Shares). You will obtain your own independent tax advice and will not rely on the Book Running Lead Managers or any of their respective shareholders, directors, officers, employees, counsels, representatives, agents or affiliates, when evaluating the tax consequences in relation to the Equity Shares (including, in relation to the Issue and the use of proceeds from sale of the Equity Shares). You waive, and agree not to assert any claim against, either of the Book Running Lead Managers or any

of their respective shareholders, directors, officers, employees, counsels, representatives, agents or affiliates, with respect to the tax aspects of the Equity Shares or as a result of any tax audits by tax authorities, wherever situated;

19. You are a sophisticated investor and have such knowledge and experience in financial business and investment matters as to be capable of evaluating the merits and risks of the investment in the Equity Shares and you and any managed accounts for which you are subscribing to the Equity Shares (i) are each able to bear the economic risk of the investment in the Equity Shares, (ii) will not look to our Company and/or the Book Running Lead Managers or any of their respective shareholders, directors, officers, employees, counsels, representatives, agents or affiliates, for all or part of any such loss or losses that may be suffered in connection with the Issue, including losses arising out of non-performance by our Company of any of its respective obligations or any breach of any representations and warranties by our Company, whether to you or otherwise, (iii) are able to sustain a complete loss on the investment in the Equity Shares, (iv) have no need for liquidity with respect to the investment in the Equity Shares, and (v) have no reason to anticipate any change in your or their circumstances or any accounts for which you are subscribing, financial or otherwise, which may cause or require any sale or distribution by you or them of all or any part of the Equity Shares. You are seeking to subscribe to the Equity Shares in the Issue for your own investment and not with a view to resell or distribute;

20. If you are acquiring the Equity Shares for one or more managed accounts, you represent and warrant that you are authorized in writing, by each such managed account to acquire the Equity Shares for each managed account and make the representations, warranties, acknowledgements, undertakings and agreements herein for and on behalf of each such account, reading the reference to 'you' to include such accounts;

21. You are not a 'promoter' of our Company (as defined under the SEBI ICDR Regulations or the Companies Act, 2013), and are not a person related to the Promoters (as defined hereinafter), either directly or indirectly and your Bid (hereinafter defined) does not directly or indirectly represent any Promoters or members of the Promoter Group (as defined under the SEBI ICDR Regulations) of our Company or persons or entities related thereto;

22. You have no rights under a shareholders' agreement or voting agreement entered into with the Promoters or members of the Promoter Group, no veto rights or right to appoint any nominee director on the Board of Directors of our Company, other than the rights, if any, acquired in the capacity of a lender not holding any Equity Shares (a QIB who does not hold any Equity Shares and who has acquired the said rights in the capacity of a lender shall not be deemed to be a person related to our Promoters);

23. You are eligible to Bid for and hold Equity Shares so Allotted together with any Equity Shares held by you prior to the Issue. You further confirm that your aggregate holding after the Allotment of the Equity Shares shall not exceed the levels permissible as per any applicable law;

24. Your aggregate holding, together with other Eligible QIBs in the Issue that belong to the same group or are under common control as you, pursuant to the Allotment under the Issue shall not exceed 50% of the Issue Size (as defined hereinafter). For the purposes of this representation:
    (a) Eligible QIBs "belonging to the same group" shall mean entities where (a) any of them controls, directly or indirectly, through its subsidiary or holding company, not less than 15% of the voting rights in the other; (b) any of them, directly or indirectly, by itself, or in combination with other persons, exercise control over the others; or (c) there is a common director, excluding nominee and independent directors, amongst an Eligible QIBs, its subsidiary or holding company and any other Eligible QIB; and
    (b) 'Control' shall have the same meaning as is assigned to it under the SEBI Takeover Regulations.

25. You are aware that (i) applications for in-principle approval, in terms of Regulation 28 of the SEBI Listing Regulations, for listing and admission of the Equity Shares and for trading on the Stock Exchanges, were made and approval has been received from each of the Stock Exchanges, and (ii) final applications will be made for obtaining listing and trading approvals from the Stock Exchanges, and that there can be no assurance that such approvals will be obtained on time or at all. Neither our Company nor the Book Running Lead Managers nor any of their respective shareholders, directors, officers, employees, counsels, representatives, agents or affiliates shall be responsible for any delay or non-receipt of such final listing and trading approvals or any loss arising therefrom;

26. You shall not undertake any trade in the Equity Shares credited to your beneficiary account with the Depository Participant until such time that the final listing and trading approvals for the Equity Shares are issued by the Stock Exchanges;

27. You are aware that in terms of the requirements of the Companies Act, 2013 upon Allocation, our Company has disclosed names and percentage of post-Issue shareholding of the proposed Allottees in this Placement Document. However, disclosure of such details in relation to the proposed Allottees in this Placement Document will not

guarantee Allotment to them, as Allotment in the Issue shall continue to be at the sole discretion of our Company, in consultation with the Book Running Lead Managers;

28. You agree in terms of Section 42 of the Companies Act, 2013 and Rule 14 of the PAS Rules, that our Company shall make necessary filings with the RoC as may be required under the Companies Act, 2013;

29. You acknowledge that the Preliminary Placement Document did not, and this Placement Document does not confer upon or provide you with any right of renunciation of the Equity Shares offered through the Issue in favour of any person;

30. You are aware that if you, together with any other Eligible QIBs belonging to the same group or under common control, are Allotted 5% or more of the Equity Shares in this Issue, our Company shall be required to disclose the name of such Allottees and the number of Equity Shares Allotted to the Stock Exchanges and the Stock Exchanges will make the same available on their website and you consent to such disclosures being made by our Company;

31. You are aware and understand that the Book Running Lead Managers have entered into a Placement Agreement with our Company, whereby the Book Running Lead Managers have, subject to the satisfaction of certain conditions set out therein, severally and not jointly, undertaken to use their reasonable efforts to seek to procure subscription for the Equity Shares on the terms and conditions set out therein;

32. The contents of the Preliminary Placement Document and this Placement Document are exclusively the responsibility of our Company and that neither the Book Running Lead Managers nor any person acting on its or their behalf or any of the counsels or advisors to the Issue has or shall have any liability for any information, representation or statement contained in the Preliminary Placement Document this Placement Document or any information previously published by or on behalf of our Company and will not be liable for your decision to participate in the Issue based on any information, representation or statement contained in this Placement Document or otherwise. By accepting participation in the Issue, you agree to the same and confirm that the only information you are entitled to rely on, and on which you have relied in committing yourself to acquire the Equity Shares is contained in the Preliminary Placement Document and this Placement Document, such information being all that you deem necessary to make an investment decision in respect of the Equity Shares, and you have neither received nor relied on any other information, representation, warranty or statement made by, or on behalf of, the Book Running Lead Managers or our Company or any other person and neither the Book Running Lead Managers nor our Company or any of their respective affiliates, including any view, statement, opinion or representation expressed in any research published or distributed by them, and the Book Running Lead Managers and their respective affiliates will not be liable for your decision to accept an invitation to participate in the Issue based on any other information, representation, warranty, statement or opinion;

33. Neither the Book Running Lead Managers nor any of their respective affiliates have any obligation to purchase or acquire all or any part of the Equity Shares purchased by you in the Issue or to support any losses directly or indirectly sustained or incurred by you for any reason whatsoever in connection with the Issue, including non-performance by our Company of any of its obligations or any breach of any representations and warranties by our Company, whether to you or otherwise;

34. You acknowledge that (i) an investment in the Equity Shares involves a high degree of risk and that the Equity Shares are, therefore, a speculative investment, (ii) you have sufficient knowledge, sophistication and experience in financial and business matters so as to be capable of evaluating the merits and risk of the purchase of the Equity Shares, and (iii) you are experienced in investing in private placement transactions of securities of companies in a similar stage of development and in similar jurisdictions and have such knowledge and experience in financial, business and investments matters that you are capable of evaluating the merits and risks of your investment in the Equity Shares;

35. You are subscribing to the Equity Shares to be issued pursuant to the Issue in accordance with applicable laws and by participating in this Issue, you are not in violation of any applicable law, including but not limited to the SEBI Insider Trading Regulations, the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003 and the Companies Act, 2013;

36. Either (i) you have not participated in or attended any investor meetings or presentations by our Company or its agents with regard to our Company or this Issue ("Company Presentations"); or (ii) if you have participated in or attended any Company Presentations: (a) you understand and acknowledge that the Book Running Lead Managers may not have the knowledge of the statements that our Company or its agents may have made at such Company Presentations and are therefore unable to determine whether the information provided to you at such meetings or presentations included any material misstatements or omissions, and, accordingly you acknowledge that Book Running Lead Managers have advised you not to rely in any way on any such information that was provided to

you at such meetings or presentations, and(b) you confirm that, to the best of your knowledge, you have not been provided any material information that was not publicly available;

37. Each of the representations, warranties, acknowledgements and agreements set out above shall continue to be true and accurate at all times up to and including the Allotment, listing and trading of the Equity Shares in the Issue. You agree to indemnify and hold our Company and the Book Running Lead Managers and their respective affiliates and their respective directors, officers, employees and controlling persons harmless from any and all costs, claims, liabilities and expenses (including legal fees and expenses) arising out of or in connection with any breach of the foregoing representations, warranties, acknowledgements, agreements and undertakings made by you in this Placement Document. You agree that the indemnity set out in this paragraph shall survive the resale of the Equity Shares by, or on behalf of, the managed accounts;

38. You acknowledge that our Company, the Book Running Lead Managers, their respective affiliates, directors, officers, employees and controlling persons and others will rely on the truth and accuracy of the foregoing representations, warranties, acknowledgements and undertakings, which are given to the Book Running Lead Managers on their own behalf and on behalf of our Company, and such representations, warranties, acknowledgements and undertakings are irrevocable;

39. You agree that any dispute arising in connection with the Issue will be governed by and construed in accordance with the laws of Republic of India, and the courts in Mumbai, India shall have sole and exclusive jurisdiction to settle any disputes which may arise out of or in connection with the Preliminary Placement Document and this Placement Document;

40. The Bid made by you would not result in triggering a tender offer under the SEBI Takeover Regulations; and

41. You have no right to withdraw your Application Form or revise your Bid downwards after the Issue Closing Date (as defined hereinafter).

OFFSHORE DERIVATIVE INSTRUMENTS

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines, and approvals in terms of Regulation 21 of the SEBI FPI Regulations and the SEBI circular dated November 5, 2019 on operational guidelines for FPIs, designated depository participants and eligible foreign investors (the "***FPI Operational Guidelines***"), FPIs, including the affiliates of the Book Running Lead Managers, who are registered as Category I FPIs can issue, subscribe and deal in offshore derivative instruments (as defined under the SEBI FPI Regulations, i.e., as any instrument, by whatever name called, which is issued overseas by a FPI against securities held by it in India, as its underlying) (all such offshore derivative instruments are referred to herein as "**P-Notes**") and persons who are eligible for registration as Category I FPIs can subscribe to or deal in such P-Notes, provided that in the case of an entity that has an investment manager who is from the Financial Action Task Force member country, such investment manager shall not be required to be registered as a Category I FPI. The above-mentioned Category I FPIs may receive compensation from the purchasers of such P-Notes. In terms of Regulation 21 of SEBI FPI Regulations, P-Notes may be issued only by such persons who are registered as Category I FPIs and they may be issued only to persons eligible for registration as Category I FPIs, subject to exceptions provided in the SEBI FPI Regulations and compliance with 'know your client' requirements, as specified by SEBI and subject to compliance with such other conditions as may be specified by SEBI from time to time. An Eligible FPI shall also ensure that no transfer of any instrument referred to above is made to any person unless such FPIs are registered as Category I FPIs or to persons eligible for registration as Category I FPIs subject to requisite consents being obtained in terms of Regulation 21 of SEBI FPI Regulations. P-Notes have not been, and are not being offered, or sold pursuant to the Preliminary Placement Document and this Placement Document. This Placement Document does not contain any information concerning P-Notes or the issuer(s) of any P-Notes, including, without limitation, any information regarding any risk factors relating thereto.

Subject to certain relaxations provided under Regulation 22(4) of the SEBI FPI Regulations, investment by a single FPI including its investor group (multiple entities registered as FPIs and directly or indirectly, having common ownership of more than 50% or common control) is not permitted to be 10% or more of our post-Issue Equity Share capital on a fully diluted basis. SEBI has issued the FPI Operational Guidelines to facilitate implementation of the SEBI FPI Regulations. In terms of the FPI Operational Guidelines, the above-mentioned restrictions shall also apply to subscribers of P-Notes and two or more subscribers of P-Notes having common ownership, directly or indirectly, of more than 50% or common control shall be considered together as a single subscriber of the P-Notes. Further, in the event a prospective investor has investments as an FPI and as a subscriber of P-Notes, these investment restrictions shall apply on the aggregate of the FPI and P-Note investments held in the underlying company. Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020, read with the FDI Policy, issued by the Department for Promotion of Industry and Internal Trade, Government of India, investments where the entity is of a country which shares land border with India or where the beneficial owner of the Equity Shares is situated in or is a citizen of a country which shares land border with India, can only be made through the Government approval route, as prescribed in the FDI Policy and FEMA rules. These investment restrictions shall also apply to subscribers of P-Notes.

Affiliates of the BRLMs which are Eligible FPIs may purchase, to the extent permissible under law, the Equity Shares in the Issue, and may issue P-Notes in respect thereof. Any P-Notes that may be issued are not securities of our Company and do not constitute any obligation of, claims on or interests in our Company. Our Company has not participated in any offer of any P-Notes, or in the establishment of the terms of any P-Notes, or in the preparation of any disclosure related to any P-Notes. Any P-Notes that may be offered are issued by and are the sole obligations of third parties that are unrelated to our Company. Our Company, and the BRLMs do not make any recommendation as to any investment in P-Notes and do not accept any responsibility whatsoever in connection with any P-Notes. Any P-Notes that may be issued are not securities of the BRLMs and does not constitute any obligations of or claims on the BRLMs.

Investors interested in purchasing any P-Notes have the responsibility to obtain adequate disclosures as to the issuer(s) of such P-Notes and the terms and conditions of any such P-Notes from the issuer(s) of such P- Notes. Neither SEBI nor any other regulatory authority has reviewed or approved any P-Notes, or any disclosure related thereto. Investors are urged to consult their own financial, legal, accounting and tax advisors regarding any contemplated investment in P-Notes, including whether P-Notes are issued in compliance with applicable laws and regulations.

Please also see "*Selling Restrictions*" and "*Transfer Restrictions and Purchaser Representations*" on pages 203 and 211, respectively.

DISCLAIMER CLAUSE OF THE STOCK EXCHANGES

As required, a copy of the Preliminary Placement Document and this Placement Document have been submitted to each of the Stock Exchanges. The Stock Exchanges do not in any manner:

(a) warrant, certify or endorse the correctness or completeness of the contents of the Preliminary Placement Document or this Placement Document;

(b) warrant that the Equity Shares to be issued pursuant to the Issue will be listed or will continue to be listed on the Stock Exchanges; or

(c) take any responsibility for the financial or other soundness of our Company, its Promoters, its management or any scheme or project of our Company,

and it should not for any reason be deemed or construed to mean that the Preliminary Placement Document and this Placement Document have been cleared or approved by the Stock Exchanges. Every person who desires to apply for or otherwise acquire any Equity Shares may do so pursuant to an independent inquiry, investigation and analysis and shall not have any claim against the Stock Exchanges whatsoever, by reason of any loss which may be suffered by such person consequent to or in connection with, such subscription/ acquisition, whether by reason of anything stated or omitted to be stated herein, or for any other reason whatsoever.

PRESENTATION OF FINANCIAL AND OTHER FINANCIAL INFORMATION

Certain Conventions

In this Placement Document, unless otherwise specified or the context otherwise indicates or implies, references to "you", "your", "offeree", "purchaser", "subscriber", "recipient", " investors", and "potential investor" are to the Eligible QIBs and references to the "Issuer", "Kaynes", "the Company", "our Company" refers to Kaynes Technology India Limited and references to "we", "us", or "our" are to our Company together with its Subsidiaries on a consolidated basis.

Unless otherwise specified or the context otherwise requires, all references in this Placement Document to (i) the 'US' or 'U.S.' or the 'United States' or the 'U.S.A' are to the United States of America and its territories and possessions; (ii) 'India' are to the Republic of India and its territories and possessions; and (iii) the 'Government' or 'GoI' or the 'Central Government' or the 'State Government' are to the Government of India, Central or State, as applicable.

In this Placement Document, references to 'INR', '₹', 'Rs.', 'Indian Rupees' and 'Rupees' are to the legal currency of India and references to 'USD', 'U.S. Dollars' and 'US$' are to the legal currency of the United States.

References to the singular also refer to the plural and one gender also refers to any other gender, wherever applicable. In this Placement Document, references to "lakh" represents "100,000", "million" represents "1,000,000", "crore" represents "10,000,000", and "billion" represents "1,000,000,000".

Page Numbers

Unless otherwise stated, all references to page numbers in this Placement Document are to page numbers of this Placement Document.

Financial and Other Information

The financial year of our Company commences on April 1 of each calendar year and ends on March 31 of the following calendar year, and, unless otherwise specified or if the context requires otherwise. The terms "Fiscal", "Financial Year", "Fiscals" or "Fiscal Year", refer to the 12-month period ending March 31 of that particular year (as the case may be).

As required under the applicable regulations, and for the convenience of prospective investors, we have included in this Placement Document, the audited consolidated financial statements of our Company as at and for the years ended March 31, 2025, March 31, 2024 and March 31, 2023, comprising of the consolidated balance sheet as at March 31, 2025, March 31, 2024 and March 31, 2023, the consolidated statement of profit and loss including other comprehensive income, the consolidated cash flow statement and the consolidated statement of changes in equity for the years ended March 31, 2025, March 31, 2024 and March 31, 2023 and notes to such consolidated financial statements, including a summary of significant accounting policies and other explanatory information, prepared by the management in accordance with Ind AS and as prescribed under section 133 of the Companies Act read with the Companies (Indian Accounting Standards) rules 2015, as amended, and other accounting principles generally accepted in India (Collectively, "**Audited Consolidated Financial Statements**").

Our Company prepares its financial statements in accordance with Ind AS, Companies Act, and other applicable statutory and/or regulatory requirements. Our Company publishes its financial statements in Indian Rupees. Ind AS differs from accounting principles with which prospective investors may be familiar in other countries, including IFRS and US GAAP and the reconciliation of the financial information to other accounting principles has not been provided. No attempt has been made to explain those differences or quantify their impact on the financial data included in this Placement Document and investors should consult their own advisors regarding such differences and their impact on our Company's financial data. The degree to which the financial information included in this Placement Document will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting policies and practices, Ind AS, the Companies Act and the SEBI ICDR Regulations. Any reliance by persons not familiar with Ind AS, the Companies Act, the SEBI ICDR Regulations and practices on the financial disclosures presented in this Placement Document should accordingly be limited.

Our Audited Consolidated Financial Statements are prepared in millions and have been presented in this Placement Document in millions and have been rounded off or expressed in two decimals. Certain figures contained in this Placement Document, including financial information, have been subject to rounding adjustments. Any discrepancies in any table between the totals and the sum of the amounts listed are due to rounding off. In certain instances, (i) the sum or percentage change of such numbers may not conform exactly to the total figure given, and (ii) the sum of the figures in a column or row in certain tables may not conform exactly to the total figure given for that column or row. Unless otherwise specified, all financial numbers in parenthesis represent negative figures.

Non-GAAP financial measures

Certain non-GAAP financial measures and certain other statistical information relating to our operations and financial performance such as Gross Margins, EBITDA, EBITDA Margin, Return on Equity, Return on Capital Employed, Net Worth, Asset Turnover Ratio, Net Working Capital Days, Debt to Equity Ratio, Net Debt to Equity Ratio and Inventory Turnover Ratio have been included in this Placement Document. These may not be computed on the basis of any standard methodology that is applicable across the industry and therefore may not be comparable to financial measures and statistical information of similar nomenclature that may be computed and presented by other companies and are not measures of operating performance or liquidity defined by Ind AS and may not be comparable to similarly titled measures presented by other companies.

These non-GAAP financial measures are not a measurement of our financial performance or liquidity under Ind AS, Indian GAAP, IFRS or US GAAP and should not be considered in isolation or construed as an alternative to cash flows, profit/ (loss) for the years/ period or any other measure of financial performance or as an indicator of our operating performance, liquidity, profitability or cash flows generated by operating, investing or financing activities and are not required by or presented in accordance with Indian GAAP or Ind AS. We compute and disclose such non-GAAP financial measures and such other statistical information relating to our operations and financial performance as we consider such information to be useful measures of our business and financial performance, and because such measures are frequently used by securities analysts, investors and others to evaluate the operational performance of financial services businesses, many of which provide such non-GAAP financial measures and other statistical and operational information when reporting their financial results. The presentation of these non-GAAP financial measures is not intended to be considered in isolation or as a substitute for the financial statements included in this Placement Document. Prospective investors should read this information in conjunction with the financial statements included in "*Financial Information*" on page 232.

INDUSTRY AND MARKET DATA

Information regarding market position, growth rates, other industry data and certain industry forecasts pertaining to our business contained in this Placement Document consists of estimates based on data reports compiled by government bodies, data from other external sources and knowledge of the markets in which we compete. Unless stated otherwise, the statistical information included in this Placement Document relating to the industry in which we operate has been reproduced from various trade, industry and government publications and websites more particularly described in the section titled "*Industry Overview*" on page 120.

The industry, market and economic data included in this Placement Document has been derived from the report titled "Industry Research Report on ESDM and OSAT" dated June, 2025 by CARE Analytics and Advisory Private Limited (CareEdge Research) (the "**CARE Report**"). Our Company has commissioned and paid for the CARE Report pursuant to the engagement letter dated June 10, 2025. CareEdge Research does not have any direct / indirect interest in or relationship with the Company, its Promoters, its Directors, its management, or Subsidiaries.

This data in the CARE Report is subject to change and cannot be verified with certainty due to limits on the availability and reliability of the raw data and other limitations and uncertainties inherent in any statistical survey. In many cases, there is no readily available external information (whether from trade or industry associations, government bodies or other organizations) to validate market-related analysis and estimates, so we have relied on internally developed estimates. Similarly, while we believe its internal estimates to be reasonable, such estimates have not been verified by any independent sources and neither we nor the BRLMs can assure Bidders as to their accuracy.

The extent to which the market and industry data used in this Placement Document is meaningful depends on the reader's familiarity with and understanding of the methodologies used in compiling such data. There are no standard data gathering methodologies in the industry in which we conduct our business, and methodologies and assumptions may vary widely among different industry sources. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in the section titled "*Risk Factors – Certain sections of this Placement Document disclose information from the CARE Report which is a paid report and commissioned and paid for by us exclusively in connection with the Issue and any reliance on such information for making an investment decision in the Issue is subject to inherent risks*" on page 62.

Disclaimer of the CARE Report

"This report is prepared by CARE Analytics and Advisory Private Limited (CareEdge Research). CareEdge Research has taken utmost care to ensure veracity and adequacy of the information while developing this report based on information available in CareEdge Research's proprietary database, and other sources including the information in public domain, considered by CareEdge Research as reliable after exercise of reasonable care and diligence. The views and opinions expressed herein do not constitute the opinion of CareEdge Research to buy or invest in this industry, sector or companies operating in this sector or industry and is also not a recommendation to enter into any transaction in this industry or sector in any manner whatsoever.

This report has to be seen in its entirety; the selective review of portions of the report may lead to inaccurate assessments. All forecasts in this report are based on assumptions considered to be reasonable by CareEdge Research at the time of issuance of this report; however, the actual outcome may be materially affected by changes in the industry and economic circumstances, which could be different from the projections.

Nothing contained in this report is capable or intended to create any legally binding obligations on the sender or CareEdge Research. The subscriber/user assumes the entire risk of any use made of this report or data herein. This report is for the information of the authorized recipient in India only and any reproduction of the report or part of it would require explicit written prior approval of CareEdge Research. CareEdge Research shall reveal the report to the extent necessary and called for by appropriate regulatory agencies, viz., SEBI, RBI, Government authorities, etc., if it is required to do so. By accepting a copy of this report, the recipient accepts the terms of this Disclaimer, which forms an integral part of this report."

FORWARD-LOOKING STATEMENTS

Certain statements contained in this Placement Document that are not statements of historical fact constitute "forward-looking statements". Investors can generally identify forward-looking statements by terminology such as "aim", "anticipate", "believe", "continue", "can", "could", "estimate", "expect", "expected to", "intend", "is/are likely", "may", "objective", "plan", "potential", "project", "pursue", "shall", "should", "will", "will continue", "would", "will likely result", or any other words or phrases of similar import. Similarly, statements that describe our strategies, objectives, plans or goals are also forward-looking statements. However, these are not the exclusive means of identifying forward-looking statements.

These forward-looking statements appear in a number of places throughout this Placement Document and include statements regarding the intentions, beliefs or current expectations of our Company concerning, among other things, the expected results of operations, financial condition, liquidity, prospects, growth, strategies and dividend policy of our Company and the industry in which we operate. The forward-looking statements also include statements as to our Company's planned projects, revenue and profitability (including, without limitation, any financial or operating projections or forecasts), new business and other matters discussed in this Placement Document that are not historical facts.

These forward-looking statements contained in this Placement Document (whether made by us or any third party), are predictions and involve known and unknown risks, uncertainties, assumptions and other factors that may cause the actual results, performance or achievements of our Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements or other projections. In addition, even if the result of operations, financial conditions, liquidity and dividend policy of our Company, and the development of the industry in which we operate, are consistent with the forward-looking statements contained in this Placement Document, those results or developments may not be indicative of results or developments in subsequent periods.

Important factors that could cause the actual results, performances and achievements of our Company to be materially different from any of the forward-looking statements include, among others:

- Loss of our top customers or a reduction in demand for their products due to lack of firm commitments with our customers;
- Increasing competition in the electronics system design and manufacturing industry may create pressures of pricing and market share;
- Any slowdown, shutdown or disruption in our manufacturing facilities caused by natural and other disasters may cause unforeseen damages;
- Inability to manage our business and growth strategy; and
- Acquisitions, investments, joint ventures or other strategic alliances, could have a material adverse effect on our ability to manage our business, and such undertakings may be unsuccessful.

Additional factors that could cause actual results, performance or achievements of our Company to differ materially include, but are not limited to, those discussed under the sections titled *"Risk Factors", "Industry Overview", "Our Business" and "Management's Discussion and Analysis of Financial Condition and Results of Operations"* on pages 45, 120, 143 and 92, respectively.

By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, any future gains, losses or impact on net income and net income could materially differ from those that have been estimated, expressed or implied by such forward-looking statements or other projections. The forward-looking statements contained in this Placement Document are based on the beliefs of the management, as well as the assumptions made by, and information currently available to, the management of our Company. Although we believe that the expectations reflected in such forward-looking statements are reasonable at this time, we cannot assure investors that such expectations will prove to be correct. Given these uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements. In any event, these statements speak only as on the date of this Placement Document or the respective dates indicated in this Placement Document, and neither we, nor the BRLMs or any of their respective affiliates undertake any obligation to update or revise any of them, whether as a result of new information, future events or otherwise. If any of these risks and uncertainties materialize, or if any of our Company's underlying assumptions prove to be incorrect, the actual results of operations or financial condition of our Company could differ materially from that described herein as anticipated, believed, estimated or expected. All subsequent forward-looking statements attributable to us are expressly qualified in their entirety by reference to these cautionary statements.

ENFORCEMENT OF CIVIL LIABILITIES

Our Company is a public limited liability company incorporated under the laws of India. Except Heinz Franz Moitzi, who is an Independent Director, all our Directors and our Key Managerial Personnel and Senior Management are residents of India and a substantial portion of the assets of our Company and such persons are located in India. As a result, it may be difficult or may not be possible for investors outside India to effect service of process upon our Company or such persons in India, or to enforce judgments obtained against such parties outside India predicated upon civil liabilities of our Company or such directors and executive officers under laws other than Indian laws, including judgments predicated upon the civil liability provisions of the federal securities laws of the United States.

India is not a party to any multilateral international treaty in relation to the recognition or enforcement of foreign judgments. However, recognition and enforcement of foreign judgments is provided for under Section 13 and Section 44A of the Code of Civil Procedure, 1908, as amended (the "Civil Procedure Code"), on a statutory basis. Section 13 of the Civil Procedure Code provides that a foreign judgment shall be conclusive regarding any matter directly adjudicated upon between the same parties or parties litigating under the same title, except: (i) where the judgment has not been pronounced by a court of competent jurisdiction; (ii) where the judgment has not been given on the merits of the case; (iii) where it appears on the face of the proceedings that the judgment is founded on an incorrect view of international law or a refusal to recognise the law of India in cases in which such law is applicable; (iv) where the proceedings in which the judgment was obtained were opposed to natural justice; (v) where the judgment has been obtained by fraud; or (vi) where the judgment sustains a claim founded on a breach of any law then in force in India. Section 44A of the Civil Procedure Code provides that a foreign judgment rendered by a superior court (within the meaning of that section) in any jurisdiction outside India which the Government has by notification declared to be a reciprocating territory, may be enforced in India by proceedings in execution as if the judgment had been rendered by a competent court in India. Under Section 14 of the Civil Procedure Code, a court in India will, upon the production of any document purporting to be a certified copy of a foreign judgment, presume that the foreign judgment was pronounced by a court of competent jurisdiction, unless the contrary appears on record but such presumption may be displaced by proving want of jurisdiction. However, Section 44A of the Civil Procedure Code is applicable only to monetary decrees not being in the nature of any amounts payable in respect of taxes or other charges of a like nature or in respect of a fine or other penalties and does not include arbitration awards.

Among other jurisdictions, the United Kingdom of Great Britain and Northern Ireland, Republic of Singapore, United Arab Emirates and Hong Kong have been declared by the Government to be reciprocating territories for the purposes of Section 44A of the Civil Procedure Code, but the United States of America has not been so declared. A judgment of a court in a jurisdiction which is not a reciprocating territory may be enforced only by a fresh suit upon the judgment and not by proceedings in execution. The suit must be brought in India within three years from the date of the foreign judgment in the same manner as any other suit filed to enforce a civil liability in India.

It is unlikely that a court in India would award damages on the same basis as a foreign court if an action were brought in India. Furthermore, it is unlikely that an Indian court would enforce foreign judgments if it viewed the amount of damages awarded as excessive or inconsistent with public policy of India. Further, any judgment or award in a foreign currency would be converted into Rupees on the date of such judgment or award and not on the date of payment. A party seeking to enforce a foreign judgment in India is required to obtain approval from the RBI to repatriate outside India any amount recovered, and any such amount may be subject to income tax in accordance with applicable laws. We cannot assure that such approval will be forthcoming within a reasonable period of time, or at all, or that conditions of such approvals would be acceptable. Our Company and the BRLMs cannot predict whether a suit brought in an Indian court will be disposed of in a timely manner or be subject to considerable delays.

EXCHANGE RATE INFORMATION

Fluctuations in the exchange rate between the Rupee and foreign currencies will affect the foreign currency equivalent of the Rupee price of the Equity Shares traded on the Stock Exchanges. These fluctuations will also affect the conversion into foreign currencies of any cash dividends paid in Rupees on the Equity Shares.

The following table sets forth information, for or as of the end of the period indicated with respect to the exchange rates between the Rupee and the U.S. dollar (in ₹ per US$), the Pound (in ₹ per GBP) and the Euro (in ₹ per EUR) for the periods indicated. The exchange rates are based on the reference rates released by the RBI and Financial Benchmark India Private Limited ("FBIL"), which are available on the websites of RBI and FBIL. No representation is made that any Rupee amounts could have been, or could be, converted into U.S. dollars at any particular rate, the rates stated below, or at all.

1. US$ (1 US$ = ₹)

	Period end (^)	Average (1)	High (2)	Low (3)
Financial Year:				
2025	85.5814	84.5698	87.5858	83.0659
2024	83.3739	82.7921	83.3950	81.6526
2023	82.2169	80.5136	83.2042	76.0887
Month ended:				
May 31, 2025	85.4778	85.1897	85.6873	83.8568
April 30, 2025	85.0535	85.5612	86.6171	85.0535
March 31, 2025	85.5814	86.6377	87.3786	85.5814
February 28, 2025	87.4006	87.0548	87.5858	86.6466
January 31, 2025	86.6414	86.2657	86.6414	85.7090
December 31, 2024	85.6232	84.9862	85.6232	84.6578

(Source: www.rbi.org.in and www.fbil.org.in, as applicable)
(^)The price for the period end refers to the price as on the last trading day of the respective fiscal year or quarterly or monthly periods.
(1)Average of the official rate for each Working Day of the relevant period.
(2)Maximum of the official rate for each Working Day of the relevant period.
(3)Minimum of the official rate for each Working Day of the relevant period.

2. GBP (1 GBP £ = ₹)

	Period end (^)	Average (1)	High (2)	Low (3)
Financial Year:				
2025	110.7389	107.8887	112.8141	102.8772
2024	105.2935	104.0726	107.6380	100.3919
2023	101.8728	96.7717	102.2306	86.6153
Month ended:				
May 31, 2025	115.1420	113.9189	115.7410	111.6134
April 30, 2025	113.8770	112.6950	114.2874	109.8672
March 31, 2025	110.7389	111.7308	112.8141	110.0690
February 28, 2025	109.9762	108.9841	110.4138	107.0490
January 31, 2025	107.6202	106.6133	107.8493	105.0472
December 31, 2024	107.4645	107.4811	108.3712	106.2908

(Source: www.rbi.org.in and www.fbil.org.in, as applicable)
(^)The price for the period end refers to the price as on the last trading day of the respective fiscal year or quarterly or monthly periods.
(1)Average of the official rate for each Working Day of the relevant period.
(2)Maximum of the official rate for each Working Day of the relevant period.
(3)Minimum of the official rate for each Working Day of the relevant period.

3. EUR (1 EUR € = ₹)

	Period end (^)	Average (1)	High (2)	Low (3)
Financial Year:				
2025	88.4809	90.7613	95.1355	88.1056
2024	92.3246	89.8037	92.4523	87.0680
2023	90.2178	83.7555	90.2555	78.3444
Month ended:				
May 31, 2025	96.9375	96.1497	97.1306	94.2962

	Period end (^)	Average (1)	High (2)	Low (3)
April 30, 2025	96.7370	96.2296	98.0268	92.3901
March 31, 2025	92.3246	93.5058	95.1355	90.9498
February 28, 2025	90.7807	90.5784	91.3126	89.2674
January 31, 2025	90.0094	89.2996	90.4031	88.1056
December 31, 2024	89.0852	89.0267	89.6552	88.1705

(Source: www.rbi.org.in and www.fbil.org.in, as applicable)
(^)The price for the period end refers to the price as on the last trading day of the respective fiscal year or quarterly or monthly periods.
(1)Average of the official rate for each Working Day of the relevant period.
(2)Maximum of the official rate for each Working Day of the relevant period.
(3)Minimum of the official rate for each Working Day of the relevant period.

4. JPY (1 EUR ¥ = ₹)

	Period end (^)	Average (1)	High (2)	Low (3)
Financial Year:				
2025	56.7500	55.5164	59.8800	51.6200
2024	55.0900	57.3570	62.4900	54.8300
2023	61.8000	59.3642	63.9400	55.0900
Month ended:				
May 31, 2025	59.3600	58.9195	59.8200	57.4000
April 30, 2025	59.6200	59.4517	60.6600	57.0900
March 31, 2025	56.7500	58.0763	59.3000	56.7500
February 28, 2025	58.3000	57.3050	58.3900	56.0500
January 31, 2025	55.9600	55.0909	55.9900	54.2300
December 31, 2024	54.8200	55.3590	56.5800	54.1000

(Source: www.rbi.org.in and www.fbil.org.in, as applicable)
(^)The price for the period end refers to the price as on the last trading day of the respective fiscal year or quarterly or monthly periods.
(1)Average of the official rate for each Working Day of the relevant period.
(2)Maximum of the official rate for each Working Day of the relevant period.
(3)Minimum of the official rate for each Working Day of the relevant period.

Note: If the exchange rate is not available on a particular date due to a public holiday, exchange rates of the previous working day have been disclosed.

DEFINITIONS AND ABBREVIATIONS

This Placement Document uses the definitions and abbreviations set forth below, which you should consider when reading the information contained herein.

The following list of certain capitalised terms used in this Placement Document is intended for the convenience of the reader/ prospective investor only and is not exhaustive.

Unless otherwise specified, the capitalised terms used in this Placement Document shall have the meaning as defined hereunder. Further any references to any agreement, document, statute, rules, guidelines, regulations or policies shall include amendments made thereto, from time to time.

The words and expressions used in this Placement Document but not defined herein, shall have, to the extent applicable, the meaning ascribed to such terms under the Companies Act, the SEBI ICDR Regulations, the SCRA, the Depositories Act or the rules and regulations framed thereunder. Notwithstanding the foregoing, terms used in the sections titled "Taxation", "Industry Overview", "Financial Information" and "Legal Proceedings" on pages 220, 120, 232 and 227, respectively, shall have the meaning given to such terms in such sections.

General Terms

Term	Description
"Our Company", "the Company", "the Issuer", "Kaynes" or "KTIL"	Kaynes Technology India Limited, a public limited company incorporated under the provisions of the Companies Act, 1956 and having its registered office at 23-25, Belagola, Food Industrial Estate, Metagalli P.O., Mysuru – 570 016, Karnataka, India
"We", "Our", or "Us"	Unless the context otherwise indicates or implies, refers to our Company along with its Subsidiaries, on a consolidated basis

Company Related Terms

Term	Description
Articles or Articles of Association	The Articles of Association of our Company, as amended from time to time
Audit Committee	The Audit Committee of our Board, as disclosed in "*Board of Directors and Senior Management – Committees of our Board of Directors*" on page 180.
Audited Consolidated Financial Statements	The audited consolidated financial statements of our Company as at and for the years ended March 31, 2025, March 31, 2024 and March 31, 2023, comprising of the consolidated balance sheet as at March 31, 2025, March 31, 2024 and March 31, 2023, the consolidated statement of profit and loss including other comprehensive income, the consolidated cash flow statement and the consolidated statement of changes in equity for the years ended March 31, 2025, March 31, 2024 and March 31, 2023 and notes to such consolidated financial statements, including a summary of significant accounting policies and other explanatory information, prepared by the management in accordance with Ind AS and as prescribed under section 133 of the Companies Act read with the Companies (Indian Accounting Standards) rules 2015, as amended, and other accounting principles generally accepted in India
Auditors or Statutory Auditors	The current statutory auditors of our Company namely, K. P. Rao & Co, Chartered Accountants
Board of Directors or Board	The board of directors of our Company, including any duly constituted committee thereof, as disclosed in "*Board of Directors and Senior Management*" on page 174
CareEdge Research	CARE Analytics and Advisory Private Limited
CCPS	Compulsory convertible preference shares
CCPS Series A	Fully paid-up compulsorily convertible preference shares of our Company of face value of ₹10 each, allotted to Freny Firoze Irani on December 27, 2021
CCPS Series B	Fully paid-up compulsorily convertible preference shares of our Company of face value of ₹10 each, allotted by our Company to Ganesh Cherapuram Balasubramanian and Freny Firoze Irani on October 22, 2021 and November 1, 2021, respectively
CCPS Series C	Fully paid-up compulsorily convertible preference shares of our Company of face value of ₹10 each, allotted by our Company to Bharadwaj Turlapati on December 25, 2021

Term	Description
Chairperson and Whole-Time Director/ Chairperson	The Chairperson and whole-time director of our Company being Savitha Ramesh
Chief Executive Officer	The chief executive officer of our Company being Rajesh Sharma
Company Secretary and Compliance/ Company Secretary/ Compliance Officer	The company secretary and compliance officer of our Company being Anuj Mehtha
Corporate Social Responsibility Committee	The Corporate Social Responsibility Committee of our Board, as disclosed in "Board of Directors and Senior Management – Committees of our Board of Directors" on page 180
Director(s)	The directors on the Board of our Company, as may be appointed from time to time
Equity Shares	The equity shares of face value of ₹10 each of our Company
ESOP Scheme 2022	The employee stock option plan of our Company titled "*Kaynes ESOP 2022*"
ESOP Scheme 2023	The employee stock option plan of our Company titled "*Kaynes ESOP 2023*"
Fund Raising Committee	The Fund Raising Committee constituted by our Board, on November 18, 2023
Independent Director(s)	Independent directors of our Company, unless otherwise specified
Key Managerial Personnel	The key managerial personnel of our Company in accordance with Regulation 2(1)(bb) of the SEBI ICDR Regulations and Section 2(51) of the Companies Act, 2013 and as disclosed in "Board of Directors and Senior Management – Key Managerial Personnel" on page 179
Managing Director	The managing director of our Company being Ramesh Kunhikannan
Memorandum or Memorandum of Association	The Memorandum of Association of our Company, as amended from time to time
Nomination and Remuneration Committee	The Nomination and Remuneration Committee of the Board of our Company as disclosed in "Board of Directors and Senior Management – Committees of our Board of Directors" on page 180
Preference Shares/ CCPS	The preference shares of face value of ₹10 each of our Company
Promoter Group	The individuals and entities forming part of the promoter group of our Company in accordance with Regulation 2(1)(pp) of the SEBI ICDR Regulations
Promoters	The promoters of our Company, namely Ramesh Kunhikannan, Savitha Ramesh and RK Family Trust
Registered and Corporate Office	The registered and corporate office of our Company located at 23-25, Belagola, Food Industrial Estate, Metagalli P.O., Mysuru – 570 016, Karnataka, India
Risk Management Committee	The Risk Management Committee constituted by our Board as disclosed in "*Board of Directors and Senior Management – Committees of our Board of Directors*" on page 180
Senior Management	The members of the senior management of our Company in accordance with Regulation 2 (1) (bbbb) of the SEBI ICDR Regulations as disclosed in the section titled "*Board of Directors and Senior Management – Members of Senior Management*" on page 179
Shareholders	Shareholders of our Company from time to time
Stakeholders Relationship Committee	The Stakeholders Relationship Committee of our Board as disclosed in the section titled "*Board of Directors and Senior Management – Committees of our Board of Directors*" on page 180
Subsidiaries	The subsidiaries of our Company in accordance with the Companies Act, 2013 as on the date of this Placement Document, namely: *Domestic Subsidiaries (including step-down subsidiary)* ▪ Kaynes International Design & Manufacturing Private Limited ▪ Kemsys Technologies Private Limited ▪ Kaynes Electronics Manufacturing Private Limited ▪ Kaynes Embedded Systems Private Limited ▪ Kaynes Semicon Private Limited ▪ Kaynes Circuits India Private Limited ▪ Kaynes Mechatronics Private Limited ▪ Iskraemeco India Private Limited ▪ Sensonic IN India Private Limited *Foreign Subsidiaries (including step-down subsidiaries)*

Term	Description
	▪ Kaynes Technology Europe GmbH ▪ Digicom Electronics Inc ▪ Essnkay Electronics LLC ▪ Kaynes Holding Pte Limited ▪ Sensonic GmbH ▪ Sensonic - UK Limited ▪ Sensonic USA Inc ▪ Kaynes Canada Limited The term "Subsidiary/Subsidiaries" shall be construed accordingly.
Whole-time Director	The whole-time director(s) of our Company, namely, Ramesh Kunhikannan, Savitha Ramesh and Jairam Paravastu Sampath
Whole-time Director and Chief Financial Officer/ Chief Financial Officer	The whole-time director and chief financial officer of our Company being Jairam Paravastu Sampath

Issue Related Terms

Term	Description
Allocated or Allocation	The allocation of Equity Shares, by our Company in consultation with the BRLMs, following the determination of the Issue Price to Eligible QIBs on the basis of the Application Forms submitted by them and in compliance with Chapter VI of the SEBI ICDR Regulations
Allot/ Allotment/ Allotted	Allotment and issue of Equity Shares pursuant to the Issue
Allottees	Eligible QIBs to whom Equity Shares are issued pursuant to the Issue
Application Amount	The aggregate amount paid by a Bidder at the time of submitting a Bid in the Issue
Application Form	Form (including any revisions thereof) which was submitted by the Eligible QIBs for registering a Bid in the Issue
Bid Amount	The amount determined by multiplying the price per Equity Share indicated in the Bid by the number of Equity Shares Bid for by a Bidder and payable by the Bidder in the Issue at the time of submission of the Application Form
Bid(s)	Indication of an Eligible QIB's interest, including all revisions and modifications of interest, as provided in the Application Form, to subscribe for the Equity Shares pursuant to the Issue. The term "Bidding" shall be construed accordingly
Bidder	Any prospective investor, being an Eligible QIB, who has made a Bid pursuant to the terms of the Preliminary Placement Document and the Application Form
Book Running Lead Managers or BRLMs	Motilal Oswal Investment Advisors Limited, Axis Capital Limited and Nomura Financial Advisory and Securities (India) Private Limited.
CAN/ Confirmation of Allocation Note	Note, advice or intimation confirming Allocation of Equity Shares to such Successful Bidders after determination of the Issue Price
Closing Date	The date on which Allotment of Equity Shares pursuant to the Issue shall be made, i.e., on or about June 24, 2025
Designated Date	The date on which the Equity Shares issued pursuant to the Issue, are listed on the Stock Exchanges pursuant to receipt of the final listing and trading approvals for the Equity Shares from the Stock Exchanges or the date on which Form PAS-3 is filed by our Company with the RoC, whichever is later
Eligible FPIs	FPIs that are eligible to participate in this Issue in terms of applicable laws, other than individuals, corporate bodies and family offices
Eligible QIBs	QIBs, as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations that were eligible to participate in the Issue and which were not excluded pursuant to Regulation 179(2)(b) of the SEBI ICDR Regulations and are not restricted from participating in the Issue under the applicable laws. Further, FVCIs are not permitted to participate in the Issue and accordingly, are not Eligible QIBs. For further details, see *"Issue Procedure", "Selling Restrictions" and "Transfer Restrictions and Purchaser Representations"* on pages 189,203 and 211, respectively.
Escrow Account	Special non-interest bearing, no-lien, current bank account without any cheques or overdraft facilities, to be opened in the name and style "KAYNES TECHNOLOGY INDIA LTD – QIP ESCROW A/C" with the Escrow Bank, subject to the terms of the Escrow Agreement into which the Application Amount

Term	Description
	in connection with the subscription to the Equity Shares pursuant to the Issue shall be deposited by the Bidders
Escrow Agreement	Agreement dated June 19, 2025, entered into by and amongst our Company, the Escrow Bank and the Book Running Lead Managers for collection of the Application Amounts and remitting refunds, if any, of the amounts collected, to the Bidders
Escrow Bank	Axis Bank Limited
Floor Price	Floor price of ₹5,625.75 for each Equity Share, calculated in accordance with Chapter VI of the SEBI ICDR Regulations. Our Company has offered a discount on the Floor Price in accordance with the approval of our Board dated January 22, 2025 and the Shareholders dated February 14, 2025 and in terms of Regulation 176(1) of the SEBI ICDR Regulations.
Gross Proceeds	The gross proceeds of the Issue that will be available to our Company
Issue	Offer and issuance of the Equity Shares to Eligible QIBs, pursuant to Chapter VI of the SEBI ICDR Regulations and the applicable provisions of the Companies Act, 2013 and the rules made thereunder
Issue Closing Date	June 24, 2025,the date after which our Company (or Book Running Lead Managers on behalf of our Company) ceased acceptance of Application Forms and the Application Amount
Issue Opening Date	June 19, 2025, the date on which our Company (or the Book Running Lead Managers on behalf of our Company) commenced acceptance of the Application Forms and the Application Amount
Issue Period	Period between the Issue Opening Date and the Issue Closing Date, inclusive of both days during which Eligible QIBs could submit their Bids along with the Application Amount
Issue Price	A price per Equity Share of ₹ 5,569.50
Issue Size	Aggregate size of the Issue, being ₹15,999.99 million
Monitoring Agency	Crisil Ratings Limited, being a credit rating agency registered with SEBI, appointed by our Company in accordance with the provisions of the SEBI ICDR Regulations
Monitoring Agency Agreement	Monitoring agency agreement dated June 19, 2025 entered into between our Company and the Monitoring Agency
Mutual Fund	A mutual fund registered with the SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
Net Proceeds	The net proceeds from the Issue, after deducting fees, commissions and expenses of the Issue
Placement Agreement	Placement agreement dated June 19, 2025, by and among our Company and the Book Running Lead Managers
Placement Document	This placement document dated June 24, 2025, issued in accordance with Chapter VI of the SEBI ICDR Regulations and the provisions of the Companies Act, 2013 and the rules prescribed thereunder
Preliminary Placement Document	The Preliminary Placement Document along with the Application Form dated June 19, 2025 issued in accordance with Chapter VI of the SEBI ICDR Regulations and the provisions of the Companies Act, 2013 and the rules prescribed thereunder
QIBs or Qualified Institutional Buyers	Qualified institutional buyers, as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations
QIP	Qualified institutions placement under Chapter VI of the SEBI ICDR Regulations and applicable provisions of the Companies Act, 2013 read with applicable rules
Refund Amount	The aggregate amount to be returned to the Bidders who have not been Allocated Equity Shares for all, or part, of the Application Amount submitted by such Bidder pursuant to the Issue
Refund Intimation	The intimation from our Company to relevant Bidders confirming refund of the Refund Amount to their respective bank accounts
Regulation D	Regulation D under the U.S. Securities Act
Regulation S	Regulation S under the U.S. Securities Act
Relevant Date	June 19, 2025, which is the date of the meeting in which our Fund Raising Committee decided to open the Issue
Securities Act / U.S. Securities Act / United States Securities Act	The United States Securities Act of 1933, as amended
Stock Exchanges	BSE and NSE

Term	Description
Successful Bidders	The Bidders who have Bid at or above the Issue Price, duly paid the Application Amount with the Application Form and who are Allocated Equity Shares pursuant to the Issue
U.S. / United States	The United States of America
Working Day	Any day other than second and fourth Saturday of the relevant month or a Sunday or a public holiday or a day on which scheduled commercial banks are authorized or obligated by law to remain closed in Mumbai, India

Business, Technical and Industry Related Terms

Term	Description
Asset Turnover Ratio	Asset Turnover Ratio is calculated as revenue from operations divided by gross block of assets.
Average Net Worth	Average Net Worth is calculated as average of Net Worth as of the first day of the relevant period and as of the last day of the relevant period.
BLDC	Brush less Direct Current
CAGR	Compound annual growth rate
Debt to Equity Ratio	Debt to Equity Ratio is calculated as total debt divided by Net Worth. Total debt is calculated as non-current borrowings plus current borrowing
DLI	Design Linked Incentive
EBIT	EBIT is calculated as profit before tax plus finance cost.
EBITDA	EBITDA is calculated as profit before tax plus depreciation and amortization expense plus finance cost less finance income and other income
EBITDA Margin	EBITDA margin is calculated as EBITDA divided by revenue from operations
ESDM	Electronics system design and manufacturing services
EV	Electric vehicle
Gross Margin	Gross margin is calculated as revenue from operations less cost of materials consumed and changes in inventories of finished goods and traded goods divided by revenue from operations.
HDI	High Density Interconnect
HPCS	High performance computing servers
ICT	In-Circuit Tester
IRIS	International Railway Industry Standard
IoT	Internet of Things
Inventory Turnover Ratio	Inventory Turnover Ratio is calculated as revenue from operations divided by average inventory
IT	Information Technology
KLD	Kilo litres per day
NADCAP	National Aerospace and Defense Contractors Accreditation Program
Net Debt to Equity Ratio	Net Debt to Equity Ratio is calculated as net debt divided by Net Worth. Net debt is calculated as non-current borrowings plus current borrowing less Cash and cash equivalents less Bank balances other than cash and cash equivalents.
Net Worth	Net Worth is the aggregate value of the paid-up share capital and all reserves created out of the profits, securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the restated balance sheet, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation, debenture redemption reserve and foreign currency translation reserve
Net Working Capital Days	Net Working Capital Days is calculated as average inventory days plus average receivable days less average payable days
ODM	Original Design Manufacturing
OEM	Original Equipment Manufacturer
OEM – Box Build	OEM – Turnkey Solutions – Box Build
OEM – Turnkey Solutions	OEM – Turnkey Solutions – Printed Circuit Board Assemblies
OSAT	Outsourced Semiconductor Assembly and Testing
PCB	Print Circuit Board
PCBA	Print Circuit Board Assemblies
PLI	Production Linked Incentive Scheme
Profit After Tax Margin	Profit After Tax Margin is calculated as profit after tax divided by revenue from operations.

Term	Description
RoCE	ROCE is calculated as EBIT divided by capital employed. EBIT is calculated as profit before tax plus finance cost. Total capital employed is calculated as tangible net worth plus non-current borrowings plus current borrowings. Tangible net worth is calculated as total assets less total non-current liabilities (except non-current lease liabilities and deferred tax liabilities), total current liabilities (except current lease liabilities), intangible assets, intangible assets under development, goodwill and right of use asset.
RoE	ROE is calculated as profit after tax less share of profit / (loss) of minority interest divided by average Net Worth.
SMT	Surface mount technology
SPECs	The Scheme of Manufacturing of Electronic Components and Semiconductors by the Ministry of Electronics and Information Technology

Conventional and General Terms/Abbreviations

Term	Description
AGM	Annual General Meeting
AS or Accounting Standards	Accounting Standards issued by the Institute of Chartered Accountants of India
BSE	BSE Limited
CAGR	Compound annual growth rate
Calendar Year	Year ending on December 31
CDSL	Central Depository Services (India) Limited
CEO	Chief Executive Officer
CESTAT	Customs, Excise and Service Tax Appellate Tribunal
CFO	Chief Financial Officer
CIN	Corporate Identification Number
Civil Procedure Code	The Code of Civil Procedure, 1908
Companies Act	The Companies Act, 2013 and applicable provisions of the Companies Act, 1956
Companies Act, 1956	The Companies Act, 1956 along with the relevant rules made thereunder
Companies Act, 2013	The Companies Act, 2013, along with the relevant rules made and clarifications issued thereunder
Consolidated FDI Policy	Consolidated Foreign Direct Investment Policy notified by the DPIIT by way of circular bearing number DPIIT file number 5(2)/2020-FDI Policy dated October 15, 2020 effective from October 15, 2020
CrPC	The Code of Criminal Procedure, 1973
Depositories	CDSL and NSDL
Depositories Act	The Depositories Act, 1996
Depository Participant or DP	A depository participant as defined under the Depositories Act
DP ID Number	Depository participant identification number
DPIIT	Department for Promotion of Industry and Internal Trade
EGM	Extraordinary general meeting
EU	European Union
FBIL	Financial Benchmarks India Limited
FDI	Foreign Direct Investment
FEMA	The Foreign Exchange Management Act, 1999, together with rules and regulations issued thereunder
FEMA Rules	The Foreign Exchange Management (Non-debt Instruments) Rules, 2019, as amended
Financial Year or Fiscal	The period of 12 months ended March 31 of that particular year, unless otherwise stated
FIR	First information report
Form PAS-4	Form PAS-4 as prescribed under the Companies (Prospectus and Allotment of Securities) Rules, 2014
FPIs	Foreign portfolio investors as defined under the SEBI FPI Regulations and includes a person who has been registered under the SEBI FPI Regulations

Term	Description
Fugitive Economic Offender	An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018
FVCI	Foreign Venture Capital Investor, as defined under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000, registered with SEBI
GAAP	Generally Accepted Accounting Principles
GDP	Gross Domestic Product
General Meeting	AGM or EGM
GoI or Government	Government of India
GST	Goods and Services Tax
HNI	High net-worth individual
HUF	Hindu Undivided Family
I.T. Act	The Income-tax Act, 1961
ICAI	Institute of Chartered Accountants of India
IFRS	International Financial Reporting Standards
Ind AS	Indian accounting standards, as per the roadmap issued by the Ministry of Corporate Affairs, Government of India, notified by the MCA under section 133 of the Companies Act, 2013, read with Companies (Indian Accounting Standards) Rules, 2015, as amended
Indian GAAP	Indian Generally Accepted Accounting Principles (GAAP) as notified under Section 133 of the Companies Act read with Companies (Accounts) Rules, 2014
IRDAI	Insurance Regulatory and Development Authority of India
MAT	Minimum Alternate Tax
MCA	Ministry of Corporate Affairs, GoI
MoEF	Ministry of Finance, GoI
MoU	Memorandum of Understanding
Mutual Funds	Mutual funds registered under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
NEFT	National Electronic Fund Transfer
Non-Resident Indian or NRI	An individual resident outside India who is citizen of India
Non-Resident or NR	A person resident outside India, as defined under the FEMA
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
P.A. or p.a.	Per annum
PAN	Permanent Account Number allotted under the I.T. Act
PAS Rules	The Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended
PAT	Profit after tax
RBI	Reserve Bank of India
RoC or Registrar	Registrar of Companies, Karnataka at Bengaluru
SCR (SECC) Regulations	The Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporations), Regulations, 2018
SCRA	The Securities Contracts (Regulation) Act, 1956
SCRR	The Securities Contracts (Regulation) Rules, 1957
SEBI	The Securities and Exchange Board of India established under the SEBI Act
SEBI Act	The Securities and Exchange Board of India Act, 1992
SEBI FPI Regulations	The Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019
SEBI ICDR Regulations	The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended
SEBI Insider Trading Regulations	The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended
SEBI Listing Regulations	The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended
SEBI Mutual Fund Regulations	The Securities and Exchange Board of India (Mutual Funds) Regulations, 1996

Term	Description
SEBI SBEB Regulations	The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021

SUMMARY OF BUSINESS

OVERVIEW

We are an end-to-end integrated and IoT solutions enabled integrated electronics manufacturing player, having capabilities across the entire spectrum of electronics system design and manufacturing ("**ESDM**") services. We have experience in providing conceptual design, process engineering, integrated manufacturing and life-cycle support for major players in the automotive, industrial including electric vehicle ("**EV**"), aerospace, outer-space and strategic electronics, medical, railways, Internet of Things ("**IoT**"), Information Technology ("**IT**"), and IT hardware – high performance computing servers ("**HPCS**").

Our business is classified based on the stage of services that we provide to our customers. We classify our operations primarily under the following business verticals:

OEM – Turnkey Solutions – Box Build ("OEM – Box Build"): We undertake "Build To Print" or "Build to Specifications" of complex box builds, sub-systems and products across various industry verticals.

OEM – Turnkey Solutions – Printed Circuit Board Assemblies ("PCBAs") ("OEM – Turnkey Solutions"): We undertake turnkey electronics manufacturing services of PCBAs, cable harness, magnetics and plastics ranging from prototyping to product realization including mass manufacturing.

ODM and Product Design and Engineering and IoT Solutions: We offer ODM services in smart metering technology, smart street lighting, brush less DC ("**BLDC**") technology, inverter technology, gallium nitride based charging technology and providing IoT solutions for making smart consumer appliances or devices IoT connected. We also offer conceptual design and product engineering services in industrial and consumer segments. Our services include PCB cladding or electrical schematics to embedded design and submitting proof of concept to prototyping. We also offer connected product engineering and solutions.

Circuit and Semiconductors: We are in the process of setting-up our dedicated circuit and semiconductor vertical to strengthen our capabilities in advanced electronics manufacturing. This initiative focuses on high-reliability PCB assemblies and semiconductor solutions tailored for automotive, industrial, and aerospace applications.

We have a portfolio of hardware, software accelerators and proprietary sensors along with cloud platform-based service and solution offerings in asset tracking, remote device management and smart product development. Our digital engineering offerings leverage latest technologies including IoT, big data, machine learning, cloud and media to improve customers' efficiency. We also provide end-to-end IoT and cloud enablement solutions and offer IoT data and analytics platform and vertical IoT solutions.

The table below shows our revenue from operations across various business verticals for the periods indicated:

Services	Fiscal 2023		Fiscal 2024		Fiscal 2025	
	Amount (₹ million)	Percentage of Revenue from Operations (%)	Amount (₹ million)	Percentage of Revenue from Operations (%)	Amount (₹ million)	Percentage of Revenue from Operations (%)
OEM – Turnkey Solutions – Box Build	3,322.36	29.50%	7,512.92	41.63%	10,666.82	39.19%
OEM – Turnkey Solutions – Printed Circuit Board Assemblies	7,008.48	62.24%	9,871.49	54.70%	11,659.60	42.84%
ODM and Product Design and Engineering and IoT Solutions	930.31	8.26%	661.77	3.67%	4,891.10	17.97%
Total Revenue from Operations	**11,261.14**	**100.00%**	**18,046.18**	**100.00%**	**27,217.52**	**100.00%**

We operate 15 strategically located manufacturing facilities across India and United States with eight of them being operated by our Company in the states of Karnataka (three facilities, namely, Mysuru – Unit I, Bengaluru – Unit I and Unit II), Haryana (two facilities, namely, Manesar – Unit I and Unit – II), Himachal Pradesh (one facility at Parwanoo), Tamil Nadu (one facility at Chennai) and Maharashtra (one facility in Pune); six manufacturing facilities operated by our Subsidiaries in India, at Chamarajanagar, Karnataka (operated by our Subsidiary, Kaynes Electronics Manufacturing Private Limited); Mysuru, Karnataka (operated by our Subsidiary, Kaynes International Design & Manufacturing Private Limited); Hyderabad, Telangana (operated by our Subsidiary, Kaynes Electronics Manufacturing Private Limited); Bengaluru, Karnataka (operated by our Subsidiary Kaynes Mechatronics Private Limited; Mysuru, Karnataka (operated by

our Subsidiary, Iskraemeco India Private Limited); Hyderabad, Telangana (operated by our Subsidiary Iskraemeco India Private Limited) and one facility operated by our Subsidiary Digicom Electronics Inc. in Oakland, USA. We have recently completed phase-I of our new manufacturing facility at Chamarajanagar, Karnataka which commenced commercial operations on May 5, 2023. In addition, we are in the process of setting-up additional facilities for manufacturing of High Density Interconnect ("**HDI**") circuit boards and an Outsourced Semiconductor Assembly and Testing ("**OSAT**") facility at Chennai, Tamil Nadu and Sanand, Gujarat, respectively.

Our facilities are located in proximity to our customers, allowing us to service their requirements efficiently and cost-effectively. Certain of our manufacturing facilities are approved under the Electronics Hardware Technology Park Scheme of Software Technology Park of India, Bengaluru and 100% Export Oriented Unit Scheme of Madras Export Processing Zone, Chennai, Tamil Nadu that offer incentives similar to a special economic zone. As of March 31, 2025, our manufacturing infrastructure also included five design facilities at Bengaluru, Karnataka, Ahmedabad, Gujarat, Scharding, Austria, Hampshire, United Kingdom and Princeton, USA and two service centres at Navi Mumbai, Maharashtra and Kochi, Kerala. Further, with our recent acquisition of Sensonic, an Austria-based company we have added design capabilities in AI-integrated IoT-based asset tracking technologies for the railway signaling and safety segment.

We lay significant emphasis on research and development. This has enabled us to address our consumers' diverse needs, enhance existing products with emerging technologies, introduce new and innovative products in the market, enhance existing products with emerging technologies, and optimize costs across our products through value analysis and value engineering. We have a dedicated research and development facility located within our facility at Mysuru, Karnataka – Unit – I and a separate research and development facility located at Ahmedabad, Gujarat. Our research and development efforts are focused on development of new products and improvement of the quality of our existing products; and driving the design and engineering capabilities and original design manufacturing capabilities. As of March 31, 2025, our research and development team comprised 212 employees, including engineers, designers and other workers.

Over the years, we have focused on creating robust manufacturing systems and processes that comply with health and safety, as well as environmental and social and governance requirements. Our operations comply with global standards and our facilities have 13 global accreditations. We are an ISO 9001/14001/45001 BVCI certified company. Our facilities are approved by global product certification agencies including Underwriters Laboratories, Canadian Standards Association and TUV Rhineland. In addition, we have separate vertical specific certifications including EN/AS 9100 for defence and aerospace products, International Railway Industry Standard ("**IRIS**") (ISO/TS 22613) for railway signaling, IATF 16949 for automotive, and ISO:13485 for medical systems. We have also been recognized in the "Great Place to Work" by Great Place to Work, India for February 2025 – February 2026. Further, we were a manufacturing partner for soft landing of Chandrayaan-3 and launch of Aditya-L1 missions. Our recently acquired Subsidiary, Digicom Electronics Inc. is International Traffic in Arms Regulations certified.

We have long-term relationships with a large customer base diversified across verticals and geographies. In the year ended March 31, 2025, we served 533 customers in 36 countries globally and multiple industry verticals such as automotive, aerospace, outer-space and strategic electronics, industrial including EV, railways, medical, IT / ITES and HPCS. We collaborate with our customers through the entire product life-cycle and after-sales and end-of-life services including assisting with concept creation, product development, prototyping, testing and mass manufacturing. This results in customers shortening their product development and time-to-market cycles. We are well positioned to increase the number of different products that we manufacture for them, increase the volume of our shipments to them of each particular product and expand our coverage to other areas where they require similar solutions.

We are led by experienced Promoters with significant experience in the ESDM industry. Our Promoter and Managing Director, Ramesh Kunhikannan, started Kaynes Technology as a sole proprietorship in 1989. Ramesh Kunhikannan is a technocrat and has over 34 years of experience in the electronic manufacturing services industry. Savitha Ramesh, our Promoter and Whole-time Director has been associated with our Company since 1996 and is responsible for the overall implementation of process and control across our operations. Under their leadership we have been able to expand our operations and have established a significant presence in India. We also have qualified and experienced Key Managerial Personnel that has demonstrated its ability to anticipate and capitalize on changing market trends, manage and grow our operations and leverage and deepen customer relationships.

The following table sets forth certain information relating to certain key financial performance metrics on a consolidated basis as of the dates and for the periods indicated:

Particulars	**Fiscal 2023**	**Fiscal 2024**	**Fiscal 2025**
	(₹ million, except ratio and percentages)		
Revenue from Operations	11,261.14	18,046.19	27,217.52
Gross Margins[(1)]	30.73%	26.30%	30.20%
EBITDA[(2)]	1,683.18	2,541.68	4,106.99
EBITDA Margin[(3)]	14.95%	14.08%	15.09%

Particulars	Fiscal 2023	Fiscal 2024	Fiscal 2025
	(*₹ million, except ratio and percentages*)		
Profit After Tax for the Year/Period	951.96	1,832.89	2,934.33
Profit After Tax Margin[4]	8.45%	10.16%	10.78%
Return on Equity ("**ROE**") (adjusted for unutilised initial public offering and qualified institutions placement proceeds)[5]	24.94%	22.76%	19.40%
Return on Capital Employed ("**ROCE**") (adjusted for unutilised initial public offering and qualified institutions placement proceeds)[6]	24.18%	21.99%	19.17%
Net Worth[7]	9,576.65	24,848.03	28,374.23
Asset Turnover Ratio[8]	6.22	4.90	3.45
Net Working Capital Days[9]	99	83	87
Debt to Equity Ratio[10]	0.14	0.12	0.31
Net Debt to Equity Ratio (adjusted for unutilised initial public offering and qualified institutions placement proceeds)[11]	0.05	0.09	0.24
Inventory Turnover Ratio[12]	3.52	3.75	3.99

Notes:

(1) Gross margin is calculated as revenue from operations less cost of materials consumed and changes in inventories of finished goods and traded goods divided by revenue from operations.

(2) EBITDA is calculated as profit before tax plus depreciation and amortization expense plus finance cost less finance income and other income.

(3) EBITDA margin is calculated as EBITDA divided by revenue from operations.

(4) Profit After Tax Margin is calculated as profit after tax divided by revenue from operations.

(5) ROE is calculated as profit for the year less share of profit / (loss) of minority interest divided by average Net Worth. Average Net Worth is calculated as average of Net Worth as of the first day of the relevant Fiscal and as of the last day of the relevant Fiscal.

(6) ROCE (adjusted for unutilised initial public offering and qualified institutions placement proceeds) is calculated as EBIT divided by capital employed. EBIT is calculated as profit before tax plus finance cost. Total capital employed is calculated as tangible net worth plus non-current borrowings plus current borrowings. Tangible net worth is calculated as total assets less total non-current liabilities (except non-current lease liabilities and deferred tax liabilities), total current liabilities (except current lease liabilities), intangible assets, intangible assets under development, goodwill and right of use asset.

(7) Net Worth is the aggregate value of the paid-up share capital and all reserves created out of the profits, securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the restated balance sheet, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation, debenture redemption reserve and foreign currency translation reserve.

(8) Asset Turnover Ratio is calculated as revenue from operations divided by gross block of assets.

(9) Net Working Capital Days is calculated as average inventory days plus average receivable days less average payable days.

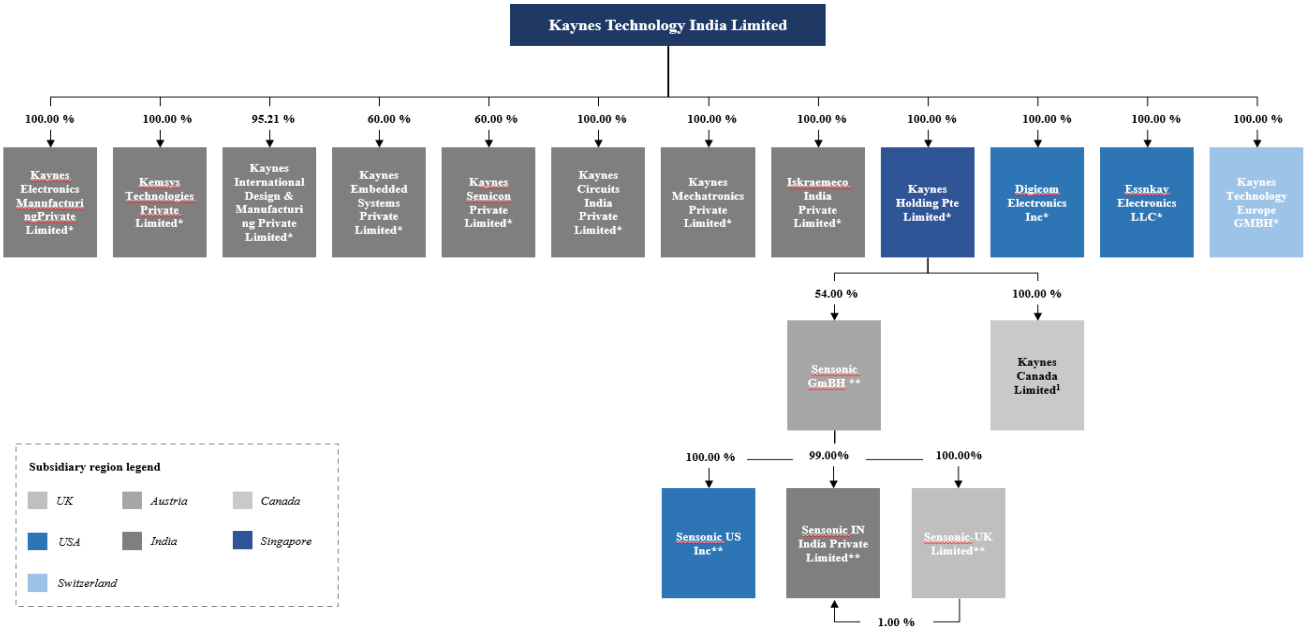
(10) Debt to Equity Ratio is calculated as total debt divided by Net Worth. Total debt is calculated as non-current borrowings plus current borrowing.

(11) Net Debt to Equity Ratio (adjusted for unutilised initial public offering and qualified institutions placement proceeds) is calculated as net debt divided by Net Worth. Net debt is calculated as non-current borrowings plus current borrowing less Cash and cash equivalents less Bank balances other than cash and cash equivalents.

(12) Inventory Turnover Ratio is calculated as revenue from operations divided by average inventory.

Organizational Structure

Set out below is our organizational structure:



*Note: [1]Kaynes Canada is a wholly incorporated subsidiary of Kaynes Holding Pte Ltd. As at date, shares have not yet been issued by the Company || * Subsidiaries || ** Step-down subsidiaries*

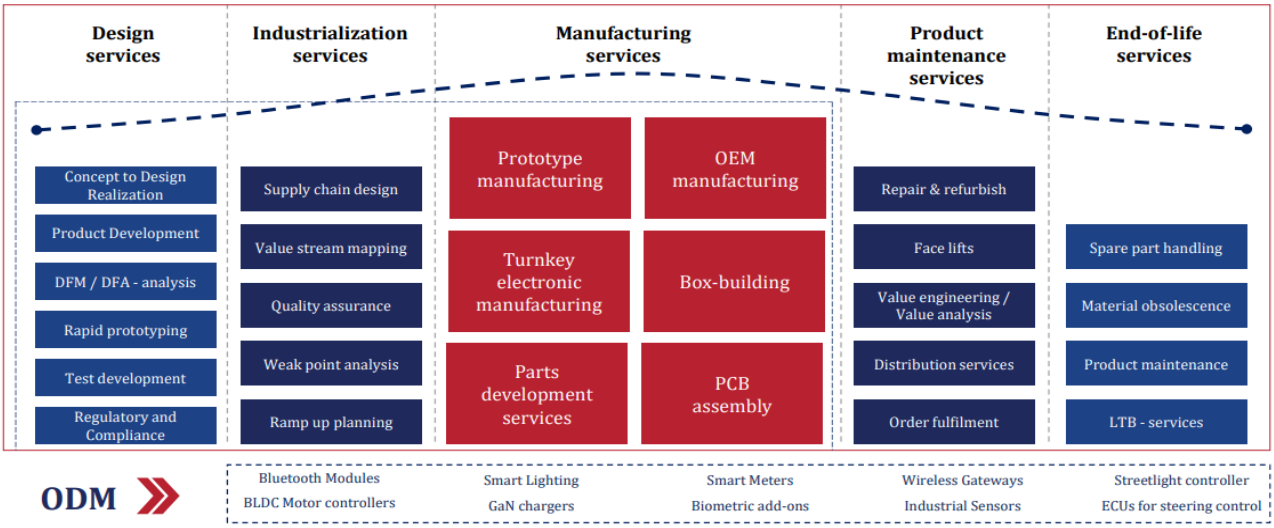
STRENGTHS

The following competitive strengths have contributed to and will continue to drive our business growth:

Internet of Things ("IoT") solutions enabled integrated electronics manufacturing player with end-to-end capabilities across the Electronics System Design and Manufacturing spectrum

We are a fully integrated electronics manufacturing company with a strong focus on IoT-enabled solutions, offering end-to-end services across the entire ESDM spectrum. (*Source: CARE Report*) We are engaged in concept co-creation with our customers followed by product realization and life-cycle support.

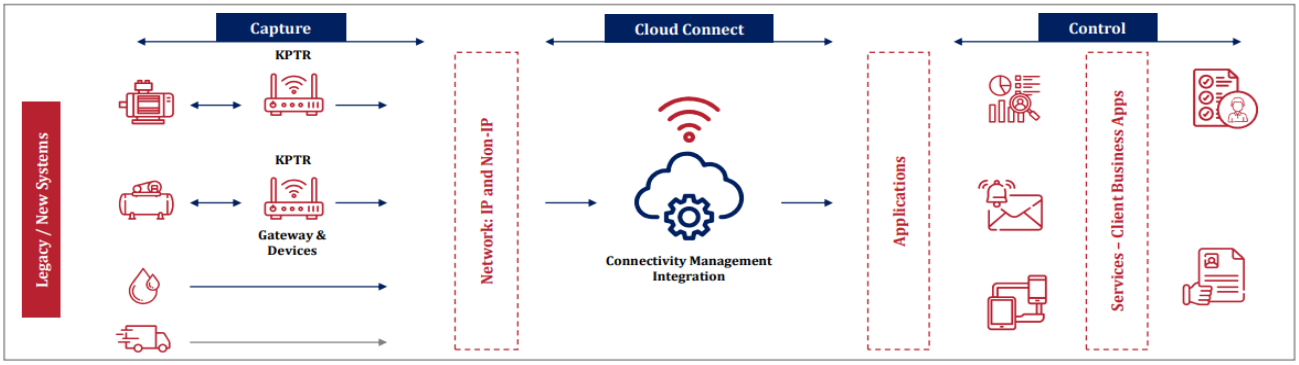
Service offering across entire customer value chain



We also provide various value-added services such as obsolescence management, warehousing support, value engineering and value analysis, last time buy services that include purchase of electronic components that are either being discontinued or have been discontinued in larger quantities than immediately required for manufacturing continuity, regulatory and compliance and DFM / DFA analysis. Our ODM capabilities include hardware, software and firmware design, mechanical design, product integration and testing, amongst others. We have also evolved to offer customers in-house developed IoT technology consisting of hardware, software, and firmware design and tools which accelerate time-to-market and de-risk our customer's product development lifecycle. We have developed designs for miniaturized Bluetooth modules, smart lighting with embedded Bluetooth, ceiling fans and remotes with embedded Bluetooth, various industrial sensors, wireless gateways with Bluetooth, Wi-Fi and 4G, streetlight controller working on wireless area network ("**WAN**") technology, smart meters compliance 4G WAN and connected vending machines.

We possess the ability to manufacture complex products through innovative engineering across various industry verticals. Our comprehensive capabilities span from conceptual design to product realization and complete lifecycle support, enabling the development of both simple and highly complex electronic and IoT-enabled devices. (*Source: CARE Report*) Further, we were a manufacturing partner for soft landing of Chandrayaan-3 and launch of Aditya-L1 missions. We also provide integrated manufacturing that include manufacturing plastics, wiring and cable harnesses, magnetics, PCB assemblies and box builds. In addition, we also implement testing solutions. Our technology infrastructure complements our in-house testing capabilities to ensure quality products.

End-to-end connected asset platform, including business applications, managed cloud service, and ODM Device solution



We operate our canvas-to-cloud industrial internet of things ("**IIoT**") solutions through our Subsidiary, Kemsys. Our value proposition is to assist OEMs to transform their legacy products into smart systems by incorporating combination of sensors, micro-processors, software, and connectivity technologies in multiple ways. We differentiate our self by providing in-house developed IoT IPs and tools which accelerate time to market and de-risk our customer's product development lifecycle. As of March 31, 2025, we have a dedicated facility with a team of 38 engineers and employees who possess in-depth technical knowledge and expertise in assisting customers of our Subsidiary, Kemsys, in their solutions.

Kemsys Platform Product: Snapshots



We have portfolio of hardware and software accelerators, cloud platform based service and solution offerings which includes ODM product design, IoT data and analytics platform, and vertical IoT solutions.
Our key capabilities are as below:

Platform: We offer a customizable remote device and data management platform, ready to white label, making it convenient for OEMs to securely register, organize, monitor, collect and remotely manage IoT devices and all relevant data at scale.

Solutions: We offer IoT solutions in vertical applications for asset tracking, asset performance monitoring, and predictive maintenance solutions targeting industrial OEMs both in Asia Pacific region, and USA.

Devices: We have built IoT ODM products including sensors, gateways, human machine interfaces, connectivity modules targeting industrial and consumer IoT market.

Diversified business model with portfolio having applications across industry verticals

We have a robust and diversified portfolio, and follow a de-risked business model, catering to a wide range of industry verticals. (*Source: CARE Report*) Our diverse portfolio limits our exposure to downturns associated with a particular vertical. It also ensures that our revenues are consistent across periods on account of our customers serving different industry verticals with different business or industry cycles. The table below sets forth our revenue from operations across the various end-use industry verticals we serve for the periods indicated:

Industry Vertical	Fiscal 2023		Fiscal 2024		Fiscal 2025	
	Amount (₹ million)	Percentage of Revenue from Operations (%)	Amount (₹ million)	Percentage of Revenue from Operations (%)	Amount (₹ million)	Percentage of Revenue from Operations (%)
Automotive	4,322.48	38.38%	5,229.54	28.98%	7,207.71	26.48%
Industrial including EV	3,096.06	27.49%	8,559.08	47.43%	14,959.56	54.96%
Aerospace, Outer space and Strategic Electronics	199.98	1.78%	486.18	2.69%	362.68	1.33%
Medical	692.54	6.15%	572.99	3.18%	646.98	2.38%
Railways	1,347.22	11.96%	1,917.12	10.62%	1,870.17	6.87%
IoT / IT, Consumer and Others	1,602.86	14.23%	1,281.27	7.10%	2,170.42	7.97%
Total	**11,261.14**	**100.00%**	**18,046.18**	**100.00%**	**27,217.52**	**100.00%**

Long-standing relationships with marquee customer base

We have, through our business operations, established long-term relationships with well-known customers across industries we cater to. We have a diversified customer base and we served 533 customers in 36 countries across 5 continents, during Fiscal 2025. Our customers span multiple sectors, ranging from electronics, to automotive, to healthcare, industrial and IoT. We have a balanced mix of domestic and international customers including certain Fortune 500 companies, multinational corporations and start-ups. We believe that our continued success is, in part, due to our customer centric practices such as open book costing, internal and external audits, and direct shipments to end-customers. Our customers include a leading company which manufactures headlamps, rear combination lamps, fog lamps, and other signal/indicator lamps for auto applications; a leading global manufacturer of electronic instruments and electromechanical devices; a leading provider of global digital infrastructure; a leading company specializing in advanced imaging and sensor solutions for applications in defense, security, and industrial sectors; one of the one of the world's leading suppliers of avionic-standard aircraft communications, navigation and audio/intercom systems; a company dedicated to the development,

manufacturing, and distribution of diagnostic reagents, instruments, and other medical solutions; a leading company specializing in advanced rail signaling and automation solutions for efficient and safe railway transportation; a leading owner of consumer audio accessories; a leading company specializing rail signaling and traffic management solutions; and a leading company operating in the field of energy solutions and services.

The table below sets out certain information about our various customers in different industry verticals for the periods indicated:

Industry Vertical	Number of Customers Fiscal 2025		Average period of business relationship of top 10 customers (years)*
	Domestic	International	
Automotive	63	12	7
Industrial including EV	248	29	10
Aerospace, Outer- space and Strategic Electronics	18	6	7
Medical	36	5	10
Railways	12	5	10
IoT / IT, Consumer and Others	92	10	7

Global certifications for each industry vertical catered to and multiple facilities across India with advanced infrastructure

Global Certifications

Over the years, we have focused on creating robust manufacturing systems and processes. We adhere to global standards and have obtained various global certifications. This ensures that our processes comply with customer specific, industry specific, statutory health and safety, as well as environmental and social and governance requirements.

Our systems and processes are also certified by global certification bodies that helps us to serve our customers stringent quality specifications and assists in new customer acquisition. For further information regarding our certifications, see " – *Quality Control, Testing and Certifications*" on page 164. We are also part of the Maruti Center For Excellence ("**MACE**") and have been consistently participating and getting approved as part of the Supplier Excellence Programme. This allows us to be seen by potential customers as a MACE approved supplier for electronic assemblies. Further, we have qualified as a "Green" partner for a certain customer and accredited for electronic assemblies for space craft applications from U.R. Rao Satellite Centre, ISRO. We have also received the Certification of Military Airworthiness documents or CEMILAC for instrumentation electronics repair, which enables us to perform avionics repair. We are also certified by the Center for Design and Development of Chittaranjan Locomotive Works of the Indian Railways for the repair and rehabilitation of three phase locomotives.

As part of our services offerings, we undertake repairs and provide rehabilitation of electronic cards in the railways, aerospace and defense and industrial verticals at our servicing and maintenance business unit at Navi Mumbai. The said business unit also specializes in re-engineering at component and PCBA level in order to meet obsolescence and discontinuance issues, along with design and development of cards edge level test set up for electronic assemblies. This third-party service support is extended in electronics repair for railways, and aerospace and defence establishments. In addition to our Mysuru – Unit I, Karnataka which is EN 9100/ AS 9100 D certified, this business unit is EN 9110/ AS 9110 certified for avionics repairs. This certification allows for critical electronics repair and maintenance of commercial, private, and military aircrafts.

Within each facility, all of our systems and processes are backed by our own fully customized full-stack enterprise resource planning ("**ERP**") that assists in automating our business operations. Our ERP platform is comprehensive, and has modules to manage lead generation, engineering, material requirement planning, purchase, inventory and costing, manufacturing, dispatch and logistics, servicing and accounting and finance, real-time management dashboards for analysis, review and monitoring, amongst other functions. Our ERP platform also enables us to track all processes from procurement to production, handle batch and series production, and other processes in terms of the number of component parts and complexity of products within the same system. Across facilities, we have an integrated management system which allows us to continually comply with the standards expected with our certifications. We are able to face our customers' system audits or compliance requirements quickly and successfully. Our focus on internal systems and processes have provided us with ease of customer acquisition, and culminated in our obtaining of various certifications and awards, which acts as potential entry barriers for future competitors.

Manufacturing Facilities

We operate 15 strategically located manufacturing facilities across India and United States with eight of them being operated by our Company in the states of Karnataka (three facilities, namely, Mysuru – Unit I, Bengaluru – Unit I and Unit II), Haryana (two facilities, namely, Manesar – Unit I and Unit – II), Himachal Pradesh (one facility at Parwanoo), Tamil

Nadu (one facility at Chennai) and Maharashtra (one facility in Pune); six manufacturing facilities operated by our Subsidiaries in India, at Chamarajanagar, Karnataka (operated by our Subsidiary, Kaynes Electronics Manufacturing Private Limited); Mysuru, Karnataka (operated by our Subsidiary, Kaynes International Design & Manufacturing Private Limited); Hyderabad, Telangana (operated by our Subsidiary, Kaynes Electronics Manufacturing Private Limited); Bengaluru, Karnataka (operated by our Subsidiary Kaynes Mechatronics Private Limited; Mysuru, Karnataka (operated by our Subsidiary, Iskraemeco India Private Limited); one Hyderabad, Telangana (operated by our Subsidiary Iskraemeco India Private Limited) and one facility operated by our Subsidiary Digicom Electronics Inc. in Oakland, USA. We have recently completed phase-I of our new manufacturing facility at Chamarajanagar, Karnataka which commenced commercial operations on May 5, 2023. In addition, we are in the process of setting-up additional facilities for manufacturing of HDI circuit boards and an OSAT facility at Chennai, Tamil Nadu and Sanand, Gujarat, respectively. Each of these facilities are expected to commence commercial production by Fiscal 2026.

Our facilities are located in proximity to our customers, allowing us to service their requirements efficiently and cost-effectively. Certain of our manufacturing facilities are approved under the Electronics Hardware Technology Park Scheme of Software Technology Park of India, Bengaluru and 100% Export Oriented Unit Scheme of Madras Export Processing Zone, Chennai, Tamil Nadu that offer incentives similar to a special economic zone. As of March 31, 2025, our manufacturing infrastructure also included five design facilities at Bengaluru, Karnataka, Ahmedabad, Gujarat, Scharding, Austria, Hampshire, United Kingdom and Princeton, USA and two service centres at Navi Mumbai, Maharashtra and Kochi, Kerala.

We have capability in manufacturing RoHS compliant products and have set up an environmentally friendly and exclusive "lead free" manufacturing line for PCBAs at our Mysuru – Unit I, Karnataka, Mysuru – Unit II, Karnataka and Manesar, Haryana facilities. We also have the capability to make engineering changes through component engineering to convert a product into being RoHS compliant.

As of March 31, 2025, our manufacturing infrastructure include, inter alia, 24 robotics surface mount lines, 70 through-hole devices ("**THD**") and exclusive clearance lines, 26 cable harness lines, 15 plastic moulding lines, class 10,000 cleanrooms, humidity-controlled component stores, flying probes, in-circuit testers, X-ray machines, automatic optical testing machines and walk-in thermal cycling chambers have obtained product approvals on behalf of customers for several safety related requirements, for example, Underwriters Laboratories, Canadian Standards Association and TUV Rhineland approved for supplying toggle switches, dental chair control units and medical diagnostic machines.

We possess customized lines for box building, integration and testing, with facilities for manufacturing cable forms and harnesses, plastic moulding and fabrication facility infrastructure as well as a burn-in / soak-test facility. We also possess build-capabilities for customised designing of testing hardware for a wide range of automated test equipment, functional testers right from firmware flashing fixture, PCBA fixture, end of line tester and product functional testers. This test equipment is designed and built in-house and custom firmware supporting various platforms, processors and microcontrollers. Test application software for automated testing, analysis, report generation, alert generation and data push to the server is also in-house designed based on specific requirements. These advanced service of in-house development of test fixture, provides customers with increase in productivity by reduction of time and skilled resources.

Our facilities are scalable allowing us to expand our capacity within a short time period without incurring significant capital expenditure This is primarily on account of relatively short procurement and installation time for surface mount technology ("**SMT**") lines and ability to augment manual lines without requiring incremental real estate. As such, our capacity can be scaled. All our manufacturing lines are fungible with the flexibility to service customers across industry verticals and across diverse product requirements. We also have the capability to manufacture the new generation SMT technology-based boards containing ceramic columnar grid array, ball grid array, land grid array and quad flat package.

Strong supply chain and sourcing network

We possess a mature and reliable supply chain network. We have long-term relationships with our vendors within India and outside India, that has led to improvement in credit terms over the years. As of March 31, 2025, we work with over 2,927 vendors and source materials from various regions including Asia, Europe and North America as well as locally within India. Our top 10 suppliers have an average relationship period of 11 years, as of March 31, 2025.

We do not rely on a single source or vendor for components, instead, have alternative sources for vendors for each component category. This offers us leverage to ensure availability of materials and negotiate better credit terms at cost-effective rates. As of March 31, 2025, we had over 2,927 suppliers with multiple sources for a single component and utilise specialized dealers for niche verticals. For example, for railway projects, there are only a select few vendors who have the requisite sourcing network to supply the required components to us. In such verticals, we foster good relationships with these suppliers for us to get the required components without any disruption or issues. We also possess the technical expertise to re-engineer components that are difficult to source, or components that are on the verge of becoming obsolete or has been discontinued by the various vendors.

Track record of consistent financial performance

We have continued to deliver consistent financial performance. Our revenue from operations has grown at a CAGR of 55.47%, from ₹11,261.14 million in Fiscal 2023 to ₹27,217.52 million in Fiscal 2025. Similarly, our EBITDA has grown at a CAGR of 56.21%, from ₹1,683.18 million in Fiscal 2023 to ₹4,106.99 million in Fiscal 2025.

We have been profitable for every year since inception. We believe that our operational and financial performance will allow us to capitalize on the tailwinds in the electronics industry. The following table sets forth certain information relating to certain key financial performance metrics as of the dates and for the periods indicated:

Particulars	**Fiscal 2023**	**Fiscal 2024**	**Fiscal 2025**
	(*₹ million, except ratios and percentages*)		
Revenue from Operations	11,261.14	18,046.19	27,217.52
Gross Margins[(1)]	30.73%	26.30%	30.20%
EBITDA[(2)]	1,683.18	2,541.68	4,106.99
EBITDA Margin[(3)]	14.95%	14.08%	15.09%
Profit After Tax for the Year/Period	951.96	1,832.89	2,934.33
Profit After Tax Margin[(4)]	8.45%	10.16%	10.78%
Return on Equity ("**ROE**") (adjusted for unutilised initial public offering and qualified institutions placement proceeds)[(5)]	24.94%	22.76%	19.40%
Return on Capital Employed ("**ROCE**") (adjusted for unutilised initial public offering and qualified institutions placement proceeds)[(6)]	24.18%	21.99%	19.17%
Net Worth[(7)]	9,576.65	24,848.03	28,374.23
Asset Turnover Ratio[(8)]	6.22	4.90	3.45
Net Working Capital Days[(9)]	99	83	87
Debt to Equity Ratio[(10)]	0.14	0.12	0.31
Net Debt to Equity Ratio (adjusted for unutilised initial public offering and qualified institutions placement proceeds)[(11)]	0.05	0.09	0.24
Inventory Turnover Ratio[(12)]	3.52	3.75	3.99

Notes:

(1) Gross margin is calculated as revenue from operations less cost of materials consumed and changes in inventories of finished goods and traded goods divided by revenue from operations.

(2) EBITDA is calculated as profit before tax plus depreciation and amortization expense plus finance cost less finance income and other income.

(3) EBITDA margin is calculated as EBITDA divided by revenue from operations.

(4) Profit After Tax Margin is calculated as profit after tax divided by revenue from operations.

(5) ROE is calculated as profit after tax less share of profit / (loss) of minority interest divided by average Net Worth. Average Net Worth is calculated as average of Net Worth as of the first day of the relevant period and as of the last day of the relevant period.

(6) ROCE is calculated as EBIT divided by capital employed. EBIT is calculated as profit before tax plus finance cost. Total capital employed is calculated as tangible net worth plus non-current borrowings plus current borrowings. Tangible net worth is calculated as total assets less total non-current liabilities (except non-current lease liabilities and deferred tax liabilities), total current liabilities (except current lease liabilities), intangible assets, intangible assets under development, goodwill and right of use asset.

(7) Net Worth is the aggregate value of the paid-up share capital and all reserves created out of the profits, securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the restated balance sheet, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation, debenture redemption reserve and foreign currency translation reserve.

(8) Asset Turnover Ratio is calculated as revenue from operations divided by gross block of assets.

(9) Net Working Capital Days is calculated as average inventory days plus average receivable days less average payable days.

(10) Debt to Equity Ratio is calculated as total debt divided by Net Worth. Total debt is calculated as non-current borrowings plus current borrowing.

(11) Net Debt to Equity Ratio is calculated as net debt divided by Net Worth. Net debt is calculated as non-current borrowings plus current borrowing less Cash and cash equivalents less Bank balances other than cash and cash equivalents.

(12) Inventory Turnover Ratio is calculated as revenue from operations divided by average inventory.

Experienced Promoters and senior management with extensive knowledge of the sector

We are led by an experienced management team. Our Managing Director and Promoter, Ramesh Kunhikannan, is a first-generation entrepreneur, and has more than three decades of experience in the ESDM industry. Our management team includes our Chairperson and Whole-time Director, Savitha Ramesh, who has over two decades of experience in operations management, and our Whole-time Director and Chief Financial Officer, Jairam Paravastu Sampath, who possesses over three decades of experience in manufacturing, operations, sales and marketing. Our other key management personnel have been with our Company for more than 15 years and head the functions of Market Development, Plant Operations and Commercial and have been instrumental in managing our rapidly expanding growth, implementing strategic marketing with overseas business initiatives and improving financial performance. We have a well-qualified senior management team with extensive experience in the EMS industry, which positions us well to capitalize on future growth opportunities. The quality of our management team is enhanced with specific yet extensive industry experience. For further information, see "*Board of Directors and Senior Management*" on page 174.

Strategies

Improve operational efficiency through backward integration into OSAT and Bare PCB Fabrication Manufacturing

In order to improve our operational efficiency, we intend to implement comprehensive backward integration measures by manufacturing in-house components like bare printed circuit boards and get into deep competencies in design of integrated circuits, chip sets and system on chips to leverage complete backward integration for supporting semiconductor component and module development. We believe these backward integration measures will allow us to reduce our dependence on third party components, reduce lead time on account of synchronization of actual requirements leading to faster utilization of remaining components, better management of our material inventory, and contribute to higher margins while making us a comprehensive and integrated ESDM company.

Further, semiconductors, characterized by their adjustable electrical properties, serve as essential components in the functionality of modern devices such as smartphones. The semiconductor industry has experienced substantial growth, fuelled by the widespread adoption of 5G technology, rising demand for high-performance processors in cryptocurrency mining, and government-led digital transformation initiatives. Global supply chain disruptions, intensified by escalating tensions between the United States and China in the recent past had contributed to semiconductor shortages. The Indian semiconductor market, valued at around USD 46.9 billion, in 2024 which grew at a CAGR of 14.1% between 2017 and 2024. India, with its population surpassing 1.4 billion and a well-established education system, is well-positioned to develop into a major global hub for semiconductor talent. (*Source: CARE Report*) Considering this growth opportunity, our Company through our step-down subsidiary, Kaynes Semicon Private Limited, we are in the process of expanding our operations by setting-up of an OSAT and compound semiconductor manufacturing facility at Sanand, Gujarat which will support customers worldwide in QFN / QFN stack die, SOT, flip chip ball grid array and TO220 kind of packages for power devices and many other device packages including advanced packaging.

As part of the project execution plan for the OSAT facility, we are partnering with raw material vendors to establish ecosystem in India and will source electricity, and raw water from local authorities while establishing a de-ionized plant for converting raw water to de-ionized water at the manufacturing facility. Further, we have partnered with a global OSAT player which will provide us with a range of packaging technologies and a global distribution and sale network with access to key export markets such as Europe, USA and Japan. We have also partnered with a Malaysian company experienced in OSAT and semiconductor material manufacturing having expertise in development and manufacturing in multiple semiconductor applications including automotive, power, memory, LED, solar, micro-controller and sensor, as an execution partner for the project. We have also entered into strategic memorandum of understandings with a telecommunication company based out of United States for assistance in go-to-market strategy of its products and with a leading semiconductor packaging and systems company that provides end to end solutions for semi-conductor package design.

Further, we are also in the process of preparing an implementation plan for the bare PCB fabrication facility in Tamil Nadu will manufacture PCB - multilayer, advanced HDI circuit boards and other hitech and standard types required by customers. HDI circuit boards have been the key driving factor behind the reducing size and weight of consumer electronic products while improving the speed, performance and power consumption. We have been allotted 20 acres of land for the proposed manufacturing facility.

With backward integration, we will have greater control on the manufacturing process, quality standards and benefit from cost efficiencies. As a result, we expect to fulfil our customers' needs in a timely manner, increase our sales per customer and improve our working capital and supply chain processes. In addition, we believe that by incorporating OSAT and PCB fabrication capabilities into our operations, we are strategically positioned to deliver comprehensive and integrated solutions to customers. This proposed vertical integration will allow us to be involved in the entire electronics supply chain, spanning across wafer fabrication to end-user product. The synergy between these two aspects will not only enhance our ability to meet customer demands but is also expected to yield significant cost efficiencies and superior quality control. This approach will empower us to optimize each stage of the production process, ensuring a seamless and high-quality end-to-end experience for customers.

We are also looking to participate in the Design Linked Incentive scheme of the Government of India. Further, our Company has received approval under the Production Linked Incentive Scheme for White Goods (Air Conditioner parts and LED Lights). In addition, our Subsidiary, Kaynes International Design and Manufacturing Private Limited has received an approval under the Scheme Design Led Manufacturing of Telecom and Networking Equipments, PLI Telecom 2.0 and our subsidiary Kaynes Electronics Manufacturing Private Limited has received approval under PLI IT Hardware 2.0.

Focus on full product / box build capabilities

As an ESDM player catering to OEMs through in-house build of test fixtures, provide product reliability at closer proximity with faster turn-around time, delivering complex prototypes in shorter lead times and setting-up product or box build

manufacturing with zero defects will ensure more customers with larger revenue share. In addition as an integrated manufacturing player, providing almost all the services in-house from electronics to tooling, sheet metal, magnetics, cable harness, test benches will increase the share of box build which we believe will positively impact revenue and margins. To fulfil this aspect of integrated manufacturing, we have completed phase-I of our new manufacturing facility at Chamarajanagar, Karnataka, with integrated inhouse and onsite infrastructure with specialized skills to do complete product or Box Build. As an ODM, we are responsible for products we manufacture, from initial design stage and subsequently all the aspects of manufacturing, including planning and sourcing of raw materials and components. In our experience, although, the ODM model of business requires additional investment in research and development as well as working capital, we believe that it results in higher margins, recurring business with high customer retention, as compared to the OEM model.

The table below provides contribution from box build customers in the periods indicated:

Industry Vertical	Fiscal 2023		Fiscal 2024		Fiscal 2025	
	Amount (₹ million)	Percentage of Revenue from Operations (%)	Amount (₹ million)	Percentage of Revenue from Operations (%)	Amount (₹ million)	Percentage of Revenue from Operations (%)
Contribution from box build customers	3,322.36	29.50%	7,512.92	41.63%	10,666.82	39.19%

We have recently completed phase-I of our new manufacturing facility at Chamarajanagar, Karnataka which commenced commercial operations on May 5, 2023. We intend to expand our box build clientele for a more expansive reach. We have already built capabilities in BLDC motor controllers, invertors, IoT modules integration, smart energy meters and applied products such as street light controllers and biometric add-ons. We propose to grow our customer base in these areas and add newer product categories going forward.

Leverage our research and development capabilities to continue to diversify product portfolio and provide value-added services

As an ODM, we have the ability to provide product design and development services and even whole product lifecycle services. We intend to leverage on our experience and capabilities of our in-house design and research and development team to further our ODM capabilities. ODM services allows us to design and develop a product for a customer as per stated specifications and features and thereby develop and control supply chain along with the manufacturing process. We believe, this results in deeper customer relationship with constant improvement in product features and introduction of newer variants. We are increasing our product design competency in our chosen areas of technological competency and trying to introduce newer applications with increased focus in developing collaboration with chip manufacturers and building stronger team with skills in embedded hardware design, firmware and software. This is a continuous process of up-skilling and adding infrastructure by investing in newer licenses, testing equipment and application software. We have a dedicated team of engineers focusing on our ODM strategy. As of March 31, 2025, our design, research and development team comprised 212 employees and has capabilities to provide end-to-end support, including verifying and developing conceptual designs received from customers and converting such designs into deliverable products by improving the designs, recommending suitable raw materials and testing of trial products. The team also provides solutions to improve manufacturing efficiency on the existing products, reduce production costs and assists our customers in designing durable products by providing design and engineering support. We believe that our focus on research and development will allow us to focus on ODM capabilities on new business verticals like consumer electronics. Our expansion strategies also include customer acquisition for smart meter ODM, appliance electronics ODM, solar panel cleaners as ODM, BLDC electric motor ODM as part of our diversified product portfolio. Our endeavour is to identify newer technology applications in consumer appliances, smart technology, IT accessories and cloud based, sensor driven IoT solutions which can easily be scaled, leading to growth in revenue with better margins. We also have a separate design team which offers non-intellectual property design and engineering services in consumer and industrial segments. This team provides hardware or device design and can contribute towards design led manufacturing.



Focus on expansion across each vertical as well as on the OSAT and PCB manufacturing to on industry opportunity

We intend to undertake vertical-focused expansion, to expand our business using different strategies for our different business verticals. We intend to expand our order book by scaling our opportunity across our customer and business verticals. Our diversified products and customer base over the years, backed by our end-to-end integrated business model and our manufacturing capabilities has led to our order book growing from ₹ 26,481.68 million, as of March 31, 2023 to ₹ 65,968.60 million, as of March 31, 2025 with orders from several customers across business verticals. Currently, we are involved in several projects in our different business verticals like smart-meters, automotive lighting, electronic control units, hand-held diagnostic hardware, IOT driven smart solutions, dispensing solutions and avionic electronics.

Further, the Indian OSAT market is currently in its early stages of development; however, it holds substantial potential for growth in the coming years. It is projected to reach a market size of approximately USD 201 million by 2027. This growth could be further accelerated by the establishment of production facilities by major global OSAT players within the country. Beyond their strategic impact, OSAT providers are instrumental in driving technological innovation within the semiconductor industry. They actively contribute to advancements in packaging methodologies, heterogeneous integration, and the persistent trend toward device miniaturization. (*Source: CARE Report*)

Expand manufacturing capacity at our existing facilities and set-up additional strategically located facilities

We operate 15 strategically located manufacturing facilities across India and United States with eight of them being operated by our Company in the states of Karnataka (three facilities, namely, Mysuru – Unit I, Bengaluru – Unit I and Unit II), Haryana (two facilities, namely, Manesar – Unit I and Unit – II), Himachal Pradesh (one facility at Parwanoo), Tamil Nadu (one facility at Chennai) and Maharashtra (one facility in Pune); six manufacturing facilities operated by our Subsidiaries in India, at Chamarajanagar, Karnataka (operated by our Subsidiary, Kaynes Electronics Manufacturing Private Limited); Mysuru, Karnataka (operated by our Subsidiary, Kaynes International Design & Manufacturing Private Limited); Hyderabad, Telangana (operated by our Subsidiary, Kaynes Electronics Manufacturing Private Limited); Bengaluru, Karnataka (operated by our Subsidiary Kaynes Mechatronics Private Limited; Mysuru, Karnataka (operated by our Subsidiary, Iskraemeco India Private Limited); one Hyderabad, Telangana (operated by our Subsidiary Iskraemeco India Private Limited) and one facility operated by our Subsidiary Digicom Electronics Inc. in Oakland, USA. We have recently completed phase-I of our new manufacturing facility at Chamarajanagar, Karnataka which commenced commercial operations on May 5, 2023. In addition, we are in the process of setting-up additional facilities for manufacturing of HDI circuit boards and an OSAT facility at Chennai, Tamil Nadu and Sanand, Gujarat, respectively. Each of these facilities are expected to commence commercial production by Fiscal 2026.

The following table sets forth further information relating to our proposed manufacturing facilities for OSAT and PCB:

Locations	Verticals	Unit of measure	Proposed Capacity* (in respective units)
Sanand, Gujarat	OSAT	Million packages per annum across various types of packages	2,310.00 (expected to be commissioned by Fiscal 2026)
Chennai, Tamil Nadu	Bare PCB Fabrication – HDI	Square meter per annum	330,000.00 (expected to be commissioned by Fiscal 2026)
	PCB – Multilayer	Square meter per annum	1,050,000 (expected to be commissioned by Fiscal 2026)
	Total (PCB)		**1,380,000.00**

[#] *For risks associated with the estimated schedule commercial date of our proposed manufacturing facilities, see "Risk Factors – Our proposed capacity expansion plans relating to our manufacturing facilities are subject to the risk of unanticipated delays in implementation and cost overruns. Further, the installed capacities at our manufacturing facilities were not fully utilised in Fiscal 2023, 2024 and 2025." on page 51.*

Certain of these facilities will also benefit from subsidized land grants and tax incentives. We believe that our strategy will allow us to better serve our existing customers, assist us in better addressing the business requirements of large customers, and allow us to expand into new business verticals, in particular, consumer electronics and smart meters.

We are in the process of expanding our manufacturing capabilities by setting-up of OSAT manufacturing facilities, at an estimated cost of ₹ 33,070.00 million. The facility is proposed to be established at Sanand, Gujarat, which will support customers worldwide with various types of packages including but not limited to in QFN / QFN stack die, SOT, flip chip ball grid array and TO220. Further, we also propose to expand our capabilities to manufacture in-house bare PCBs with a manufacturing facility at Chennai, Tamil Nadu, for an estimated cost of ₹ 17,880.00 million, which will manufacture advanced HDI circuit boards and PCB – multilayer.

Continue to expand our customer base to focus on large customers

Over the last three Fiscals, we have been able to consistently grow our customer base. For Fiscal 2023, 2024 and 2025, we served 361, 407, and 533 customers, respectively, across our different business verticals. With the growing customer demand for our products, we intend to capitalize on this strong industry tailwind by continuing to grow our customer base.

Our expansion of customer base is generally four-pronged. We intend to acquire customers that can provide higher value business, to increase the wallet share with our existing customers through a combined means of marketing strategies and capacity enhancement of our manufacturing facilities to improve our services to our customers, and to attract customers who can provide to us higher margins. As we look to expand our operations both domestically and internationally, we intend to have additional sales and business development representatives in geographies outside India to acquire new and larger customers in such geographies. To generate brand awareness, we intend to continue to utilize content-based marketing through content articles, search engine optimization, email newsletters, social media, press mentions and media partners. We intend to increase the share of our export sales as these offer better margins. To further this strategy, we intend to set up sales and marketing offices in the United States, Japan and Europe in order to grow our exports. As of March 31, 2025, we have 50 employees in our sales and business development team who specialise in assisting us in customer acquisition efforts.

To better serve our customers, we will continue to expand our geographical footprint by enhancing current manufacturing capacities in Mysuru, Karnataka and Manesar, Haryana and have recently set-up a new manufacturing facility in Chamarajanagar, Karnataka. Our facility in Chamarajanagar, Karnataka is strategically located in proximity to our existing facility. As we expand our manufacturing capacities and set up new manufacturing facilities to enhance our business in India and globally, we will continue to develop new customer relationships in a wider range of geographic markets, further decreasing our single market dependency and customer revenue concentration.

Pursue inorganic growth through selective partnerships and acquisitions

We intend to pursue inorganic growth opportunities through selective strategic acquisitions to complement the scale of our operations and growth in recent periods. As part of our strategy to strengthen our capabilities in high-end, complex electronics products and ODM, we intend to pursue and continue to evaluate strategic acquisitions and investments and other strategic alliance partnerships within the ESDM sector that are complementary to our current and future business verticals. We believe that these partnerships will complement our existing marketing approach, expand into newer geographies including North America, Europe, Southeast Asia, South Asia, Middle East and North Africa by addressing additional business verticals and augment our coverage of electronic product servicing into high end industrial segments including high technology, medical, railways, aerospace, power electronics and other growing disruptive technologies. Our extensive industry experience and insights enables us to identify suitable target companies for acquisition and effectively evaluate and execute potential opportunities. Our senior management along with external experts evaluate potential inorganic opportunities and assists us in evaluating each potential acquisition in determining how their business model or solution will integrate with our existing product portfolio, and how both the companies can mutually benefit from such potential investments or acquisitions.

For instance, we have recently acquired: (i) Iskraemeco, a Slovenia-based manufacturer of advanced metering infrastructure (AMI) products; (ii) Digicom, a U.S.-based contract manufacturer of printed circuit board assemblies; and (iii) Sensonic, an Austria-based company focused on AI-integrated IoT-based asset tracking technologies. We are also in the process of acquiring August Electronics, a Canada-based provider of custom electronic manufacturing services, and have signed a share purchase agreement dated May 7, 2025. The acquisition is subject to completion and customary closing conditions. These acquisitions are intended to enhance our product portfolio, deepen customer relationships, and broaden our global footprint.

SUMMARY OF THE ISSUE

The following is a general summary of the terms of the Issue. This summary should be read in conjunction with, and is qualified in its entirety by, the more detailed information appearing elsewhere in this Placement Document, including the sections titled *"Risk Factors", "Use of Proceeds", "Placement", "Issue Procedure" and "Description of the Equity Shares"* on pages 45, 78, 201, 189 and 217, respectively.

Issuer	Kaynes Technology India Limited
Face Value	₹10 per Equity Share
Issue Size	Issue of 28,72,788 Equity Shares of face value of ₹10 each of our Company at a price of ₹5,569.50 per Equity Share, including a premium of ₹5,559.50 per Equity Share, aggregating to ₹15,999.99 million.
	A minimum of 10% of the Issue Size i.e. at least 2,87,279 Equity Shares, was made available for Allocation to Mutual Funds only and the balance 25,85,509 Equity Shares were made available for Allocation to all QIBs, including Mutual Funds. In case of under-subscription in the portion available for Allocation to Mutual Funds, such undersubscribed portion or part thereof would be Allotted to other Eligible QIBs.
Date of Board Resolution	January 22, 2025
Date of Shareholders' Resolution	February 14, 2025
Floor Price	₹5,625.75 per Equity Share The Floor Price for the Issue has been calculated in accordance with Regulation 176 of Chapter VI of the SEBI ICDR Regulations. Our Company has offered a discount of ₹ 56.25 per Equity Share, being equivalent to a discount of 1% on the Floor Price which is not more than 5% on the Floor Price in accordance with the approval of the Shareholders accorded through their special resolution passed in their extraordinary general meeting held on February 14, 2025 and in terms of Regulation 176(1) of the SEBI ICDR Regulations.
Issue Price	₹ 5,569.50 per Equity Share of our Company (including a premium of ₹ 5,559.50 per Equity Share)
Eligible Investors	Eligible QIBs, to whom the Preliminary Placement Document and the Application Form have been delivered and this Placement Document will be delivered and who were eligible to bid and participate in the Issue. For further details, see the sections titled *"Issue Procedure – Eligible Qualified Institutional Buyers" and "Transfer Restrictions and Purchaser Representations"* on pages 189 and 211, respectively. The list of Eligible QIBs to whom the Preliminary Placement Document and the Application Form was delivered was determined by the BRLMs in consultation with our Company, at their sole discretion.
Equity Shares issued and outstanding immediately prior to the Issue	6,40,84,305 Equity Shares of face value of ₹10 each, being fully paid-up
Subscribed and paid-up Equity Share capital prior to the Issue	₹ 640.84 million
Equity Shares issued and outstanding immediately after the Issue	6,69,57,093 Equity Shares
Issue Procedure	The Issue was made only to Eligible QIBs in reliance on Section 42 of the Companies Act read with Rule 14 of the PAS Rules, and all other applicable provisions of the Companies Act, read with Chapter VI of the SEBI ICDR Regulations. For further details, see "*Issue Procedure*" on page 189
Listing and Trading	Our Company has received in-principle approvals, each dated June 19, 2025 from BSE and NSE respectively in terms of Regulation 28(1)(a) of the SEBI Listing Regulations for listing of the Equity Shares to be issued pursuant to the Issue. Our Company will make applications to each of the Stock Exchanges to obtain final listing and trading approval for the Equity Shares after the Allotment and after the credit of the Equity Shares to the beneficiary account of the Depository Participant.

	The trading of the Equity Shares would be in dematerialized form and only in the cash segment of each of the Stock Exchanges.
Lock-in	See "*Placement – Lock-up*" on page 201 for a description of restrictions on our Company and Promoters in relation to Equity Shares.
Transferability Restrictions	The Equity Shares being Allotted pursuant to this Issue shall not be sold for a period of one year from the date of Allotment, except on the floor of the Stock Exchanges. For further details, see "*Transfer Restrictions and Purchaser Representations*" on page 211
Use of Proceeds	The Gross Proceeds from the Issue aggregate to ₹15,999.99 million. Subject to compliance with applicable laws, the net proceeds from the Issue, after deducting fees, commissions and the estimated expenses of the Issue of approximately ₹250.34 million, shall be approximately ₹ 15,749.66 million, which is proposed to be utilised for (i) Repayment and/or prepayment, whether in whole or in part, of outstanding indebtedness of our Company and/or its subsidiaries; (ii) Funding of working capital requirements of our Company; (iii) Funding of inorganic growth opportunities, including but not limited to acquisitions, strategic investments, and joint ventures; and (iv) general corporate purposes. For additional information on the use of the net proceeds from the Issue, see "*Use of Proceeds*" on page 78.
Risk Factors	See "*Risk Factors*" on page 45 for a discussion of risks you should consider before deciding whether to subscribe for the Equity Shares.
Dividend	See "*Description of the Equity Shares*" and "*Dividends*" on pages 217 and 91, respectively.
Taxation	See "*Taxation*" on page 220
Closing Date	The Allotment is expected to be made on or about June 24, 2025.
Status, Ranking and dividends	The Equity Shares being issued pursuant to this Issue shall be subject to the provisions of the Memorandum of Association and Articles of Association and shall rank pari passu in all respects with the existing Equity Shares, including rights in respect of dividends. Our Shareholders (as on record date) will be entitled to participate in dividends and other corporate benefits, if any, declared by our Company after the Closing Date, in compliance with the Companies Act, the SEBI Listing Regulations and other applicable laws and regulations. Our Shareholders may attend and vote in shareholders' meetings on the basis of one vote for every Equity Share held.
	For further details, see *"Description of the Equity Shares" and "Dividends"* on pages 217 and 91.
Voting Rights	See "*Description of the Equity Shares – Voting Rights*" on page 217.
Security Codes for the Equity Shares	ISIN: INE918Z01012 BSE code: 543664 NSE symbol: KAYNES

SUMMARY OF FINANCIAL INFORMATION

The following tables set out selected financial information as extracted from our Audited Consolidated Financial Statements and presented in "*Financial Information*" on page 232.

The selected financial information presented below should be read in conjunction with *"Management's Discussion and Analysis of Financial Condition and Results of Operations" and "Financial Information"*, on pages 92 and 232, respectively, for further details.

SUMMARY OF AUDITED CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2025, MARCH 31, 2024 AND MARCH 31, 2023.

(₹ in million)

Particulars	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	5,044.94	2,593.80	901.76
Capital work-in-progress	3,002.24	765.56	111.63
Intangible assets	1,328.56	183.46	220.94
Intangible under development	911.15	285.24	181.80
Rights-of-Use Assets	1,934.77	263.13	170.90
Goodwill	141.38	151.69	23.44
Financial assets			
i)Investments	1,323.84	1,317.56	32.76
ii)Loans and deposits	131.68	88.82	69.64
iii)Other financial assets	19.38	37.03	11.03
Other non-current assets	5,741.80	1,098.61	155.82
Total Non-Current Assets (A)	**19,579.74**	**6,784.90**	**1,879.72**
CURRENT ASSETS			
Inventories	8,144.23	5,483.24	4,131.64
Financial asset			
i)Trade receivables	5,745.80	3,555.73	2,270.66
ii)Cash and cash equivalents	474.22	194.11	259.31
iii)Bank balances other than cash and cash equivalents	10,088.84	15,061.49	4,600.65
iv)Loans and deposits	48.49	38.86	29.88
v)Other financial assets	237.67	254.95	79.27
Current Tax Assets (Net)	-	58.81	36.07
Other current assets	2,093.18	1,219.68	900.12
Total Current Assets (B)	**26,832.43**	**25,866.87**	**12,307.60**
TOTAL ASSETS (A + B)	**46,412.17**	**32,651.77**	**14,187.32**
EQUITY AND LIABILITIES			
EQUTIY			
Equity Share Capital	640.84	639.18	581.42
Instruments entirely equity in nature			-
Other Equity	27,761.76	24,229.71	9,009.00
Non-controlling Interest	39.72	15.79	13.07
Total Equity (A)	**28,442.32**	**24,884.68**	**9,603.49**
LIABILITIES			
NON-CURRENT LIABILITIES			
Financial Liabilities			
- Borrowings	674.80	111.56	150.42
- Lease liabilities	243.18	132.09	154.57
Deferred Tax Liabilities (Net)	129.95	101.60	76.91
Long Term Provisions	100.81	59.57	50.34
Total Non-current Liabilities (B)	**1,148.74**	**404.82**	**432.24**
CURRENT LIABILITIES			
Financial Liabilities			
- Short-term borrowings	8,080.03	2,949.11	1,208.57
- Trade payables			
- Total outstanding dues of micro enterprises and small enterprises	108.44	65.67	216.45
- Total outstanding dues to other than micro enterprises and small enterprises	6,720.75	3,544.47	2,012.29
- Other financial liabilities	790.84	246.90	105.75
- Lease liabilities	31.76	32.70	33.86

Particulars	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Current tax liabilities (net)	38.34	0.00	-
Other Current liabilities	1,025.76	508.59	563.23
Short-term provisions	25.19	14.83	11.44
Total Current Liabilities (C)	**16,821.11**	**7,362.27**	**4,151.59**
Total Liabilities (B+C)	**17,969.85**	**7,767.09**	**4,583.83**
TOTAL EQUITY AND LIABILITIES (A+B+C)	**46,412.17**	**32,651.77**	**14,187.32**

SUMMARY OF AUDITED CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE FISCALS ENDED MARCH 31, 2025, MARCH 31, 2024 AND MARCH 31, 2023

(₹ in million)

Particulars	Fiscal 2025	Fiscal 2024	Fiscal 2023
Income			
Revenue from operations	27,217.52	18,046.19	11,261.14
Other Income	1,069.63	559.16	113.98
Total Income (A)	28,287.15	18,605.35	11,375.12
Expenses			
Cost of materials consumed	19,116.26	13,712.02	8,478.01
Changes in inventories of Finished goods and traded goods	-119.16	-412.64	-677.24
Employee Benefit Expenses	1,780.67	1,027.56	770.99
Finance Cost	1,012.98	533.74	349.36
Depreciation and amortization expense	447.40	251.41	187.41
Other Expenses	2,332.76	1,177.57	1,006.20
Total Expenses (B)	**24,570.91**	**16,289.66**	**10,114.73**
Profit before exceptional and extraordinary items and tax	3,716.24	2,315.69	1,260.39
Exceptional Items	0.00	0.00	0.00
Profit before extraordinary items and tax	3,716.24	2,315.69	1,260.39
Extraordinary Items	0.00	0.00	0.00
Profit / (Loss) before tax (A-B)=C	**3,716.24**	**2,315.69**	**1,260.39**
Tax Expenses			
Income taxes - Current tax	701.65	458.39	292.43
- Earlier year tax adjustments	39.46	0.00	18.71
MAT credit	0.00	0.00	
Deferred tax Charge/ (Credit)	40.80	24.41	-2.71
Total tax expense (D)	**781.91**	**482.80**	**308.43**
Profit / (Loss) for the year (C - D) = E	**2,934.33**	**1,832.89**	**951.96**
Earnings per share (nominal value of Rs. 10 each)			
Basic	45.82	30.63	19.84
Diluted	45.40	30.24	19.61

SUMMARY OF AUDITED CONSOLIDATED CASH FLOW STATEMENT FOR THE FISCALS ENDED MARCH 31, 2025, MARCH 31, 2024 AND MARCH 31, 2023.

(₹ in million)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024	For the year ended March 31, 2023
Net Cash from Operating Activities	(823.16)	701.41	(416.02)
Net Cash used in Investing activities	(3,546.59)	(15,052.11)	(4,936.51)
Net Cash from/(used) in Financing Activities	4,649.86	14,285.50	5,543.10
Net Increase in Cash and Cash Equivalents	**280.11**	**(65.20)**	**190.57**
Cash and cash equivalents at the beginning of the year	194.11	259.31	68.74
Cash and cash equivalents at the end of the year	**474.22**	**194.11**	**259.31**

RELATED PARTY TRANSACTIONS

For details of the related party transactions during the Financial Years ended March 31, 2025, March 31, 2024 and March 31, 2023 as per the requirements under Indian Accounting Standard ("**Ind AS 24**") notified under the Ind AS Rules read with Section 133 of the Companies Act, 2013, see "*Financial Information*", beginning on page 232.

RISK FACTORS

This Issue and an investment in the Equity Shares involve a certain degree of risk. You should carefully consider all the risks and uncertainties described below as well as other information contained in this Placement Document before making an investment in the Equity Shares. If any particular risk or some combination of the risks described below actually occurs, our business, results of operation, financial condition and cash flows could be adversely affected, the trading price of the Equity Shares could decline and you may lose all or part of your investment. Unless specified in the risk factors below, we are not in a position to quantify the financial implications of any of the risks mentioned below. The risks described below are not the only ones relevant to us or our Equity Shares, the industry and segments in which we currently operate or propose to operate. We have described the risks and uncertainties that we currently believe to be material, but the risks set out in this Placement Document may not be exhaustive or complete, and additional risks and uncertainties not presently known to us, or which we currently deem to be immaterial, may arise or become material in the future.

The financial and other related implications of the risk factors, wherever material and quantifiable, have been disclosed in the risk factors mentioned below. However, there are certain risk factors where the financial impact is not quantifiable and, therefore, cannot be disclosed in such risk factors. To obtain a complete understanding of our Company, this section should be read together with "Industry Overview", "Our Business" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" on pages 120, 143 and 92*, respectively, as well as the financial statements, including the notes thereto, and other financial, statistical and other information contained in this Placement Document. In making an investment decision, prospective investors must rely on their own examination of us and the terms of the Issue including the merits and risks involved. Prospective investors should consult their own tax, financial and legal advisors about the particular consequences to them of an investment in our Equity Shares.*

Our financial year ends on March 31 of each year. Accordingly, all references to a particular financial year are to the 12-month period ended March 31 of that year. Unless otherwise indicated or the context otherwise requires, the financial information included in this section for Fiscals 2025, 2024 and 2023 has been derived from our Audited Consolidated Financial Statements beginning on page 232.

Unless otherwise indicated or the context otherwise requires, in this section, references to "the Company" or "our Company" are to Kaynes Technology India Limited on a standalone basis, and references to "the Group", "we", "us", "our", are to Kaynes Technology India Limited on a consolidated basis.

This Placement Document contains forward-looking statements that involve risks and uncertainties. Our results could differ from such forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Placement Document. For further details, see "Forward-Looking Statements" on page 14.

*Unless otherwise indicated, industry and market data used in this section has been derived from the report titled "Industry Research Report on ESDM and OSAT " dated June, 2025 (the "**CARE Report**"), prepared and issued by Care Edge Limited. There are no parts, data or information (which may be relevant for the proposed issue), that has been left out or changed in any manner. Unless otherwise indicated, financial, operational, industry and other related information derived from the CARE Report and included herein with respect to any particular year refers to such information for the relevant calendar year. For more information, see "Risk Factors – Certain sections of this Placement Document disclose information from the CARE Report which is a paid report and commissioned and paid for by us exclusively in connection with the Issue and any reliance on such information for making an investment decision in the Issue is subject to inherent risks." on page 62. Also see, "Industry and Market Data" on page 62.*

Internal Risk Factors

1. ***Our business is dependent on the sale of products of our customers. Our top 10 customers accounted for 60.41%, 68.84% and 67.24%of our revenue from operations in Fiscals 2023, 2024 and 2025, respectively. Revenue contribution from our top 1, top 5 and top 10 customers has fluctuated in the last three Fiscals. In addition, we do not have firm commitment agreements with our customers. The loss of one or more such customers or a reduction in demand for their products could adversely affect our business, results of operations, financial condition and cash flows.***

We have, through our experience in business operations, established long-term relationships with our customers across industries. We have a diversified customer base and we served 533 customers in 36 countries across 5 continents including countries such as the United Kingdom, United States, Saudi Arabia and Germany, as of March 31, 2025. The table below details our customers across various business verticals for the periods indicated:

Services	Fiscal 2023		Fiscal 2024		Fiscal 2025	
	Domestic	International	Domestic	International	Domestic	International
OEM – Turnkey Solutions – Box Build	42	11	39	9	35	9

Services	Fiscal 2023		Fiscal 2024		Fiscal 2025	
	Domestic	International	Domestic	International	Domestic	International
OEM – Turnkey Solutions – Printed Circuit Board Assemblies	251	36	304	31	374	50
ODM and Product Design and Engineering and IoT Solutions	23	9	23	5	58	8

Note: Customers are common across our business verticals.

Our customers span multiple sectors, ranging from electronics, to automotive, to healthcare, industrial and IoT. We have a balanced mix of domestic and international customers including certain Fortune 500 companies, multinational corporations and start-ups.

The table below sets forth details of revenues generated from our top 1, top 5 customers and our top 10 customers for the periods indicated.

Customer	Fiscal 2023		Fiscal 2024		Fiscal 2025	
	Amount (₹ million)	Percentage of Revenue from Operations (%)	Amount (₹ million)	Percentage of Revenue from Operations (%)	Amount (₹ million)	Percentage of Revenue from Operations (%)
Top 1	1,597.96	14.19%	4,617.22	25.59%	4,300.83	15.80%
Top 5	4,908.03	43.58%	9,569.10	53.03%	12,581.75	46.23%
Top 10	6,802.97	60.41%	12,422.22	68.84%	18,302.31	67.24%

For further information, see "*Our Business - Customers*" on page 143.

The deterioration of the financial condition or business outlook of our key customers may result in a significant decline in the volume of business we receive from them. Any reduction in orders — whether driven by customer-specific issues such as pricing pressures, delays in our ability to meet delivery timelines, failure to meet expected quality and quantity standards, or broader macroeconomic and geopolitical factors such as inflationary pressures, supply chain disruptions, raw material volatility, regulatory changes, or global trade tensions — could adversely affect our revenues, cash flows, results of operations and financial condition.

Our customer base is subject to constant evolution, and we may be exposed to concentration risk if a substantial portion of our revenues is derived from a limited number of customers. In the event we lose one or more of such key customers, we may not be able to replace the lost business on comparable terms or within a reasonable timeframe. There can be no assurance that we will be able to secure new customers or expand existing customer relationships to offset such losses. We do not typically enter into firm long-term supply agreements with our customers. Instead, our sales are primarily governed by purchase orders and customer forecasts, which are generally subject to change or cancellation with limited notice. These purchase orders often specify the unit price and tentative delivery schedules, but the final quantities and timings are frequently confirmed closer to the delivery date. As a result, any changes or cancellations can disrupt our production planning, inventory management and resource allocation.

Further, we generally do not have exclusivity arrangements with our customers, and they may engage other vendors at their discretion. This lack of long-term visibility and contractual commitment, combined with the dynamic nature of customer procurement preferences, can lead to significant fluctuations in our order book and revenue generation from period to period. The short-term and non-binding nature of customer commitments also makes it difficult to accurately project future demand or production schedules, which may impact our operational efficiency and profitability.

Cancellation by customers or delay or reduction in their orders or instances where anticipated orders fail to materialize can result in mismatch between our inventories of raw materials and of manufactured products, thereby increasing our costs relating to maintaining our inventory and reduction of our margins, which may adversely affect our profitability and liquidity. The table below sets forth certain details of our purchase orders for the periods indicated.

Fiscal 2023		Fiscal 2024		Fiscal 2025	
Total Purchase Orders	Number of Purchase Orders Cancelled	Total Purchase Orders	Number of Purchase Orders Cancelled	Total Purchase Orders	Number of Purchase Orders Cancelled
48,650	866*	67,814	1,059*	85,580	1,028*

** Purchase orders cancelled and no subsequent order received within six months.*

The table below sets forth details of our existing customers and new customers for the periods indicated:

Customers	Fiscal 2023	Fiscal 2024	Fiscal 2025
	Customer Count		
New	135	170	235
Existing*	226	241	298
Total	**361**	**411**	**533**

**Existing customers refer to customers who are continuing customers from the previous period.*

Further, we may not find any customers or purchasers for the surplus or excess capacity, in which case we would be forced to incur a loss. Further, our inability to find customers for surplus products may result in excessive inventories which may become obsolete and may be required to be written off in the future. While such instances have not occurred in the past, there can be no assurance that we will not face such instances in future.

Additionally, our customers have high and stringent standards for product quality and quantity as well as delivery schedules. Any failure to meet our customers' expectations could result in the cancellation or non- renewal of contracts or purchase orders. There are also a number of factors, other than our performance that could cause the loss of a customer. Customers may demand price reductions, set-off any payment obligations, require indemnification for themselves or their affiliates, or replace their existing products with alternative products, any of which may have an adverse effect on our business, financial condition, results of operations and future prospects.

2. Increasing competition in the electronics system design and manufacturing industry may create pressures of pricing and market share that may adversely affect our business, prospects, results of operations, cash flows and financial condition.

We operate in the highly competitive electronics system design and manufacturing ("**ESDM**") industry. As per the CARE Report, the EDSM market in India includes major global players such as Bharat FIH Limited, Flex Limited, Wistron Infocomm Manufacturing India Private Limited, Pegatron Technology India Private Limited, Jabil India Manufacturing Private Limited, alongside prominent Indian companies such as Dixon Technologies India Limited, Amber Enterprises India Limited, SFO Technologies Private Limited, Syrma SGS Technology Limited, Elin Electronics Limited, Avalon Technologies Limited amongst others.

The competitive dynamics in the ESDM industry vary based on product category, customer segment, and geography. Accordingly, we face competition across multiple fronts, including independent contract manufacturers, in-house manufacturing divisions of original equipment manufacturers (OEMs), and other third-party service providers. We primarily compete on the basis of product quality, cost efficiency, technological capabilities, timely delivery, customer service, and the strength of both strategic and operational relationships with clients.

Certain competitors may possess greater financial, technical, and operational resources, and may benefit from economies of scale and scope that enable them to offer similar services at lower prices without impacting their profitability. These competitors may also have established relationships with key customers and suppliers, giving them an additional competitive advantage. In order to remain competitive, we must continue to enhance our manufacturing and operational efficiencies, optimize costs across the production and logistics value chain, and offer innovative and high-quality solutions tailored to evolving customer requirements. Despite the strengths of our value proposition, there is no assurance that we will be more successful than our competitors in attracting or retaining customers, particularly if such competitors are able to offer better pricing, broader service offerings, or deeper integration into customer operations.

In addition to existing domestic and international competitors, we also anticipate future competition from global ESDM players based in countries such as China and Vietnam, including in markets where we currently operate and those where we may expand. Moreover, macroeconomic factors, evolving trade policies, and other variables beyond our control — such as competitor pricing strategies or responsiveness to customer needs — could further impact our competitive positioning.

Our inability to compete effectively across our key markets and customer segments could materially and adversely affect our business, financial condition, results of operations and future growth prospects. There can be no assurance that we will be able to sustain or improve our competitive position in this increasingly dynamic industry landscape.

3. We rely on the continued operations of our manufacturing facilities and any slowdown, shutdown or disruption in our manufacturing facilities may be caused by natural and other disasters causing unforeseen damages which may lead to disruptions in our business and operations could have an adverse effect on our business, results of operations, financial condition and cash flows.

We operate 15 strategically located manufacturing facilities across India and United States with eight of them being operated by our Company in the states of Karnataka (three facilities, namely, Mysuru – Unit I, Bengaluru – Unit I and Unit II), Haryana (two facilities, namely, Manesar – Unit I and Unit – II), Himachal Pradesh (one facility at Parwanoo), Tamil Nadu (one facility at Chennai) and Maharashtra (one facility in Pune); six manufacturing facilities operated by our Subsidiaries in India, at Chamarajanagar, Karnataka (operated by our Subsidiary, Kaynes Electronics Manufacturing

Private Limited); Mysuru, Karnataka (operated by our Subsidiary, Kaynes International Design & Manufacturing Private Limited); Hyderabad, Telangana (operated by our Subsidiary, Kaynes Electronics Manufacturing Private Limited); Bengaluru, Karnataka (operated by our Subsidiary Kaynes Mechatronics Private Limited; Mysuru, Karnataka (operated by our Subsidiary, Iskraemeco India Private Limited); one Hyderabad, Telangana (operated by our Subsidiary Iskraemeco India Private Limited) and one facility operated by our Subsidiary Digicom Electronics Inc. in Oakland, USA. We have recently completed phase-I of our new manufacturing facility at Chamarajanagar, Karnataka which commenced commercial operations on May 5, 2023. In addition, we are in the process of setting-up additional facilities for manufacturing of High Density Interconnect ("**HDI**") circuit boards and an Outsourced Semiconductor Assembly and Testing ("**OSAT**") facility at Chennai, Tamil Nadu and Sanand, Gujarat, respectively. Each of these facilities are expected to commence commercial production by Fiscal 2026.

In addition, as of March 31, 2025, our manufacturing infrastructure also included five design facilities at Bengaluru, Karnataka, Ahmedabad, Gujarat, Scharding, Austria, Hampshire, United Kingdom and Princeton, USA and two service centres at Navi Mumbai, Maharashtra and Kochi, Kerala. For further information, see "*Our Business – Manufacturing Facilities*" on page 143. We provide services to our customers which are as follows: (i) OEM – Turnkey Solutions – Box Build; (ii) OEM – Turnkey Solutions – Printed Circuit Board Assemblies; (iii) ODM; and (iv) Product Engineering and IoT Solutions. While providing the products under the above services, we use different manufacturing processes such as surface mount technology and through hold technology.

Our business is significantly dependent on the continued and efficient operation of our manufacturing facilities, which are subject to various operational and external risks. A substantial portion of our revenue is derived from our manufacturing operations. Accordingly, our ability to operate and manage our facilities efficiently is critical to our business. These facilities are subject to a range of risks, including political and regulatory developments, fluctuations in workforce productivity, challenges in managing production costs and yields, and maintaining product quality. In addition, we are exposed to events beyond our control, such as equipment breakdowns, industrial accidents, power or water supply disruptions, severe weather conditions, natural disasters, or public health crises. Any material social, political, or economic disruption, civil unrest, natural calamity, or change in applicable state policies may compel us to incur substantial capital expenditures, alter our business strategy, and could adversely affect our business, results of operations, financial condition and cash flows.

Our manufacturing operations involve inherent hazards that could lead to accidents, regulatory liabilities and operational disruptions. Our facilities require personnel to operate in potentially hazardous conditions, including the handling of flammable or dangerous materials. Despite adherence to applicable safety regulations and internal protocols, our operations remain exposed to significant risks, including:

- fire and explosions;
- mechanical failures and operational malfunctions;
- accidental discharge or release of hazardous substances, chemicals or gases; and
- other environmental and occupational hazards.

Certain manufacturing processes and equipment carry an inherent risk of accidents and personal injury. Although we maintain and enforce safety protocols, such incidents could result in injury or loss of life, damage to equipment or property, environmental harm, and operational disruptions. Any such event may lead to regulatory scrutiny, imposition of civil or criminal penalties, and reputational harm. Temporary or prolonged shutdowns of our facilities due to such incidents could materially impact our financial performance and business continuity.

We may be subject to significant litigation and liability arising from workplace incidents. We may face claims and legal proceedings initiated by employees, contractors or third parties alleging personal injury or occupational exposure to hazardous conditions at our facilities. The outcome of such litigation is inherently uncertain, and the cost of defence can be substantial. Any adverse judgment or settlement, or even sustained negative publicity, could have a material adverse effect on our business, financial condition, results of operations, cash flows and reputation.

Disruptions in equipment supply or machinery failure may impact our operational efficiency and ability to meet customer requirements. Our operations also rely on the timely availability of critical equipment, spare parts and services provided by third-party suppliers and contractors. Any disruption in our ability to procure such inputs, or any significant malfunction of machinery, could lead to increased repair and maintenance costs, production delays and an inability to meet customer schedules. Failure to address such disruptions in a timely and cost-effective manner could impact our ability to fulfil customer commitments, result in revenue loss, and adversely affect our relationships with key stakeholders.

4. Our success depends upon our ability to formalize and operationalize effective business and growth strategy. Our inability to manage our business and growth strategy could have a material adverse effect on our business, financial condition and results of operations.

We have experienced significant growth over the past three Fiscals. The following table sets forth details of our EBITDA / EBTIDA Margin and profit after tax for the periods indicated:

Particulars	Fiscal 2023	Fiscal 2024	Fiscal 2025
	(*₹ million, except percentages*)		
Revenue from Operations	11,261.14	18,046.19	27,217.52
EBITDA [(1)]	1,683.18	2,541.68	4,106.99
EBITDA Margin [(2)]	14.95%	14.08%	15.09%
Profit After Tax	951.96	1,832.89	2,934.33
Profit After Tax Margin [(3)]	8.45%	10.16%	10.78%

Notes:

(13) EBITDA is calculated as profit before tax plus depreciation and amortization expense plus finance cost less finance income and other income.

(14) EBITDA margin is calculated as EBITDA divided by revenue from operations.

(15) Profit After Tax Margin is calculated as profit after tax divided by revenue from operations.

Our future growth and success are heavily dependent on the effective implementation of our business strategy, which includes expanding our customer base across domestic and international markets, establishing new manufacturing facilities, enhancing production capacity and utilization, diversifying our product portfolio through R&D, and improving operational efficiencies. Our ability to execute this strategy is subject to various factors, including identifying and responding to market trends, maintaining competitiveness, managing product quality, building brand recognition in new geographies, and attracting and retaining skilled personnel. Many of these factors are beyond our control, such as geopolitical developments, inflationary pressures, raw material availability, supply chain disruptions, and changes in regulatory environments. Further, entry into new markets may pose operational, logistical and commercial challenges, which could impact our ability to achieve scale and profitability in a timely manner.

In addition, the successful management of our growth will require continued enhancements to our operational, technological and financial systems, as well as expansion of our workforce and internal controls. There can be no assurance that our existing infrastructure and personnel will be adequate to support our future expansion. Any inability to effectively manage growth could result in increased operational costs, reduced profitability, and disruption of our business activities, all of which could materially and adversely affect our business, financial condition, results of operations and future prospects.

5. We may undertake acquisitions, investments, joint ventures or other strategic alliances, which may have a material adverse effect on our ability to manage our business, and such undertakings may be unsuccessful.

We have historically pursued, and intend to continue pursuing, joint ventures, acquisitions and strategic investments in India and other geographies as part of our growth strategy. We have recently acquired: (i) Iskraemeco, a Slovenia-based manufacturer of advanced metering infrastructure (AMI) products; (ii) Digicom, a U.S.-based contract manufacturer of printed circuit board assemblies; and (iii) Sensonic, an Austria-based company focused on AI-integrated IoT-based asset tracking technologies. We are also in the process of acquiring August Electronics, a Canada-based provider of custom electronic manufacturing services, and have signed a share purchase agreement dated May 7, 2025. The acquisition is subject to completion and customary closing conditions. These acquisitions are intended to enhance our product portfolio, deepen customer relationships, and broaden our global footprint. These acquisitions have involved integration of overseas teams, processes, and technologies. As of March 31, 2025, these acquisitions resulted in the recognition of goodwill of ₹ 141.38 million on our consolidated balance sheet. Further, we are evaluating strategic opportunities in industrial segments such as aerospace electronics, railway safety and signalling, power electronics and industrial IoT and also exploring opportunities in geographies such as North America, Europe and Southeast Asia. There is no assurance that the anticipated synergies, cost savings, or strategic benefits from such acquisitions will materialise, or that the goodwill recorded will not be impaired in the future.

As part of our strategic initiatives, we may from time to time enter into non-binding memoranda of understanding or other preliminary arrangements to explore potential acquisitions, investments, or joint ventures. These documents are intended to facilitate initial diligence and discussions with potential targets and do not create binding obligations on the Company to consummate any such transaction. As of the date of this Placement Document, we have not entered into any definitive or binding agreements for the acquisition of any entity or business. There can be no assurance that any such exploratory discussions will result in a transaction, or that if consummated, such transaction will be successfully integrated or value accretive to our business.

While these initiatives are intended to enhance our global presence, technological capabilities, and market access, they also expose us to additional risks, including:

- challenges in successfully integrating new operations, personnel, products, services and technologies;
- diversion of management attention and resources from our core businesses;

- potential non-compliance with local laws, regulatory regimes or technical standards in overseas jurisdictions;
- failure to generate adequate revenues to offset the associated investment and operational costs;
- inability to achieve anticipated synergies or economies of scale; and
- risk of employee attrition or disruption of existing customer relationships.

Any of these events could impair our ability to manage our operations effectively and may have a material adverse effect on our business, financial condition and results of operations. While we have not encountered such challenges in the past three Fiscals, there can be no assurance that similar outcomes will be achieved in the future. Moreover, we may fail to realise the expected strategic or financial benefits from these ventures, and may be unable to recover the capital invested in such initiatives.

Additionally, the success of our acquisitions, investments or strategic alliances may be adversely impacted by any of the other risks applicable to our business, as set out in this Placement Document. Even if integration is achieved as planned, there can be no assurance that the synergies or operational efficiencies we anticipate will materialise, or that they will be achieved within the expected timeframe. Any such failure may adversely affect our business prospects, financial performance and shareholder value.

6. Improper storage, processing and handling of materials and products may cause damage to our inventory. Write-off our damaged inventory could have an adverse effect on our business, results of operations and cash flows.

Various types of components used in our manufacturing processes are susceptible to different forms of damage, which may impact their usability, performance, or reliability. Electronic components are prone to lead tarnishing, which can impair solderability and product performance. Active electronic components are highly sensitive to Electro-Static Discharge (ESD), which may result in latent or immediate failure. Moisture Sensitive Devices (MSDs) are vulnerable to moisture-related damage that can compromise functionality. Additionally, mechanical components are at risk of physical damage due to improper handling, storage, or transportation. To mitigate these risks, we are required to maintain strict protocols relating to component handling, inventory storage, environmental control, and quality assurance.

The table below sets for details of our inventory written-off for the period indicated:

Particulars	**Fiscal 2023**	**Fiscal 2024**	**Fiscal 2025**
		(*₹ million*)	
Inventory			
- Raw Materials	-	40.25	8.33
- Work-in-progress	-	-	-
- Finished Goods	-	-	0.14
Total	**-**	**40.25**	**8.48**

In the event that component damage or contamination is detected during in-process quality checks or final inspections, we may be required to suspend manufacturing activities, resulting in underutilization of capacity and potential delays in fulfilling customer orders. This may have an adverse impact on our operational performance, revenue and margins. Although we have not experienced any significant damage or contamination events at our manufacturing facilities in the past, there can be no assurance that such incidents will not occur in the future.

Further, improper storage conditions, extended storage durations, or adverse environmental factors such as humidity or temperature fluctuations may also lead to increased inventory losses. In such cases, we may be required to incur additional expenditure for replacement of damaged inventory or for upgrading our warehousing and environmental control systems. Any such costs could adversely affect our profitability. Moreover, any shortfall in production quality—whether due to human error, negligence, or other operational lapses—may result in product defects and non-compliance with applicable customer or industry quality standards. Such instances may expose us to claims from customers, regulatory scrutiny, reputational damage and, in extreme cases, legal proceedings. While we have not faced material claims related to product quality in the past, there can be no assurance that similar claims will not arise in the future.

7. Our reliance on the continuous and timely supply of semiconductors from overseas markets exposes us to global supply chain disruptions, which may adversely affect our business, financial condition, results of operations and prospects.

We are dependent on the uninterrupted supply of semiconductors and related components—most of which are sourced from overseas—for the manufacture of our products. Imported raw materials constituted 64.21%, 72.51% and 65.08% of our total raw material purchases in Fiscal 2023, 2024 and 2025, respectively. The global supply of semiconductors is subject to several external factors, including fluctuations in raw material availability, production capacity constraints, international trade policies, import tariffs, currency exchange volatility, natural disasters, and geopolitical developments.

Recent global supply chain disruptions, intensified by escalating tensions between the United States and China in the recent past has contributed to semiconductor shortages (*Source: CARE Report*), and any political instability or escalation of conflict could materially disrupt the global supply chain and lead to shortages or delays in sourcing key semiconductor components.

Although we have not faced any material shortage of semiconductors in the past three Fiscals, there can be no assurance of continued availability of such components in the future. Any delay or disruption in the procurement of semiconductors, or volatility in foreign exchange rates impacting the cost of such imports, may impair our ability to meet customer orders in a timely manner and could adversely affect our business, financial condition, results of operations and growth prospects.

8. The proposed OSAT and bare PCB manufacturing facilities are dependent on various government subsidies. In the event such subsidies do not materialize or the relevant state or central government does not approve the entire subsidy amount, we may have to raise additional capital, which may materially impact our cash flows, financial condition and results of operations.

We are in the process of setting-up additional facilities for manufacturing of HDI circuit boards and an OSAT facility at Chennai, Tamil Nadu and Sanand, Gujarat, respectively. For the successful completion of the proposed OSAT and HDI circuit boards manufacturing within the estimated cost we are dependent on certain government subsidies. These government subsidies include certain terms and conditions which we need to comply with in order to receive such subsidy.

Our proposed OSAT facility is eligible to avail of benefits under the India Semiconductor Mission of the Government of India, which allows us to claim benefits of 50% of the total cost of building and plant and machinery. Once the cost of building and plant and machinery is approved by the authority, the total cost of building and plant and machinery is jointly funded in equal amounts by us and the Government of India. The proposed facility is also eligible to receive benefits from the Government of Gujarat, which allows us to claim benefits of 20% of the total cost of building and plant & machinery. Post expenditure, we are entitled to claim back 20% of such cost from the government.

The proposed PCB facility is eligible to avail of benefits under the Electronics Components Manufacturing Scheme of the Ministry of Electronics & Information Technology, Government of India. This subsidy allows us to claim 25% of the total cost of plant and machinery from the Government of India. It is also eligible to apply for benefits under the Tamil Nadu Electronics Components Manufacturing Scheme of the Government of Tamil Nadu wherein our Company can avail incentives that match the subsidies under the Electronics Components Manufacturing Scheme of the Ministry of Electronics & Information Technology, Government of India.

Our reliance on government subsidies for the development of OSAT and HDI circuit boards manufacturing facilities in India introduces a dependency on external factors, and any adverse changes in subsidy availability or approval may impact the anticipated financial outcomes of the project.

9. Our proposed capacity expansion plans relating to our manufacturing facilities are subject to the risk of unanticipated delays in implementation and cost overruns. Further, the installed capacities at our manufacturing facilities were not fully utilised in Fiscal 2023, 2024 and 2025.

Based on the expected potential growth in the global electronics system design and manufacturing ("ESDM") services market and the increase in demand for our products in the recent years, we anticipate an increase in the production capacity. In order to support our growth strategy across India, we are in the process to set up OSAT and compound semiconductor manufacturing facility at Sanand, Gujarat, the PCB facility in Mysuru, Karnataka and undertake significant expansion at our current facility at Mysuru, Karnataka – Unit – I. For further information, see – "*Our Business – Strategies – Expand manufacturing capacity at our existing facilities and set-up additional strategically located facilities*" on page 143. Our Company has experienced significant growth in the demand for its services, evidenced by the growth in order book of ₹ 26,481.68 million for Fiscal 2023 to ₹ 41,152.13 million for Fiscal 2024 and to ₹ 65,968.60 million for Fiscal 2025. Our Company is required to maintain adequate capacity to meet the growing demand. In order to provide focussed services to our customers, our Company has proposed to expand certain of its existing facilities. Our Company believes that expansion of current facilities would be beneficial for our Company and our Shareholders.

The following table sets forth further information relating to our proposed manufacturing facilities for OSAT and PCB:

Locations	Verticals	Unit of measure	Proposed Capacity* (in respective units)
Sanand, Gujarat	OSAT	Million packages per annum across various types of packages	2,310.00 (expected to be commissioned by Fiscal 2026)
Chennai, Tamil Nadu	Bare PCB Fabrication – HDI	Square meter per annum	330,000.00 (expected to be commissioned by Fiscal 2026)
	PCB – Multilayer	Square meter per annum	1,050,000 (expected to be commissioned by Fiscal 2026)

Locations	Verticals	Unit of measure	Proposed Capacity* (in respective units)
	Total (PCB)		**1,380,000.00**

As we continue our growth by constructing new manufacturing facilities, we may encounter regulatory, personnel and other difficulties that may increase our expenses, which could delay our plans or impair our ability to become profitable in these areas. Problems that could adversely affect our expansion plans include labour shortages, issues with procurement of equipment or machinery, increased costs of equipment or manpower, inadequate performance of the equipment and machinery installed in our manufacturing facilities, delays in completion, defects in design or construction of our future manufacturing facilities, the possibility of unanticipated future regulatory restrictions, delays in receiving governmental, statutory and other regulatory approvals, incremental pre-operating expenses, taxes and duties, interest and finance charges, working capital margin, environment and ecology costs and other external factors which may not be within the control of our management. There can be no assurance that the proposed capacity additions and expansions will be completed as planned or on schedule, and if they are not completed in a timely manner, or at all, our budgeted costs and investments may be insufficient to meet our proposed capital expenditure requirements. Further, the estimated schedule completion dates are based on estimates and we cannot assure you that such proposed manufacturing facilities will start production on schedule. If our actual capital expenditures significantly exceed our budgets, or even if our budgets were sufficient to cover these projects, we may not be able to achieve the intended economic benefits of these projects, which in turn may materially and adversely affect our financial condition, results of operations, cash flows, and prospects. Although we have not experienced any cost overruns in the past, we cannot assure you that we will not experience cost overruns in relation to our proposed manufacturing facilities in the future.

There can be no assurance that such plans will be successfully implemented or completed or that if completed, they will result in the anticipated growth in our revenues or improvement in the results of operations we anticipate from the implementation of such initiatives. In addition, the installed capacities at our manufacturing facilities were not fully utilised in Fiscal 2023, 2024 and 2025. For further information, see "*Our Business – Aggregate Installed Capacity and Capacity Utilization*" on page 143. We cannot assure you that we will be able to completely utilize, in part or full, the proposed expansion of the installed capacities of our manufacturing facilities. Our projected requirements for infrastructure investments may also vary from actual levels if anticipated sales growth does not materialize or varies significantly from our projections. Such investments are generally long term in nature and it is possible that investments may not generate the returns we expect. Significant changes from our expected returns on manufacturing facility equipment, technology support systems and supply chain infrastructure investments could have an adverse effect our results of operations, cash flows and financial condition.

10. We propose to utilize a portion of our Net Proceeds towards funding working capital requirements of our Company which is based on certain assumptions and estimates.

We intend to utilize ₹ 2,000.00 million from the Net Proceeds towards funding the estimated working capital requirements of our Company, which is based on management estimates and certain assumptions in relation to, inter alia, the holding periods of inventories, debtors, payables and net working capital.

We have significant working capital requirements in the ordinary course of business, which are typically funded through internal accruals and financing arrangements with various lenders. Our Company requires additional working capital to execute its outstanding order book, meet the requirements of anticipated future orders, and support overall business growth and strategic objectives. The estimates of the working capital requirements for our Company have been prepared based on management estimates. Such estimated working capital requirements have been prepared using past requirements. Accordingly, such working capital estimates may not be consistent with the actual working capital requirements of our Company and accordingly investors are advised to not place undue reliance on such estimates. For further information, see, "*Use of Proceeds – Funding of working capital requirements of our Company*" on page 78.

11. We propose to utilize a portion of our Net Proceeds towards funding inorganic growth opportunities for which targets have not been identified. Such Net Proceeds to be utilized towards funding inorganic growth may be insufficient for the cost of our proposed inorganic acquisition and the deployment of Net Proceeds towards our inorganic growth initiatives may not take place within the period currently intended, and may be reduced or delayed.

Our Company intend to utilize ₹1,600 million from our Net Proceeds towards funding of inorganic growth opportunities, including but not limited to acquisitions, strategic investments, and joint ventures. We intend to utilise such portion of the Net Proceeds for investment or acquisition opportunities that will enable us to (i) enhance our scale and market position; (ii) enhance our product portfolio including product category adjacencies by unlocking potential synergy benefits; (iii) extend our reach to new geographic markets including outside India; and (iv) capture additional revenue opportunities from our existing customer base to improve our margin profile. For further details, see "*Use of Proceeds*" on page 78.

The actual deployment of funds will depend on a number of factors, including the timing, nature, size and number of acquisitions to be undertaken, as well as general factors affecting our results of operation, financial condition and access to capital. These factors will also determine the form of investment for these potential acquisitions, i.e., whether they will be directly done by our Company or through our Subsidiaries or whether these will be in the nature of asset or technology acquisitions or joint ventures.

We have not entered into any definitive agreements towards any future acquisitions, investments or strategic initiatives. It is also possible that we may not be able to identify suitable targets, or that if we do identify suitable targets, we may not be able to complete those transactions on terms commercially acceptable to us or at all. The inability to identify suitable targets or investments and the inability to complete such transactions may adversely affect our competitiveness and growth prospects.

In the event that estimated utilisation out of the Net Proceeds in a fiscal is not completely met, the same shall be utilized in the subsequent fiscals, as may be decided by our Company, in accordance with applicable laws. Any change in our plans may require rescheduling of our expenditure programs and increasing or decreasing expenditure for a particular object vis-à- vis the utilisation of Net Proceeds. The amount of Net Proceeds proposed to be utilised for the aforesaid objects are based on our management' estimates and may not be the total value or cost of any such acquisitions, or investments, and may result in shortfall in raising requisite capital from the Net Proceeds towards such acquisitions or investments.

Any proposed acquisition may have unknown or contingent liabilities, including liabilities for failure to comply with relevant laws and regulations, non-availability of any permits, approvals, or authorisations which are required for undertaking business or operations, and accordingly we may become liable for the past activities of such businesses. Further, we may be subject to various obligations or restrictions under the relevant transaction agreements to be entered into for inorganic growth opportunities which may, as the case may be, prevent us from disposing or acquiring shares in the subject entities, or force us to sell or acquire shares in respect of such acquisitions.

12. We propose to utilise a portion of the Net Proceeds to repay certain borrowings and to fund our working capital requirements. There can be no assurance that such utilisation will yield the expected benefits or that the working capital proceeds will be sufficient to replace the credit lines being repaid.

Our Company proposes to utilise a portion of the Net Proceeds from the Issue towards the repayment or prepayment, in full or in part, of certain borrowings availed by our Company, including working capital facilities, and towards meeting our working capital requirements. For further information, see "*Use of Proceeds*" on page 78. As of March 31, 2025, we had total borrowings (consisting of non-current borrowings and current borrowings) of ₹ 8,754.83 million. While such repayment is expected to improve our leverage position and reduce our interest burden, there can be no assurance that these benefits will be realised to the extent anticipated.

We also propose to utilise ₹ 2,000.00 million from the Net Proceeds towards our working capital requirements. However, since a portion of the borrowings proposed to be repaid comprise working capital facilities, the working capital infusion from the Net Proceeds may not constitute a sufficient or equivalent replacement for the credit lines being extinguished. This may adversely impact our liquidity position unless new borrowing arrangements are entered into on favourable terms or the business generates sufficient internal accruals to bridge any shortfall.

Additionally, any prepayment of existing facilities may be subject to prepayment penalties or charges, increasing the effective cost of repayment. Moreover, utilisation of Net Proceeds towards repayment of debt or working capital requirements may not directly enhance our revenue or profitability and may have limited bearing on our long-term growth trajectory. There can also be no assurance that we will not incur additional indebtedness in the future, which could expose us to similar levels of financial leverage and related risks.

13. *Our business is manpower intensive. Our business may be adversely affected by work stoppages, increased wage demands by our employees, or increase in minimum wages across various states, and if we are unable to engage new employees at commercially attractive terms. We have experienced high attrition rates and an increase in our employee benefit expenses.*

Our continued success is significantly dependent on our ability to attract, hire, train, and retain qualified and skilled personnel, as well as maintain stable and constructive relationships with our workforce. While we have not experienced any material disruption to our operations due to labour disputes in the past three Fiscals, there can be no assurance that such disputes, dissatisfaction, or unrest will not arise in the future. Any such incidents may result in work stoppages, slowdowns or other interruptions, adversely impacting operational continuity, capacity utilisation and fulfilment of customer commitments.

Further, a sustained increase in employee attrition could adversely impact our productivity and efficiency, lead to the loss of key institutional knowledge and customer relationships, and increase recruitment and training costs. Any prolonged

disruption in workforce availability or labour-related delays may materially and adversely affect our business, financial condition and results of operations.

The table below sets forth details of our employee benefit expenses and as a percentage of our total expenses for the periods indicated:

Particulars	Fiscal 2023	Fiscal 2024	Fiscal 2025
	(₹ million, except percentages)		
Employee Benefit Expenses	770.99	1,027.56	1,780.67
Total Expenses	10,114.73	16,289.66	24,570.91
Employee Benefit Expenses as a percentage of Total Expenses	7.62%	6.31%	7.25%

Changes in labour laws, including upward revisions in minimum wage requirements or statutory employee benefits in states where we currently operate or plan to expand, may result in higher employee costs. Additionally, in order to attract and retain skilled talent, we may be required to offer enhanced compensation and benefits, which could increase our operating expenses and impact our margins. We cannot assure you that employee-related costs will not increase significantly as our business grows.

India's labour legislation is comprehensive and provides robust protections to employees, including laws related to unionisation, dispute resolution, retrenchment, and severance. Although our employees are not currently unionised, any future attempt by employees to unionise may limit our ability to maintain flexible labour policies and could increase our operational and compliance costs. Further, any disruption in services due to strikes, agitation, or dissatisfaction among our employees or contract workers could adversely affect our manufacturing activities and delivery schedules.

Although we believe our workforce is a critical asset and we have not experienced any material labour unrest to date, we cannot assure that such disruptions will not occur in the future. Any deterioration in workforce relations, increase in compensation costs, or large-scale disruption in manpower availability could materially and adversely affect our business operations, financial performance and future growth.

14. We are reliant on the demand from various industries, of which automotive and industrial industries accounted for 65.87%, 76.41% and 81.44% of our revenue from operations in Fiscals 2023, 2024 and 2025, respectively. Any downturn in these industries could have an adverse impact on our business, growth and results of operations.

Currently, mobile phones, consumer electronics, automotive, and industrial electronics segments account for nearly 82% share of the ESDM business in India. (*Source: CARE Report*) These industries are, in turn, affected by macro- economic factors and the general Indian economy. These sectors are inherently sensitive to macroeconomic conditions and fluctuations in the broader Indian economy. Although rising consumer and industrial demand is expected to drive growth in the components manufactured by ESDM companies, such projections are subject to market volatility and economic uncertainties, and there can be no assurance that these expectations will materialize.

The table below sets forth our revenue from operations across the various end-use industry verticals we serve for the periods indicated:

Industry Vertical	Fiscal 2023		Fiscal 2024		Fiscal 2025	
	Amount (₹ million)	Percentage of Revenue from Operations (%)	Amount (₹ million)	Percentage of Revenue from Operations (%)	Amount (₹ million)	Percentage of Revenue from Operations (%)
Automotive	4,322.48	38.38%	5,229.54	28.98%	7,207.71	26.48%
Industrial including EV	3,096.06	27.49%	8,559.08	47.43%	14,959.56	54.96%
Aerospace, Outer- space and Strategic Electronics	199.98	1.78%	486.18	2.69%	362.68	1.33%
Medical	692.54	6.15%	572.99	3.18%	646.98	2.38%
Railways	1,347.22	11.96%	1,917.12	10.62%	1,870.17	6.87%
IoT / IT, Consumer and Others	1,602.86	14.23%	1,281.27	7.10%	2,170.42	7.97%
Total	**11,261.14**	**100.00%**	**18,046.18**	**100.00%**	**27,217.52**	**100.00%**

Any sustained downturn or disruption in demand from these end-use industries could materially and adversely impact our revenue from operations, profitability, and overall financial condition. Given that a significant portion of our business is concentrated in sectors such as automotive, consumer electronics, and industrial applications, any slowdown in these markets—whether due to economic recession, supply chain disruptions, regulatory changes, or shifts in consumer behaviour could lead to reduced order volumes, pricing pressures, and underutilization of manufacturing capacities. Furthermore, our reliance on cyclical industries increases our vulnerability to external shocks, such as geopolitical tensions,

inflationary pressures, or technological shifts that may render certain products or components obsolete. As our revenue profile is closely tied to the performance of these sectors, any adverse developments therein could have an adverse impact on our results of operation and financial condition.

15. The businesses of certain customers we serve are subject to seasonality, which may result in fluctuations in our quarterly performance and may not be indicative of our annual results.

A portion of our customer base in the industrial segment operates in end-use markets that are subject to seasonal demand fluctuations. For instance, products such as BLDC motor controllers and switchgear electronics, which are used in the manufacture of fans, typically experience increased sales during the peak summer months in India. As a result, sales related to these products are generally concentrated in the fourth quarter of a Fiscal year, which aligns with production activities undertaken in the preceding quarter.

While certain industry verticals we serve display seasonal patterns, our overall operations do not follow a consistent or predictable seasonality trend. Accordingly, our revenues, results of operations, and cash flows may vary significantly across quarters within a Fiscal year. As such, quarter-on-quarter comparisons may not be meaningful and may not accurately reflect our annual performance or be indicative of future results. Any significant deviation in seasonal demand or shifts in customer purchasing patterns could affect our business planning and financial outcomes.

16. Our Promoters will continue to collectively hold majority of the shareholding in our Company, which will allow them to influence the outcome of matters requiring shareholder approval.

As on the date of this Placement Document, our Promoters collectively hold 55.92% of the issued and paid-up share capital of our Company on a fully diluted basis. After the completion of the Issue, our Promoters will continue to collectively hold substantial shareholding in our Company, and will continue to exercise significant influence over our business policies and affairs and all matters requiring Shareholders' approval, including the composition of our Board, the adoption of amendments to our certificate of incorporation, the approval of mergers, strategic acquisitions or joint ventures or the sales of substantially all of our assets, and the policies for dividends, lending, investments and capital expenditures. This concentration of ownership may also delay, defer or even prevent a change in control of our Company and may make some transactions more difficult or impossible without the support of these shareholders. In addition, the trading price of the Equity Shares could be materially adversely affected if potential new investors are disinclined to invest in us because they perceive disadvantages to a large shareholding being concentrated in the hands of our Promoter. For further information, see "*Shareholding Pattern of our Company*" on page 184.

17. We have significant working capital requirements. If we experience insufficient cash flows to fund our working capital requirements or if we are not able to provide collateral to obtain letters of credit and bank guarantees in sufficient quantities, there may be an adverse effect on our business, cash flows and results of operation.

Our business requires significant working capital including in connection with our manufacturing operations and our development of new products. The actual amount of our future capital requirements may differ from estimates as a result of, among other factors, unforeseen delays or cost overruns, unanticipated expenses, regulatory changes, economic conditions, technological changes and additional market developments.

Our sources of additional financing, where required to meet our working capital needs, may include the incurrence of debt, the issue of equity or debt securities or a combination of both. If we decide to raise additional funds through the incurrence of debt and increase in rate of interest for any reason whatsoever, our interest and debt repayment obligations will increase, which may have a significant effect on our profitability and cash flows. We may also become subject to additional covenants, which could limit our ability to access cash flows from operations and undertake certain types of transactions. Any issuance of equity, on the other hand, would result in a dilution of the shareholding of existing shareholders.

Our working capital metrics for the periods mentioned below are as follows:

Particulars	Fiscal 2023	Fiscal 2024	Fiscal 2025
Debtor Days	69	59	84
Inventory Days	104	97	91
Days Payable	73	73	88
Net Working Capital Days	99	83	87

In many cases, a significant amount of our working capital is required to finance the purchase of raw materials and the development and manufacturing of products before payment is received from customers. Our working capital requirements may increase if the payment terms in our agreements with our customers include reduced advance payments or longer payment schedules. These factors may result in increases in the amount of our receivables and may result in increases in any future short-term borrowings. Continued increases in our working capital requirements may have an adverse effect on our results of operations, cash flows and financial condition. Further, in the past, we have made interest payment to our

vendors to extend the credit term beyond the standard credit terms and have also made interest payment to suppliers on account of delays beyond specified days as per governmental regulations on MSME suppliers.

Further, for details regarding inventory, see " - *We maintain significant inventory and have low inventory turnover ratio. Our inability to accurately forecast demand for products that we manufacture and supply to our customers and manage our inventory may have an adverse effect on our business, results of operations, financial condition and cash flows*." on page 63.

18. Our funding requirements and the proposed deployment of the Net Proceeds have not been appraised by any bank, financial institution or any other independent agency, and may be subject to risks related to adequacy, timing and implementation.

We propose to utilise the Net Proceeds from the Issue towards (i) repayment and/or prepayment, in full or in part, of certain outstanding borrowings of our Company and/or its subsidiaries, (ii) funding working capital requirements of our Company, (iii) funding inorganic growth opportunities including acquisitions, strategic investments and joint ventures, and (iv) general corporate purposes. For further information, see "*Use of Proceeds*" on page 78.

The funding requirements, deployment of funds and the intended use of the Net Proceeds as described herein are based on our current business plan, management estimates, prevailing market conditions and other commercial and technical factors, which are subject to change in the future. However, such funding requirements and deployment of funds have not been appraised by any bank, financial institution, independent agency, or the Book Running Lead Managers in connection with the Issue.

Accordingly, there can be no assurance that the Net Proceeds will be deployed in a manner that yields the expected results or benefits. In particular, we intend to utilise a portion of the Net Proceeds for working capital requirements. However, since certain borrowings proposed to be repaid include working capital facilities, the proceeds allocated for working capital may not fully replace the existing lines of credit being extinguished, which may temporarily impact our liquidity or financing flexibility.

Further, subject to compliance with applicable law, our Company retains the right to change the proposed schedule of implementation and deployment of the Net Proceeds, including the manner, method and timing of such deployment, in the event of a change in our business requirements or other commercial considerations. If the Net Proceeds are not completely utilised for the purposes mentioned in the "*Use of Proceeds*" section by the end of the stated implementation period, such unutilised amounts will be deployed in subsequent periods, in accordance with applicable law and at the discretion of our management.

Any variation in the actual use of the Net Proceeds as compared to our current estimates, or any delay in their deployment, may adversely affect our business, results of operations, financial condition and prospects.

19. Our Company is dependent on factors affecting the product costs, in particular the cost of the inputs including materials, power and fuel, packing and forwarding. Any increase in the cost of inputs may affect our business, financial condition, results of operations and prospect.

Our operations and performance are directly related to and affected by the cost of various inputs including semi-conductors, metals such as copper, aluminium, steel, plastics and other commodities. The cost of these inputs especially the cost of raw materials and power and fuel constitute a significant percentage of our product costs.

Particulars	Fiscal 2023		Fiscal 2024		Fiscal 2025	
	Amount (₹ million)	Percentage of Total Expenses (%)	Amount (₹ million)	Percentage of Total Expenses (%)	Amount (₹ million)	Percentage of Total Expenses (%)
Cost of Materials Consumed	8,478.01	83.82%	13,712.02	84.18%	19,116.26	77.80%
Power and Fuel Costs	52.31	0.52%	87.98	0.54%	151.07	0.61%

For more information see "*Management's Discussion and Analysis of Financial Conditions and Results of Operations – Significant Factors Affecting our Results of Operations and Financial Condition – Availability and cost of raw materials*" on page 92.

Our results of operations depend upon our ability to obtain the products and other inputs regularly, at low prices and favorable terms. For the timely supply of raw materials, we have to depend on certain limited third-party suppliers. We procure the raw materials for our business from local suppliers as well from overseas suppliers. Moreover, we do not rely on a single source or vendor for components, instead, have alternative sources for vendors for each component category.

The details of the purchases made for Fiscal 2023, 2024 and 2025, are set out below:

Region wise purchase	Fiscal 2023		Fiscal 2024		Fiscal 2025	
Region	**Amount (₹ million)**	**Percentage of Total Purchases**	**Amount (₹ million)**	**Percentage of Total Purchases**	**Amount (₹ million)**	**Percentage of Total Purchases**
Domestic	3,451.02	35.79%	4,018.15	27.49%	7,532.17	34.92%
International	6,191.11	64.21%	10,598.54	72.51%	14,037.39	65.08%
Total	**9,642.13**	**100.00%**	**14,616.69**	**100.00%**	**21,569.56**	**100.00%**

Our inability to procure these raw materials on terms more favourable, or at all, may constrain our raw material supply, resulting in an adverse effect on our business, financial condition and results of operations. Any increase in price of cost of inputs as well as limitations and/ or disruptions in the supply of such inputs, will adversely affect our business and financial condition. We cannot assure that we shall be able to timely and adequately effect any prices increases corresponding to the input costs escalation. Further, we rely on the constant supply of semiconductors which relies on a global supply chain to manufacture our products. Our inability to do so, may affect our business, financial condition, results of operations and prospect. In addition, the ongoing conflict in Ukraine may impact the supply chain for certain of the raw materials that are used in our products. As on the date of this Placement Document, though we have not seen any such impact on the supply of raw materials from our vendors, however, there can be no assurance that any such disruption will not occur in the future and that such disruptions will not be material.

Further, we do not have long term contractual arrangements with our suppliers for raw materials, which may limit our ability to source such raw materials timely and adequately and on competitive or more favourable terms. In addition, some of our purchase agreements for raw materials and other input items are short-term in nature and our inability to renew these agreements on terms more favourable, or at all, may constrain our raw material supply, resulting in an adverse effect on our business, financial condition and results of operations. Further, any substantial delay in supply or non-conformance to quality requirements by our suppliers can impact our ability to meet our customer requirements and thus impact our business and results of operations. In case we fail to correctly analyze our product requirement or non-availability of required raw materials or any other item of production in desired quantity and quality at the right time, it may impact our sales commitments, which consequently will have an adverse effect on our business and results of operations.

20. We are subject to strict quality requirements, customer inspections and audits, and any failure to comply with quality standards may lead to cancellation of existing and future orders and could negatively impact our reputation and our business and results of operations and future prospects.

We manufacture diverse range of products, that cater to various industry verticals. For further information, see "*Our Business – Business Verticals – Products*" on page 143. We provide standard warranties for certain specified period of time on our products. During the warranty period, the customer may reject or return the products due to defects or deficiency.

Given our expertise in the products manufactured and designed by us, our customers typically have high standards for product quality and delivery schedules. Adherence to quality standards is a critical factor as a defect in products and solutions manufactured by our Company or failure to comply with the specifications of our customers may, in turn, lead to the manufacture of faulty end-products by our customers. This may lead to cancellation of supply orders or non-renewal of agreements by our customers and at certain instances may impose additional costs in the form of product liability and/or product recall. Further, any failure to make timely deliveries of products and solutions as per our customers' requirements could result in cancellation or non-renewal of purchase orders and at certain instances may also result in us bearing additional financial exposure. While there have not been any instances in past three Fiscals where we have been unable to comply with quality standards and that has resulted in a cancellation of supply orders or non-renewal of agreements by our customers, there can be no assurance that there will not be any such instances in future.

Our quality policy is focused on fulfilling customer requirements through reliable products and services aimed at meeting all regulatory requirements and through continual improvement of our quality management systems. Our products undergo a qualification process throughout the entire value chain to ensure that quality products are being provided to customers. Our quality control programs at most of our manufacturing facilities involve subjecting the manufacturing processes and quality management systems to periodic reviews and observations for various periods.

Further, our customers generally have the right to inspect and audit our facilities, processes and products after reasonable notice to ensure that our services are meeting their internal standards. Most of our customers routinely inspect and audit our facilities. Further, we also monitor the customer satisfaction ratings of our products and customer complaints on a regular basis. In the past we have received certain customer complaints in relation to our products, however, such complaints had no material impact on our business and financial condition. If we fail to perform our services in accordance with best practices stipulated by our customers and/or our customers are dissatisfied with the quality of our facilities in any manner, our reputation could be harmed and our customers may terminate/modify their contractual arrangements and/ or

refuse to renew their contractual arrangements or purchase orders. This may have an adverse impact on our business, financial condition, results of operations and future prospects. In future, we will continue to spend a portion of our revenues to manage our product quality and to maintain our quality control, a failure of which may negatively impact our profitability.

21. If our customers do not outsource manufacturing of the products, or if there is a downward trend in the original equipment manufacturers ("OEMs") / original design manufacturing ("ODMs") business and/or demand for our internet of things ("IoT") solutions it could have an adverse effect on our business, results of operations, financial condition and cash flows.

We are a fully integrated electronics manufacturing company with a strong focus on IoT-enabled solutions, offering end-to-end services across the entire ESDM spectrum (*Source: CARE Report*). Our business verticals are as follows: (i) OEM – Turnkey Solutions – Box Build; (ii) OEM – Turnkey Solutions – Printed Circuit Board Assemblies; and (iii) ODM Product Engineering and IoT Solutions. We are in the process of setting-up our dedicated circuit and semiconductor vertical to strengthen our capabilities in advanced electronics manufacturing. This initiative focuses on high-reliability PCB assemblies and semiconductor solutions tailored for automotive, industrial, and aerospace applications. We derive all of our revenue from operations from these business verticals. The table below shows our revenue from operations across various segments for the periods indicated:

Services	Fiscal 2023		Fiscal 2024		Fiscal 2025	
	Amount (₹ million)	Percentage of Revenue from Operations (%)	Amount (₹ million)	Percentage of Revenue from Operations (%)	Amount (₹ million)	Percentage of Revenue from Operations (%)
OEM – Turnkey Solutions – Box Build	3,322.36	29.50%	7,512.92	41.63%	10,666.82	39.19%
OEM – Turnkey Solutions – Printed Circuit Board Assemblies	7,008.48	62.24%	9,871.49	54.70%	11,659.60	42.84%
ODM and Product Engineering and IoT solutions	930.31	8.26%	661.77	3.67%	4,891.10	17.97%
Total Revenue from Operations	**11,261.14**	**100.00%**	**18,046.18**	**100.00%**	**27,217.52**	**100.00%**

Companies involved in the commercial products segments such as automobile, industrials, railways, aerospace and defence, IoT, healthcare and consumer electronics have been outsourcing manufacturing of the products to third party players like us on OEM/ODM basis. However, there can be no assurance that they will continue to do so in the future. Our customers outsource manufacturing of their products to players like us in order to keep their cost to a minimum in order for them to sell the end products at a cheaper rate. There can be no assurance that our customers will continue to outsource or increase the share of outsourcing of their products to us. In the event our customers decide to stop third party outsourcing of their products or reduce the products which are outsourced for manufacturing it could have an adverse effect on our business, results of operations, financial condition and cash flow.

22. Pricing pressure from customers may affect our gross margin, profitability and ability to increase our prices, which in turn may materially adversely affect our business, results of operations and financial condition.

In the ESDM industry, customers frequently seek price reductions, particularly as order volumes increase or as part of long-term supply agreements. While we aim to accommodate such pricing expectations through improved manufacturing efficiencies, alternative sourcing, and cost-optimization initiatives, there can be no assurance that these efforts will consistently offset the impact of customer-imposed pricing pressure. If we are unable to successfully implement cost-reduction strategies or pass on cost efficiencies to our customers without compromising on quality, our margins may be eroded, which could materially and adversely affect our business, financial condition and results of operations.

Moreover, estimating the extent and timing of future price reductions involves significant risk and uncertainty, as they are typically determined through negotiations and influenced by external factors such as market demand, competitive intensity and input cost volatility. To preserve profitability, we rely on supplier negotiations, leaner product designs, and process improvements. However, any inability to secure supplier concessions, enhance operational efficiencies, or maintain product quality while reducing costs may limit our ability to sustain margins. Continued pressure to lower prices without a corresponding reduction in production costs could adversely impact our financial performance and limit our ability to invest in future growth.

23. Some of our manufacturing facilities are located on industrial land allotted to us by industrial development corporations. Failure to comply with the conditions of use of such land could result in an adverse impact on our business and financial condition.

Some of our manufacturing facilities are located on industrial lands allocated by Karnataka Industrial Areas Development Board ("**KIADB**"). Our Company had entered into lease agreements with KIADB dated November 23, 2013 and June 18, 2019, for lease of land located at Plot No. 20, of Belagola Industrial Area, Mysuru, Karnataka, India and Plot No. 119 in Sy. No. 45 & 52 of Metagalli Village, Mysuru, Karnataka, India respectively. Both the lease agreements have expired as on date of this Placement Document, and our Company has made a request for converting the lease to sale under the relevant provisions of the lease deed. KIADB has acknowledged this request and is currently in the process of completing the process of selling the relevant parcel of land from KIADB to our Company. Therefore, currently we do not possess the leasehold rights required to operate and/or continue operation of certain of our manufacturing facilities on these respective lands. Inability to renew such agreement or retain the leasehold right or attain the ownership rights may affect our business operations. In addition, the terms of these lease agreements require us to obtain the KIADBs prior consent for certain actions including alteration of promoters/shareholders/directors' interest and change in constitutional status of our Company, which may be a future requirement as to our business operations. In the event that we fail to meet these conditions, we would be required to pay a penalty or revised cost of land as decided by the KIADB from time to time. Moreover, there can be no assurance that we will be able to retain or renew such leases on same or similar terms, or that we will find alternate locations for the manufacturing facilities and/or existing offices on terms favorable to us, or at all.

24. Any disruption in our distribution network including disruptions in supply and transport of inputs and finished products will adversely affect our business and results of operations.

Our suppliers either deliver our raw materials to us or we are required to collect them from our suppliers, depending on the contract terms, at our own costs. Our raw materials are transported to our facilities and our products are transported to our customers by road through cargo trucks. Transport of our raw materials and finished products is subject to various factors beyond our control, including poor infrastructure, unavailability of adequate port and shipping infrastructure for transportation, accidents, adverse weather conditions, strikes and civil unrest, which may adversely affect our business and results of operations. For Fiscal 2023, 2024 and 2025, we wrote off ₹ nil, ₹ 40.25 million and ₹ 8.48 million worth of products, respectively. Although we have not encountered any significant disruption to the supply and transportation of raw materials and products in the past, there can be no assurance that any such disruption will not occur in the future as a result of these factors and that such disruptions will not be material. Transportation strikes have had in the past, and could have in the future, an adverse effect on our Company's receipt of raw materials and/or supplies and its ability to deliver the finished products. In addition, transportation and freight costs have been steadily increasing. While we have not experienced any company specific disruptions in the past, any significant disruption in the distribution network could have a significant impact on our business and results of operations.

25. Any failure in our information technology systems and/ or enterprise resources planning systems could adversely affect our business.

The efficient operation of our business depends on our IT infrastructure and our enterprise resources planning systems. Our IT infrastructure comprises of third-party solutions and applications maintained internally. The size and complexity of our computer systems make them potentially vulnerable to breakdown, malicious intrusion and computer viruses. Although there have been certain instance in disruptions to our information technology systems, however due to the recover process system employed by us, we have not experienced any significant disruptions to our operations. However, we cannot assure you that we will not encounter such disruptions in the future that may impact our operations. Any such disruption may result in the loss of key information and disruption of production and business processes, which could adversely affect our business, results of operations and cash flows.

In addition, our systems are potentially vulnerable to data security breaches, whether by employees or others that may expose sensitive data to unauthorized persons. Such data security breaches could lead to the loss of trade secrets or other intellectual property or could lead to the public exposure of personal information (including sensitive personal information) of our employees and customers. Any such security breaches could have an adverse effect on our business, reputation, results of operations, cash flows and financial condition.

26. Our Company, Subsidiaries, Promoters and Directors are or may be involved in certain legal and regulatory proceedings. Any adverse decision in such proceedings may have a material adverse effect on our business, financial condition, cash flows and results of operations.

Except one outstanding regulatory matter involving one of our Directors, which is disclosed in the section "*Legal Proceedings - Litigation involving our Directors*" on page 228, there are no material outstanding legal and regulatory proceedings involving our Company, Subsidiaries, Promoters and Directors which required a disclosure in this Placement Document. However, we cannot assure you that future proceedings, if any, will be settled in favour of our Company, Subsidiaries, Promoters or Directors, respectively, or that no additional liability will arise out of these proceedings. An adverse outcome in any of these proceedings may have an adverse effect on our business, financial position, prospects, results of operations and our reputation. For further information, see "*Legal Proceedings*" on page 227.

27. Our Promoters, certain of our Directors, Key Managerial Personnel and Senior Managerial Personnel may have interests other than reimbursement of expenses incurred and normal remuneration or benefits.

Our Promoters, certain of our Directors, Key Managerial Personnel and members of the Senior Management, while managing the day-to-day operations, may be interested in our Company, in addition to regular remuneration or benefits and reimbursement of expenses, to the extent of their, their relatives and their company's shareholding in our Company, payment of dividend or distributions thereon. Further, certain of our Directors are also directors on the boards of our Subsidiaries and may be deemed to be interested to the extent of any remunerations/reimbursement received in this regard. For the payments that are made by our Company to related parties including remuneration to our Directors, and our Key Managerial Personnel, see "*Board of Directors and Senior Management*" on page 174. We cannot assure you that our Promoters, Directors, Key Managerial Personnel and members of the Senior Management will exercise their rights to the benefit and best interest of our Company. As Shareholders of our Company, our Promoters, Directors, Key Managerial Personnel or members of the Senior Management, may take or block actions with respect to our business which may conflict with the interests of the minority shareholders of our Company.

28. Certain of our manufacturing facilities, design facility, service centres and offices are located on leased premises.

Certain of our manufacturing facilities, design facility and service centres are substantially located on leased properties from third parties. Typically, the term of our leases ranges from 11 months up to 99 years for our office space and manufacturing facilities which are subject to lock-in for a certain duration over the respective term of such lease. We are required to pay a security deposit, specified monthly rentals and common area maintenance charges for the duration of our lease agreements, subject to periodic escalations at agreed rates. These lease agreements may be terminated in accordance with their respective terms, and any termination or non-renewal of such leases could adversely affect our operations. For further information, see "*Our Business – Properties*" on page 143.

Some of our manufacturing facilities are located on industrial lands allocated by KIADB. Our Company had entered into lease agreements with KIADB dated November 23, 2013, and June 18, 2019, for the lease of land located at Plot No. 20, of Belagola Industrial Area, Mysuru, Karnataka, India and Plot No. 119 in Sy. No. 45 and 52 of Metagalli Village, Mysuru, Karnataka, India respectively. Both the lease agreements have expired as on the date of this Placement Document. The leasehold rights under the agreements had expired in 2019 and 2021, respectively, and our Company has made a request for converting the lease to sale under the relevant provisions of the lease deed. KIADB has acknowledged this request and is currently in the process of completing the process of selling the relevant parcel of land from KIADB to our Company. Further, till the execution of the sale deed with respect to both the properties, Company has requested the Authority for an extension of the lease agreements, thereby, granting our Company leasehold rights under the Agreements, however subjecting them to the consent requirements. Therefore, currently, we do not possess the leasehold rights required to operate and/or continue the operation of certain of our manufacturing facilities on these respective lands. Inability to renew such agreement or retain the leasehold right or attain the ownership rights with respect to this land may affect our business operations.

Except as stated above, currently there are no instances of non-compliance of the terms of our lease agreements, there can be no assurance that there will be no such non-compliance leading to termination of such leases in the future. Any change in the terms and conditions of the lease agreements and any premature termination of such lease agreements may have an adverse impact on our business operations. Any adverse impact on the title and ownership rights of the owners from whose premises we operate, breach of the contractual terms of any lease deeds, or any inability to renew such agreements on acceptable terms may also affect our business operations. In addition, the terms of certain of our leases require us to obtain the lessor's prior consent for certain actions, including making structural alterations to the leased premises, which may be required if we were to undertake an expansion in the future. There can be no assurance that we will be able to retain or renew such leases on same or similar terms, or that we will find alternate locations for the existing offices on terms favorable to us, or at all.

In the event we intend to expand the capacity of our facilities, and require additional land for such purposes, we cannot assure you that we will be able to identify or acquire adequate land either on a freehold or leasehold basis, or that land acquisitions will be completed in a timely manner, at acceptable costs and/or on commercially reasonable terms, without opposition or relocation and resettlement costs, or at all.

The cost of acquiring land on a leasehold basis for our facilities may be higher than we estimated and is subject to a number of factors, including the type of land being acquired, market prices, the level of economic development in the area where the land is located and government regulations pertaining to the price of land, among others. In addition, we may face significant opposition to the construction of our facilities from local communities, non-government organizations and other parties. Such opposition or circumstances may be beyond our control. If we are unable to acquire the required amount of land for our facilities, the viability and efficiency of such projects may be affected. In addition, any inability to complete the acquisition of the necessary land in a timely manner may cause construction delays. The occurrence of any such event

could have an adverse effect on our business, results of operations, financial condition, cash flows and future business prospects.

29. We do not have patents registered for any of our products. If we do not continue to innovate and further develop our business, or we are not able to keep pace with technological developments, we may not remain competitive and our business and results of operations could suffer.

Our operations are heavily reliant on the performance, reliability and competitiveness of the products we design and manufacture for our customers. We do not hold any registered patents for our products. In most cases, the intellectual property or specific product design we develop is owned by the customer for whom the product is manufactured, as per the terms of our engagement. Instead of relying on patent protection, we safeguard our proprietary technological know-how by embedding it into our processes and making it an integral part of our internal practices. However, this approach may not provide the same level of protection as formal intellectual property rights, and may expose us to the risk of imitation or replication by competitors.

To remain competitive in a rapidly evolving industry, we must continually monitor technological trends and customer preferences, and consistently improve the responsiveness, efficiency, and features of our offerings. This requires sustained investment in research and development, particularly in enhancing our information technology systems, automation capabilities, and engineering processes. While our manufacturing and design infrastructure is equipped with modern and automated technologies that support innovation, there is no assurance that we will be able to identify, develop, acquire or adopt new technologies in a timely or cost-effective manner. The ESDM industry is characterised by rapid technological advancement, evolving customer needs, and shifting industry standards, any of which could render our existing technologies or systems obsolete.

Furthermore, the innovation and product development process entails long-term investment commitments and resource allocation before commercial viability or customer acceptance can be determined. We may face delays, technical challenges, or market resistance that hinder the successful introduction and scaling of new products. There can be no assurance that such products will achieve market acceptance, become commercially viable, or remain cost-competitive against similar offerings by our competitors. If we are unable to realise the expected returns on our investments in innovation and technology, or if our competitors adopt similar technologies at lower costs, it could adversely affect our market position, profitability, and overall financial performance.

30. Under-utilization of our manufacturing capacities and an inability to effectively utilize our expanded manufacturing capacities could have an adverse effect on our business, future prospects and future financial performance.

The success of our capacity expansion initiatives and the expected return on our capital investments are subject to a number of factors, including the timely receipt of requisite regulatory and statutory approvals, the recruitment and retention of qualified personnel, the ability to absorb additional infrastructure-related costs, and the development of new technical and operational capabilities. In recent periods, we have made significant investments to expand our assembly and manufacturing capacities and continue to undertake further capital expenditure in this regard.

Our capacity utilization levels are also influenced by the specific product requirements and procurement practices of our customers, which may vary from period to period. Any mismatch between our installed capacity and actual customer demand—whether due to industry oversupply, delays in order inflow, or reduced customer offtake—may lead to underutilization of our facilities. This risk is particularly pronounced for newly added capacity, especially in emerging or unfamiliar business segments, where demand visibility is still evolving. For further details, see "*Our Business – Aggregate Installed Capacity and Capacity Utilization*" on page 143.

Prolonged or significant underutilization of our manufacturing capacity, or failure to fully realize the operational and financial benefits of our capacity expansion initiatives, could result in increased fixed costs, lower margins, and reduced capital efficiency. Any such outcome may adversely impact our business operations, growth prospects, and future financial performance.

31. There have been certain instances of non-compliances, including with respect to certain regulatory filings for corporate actions taken by our Company in the past. Consequently, we may be subject to regulatory actions and penalties for any such non-compliance and our business, financial condition and reputation may be adversely affected.

There have been certain instances of lapses such as delays, non-filing and factual errors in our corporate records, in relation to certain corporate actions taken by our Company in the past. This may subject us to regulatory actions and/or penalties which may adversely affect our business, financial condition and reputation. For instance, there have been the following instances of delays and non-compliances in relation to regulatory filings:

FEMA regulations

Our Company has delayed in filing of annual return on foreign liabilities and assets within prescribed time period from the financial years 2010-2011 until 2019-2020, with a delay of 3,396, 3,026, 2,663, 2,298, 1,933, 1,567, 1,202, 837, 458 and 76 days, respectively. While no penalties have been imposed on our Company in this regard, we cannot assure you that RBI or other regulatory authorities will not impose any penalty on us or will not take any penal action in relation to the delays in submitting Annual Return on Foreign Liabilities and Assets with RBI.

There can be no assurance that similar lapses may not occur in future which may result in our Company being subjected to regulatory actions.

32. Our Company has unsecured loans that may be recalled by the lenders at any time and our Company may not have adequate funds to make timely payments or at all.

Our Company has availed unsecured loans, which may be recalled at any time. As of March 31, 2025, such loans availed by our Company amounted to ₹ 0.61 million. Such loans may not be repayable in accordance with any agreed repayment schedule and may be recalled at any time. In the event that any lender seeks repayment of any such unsecured loan, our Company would need to find alternative sources of financing, which may not be available on commercially reasonable terms, or at all. As a result, any such demand may materially and adversely affect our business, cash flows, financial condition and results of operations.

33. Information relating to our production capacities and the historical capacity utilization of our manufacturing facilities included in this Placement Document is based on various assumptions and estimates and future production and capacity utilization may vary.

Information relating to our production capacities and the historical capacity utilization of our manufacturing facilities included in this Placement Document is based on various assumptions and estimates of our management that have been taken into account by the independent chartered engineer in the calculation of our capacity. These assumptions and estimates include the standard capacity calculation practice of component manufacturing industry after examining the calculations and explanations provided by our Company and the capacities and other ancillary equipment installed at the manufacturing facilities, the period during which the manufacturing facilities operate in a year, availability of raw ingredients, expected utilization levels, downtime resulting from scheduled maintenance activities, unscheduled breakdowns, as well as expected operational efficiencies. Actual production levels and utilization rates may differ significantly from the estimated production capacities or historical estimated capacity utilization information of our facilities. Undue reliance should therefore not be placed on our production capacity or historical estimated capacity utilization information for our existing facilities included in this Placement Document. For further information, see "*Our Business – Aggregate Installed Capacity and Capacity Utilization*" on page 143.

34. Certain sections of this Placement Document disclose information from the CARE Report which is a paid report and commissioned and paid for by us exclusively in connection with the Issue and any reliance on such information for making an investment decision in the Issue is subject to inherent risks.

We have availed the services of an independent third-party research agency, CARE Analytics and Advisory Private Limited ("**CareEdge Research**"), appointed by our Company to prepare an industry report titled "*Industry Research Report on ESDM and OSAT*" dated June, 2025 ("**CARE Report**"), for purposes of inclusion of such information in this Placement Document to understand the industry in which we operate. Our Company, our Promoters, and our Directors are not related to CareEdge Research. The CARE Report has been commissioned by our Company exclusively in connection with the Issue for a fee. The CARE Report is subject to various limitations and based upon certain assumptions that are subjective in nature. Further the commissioned report is not a recommendation to invest or divest in our Company. Prospective investors are advised not to unduly rely on the commissioned report or extracts thereof as included in this Placement Document, when making their investment decisions.

35. We are exposed to counterparty credit risk. Any delay in receiving payments or non-receipt of payments may adversely impact our results of operations.

Due to the nature of, and the inherent risks in, the agreements and arrangements with our customers, we are subject to counterparty credit risk and a significant delay in receiving large payments or non-receipt of large payments may adversely impact our results of operations. Our operations involve extending credit to our customers in respect of sale of our products and consequently, we face the risk of the uncertainty regarding the receipt of these outstanding amounts. Consequently, we face the risk of the uncertainty regarding the receipt of these outstanding amounts. As a result of such industry conditions, we have and may continue to have high levels of outstanding receivables. We generally have credit terms from payment in advance to 90 days with our customers.

The table below sets forth details of our trade receivables as of the dates indicated:

Particulars	Fiscal 2023	Fiscal 2024	Fiscal 2025
	(₹ million, except percentages)		
Trade Receivables	2,270.66	3,555.73	5,745.80
Trade receivables as a percentage of Revenue from Operations	20.16%	19.70%	21.11%
Provision for ECL	14.99	135.19	193.51

There is no assurance that we will accurately assess the creditworthiness of our customers. Further, macroeconomic conditions which are beyond our control, such as a potential credit crisis in the global financial system, could also result in financial difficulties for our customers, including limited access to the credit markets, insolvency or bankruptcy. Such conditions could cause our customers to delay payment, request modifications of their payment terms, or default on their payment obligations to us, all of which could increase our receivables. While there have not been instances of such delay, modification of payment terms or default in payment obligations that have had a material impact on our operations, there can be no assurance that such instances will not occur in future. Timely collection of dues from customers also depends on our ability to complete our contractual commitments and subsequently bill for and collect from our clients. If we are unable to meet our contractual obligations, we may experience delays in the collection of, or be unable to collect, our customer balances, which could adversely affect our results of operations and cash flows.

36. We maintain significant inventory and have low inventory turnover ratio. Our inability to accurately forecast demand for products that we manufacture and supply to our customers and manage our inventory may have an adverse effect on our business, results of operations, financial condition and cash flows.

Our business depends on our estimate of the demand for our products that we manufacture and supply to our customers. As is typical in the ESDM manufacturing industry, we maintain a reasonable level of inventory of raw materials, work in progress and finished goods.
The table below sets forth details of our inventory as of the dates indicated:

Particulars	Unit	Fiscal 2023	Fiscal 2024	Fiscal 2025
Inventory				
- Raw Materials	₹ million	2,820.80	3,710.36	6,068.87
- Work-in-Progress	₹ million	858.61	1,220.02	1,075.82
- Finished Goods	₹ million	210.03	261.26	524.62
- Goods-in-transit	₹ million	173.14	212.61	273.21
- Consumables, stores and spares	₹ million	69.06	78.99	201.71
Inventory Turnover Ratio*	Ratio	3.52	3.75	3.99
Inventory Days	Days	104	97	91

** Inventory Turnover Ratio is defined as revenue from operations divided by average inventory.*

If we underestimate demand or have inadequate capacity due to which we are unable to meet the demand for our products, we may manufacture fewer quantities of products than required, which could result in the loss of business. While we forecast the demand and price for our products and accordingly plan our production volumes, any error in our forecast could result in a reduction in our profit margins and surplus stock, which may result in additional storage cost and such surplus stock may not be sold in a timely manner, or at all. Our customers also have the right to return or reject the product in the event that the products do not conform to the quality standards set out under the master services agreements. In the past, there have been instances where we have repaired or re-supplied products. While the cost involved in such repair or re-supply of products was minimal and did not materially impact our financial condition, there can be no assurance that such repair costs or costs involved in re-supplying our products will not be significant in future. Further, if we overestimate demand, we may incur costs to build capacity or purchased more raw materials and manufacture more products than required. Our inability to accurately forecast demand for our products and manages our inventory may have an adverse effect on our business, results of operations and financial condition.

37. Unforeseen environmental costs could affect our future earnings as well as the affordability of our products and services.

Our operations are subject to increasingly stringent environmental, health and safety (EHS) laws and regulations in India, including those governing the use, handling and disposal of hazardous substances, waste management, air and water emissions, and workplace safety. Compliance with these regulatory frameworks requires us to obtain and maintain various permits, licences, and approvals for our manufacturing facilities. Our facilities are also subject to regular inspections and ongoing monitoring by regulatory authorities. Any failure to comply with such requirements may result in penalties, suspension of operations, or legal proceedings.

Further, our ongoing and past industrial activities may expose us to environmental liabilities, including those related to soil and groundwater contamination, improper handling of hazardous materials, or non-compliance with applicable standards. The discovery of new facts, changes in environmental legislation, or reinterpretation of existing regulations may result in additional liabilities or costs that we have not anticipated. Although we strive to maintain compliance with all applicable laws, there can be no assurance that we will not incur material environmental or safety-related liabilities in the future. Any such liabilities or the costs of remediation and compliance may have a material adverse effect on our business, financial condition and results of operations.

38. We have incurred and will continue to incur expenses towards leases entered by our Company or our Subsidiaries for our manufacturing facilities and offices.

Our Company and our Subsidiaries have entered into a number of lease agreement for our manufacturing facilities and our offices. We incur significant expenses towards such leases. The table below sets forth details of our expenses incurred towards our lease for the periods indicated.

Particulars	Fiscal 2023		Fiscal 2024		Fiscal 2025	
	Amount (₹ million)	Percentage of Total Expenses (%)	Amount (₹ million)	Percentage of Total Expenses (%)	Amount (₹ million)	Percentage of Total Expenses (%)
Depreciation of Right-of-Use Assets	42.38	0.42%	40.59	0.25%	66.00	0.27%
Interest on lease liabilities	23.09	0.23%	19.79	0.12%	29.44	0.12%
Total lease expense	65.47	0.65%	60.38	0.37%	95.44	0.39%
Total Expenses	**10,114.73**	**100.00%**	**16,289.66**	**100.00%**	**24,570.91**	**100.00%**

We will continue to incur expenses towards our lease obligations. In the event we are unable to meet such lease obligations, our business activities could be disrupted which could have an adverse impact on our results of operations, financial condition and cash flows.

39. An inability to maintain adequate insurance cover in connection with our business may adversely affect our operations and profitability.

Our operations are subject to a range of risks inherent in the manufacturing industry, including equipment defects or failures, fire, riots, strikes, explosions, accidents, and natural disasters. To mitigate these risks, we maintain insurance policies covering material damage to our buildings, facilities, machinery, furniture, fixtures, fittings, and stocks, as well as machinery breakdown. We also maintain marine cargo insurance for goods transported by sea, air, and courier services, and for inland movement of cargo by road tankers. In addition, we hold commercial general liability insurance, product liability insurance, and employee health insurance that includes coverage for hospitalization and emergency medical services.

While we believe our current insurance coverage is reasonably adequate to address the customary risks associated with our operations, our insurance may not fully cover all potential losses or liabilities. There is no assurance that our existing coverage will be sufficient, that premiums will remain commercially viable, or that we will be able to renew policies on favorable terms. Furthermore, we cannot guarantee that claims made under our insurance policies will be honoured fully, in part, or in a timely manner. In certain circumstances, we may be exposed to uninsured losses, or losses that exceed the limits of our policies, including losses arising from events that are excluded under our coverage terms.

Failure to maintain adequate insurance coverage or recover from insurers in the event of a claim could result in significant financial loss, disruption of operations, or increased costs, any of which could materially and adversely affect our business, cash flows, financial condition and results of operations. For further information, see "*Our Business – Insurance*" on page 143.

40. We may not successfully protect our technical know-how, which may result in the loss of our competitive advantage.

We have developed a significant body of proprietary technical know-how and process knowledge relating to the manufacturing of our products. This knowledge base—built through the experience of our key employees, management, and dedicated research and development efforts—has enabled us to optimise manufacturing costs, enhance product quality, and remain competitive in the ESDM industry. A substantial portion of our employees, particularly those in engineering, design, and production functions, have access to confidential product designs, manufacturing processes, and technical information. Despite internal safeguards, there can be no assurance that such information will not be disclosed, either inadvertently or intentionally, during or after their employment. The risk of such knowledge being misappropriated or leaked to competitors is heightened if former employees join rival firms or engage in competing ventures. If proprietary technical information is disclosed to third parties or becomes publicly available, any competitive advantage derived from

such know-how could be significantly impaired. Moreover, it may be difficult, costly, or legally unfeasible to enforce rights or obtain adequate legal protection for such proprietary knowledge, especially in the absence of patent registrations. Any unauthorised use or replication of our technology by competitors could adversely affect our market position and impact our business performance. Accordingly, any compromise of our confidential technical information may have a material adverse effect on our business, results of operations, financial condition, cash flows and future growth prospects.

41. We appoint contract labour for carrying out certain of our ancillary operations and we may be held responsible for paying the wages of such workers, if the independent contractors through whom such workers are hired default on their obligations, and such obligations could have an adverse effect on our results of operations, cash flows and financial condition.

To maintain operational flexibility and manage costs, we engage independent contractors through formal agreements, who in turn deploy contract labourers to support certain ancillary functions, including civil, mechanical and electrical support services, as well as housekeeping activities at our facilities. The number of contract labourers engaged at any point in time varies based on operational requirements and the scope of work assigned to these contractors.

Although these labourers are not directly employed by us, we may be held liable under applicable labour laws to make wage payments or meet other statutory obligations in the event of non-compliance or default by the independent contractors. While there have been no such instances of default in the past three Fiscal Years, there can be no assurance that similar defaults will not occur in the future. All contract labourers engaged through independent contractors are paid at least the minimum wages as prescribed by the relevant state government. However, any upward revision in such wage rates, a requirement to offer permanent employment to contract labour, or a shortage in the availability of contract labour could lead to increased labour costs, operational disruption, and adverse impact on our financial performance and future results of operations.

42. We enter into certain related party transactions in the ordinary course of our business and we cannot assure you that such transactions will not have an adverse effect on our results of operation and financial condition.

We have entered into transactions with related parties in the past and from, time to time, we may enter into related party transactions in the future. For further information, see "*Financial Information*" on page 232. These transactions principally include loans and advances to Subsidiaries, loans and advances repaid by Subsidiaries, services received from Subsidiaries, purchases, sale of material and remuneration and commission to KMPs. While all such transactions have been conducted on an arm's length basis, in accordance with the Companies Act and other applicable regulations pertaining to the evaluation and approval of such transaction, we cannot assure you that we could not have achieved more favorable terms had such transactions been entered into with unrelated parties. Further, it is likely that we may enter into additional related party transactions in the future subject to compliance with the SEBI Listing Regulations and other statutory requirements. Further, except as disclosed in "*Financial Information*" beginning on page 232, neither our Company nor our Subsidiaries have provided any loan or advances or given any guarantees or any form of securities to related parties during the last three Fiscals.

For Fiscal 2023, 2024 and 2025, the aggregate amount of such related party transactions was ₹ (84.51) million, ₹ (2,672.62) million, and ₹ (7,380.76) million, respectively. The percentage of the aggregate value of such related party transactions to our revenue from operations for Fiscal 2023, 2024 and 2025, was (0.75)%, (14.81)%, and (27.12)%, respectively.

We cannot assure you that these arrangements in the future, or any future related party transactions that we may enter into, individually or in the aggregate, will be at arm's length or will not have an adverse effect on our business, financial condition, results of operations, cash flows and prospects or may potentially involve any conflict of interest.

43. We have obtained various quality certifications for our products. Our inability to renew such accreditations in a timely manner may have an adverse impact on our business.

Over the years, we have focused on creating robust manufacturing systems and processes that comply with health and safety, as well as environmental and social and governance requirements. Our operations comply with global standards and our facilities have 13 global accreditations. We are an ISO 9001/14001/45001 Bureau Veritas certified company. Our facilities are approved by global product certification agencies including Underwriters Laboratories, Intertek and Bureau Veritas Certification. In addition, we have separate vertical specific certifications including BSEN/AS/EN 9100 for defence and aerospace products, IRIS (ISO/TS 22613) for railway signaling, IATF 16949 for printed circuit board assembly, cable harness and box build for automotive sector, and ISO:13485 for medical devices/systems. We have also obtained ANSI ESD S20.20, IEC 61340-5-1 and SA 8000 certifications. Our recently acquired Subsidiary, Digicom Electronics Inc. is International Traffic in Arms Regulations certified. For further information in relation to our quality certification, see "*Our Business - Quality Control, Testing and Certifications*" on page 143. Some of these certifications are valid for a period of three years. In the event we are unable to renew our certifications in a timely manner, it may have an adverse impact on our business.

44. We are required to comply with certain restrictive covenants under our financing agreements. Any non-compliance may lead to, amongst others, accelerated repayment schedule, enforcement of security and suspension of further drawdowns, which may adversely affect our business, results of operations, financial condition and cash flows.

Some of the financing arrangements entered into by us include conditions that require our Company to obtain respective lenders' consent prior to carrying out certain activities and entering into certain transactions. As of March 31, 2025, we had total borrowings (consisting of non-current borrowings and current borrowings) of ₹ 8,754.83 million. Failure to meet these conditions or obtain these consents could have significant consequences on our business and operations. These covenants vary depending on the requirements of the financial institution extending such loan and the conditions negotiated under each financing agreement. Some of the corporate actions that require prior consents from certain lenders include, amongst others, changes to the (a) capital structure of our Company, (b) Company's constitution documents including amending the memorandum of association and articles of association of the Company, (c) management set-up of our Company, (d) formulation of any scheme of expansion, modernisation, diversification, amalgamation or reconstruction, (e) merger, de-merger, amalgamation, acquisition, buy - back, re-organization and/or disposition of assets of the Company, (f) investing by way of share capital or advancing funds to other entities forming part of our group, and (g) opening of current accounts with any other bank. While we have received all relevant consents required for the purposes of this Issue, a failure to comply with such covenants in the future may restrict or delay certain actions or initiatives that we may propose to take from time to time.

A failure to observe the covenants under our financing arrangements or to obtain necessary consents/ waivers, constitute defaults under the relevant financing agreements and will entitle the respective lenders to declare an event of default and enforce remedies under the terms of the financing agreements, that include, among others, acceleration of amounts due under such facilities, enforcement of any security interest created under the financing agreements and taking possession of the assets given as security in respect of the financing agreements. If the obligations under any of our financing documents are accelerated, we may have to dedicate a portion of our cash flow from operations to make payments under such financing documents, thereby reducing the availability of cash for our working capital requirements and other general corporate purposes. In addition, during any period in which we are in default, we may be unable to raise, or face difficulties raising, further financing. A default by us under the terms of any financing agreement may also trigger a cross-default under some of our other financing agreements, or any other agreements or instruments of our containing cross-default provisions, which may individually or in aggregate, have an adverse effect on our operations, financial position and credit rating.

45. Our manufacturing facilities are dependent on adequate and uninterrupted supplies of electricity, water and fuel; shortage or disruption in electricity or fuel supplies may lead to disruption in operations, higher operating cost and consequent decline in operating margins.

Adequate and cost effective supply of electrical power and fuel is critical to our manufacturing facilities. For Fiscal 2023, 2024 and 2025, the power and fuel costs was ₹ 52.31 million, ₹ 87.98 million, and ₹ 151.07 million, for each respective period accounted for 0.46%, 0.49% and 0.56% of our revenue from operations, respectively. There may be power cuts in the supply provided by the respective state electricity boards from time to time and so we have stand-by captive generator sets and UPS system for our operations to ensure that there is no stoppage in our production. Power costs represent a significant portion of our operating costs. If the per unit cost of electricity is increased by the state electricity boards our power costs will increase. It may not be possible to pass on any increase in our power costs to our customers, which may adversely affect our profit margins. An interruption in or limited supply of electricity may result in suspension of our manufacturing operations. A prolonged suspension in production could materially and adversely affect our business, financial condition or results of operations. In addition to the production losses that we would incur during production shutdowns in the absence of supply of electrical power, we would not be able to immediately return to full production volumes following power interruptions, however brief. Any interruption of power, even if short, could give rise to inefficiencies when we resume production.

46. We engage in foreign currency transactions, which expose us to adverse fluctuations in foreign exchange rates. Fluctuations in the exchange rate between the Rupee and other currencies may adversely affect our operating results.

A portion of our total revenues is denominated in currencies other than Indian Rupees. Although we closely follow our exposure to foreign currencies and selectively enter into hedging transactions in an attempt to reduce the risks of currency fluctuations, these activities are not always sufficient to protect us against incurring potential losses if currencies fluctuate significantly. As of March 31, 2025, none of our net foreign exchange exposure is hedged. In addition, the policies of the RBI may also change from time to time, which may limit our ability to effectively hedge our foreign currency exposures and may have an adverse effect on our results of operations and cash flows. Although India remains our largest market, our sales to customers located outside India for Fiscal 2023, 2024 and 2025 contributed ₹ 1,661.50 million, ₹ 1,672.47

million, ₹ and ₹ 2,015.40 million, and accounted for 14.75%, 9.27% and 7.40% of our total revenue from operations, respectively.

47. We are dependent on our Promoters, management team and a number of Key Managerial Personnel and the loss of, or our inability to hire, retain, train, and motivate qualified personnel could adversely affect our business, results of operations and financial condition.

Our ability to compete depends upon our ability to attract, motivate, and retain qualified personnel. We are highly dependent on Ramesh Kunhikannan, our Managing Director, who has spearheaded our growth inside and outside India. We rely on the continued effort and services of some key members of our senior management. The loss of the services of our key personnel and any of our other executive officers, and our inability to find suitable replacements, could harm to our business and operations.

At times, we may experience, difficulty in hiring and retaining personnel with appropriate qualifications, and we may not be able to fill positions in a timely manner or at all or may need to implement measures such as salary cuts due to external reasons. As of March 31, 2025, we have 3,227 permanent employees. For Fiscal 2023, 2024 and 2025 the attrition rate of our permanent employees was 12.62%, 14.40%, and 10.90%, respectively. We cannot guarantee that we will be able to recruit and retain qualified and capable employees. In addition, our recruiting personnel, methodology, and approach may need to be altered to address a wider, more diverse and changing candidate pool and profile. We cannot assure you that we will be able to do so in a timely and effective manner. We may also have to adapt to remote methods of talent management and engagement, especially due to nationwide lockdowns and geographic expansion. We may incur significant costs to attract and recruit skilled personnel, and we may lose new personnel to our competitors or other technology companies before we realize the benefit of our investment in recruiting and training them. As we move into new geographies, we will need to attract and recruit skilled personnel in those geographic areas, but it may be challenging for us to compete with traditional local employers in these regions for talent. If we fail to attract new personnel or fail to retain and motivate our current personnel who are capable of meeting our growing technical, operational, and managerial requirements on a timely basis or at all, our business may be harmed.

Our success depends on our ability to effectively source and staff people with the right mix of skills and experience to perform services for our customers, including our ability to transition personnel to new assignments on a timely basis. If we are unable to effectively utilize our personnel on a timely basis to fulfil the needs of our customers, our business could suffer.

48. We derive a portion of our revenues from operations and conduct business outside India and any adverse developments in these markets could adversely affect our business.

Our business footprint spans across geographies and as of March 31, 2025, we serve customers across 36 countries. Our sales to customers located outside India for Fiscal 2023, 2024 and 2025 contributed to ₹ 1,661.50 million, ₹ 1,672.47 million, ₹ and ₹ 2,015.40 million, and accounted for 14.75%, 9.27% and 7.40% of our total revenue from operations, respectively. For further information, see "*Our Business - Exports*" on page 143.

We operate in multiple international markets that are diverse, fragmented, and governed by varying levels of economic development, infrastructure maturity, and regulatory environments. These markets do not function as a unified or harmonized common market, and as such, our business is subject to numerous risks inherent in operating across borders. These include challenges arising from differences in legal and regulatory frameworks—particularly those relating to data privacy, cybersecurity, tax compliance, labour, and environmental standards—as well as restrictions or delays in the repatriation of profits to India.

Other risks include political and economic instability, imposition of international sanctions, exposure to complex and evolving local tax regimes, fluctuating foreign exchange rates, and difficulties in enforcing contractual or intellectual property rights. In addition, we are subject to potential disruptions from supply chain bottlenecks, cross-border logistics constraints, and inflationary pressures in foreign markets. The risk landscape is further complicated by rising geopolitical tensions, including U.S.-China trade dynamics and the potential for escalation in regions such as Taiwan or the Middle East, all of which can impact global technology and manufacturing supply chains.

Further, our operations may be adversely affected by cultural, linguistic, and time-zone differences, increased legal compliance costs, and higher administrative overheads associated with managing operations across multiple jurisdictions. While the COVID-19 pandemic brought global attention to public health and cross-border disruption risks, new and emerging threats—including cybersecurity incidents, regulatory nationalism, and abrupt policy changes—continue to pose risks to our international operations.

Our failure to navigate these evolving conditions or to effectively scale and localize our products and solutions in international markets may adversely impact our competitiveness, business prospects, and financial performance.

Additionally, changes in foreign trade policies, tariffs, export/import restrictions, and local compliance requirements may further complicate our operations and result in unforeseen costs or delays. Any inability to effectively manage these risks could materially and adversely affect our business, results of operations, cash flows and long-term strategic objectives.

49. Failures in internal control systems could cause operational errors which may have an adverse impact on our profitability.

We are responsible for establishing and maintaining adequate internal measures commensurate with the size and complexity of operations. Internal control systems comprising policies and procedures are designed to ensure sound management of our operations, safekeeping of our assets, optimal utilization of resources, reliability of our financial information and compliance. The systems and procedures are periodically reviewed and routinely tested and cover all functions and business areas.

While we believe that we have adequate controls, we are exposed to operational risks arising from the potential inadequacy or failure of internal processes or systems, and our actions may not be sufficient to guarantee effective internal controls in all circumstances. Given the size of our operations, it is possible that errors may repeat or compound before they are discovered and rectified. Our management information systems and internal control procedures that are designed to monitor our operations and overall compliance may not identify every instance of non-compliance or every suspicious transaction. If internal control weaknesses are identified, our actions may not be sufficient to correct such internal control weakness. These factors may have an adverse effect on our reputation, business, results of operations, cash flows and financial condition.

50. We are subject to extensive government regulation and if we fail to obtain, maintain or renew our statutory and regulatory licenses, permits and approvals required to operate our business, results of operations and cash flows may be adversely affected.

We are subject to laws and government regulations, including in relation to safety, health and environmental protection. These safety, health and environmental protection laws and regulations impose controls on air and water release or discharge, noise levels, storage handling, the management, use, generation, treatment, processing, handling, storage, transport or disposal of hazardous materials in relation to our manufacturing operations. Environmental laws and regulations in India are becoming more stringent, and the scope and extent of new environmental regulations, including their effect on our operations, cannot be predicted with any certainty. In case of any change in environmental or pollution regulations, we may be required to invest in, among other things, environmental monitoring, pollution control equipment, and emissions management and other expenditure to comply with environmental standards. Any failure on our part to comply with any existing or future regulations applicable to us may result in legal proceedings being commenced against us, third party claims or the levy of regulatory fines. Further, any violation of the environmental laws and regulations may result in fines, criminal sanctions, revocation of operating permits, or shutdown of our facilities.

Because of unanticipated regulatory or other developments, future environmental and regulatory related expenditures may vary substantially from those currently anticipated. We cannot assure you that our costs of complying with current and future environmental laws and other regulations will not adversely affect our business, results of operations or financial condition. In addition, we could incur substantial costs, our products could be restricted from entering certain markets, and we could face other sanctions, if we were to violate or become liable under environmental laws or if our products become non-compliant with applicable regulations. Our potential exposure includes fines and civil or criminal sanctions, third-party property damage or personal injury claims and clean-up costs. The amount and timing of costs under environmental laws are difficult to predict.

We are also required to obtain and maintain a number of statutory and regulatory licenses, permits and approvals for carrying out our business including consents to establish and operate under environmental laws, which are granted for a limited duration and require renewal. While we apply for such approvals, we cannot assure you that such approvals will be issued or granted to us in a timely manner, or at all. If we do not receive such approvals or are not able to renew the approvals in a timely manner, our business and operations may be materially adversely affected. There are certain approvals with respect to which we have applied for renewal. Failure to obtain and maintain any required approvals may have an adverse effect on our business, financial condition, results of operations and prospects and could lead to penalties and other sanctions being imposed by the relevant authorities. The approvals required by our Company are subject to numerous conditions and we cannot assure you that these would not be suspended or revoked in the event of non-compliance or alleged non-compliance with any terms or conditions thereof, or pursuant to any regulatory action. If we fail to obtain, maintain or renew such approvals, licenses, registrations and permissions, in a timely manner or at all, our business, results of operations, cash flows and financial condition may be adversely affected.

51. We have in this Placement Document included certain non-GAAP financial measures and certain other industry measures related to our operations and financial performance. These non-GAAP measures and industry measures may vary from any standard methodology that is applicable across the Indian component manufacturing industry,

and therefore may not be comparable with financial or industry related statistical information of similar nomenclature computed and presented by other companies.

Certain non-GAAP financial measures and certain other industry measures relating to our operations and financial performance have been included in this Placement Document. We compute and disclose such non-GAAP financial measures and such other industry related statistical information relating to our operations and financial performance as we consider such information to be useful measures of our business and financial performance, and because such measures are frequently used by securities analysts, investors and others to evaluate the operational performance of Indian component manufacturing industry, many of which provide such non-GAAP financial measures and other industry related statistical and operational information. Such supplemental financial and operational information is therefore of limited utility as an analytical tool, and investors are cautioned against considering such information either in isolation or as a substitute for an analysis of our audited financial statements as reported under applicable accounting standards disclosed elsewhere in this Placement Document.

These non-GAAP financial measures and such other industry related statistical and other information relating to our operations and financial performance may not be computed on the basis of any standard methodology that is applicable across the industry and therefore may not be comparable to financial measures and industry related statistical information of similar nomenclature that may be computed and presented by other companies. For further information, see "*Management's Discussion and Analysis of Financial Condition and Results of Operations – Non-GAAP Mea*sures" on page 92.

52. We may be unable to adequately protect our intellectual property and may be subject to risks of infringement claims.

We have registered our brand name 'Kaynes Technology' together with the logo under class 9 of the Trade Marks Act, 1999. As of the date of this Placement Document, our Company together with our Subsidiary have been granted four trademark registrations. However, there can be no assurance that third parties will not infringe upon our intellectual property, causing damage to our business prospects, reputation and goodwill. Our efforts to protect our intellectual property may not be adequate and may lead to erosion of our business value and our operations could be adversely affected. We may need to litigate in order to determine the validity of such claims and the scope of the proprietary rights of others. Any such litigation could be time consuming and costly and the outcome cannot be guaranteed. We may not be able to detect any unauthorized use or take appropriate and timely steps to enforce or protect its intellectual property.

53. Fraud, theft, employee negligence or similar incidents may adversely affect our results of operations and financial condition

Our operations may be subject to incidents of theft or damage to inventory. The business may also encounter some inventory loss on account of employee theft, vendor fraud and general administrative error. While we have not experienced any such instance in the past, there can be no assurance that we will not experience any fraud, theft, employee negligence, security lapse or similar incidents in the future, which could adversely affect our results of operations and financial condition. Additionally, losses due to theft, fire, breakage or damage caused by other casualties, could adversely affect our results of operations and financial condition.

54. We have acquired leasehold property from KIADB which was originally leased to Kaynes Packaging, an entity in which Savitha Ramesh, our Chairperson, Promoter and Whole-Time Director was a partner.

In Fiscal 2020, our Company acquired leasehold property located at Plot No. 119 in Sy. No. 45 and 52 of Metagalli Village, Mysuru, Karnataka, India, from KIADB, which was originally leased to Kaynes Packaging, a partnership firm in which Savitha Ramesh, our Chairperson, Promoter and Whole-Time Director was a partner. This lease was granted to our Company with the approval of KIADB, the lessor, with a right to convert a freehold at the end of two years starting from June 18, 2019, provided certain conditions mentioned in the agreement were met. Currently, this property is occupied by the mechanical development team of our Company and also contains an industrial shed for our use. However, currently we do not possess the leasehold rights required to operate and/or continue operation on this property as the lease has expired and our Company has made a request for converting the lease to sale under the relevant provisions of the lease deed. KIADB has acknowledged this request and is currently in the process of completing the process of selling the relevant parcel of land from KIADB to our Company. Further, our Company has also made a request for converting this lease to sale under the relevant provisions of the lease deed which has been acknowledged by KIADB and is currently under process. For further information, see "*Financial Information*" and "- *Certain of our manufacturing facilities, design facility, service centres and offices are located on leased premises.*" on pages 232 and 60, respectively.

55. Our customers may engage in transactions in or with countries or persons that are subject to U.S. and other sanctions.

U.S. law generally prohibits U.S. persons from directly or indirectly investing or otherwise doing business in or with certain countries that are the subject of comprehensive sanctions and with certain persons or businesses that have been specially designated by the OFAC or other U.S. government agencies. Other governments and international or regional organisations also administer similar economic sanctions. We may enter into transactions with customers who may be doing business with, or located in, countries to which certain OFAC-administered and other sanctions apply. There can be no assurance that we will be able to fully monitor all of our transactions for any potential violation. If it were determined that transactions in which we participate violate U.S. or other sanctions, we could be subject to U.S. or other penalties, and our reputation and future business prospects in the United States or with U.S. persons, or in other jurisdictions, could be adversely affected. We rely on our staff to be up-to-date and aware of the latest sanctions in place. Further, investors in the Equity Shares could incur reputational or other risks as the result of our customers' dealings in or with countries or with persons that are the subject of U.S. sanctions.

External Risk Factors

Risks Related to India

56. Political, economic or other factors that are beyond our control may have an adverse effect on our business and results of operations.

The Indian economy and capital markets are influenced by economic, political and market conditions in India and globally. Our Company is incorporated in India, and all of our assets and employees are located in India. As a result, we are dependent on prevailing economic conditions in India and our results of operations are affected by factors influencing the Indian economy. Further, the following external risks may have an adverse impact on our business and results of operations, should any of them materialize:

- increase in interest rates may adversely affect our access to capital and increase our borrowing costs, which may constrain our ability to grow our business and operate profitably;
- downgrade of India's sovereign debt rating by an independent agency;
- political instability, resulting from a change in governmental or economic and fiscal policies, may adversely affect economic conditions in India. In recent years, India has implemented various economic and political reforms. Reforms in relation to land acquisition policies and trade barriers have led to increased incidents of social unrest in India over which we have no control;
- civil unrest, acts of violence, terrorist attacks, regional conflicts or situations or war; and
- India has experienced epidemics, and natural calamities such as earthquakes, tsunamis, floods, and drought in recent years.
- contagious diseases such as the COVID-19 pandemic, the highly pathogenic H7N9, H5N1 and H1N1 strains of influenza in birds and swine.

Any slowdown or perceived slowdown in the Indian economy, or in specific sectors of the Indian economy, could adversely affect our business, results of operations and financial condition and the price of the Equity Shares. Our performance and the growth of our business depend on the overall performance of the Indian economy as well as the economies of the regional markets in which we operate.

57. Changing laws, rules and regulations and legal uncertainties, including adverse application of corporate and tax laws, may adversely affect our business, results of operations and prospects.

The regulatory and policy environment in which we operate is evolving and subject to change. Such changes, including the instances mentioned below, may adversely affect our business, results of operations and prospects, to the extent that we are unable to suitably respond to and comply with any such changes in applicable law and policy. For example:

- the GAAR became effective from April 1, 2017. The tax consequences of the GAAR provisions being applied to an arrangement could result in denial of tax benefit amongst other consequences. In the absence of any precedents on the subject, the application of these provisions is uncertain. If the GAAR provisions are made applicable to our Company, it may have an adverse tax impact on us. If the GAAR provisions are invoked, the Indian tax authorities have wide powers, including the ability to deny a tax benefit or deny a benefit under a tax treaty; and
- the Government of India has implemented a comprehensive national GST regime that combines taxes and levies by the Central and State Governments into a unified rate structure. In this regard, the Constitution (One hundred and first Amendment) Act, 2016 enables the Government of India and state governments to introduce GST. Any future increases or amendments may affect the overall tax efficiency of companies operating in India and may result in significant additional taxes becoming payable. If, as a result of a particular tax risk materializing, the tax costs associated with certain transactions are greater than anticipated, it could affect the profitability of such transactions.

The Government of India has recently announced the Union Budget for the Fiscal 2026 ("**Budget**") following which the Finance Bill, 2025 ("**Finance Bill**") was introduced in the Lok Sabha on February 1, 2025. Investors are advised to consult their own tax advisors and to carefully consider the potential tax consequences of owning, investing or trading in the Equity Shares. There is no certainty on the impact that the Budget and the Finance Bill may have on our business and operations or on the industry in which we operate.

- Further, the GoI has notified the Finance Act, 2025 ("**Finance Act**") which has introduced various amendments to the Income Tax Act. We cannot predict whether any amendments made pursuant to the Finance Act would have an adverse effect on our business, financial condition and results of operations. Unfavourable changes in or interpretations of existing, or the promulgation of new, laws, rules and regulations including foreign investment and stamp duty laws governing our business and operations could result in us being deemed to be in contravention of such laws and may require us to apply for additional approvals. We may incur increased costs and other burdens relating to compliance with such new requirements, which may also require significant management time and other resources, and any failure to comply may adversely affect our business, results of operations and prospects. Uncertainty in the application, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may impact the viability of our current business or restrict our ability to grow our businesses in the future.

58. Investors may not be able to enforce a judgment of a foreign court against our Company outside India.

Our Company is incorporated under the laws of India. Our Company's assets are located in India and a majority of our Company's Directors and Key Managerial Personnel are residents of India. As a result, it may not be possible for investors to effect service of process upon our Company or such persons in jurisdictions outside India, or to enforce against them judgments obtained in courts outside India. Moreover, it is unlikely that a court in India would award damages on the same basis as a foreign court if an action were brought in India or that an Indian court would enforce foreign judgments if it viewed the amount of damages as excessive or inconsistent with Indian public policy.

India has reciprocal recognition and enforcement of judgments in civil and commercial matters with a limited number of jurisdictions, which includes, the United Kingdom, Singapore and Hong Kong. A judgment from certain specified courts located in a jurisdiction with reciprocity must meet certain requirements of the Civil Code. The United States and India do not currently have a treaty providing for reciprocal recognition and enforcement of judgments in civil and commercial matters. Therefore, a final judgment for the payment of money rendered by any federal or state court in a non-reciprocating territory, such as the United States, for civil liability, whether or not predicated solely upon the general securities laws of the United States, would not be enforceable in India under the Civil Code as a decree of an Indian court.

The United Kingdom, Singapore and Hong Kong have been declared by the Government of India to be reciprocating territories for purposes of Section 44A of the Civil Code. A judgment of a court of a country which is not a reciprocating territory may be enforced in India only by a suit on the judgment under Section 13 of the Civil Code, and not by proceedings in execution. Section 13 of the Civil Code provides that foreign judgments shall be conclusive regarding any matter directly adjudicated on except (i) where the judgment has not been pronounced by a court of competent jurisdiction, (ii) where the judgment has not been given on the merits of the case, (iii) where it appears on the face of the proceedings that the judgment is founded on an incorrect view of international law or refusal to recognize the law of India in cases to which such law is applicable, (iv) where the proceedings in which the judgment was obtained were opposed to natural justice, (v) where the judgment has been obtained by fraud or (vi) where the judgment sustains a claim founded on a breach of any law then in force in India. Under the Civil Code, a court in India shall, on the production of any document purporting to be a certified copy of a foreign judgment, presume that the judgment was pronounced by a court of competent jurisdiction, unless the contrary appears on record. The Civil Code only permits the enforcement of monetary decrees, not being in the nature of any amounts payable in respect of taxes, other charges, fines or penalties. Judgments or decrees from jurisdictions which do not have reciprocal recognition with India cannot be enforced by proceedings in execution in India. Therefore, a final judgment for the payment of money rendered by any court in a non-reciprocating territory for civil liability, whether or not predicated solely upon the general laws of the non-reciprocating territory, would not be enforceable in India. Even if an investor obtained a judgment in such a jurisdiction against us, our officers or directors, it may be required to institute a new proceeding in India and obtain a decree from an Indian court.

However, the party in whose favor such final judgment is rendered may bring a new suit in a competent court in India based on a final judgment that has been obtained in the United States or other such jurisdiction within three years of obtaining such final judgment. It is unlikely that an Indian court would award damages on the same basis as a foreign court if an action is brought in India. Moreover, it is unlikely that an Indian court would award damages to the extent awarded in a final judgment rendered outside India if it believes that the amount of damages awarded were excessive or inconsistent with Indian practice. In addition, any person seeking to enforce a foreign judgment in India is required to obtain the prior approval of the RBI to repatriate any amount recovered.

59. Under Indian law, foreign investors are subject to investment restrictions that limit our ability to attract foreign investors, which may adversely affect the trading price of the Equity Shares.

Foreign ownership of Indian securities is subject to Government regulation. Under foreign exchange regulations currently in force in India, transfer of shares between non-residents and residents are freely permitted (subject to certain exceptions), if they comply with the pricing and reporting requirements specified by the RBI. If a transfer of shares is not in compliance with such requirements and does not fall under any of the exceptions specified by the RBI, then the RBI's prior approval is required. Additionally, shareholders who seek to convert Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India require a no-objection or a tax clearance certificate from the Indian income tax authorities. As provided in the foreign exchange controls currently in effect in India, the RBI has provided that the price at which the Equity Shares are transferred be calculated in accordance with internationally accepted pricing methodology for the valuation of shares at an arm's length basis, and a higher (or lower, as applicable) price per share may not be permitted. Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020 issued by the DPIIT and the Foreign Exchange Management (Non-debt Instruments) Amendment Rules, 2020 which came into effect from April 22, 2020, any investment, subscription, purchase or sale of equity instruments by entities of a country which shares a land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country, will require prior approval of the Government of India, as prescribed in the Consolidated FDI Policy and the FEMA Rules. These investment restrictions shall also apply to subscribers of offshore derivative instruments. We cannot assure you that any required approval from the RBI or any other governmental agency can be obtained on any particular term or at all.

60. Significant differences exist between Ind AS and other accounting principles, such as U.S. GAAP and IFRS, which may be material to investors' assessments of our financial condition.

The Audited Financial Statements and the Condensed Interim Financial Statements included in this Placement Document have been prepared in accordance with Ind AS. We have not attempted to quantify the impact of U.S. GAAP or IFRS on the financial data included in this Placement Document, nor do we provide a reconciliation of our financial statements to those of U.S. GAAP or IFRS. U.S. GAAP and IFRS differ in significant respects from Ind AS. Accordingly, the degree to which the Audited Financial Statements and the Condensed Interim Financial Statements included in this Placement Document, will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting practices. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Placement Document should be limited accordingly.

61. Rights of shareholders under Indian laws may differ to those under the laws of other jurisdictions.

Indian legal principles related to corporate procedures, directors' fiduciary duties and liabilities, and shareholders' rights may differ from those that would apply to a company in another jurisdiction. Shareholders' rights including in relation to class actions, under Indian law may not be similar to the shareholders' rights under the laws of other countries or jurisdictions.

Risks Related to the Issue

62. Investors may be subject to Indian taxes arising out of capital gains on the sale of our Equity Shares.

Under the current Indian tax laws and regulations, unless specifically exempted, capital gains arising from the sale of equity shares in an Indian company are generally taxable in India. A securities transaction tax ("**STT**") is levied both at the time of transfer and acquisition of the equity shares (unless exempted under a prescribed notification), and the STT is collected by an Indian stock exchange on which listed equity shares are sold. Any gains realized on the sale of listed equity shares on a recognised stock exchange, held for more than 12 months are treated as long term capital gains ("**LTCG**") and are exempt up to ₹1,00,000 per financial year. LTCG in excess of ₹1,00,000 is taxed at the rate of 10% (plus applicable surcharge and cess), provided STT has been paid. Capital gains realized on the sale of listed equity shares held for 12 months or less are treated as short term capital gains and are taxed at 15% (plus applicable surcharge and cess), subject to STT being paid on the sale. Capital gains arising from the sale of the Equity Shares will not be chargeable to tax in India in cases where relief from such taxation in India is provided under a treaty between India and the country of which the seller is resident and the seller is entitled to avail benefits thereunder, subject to certain conditions. Generally, Indian tax treaties do not limit India's ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdiction on a gain realised upon the sale of the Equity Shares.

Additionally, the Finance Act, 2020 removed the requirement for dividend distribution tax to be payable in respect of dividends declared, distributed or paid by a domestic company after March 31, 2020, and accordingly, such dividends would not be exempt in the hands of the shareholders, both resident as well as non-resident, and are subject to tax deduction at source. We may or may not grant the benefit of a tax treaty (where applicable) to a non-resident shareholder for the purposes of deducting tax at source from such dividend.

Investors should consult their own tax advisors about the consequences of investing or trading in the Equity Shares. We cannot predict whether any tax laws or other regulations impacting us will be enacted, or predict the nature and impact of any such laws or regulations or whether, if at all, any laws or regulations would have an adverse effect on our business, financial condition, results of operations and cash flows.

63. Fluctuation in the exchange rate between the Indian Rupee and foreign currencies may have an adverse effect on the value of our Equity Shares, independent of our operating results.

On listing, our Equity Shares will be quoted in Indian Rupees on the Stock Exchanges. Any dividends in respect of our Equity Shares will also be paid in Indian Rupees and subsequently converted into the relevant foreign currency for repatriation, if required. Any adverse movement in currency exchange rates during the time that it takes to undertake such conversion may reduce the net dividend to foreign investors. In addition, any adverse movement in currency exchange rates during a delay in repatriating outside India the proceeds from a sale of Equity Shares, for example, because of a delay in regulatory approvals that may be required for the sale of Equity Shares may reduce the proceeds received by Equity Shareholders. For example, the exchange rate between the Rupee and the U.S. dollar has fluctuated in recent years and may continue to fluctuate substantially in the future, which may have an adverse effect on the returns on our Equity Shares, independent of our operating results.

64. Any future issuance of Equity Shares by us or sales of our Equity Shares by any of our significant shareholders may adversely affect the trading price of our Equity Shares. Furthermore, any sale of Equity Shares by the Promoters or members of our Promoter Group may adversely affect the trading price of our Equity Shares.

Any future issuance of our Equity Shares, including a primary offering of Equity Shares, convertible securities, or securities linked to Equity Shares by us could dilute your shareholding. Any such future issuance of our Equity Shares or sales of our Equity Shares by any of our significant shareholders may also adversely affect the trading price of our Equity Shares and could impact our ability to raise capital through an offering of our securities. We cannot assure you that we will not issue further Equity Shares or that the shareholders will not dispose of, pledge or otherwise encumber their Equity Shares. In addition, any perception by investors that such issuances or sales might occur could also affect the trading price of our Equity Shares. Furthermore, any sale of our Equity Shares by our Promoter or members of our Promoter Group may adversely affect the trading price of the Equity Shares, which may lead to other adverse consequences including difficulty in raising capital through offering of our Equity Shares or incurring additional debt. In addition, any perception by investors that such issuances or sales might occur may also affect the market price of our Equity Shares. There can be no assurance that we will not issue Equity Shares, convertible securities or securities linked to Equity Shares or that our Shareholders will not dispose of, pledge or encumber their Equity Shares in the future.

65. Holders of Equity Shares may be restricted in their ability to exercise pre-emptive rights under Indian law and thereby suffer future dilution of their ownership position.

A public company incorporated in India must offer its equity shareholders pre-emptive rights to subscribe and pay for a proportionate number of equity shares to maintain their existing ownership percentages prior to issuance of any new equity shares, unless the pre-emptive rights have been waived by the adoption of a special resolution by holders of three-fourths of the equity shares voting on such resolution.

However, if the law of the jurisdiction that you are in does not permit the exercise of such pre-emptive rights without our filing an offering document or registration statement with the applicable authority in such jurisdiction, you will be unable to exercise such pre-emptive rights, unless we make such a filing. If we elect not to file a registration statement, the new securities may be issued to a custodian, who may sell the securities for your benefit. The value such custodian receives on the sale of any such securities and the related transaction costs cannot be predicted. To the extent that you are unable to exercise pre-emptive rights granted in respect of our Equity Shares, your proportional interests in our Company would be diluted.

66. Bidders are not allowed to withdraw their Bids or revise their Bids downwards after the Issue Closing Date.

In terms of the SEBI ICDR Regulations, Bidders are not allowed to withdraw their Bids or revise their Bids downwards in terms of quantity of Equity Shares or the Application Amount after the Issue Closing Date. The Allotment of Equity Shares in this Issue and the credit of such Equity Shares to an Allottee's demat account with the depository participant could take approximately seven to ten Working Days from the Issue Closing Date. However, we cannot assure that adverse changes in the international or national monetary, financial, political or economic conditions or other events in the nature of force majeure, adverse changes in our business, results of operation, financial condition and cash flows, or other events affecting the Bidder's decision to invest in the Equity Shares would not arise between the Issue Closing Date and the date of the Allotment of Equity Shares in the Issue. The occurrence of any such events after the Issue Closing Date could also adversely impact the market price of the Equity Shares. Bidders shall not have the right to withdraw their Bids or revise their Bids

downwards in the event of any such occurrence. Our Company may complete the Allotment of the Equity Shares even if such events may limit the Allottees' ability to sell the Equity Shares after the Issue or cause the trading price of the Equity Shares to decline.

67. The trading price of our Equity Shares may be subject to volatility, and you may not be able to sell your Equity Shares at or above the Issue Price.

The Issue Price was determined by us in consultation with the Book Running Lead Managers, based on Bids received in compliance with Chapter VI of the SEBI ICDR Regulations and the provisions of the Companies Act, 2013 and it may not necessarily be indicative of the market price of the Equity Shares after this Issue is completed. The trading price of our Equity Shares may fluctuate after this Issue due to a variety of factors, including our results of operations and the performance of our business, competitive conditions, general economic, political and social factors, the performance of the Indian and global economy and significant developments in India's fiscal regime, volatility in the Indian and global securities market, performance of our competitors, changes in the estimates of our performance or recommendations by financial analysts and announcements by us or others regarding contracts, acquisitions, strategic partnerships, joint ventures, or capital commitments. In addition, if the stock markets in general experience a loss of investor confidence, the trading price of our Equity Shares could decline for reasons unrelated to our business, financial condition or operating results. The trading price of our Equity Shares might also decline in reaction to events that affect other companies in our industry even if these events do not directly affect us. Each of these factors, among others, could adversely affect the price of our Equity Shares. We cannot assure you that you will be able to resell the Equity Shares at or above the Issue Price. Furthermore, the Issue Price which includes a discount of ₹ 56.25 per Equity Share, being equivalent to a discount of 1% on the Floor Price which is not more than 5% on the Floor Price in accordance with the SEBI ICDR Regulations, will be determined by our Company in consultation with the Book Running Lead Manager, and may not necessarily be indicative of the market price of the Equity Shares after this Issue is complete.

68. Investors will be subject to market risks until the Equity Shares credited to the investor's demat account are listed and permitted to trade.

Subject to the relevant transfer restrictions, investors can start trading the Equity Shares allotted to them only after they have been credited to an investor's demat account, are listed and permitted to trade. Since the Equity Shares are currently traded on the Stock Exchanges, investors will be subject to market risk from the date they pay for the Equity Shares to the date when trading approval is granted for the same. Furthermore, there can be no assurance that the Equity Shares allocated to an investor will be credited to the investor's demat account in a timely manner or that trading in the Equity Shares will commence in a timely manner.

69. There are restrictions on daily movements in the price of the Equity Shares, which may adversely affect a shareholder's ability to sell, or the price at which it can sell, Equity Shares at a particular point in time.

The Equity Shares will be subject to a daily circuit breaker imposed on listed companies by all stock exchanges in India, which does not allow transactions beyond a certain volatility in the price of the Equity Shares. This circuit breaker operates independently of the index-based market-wide circuit breakers generally imposed by SEBI on Indian stock exchanges. The percentage limit on the Equity Shares' circuit breaker will be set by the stock exchanges based on historical volatility in the price and trading volume of the Equity Shares. The stock exchanges are not required to inform us of the percentage limit of the circuit breaker, and they may change the limit without our knowledge. This circuit breaker would effectively limit the upward and downward movements in the price of the Equity Shares. As a result of this circuit breaker, there can be no assurance regarding the ability of shareholders to sell Equity Shares or the price at which shareholders may be able to sell their Equity Shares.

70. An investor will not be able to sell any of our Equity Shares purchased in the Issue other than on the Stock Exchanges for a period of 12 months from the date of allotment of such Equity Shares.

Pursuant to the SEBI ICDR Regulations, for a period of 12 months from the date of the allotment of our Equity Shares in the Issue, investors purchasing our Equity Shares in the Issue may only sell their Equity Shares on the NSE or the BSE and may not enter into any off-market trading in respect of their Equity Shares. We cannot be certain that these restrictions will not have an impact on the price of our Equity Shares and may affect the liquidity of the Equity Shares subscribed by the investors.

71. We are subject to pre-emptive surveillance measures like Additional Surveillance Measure (ASM) and Graded Surveillance Measures (GSM) by the Stock Exchanges in order to enhance market integrity and safeguard the interest of investors.

SEBI and Stock Exchanges in order to enhance market integrity and safeguard interest of investors, have been introducing various enhanced pre-emptive surveillance measures. The main objective of these measures is to alert and advice investors

to be extra cautious while dealing in these securities and advice market participants to carry out necessary due diligence while dealing in these securities. Accordingly, SEBI and Stock Exchanges have provided for (a) GSM on securities where such trading price of such securities does not commensurate with financial health and fundamentals such as earnings, book value, fixed assets, net-worth, price per equity multiple and market capitalization; and (b) ASM on securities with surveillance concerns based on objective parameters such as price and volume variation and volatility.

We are subjected to general market conditions which include significant price and volume fluctuations. The price of our Equity Shares has fluctuated since the initial public offering of the Equity Shares and may continue to fluctuate after the Issue due to several factors such as volatility in the Indian and global securities market, our profitability and performance, performance of our competitors, changes in the estimates of our performance or any other political or economic factor. The occurrence of any of the abovementioned factors triggers the parameters identified by SEBI and the Stock Exchanges for placing securities under the GSM or ASM framework such as net worth and net fixed assets of securities, high low variation in securities, client concentration and close to close price variation.

Since our Equity Shares are covered under such pre-emptive surveillance measures implemented by SEBI and the Stock Exchanges, we are subject to certain additional restrictions in relation to trading of our Equity Shares such as limiting trading frequency (for example, trading either allowed once in a week or a month) or freezing of price on upper side of trading and these restrictions may continue post listing of the Equity Shares, pursuant to the Issue. These restrictions may have an adverse effect on the market price of our Equity Shares or may in general cause disruptions in the development of an active market for and trading of our Equity Shares.

MARKET PRICE INFORMATION

As on the date of this Placement Document, our Company's issued, subscribed and paid-up capital comprises 6,40,10,770 Equity Shares of face value of ₹10 each. The Equity Shares have been listed on BSE and on NSE. The Equity Shares are listed and traded on NSE under the symbol KAYNES and BSE under the scrip code 543664.

On June 18, 2025, the closing price of the Equity Shares on NSE and BSE was ₹ 5,720.00 and ₹ 5,721.25 respectively per Equity Share. Since the Equity Shares are available for trading on the Stock Exchanges, the market price and other information for each of BSE and NSE has been given separately.

(i) The following tables set forth the reported high, low and average of the closing prices and the trading volumes of the Equity Shares on the Stock Exchanges on the dates on which such high and low prices were recorded and the total trading turnover for the Financial Years ended March 31, 2025, March 31, 2024, and March 31, 2023. Please note that the shares of the Company were listed on November 22, 2022, accordingly, the data for the period ended March 31, 2023 does not represent a full year.

Based on share price data from BSE:

Fiscal	High (₹)	Date of high	Volume on high	Turnover on high (₹ million)	Low (₹)	Date of low	Volume on low	Turnover on low (₹ million)	Average Close (₹)
Fiscal 2025	7,824.95	1-Jan-25	35,188	269.69	2,425.00	10-May-24	3,011	7.47	4,694.57
Fiscal 2024	3,248.00	5-Mar-24	12,079	38.37	931.65	10-Apr-23	6,290	6.00	2,103.28
Fiscal 2023	1,111.00	14-Mar-23	17,258	16.82	625.05	26-Dec-22	15,079	10.42	820.18

(Source: www.bseindia.com)

1. *High, low and average prices are based on the daily closing prices.*
2. *In the case of a year, average represents the average of the closing prices of all trading days of each year presented.*
3. *In case of two days with the same high or low price, the date with the higher turnover has been chosen.*

Based on share price data from NSE:

Fiscal	High (₹)	Date of high	Volume on high	Turnover on high (₹ million)	Low (₹)	Date of low	Volume on low	Turnover on low (₹ million)	Average Close (₹)
Fiscal 2025	7,822.00	1-Jan-25	10,62,831	8,148.29	2,424.00	9-May-24	80,995	198.42	4,695.41
Fiscal 2024	3,248.85	5-Mar-24	5,83,625	1,855.77	932.35	10-Apr-23	1,32,428	125.94	2,103.39
Fiscal 2023	992.65	13-Mar-23	3,33,296	325.00	666.80	26-Dec-22	1,33,235	92.48	819.33

(Source: www.nseindia.com)

1. *High, low and average prices are based on the daily closing prices.*
2. *In the case of a year, average represents the average of the closing prices of all trading days of each year presented.*
3. *In case of two days with the same high or low price, the date with the higher turnover has been chosen.*

(ii) The following tables set forth the details of the number of Equity Shares traded on the Stock Exchanges and the turnover for the Financial Years ended March 31, 2025, March 31, 2024, and March 31, 2023. Please note that the shares of the Company were listed on November 22, 2022, accordingly, the data for the period ended March 31, 2023 does not represent a full year.

Fiscal	Based on share price data from BSE		Based on share price data from NSE	
	Number of Shares Traded	Turnover (₹ million)	Number of Shares Traded	Turnover (₹ million)
Fiscal 2025	71,06,926	34,707	13,47,86,367	6,75,875
Fiscal 2024	37,09,819	7,296	5,25,57,279	1,09,351
Fiscal 2023	31,88,046	2,474	4,11,64,181	31,957

(iii) The following tables set forth the reported high, low and average of the closing prices and the trading volumes of the Equity Shares on the Stock Exchanges on the dates on which such high and low prices were recorded and the total trading turnover during each of the last six months.

Based on share price data from BSE:

Month	High (₹)	Date of high	Volume on high	Turnover on high (₹ million)	Low (₹)	Date of low	Volume on low	Turnover on low (₹ million)	Average Close (₹)
May-25	6,321.10	14-May-25	38,463	242.17	5,623.40	06-May-25	39,768	227.19	5,973.31
Apr-25	6,184.40	23-Apr-25	27,991	167.24	3,905.00	7-Apr-25	31,747	136.34	5,378.09
Mar-25	5,145.45	24-Mar-25	51,682	260.62	3,893.85	12-Mar-25	1,98,858	828.24	4,498.99
Feb-25	5,004.45	1-Feb-25	78,776	386.04	3,835.00	11-Feb-25	70,786	281.61	4,251.69
Jan-25	7,824.95	1-Jan-25	35,188	269.69	4,215.20	28-Jan-25	2,56,986	1,152.51	6,218.07
Dec-24	7,782.20	19-Dec-24	96,498	714.79	5,998.55	2-Dec-24	25,457	158.27	6,810.90

(Source: www.bseindia.com)

1. High, low and average prices are based on the daily closing prices.
2. In the case of a year, average represents the average of the closing prices of all trading days of each year presented.
3. In case of two days with the same high or low price, the date with the higher turnover has been chosen.

Based on share price data from NSE:

Month	High (₹)	Date of high	Volume on high	Turnover on high (₹ million)	Low (₹)	Date of low	Volume on low	Turnover on low (₹ million)	Average Close (₹)
May-25	6,322.50	14-May-25	5,78,071	3,642.15	5,623.00	06-May-25	2,35,054	1,343.20	5,974.31
Apr-25	6,187.40	23-Apr-25	6,54,157	3,907.52	3,900.00	7-Apr-25	6,96,682	2,992.51	5,379.31
Mar-25	5,145.00	24-Mar-25	8,96,197	4,521.98	3,898.00	12-Mar-25	29,58,667	12,403.64	4,499.13
Feb-25	5,004.30	1-Feb-25	7,79,283	3,820.83	3,825.15	17-Feb-25	8,46,631	3,371.10	4,253.52
Jan-25	7,822.00	1-Jan-25	10,62,831	8,148.29	4,214.45	28-Jan-25	44,90,074	20,179.68	6,219.42
Dec-24	7,780.00	19-Dec-24	31,13,161	23,037.71	5,995.35	2-Dec-24	8,63,163	5,369.97	6,813.16

(Source: www.nseindia.com)
2. High, low and average prices are based on the daily closing prices.
3. In the case of a year, average represents the average of the closing prices of all trading days of each year presented.
4. In case of two days with the same high or low price, the date with the higher turnover has been chosen.

(iv) The following tables set forth the details of the number of Equity Shares traded on the Stock Exchanges and the turnover during each of the last six months.

Fiscal	Based on share price data from BSE		Based on share price data from NSE	
	Number of Shares Traded	Turnover (₹ million)	Number of Shares Traded	Turnover (₹ million)
May-25	7,81,257	4,739.88	1,01,76,920	62,121.01
Apr-25	7,60,318	4,100	1,35,31,356	73,101
Mar-25	7,75,604	3,427	1,46,34,416	65,382
Feb-25	9,92,232	4,243	2,01,56,504	85,948
Jan-25	13,04,103	7,232	2,52,59,104	1,43,398
Dec-24	5,80,373	4,050	1,43,79,463	1,00,243

(v) The following table sets forth the market price on the Stock Exchanges on January 23, 2025 that is, the first working day following the approval dated January 22, 2025 of our Board of Directors for the Issue.

Exchange	Open (₹)	High (₹)	Low (₹)	Close (₹)	Volume	Turnover (₹ million)
BSE – 23-Jan-25	5,351.00	5,872.00	5,312.05	5,597.50	84,955	481.61
NSE – 23-Jan-25	5,350.75	5,874.70	5,314.10	5,595.50	13,82,406	7,843.82

USE OF PROCEEDS

The gross proceeds from the Issue amount to approximately ₹ 15,999.99 million (the "**Gross Proceeds**"). Subject to compliance with applicable laws, the net proceeds from the Issue, after deducting fees, commissions, and estimated expenses of the Issue of approximately ₹ 250.34 million, shall amount to approximately ₹ 15,749.66 million (the "**Net Proceeds**").

Utilization of Net Proceeds

The Net Proceeds are proposed to be utilised in accordance with the details provided hereunder:

Particulars	Amount which will be financed from Net Proceeds (₹ million)	Percentage of Net Proceeds (%)
Repayment and/or prepayment, whether in whole or in part, of outstanding indebtedness of our Company and/or its subsidiaries	8,412.61	53.41%
Funding of working capital requirements of our Company	2,000.00	12.70%
Funding of inorganic growth opportunities, including but not limited to acquisitions, strategic investments, and joint ventures*	1,600.00	10.16%
General Corporate Purposes**	3,737.05	23.73%
Total Net Proceeds	15,749.66	100.00%

**On a standalone basis, shall not exceed 25% of the Gross Proceeds and in aggregate with the General Corporate Purposes, shall not exceed 35% of the Gross Proceeds*

***The portion allocated towards General Corporate Purposes shall not exceed 25% of the Gross Proceeds.*

The main objects and objects incidental or ancillary to the attainment of the main objects of Memorandum of Association of our Company enable us to undertake (i) our existing business activities set out therein and (ii) the activities proposed to be funded from the Net Proceeds.

Proposed schedule of deployment of Net Proceeds

Particulars	Amount which will be financed from Net Proceeds (₹ million)	Proposed schedule of deployment of the Net Proceeds in Fiscal 2026	Proposed schedule of deployment of the Net Proceeds in Fiscal 2027
Repayment and/or prepayment, whether in whole or in part, of outstanding indebtedness of our Company and/or its subsidiaries.	8,412.61	8,412.61	-
Funding of working capital requirements of our Company	2,000.00	2,000.00	-
Funding of inorganic growth opportunities, including but not limited to acquisitions, strategic investments, and joint ventures	1,600.00		1,600.00*
General Corporate Purposes	3,737.05		3,737.05
Total Net Proceeds	15,749.66		15,749.66

**As on the date, our Company has not identified any potential target for investment or acquisition and has not entered into any definitive agreement for which it intends to utilize Net Proceeds. The amount allocated towards such spend from the Net Proceeds shall depend on several factors such as availability of suitable acquisition targets, feasibility of cost, successful negotiations, etc. For further details, please see "Risk Factor – We propose to utilize a portion of our Net Proceeds towards funding inorganic growth opportunities for which targets have not been identified. Such Net Proceeds to be utilized towards funding inorganic growth may be insufficient for the cost of our proposed inorganic acquisition and the deployment of Net Proceeds towards our inorganic growth initiatives may not take place within the period currently intended, and may be reduced or delayed." on page 52.*

The fund requirements, the deployment of funds and the intended use of the Net Proceeds as described herein are based on our current business plan, management estimates, prevailing market conditions and other commercial and technical factors, which are subject to change in the future. However, such fund requirements and deployment of funds have not been appraised by any bank or financial institution or independent agency or the Book Running Lead Managers, in connection with the Issue. Further, subject to compliance with applicable law, our Company retains the right to change the above schedule of implementation and deployment of the Net Proceeds, including the manner, method and timing of deployment of the Net Proceeds in case of change in our business requirements and other commercial considerations. If the Net Proceeds are not completely utilised for the purposes mentioned in this chapter by the end of the period mentioned above, such amounts will be utilised (in part or full) in subsequent periods, as determined by us, in accordance with applicable law.

Details of the Objects of the Issue

1. Repayment and/or prepayment, whether in whole or in part, of outstanding indebtedness of our Company and/or its subsidiaries.

We avail fund-based and non-fund-based facilities in the ordinary course of business from various banks / financial institutions. The borrowing arrangements entered into by us include, inter alia, term loans, working capital facilities and overdraft. We propose to utilize a portion of the Net Proceeds amounting to ₹8,412.61 million for prepayment and/or repayment, in full or in part, of all or a portion of loans availed by our Company and certain Subsidiaries that are incorporated in India ("**Domestic Subsidiaries**").

Our Company and Domestic Subsidiaries have obtained necessary consents, wherever required, from the lenders as per the requirements under the borrowing arrangements. Further, the outstanding amounts under these borrowings as well as the sanctioned limits are dependent on several factors and may vary with our business cycle with multiple intermediate repayments, drawdowns and enhancement of sanctioned limits. Accordingly, we may utilize the Net Proceeds for prepayment and/or repayment, in full or in part, of any such facilities. Furthermore, pursuant to the terms of the borrowing arrangements, pre-payment of certain indebtedness may attract pre-payment charges as prescribed by the respective lender. Such pre-payment charges, as applicable, will also be funded out of the Net Proceeds and/or internal accruals.

We believe that such repayment and/or pre-payment of certain loans by utilizing the Net Proceeds, apart from help reduce our outstanding indebtedness, will reduce our interest expenses and improve profit and profit margins. Further, it will reduce our debt-servicing costs and improve our debt equity ratio and enable utilization of our accruals for further investment towards our business growth and expansion. Additionally, reduction of debt will enhance the strength of our balance sheet for pursuing future business growth and expansion opportunities. The details of outstanding borrowings proposed to be repaid out of the Net Proceeds, is as per the schedule below:

(the remainder of this page has intentionally been left blank)

Name of the lending parties	Principal loan amount sanctioned (*₹ in million*)	Purpose of availing the loan as stated in the respective sanction letters / loan agreements	Principal loan amount disbursed (*₹ in million*)	Date of last approved/ revised sanction letter	Amount of loan utilised as of May 31, 2025 (₹ in million)	Purpose for which loan was utilised	Interest rate (in %)	Tenure of the loan	Prepayment penalty, if any
Axis Bank	1,300.00	Working capital demand loan/Cash credit facility	1,300.00	July 24, 2024	1,107.68	Working Capital	7.75	One year	2% of the amount prepaid, if closed before due date
Canara Bank	500.00	Working capital demand loan	500.00	January 22, 2025	500.00	Working Capital	8.25	One year	2% of the amount prepaid, if closed before due date
Canara Bank	200.00	Cash credit facility	200.00	January 22, 2025	57.30	Working Capital	9.10	One year	2% of the amount prepaid, if closed before due date
Canara Bank	100.00	Packing credit	100.00	January 22, 2025	100.00	Working Capital	7.70	One year	2% of the amount prepaid, if closed before due date
Federal Bank	1,000.00	Working capital demand loan	1,000.00	September 2, 2024	800.00	Working Capital	8.10	One year	Mutually agreed, if closed before due date
HDFC Bank	1,700.00	Working capital demand loan	1,700.00	April 22, 2025	1,700.00	Working Capital	7.80	One year	2% of the amount prepaid, if closed before due date
HDFC Bank	550.00	Cash credit facility	550.00	April 22, 2025	114.37	Working Capital	7.76	One year	2% of the amount prepaid, if closed before due date
HDFC Bank	112.00	Term loan	112.00	June 18, 2022	70.00	Working Capital	9.25	Six years	No charges
IndusInd Bank	300.00	Working capital demand loan/Cash credit facility/Packing credit	300.00	February 5, 2025	295.70	Working Capital	7.30	One year	No charges
IndusInd Bank	1,000.00	Overdraft	1,000.00	February 5, 2025	349.20	Working Capital	8.05	One year	No charges
Kotak Bank	500.00	Working capital demand loan	500.00	August 28, 2024	280.00	Working Capital	7.55	One year	2% on sanctioned amount, if closed before due date
State Bank of India*	750.00	Cash credit facility/Export packing credit	750.00	May 20, 2024	705.00	Working Capital	7.50-9.20	One year	2% of the amount prepaid, if closed before due date
Sundaram Finance	350.00	Machinery loan	350.00	October 13, 2021	1.46	Machinery procurement	13.50	Five years	5% on outstanding amount, if closed before due date
Sundaram Finance	350.00	Machinery loan	350.00	August 20, 2021	2.12	Machinery procurement	11.50	Five years	5% on outstanding amount, if closed before due date

Name of the lending parties	Principal loan amount sanctioned (*₹ in million*)	Purpose of availing the loan as stated in the respective sanction letters / loan agreements	Principal loan amount disbursed (*₹ in million*)	Date of last approved/ revised sanction letter	Amount of loan utilised as of May 31, 2025 (₹ in million)	Purpose for which loan was utilised	Interest rate (in %)	Tenure of the loan	Prepayment penalty, if any
Sundaram Finance	300.00	Machinery loan	300.00	April 29, 2022	14.13	Machinery procurement	11.50	Five Years	5% on sanctioned amount, if closed before due date
Axis Bank*	700.00	Working capital demand loan/Cash credit facility	700.00	December 12, 2023	577.61	Working Capital	7.75	One year	2% of the amount prepaid, if closed before due date
Federal Bank*	500.00	Working capital demand loan/Cash credit facility	500.00	January 18, 2024	400.00	Working Capital	8.00	One year	Mutually agreed, if closed before due date
HDFC Bank*	1,000.00	Working capital demand loan/Cash credit facility	1,000.00	February 1, 2024	688.03	Working Capital	7.43	One year	2% of the amount prepaid, if closed before due date
State Bank of India	160.00	Packing credit	160.00	March 19, 2025	158.99	Working Capital	8.13	One year	2% on outstanding amount, if closed before due date
Axis Bank	500.00	Working capital demand loan/Cash credit facility	500.00	March 20, 2025	491.02	Working Capital	8.20	One year	2% of the amount prepaid, if closed before due date
Total	**11,872.00**		**11,872.00**		**8,412.61**				

Certified by M/s. K.P. Rao & Co., Chartered Accountants, by way of their certificate dated June 19, 2025
**Certain sanction letters set out in the table above are presently undergoing renewal by the respective lending institutions. The date of the last approved or revised sanction letter has been disclosed herein for such facilities. Notwithstanding the ongoing renewal process, all such loan facilities remain subsisting and continue to be operated in the ordinary course*

Given the nature of the borrowings and the terms of repayment, the aggregate outstanding amounts under the borrowings may vary from time to time and our Company and/or Subsidiaries may, in accordance with the relevant repayment schedule, repay or refinance some of its existing borrowings prior to Allotment. Further, the amounts outstanding under the borrowings as well as the sanctioned limits are dependent on several factors and may vary with the business cycle of our Company with multiple intermediate repayments, drawdowns and enhancement of sanctioned limits. For further details, see "*Risk Factors – We propose to utilise a portion of the Net Proceeds to repay certain borrowings and to fund our working capital requirements. There can be no assurance that such utilisation will yield the expected benefits or that the working capital proceeds will be sufficient to replace the credit lines being repaid."* on page 53.

2. Funding of working capital requirements of our Company

We propose to utilize ₹ 2,000.00 million from the Net Proceeds to fund the working capital requirements of our Company. We have significant working capital requirements in the ordinary course of business, which are typically funded through internal accruals and financing arrangements with various lenders. Our business is working capital intensive, and our Company and subsidiaries regularly avail working capital facilities from financial institutions as part of its normal operations.

As of May 31, 2025, the aggregate outstanding amounts under the fund-based and non-fund-based working capital facilities of our Company stood at ₹ 8,394.90 million.

Our Company requires additional working capital to execute its outstanding order book, meet the requirements of anticipated future orders, and support overall business growth and strategic objectives.

Basis for Estimation of Working Capital Requirement

Set forth below is the working capital position of our Company, on a standalone basis, based on the audited financial statements for the financial years ended March 31, 2023, March 31, 2024, and March 31, 2025.

The composition of our Company's net current assets (working capital), on a standalone basis, and the sources of funding as of the above dates are provided in the table below:

All figures in ₹ million

Particulars	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Inventory	6,158.62	4,726.23	4,016.33
Trade Receivables	4,969.96	1,261.37	2,202.58
Other current financial assets	603.05	449.87	291.38
Other current assets	9,515.37	3,568.60	1,025.28
Total Current Assets (A)	**21,247.00**	**10,006.07**	**7,535.57**
Trade Payables	5,055.45	1,889.25	2,153.70
Other Current Liabilities	534.59	417.83	576.69
Other Financial Liabilities	478.93	188.34	144.11
Total Current Liabilities (B)	**6,068.97**	**2,495.42**	**2,874.50**
Net working capital I = (A- B)	**15,178.03**	**7,510.65**	**4,661.07**
Funding Pattern:			
Short Term borrowings (i)	6,055.03	2,529.97	1,121.83
Internal Accruals / Networth (ii) = (I) – (i)	9,123.00	4,980.68	3,539.24
Total Means of Finance (i) + (ii)	**15,178.03**	**7,510.65**	**4,661.07**

Holding periods

The following table sets forth the details of the holding period for the financial years ended March 31, 2025, March 31, 2024, and March 31, 2023, which has been computed based on the audited standalone financial statements for the financial years ended March 31, 2025, March 31, 2024, and March 31, 2023, respectively.

Particulars	Fiscal 2025	Fiscal 2024	Fiscal 2023
Inventory Days	104	125	104
Debtor Days	59	50	69
Payable Days	83	75	72
Net Working Capital Days	80	100	101

Based on our Company's working capital requirements over the past three financial years ended March 31, 2025, March 31, 2024 and March 31, 2023 as well as the holding periods, we have estimated that Rs 2,000 million of the Net Proceeds would be utilised towards meeting our working capital requirements during Fiscal 2026. Accordingly, the Fund Raising Committee

of our Company, pursuant to its resolution dated June 19, 2025, has approved the utilization of ₹ 2,000.00 million Net Proceeds during Fiscal 2026 towards meeting the estimated working capital requirements. The balance portion of the working capital requirement shall be met through internal accruals and existing working capital facilities.

3. Funding of inorganic growth opportunities, including but not limited to acquisitions, strategic investments, and joint ventures

We intend to use up to ₹ 1,600.00 million of the Net Proceeds to pursue inorganic growth initiatives through acquisitions. We have, in the past, looked to create strategic value through inorganic growth and have acquired capabilities that have helped expand our product offerings and scale our operations. Pursuant to our strategy to continue scaling our business, we intend to keep pursuing strategic investments and acquisitions which are complementary to our business and operations and which will allow us to (i) enhance our scale and market position; (ii) enhance our services portfolio including business verticals and service segments, by unlocking potential synergy benefits; (iii) extend our reach to new geographic markets including outside India; and (iv) capture additional revenue opportunities from our existing customer base to improve our margin profile.

We intend to pursue inorganic growth opportunities through selective strategic acquisitions to complement the scale of our operations and growth in recent periods. As part of our foray into the consumer electronics segment, we intend to pursue strategic acquisitions and investments and other strategic alliance partnerships within our industry and/ or that are complementary to our current and future business verticals. We believe that these partnerships will complement our existing marketing approach, expand into newer geographies. Our extensive industry experience and insights enables us to identify suitable target companies for acquisition and effectively evaluate and execute potential opportunities. Our senior management along with external experts evaluate potential inorganic opportunities and assists us in evaluating each potential acquisition in determining how their business model or solution will integrate with our existing product portfolio, and how both the companies can mutually benefit from such potential investments or acquisitions.

These factors will also determine the form of investment for any potential acquisitions, i.e., whether they will be directly done by our Company or through investments in our Subsidiaries in the form of equity, debt or any other instrument or combination thereof, or whether these will be in the nature of business, asset or technology acquisitions or joint ventures.

Legacy of inorganic growth

In 2008, we incorporated Kaynes Technology Europe GMBH in Germany to provide on-site support to our customers in the region. In 2018, we entered into a strategic agreement with Mohlenhoff GMBH and Business Guardian and incorporated Kaynes International Design & Manufacturing Private Limited in India, which is engaged in the export of mechanical, electrical, electromechanical, semiconductor, and hybrid technology equipment. Further, pursuant to a joint venture agreement dated May 17, 2018, with Radha Madhav Inc., a U.S.-based company engaged in IT staffing and consulting services, we incorporated Kaynes Technology Inc. in the United States. More recently, we have acquired: (i) Iskraemeco, a Slovenia-based manufacturer of advanced metering infrastructure (AMI) products; (ii) Digicom, a U.S.-based contract manufacturer of printed circuit boards; (iii) Sensonic, an Austria-based company focused on AI-integrated IoT-based asset tracking technologies; and (iv) August Electronics, a Canada-based provider of custom electronic manufacturing services. These acquisitions are intended to enhance our product portfolio, deepen customer relationships, and broaden our global footprint.

As on the date of this Placement Document, our Company has not identified any potential target for investment or acquisition and has not entered into any definitive agreement for which it intends to utilize Net Proceeds. The amount of Net Proceeds to be used for acquisitions will be based on our management's decision and may not be the total value or cost of any such acquisitions but is expected to provide us with sufficient financial leverage to pursue such acquisitions. Nevertheless, the total amount that we may use from the Gross Proceeds towards such inorganic growth shall not exceed (a) up to10.00% of the Gross Proceeds, if we decide to allocate up to 25.00% of the Gross Proceed towards General Corporate Purposes, or (b) up to 25.00% of the Gross Proceeds, if we decide to proportionately reduce allocation towards General Corporate Purposes. For further details, see "*Risk Factors – Our funding requirements and the proposed deployment of the Net Proceeds have not been appraised by any bank, financial institution or any other independent agency, and may be subject to risks related to adequacy, timing and implementation."* on page 56.

The proposed inorganic acquisitions shall be undertaken in accordance with the applicable laws, including the Companies Act, FEMA, Competition Act and the regulations notified thereunder, as the case may be. Further, in accordance with the SEBI Listing Regulations, our Company will disclose to the Stock Exchanges, details of the acquisitions such as name of the target entity, cost and nature of such acquisition, as and when acquired, at the relevant stages as prescribed therein.

Our Company's management shall have flexibility in utilising surplus amounts, if any, in accordance with applicable law and as may be approved by our Board or a duly appointed committee from time to time. In case of variation in the actual utilization

of funds designated for the purposes set forth above, increased fund requirements for a particular purpose may be financed by surplus funds, if any, which are not applied to the other purposes set out above.

4. General corporate purposes

The Net Proceeds will first be utilized towards the Objects as set out above. Subject to this, our Company intends to deploy ₹ 3,737.05 million, towards general corporate purposes and the business requirements of our Company, as approved by our management, from time to time, subject to such utilization for general corporate purposes not exceeding 25.00% of the Gross Proceeds in compliance with the circular bearing reference no. NSE/ CML/2022/56 dated December 13, 2022, issued by NSE and circular no. 20221213-47 dated December 13, 2022, issued by BSE.

The general corporate purposes for which our Company proposes to utilise Net Proceeds include, without limitation, funding growth opportunities, business development initiatives, meeting expenses incurred in the ordinary course of our business and towards any exigencies or any other purpose, as may be approved by our Board or a duly constituted committee thereof, subject to compliance with applicable law, including provisions of the Companies Act.

The quantum of utilisation of funds towards each of the above purposes will be determined by our Board, based on the amount actually available under this head and the business requirements of our Company, from time to time, subject to compliance with applicable law. In addition to the above, our Company may utilise the Net Proceeds towards other purposes considered expedient and as approved periodically by our management, subject to compliance with necessary provisions of the Companies Act.

Our Company's management shall have flexibility in utilising surplus amounts, if any, in accordance with applicable law and as may be approved by our Board or a duly appointed committee from time to time. In case of variation in the actual utilization of funds designated for the purposes set forth above, increased fund requirements for a particular purpose may be financed by surplus funds, if any, which are not applied to the other purposes set out above.

Interim use of Net Proceeds

Pending utilization of the Net Proceeds, the Company shall invest such proceeds in money market instruments including money market mutual funds, T-bills, deposits with scheduled commercial banks or any other investment as permitted under applicable laws and the Investment Policy of the Company. Provided that, in accordance with applicable laws, we undertake to not utilize the proceeds from the Issue unless Allotment is made and the corresponding return of Allotment is filed with the RoC and final listing and trading approvals are received from each of the Stock Exchanges.

Monitoring of utilisation of funds

Our Company has appointed CRISIL Ratings Limited as the monitoring agency in accordance with Regulation 173A of the SEBI ICDR Regulations for monitoring the utilisation of the Gross Proceeds, as the size of our Issue exceeds ₹1,000.00 million.

In accordance with Regulation 173A of the SEBI ICDR Regulations and Regulation 32(7) of the SEBI Listing Regulations, the report of the Monitoring Agency shall be placed before the Audit Committee on a quarterly basis, upon its receipt, until such time as the Gross Proceeds have been utilised in full. The Board of Directors and the management of our Company will provide their comments on the findings of the Monitoring Agency as specified in Schedule XI of the SEBI ICDR Regulations. Such report, along with the comments (if any) of the Monitoring Agency shall be submitted to the Stock Exchanges within 45 days from the end of each quarter or such other period as may be specified under applicable law and uploaded on the website of our Company.

Further, pursuant to Regulations 32(1), 32(3) of the SEBI Listing Regulations, read with the SEBI LODR Master Circular, our Company shall, on a quarterly basis, disclose to the Audit Committee a statement indicating (i) deviations, if any, in the actual utilisation of the proceeds of the Issue from the Objects as stated above; and (ii) details of category wise variations in the actual utilisation of the proceeds of the Issue from the Objects as stated above or the Objects for which the Net Proceeds were raised. Upon review and approval of the Audit Committee, such statement of deviation shall be submitted to the Stock Exchanges on a quarterly basis, along with declaration of the financial results, in compliance with the SEBI Listing Regulations and the SEBI LODR Master Circular. Further, in accordance with the SEBI LODR Master Circular, a Nil report shall be submitted in case there are no deviations or variations in the utilization of the Gross Proceeds from the Objects for which the Net Proceeds were raised. This information will also be published on our website and our Company shall furnish an explanation for the deviations and category-wise variations in the directors' report in its annual report, after placing the same before the Audit Committee.

In accordance with Regulation 32(7A) of the SEBI Listing Regulations, our Company shall also disclose every year, the utilization of Gross Proceeds during the respective financial year in its annual report until such funds are fully utilized.

Other confirmations

The Net Proceeds shall be kept by our Company in a separate bank account with a scheduled bank and shall be utilised as approved by our Board and / or a duly authorized committee of our Board, from time to time only for such purposes, as permitted under the Companies Act, prescribed Objects as disclosed above and other applicable laws.

Neither our Promoters nor our Directors are making any contribution either as a part of the Issue or separately in furtherance of the use of the Net Proceeds. Further, our Promoters or our Directors shall not receive any proceeds from the Issue. Since the Issue is only made to Eligible QIBs, our Promoters, Directors, Key Managerial Personnel or members of Senior Management are not eligible to subscribe to the Issue.

Since the Net Proceeds of the Issue are proposed to be utilised towards the purposes set forth above, and not for implementing any specific project, the following disclosure requirements under Schedule VII of the SEBI ICDR Regulations are not applicable: (i) break-up cost of the project; (ii) means of financing such project, and (iii) proposed deployment status of the proceeds at each stage of the project.

CAPITALISATION STATEMENT

The following table sets forth our capitalization and total borrowings, on a consolidated basis, as at March 31, 2025 which has been derived from our Audited Consolidated Financial Statement and as adjusted to give effect for the Issue. This table should be read in conjunction with the sections titled "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" and "*Financial Information*" on pages 92 and 232, respectively.

(₹ in million, unless otherwise specified)

Particulars	**Pre – Issue**	**Post – Issue**
	As at March 31, 2025 (A) (Un adjusted)	**adjusted for the Issue***
Borrowings:		
Deposits	-	-
Debt Securities	-	-
Borrowings		
- Current Borrowings (A)	8,080.03	8,080.03
- Non-Current Borrowings (B)	674.80	674.80
Subordinated liabilities	-	-
Total Indebtedness (C)	**8,754.83**	**8,754.83**
Equity		
Equity Share Capital	640.84	669.57
Other Equity	27,761.76	43,733.02
Non-Controlling Interest	39.72	39.72
Total Equity (D)	**28,442.32**	**44,442.31**
Ratio: Non-Current Borrowings / Total Equity (B/D)	**0.02**	**0.02**
Ratio: Total Borrowings / Total Equity (C/D)	**0.31**	**0.20**

The above terms in the table shall carry the meaning as per Division II of Schedule III of the Companies Act, 2013

**This column reflects changes in equity and other equity on account of Proceeds from the issue amounting to ₹15,999.99 million, out of which, ₹28.73 million has been adjusted towards Equity Share capital and ₹15,971.27 million has been adjusted towards other equity. No change in borrowings has been considered on account of the Issue. The other equity amount has not been adjusted for share issue expenses in relation to the issue. This has been computed based on the Issue price, as approved in the Board meeting dated June 24, 2025.*

CAPITAL STRUCTURE

The share capital of our Company as on the date of this Placement Document is set forth below:

(in ₹ million, except share data)

	Particulars	Aggregate nominal value at face value (except for securities premium account)
A	**AUTHORISED SHARE CAPITAL**	
	7,00,00,000 Equity Shares of face value of ₹10 each	700.00
	20,00,000 Preference Shares of face value of ₹10 each	20.00
B	**ISSUED, SUBSCRIBED AND PAID-UP CAPITAL BEFORE THE ISSUE**	
	6,40,84,305 Equity Shares of face value of ₹10 each	640.84
C	**PRESENT ISSUE IN TERMS OF THIS PLACEMENT DOCUMENT**	
	28,72,788 Equity Shares aggregating to ₹15,999.99 million[(1)(2)]	28.73
D	**ISSUED, SUBSCRIBED AND PAID-UP CAPITAL AFTER THE ISSUE**	
	6,69,57,093 Equity Shares of face value of ₹10 each	669.57
E	**SECURITIES PREMIUM ACCOUNT**	
	Before the Issue (as of the date of this Placement Document)	19,994.46
	After the Issue [(3)]	35,965.73

(1) This Issue has been authorised and approved by our Board of Directors pursuant to its resolution passed on January 22, 2025. The Shareholders of our Company have authorised and approved the Issue by way of a special resolution in their extraordinary general meeting held on February 14, 2025.

(2) The securities premium account after the Issue is calculated on the basis of Gross Proceeds. Adjustments do not include Issue related expenses

Notes to the Capital Structure

1. Equity Share capital history of our Company

The history of the equity share capital of our Company as on the date of this Placement Document is provided in the following table:

Date of allotment	Number of Equity Shares allotted	Face value (₹)	Issue price per Equity Share (₹)	Nature of consideration	Nature of allotment	Cumulative number of Equity Shares	Cumulative paid-up Equity Share capital (₹)
March 20, 2008	10,000	10	10.00	Cash	Subscription to the Memorandum of Association	10,000	1,00,000
May 31, 2008	9,90,000	10	61.02	Other than Cash	Pursuant to the takeover of Kaynes Technology, a proprietary concern, by our Company	10,00,000	1,00,00,000
March 12, 2011	15,00,000	10	N.A.	N.A.	Bonus issue of Equity Shares in the ratio of 3:2	25,00,000	2,50,00,000
September 1, 2012	24,50,000	10	N.A.	N.A.	Bonus issue of Equity Shares in the ratio of 0.98:1	49,50,000	4,95,00,000
April 4, 2016	1,50,000	10	100.00	Cash	Rights issue in the ratio of 150,000: 4,950,000	51,00,000	5,10,00,000
September 21, 2017	16,99,992	10	N.A.	N.A.	Bonus issue of Equity Shares in the ratio of 1:3	67,99,992	6,79,99,920
June 24, 2020	10	10	249.99	Cash	Private placement	68,00,002	6,80,00,020
October 22, 2021	10	10	600.00	Cash	Private placement	68,00,012	6,80,00,120
December 25, 2021	10	10	600.00	Cash	Private placement	68,00,022	6,80,00,220
December 25, 2021	55,605	10	N.A.	N.A.	Bonus issue of Equity Shares in the ratio of	68,55,627	6,85,56,270

Date of allotment	Number of Equity Shares allotted	Face value (₹)	Issue price per Equity Share (₹)	Nature of consideration	Nature of allotment	Cumulative number of Equity Shares	Cumulative paid-up Equity Share capital (₹)
					11,121 Equity Shares: 95,998 CCPS		
December 25, 2021	69,508	10	N.A.	N.A.	Bonus issue of Equity Shares in the ratio of 17,377 Equity Shares: 150,000 CCPS Series A	69,25,135	6,92,51,350
December 27, 2021	3,32,415	10	N.A.	Cash (₹250 paid for each CCPS at the time of subscription)	Allotment pursuant to conversion of 479,990 CCPS	72,57,550	7,25,75,500
December 27, 2021	4,35,451	10	N.A.	Cash (₹250 paid for each CCPS Series A at the time of subscription)	Allotment pursuant to conversion of 600,000 CCPS Series A	76,93,001	7,69,30,010
February 25, 2022	3,84,65,005	10	N.A.	N.A.	Bonus issue of Equity Shares in the ratio of 5:1	4,61,58,006	46,15,80,060
October 12, 2022	4,09,668	10	N.A.	Cash (₹600 paid for each CCPS Series B at the time of subscription)	Allotment pursuant to conversion of 250,000 CCPS Series B	4,65,67,674	46,56,76,740
October 12, 2022	1,36,554	10	N.A.	Cash (₹600 paid for each CCPS Series B at the time of subscription)	Allotment pursuant to Conversion of 83,323 CCPS Series B	4,67,04,228	46,70,42,280
October 12, 2022	70,548	10	N.A.	Cash (₹600 paid for each CCPS Series C at the time of subscription)	Allotment pursuant to conversion of 45,823 CCPS Series C	4,67,74,776	46,77,47,760
October 12, 2022	14,39,237	10	555.85	Cash	Private placement (Pre-IPO Placement)	4,82,14,013	48,21,40,130
October 15, 2022	8,99,523	10	555.85	Cash	Private placement (Pre-IPO Placement)	4,91,13,536	49,11,35,360
November 18, 2022	90,28,960	10	577.00	Cash	Allotment due to initial public offering	5,81,42,496	58,14,24,960
December 21, 2023	57,75,577	10	2,414.00	Cash	Allotment pursuant to the qualified institutions placement	6,39,18,073	63,91,80,730
July 26, 2024	92,697	10	138	Cash	Allotment pursuant to exercise of employee stock options under the Kaynes ESOP Scheme 2022	6,40,10,770	64,01,07,700
March 29, 2025*	73,535	10	138	Cash	Allotment pursuant to exercise of employee stock options under the Kaynes ESOP Scheme 2022	6,40,84,305	64,08,43,050

** The date of allotment has been considered for the purposes of this table. However, as the listing of such shares occurred subsequent to March 31, 2025, the number of shares as of such date, as disclosed to the stock exchanges, may not correspond to the figures set forth herein.*

Employee Stock Option Plan

Pursuant to the resolutions of our Board and Shareholders', each dated January 12, 2022, as amended vide Board resolution dated March 31, 2022 and Shareholders' resolution dated April 1, 2022, our Company instituted the "Kaynes ESOP 2022" ("**ESOP Scheme 2022**") to provide for the grant of options to employees of our Company who meet the eligibility criteria under the ESOP Scheme 2022. The ESOP Scheme 2022 envisaged grant of employee stock options convertible into not more than 153,860 fully paid-up Equity Shares. Subsequently, our Company issued a bonus issue in the ratio of 5:1 pursuant to which the quantum of options that could be granted under the ESOP Scheme 2022 increased to 923,160 employee stock options. Further, the ESOP Scheme 2022 also contemplates a statutory minimum vesting period of one year to maximum of

five years from the date of grant of options. As on the date of this Placement Document, our Company has granted 923,160 employee stock options under the ESOP Scheme 2022.

Further, pursuant to a resolution of our Board and Shareholders' dated October 31, 2023 and September 9, 2024, our Company instituted the "Kaynes ESOP 2023" ("**ESOP Scheme 2023**") for the grant of 581,337 employee stock options convertible into not more than 581,337 fully paid-up Equity Shares. As on the date of this Placement Document, our Company has not yet granted any employee stock options under the ESOP Scheme 2023.

The ESOP Scheme 2022 and the ESOP Scheme 2023 are in compliance with the SEBI SBEB Regulations.

Proposed Allottees in the Issue

In compliance with the requirements prescribed under the SEBI ICDR Regulations, Allotment shall be made at the sole discretion of our Company in consultation with the BRLMs to Eligible QIBs. For details of the names of the proposed Allottees and the percentage of the post-Issue Equity Share capital that may be held by them, see "*Details of Proposed Allottees*" on page 235.

Pre-Issue and post-Issue equity shareholding pattern

The following table provides the pre-Issue shareholding pattern as of March 31, 2025 and the post-Issue shareholding pattern:

S. No.	Category	Pre-Issue^		Post-Issue	
		No. of Equity Shares held	% of shareholding	No. of Equity Shares held	% of shareholding
A.	**Promoters holding****				
1.	***Indian***				
	Individual	36,963,433	57.75	36,963,433	55.27
	Bodies corporate	-	-	-	-
	Others (Promoter Trust and HUF)	100	0.00	100	0.00
	Sub-total	**36,963,533**	**57.75**	**36,963,533**	**55.27**
2.	***Foreign promoters***	-	-	-	-
	Sub-total (A)	**36,963,533**	**57.75**	**36,963,533**	**55.27**
B.	**Non – Promoter's holding**				
1.	Institutional Investors	18,014,926	28.14	2,08,87,714	31.23
2.	Non-Institutional Investors				
	Private corporate bodies	617,276	0.96	6,17,276	0.92
	Directors and relatives	1,655	0.003	1,655	0.00
	Indian public	6,649,857	10.39	66,49,857	9.94
	Others including Non-resident Indians (NRIs)	1,763,523	2.76	17,63,523	2.64
	Sub-total (B)	**2,70,47,237**	**42.25**	**2,99,20,025**	**44.73**
	Grand Total (A+B)	**64,010,770**	**100.00**	**6,68,83,558**	**100.00**

^Based on beneficiary position data of our Company as on March 31, 2025, does not include any issuance of shares on account of ESOPs after this period
***Includes shareholding of our Promoter Group as well, but does not include any changes in the holding of the Promoter and Promoter Group after March 31, 2025*

Other confirmations

(i) Our Promoters, Directors, Key Managerial Personnel and members of the Senior Management of our Company do not intend to participate in the Issue.

(ii) Our Equity Shares have been listed for a period of at least one year prior to the date of the issuance of the notice to our Shareholders for approving the Issue.

(iii) Except as disclosed under "– Employee Stock Option Plan", there are no outstanding warrants, options or rights to convert debentures, loans or other instruments convertible into the Equity Shares as on the date of this Placement Document.

(iv) As on the date of this Placement Document, our Company does not have outstanding preference shares.

(v) There would be no change in control in our Company consequent to the Issue.

Our Company shall not make any subsequent qualified institutions placement until the expiry of two weeks from the date of the Issue. Further, Equity Shares allotted pursuant to this Issue cannot be sold by the Allottees for a period of one year from the date of Allotment, except on the Stock Exchanges.

DIVIDENDS

The declaration and payment of dividends by our Company is governed by applicable provisions of the Companies Act and our Articles of Association. Our Board has approved and adopted a formal dividend distribution policy on February 21, 2022, in terms of Regulation 43A of the SEBI Listing Regulations. For further information, see the section titled "*Description of the Equity Shares*" on page 217.

Dividend on Equity Shares

Our Company has not declared any dividend on the Equity Shares in respect of Fiscals 2025, 2024 and 2023. Further there are no dividends that have been declared but are yet to be paid out by our Company for Fiscal 2026 since April 1, 2025 until the date of this Placement Document.

Future Dividends

The form, frequency and amount of future dividends declared by our Company will depend on a number of internal and external factors, including, but not limited to, working capital requirements, capital expenditure requirements, requirement of resources to fund acquisitions/ and or new business, requirement of cash flow to meet contingencies, outstanding borrowings, past dividend trends, prevailing legal requirements, regulatory conditions or restrictions laid down under the applicable laws including tax laws and dividend pay-out ratios of companies in the same/ similar industry and any other relevant factors that the Board may deem fit to consider before declaring dividend.

The Equity Shares to be issued in connection with this Issue shall qualify for all dividends, including interim dividend, if any, that is declared after Allotment.

Please also see the sections titled *"Taxation"* and *"Risk Factors"* on pages 220 and 45, respectively.

Investors are cautioned not to rely on past dividends as an indication of the future performance of our Company or for an investment in the Equity Shares offered in the Issue.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Some of the information in this section, including information with respect to our plans and strategies, contain forward-looking statements that involve risks and uncertainties. You should read "Forward-Looking Statements" on page 14 for a discussion of the risks and uncertainties related to those statements and also "Risk Factors", "Financial Information" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" on pages 45, 232 and 92, respectively, for a discussion of certain factors that may affect our business, financial condition or results of operations. Our actual results may differ materially from those expressed in or implied by these forward-looking statements.

Unless otherwise indicated or the context otherwise requires, the financial information included in this section for Fiscal 2023, 2024 and 2025 has been derived from our Audited Consolidated Financial Statements beginning on page 232. See, "Financial Information" on page 232. Accordingly, references to a "Fiscal" year are to the 12-month period ended March 31 of the relevant year. Unless otherwise indicated or the context otherwise requires, in this section, references to "the Company" or "our Company" are to Kaynes Technology India Limited on a standalone basis, and references to "the Group", "we", "us", "our", are to Kaynes Technology India Limited on a consolidated basis.

*Unless otherwise indicated, industry and market data used in this section has been derived from the report titled "Industry Research Report on ESDM and OSAT" dated June, 2025 (the "**CARE Report**"), prepared and issued by Care Edge Limited. There are no parts, data or information (which may be relevant for the proposed issue), that has been left out or changed in any manner. Unless otherwise indicated, financial, operational, industry and other related information derived from the CARE Report and included herein with respect to any particular year refers to such information for the relevant calendar year. For more information, see "Risk Factors – Certain sections of this Placement Document disclose information from the CARE Report which is a paid report and commissioned and paid for by us exclusively in connection with the Issue and any reliance on such information for making an investment decision in the Issue is subject to inherent risks." on page 62. Also see, "Industry and Market Data" on page 13.*

OVERVIEW

For further information on our business, see "*Our Business*" on page 143.

SIGNIFICANT FACTORS AFFECTING OUR RESULTS OF OPERATIONS AND FINANCIAL CONDITION

We believe that the below mentioned factors have significantly affected our results of operations, costs and financial conditions during the periods under review, and may continue to affect our results of operations and financial condition in the prospective future:

Revenue from Key Customers

We derive a significant portion of our revenue from a limited number of key customers. These customers often have specific requirements, and maintaining strong, long-term relationships with them is a critical element of our business strategy and essential to the continued growth of our operations. The demand for our products and services from these key customers has a material impact on our results of operations and financial condition. Any loss of, or a reduction in business from, one or more of these key customers—whether due to shifts in procurement strategy, reduced order volumes, or other factors—could adversely affect our cash flows and overall financial performance. Our arrangements with key customers typically include detailed terms relating to product specifications, delivery schedules, warranty obligations, pricing, and performance standards. In many cases, our customers provide us with annual operating plans and enter into scheduling agreements for the purpose of offering non-binding guidance to assist in our production and manufacturing planning. Based on these arrangements, purchase orders are issued that contain specific delivery timelines and monthly quantity commitments. Failure to comply with such terms may result in penalties, reduced order volumes, or termination of customer relationships, any of which could materially affect our results of operations.

While we have established enduring relationships and, in many cases, collaborate with customers from concept through delivery, it remains difficult to predict with certainty the timing and volume of future orders. Customer decisions regarding inventory levels, production strategies, or overall procurement policies can vary and may not always align with historical trends. Consequently, fluctuations in customer demand can significantly influence our revenues and financial performance.

Availability and cost of raw materials

A substantial portion of our raw materials and components are imported and, as such, are susceptible to fluctuations in global price indices. This has a significant impact on the cost of raw materials procured by us. Our operations and performance are directly influenced by the prices of key inputs, including semiconductors, metals such as copper, aluminium, and steel, as well as plastics and other commodities. We are particularly reliant on a steady supply of semiconductors from international markets for the manufacture of our products. The availability of semiconductors is inherently dependent on global supply chain dynamics and may be adversely impacted by factors such as fluctuations in the supply of semiconductor materials, imposition of import duties, volatility in foreign exchange rates, natural disasters, shifts in economic conditions, or geopolitical developments.

In addition, the cost of raw materials and components is significantly influenced by global sea and air freight indices, which have experienced considerable volatility in recent periods. Prices of raw materials can be highly unpredictable due to a range of factors beyond our control, including global supply and demand dynamics, macroeconomic and political conditions, transportation and logistics costs, labour disputes, natural calamities, competition, changes in import tariffs, fuel prices, power costs, and currency fluctuations. Estimating the impact of such variables involves inherent uncertainties, regardless of the methodologies or assumptions applied. To mitigate the impact of input price volatility, we seek to enter into long-term supply contracts with our vendors and also negotiate price adjustment mechanisms with our customers to reflect fluctuations in raw material procurement costs.

The table below provides details of our cost of materials consumed as a percentage of our total expenses:

Particulars	Fiscal 2023		Fiscal 2024		Fiscal 2025	
	Amount (₹ million)	Percentage of Total Expenses (%)	Amount (₹ million)	Percentage of Total Expenses (%)	Amount (₹ million)	Percentage of Total Expenses (%)
Cost of materials consumed	8,478.01	83.82%	13,712.02	84.18%	19,116.26	77.80%

Capacity Expansion and our expansion plans

We operate 14 strategically located manufacturing facilities across India and one manufacturing facility in Oakland, USA. Through our step-down subsidiary, Kaynes Semicon Private Limited, we are in the process of expanding our operations by setting-up of an outsourced semiconductor assembly and testing ("**OSAT**") and compound semiconductor manufacturing facility at Sanand, Gujarat which will support customers worldwide in QFN / QFN stack die, SOT, flip chip ball grid array and TO220 kind of packages for power devices and many other device packages including advanced packaging. Further, we are also in the process of preparing an implementation plan for the bare PCB fabrication facility in Tamil Nadu that will manufacture PCB - multilayer, advanced HDI circuit boards and other hitech and standard types required by customers. With backward integration, we will have greater control on the manufacturing process, quality standards and benefit from cost efficiencies. As a result, we expect to fulfil our customers' needs in a timely manner, increase our sales per customer and improve our working capital and supply chain processes. In addition, we believe that by incorporating OSAT and PCB fabrication capabilities into our operations, we are strategically positioned to deliver comprehensive and integrated solutions to customers. This proposed vertical integration will allow us to be involved in the entire electronics supply chain, spanning across wafer fabrication to end-user product. The synergy between these two aspects will not only enhance our ability to meet customer demands but is also expected to yield significant cost efficiencies and superior quality control. This approach will empower us to optimize each stage of the production process, ensuring a seamless and high-quality end-to-end experience for customers.

We also intend to expand our existing manufacturing facilities to increase our manufacturing capacity. The following table sets forth further information relating to our proposed manufacturing facilities for OSAT and PCB:

Locations	Verticals	Unit of measure	Proposed Capacity* (in respective units)
Sanand, Gujarat	OSAT	Million packages per annum across various types of packages	2,310.00 (expected to be commissioned by Fiscal 2026)
Chennai, Tamil Nadu	Bare PCB Fabrication – HDI	Square meter per annum	330,000.00 (expected to be commissioned by Fiscal 2026)
	PCB – Multi Layer	Square meter per annum	1,050,000 (expected to be commissioned by Fiscal 2026)
	Total (PCB)	Square meter per annum	**1,380,000.00**

We are in the process of expanding our manufacturing capabilities by setting-up of OSAT manufacturing facilities, at an estimated cost of ₹ 33,070.00 million in Sanand, Gujarat which will be funded through equity, subsidy from Central /State Governments and debt. With the semiconductor ecosystem coming up in Sanand, Gujarat, we are now planning the

semiconductor facility in Gujarat which will support customers worldwide with various types of packages including but not limited to in Quad Flat No-lead ("**QFN**") / QFN stack die, small outline transistors, flip chip ball grid array and transistor outline220 or TO220.

Further, we also propose to expand our capabilities to manufacture in-house bare printed circuit boards for an estimated cost of ₹ 17,880.00 million in Chennai, Tamil Nadu which will be funded through equity, subsidy from Central /State Governments and debt. The facility coming up in Chennai, Tamil Nadu will house capabilities to manufacture multi-layer and advanced high density interconnect PCBs. For further information, see "*Use of Proceeds*" on page 78.

Given the substantial increase in our installed capacity and our planned capacity expansion plans, our financial results are and will not be directly comparable to historical figures on account of commencement of commercial production at Manesar, Haryana – Unit II and the facilities at Chamarajanagar, Karnataka and Kongara Kalan, Telangana. Further, with the proposed new products of OSAT and Bare PCB manufacturing, we may experience a fluctuation in our financial results which can impact our future financial performance metrics with prior periods.

Ability to maintain and grow demand for our products

Changes in inventory and production levels of our key customers could lead to changes in demand for our products over time, which can have a significant impact on our revenue growth. The loss of key customers has the potential to adversely impact our financial position. The level of growth in demand for our product depends on our ability to convert existing and new customers through bringing new opportunities of customer value creation, focus on product quality relative to other competitors in the market. Our ability to drive value to our customers relative to competition is also key in helping us improve pricing and realisations over time.

We also face competition from both international and local players in respective geographies, product segments or sub-segments in which we operate. Our sales to our customers also depend largely on the number and type of products that we supply to them and our ability to increase the wallet share of our customers. While our customers may implement various cost-cutting strategies, which include restructuring of operations, relocation of production/procurement to low-cost regions and vendor rationalisation, we believe that the criticality of the products we manufacture, our customer relationships, lack of alternate vendors, high switching costs, our ability to maintain high quality and delivery commitments and ability to produce a diverse range of products will allow us meet these business challenges.

In addition, we believe that by incorporating OSAT and PCB fabrication capabilities into our operations, we are strategically positioned to deliver comprehensive and integrated solutions to customers. This proposed vertical integration will allow us to be involved in the entire electronics supply chain, spanning across wafer fabrication to end-user product. The synergy between these two aspects will not only enhance our ability to meet customer demands but is also expected to yield significant cost efficiencies and superior quality control.

Inorganic growth

We have, in recent periods, actively pursued an inorganic growth strategy through strategic investments and acquisitions aimed at expanding our global footprint, enhancing technological capabilities, and diversifying our revenue streams. While our strategy presents significant opportunities, it also introduces several factors that may materially affect our Company's results of operations. Recently, we have acquired: (i) Iskraemeco, a Slovenia-based manufacturer of advanced metering infrastructure (AMI) products; (ii) Digicom, a U.S.-based contract manufacturer of printed circuit board assemblies; and (iii) Sensonic, an Austria-based company focused on AI-integrated IoT-based asset tracking technologies. We are also in the process of acquiring August Electronics, a Canada-based provider of custom electronic manufacturing services, and have signed a share purchase agreement dated May 7, 2025. The acquisition is subject to completion and customary closing conditions. The successful integration of acquired entities is critical to realizing anticipated synergies. Further, we are evaluating strategic opportunities in industrial segments such as aerospace electronics, railway safety and signaling, power electronics and industrial IoT and also exploring opportunities in geographies such as North America, Europe and Southeast Asia. As of March 31, 2025, these acquisitions resulted in the recognition of goodwill of ₹ 141.38 million on our consolidated balance sheet.

The potential benefits of these acquisitions include accelerated market entry, access to new customer segments, and diversification of revenue streams across geographies and industries. For instance Sensonic GmbH's expertise in DAS technology complements our existing strengths in electronics manufacturing and embedded systems, potentially enabling us to offer integrated solutions for smart infrastructure and transportation. However, these exist challenges in aligning operational processes, corporate cultures, and management systems may lead to inefficiencies, increased costs, or delays in achieving strategic objectives. The financial performance of newly acquired entities can significantly influence our results of operations.

Any underperformance or slower-than-expected growth of such acquired entities may adversely affect our profitability and return on investment.

Foreign currency fluctuation

Products manufactured by us that were sold domestically accounted for 85.25%, 90.73% and 92.60% of our revenue from operations for Fiscal 2023, 2024 and 2025, respectively. Our export proceeds were denominated in GBP, EURO and U.S. Dollars for sales in the other jurisdictions where we sell our products. Further, we source our raw materials from multiple countries number including Singapore, Hong Kong, USA and China. The cost of our imported raw materials is also affected by fluctuations in the rate of exchange of the currency in which we purchase these raw materials (including US$) and the Rupee. Foreign exchange gain (net) during for Fiscal 2023, 2024 and 2025 was ₹ 6.44 million, ₹ 13.01 million, and ₹ 4.96 million, respectively. We are exposed to exchange rate risk primarily due to payables in respect of our imported raw material and from receivables in respect of our exports, which are mainly denominated in foreign currencies. Any fluctuation in the value of the Indian Rupee against such currencies may inimically affect our results of operations. Any gains or losses arising on account of differences in foreign exchange rates on settlement and translation of monetary assets and liabilities are recognized in the statement of profit and loss.

Seasonality

A few customer businesses in our industrial vertical are subject to seasonality. Our sales to customers in this vertical are generally highest in the fourth quarter. Certain of our products used in fans such as BLDC motor controllers and switch gear electronics are typically sold in the peak summer months in India which is quarter of the Fiscal and which maps with the fourth quarter manufacturing of previous year. While certain end-use industry verticals we serve witness seasonality which in turn impacts our sales, however, no fixed trend of seasonality is ascertainable for our operations on an overall basis.

General global and Indian economic conditions

Our results of operations are dependent on the overall economic conditions in the markets in which we operate, including India, Europe and North America. India's electronics industry is witnessing rapid expansion, making it one of the fastest-growing sectors in the country. The total market size has more than doubled from USD 87.4 billion in 2020 to an estimated market size of USD 228.4 billion in 2025. This reflects a robust CAGR of around 21.2%. The electronics market in India is further projected to increase to USD 345.7 Billion in 2027. This remarkable growth has been driven by a shifting industry landscape, shaped by a combination of regulatory reforms, economic incentives, and evolving geopolitical dynamics that have collectively accelerated domestic electronics manufacturing. (*Source: CARE Report*) We derive a significant portion our revenues from OEM – Turnkey Solutions and OEM – Box Build Solutions catering to the automotive, industrial, aerospace and defence, outer- space, nuclear, medical, railways, IoT and IT sectors. Several key factors are contributing to the strong growth momentum of the Indian ESDM industry. These include increasing per capita consumption of electronic goods across India; supportive government initiatives such as the Production Linked Incentive (PLI) and Design Linked Incentive (DLI) schemes; a focus on reducing import dependence and boosting domestic value addition; global efforts to diversify supply chains and reduce concentration risks; international brands seeking alternative manufacturing bases beyond China; India's broader vision of export-led growth as part of its goal to become a USD 5 trillion economy; and competitive cost structures and access to a large, skilled, and youthful workforce. (*Source: CARE Report*) The level of demand for ESDM services depends primarily on conditions in these sectors in our target markets, which, in turn, depend to a large extent on general economic conditions in these markets. Stronger economic indicators tend to correlate with higher demand for products in the sectors where we are present, while weaker economic indicators tend to correlate with lower demand for such products. The cyclical nature of general economic conditions means that our results of operations can fluctuate substantially from time to time. We expect that these economic factors and conditions, particularly changes in consumer confidence, employment levels, fuel prices, urbanisation, changes in consumer preferences, government policies and interest rates, will continue to be the most important factors affecting our results of operations.

NON-GAAP MEASURES

Earnings before Interest, Taxes, Depreciation and Amortization Expenses ("EBITDA")/ EBITDA Margin

EBITDA presented in this Placement Document is a supplemental measure of our performance and liquidity that is not required by, or presented in accordance with, Ind AS, IFRS or US GAAP. Further, EBITDA is not a measurement of our financial performance or liquidity under Ind AS, Indian GAAP, IFRS or US GAAP and should not be considered in isolation or construed as an alternative to cash flows, profit/ (loss) for the years/ period or any other measure of financial performance or as an indicator of our operating performance, liquidity, profitability or cash flows generated by operating, investing or financing activities derived in accordance with Ind AS, IFRS or US GAAP. In addition, EBITDA is not a standardised term; hence a

direct comparison of EBITDA between companies may not be possible. Other companies may calculate EBITDA differently from us, limiting its usefulness as a comparative measure. Although EBITDA is not a measure of performance calculated in accordance with applicable accounting standards, our Company's management believes that it is useful to an investor in evaluating us because it is a widely used measure to evaluate a company's operating performance.

Reconciliation of EBITDA and EBITDA Margin to Profit Before Tax

The table below reconciles profit before tax to EBITDA. EBITDA is calculated as profit/loss for the year/ period, plus finance costs, depreciation and amortization expenses, less other income and less finance income, while EBITDA Margin is the percentage of EBITDA divided by revenue from operations.

Particulars	**Fiscal 2023**	**Fiscal 2024**	**Fiscal 2025**
	(₹ million, except percentages)		
Profit before tax	**1,260.39**	**2,315.69**	**3,716.24**
Adjustments:			
Add: Finance Costs	349.36	533.74	1,012.98
Add: Depreciation and Amortization expense	187.41	251.41	447.40
Less: Other Income	113.98	559.16	1,069.63
Earnings before interest, taxes, depreciation and amortization expenses (EBITDA) (A)	**1,683.18**	**2,541.68**	**4,106.99**
Revenue from Operations (B)	11,261.14	18,046.19	27,217.52
EBITDA Margin (EBITDA as a percentage of revenue from operations) (A/B)	**14.95%**	**14.08%**	**15.09%**

PRINCIPAL COMPONENTS OF INCOME AND EXPENDITURE

Income

Our total income comprise (i) revenue from operations; and (ii) other income.

Revenue from Operations

Revenue from operations comprise (i) sale of goods (net) which includes products components and products manufactures by us and sold to our customers; and (ii) sale of services (net).
Other Income

Other income includes (i) interest received in deposits with banks; (ii) profit on sale of investment; (iii) profit on sale of property, plant and equipment (net); (iv) liabilities no longer required, written back; (v) provision of diminution of value of investments; (vi) export incentives; (vii) rent received; (viii) government grants; (ix) other non-operating income; and (x) exchange differences (net)

Expenses

Our expenses comprise (i) cost of materials consumed; (ii) changes in inventories of finished goods and work in progress; (iii) employee benefits expenses; (iv) depreciation and amortization expense; (v) finance cost; and (vi) other expenses.

Costs of Materials Consumed

Cost of material consumed consists of inventory at the beginning of the year, add purchases, less inventory at the end of the year and research and development expenses.

Changes in Inventories of Finished Goods and Work in Progress

Changes in inventories of finished goods and work in progress consists of (i) inventories at the end of the year (finished goods) and inventories at the end of the year (work-in-progress).

Employee Benefits Expense

Employee benefits expense primarily comprises (i) salaries and incentive; (ii) contribution to provident funds; (iii) gratuity contribution scheme; (iv) share based payment expenses; and (v) staff welfare expenses. Further, the research and development expenses are not capitalized and have been reduced from employee benefit expenses.

As of March 31, 2025, we had 3,227 full-time employees. We believe that an equity component in compensation aligns objectives of an individual with those of the organization. Our Company has adopted the Kaynes ESOP 2022 to attract new employees to our Company and retain our existing employees in the Company.

Depreciation and Amortization Expense

Depreciation and amortization expenses comprise (i) depreciation on property, plant and equipment; (ii) amortization of intangible assets; (iii) impairment of intangible assets; and (iv) depreciation of right to use assets.

Finance Costs

Finance cost refers to (i) interest on borrowings; (ii) interest to vendors; (iii) interest on others;(iv) other borrowing costs; and (v) interest on lease liabilities.

Other Expenses

Other expenses comprises: (i) consumption of stores and spares incurred towards machine maintenance and production; (ii) contract labour incurred towards production and other support services like canteen and housekeeping; (iii) freight and forwarding charges incurred towards transport of our finished and traded goods; (iv) insurance incurred towards fixed assets, marine, stocks and vehicles; (v) legal and professional fees incurred towards audit fees and consulting services; (vi) power and fuel incurred towards plant operations and general lighting; (vii) research and development expenses incurred towards new product development; (viii) provision for doubtful advances to others; (ix) rent incurred towards office rent, plant rent and staff accommodation; (x) repairs and maintenance (others) incurred towards vehicle, furniture and fixtures and other office equipments; (xi) CSR expenditure; (xii) travelling and conveyance, incurred towards business travel and vehicle fuel; (xiii) business promotion, incurred towards advertisement, stalls in product exhibitions; (xiv) commission expenses, incurred towards affiliates in international markets; (xv) bank charges, incurred towards export and import remittances and other transaction charges; and (xvi) security maintenance incurred towards outsourced security services.

SIGNIFICANT ACCOUNTING POLICIES

The material accounting policies applied by our Company in the preparation of the Audited Consolidated Financial Information are listed below:

Current versus non-current classification

Our Company presents assets and liabilities in the standalone balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle,
- Held primarily for the purpose of trading,
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle,
- It is held primarily for the purpose of trading,
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities. Advance tax paid is classified as non-current assets.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents.

Fair value measurement

Our Company measures financial instruments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

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

Our Company and its subsidiaries (collectively, "**the Group**") uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs. The principal or the most advantageous market must be accessible by our Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

Our 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.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities;
Level 2 – Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).;
Level 3 – Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement. The Group recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Use of estimates and judgements

The preparation of the consolidated financial statements in conformity with Ind AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities. Estimates include provision for employee benefits, allowances for uncollectible trade receivables / advances / contingencies, useful life of fixed assets, provision for taxation, etc., during and at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next financial year are included in the audited consolidated financial statements.

Foreign currency translation

Our Company's financial statements are presented in INR, which is also the parent company's functional currency. For each foreign operation, our Company determines the functional currency and items included in the financial statements of each entity are measured using that functional currency. Our Company uses the direct method of consolidation and on disposal of a foreign operation the gain or loss that is reclassified to profit or loss reflects the amount that arises from using this method.

Initial recognition

Transactions in foreign currencies entered into by our Company are accounted at the exchange rates prevailing on the date of the transaction or at the average rates that closely approximate the rate at the date of the transaction.

Conversion

Monetary assets and liabilities denominated in foreign currencies are translated at the foreign currency exchange rates at the reporting date. Non-monetary assets and liabilities that are carried at historical cost are translated using the exchange rates at the dates of initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined.

Treatment of Exchange Differences

Exchange differences are recognised in profit or loss, except exchange differences arising from the translation of the qualifying cash flow hedges, to the extent the hedges are effective, which are recognised in other comprehensive income (OCI).

Principles of consolidation

Subsidiaries

Subsidiaries are entities controlled by the Group. Control is achieved when the Group 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 Group controls an investee if, and only if, the Group 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; and the ability to use its power over the investee to affect its returns.
- The ability to use its power over the investee to affect its returns.

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee;
- Rights arising from other contractual arrangements;
- The Group’s voting rights and potential voting rights;
- The size of the group’s holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the Consolidated Financial Statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Consolidated Financial Statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the Consolidated Financial Statements for like transactions and events in similar circumstances, appropriate adjustments are made to that Group member’s financial statements in preparing the consolidated financial statements to ensure conformity with the Group’s accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the Parent Company, i.e. year ended on March 31.

Consolidation Procedures

- Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognized in the Consolidated Financial Statements at the acquisition date.
- Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.
- Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the Group (profits or losses resulting from intragroup transactions that are recognized in assets, such as inventory and property, plant and equipment and intangible assets, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the Consolidated Financial Statements. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profit and losses resulting from intragroup transactions.

Non-controlling interests ("NCI")

NCI are measured at their proportionate share of the acquiree's net identifiable assets at the date of acquisition. Changes in the Group's equity interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

Loss of control

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it:

- Derecognises the assets (including goodwill) and liabilities of the subsidiary.
- Derecognises the carrying amount of any non-controlling interests.
- Derecognises the cumulative translation differences recorded in equity.
- Recognises the fair value of the consideration received.
- Recognises the fair value of any investment retained.
- Recognises any surplus or deficit in profit or loss.
- Reclassifies the parent's share of components previously recognized in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities.

Subsidiaries considered in the Consolidated Financial Statements:

Name of Entity	Relationship	Country of Incorporation	Ownership Interest in %	
			As at March 31, 2025	As at March 31, 2024
Kaynes Technology India Limited	Holding	India	100.00	100.00
Kaynes International Design & Manufacturing Private Limited	Subsidiary	India	95.21	95.21
Kemsys Technologies Private Limited	Subsidiary	India	100.00	100.00
Kaynes Embedded Systems Private Limited	Subsidiary	India	60.00	60.00
Kaynes Electronics Manufacturing Private Limited	Subsidiary	India	100.00	100.00
Kaynes Technology Europe GmbH	Subsidiary	Switzerland	60.00	60.00
Kaynes Mechatronics Private Limited	Subsidiary	India	100.00	100.00
Digicom Electronics Inc	Subsidiary	USA	100.00	100.00
Kaynes Semicon Private Limited	Subsidiary	India	100.00	100.00
Kaynes Circuits India Private Limited	Subsidiary	India	100.00	100.00
Essnkay Electronics LLC	Subsidiary	USA	100.00	NA
Kaynes Holding Pte. Limited	Subsidiary	Singapore	100.00	NA

Iskraemeco India Private Limited	Subsidiary	India	100.00	NA
Sensonic GmBH (Subsidiary of Kaynes Holding Pte. Limited)	Subsidiary	Austria	54.00	NA
Sensonic-UK Limited (Subsidiary of Kaynes Holding Pte. Limited)	Subsidiary	UK	54.00	NA
Sensonic IN India Private Limited (Subsidiary of Kaynes Holding Pte. Limited)	Subsidiary	India	54.00	NA
Sensonic US Inc. (Subsidiary of Kaynes Holding Pte. Limited)	Subsidiary	USA	54.00	NA

Revenue recognition

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which our Company expects to be entitled in exchange for those goods or services. Our Company has generally concluded that it is the principal in its revenue arrangements because it typically controls the goods or services before transferring them to the customer.

The specific recognition criteria described below must also be met before revenue is recognised.

Sale of products and services

Revenue from sale of products is recognised at the point in time when control of the asset is transferred to the customer, generally on delivery of the products. Revenue from sale of services is recognized as the service is performed and there are no unfulfilled obligations.

Our Company considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated if any. In determining the transaction price for the sale of goods, our Company considers the effects of variable consideration, the existence of significant financing components, noncash consideration, and consideration payable to the customer (if any).

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts and schemes offered by our Company as part of the contract. This variable consideration is estimated based on the expected value of outflow. Revenue (net of variable consideration) is recognized only to the extent that it is highly probable that the amount will not be subject to significant reversal when uncertainty relating to its recognition is resolved.

Our Company has ascertained that all performance obligations are performed at a point in time.

Contract balances

Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If our Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional. Contract assets are transferred to receivables when the rights become unconditional and contract liabilities are recognized as and when the performance obligation is satisfied. Contract assets are subject to impairment assessment. Refer to accounting policies on impairment of financial assets in section Financial instruments below.

A receivable is recognised if an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in section (o) Financial instruments below.

Contract Liability

A contract liability is recognised if a payment is received or a payment is due (whichever is earlier) from a customer before our Company transfers the related goods or services. Contract liabilities are recognised as revenue when our Company performs under the contract (i.e., transfers control of the related goods or services to the customer).

Our Company presents revenues net off indirect taxes in the statement of profit and loss.

Other Income

Interest income is recognized on time proportion basis and other income, if any, recognized on the basis of certainty of receipts and on accrual basis and this is included in the finance income in the statement of profit and loss.

For all financial instruments measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate ("**EIR**"). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability.

When calculating the effective interest rate, our Company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses. Interest income is included in finance income in the statement of profit and loss.

Government Grant

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. 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.

Employee Benefits

Short-term benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are recorded as expense as the related service is provided. A liability is recognised for the amount expected to be paid, if our Company has a present obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Provident Fund

This is a defined benefit plan. Aggregate contributions along with interest thereon are paid at retirement, death, incapacitation or termination of employment. Both the employee and our Company make monthly contributions equal to a specified percentage of the employee's salary to the provident fund. Our Company contributes to the government administered pension fund.

Gratuity

This is a defined benefit plan. Our Company provides for Gratuity covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment.

Leave Encashment

Our 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 reporting date. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred. The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer the settlement for at least twelve months after the reporting date.

Our Company's liability for Gratuity and Leave encashment are actuarially determined using the Projected Unit Credit method at the end of each year.

Actuarial gains and losses are recognised immediately in the retained earnings through Other Comprehensive Income ("**OCI**") in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods. The defined benefit obligation recognised in the balance sheet represents the present value of the defined benefit obligation less the fair value of plan assets out of which the obligations are expected to be settled.

Employees' Stock Option Plans (ESOP)

The Group recognizes compensation expense relating to share-based payments in net profit based on estimated fair-values of the awards on the grant date. The estimated fair value of awards is recognized as an expense in the Statement of Profit and Loss on a straight-line basis over the requisite service period for each separately vesting portion of the award as if the award was in-substance, multiple awards with a corresponding increase to share options outstanding account.

Social Security 2020

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 entity believes the impact of the change will not be significant.

Borrowing cost

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset until such time as the assets are substantially ready for the intended use or sale. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

Financial instruments

Financial assets

Initial recognition and measurement

A financial asset (except trade receivable and contract asset) is recognised initially at fair value plus or minus transaction cost that are directly attributable to the acquisition or issue of financial assets (other than financial assets at fair value through profit and loss). Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss ('FVTPL') are recognised immediately in the Consolidated Statement of Profit and Loss.

Subsequent measurement

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

- Amortised cost
- Fair Value through Other Comprehensive Income (FVOCI) – equity investment; or
- Fair Value through Profit or Loss (FVTPL)

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Group changes its business model for managing financial assets.

Where assets are measured at fair value, gains and losses are either recognised entirely in the statement of profit and loss (i.e. fair value through profit or loss), or recognised in other comprehensive income (i.e. fair value through other comprehensive income).

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at FVTPL: These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.

Financial assets at FVOCI: These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in Other Comprehensive Income.

Financial assets at amortised cost: These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Group of similar financial assets) is primarily derecognised (i.e. removed from the Group's statement of financial position) when:

The rights to receive cash flows from the asset have expired, or the Group 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;

- the Group has transferred substantially all the risks and rewards of the asset, or
- the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group 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 the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group 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 Group has retained.

Impairment of financial assets

The Group assesses impairment based on expected credit losses ("**ECL**") model to the following:

- Financial assets measured at amortised cost;
- Financial assets measured at fair value through other comprehensive income (FVTOCI);

Expected credit losses are measured through a loss allowance at an amount equal to:

The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or
Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument).

The Group follows 'simplified approach' for recognition of impairment loss allowance on trade receivables or contract revenue receivables. Under the simplified approach, the Group does not track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

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

For recognition of impairment loss on other financial assets and risk exposure, the Group determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-months 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 Group reverts to recognising impairment loss allowance based on 12-months ECL.

For assessing increase in credit risk and impairment loss, the Group combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

For investments in subsidiary companies, our Company does not provide for impairment losses till indicators of impairment are confirmed.

Financial liabilities

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 Group's financial liabilities include trade and other payables, loans and borrowings.

Subsequent measurement

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

Financial liabilities at fair value through profit or loss.
Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.
Gains or losses on liabilities held for trading are recognised in the statement of profit and loss. Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate (EIR) method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Property, plant and equipment and intangible assets

Capital work in progress includes cost of property, plant and equipment under installation / under development, net of accumulated impairment loss, if any, as at the balance sheet date. Plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognised in profit or loss as incurred.

Subsequent costs are included in the asset’s carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to our Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate assets are derecognised when replaced. All other repairs and maintenance are charged to profit and loss during the reporting period in which they are incurred.

Our Company identifies and determines cost of each component/ part of the asset separately, if the component / part has a cost which is significant to the total cost of the asset having useful life that is materially different from that of the remaining asset. These components are depreciated over their useful lives; the remaining asset is depreciated over the life of the principal asset."

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any.

Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period with the affect of any change in the estimate being accounted for on a prospective basis. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

An intangible asset is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised.

Depreciation and amortisation

Depreciation is provided using the straight-line method as per the useful lives of the assets estimated by the management in line with schedule II of the Companies Act, 2013 except in the case of moulds in respect of which the estimated useful life is ascertained as 6 years based on the independent technical evaluation carried out by the internal technical team which is different from the estimated useful life prescribed under Part C of Schedule II of the Companies Act 2013. Building in leasehold land will be depreciated over the remaining useful life of the building as ascertained by an independent valuer over the remaining lease period or life specified in the Companies Act for such building whichever is lower.

Asset Category	**Management estimate of useful life & Useful life as per Schedule II**
Land	Unlimited
Buildings	60
Plant & Equipment	15
Furniture & Fittings	10
Office Equipments	5
Electrical Fittings	10
Computers	3
Vehicles	8
Air conditioners	5
Leasehold Improvement	3
Software	5
Technical know-how	5

The amortisation of software development and intellectual property costs is allocated on a straight-line basis over the best estimate of its useful life of the product. The factors considered for identifying the basis include obsolescence, product life cycle and actions of competitors. The amortization period and the amortization method are reviewed at each year end.

Impairment of tangible and intangible assets

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal / external factors. An impairment loss is recognised wherever the carrying amount of an asset exceeds its recoverable

amount. The recoverable amount is the greater of the assets net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset. After impairment, depreciation is provided on the revised carrying amount of the assets over its remaining useful life.

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. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

Inventories

Inventories are valued at lower of cost and net realisable value. 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.

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

- Raw materials and stores and spares: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition.
- Finished goods and work in progress: cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity, but excluding borrowing costs.
- Cost of raw materials, stores and spares, work-in-progress and finished goods is determined on a weighted average basis.
- Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

Leases

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

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

As lessee

- Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets. If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment.

- Lease liabilities

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

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Cash and cash equivalents

Cash and cash equivalent in the standalone balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less that are readily convertible to a known amount of cash and which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, as they are considered an integral part of our Company's cash management.

Taxes on Income

Current income tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Parent Company and its subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred tax

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying values of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of the taxable profit and is accounted for using the balance sheet liability model. Deferred tax liabilities are generally recognised for all the taxable temporary differences. In contrast, deferred tax assets are only recognised to the extent that is probable that future taxable profits will be available against which the temporary differences can be utilised.

Deferred tax assets are recognized for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Minimum Alternate Tax

Minimum Alternative Tax ("**MAT**") under the provisions of the Income-tax Act, 1961 ("**the IT Act**") is recognised as current tax in the statement of Profit and Loss. The credit availed under the IT Act in respect of MAT paid is recognised as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the period for

which the MAT credit can be carried forward for set-off against normal tax liability. MAT credit recognised as an asset is reviewed at each balance sheet date and written down to the extent the aforesaid convincing evidence no longer exists.

Provisions

General

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Provisions are reviewed at each balance sheet.

Contingent liabilities and contingent assets

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

Contingent Asset

Contingent assets has to be recognised in the financial statements in the period in which if it is virtually certain that an inflow of economic benefits will arise. Contingent assets are assessed continually and no such benefits were found for the current financial year.

Earnings per share ("EPS")

Basic earnings per share is calculated by dividing the net profit or loss attributable to equity holder of the Group by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders of the parent company and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares. The conversion rate considered for computing dilutive potential equity shares is based on the terms and basis of the instrument as agreed under the shareholders agreement signed between the parties.

Cash flow statement

Cash flows are reported using the indirect method, whereby net profit/ (loss) before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from regular revenue generating (operating activities), investing and financing activities of the Group are segregated.

Events after reporting date

Where events occurring after the balance sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the financial statements. Otherwise, events after the balance sheet date of material size or nature are only disclosed.

Standards issued but not yet effective

Ministry of Corporate Affairs ("**MCA**") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2025, MCA has notified Ind

AS – 117 Insurance Contracts and amendments to Ind AS 116 – Leases, relating to sale and leaseback transactions, applicable to our Company w.e.f. April 1, 2024. The Company has reviewed the new pronouncements and based on its evaluation has determined that it does not have any significant impact in its financial statements.

RESULTS OF OPERATION

The following table sets forth certain information with respect to our results of operations on a consolidated basis for Fiscal 2023, 2024 and 2025:

Particulars	Fiscal 2023		Fiscal 2024		Fiscal 2025	
	(₹ million)	Percentage of Total Income	(₹ million)	Percentage of Total Income	(₹ million)	Percentage of Total Income
Income						
Revenue from operations	11,261.14	99.00%	18,046.19	96.99%	27,217.52	96.22%
Other Income	113.98	1.00%	559.16	3.01%	1,069.63	3.78%
Total Income	**11,375.12**	**100.00%**	**18,605.35**	**100.00%**	**28,287.15**	**100.00%**
Expenses						
Cost of materials consumed	8,478.01	74.53%	13,712.02	73.70%	19,116.26	67.58%
Changes in inventories of Finished goods and work in progress	(677.24)	(5.95)%	(412.64)	(2.22)%	(119.16)	(0.42)%
Employee Benefit Expenses	770.99	6.78%	1,027.56	5.52%	1,780.67	6.29%
Finance Cost	349.36	3.07%	533.74	2.87%	1,012.98	3.58%
Depreciation and amortization expense	187.41	1.65%	251.41	1.35%	447.40	1.58%
Other Expenses	1,006.20	8.84%	1,177.57	6.33%	2,332.76	8.25%
Total Expenses	**10,114.73**	**88.92%**	**16,289.66**	**87.55%**	**24,570.91**	**86.86%**
Profit before tax	**1,260.39**	**11.08%**	**2,315.69**	**12.45%**	**3,716.24**	**13.14%**
Tax Expenses						
Income taxes - Current tax	292.43	2.57%	458.39	2.46%	701.65	2.48%
- Earlier year tax adjustments	18.71	0.16%	0.00	0.00%	39.46	0.14%
Deferred tax Charge/ (Credit)	(2.71)	(0.02)%	24.41	0.13%	40.80	0.14%
Total tax expense	**308.43**	**2.71%**	**482.80**	**2.59%**	**781.91**	**2.76%**
Profit for the year	**951.96**	**8.37%**	**1,832.89**	**9.85%**	**2,934.33**	**10.37%**
Other comprehensive income (net)						
(i) Other comprehensive income not to be reclassified to profit or loss in subsequent periods						
- Re-measurement gains/ (losses) on defined benefit plans	(2.77)	(0.02)%	3.96	0.02%	6.47	0.02%
- Exchange differences in translating financial statements of foreign operations	5.03	0.04%	0.66	0.00%	4.94	0.02%
Income tax effect / Income tax relating to items that will not be reclassified to profit or loss	0.70	0.01%	1.00	**0.01%**	(1.63)	(0.01)%
Total other comprehensive income for the year, net of tax	**2.96**	0.03%	**5.62**	**0.03%**	9.78	0.03%
Total comprehensive income for the year, net of tax	**954.92**	**8.39%**	**1,838.51**	**9.88%**	**2,944.11**	**10.41%**
Less: Share of Profit /(Loss) of minority interest	1.75	0.01%	2.72	0.01%	2.47	0.01%
Total comprehensive income for the year, net of tax	**953.17**	**8.38%**	**1,835.79**	**9.87%**	**2,941.64**	**10.40%**

FISCAL 2025 COMPARED TO FISCAL 2024

Income

Total income increased by 52.04% from ₹18,605.35 million Fiscal 2024 to ₹28,287.15 million in Fiscal 2025, primarily attributable to the following:

Revenue from Operations

Revenue from operations increased by 50.82% from ₹18,046.19 million in Fiscal 2024 to ₹27,217.52 million in Fiscal 2025. The increase reflects higher volumes, broader customer demand, and pricing realignments and was driven by robust expansion across verticals, including significant contributions from newer clients in the industrial verticals.

Other Income

Other income rose by 91.29% from ₹559.16 million in Fiscal 2024 to ₹1,069.63 million in Fiscal 2025. This growth is attributable to higher interest income, returns from financial investments, or other non-operating inflows attributable in part to higher interest earnings from unutilised proceeds from the past fund raises and returns from investment of surplus cash.

Expenses

Total expenses increased by 50.84% from ₹16,289.66 million in Fiscal 2024 to ₹24,570.91 million in Fiscal 2025, consistent with the overall scale-up of operations.

Cost of Materials Consumed

Cost of materials consumed rose by 39.41% from ₹13,712.02 million in Fiscal 2024 to ₹19,116.26 million in Fiscal 2025, driven by increased production activity.

Changes in Inventories of Finished Goods and Work in Progress

Inventory adjustments stood at ₹(119.16) million in Fiscal 2025 compared to ₹(412.64) million in Fiscal 2024, reflecting better alignment of production and sales cycles.

Employee Benefits Expenses

Employee benefit expenses increased by 73.29% from ₹1,027.56 million in Fiscal 2024 to ₹1,780.67 million in Fiscal 2025. The increase corresponds to higher employee strength due to capacity ramp-up, incorporation of expenses of newly acquired entities including Sensonic IN India Private Limited, Sensonic GmbH, Sensonic - UK Limited and Sensonic USA Inc. and advance hiring for upcoming global client engagements.

Depreciation and Amortization Expense

Depreciation and amortization expense increased by 77.96%, from ₹251.41 million in Fiscal 2024 to ₹447.40 million in Fiscal 2025, on account of capitalisation of new assets and technology investments and is primarily due to the completion and operationalisation of the Chamarajanagar facility and additional investments in customer-specific EMS infrastructure.

Finance Cost

Finance costs rose by 89.79% from ₹533.74 million in Fiscal 2024 to ₹1,012.98 million in Fiscal 2025, following higher borrowing levels and cost of debt partly attributed to capacity expansion for EMS and increase in working capital in line with the overall scale-up of operations.

Other Expenses

Other expenses increased by 98.10% from ₹1,177.57 million in Fiscal 2024 to ₹2,332.76 million in Fiscal 2025, due to scale-driven increases in operational outlays and due to incorporation of expenses of newly acquired entities, along with an increase in logistics, business promotion, utilities and compliance-related expenses.

Profit before Tax

Profit before tax increased by 60.48% from ₹2,315.69 million in Fiscal 2024 to ₹3,716.24 million in Fiscal 2025, reflecting improved operating performance and margin contribution.

Tax Expenses

Tax expenses increased from ₹482.80 million in Fiscal 2024 to ₹781.91 million in Fiscal 2025 as a result of increased profitability.

Profit for the Year

As a result of the aforementioned reasons, profit for the year increased from ₹1,832.89 million in Fiscal 2024 to ₹2,934.33 million in Fiscal 2025.

Earnings Before Interest, Taxes, Depreciation and Amortization (EBITDA)

EBITDA was ₹2,541.68 million in Fiscal 2024 compared to ₹4,106.99 million in Fiscal 2025, while EBITDA margin was 14.08% in Fiscal 2024 compared to 15.09% in Fiscal 2025.

FISCAL 2024 COMPARED TO FISCAL 2023

Income

Total income increased by 63.56% from ₹11,375.12 million in Fiscal 2023 to ₹18,605.35 million in Fiscal 2024, primarily attributable to the following:

Revenue from Operations

Revenue from operations increased by 60.25% from ₹11,261.14 million in Fiscal 2023 to ₹18,046.19 million in Fiscal 2024. The increase corresponds to higher volumes across key verticals and broader customer engagement particularly in industrial and EV, aerospace and outer space, and railways.

Other Income

Other income increased by 390.58% from ₹113.98 million in Fiscal 2023 to ₹559.16 million in Fiscal 2024. The growth is attributable to higher returns from financial instruments, interest income on surplus funds, and other non-operating receipts primarily due to higher interest income on unutilised IPO and qualified institutions placement proceeds and improved treasury returns.

Expenses

Total expenses rose by 61.05% from ₹10,114.73 million in Fiscal 2023 to ₹16,289.66 million in Fiscal 2024, in line with the scale-up in operations and revenue.

Cost of Materials Consumed

Cost of materials consumed increased by 61.74% from ₹8,478.01 million in Fiscal 2023 to ₹13,712.02 million in Fiscal 2024, reflecting continued procurement of high-value components including semiconductors and materials for strategic electronics and industrial segments, with long-term supplier relationships and bulk sourcing advantages help partially offset price pressure.

Changes in Inventories of Finished Goods and Work in Progress

Inventory adjustment stood at ₹(412.64) million in Fiscal 2024 as compared to ₹(677.24) million in Fiscal 2023, indicating tighter inventory management and sales alignment and a reduction in working capital days from 99 days to 83 days.

Employee Benefits Expenses

Employee benefit expenses increased by 33.28% from ₹770.99 million in Fiscal 2023 to ₹1,027.56 million in Fiscal 2024. The increase was driven by hiring in preparation for capacity ramp-up and expanding capability across verticals.

Depreciation and Amortization Expense

Depreciation and amortization expense increased by 34.15% from ₹187.41 million to ₹251.41 million, driven by capitalisation of new assets and technology infrastructure.

Finance Cost

Finance cost rose by 52.78% from ₹349.36 million in Fiscal 2023 to ₹533.74 million in Fiscal 2024. The increase is attributable to higher borrowings for working capital and facility expansions, including Telangana, and continued investment in technology infrastructure.

Other Expenses

Other expenses increased by 17.03%, from ₹1,006.20 million in Fiscal 2023 to ₹1,177.57 million in Fiscal 2024, which was lower than the increase in scale of operations, benefiting from operating leverage.

Profit before Tax

Profit before tax increased by 83.73% from ₹1,260.39 million in Fiscal 2023 to ₹2,315.69 million in Fiscal 2024, supported by higher revenues and operating efficiency.

Tax Expenses

Tax expenses increased from ₹308.43 million in Fiscal 2023 to ₹482.80 million in Fiscal 2024 as a result of increased profitability.

Profit for the Year

As a result of the aforementioned reasons, profit for the year increased from ₹951.96 million in Fiscal 2023 to ₹1,832.89 million in Fiscal 2024.

Earnings Before Interest, Taxes, Depreciation and Amortization (EBITDA)

EBITDA was ₹1,683.18 million in Fiscal 2023 compared to ₹2,541.68 million in Fiscal 2024, while EBITDA margin was 14.95% in Fiscal 2023 compared to 14.08% in Fiscal 2024.

LIQUIDITY AND CAPITAL RESOURCES

We have historically financed the expansion of our business and operations primarily through equity, debt financing and funds generated from our operations. From time to time, we have obtained loan facilities to finance our short-term working capital requirements.

Particulars	Fiscal 2023	Fiscal 2024	Fiscal 2025
	(₹ million)		
Net Cash from / (used in) Operating Activities	(416.02)	701.41	(823.16)
Net Cash used in Investing activities	(4,936.51)	(15,052.11)	(3,546.59)
Net Cash from Financing Activities	5,543.10	14,285.50	4,649.86
Cash and cash equivalents at the end of the year	259.31	194.11	474.22

Operating Activities

Fiscal 2023

In the Fiscal 2023, net cash flow used in operating activities was ₹ 416.02 million. Net profit before extraordinary items and tax was ₹ 1,260.39 million in Fiscal 2023. Primary adjustments consisted of depreciation and amortisation expense of ₹ 187.41 million; interest expense of ₹ 349.36 million and interest income of ₹ 98.16 million. Operating profit before working capital changes was ₹ 1,712.79 million in Fiscal 2023. The main working capital adjustments in Fiscal 2023 included an increase in inventories of ₹ 1,867.86 million; an increase in trade receivables of ₹ 293.40 million; increase in loans and advances and other assets of ₹ 344.85 million; an increase in trade payables and other liabilities of ₹ 870.18 million; and increase in provisions of ₹ 9.94 million. Income tax paid was ₹ 502.82 million.

Fiscal 2024

In Fiscal 2024, net cash flow generated from operating activities was ₹701.41 million. Net profit before extraordinary items and tax stood at ₹2,315.69 million. Primary adjustments included depreciation and amortisation expense of ₹251.41 million; interest expense of ₹533.74 million; and interest income of ₹519.52 million. Operating profit before working capital changes was ₹2,716.51 million. Working capital adjustments during Fiscal 2024 included an increase in inventories of ₹1,351.60 million; an increase in trade receivables of ₹1,420.26 million; an increase in loans and advances and other assets of ₹43.55 million; an increase in trade payables and other liabilities of ₹1,450.67 million; and an increase in provisions of ₹12.62 million. Income tax paid was ₹481.13 million.

Fiscal 2025

In Fiscal 2025, net cash flow used in operating activities was ₹823.16 million. Net profit before extraordinary items and tax was ₹3,716.24 million. Adjustments comprised depreciation and amortisation expense of ₹447.40 million; interest expense of ₹1,012.98 million; and interest income of ₹957.23 million. Operating profit before working capital changes was ₹4,343.02 million. Working capital changes included an increase in inventories of ₹2,660.99 million; an increase in trade receivables of ₹2,190.08 million; an increase in loans and advances and other assets of ₹4,112.67 million; an increase in trade payables and other liabilities of ₹4,390.31 million; and an increase in provisions of ₹51.60 million. Income tax paid during the year was ₹644.35 million.

Investing Activities

Fiscal 2023

Net cash flow used in investing activities was ₹ 4,936.51 million in Fiscal 2023, primarily on account of purchase of fixed assets of ₹ 581.22 million and investment in fixed deposits of ₹ (4,453.45) million, which was marginally offset by interest received of ₹ 98.16 million.

Fiscal 2024

Net cash flow used in investing activities was ₹ 15,052.11 million in Fiscal 2024, primarily on account of significant capital expenditure and deployment of surplus funds. This included purchase of fixed assets amounting to ₹ 3,825.99 million, investment in mutual funds of ₹ 1,026.86 million and investment in fixed deposits of ₹ 10,460.84 million, partially offset by interest received of ₹ 519.52 million.

Fiscal 2025

Net cash flow used in investing activities was ₹ (3,546.59) million in Fiscal 2025. The outflows were primarily driven by purchase of fixed assets of ₹ 9,487.47 million, while inflows included redemption of fixed deposits of ₹ 4,989.93 million and interest received of ₹ 957.23 million.

Financing Activities

Fiscal 2023

Net cash from financing activities was ₹ 5,543.10 million in Fiscal 2023, primarily on account of equity share premium received as a result of the initial public offering of our Company of ₹ 6,486.32 million, proceeds from issue of equity share capital of ₹ 113.68 million as a result of the initial public offering of our Company, which was offset by share issue expenses of ₹ 371.07 million, repayment of long term borrowings of ₹ 142.37 million, proceedings from short term borrowings of ₹ (194.10) million and interest expense of ₹ 349.36 million.

Fiscal 2024

Net cash from financing activities was ₹ 14,285.50 million in Fiscal 2024, primarily on account of equity share premium received as a result of the qualified institutions placement of our Company of ₹ 13,377.83 million, proceeds from issue of equity share capital of ₹ 57.76 million as a result of the qualified institutions placement of our Company, which was offset by share issue expenses of ₹ 318.03 million, repayment of long term borrowings of ₹ 38.86 million, proceedings from short term borrowings of ₹ 1,740.54 million and interest expense of ₹ 533.74 million.

Fiscal 2025

Net cash from financing activities was ₹ 4,649.86 million in Fiscal 2024, primarily on account of proceeds from short term borrowings of ₹ 5,130.92 million, proceeds from long-term borrowings of ₹ 563.24 million and interest expense of ₹ 1,012.98 million.

INDEBTEDNESS

As of March 31, 2025, our total indebtedness (consisting of non-current borrowings and current borrowings) was ₹ 8,754.83 million. The following table sets forth certain information relating to our outstanding indebtedness as of March 31, 2025, and our repayment obligations in the periods indicated:

Payment due by period	Total	Not later than 1 year	1 - 3 years	3 - 5 years	More than 5 years
	(₹ million)				
Non-Current Borrowings					
- Term loan from bank	434.28	36.36	76.73	321.19	-
- Term loan from others	250.00	-	250.00	-	-
- Vehicle Loans	37.43	10.55	17.55	9.33	-
Current maturities of long-term borrowings					
- Term Loans	(36.36)	(36.36)	-	-	-
- Vehicle Loans	(10.55)	(10.55)	-	-	-
Total Non-Current borrowings	**674.80**	-	**344.28**	**330.52**	-
Current Borrowings					
- Cash Credit facility	7,576.65	7,576.65	-	-	-
- Loans from Shareholders	0.61-	0.61	-	-	-
- Rupee Packaging Credit	455.86	455.86	-	-	-
Current maturities of long-term borrowings					
- Term Loans	36.36	36.36	-	-	-
- Vehicle Loans	10.55	10.55	-	-	-
Total Current Borrowings	**8,080.03**	**8,080.03**	-	-	-
Total Borrowings	**8,754.83**	**8,080.03**	**344.28**	**330.52**	-

CONTINGENT LIABILITIES AND OFF-BALANCE SHEET ARRANGEMENTS

S. No.	Particulars	As at March 31,2025
		(₹ million)
	Contingent Liabilities:	
a)	Claims against the company not acknowledged as debt (please refer to the notes below)	188.52
b)	Bank Guarantees for contractual performance	1,039.78
c)	Letter of Credit issued by bank	0.22
d)	Bond Executed for Customs/Central Excise. (Covered by Bank guarantee to the extent of Rs 8.16 Millions)	725.87
e)	On account of Bills Discounted with Banks set off against Trade Receivable	1,146.68
f)	Corporate Guarantee to Subsidiary Company	2,105.80
g)	Other sums for which company is contingently liable	-
	Total Contingent Liabilities	**5,206.87**

Notes:

i. *CPC demand of Rs. 17,37,670/- against the disallowance made by ITO against under 35(2AB) for A.Y. 2016-17 and thereby reducing the MAT credit availed by the company which was disputed in appeal before CIT(A) and the matter is resolved in FY 2021-22.*

ii. *Income tax authorities Disallowed R& D expenditure and raised a demand for non-submission of certificate from DSIR, Delhi. We requested for extension of time and in the process of obtaining the certificate to substantiate the claim.*

iii. *The disallowance on account of delay in payment of employer's contribution to EPF & ESI. Filed appeal against the order and submitted the relevant documentation. Assessing officer is in the process of reviewing supporting documents provided by us to substantiate our claim.*

iv. *Commissioner of Income tax, Bangalore has issued a notice on Short deduction of TDS for various years commencing from FY 2009-10 to 2023-24 and imposed an interest and penalty. Demand appearing in the TDS Portal amounts to ₹1.62 million. We are in the process of adjusting the demand against the unconsumed challans available. We have already submitted a request to the commissioner for extension of time for reconciliation of TDS.*

v. *There are 16 cases relating to excise, VAT, Customs and CST amounting to ₹ 99.51 Million covering a period commencing from FY 2012-13 to 2018-19 pertaining to units located in various states in Uttarakhand and Maharashtra. Many of the cases required Information provided to the Concerned authorities and are in progress.*

vi. *The disallowance / add back on account TDS non deduction wrongly considered by AO in Assessment order. Filed appeal against the order and submitted the relevant documentation. Assessing officer is in the process of reviewing supporting documents provided by us to substantiate our claim.*

vii. *Commissioner of Income tax, Bangalore has issued a notice on Short deduction of TDS for various years commencing from FY 2012-13 to 2021-22 and imposed an interest and penalty.*

For further information on our contingent liabilities, see "*Financial Information – Consolidated Ind AS Financial Statements – Note 29 – Contingent Liabilities and Commitments*" on page F-48.

OFF-BALANCE SHEET ARRANGEMENTS

We do not have any off-balance sheet arrangements or other relationships with any entity that have been established for the purposes of facilitating off-balance sheet arrangements.

CONTRACTUAL OBLIGATIONS AND COMMITMENTS

The following table sets forth certain information relating to our future commitments:

Particulars	As at March 31,2025 (₹ million)
Approval for Land Conversion from Lease to Sale of Plot no 20 & Plot no 119 from Karnataka Industrial Area Development Board (KIADB) is in progress. Estimated Conversion cost is considered as a Capital commitment remaining unexecuted.	12.14
Estimated amount of contracts remaining to be executed on capital account and not provided for net of advances	288.79

For further information on our capital and other commitments, see "*Financial Information – Consolidated Ind AS Financial Statements - Note 29 – Contingent Liabilities and Commitments*" on page F-48.

CAPITAL EXPENDITURE

The following table sets forth our fixed assets for the periods indicated:

Particulars	Fiscal 2025	Fiscal 2024	Fiscal 2023
	(₹ million)		
Land	446.44	5.10	57.59
Buildings	10.72	548.54	-
Plant & Equipment	1,978.17	1,075.14	249.97
Furniture & Fittings	52.20	62.20	4.42
Office Equipment	22.40	10.61	1.86
Electrical Fittings	12.48	33.29	0.80
Computers	30.45	15.40	7.47
Vehicles	40.73	29.99	15.04
Air conditioners	23.27	39.52	1.27
Leasehold Improvement	13.13	10.53	-
Total	**2,629.99**	**1,830.32**	**338.42**

RELATED PARTY TRANSACTIONS

We enter into various transactions with related parties in the ordinary course of business. These transactions principally include sale of goods and services to entities where any of our KMPs or their relatives have control or significant influence, sale of goods to subsidiaries and purchase of goods from subsidiaries, dividend paid to the KMPs, investments made in the form of compulsory convertible debentures in one of our Group Companies, rent paid to KMPs, sale of property, plant and equipment assets to KMPs, loan taken from related parties and loan repaid related parties, employee advance to related parties, employee advance received back from related parties, remuneration paid to KMPs and guarantees given to lenders against borrowings.

AUDITOR'S OBSERVATIONS

There have been no reservations/ qualifications/ adverse remarks/ matters of emphasis highlighted by our Statutory Auditors in their reports on the consolidated audited financial statements as of and for the years ended March 31,2025, 2024 and 2023.

QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Our activities expose us to market risk, liquidity risk and credit risk. Our Company's senior management oversees management of these risks. The senior professionals working to manage the financials risks and the appropriate financial risk governance framework for our Company are accountable to the our Board and the Audit Committee. The process provides assurance that our Company's financial risk-taking activities are governed by appropriate policies and procedures and that financial risks are identified, measure and managed with our policies and overall risk appetite.

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 two types of risk: interest rate risk and currency rate risk. Financial instruments affected by market risk include loans and borrowings, deposits and advances.

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. Our exposure to the risk of changes in market interest rates relates primarily to our debt obligations with floating interest rates. Our Company had no exposure to financial instruments with an interest rate risk as on March 31, 2023, 2024 and 2025.

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. Our exposure to the risk of changes in foreign exchange rates relates primarily to our operating activities (when revenue or expense is denominated in a foreign currency) and our Company's net investments in foreign subsidiaries.

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. We are exposed to credit risk from our operating activities (primarily trade receivables) and from our investing activities, deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

Trade Receivables

Customer credit risk is managed by each business unit subject to our established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive credit rating scorecard and individual credit limits are defined in accordance with this assessment. Outstanding customer receivables are regularly monitored. An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The calculation is based on exchange losses historical data. We do not hold collateral as security. We evaluate the concentration of risk with respect to trade receivables as low, as our customers (which are in the nature of reputed banking and financial institutions) are located in several jurisdictions and industries and operate in largely independent markets.

Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by our treasury department in accordance with our Company's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the management on an annual basis, and may be updated throughout the year subject to approval of the Finance Committee. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

Liquidity Risk

Liquidity risk is the risk that we may not be able to meet our present and future cash and collateral obligations without incurring unacceptable losses. Our objective is to, at all times maintain optimum levels of liquidity to meet cash and collateral

requirements. We closely monitor our liquidity position and deploy a robust cash management system. We maintain adequate sources of financing including loans, debt, and overdraft from both domestic and international banks at an optimised cost.

CHANGES IN ACCOUNTING POLICIES

There have been no changes in our accounting policies in the last three Fiscals.

UNUSUAL OR INFREQUENT EVENTS OR TRANSACTIONS

Except as described in this Placement Document, to our knowledge, there have been no unusual or infrequent events or transactions that have in the past or may in the future affect our business operations or future financial performance.

SIGNIFICANT ECONOMIC CHANGES THAT MATERIALLY AFFECT OR ARE LIKELY TO AFFECT INCOME FROM CONTINUING OPERATIONS

Our business has been subject, and we expect it to continue to be subject, to significant economic changes that materially affect or are likely to affect income from continuing operations identified above in *"– Significant Factors Affecting our Results of Operations"* and the uncertainties described in *"Risk Factors"* on pages 92 and 45, respectively.

KNOWN TRENDS OR UNCERTAINTIES

Our business has been subject, and we expect it to continue to be subject, to significant economic changes arising from the trends identified above in *"– Significant Factors Affecting our Results of Operations"* and the uncertainties described in *"Risk Factors"* on pages 92 and 45, respectively. To our knowledge, except as discussed in this Placement Document, there are no known trends or uncertainties that have or had or are expected to have a material adverse impact on revenues or income of our Company from continuing operations.

FUTURE RELATIONSHIP BETWEEN COST AND INCOME

Other than as described in "*Risk Factors*", "*Our Business*" and this section "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 45, 143 and 92, respectively, to our knowledge there are no known factors that may adversely affect our business prospects, results of operations and financial condition.

NEW PRODUCTS OR BUSINESS SEGMENTS

Except as set out in this Placement Document, we have not announced and do not expect to announce in the near future any new business segments.

COMPETITIVE CONDITIONS

We operate in a competitive environment. See "*Risk Factors*", "*Industry Overview*" and "*Our Business*" on pages 45, 120 and 143, respectively, for further information on competitive conditions that we face across our various business verticals.

EXTENT TO WHICH MATERIAL INCREASES IN NET SALES OR REVENUE ARE DUE TO INCREASED SALES VOLUME, INTRODUCTION OF NEW PRODUCTS OR SERVICES OR INCREASED SALES PRICES

Changes in revenue for the last three Fiscals are as described in "*Fiscal 2025 compared to Fiscal 2024*" and "*Fiscal 2024 compared to Fiscal 2023*" above.

SEGMENT REPORTING

We primarily operate in the electronics manufacturing segment. Based on the management approach as defined in Ind AS 108 – Operating Segments, the chief operating decision maker evaluates our performance and allocates resources based on an analysis of various performance indicators by geographical segments.

Accordingly, we have identified India and outside India as our reportable geographic segments. As expenses, assets and liabilities are not separately identified for the individual segments, these are considered as common cost and unallocated. Hence, information with respect to revenue alone is provided by our Company for the geographical segments identified.

Particulars	Fiscal 2025	Fiscal 2024	Fiscal 2023
	(₹ million)		
India	25,202.12	16,373.72	9,599.64
Outside India	2,015.40	1,672.47	1,661.50
Total Revenue from Operations	**27,217.52**	**18,046.19**	**11,261.14**

SIGNIFICANT DEVELOPMENTS AFTER MARCH 31, 2025 THAT MAY AFFECT OUR FUTURE RESULTS OF OPERATIONS

Except as disclosed below and elsewhere in this Placement Document, our Company is not aware of any circumstances that have arisen since March 31, 2025 that have a material adverse effect on, or are likely to affect, our operations or profitability, the value of our assets or our ability to pay our material liabilities within the next 12 months:

- Incorporation of Kaynes Canada Limited, which will be incorporated as a subsidiary of Kaynes Holding Pte Ltd, a wholly owned subsidiary of the Company.

- Execution of Share Purchase Agreement ("**SPA**") by our Company, Kaynes Holding Pte. Ltd. ("**Kaynes Singapore**") a wholly owned subsidiary of the Company, Kaynes Canada Ltd. ("**Kaynes Canada**"), a wholly owned subsidiary of Kaynes Singapore with August Electronics Inc. ("**August Electronics**"), Peter Wilson, Wilson Aei Holding Corp., John Francis, Francis Aei Holding Corp., Tanya Korenda, And Korenda Aei Holding Corp. Kaynes Canada shall purchase the 100% of the shares from the shareholders of the August Electronics for CAD 57,000,000 plus adjustments as mentioned in the SPA.

- Issuance of corporate guarantees aggregating up to INR 2500 million to various banks on behalf of Kaynes Canada Ltd, a wholly owned subsidiary of Kaynes Holding Pte Ltd., (wholly owned subsidiary of the Company).

- Our Company approved for further invest an amount up to USD 8,800,000 towards acquisition of equity shares up to 8,712,872 of Kaynes Holding Pte. Ltd., wholly-owned Subsidiary of our Company, at an issue price of USD 1.01 per share

- Kaynes Semicon Private Limited ("**Kaynes Semicon**"), a wholly-owned Subsidiary of our Company has entered into an Asset Purchase Agreement with Fujitsu General Electronics Limited ("**Fujitsu Electronics**"), Iwate, Japan for the acquisition of the identified assets worth of 1,591,159,889 on June 09, 2025.

- Our Company has approved the further investment for an amount up to USD 1,030,000 towards acquisition of equity shares up to 10,19,802 of Kaynes Holding Pte. Ltd., wholly-owned Subsidiary of our Company, at an issue price of USD 1.01 per share.

INDUSTRY OVERVIEW

*Unless otherwise indicated, industry and market data used in this section has been derived from the industry report titled "Industry Research Report on ESDM and OSAT" dated June, 2025 ("**CARE Report**") prepared and issued by CARE Analytics and Advisory Private Limited (CareEdge Research), exclusively commissioned and paid for by us for the purposes of confirming our understanding of the industry, in connection with the Issue. Unless otherwise indicated, financial, operational, industry and other related information derived from the CARE Report and included herein with respect to any particular year refers to such information for the relevant calendar year. For more information, see "Risk Factors – Certain sections of this Placement Document disclose information from the CARE Report which is a paid report and commissioned and paid for by us exclusively in connection with the Issue and any reliance on such information for making an investment decision in the Issue is subject to inherent risks." on page 62. Also see, "Industry and Market Data" on page 13.*

References to various segments in the CARE Report and information derived therefrom are references to industry segments and in accordance with the presentation, analysis and categorisation in the CARE Report. Our segment reporting in our financial statements is based on the criteria set out in Ind AS 108, Operating Segments and we do not present such industry segments as operating segments.

Global ESDM Industry

Overview on Electronic System Design and Manufacturing Industry

In the past, the domain of electronics manufacturing was largely dominated by firms focused on assembling printed circuit boards (PCBs) and delivering complete box builds on behalf of original equipment manufacturers (OEMs). The responsibility for product conceptualization and design traditionally rested with the OEMs themselves. However, the electronics manufacturing landscape is undergoing a marked transformation. OEMs are increasingly leveraging the technical expertise and integrated capabilities of Electronics System Design and Manufacturing (ESDM) companies. This evolving dynamic has significantly broadened the scope of services offered by ESDM firms.

ESDM companies now play a vital role throughout the value chain. Their involvement spans product design and engineering, comprehensive testing, and post-production services such as repairs, re-manufacturing, marketing support, and end-to-end product lifecycle management. In addition, ESDM firms contribute extensively to high-value design functions. These include the design of chips, boards, and embedded systems, as well as sophisticated activities in very large-scale integration (VLSI). As a result, ESDM companies have emerged as strategic partners in both the creation and execution of advanced electronic products.

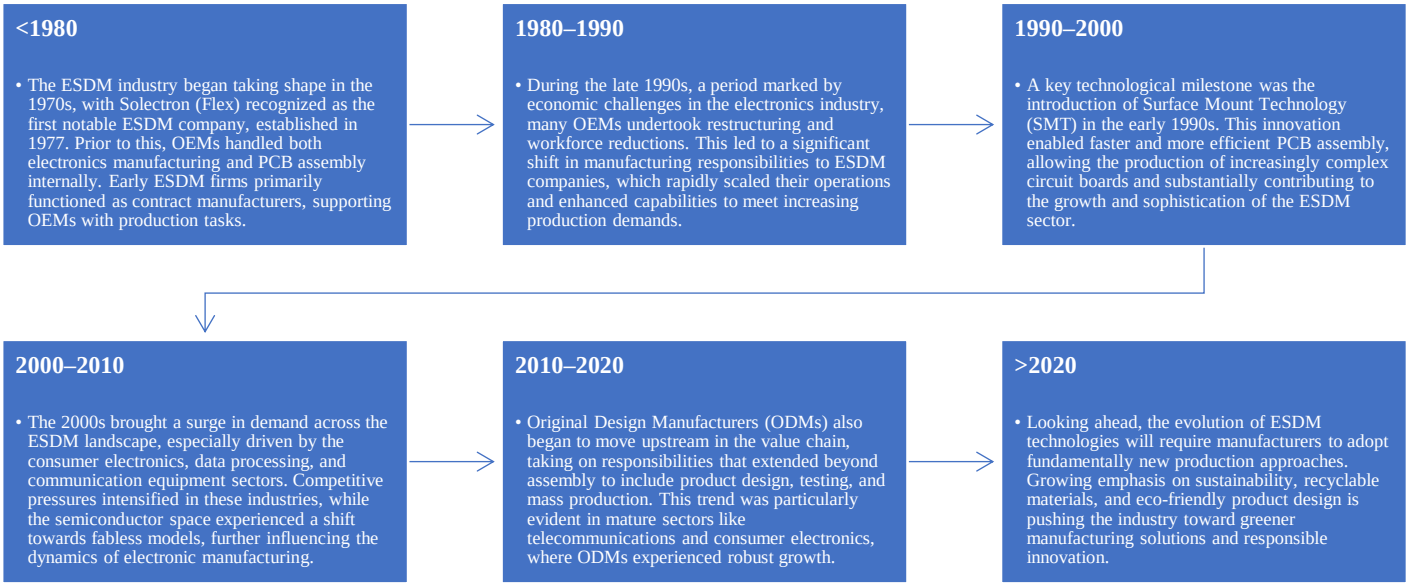
Evolution of Global ESDM

More than five decades ago, the foundation of the global ESDM sector was established, with its earliest applications focused on fulfilling to execute manufacturing designs of the defence, government, and research domains. Initially developed to implement technical designs from these institutions, the ESDM industry gradually evolved in scope and scale.

This shift was particularly evident by the mid-1990s, a period during which the value proposition of outsourcing became increasingly compelling. Recognizing the operational and economic benefits, major electronics brands began to subcontract large volumes of PCB assembly work, cementing the role of ESDM companies as strategic manufacturing partners.

In recent years, the electronics manufacturing industry has witnessed an increase in the usage of advanced robotics, driven by their ability to execute tasks with superior precision and efficiency. Alongside this, artificial intelligence has emerged as an important force within the ESDM sector, fundamentally redefining machine behaviour, decision-making, and human-machine interaction.

To adapt to these rapid technological advancements, stakeholders across the ecosystem—including ESDM firms, OEMs, and global brands—are increasingly engaging in strategic collaborations. This includes a growing number of mergers, partnerships, and formal agreements aimed at accelerating innovation and ensuring seamless transitions within the global electronics manufacturing landscape.



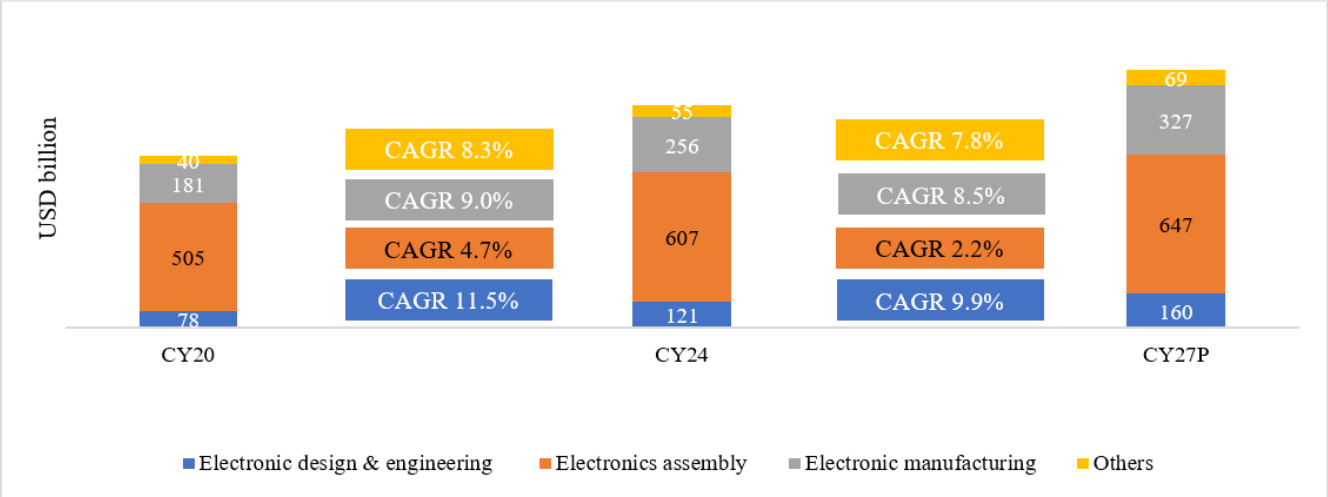
Range of services offered by ESDM companies

- **Product Design** - This involves creating the concept and technical blueprint of an electronic product, including its hardware, software, and firmware.
- **Prototype** - In this stage, a preliminary version of the product is built—often using a breadboard or development platform—to test basic functionality and design feasibility.
- **Product Testing** - The product undergoes evaluations to assess performance, functionality, and durability, and to identify any defects or areas for improvement.
- **PCB Assembly** - Electronic components are mounted onto bare PCBs to create functional electronic circuits.
- **Box Assembly** - The assembled PCBs are placed into an enclosure or casing, forming a complete electronic product that is ready for use or further integration.
- **System Integration** - Various hardware and software sub-systems are brought together and configured to function as a unified system.
- **Solutions Design** - Custom electronic solutions are developed to meet specific client requirements or address unique application needs.
- **Repair and Rework Services** - This includes fixing faulty products, replacing components, or remanufacturing to restore the product to working condition.

Global ESDM market spilt by services

Leading companies in the ESDM sector, having already achieved significant expertise in manufacturing and assembly, are now progressively moving up the value chain by expanding their service offerings to include design, testing, and component sourcing. This shift marks a transition in the industry from the traditional OEM model to the more integrated ODM model. The share of ODM business is likely to increase from 9.7% in 2020 to 11.6% in 2024 and 13.3% in 2027.

Global ESDM Market split by services



Source: Maia Research, CareEdge Research
Note: P indicates Projected

Global ESDM Market Split by segments

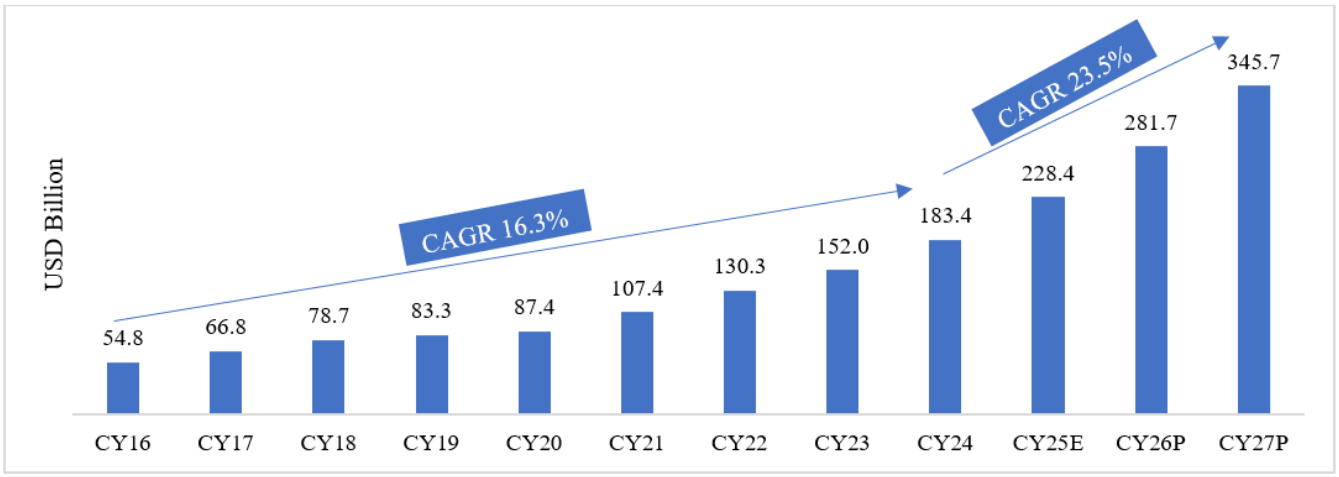
Mobile phones, IT, and consumer electronics currently make up nearly 60% of the global ESDM market and is expected to continue through 2027. Other key segments include industrial, medical, telecom, and automotive electronics. Overall, the ESDM market caters to a wide range of end-user industries, with mobile and digital technologies driving most of the demand.

Indian Electronics Industry

Indian Electronics Market – Historical Trend and Outlook

India's electronics industry is witnessing rapid expansion, making it one of the fastest-growing sectors in the country. The total market size has more than doubled from USD 87.4 billion in 2020 to an estimated market size of USD 228.4 billion in 2025. This reflects a robust CAGR of around 21.2%. The electronics market in India is further projected to increase to USD 345.7 Billion in 2027. This remarkable growth has been driven by a shifting industry landscape, shaped by a combination of regulatory reforms, economic incentives, and evolving geopolitical dynamics that have collectively accelerated domestic electronics manufacturing.

Electronics Market in India



Source: Maia Research, CareEdge Research
Note: E indicates Estimated; P indicates Projected

India's domestic manufacturing of electronic components, assemblies, and finished products—has gained strong momentum in recent years, largely due to supportive government initiatives like the Production Linked Incentive (PLI) scheme, the Scheme for Promotion of Manufacturing of Electronic Components and Semiconductors (SPECS), and the broader Make in India

campaign. Competitive manufacturing costs compared to global production hubs, along with a large, young, and skilled talent pool, have further strengthened the country's position in the electronics value chain. Additionally, Indian ESDM players are gradually shifting their strategy from producing high-volume low-margin goods to focusing on low-volume high-margin products, reflecting a strategic move toward higher value-added segments.

Trend in Domestic Electronics Production, Import, and Export

The production, imports and exports of electronic goods from 2021-2024 (INR Billion)

Year	Production*	Imports**	Exports**
Fiscal 2022	6,408	5,497	1,169
Fiscal 2023	8,250	6,208	1,899
Fiscal 2024	9,520	7,277	2,412
CAGR (Fiscal 2022 -Fiscal 2024)	21.89%	15.05%	43.63%

Source: MeitY Annual Report, Industry Association for FY2023-24
*** Directorate General of Commercial Intelligence and Statistics*

Between Fiscal 2022 and Fiscal 2024, India's electronics sector demonstrated robust growth across production, imports, and exports. Domestic production of electronic goods rose from ₹6,408 billion to ₹9,520 billion, with a CAGR of 21.9%. India's electronics production is projected to reach ₹25,800 billion by 2026, reflecting the sector's strong growth momentum and expanding manufacturing capabilities. India is steadily positioning itself as a leading global hub for electronics manufacturing, driven by collaborative efforts between the government and industry stakeholders under the "Make in India for the World" initiative. With focused policy interventions, financial incentives, and continued ecosystem strengthening, the country is on a path to becoming one of the top five global destinations for electronics manufacturing and ranking among the top three markets in terms of electronics consumption.

Imports also increased, but at a slower rate with a CAGR of 15.05%, rising from ₹5,497 billion to ₹7,277 billion, reflecting sustained domestic demand and partial reliance on foreign components. As India progresses toward its vision of 'Atmanirbhar Bharat', the emphasis on strengthening domestic manufacturing capabilities is anticipated to progressively decrease reliance on imports.

Notably, exports surged from ₹1,169 billion to ₹2,412 billion at a CAGR of 43.63%, suggesting growing global competitiveness and an emerging export orientation in the Indian electronics ecosystem. The manufacturing value of mobile phones in India has seen a remarkable rise, growing from ₹189 billion in Fiscal 2014 to an impressive ₹4,220 billion in Fiscal 2024. Strong design skills, skilled workforce, and competitive costs make it well-placed to become a top choice for electronics manufacturing, both for local use and exports.

Share of ESDM Companies in Domestic Electronics Production

Indian ESDM companies are steadily expanding their capabilities to offer a complete range of services, including design and after-sales support. However, many brands continue to handle the development, design, and manufacturing of electronic products internally. This approach allows ESDM partners to retain ownership of intellectual property (IP) and earn higher margins, while brands can concentrate on market growth and business expansion, leaving manufacturing responsibilities to their ESDM collaborators.

Contribution of Various End-User Industries in Domestic Electronics Production

India's electronics industry is undergoing a remarkable transformation, driven by strong domestic demand, government support, and a growing focus on manufacturing. As the industry expands, it is shifting from a consumer-led base to a more diverse and export-oriented ecosystem, with increasing contributions from high-value sectors such as industrial electronics, medical devices, automotive electronics, and telecom infrastructure.

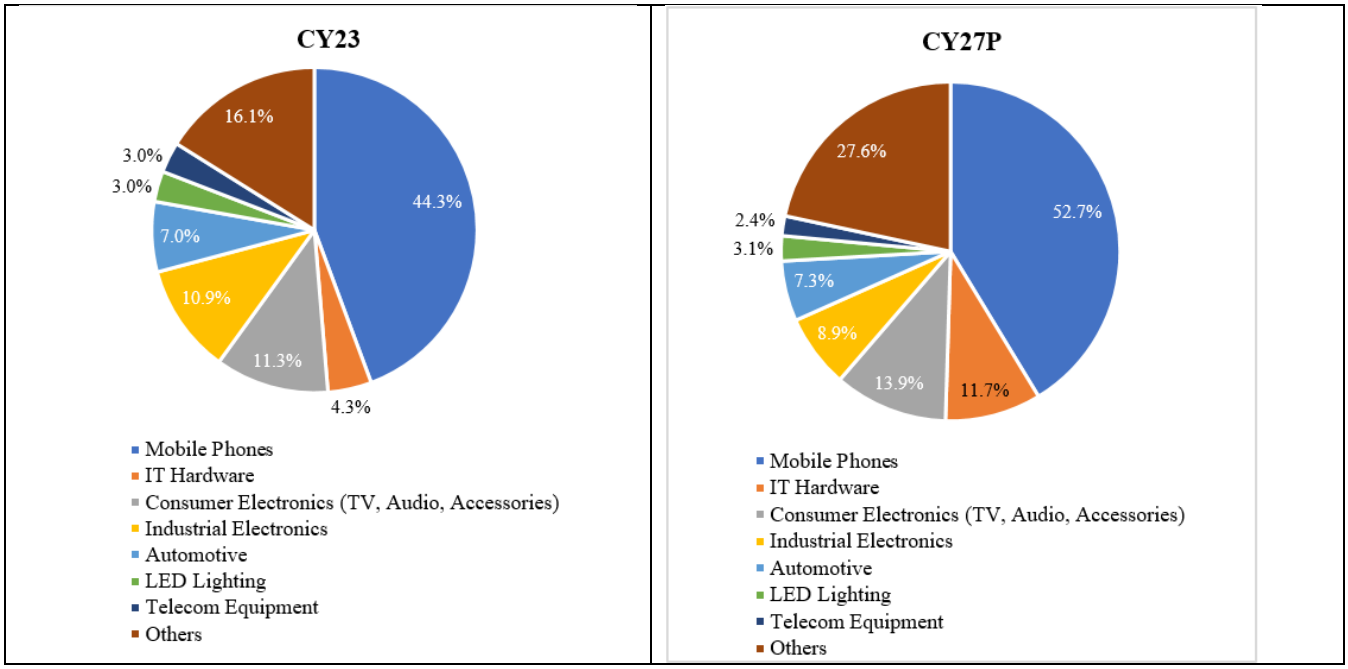
One of the standout achievements is India's emergence as the world's second-largest mobile phone manufacturer as of Fiscal 2024, with production valued at nearly ₹4,220 billion. Today, more than 99% of mobile phones sold in the country are produced locally, and mobile phones alone contribute nearly 45% of the total electronics output.

Consumer electronics and appliances—ranging from TVs and air-conditioners to refrigerators and audio systems—form the second-largest segment. Together with mobile phones, they account for over half of the country's total electronics production, reflecting the depth of India's consumption-driven market.

The growth is not limited to traditional segments. Emerging areas such as clean energy electronics—including solar equipment, EV components, and hydrogen-based technologies—are gaining traction, supported by the government's sustainability push. With a combination of skilled design talent, cost efficiency, and progressive policies, India is fast becoming a preferred destination for global electronics manufacturing.

Indian electronics production split by end-user industries

Indian Electronics Production Split



Source: MeitY Annual Report, CareEdge Research
Note: P indicates Projected; CEA – Consumer Electronics and Appliances, IT – Information Technology, Others include Strategic Electronics, Wearables and Hearables, Electronics Components

End Users Industries CAGR (2023 - 2027P)	
Mobile Phones	32.5%
IT Hardware	62.5%
Consumer Electronics (TV, Audio, Accessories)	33.5%
Industrial Electronics	20.8%
Automotive	28.5%
LED Lighting	27.0%
Telecom Equipment	19.6%
Others	45.20%

Indian ESDM Industry

Overview of Indian ESDM Industry

India's ESDM sector may be just under three decades old, but its growth story is remarkable. Between 2005 and 2007, major investments from Jabil Circuits and Nokia sparked substantial further investments across India's ESDM landscape. Though Nokia exited its Indian operations around 2013–14, this pause was brief. By 2015, global ESDM players once again showed strong interest in India, and the sector began a steady upward trajectory.

Most leading mobile phone manufacturers and their supply-chain partners have set up manufacturing bases in India. This, together with strong government backing through initiatives such as 'Make in India' and PLI, positions the Indian ESDM industry well for further growth. Considering these developments, India's ESDM sector is poised to unlock its full potential, evolving into a global electronics manufacturing hub over the coming years.

Structure of Indian ESDM industry

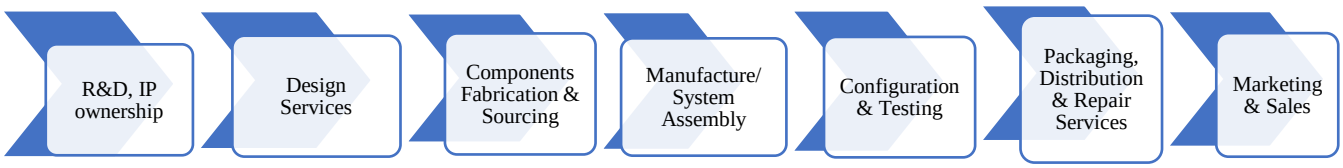
Global Companies (*Companies with global headquarters*)	Large Indian Companies (*Companies with annualized revenue of > INR 500 Crores*)	Mid/Small Indian Companies (*Companies with annualized revenue of < INR 500 Crores*)
- Bharat FIH Ltd - Flex Industries Pvt Ltd - Wistron Infocomm Mfg Pvt Ltd - Pegatron Technology India Pvt Ltd - Sanmina-SCI Technology India Pvt Ltd - Jabil Circuit India Pvt Ltd - Cyient DLM Ltd	- Kaynes Technology India Ltd - Dixon Technologies India Ltd - Amber Enterprises India Ltd - SFO Technologies Pvt Ltd - Syrma SGS Technology Ltd - Elin Electronics Ltd - Centum Electronics Ltd	- Avalon Technologies Ltd - VVDN Technologies Pvt Ltd - Rangsons Electronics Solutions Pvt Ltd - PG Electroplast Ltd

The Indian ESDM market comprises over 700 companies, spanning large, mid-sized, and small enterprises. The sector includes major global players such as Bharat FIH, Flex, Wistron, Pegatron, and Jabil, alongside prominent Indian companies like Kaynes Technology India Ltd, Dixon Technologies, Amber Enterprises, SFO Technologies, Syrma SGS, Elin Electronics, and Avalon Technologies. With favourable policy support and a strong focus on domestic value addition, indigenous ESDM companies are pursuing aggressive expansion and capacity-building strategies. With supportive government policies and a focus on strengthening local capabilities, domestic ESDM players are undertaking large-scale expansion and capacity enhancements, positioning the industry for sustained and accelerated growth in the years ahead.

Value Chain of Indian ESDM Industry

Indian ESDM companies operate under four main types of business models, which are as follows:

- ODM model
- EMS model
- Job work and
- After-sales service.



As of 2024, the EMS (Electronics Manufacturing Services) model dominates the Indian ESDM market, accounting for roughly 60% of the share, while the ODM (Original Design Manufacturing) model accounts for 31%. A key reason for the limited presence of ODMs is that many electronics manufacturers in India do not yet have fully developed R&D capabilities, primarily due to the high capital requirements and long gestation periods involved.

Despite this, India holds a competitive advantage in design services, as many global firms outsource design work to cost-efficient markets like India. As a result, several Indian ESDM companies are now expanding their offerings to include end-to-end design capabilities in addition to manufacturing and assembly.

India also demonstrates high maturity in supporting functions such as packaging, distribution, repair, sales, and marketing—enabling products to meet diverse regional standards and customer expectations. After-sales service, particularly repair and maintenance, remains important in the Indian market, where the "use-and-throw" mindset is not yet prevalent. ESDM companies that offer reverse logistics capabilities can gain a competitive edge by attracting more business from brands, while also contributing meaningfully to global e-waste management efforts.

Many players like Bharat FIH, Dixon, Flextronics, Kaynes, etc. are offering after- market services like repair, refurbishment, vendor management etc.

- Kaynes is a fully integrated electronics manufacturing company with a strong focus on IoT-enabled solutions, offering end-to-end services across the entire ESDM spectrum. Its comprehensive capabilities span from conceptual design to product realization and complete lifecycle support, enabling the development of both simple and highly complex electronic and IoT-enabled devices. With a robust and diversified portfolio, Kaynes follows a de-risked business

model, catering to a wide range of industry verticals. These include mission-critical sectors such as aerospace and defence, outer space, nuclear, and railways, as well as industrial, medical, automotive, IoT, and IT applications.

- Dixon Technologies is an EMS company, offering end-to-end design and manufacturing solutions across diverse segments including consumer electronics, home appliances, lighting, mobile devices, security systems, and wearables. With emphasis on innovation, quality, and scalability, Dixon serves top global and domestic brands through its vertically integrated, state-of-the-art manufacturing infrastructure.

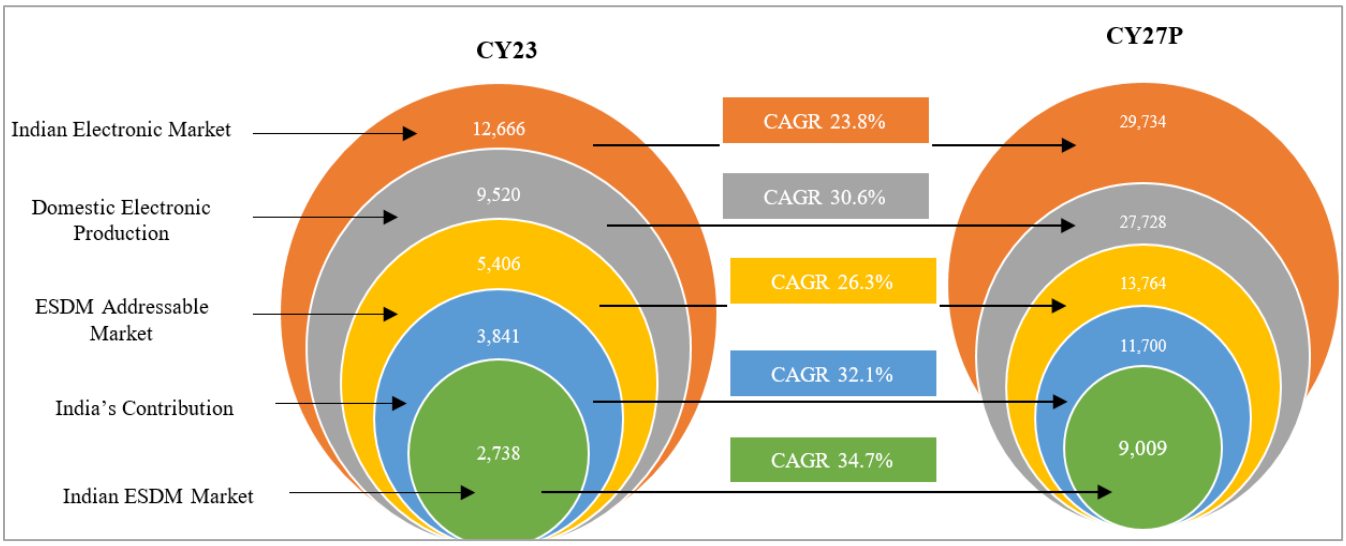
- Flextronics focuses on core manufacturing and supply-chain through automation, Industry 4.0 modernization, real-time supply-chain visibility, and vertically integrated industrial hubs while expanding proprietary offerings like IoT, automotive, medical, and energy sectors. By delivering value-added services such as forward/reverse logistics, circular economy solutions, and rapid fulfilment, Flextronics simplifies and accelerates product development and lifecycle management for customers across industries.

- Wistron Corporation is a Taiwan-based ODM offering services in product design, manufacturing, after-sales support, and recycling. It works across a range of information and communication technology (ICT) segments, including notebooks, servers, smart devices, medical and automotive electronics, and emerging technologies like AI and 5G.

Size of Indian ESDM industry

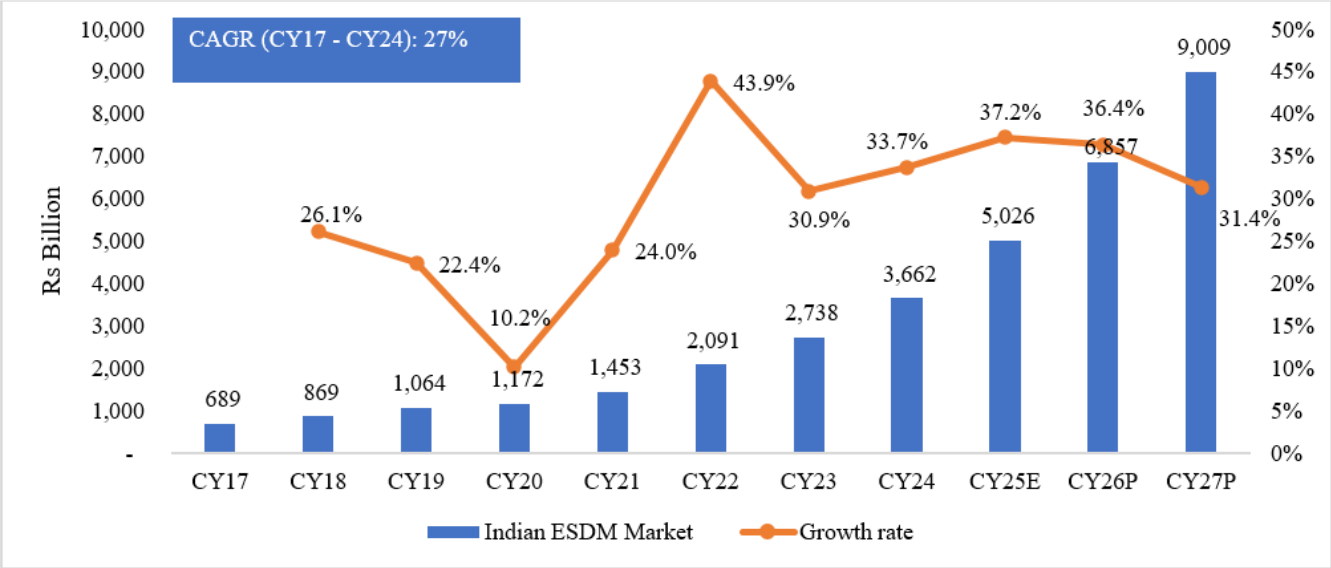
The Indian ESDM market was valued at ₹2,738 billion in 2023 and is projected to grow at a robust CAGR of 35%, reaching approximately ₹9,009 billion by 2027. This rapid growth is being fuelled by rising demand for consumer and industrial electronics, driven by a strong domestic economy. The need to reduce reliance on imports has brought renewed focus on local electronics production, with both industry players and the government showing increased interest. In addition, supportive policy measures and shifts in the global manufacturing landscape have positioned India as an attractive destination for electronics manufacturing investments.

Indian Electronics Market Vs ESDM Market



Source: Maia Research, MeitY Annual Report, CareEdge Research
Note: P indicates Projected

Indian ESDM market



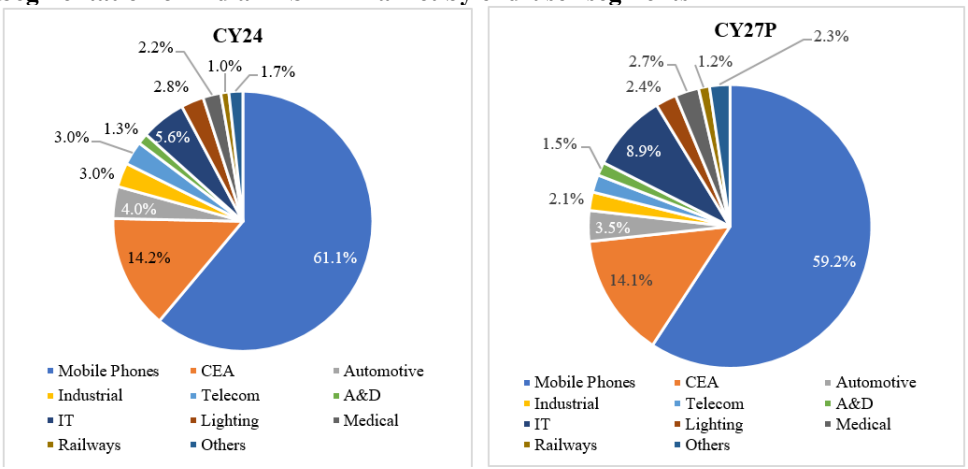
Source: Maia Research, CareEdge Research
Note: E indicates Estimated; P indicates Projected

Segmentation of the Indian ESDM market by key end-use industries

Mobile Phones, Consumer Electronics, Automotive, and Industrial Electronics segments account for nearly 82% share of the ESDM business in India. The scenario is however likely to change as Indian ESDM companies are gearing up to manufacture IT and IT related products in India. Share of IT segment in Indian ESDM market is expected to increase from 5.6% in 2024 to 8.9% in 2027. The segment is expected to grow at more than 55% CAGR over the next three years.

End User Segments CAGR (2024 - 2027P)	
Mobile Phones	33.6%
CEA	34.6%
Automotive	29.3%
Industrial	19.8%
Telecom	18.4%
A&D	40.9%
IT	57.5%
Lighting	27.8%
Medical	43.9%
Railways	45.3%
Others	48.9%

Segmentation of Indian ESDM market by end-user segments



Source: Maia Research, CareEdge Research
Note: P indicates Projected, CEA – Consumer Electronics and Appliances, IT – Information Technology products
Others include energy and power, Agri Tech and EdTech

- **Mobile Phones:** Mobile phone manufacturing continues to be the largest and most dynamic segment of India's EMS sector, showing strong and steady growth. As of Fiscal 2024, India has become the world's second-largest mobile phone manufacturing hub, accounting for over 11% of global handset production. The value of mobile phones manufactured domestically stood at approximately ₹4,220 billion, with local value addition on the rise, supported by government incentives and increasing localization of components.

  India's mobile ecosystem has developed rapidly alongside technological advancements from the limited capabilities of 3G to the widespread adoption of 4G and VoLTE, which significantly expanded internet access across both urban and rural regions. The rollout of 5G in 2023 has accelerated the momentum, enabling advanced connectivity, industrial use cases, and greater demand for next-generation devices and network infrastructure. This ongoing technological shift continues to strengthen India's role in the global mobility landscape, not only as a major producer but also as a large and growing consumer and innovator in the mobile space.

- **Consumer Electronics & Appliances (CEA):** In India, CEA hold the second-largest share of the market after mobile phones. A large share of the CEA market is made up of small and kitchen appliances. As demand for electronic components continues to rise, it is expected that EMS providers and Tier-1 suppliers will increasingly focus on developing a stronger component manufacturing ecosystem within the country. Growing income levels and rapid technological advancements are key factors driving sales, as consumers often upgrade to newer technologies more quickly. The expansion of digital technologies and improved connectivity infrastructure has opened up previously untapped markets, attracting the attention of consumer electronics brands.

- **Automotive:** Automotive electronics sales in India are projected to rise, supported by increasing income levels and growing demand for enhanced in-vehicle digital experiences. Greater awareness of advanced safety features and communication technologies are also factors for this growth. Additionally, automakers are increasingly integrating embedded connectivity solutions, further driving the expansion of this segment.

- **Industrial:** Industrial electronics are essential for enhancing operational efficiency, automation, and productivity across sectors such as energy, transportation, manufacturing, and mining. In India, the demand for industrial electronics is rising due to increasing automation and the adoption of Industry 4.0 technologies. These include robotics, intelligent sensors, and IoT-enabled systems that enable real-time monitoring and control.

  Key applications also involve power conditioning systems using power electronic switches, sensors, actuators, and smart meters. According to the Ministry of Heavy Industries and MeitY, government initiatives such as the National Smart Grid Mission and Smart Cities Mission are further driving the automation equipment in industrial processes. With the growing push toward digitization and sustainability, industrial electronics will continue to play a pivotal role in modernizing Indian industry and supporting sectors like renewable energy, semiconductor manufacturing, and electric mobility.

- **Telecom:** The telecom electronics segment holds significant growth potential, particularly for products like GPON, IP PBX, media gateways, routers, and modems. Among these, routers, GPONs, and modems are expected to remain major revenue drivers in the telecom and networking products space over the coming years. The rollout of 5G is set to accelerate growth in technology-driven sectors such as IoT, smart cities, and smart agriculture. With its higher data speeds and low latency, 5G will support advanced IoT and machine-to-machine (M2M) applications, including autonomous vehicles and immersive technologies like virtual and augmented reality. To meet the evolving demands of this sector, OEMs require strong technical capabilities, particularly in manufacturing complex and large-scale PCBAs, along with the flexibility to scale up production rapidly.

- **Medical:** India's medical devices market is undergoing rapid transformation, driven by technological advancements, shifting healthcare needs, and evolving regulatory frameworks. Over the past decade, both the healthcare and medical device sectors have witnessed significant growth. However, a large gap still exists between the demand and supply of medical devices in the country. This under-penetration presents a strong opportunity for domestic manufacturing. Recognizing this, several Indian and international medical device manufacturers are expanding their presence in the country to meet unmet demand and tap into the growing market. As innovation becomes crucial for staying competitive, the industry is increasingly focused on developing affordable, high-quality solutions tailored to the needs of the Indian healthcare ecosystem.

Growth Drivers for Indian ESDM Industry

Several key factors are contributing to the strong growth momentum of the Indian ESDM industry. These include:

- Increasing per capita consumption of electronic goods across India
- Supportive government initiatives such as the Production Linked Incentive (PLI) and Design Linked Incentive (DLI) schemes
- A focus on reducing import dependence and boosting domestic value addition
- Global efforts to diversify supply chains and reduce concentration risks
- International brands seeking alternative manufacturing bases beyond China
- India's broader vision of export-led growth as part of its goal to become a USD 5 trillion economy; and
- Competitive cost structures and access to a large, skilled, and youthful workforce.

In addition, both Indian and global companies are actively investing in electronics and semiconductor manufacturing, creating a strong pipeline of capacity expansion and technology development that is expected to further accelerate the industry's progress.

Outsourced Semiconductor Assembly and Test (OSAT) Market

Overview of Global Semiconductor Market

Semiconductors, characterized by their adjustable electrical properties, serve as essential components in the functionality of modern devices such as smartphones. In 2024, TSMC (USD 97.7 billion) led the industry in semiconductor revenue, followed by Samsung (USD 63 billion) and Intel (USD 52.6 billion). Globally, the semiconductor market rebounded sharply in 2024, reaching USD 627.6 billion, an 19.1% year-on-year increase, and is estimated to grow to approximately USD 700 billion in 2025.

Driving this growth is a surge in demand for AI/data-center chips, which alone is expected to generate USD 116 billion in revenue in 2025, making data centers the second-largest semiconductor segment after smartphones. The broader chip market is forecast to expand further at a CAGR of 13% – 13.5% (2025–2034), projected to reach between USD 1.7 trillion and USD 1.8 trillion by 2034.

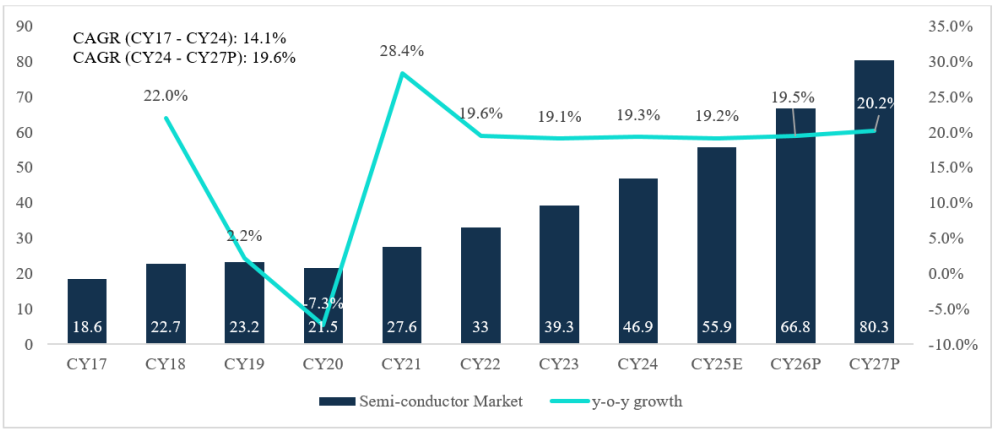
Overview of Indian Semiconductor Market

The semiconductor industry has experienced substantial growth, fuelled by the widespread adoption of 5G technology, rising demand for high-performance processors in cryptocurrency mining, and government-led digital transformation initiatives. However, global supply chain disruptions, intensified by escalating tensions between the United States and China in the recent past had contributed to semiconductor shortages. As of mid-2025, the global semiconductor shortage has largely abated, but challenges persist in certain sectors and regions. The Indian semiconductor market, valued at around USD 46.9 billion, in CY24 which grew at a CAGR of 14.1% between CY17 and CY24.

The semiconductor shortage that profoundly disrupted the automotive, smartphone, and personal computing sectors during the COVID-19 pandemic, has since transitioned into an oversupply, impacting leading manufacturers such as TSMC and SMIC. The pandemic's disruption severely constrained supply chains and manufacturing capabilities, resulting in extended lead times for customers and a marked decline in automotive production. Following this period, supply conditions have stabilized, prompting governments across India, the United States, China, Japan, and Europe to introduce comprehensive incentive programs designed to promote domestic semiconductor manufacturing and lower dependence on foreign imports.

India, with its population surpassing 1.4 billion and a well-established education system, is well-positioned to develop into a major global hub for semiconductor talent. The Government of India is investing USD 10 billion in the India Semiconductor Mission ("**ISM**") to boost R&D, manufacturing incentives, and the DLI scheme for Fabless startups. Despite challenges like high capital investment, government incentives aim to position India as an attractive destination for semiconductor manufacturing. The Indian semiconductor market is anticipated to achieve a valuation of USD 80.3 billion by 2027, reflecting a robust CAGR of 19.6% between 2024 to 2027.

Trend in Indian Semiconductor Market (USD Billion)

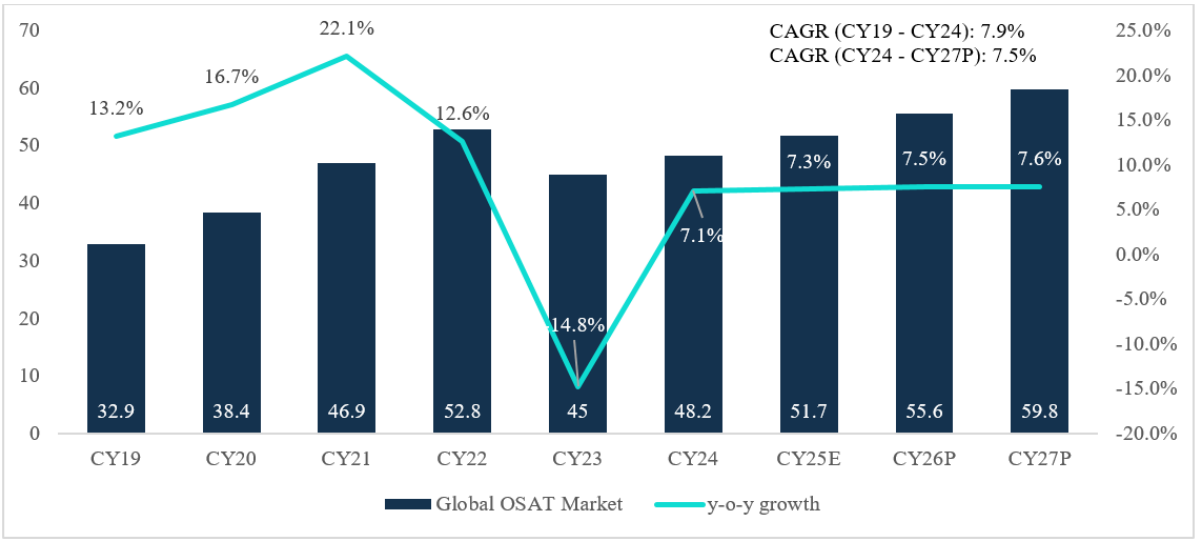


Source: Maia Research, CareEdge Research
Note: E indicates Estimated, P indicates Projected

Global Outsourced Semiconductor Assembly and Test (OSAT) market

Outsourced Semiconductor Assembly and Test (OSAT) firms provide specialized third-party services for the packaging, assembly, and testing of integrated circuits (ICs), including advanced packaging formats like QFN, BGA, and WLCSP.
OSATs serve as essential strategic partners to integrated device manufacturers (IDMs), foundries, and fabless semiconductor companies. They primarily provide packaging solutions for silicon devices fabricated by foundries and carry out rigorous testing to verify device performance and reliability prior to market launch.

Trend in Global OSAT Market Size (USD billion)



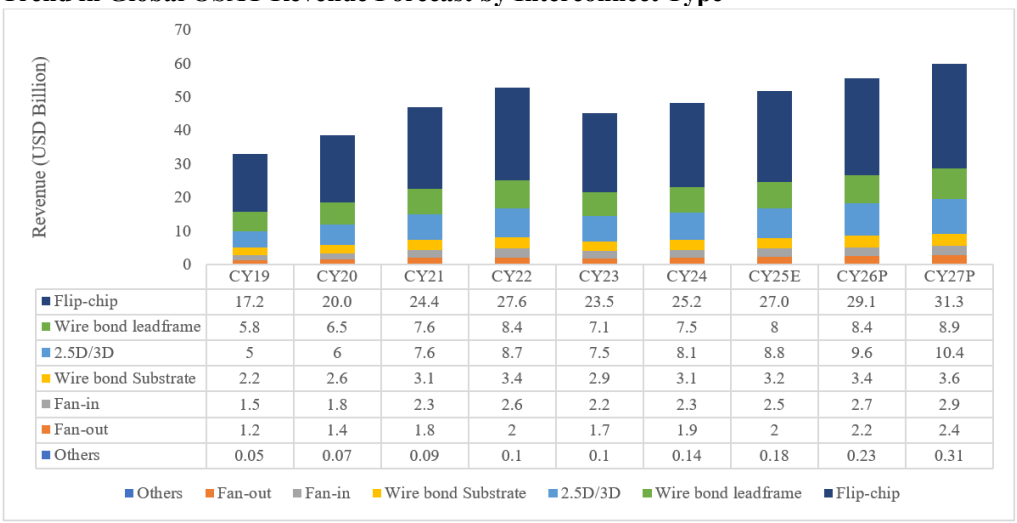
Source: Maia Research, CareEdge Research
Note: E indicates Estimated, P indicates Projected

The OSAT market is projected to grow from USD 48.2 billion in 2024 to USD 59.8 billion by 2027, at a CAGR of 7.5%. The industry demonstrated strong growth in the past, USD 33 billion in 2018 to USD 52.8 billion in 2021. The industry, however, decreased in 2023 to USD 45 billion. Challenges like decreased consumer electronics demand and declining cloud service needs have impacted the OSAT market negatively in 2023.

OSAT Revenue Forecast by Interconnect Type

The chart below depicts the projected growth of the global OSAT market across various interconnect types between 2019 and 2027. Notable trends include a rising demand for advanced packaging solutions like 2.5D/3D and Flip-chip, with their market share increasing steadily. Fan-out packaging also experiences consistent growth, while wire bond substrate and lead frame technologies demonstrate sustained demand.

Trend in Global OSAT Revenue Forecast by Interconnect Type



	CY19	CY20	CY21	CY22	CY23	CY24	CY25E	CY26P	CY27P
Flip-chip	17.2	20.0	24.4	27.6	23.5	25.2	27.0	29.1	31.3
Wire bond leadframe	5.8	6.5	7.6	8.4	7.1	7.5	8	8.4	8.9
2.5D/3D	5	6	7.6	8.7	7.5	8.1	8.8	9.6	10.4
Wire bond Substrate	2.2	2.6	3.1	3.4	2.9	3.1	3.2	3.4	3.6
Fan-in	1.5	1.8	2.3	2.6	2.2	2.3	2.5	2.7	2.9
Fan-out	1.2	1.4	1.8	2	1.7	1.9	2	2.2	2.4
Others	0.05	0.07	0.09	0.1	0.1	0.14	0.18	0.23	0.31

Source: Maia Research, CareEdge Research
Note: E indicates Estimated, P indicates Projected

Outsourcing plays a vital role in semiconductor manufacturing, with pure-play foundries (fabs) and OSAT providers being central to the ecosystem. OSAT firms deliver specialized third-party IC packaging and testing services, enabling faster processing speeds, improved performance, and enhanced functionality in electronic devices through innovative and cost-effective solutions. Nonetheless, the global OSAT market faces challenges from the rising trend of vertical integration, as semiconductor manufacturers and foundries increasingly internalize advanced packaging capabilities. This shift could constrain the growth and market share of traditional OSAT vendors. Despite this, the escalating complexity of semiconductor packaging and testing—driven by rapid technological progress and device miniaturization—poses significant hurdles for in-house manufacturing teams. This complexity, in turn, is expected to fuel sustained demand for OSAT services, reinforcing their critical role and driving growth in the global OSAT market.

OSAT Industry Global Landscape: Company Presence and Vertical Focus

OSAT companies play an important role in the semiconductor supply chain, supporting the production of a wide variety of electronic devices, including smartphones, computers, consumer electronics, and automotive systems. The global OSAT market is highly competitive, with leading companies such as ASE Group, Amkor Technology, JCET at the forefront. These firms offer diverse services and continually innovate to maintain their competitive edge in a rapidly evolving industry.

Key global OSAT Companies and their Industry Focus

ASE Group	Smartphones, computers, consumer electronics, automotive, industrial
Amkor Technology	Smartphones, computers, consumer electronics, communication, automotive
JCET	Smartphones, computers, consumer electronics, memory modules
Siliconware Precision Industries Co. Ltd. (SPIL)	Smartphones, computers, consumer electronics, power management, automotive
KYEC	Smartphones, computers, consumer electronics, industrial
Hana Micron	Smartphones, computers, consumer electronics, memory modules
Signetics	Smartphones, computers, consumer electronics, industrial
Unisem Group	Smartphones, computers, consumer electronics, power management
Walton Advanced Engineering	Smartphones, computers, consumer electronics, industrial
Powertech Technology Inc.	Smartphones, computers, consumer electronics, power management

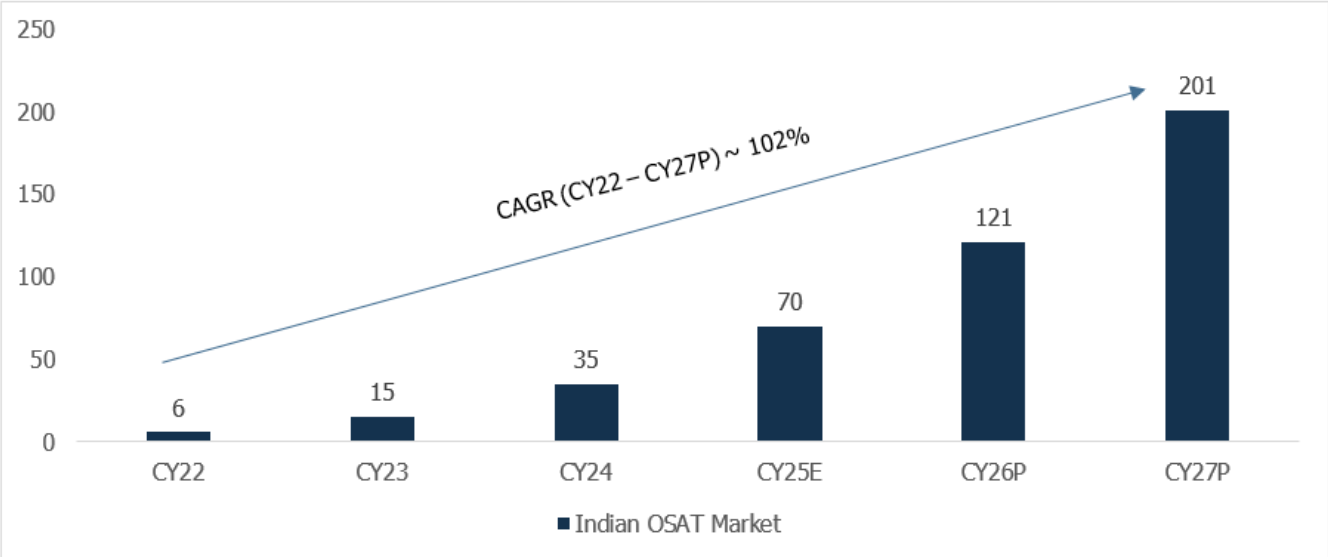
Indian OSAT Market

The Indian OSAT market is currently in its early stages of development; however, it holds substantial potential for growth in the coming years. It is projected to reach a market size of approximately USD 201 million by 2027. This growth could be further accelerated by the establishment of production facilities by major global OSAT players within the country. The Indian government's continued commitment to fostering a robust semiconductor ecosystem, combined with the nation's strengths in skilled labour, cost competitiveness, and strategic geographic location, is expected to significantly enhance the growth trajectory of the Indian OSAT market in the years ahead.

Fuelled by a combination of favourable factors such as the growing demand for electronics, strong government support, expanding domestic electronics manufacturing, cost competitiveness, a skilled workforce, strategic proximity to end markets,

and the integration of emerging technologies, the Indian OSAT market is well-positioned to become a key player in the global semiconductor industry. India has the potential to establish itself as a global leader in OSAT manufacturing, attracting prominent industry players and becoming a vital hub within the global semiconductor supply chain.

Trend in Indian OSAT market (USD Million)



Source: Maia Research, CareEdge Research
Note: E indicates Estimated, P indicates Projected

OSAT Industry Landscape in India: Company Presence and Vertical Focus

The semiconductor industry is experiencing a significant transformation, with India swiftly emerging as a crucial contributor to the semiconductor ecosystem. Supported by a strong talent pool of skilled engineers and proactive government measures to promote semiconductor manufacturing, India has attracted leading OSAT companies. The table below offers a comprehensive overview of key OSAT firms operating in India and the industry sectors they serve:

OSAT Companies in India and industry focus

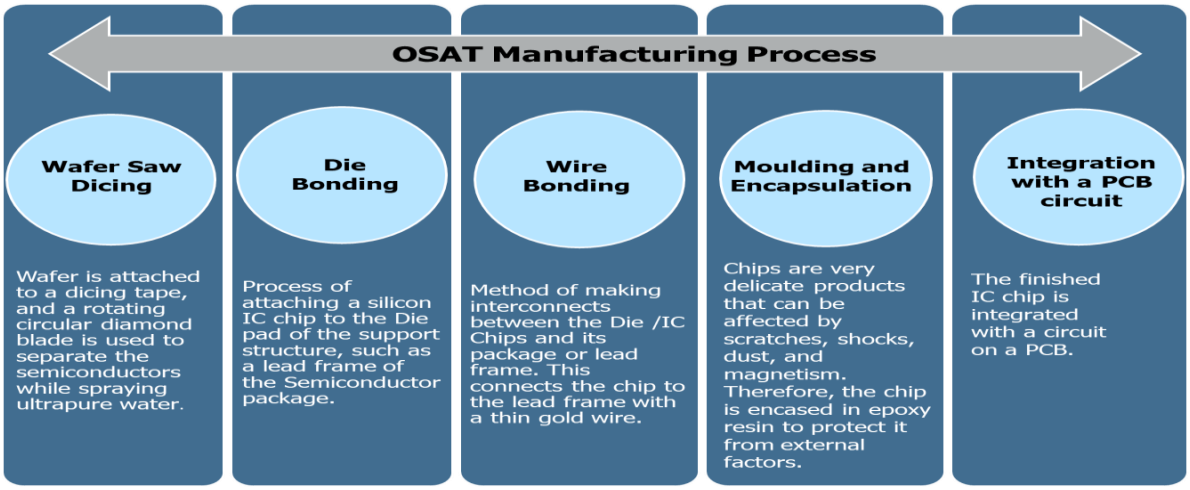
Kaynes Technology India Limited	Automotive, Industrial, Telecom, Aerospace & Defence, Medical, Railways, IoT, IT, Consumer Electronics
VVDN	Automotive, Industrial, Telecom, Aerospace & Defence, Medical, Consumer Electronics, IoT
Sahasra Semicoductors	Automotive, Industrial, Telecom, Aerospace & Defence
Micron	Memory, 2.5D and 3D wafer-level packaging, Co-Packaged Optics
CG Power and Industrial Solutions	High-performance computing, Networking
Mphasis	IT, Enterprise Systems, Software Solutions
HCL Technologies Limited	IT Services, BPO, Business Consulting
Tata Technologies	Aerospace, Defence, Automotive, Industrial, Consumer Electronics
Hindustan Aeronautics Limited	Aerospace, Defence
Bharat Electronics Limited	Aerospace, Defence, Telecom
Larsen & Toubro	Industrial, Power
Bharat Heavy Electricals Limited	Power, Infrastructure
Reliance Industries Limited	Retail, Petrochemicals

OSAT Manufacturing Process

The OSAT process represents a vital stage in the semiconductor manufacturing cycle. Companies operating in this domain provide specialized services such as packaging and testing of integrated circuits fabricated by foundries. By outsourcing these critical functions, semiconductor manufacturers are able to utilize expert capabilities and optimize cost efficiency, thereby guaranteeing that the final integrated circuits meet rigorous quality and performance criteria.

OSAT Manufacturing process

The OSAT process involves several essential stages such as die attach, wire bonding, mold encapsulation, testing, and packaging, all of which serve to convert semiconductor wafers into completed, functional integrated circuits ready for incorporation into a wide range of electronic devices. As a critical component of the semiconductor manufacturing lifecycle, the OSAT process ensures the seamless transition from raw wafers to finished products.



The following provides an overview of the primary steps involved in the OSAT process:

- **Package Design:** This initial stage involves defining the physical and electrical specifications of the semiconductor package, taking into account the device type, intended application, and required performance parameters to ensure optimal functionality.
- **Wafer Testing:** Prior to packaging, individual dies on the wafer undergo rigorous testing to detect defects and verify electrical performance, ensuring that only functional units proceed.
- **Die Separation:** The wafer is then carefully diced to separate individual semiconductor dies, a process requiring precision to avoid damage and maintain die integrity.
- **Die Bonding:** Each die is securely bonded to a substrate or lead frame, establishing a stable mechanical and thermal connection essential for device reliability.
- **Wire Bonding:** Fine wires, typically aluminium or gold, are bonded to create electrical pathways between the die and the substrate, enabling proper device operation.
- **Molding/Encapsulation:** The assembly is encapsulated with protective materials such as epoxy resin to shield the device from mechanical stress and environmental factors.
- **Marking and Singulation:** Packaged devices are marked with identification details, including part numbers and logos, then singulated into individual units for further processing.
- **Testing and Quality Control:** Comprehensive functional and electrical testing is conducted on the packaged devices to validate quality and performance in accordance with industry standards.
- **Final Inspection and Packaging:** A final quality inspection ensures conformity before devices are packaged into trays, tubes, or other containers, preparing them for shipment and integration.

Strategic Benefits and Technology Outlook

A. Strategic Benefits

The semiconductor manufacturing landscape has undergone a profound transformation with the advent and maturation of OSAT (Outsourced Semiconductor Assembly and Test) providers. These specialized entities occupy a critical role in the latter stages of semiconductor production, delivering substantial strategic benefits to semiconductor firms. Key advantages include enhanced cost efficiency, global scalability, and enabling manufacturers to concentrate on their core competencies, collectively accelerating the time-to-market for innovative semiconductor products.

Beyond their strategic impact, OSAT providers are instrumental in driving technological innovation within the semiconductor industry. They actively contribute to advancements in packaging methodologies, heterogeneous integration, and the persistent trend toward device miniaturization. This overview establishes the foundation for a detailed analysis of the strategic and technological value that OSAT providers impart to semiconductor manufacturing.

- **Capacity to Address Complex Packaging Demands:** OSAT and ATMP providers possess specialized technical expertise required to manage sophisticated packaging challenges inherent to advanced semiconductor technologies and diverse application requirements. Their capabilities ensure the delivery of tailored packaging solutions that meet the evolving needs of semiconductor manufacturers.

- **Expertise in Advanced Packaging Technologies:** Focused on innovation, OSAT/ATMP firms bring considerable proficiency in emerging packaging technologies. This expertise is essential to support the industry's increasing emphasis on miniaturization, enabling manufacturers to maintain technological leadership and accelerate product development cycles.

- **Sustained Commitment to Research and Development:** OSAT/ATMP entities prioritize ongoing investment in R&D to align with rapid technological progress and market trends. This commitment facilitates continual enhancements in assembly and testing techniques, thereby granting semiconductor manufacturers access to cutting-edge capabilities and improved process efficiencies.

- **Operational Agility and Reduced Turnaround Times:** The streamlined processes and operational flexibility of OSAT/ATMP providers result in expedited turnaround times, a critical factor in the semiconductor sector where rapid time-to-market is vital for competitive advantage.

- **Scalability and Responsiveness to Market Fluctuations:** OSAT/ATMP operations are designed for large-scale production while maintaining adaptability to changing demand patterns. This scalability and flexibility support a resilient supply chain capable of responding promptly to market dynamics.

- **Specialized Testing and Rigorous Quality Assurance:** OSAT/ATMP providers deliver advanced testing services alongside comprehensive quality control protocols. These processes ensure semiconductor devices comply with stringent quality standards, minimizing defect rates and enhancing product reliability.

- **Cost Optimization, Operational Efficiency, and Strategic Focus:** Collaboration with OSAT/ATMP providers enables semiconductor manufacturers to realize cost efficiencies and operational improvements through economies of scale and specialized expertise. Furthermore, outsourcing non-core functions allows manufacturers to concentrate resources on their primary competencies, fostering innovation, operational excellence, and sustained competitiveness within the evolving semiconductor ecosystem.

A. Technology Outlook

- **Advanced Packaging Technologies:** OSAT providers serve a critical function in the adoption and advancement of sophisticated packaging technologies, including System-in-Package (SiP), 2.5D, and 3D packaging. These technologies enable enhanced device integration, superior performance, and a reduction in semiconductor device form factors.

- **Heterogeneous Integration:** OSAT entities facilitate the implementation of heterogeneous integration, wherein disparate technologies, materials, and components are cohesively combined within a single package. This methodology significantly augments the performance and functionality of semiconductor devices

- **Miniaturization and Microelectronics:** OSAT facilities are at the forefront of supporting the continuing industry trend towards miniaturization. Their efforts are concentrated on the development of microelectronic devices that are increasingly compact and efficient.

- **Testing and Reliability Solutions:** OSAT providers allocate substantial resources towards advanced testing methodologies designed to ensure the reliability and operational integrity of semiconductor devices. Innovations in testing, including system-level evaluations and thermal analyses, contribute markedly to improved product quality.

- **Innovations in Materials and Substrates:** OSAT operations actively engage in the exploration and application of novel materials and substrate technologies aimed at enhancing thermal management, energy efficiency, and overall device performance. Such innovations are pivotal in addressing the evolving requirements of sectors such as automotive, Internet of Things (IoT), and telecommunications.

Key growth drivers for OSAT Market in India

Strategic Government Initiatives to Accelerate Semiconductor Manufacturing in India:

Acknowledging the critical importance of the semiconductor sector, the Government of India has implemented a series of strategic policies to stimulate its growth. The 'Make in India' campaign, initiated in 2014, serves as a foundational framework aimed at establishing India as a global manufacturing hub. A pivotal enabler within this framework is the Production Linked Incentive (PLI) scheme specifically designed for the electronics sector, which allocates an incentive package worth approximately USD 1.7 billion to attract semiconductor manufacturing investments. This initiative represents a transformative milestone, extending benefits not only to semiconductor manufacturers but also generating a multiplier effect by creating numerous skilled employment opportunities. Complementing the PLI scheme are additional government programs such as the Design Linked Incentive (DLI), Chips to Startup (C2S), and the Scheme for Promotion of Electronic Components and Semiconductors (SPECS). Further, the India Semiconductor Mission (ISM) is an initiative by the Government of India, aiming to establish the country as a global leader in semiconductor and display manufacturing. The mission seeks to reduce India's reliance on imported semiconductor chips and foster a self-reliant electronics manufacturing ecosystem. Collectively, these policies underscore the government's comprehensive commitment to nurturing a resilient semiconductor ecosystem and supporting stakeholders across the industry value chain.

Robust and Skilled Workforce:

India possesses a substantial pool of highly skilled professionals, which serves as a cornerstone for the country's expanding semiconductor industry. Over recent years, India has emerged as a global leader in semiconductor design engineering, boasting more than 100,000 VLSI design engineers who contribute extensively to the development of advanced chips for both multinational semiconductor corporations and domestic design service firms. These professionals are integral to all stages of the design lifecycle, including specification, architecture, physical design, verification, manufacturing support, and post-silicon testing and qualification. To sustain and expand this talent base, the government has initiated several educational reforms and skill development programs. The All-India Council for Technical Education (AICTE) has revised curricula to better align with industry requirements, while fostering increased collaboration with the semiconductor sector to further enhance India's talent pipeline.

Growing Demand for Medical Devices:

The OSAT industry is witnessing accelerated growth driven by rising demand within the medical device sector. This trend has significantly increased the need for semiconductor components used in medical instrumentation. For instance, healthcare expenditure across 20 OECD countries experienced a marked increase in July 2023, reflecting substantial investments in a wide range of medical devices such as blood pressure monitors, glucose meters, heart rate monitors, wearable fitness trackers, and continuous glucose monitors. This surge in medical device manufacturing has consequently amplified the demand for OSAT services.

Expanding Demand from Aerospace and Defense:

The aerospace and defense sectors are contributing to a notable uptrend in the demand for OSAT services, primarily due to their stringent requirements for high-reliability and precision electronics. OSAT providers offer specialized assembly and testing solutions that ensure compliance with the rigorous quality standards and durability demands characteristic of these critical industries.

Increasing Collaboration Between Software and Semiconductor Manufacturing:

Market growth is further propelled by enhanced collaboration between software developers and semiconductor manufacturers, particularly in advancing High-Density Advanced Packaging (HDAP) technologies. A prominent example is the partnership formed in February 2022 between Siemens Digital Industries Software and Advanced Semiconductor Engineering Inc., which

led to the introduction of two innovative HDAP enablement solutions. These solutions facilitate the efficient design and evaluation of complex integrated circuit package assemblies and interconnect configurations within a user-friendly, data-rich graphical environment. This collaboration exemplifies the industry's drive toward pushing technological boundaries in semiconductor packaging.

Opportunities In Indian Bare PCB Market

Global PCB Market

The global Printed Circuit Board (PCB) market continues to serve as a vital component of the electronics manufacturing ecosystem, offering the essential infrastructure for electronic interconnectivity across a wide spectrum of devices—including smartphones, laptops, electric vehicles, industrial machinery, medical equipment, and aerospace systems. The global PCB market was valued at approximately USD 73.6 billion in 2024 and is projected to grow at a CAGR of 5.2%, to reach around USD 121.9 billion by 2034. This growth is primarily fuelled by increasing demand for high-performance, compact electronic devices; the global rollout of 5G networks; the accelerating shift toward electric mobility; and the rapid expansion of industrial IoT and AI-driven infrastructure. Technological innovations in multilayer designs, HDI, and flexible PCBs are further reinforcing this upward trajectory. Notably, the flexible PCB segment alone has been estimated to reach a market value of nearly USD 22 billion in 2024. The Asia-Pacific region continues to dominate global PCB market, accounting for more than 70% of total market size, led by China, Taiwan, South Korea, and India. As electronics become increasingly complex and integrated, the PCB market is expected to play an even more vital role in enabling the next generation of digital technologies.

Revenue Contribution of Various End User Segment in the Global PCB Market

Globally, the PCB market is dominated by mobile phones and telecom segment, which accounts for 27% share of the global PCB market. This is followed by computer hardware, automotive, consumer electronics, and medical electronics segments which account for 28%, 14%, 11%, and 5% share respectively. Other segments that contribute to the global PCB market are power and energy, lighting, and strategic electronics. With the advent of many new technologies such as renewables, hydrogen, amongst others, share of power and energy in the global PCB market is expected to increase in the coming years.

The High-Density Interconnect (HDI) PCB market represents a high-growth segment within the broader PCB industry, driven by rising demand for smart wearables, connected devices, and the ongoing miniaturization of electronic components. The integration of advanced technologies is further accelerating market expansion, positioning global HDI circuit board manufacturers for robust growth in the years ahead. The Asia-Pacific region is projected to lead this growth trajectory and this dominance is attributed to the region's strong consumer demand for electronics and the concentration of major PCB manufacturing hubs.

Consumer Electronics:

PCBs are integral to consumer electronics, serving as the foundational infrastructure in devices such as smartphones, laptops, tablets, televisions, and gaming consoles. These applications require high-performance PCBs capable of supporting complex circuitry, miniaturization, and high-speed data transmission. The rising adoption of wearable technology—such as smartwatches and fitness trackers—is further fuelling demand for compact, lightweight, and flexible PCB solutions.

Automotive:

In the automotive sector, PCBs are indispensable for the operation of numerous systems, including engine control units, body control modules, infotainment systems, and advanced driver-assistance systems (ADAS). Automotive PCBs must adhere to rigorous standards for reliability, thermal stability, and environmental resistance to endure the challenging operational conditions. The accelerating shift toward electric vehicles (EVs) and the integration of ADAS are significantly boosting demand for high-performance PCBs in this industry.

Telecommunications:

Telecommunications infrastructure—comprising base stations, routers, switches, and related network equipment—relies on PCBs to facilitate high-speed signal transmission and maintain seamless connectivity. PCBs in this domain are required to exhibit high signal integrity, minimal latency, and exceptional reliability. With the global rollout of 5G networks and the ongoing expansion of broadband infrastructure, demand for technologically advanced PCBs in the telecommunications sector is on the rise.

Industrial Automation:

PCBs are central to industrial automation, supporting the functionality of control systems, programmable logic controllers (PLCs), and a wide array of industrial equipment. These applications demand PCBs that are not only robust and reliable but also capable of withstanding harsh industrial environments. The proliferation of Industry 4.0 technologies and the evolution of smart manufacturing practices are creating significant opportunities for PCB integration within the industrial automation landscape.

Medical Devices:

PCBs serve as critical components in medical devices such as pacemakers, hearing aids, diagnostic instruments, and imaging systems. These applications necessitate compliance with strict safety, reliability, and biocompatibility standards. Ongoing advancements in medical technology, coupled with the increasing demand for minimally invasive diagnostic and therapeutic procedures, are driving the need for highly precise and reliable PCBs in the healthcare sector.

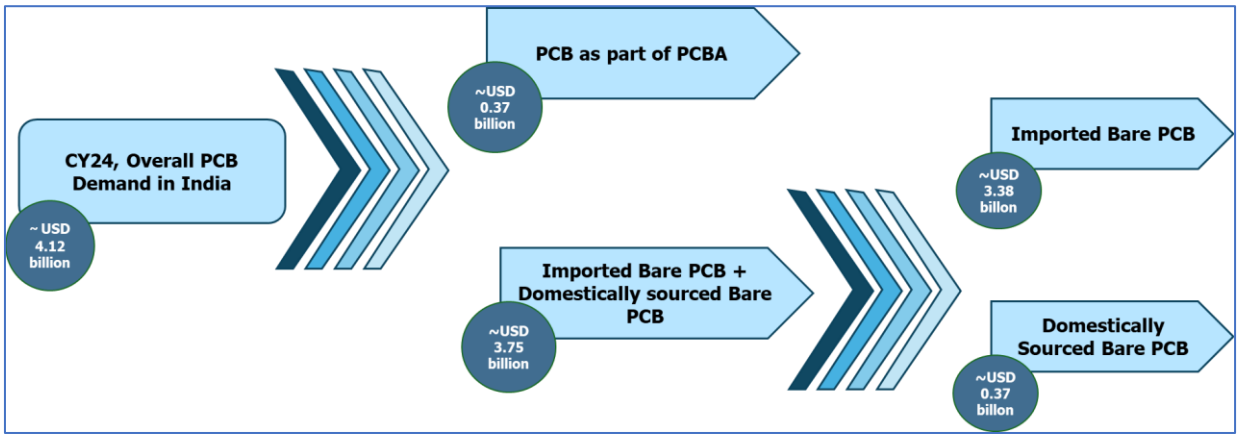
Aerospace and Defence:

PCBs play a vital role in aerospace and defense systems, providing essential support for avionics, satellite communications, navigation systems, and missile technologies. These applications require PCBs that meet the most stringent performance, durability, and environmental resilience criteria, as they must function reliably in extreme and mission-critical environments. The growing investment in advanced aerospace and defense technologies is fuelling demand for cutting-edge, high-reliability PCB solutions.

Overview of the Indian Bare PCB Market

Between 2017 and 2024, India's bare-PCB segment has expanded from USD 1.40 billion to approximately USD 3.75 billion, reflecting a CAGR of about 15.1%. Bare PCBs continue to represent the majority (>60%) of India's total PCB output, underpinned by rapid growth in consumer electronics, telecom, computing, automotive and industrial applications.

Supported by government-led Production-Linked Incentive (PLI) schemes for electronic components and driven by the global shift toward "China +1" supply chain diversification, India's domestic PCB industry is experiencing significant growth. This expansion is further boosted by substantial investments in advanced multilayer and High-Density Interconnect (HDI) technologies, enabling the ecosystem to address rising domestic demand while seizing emerging export opportunities. Looking ahead, Indian PCB manufacturers are strategically targeting next-generation technologies including flexible, rigid-flex, and high-density boards to elevate their technological capabilities and capture greater value within the global semiconductor supply chain.

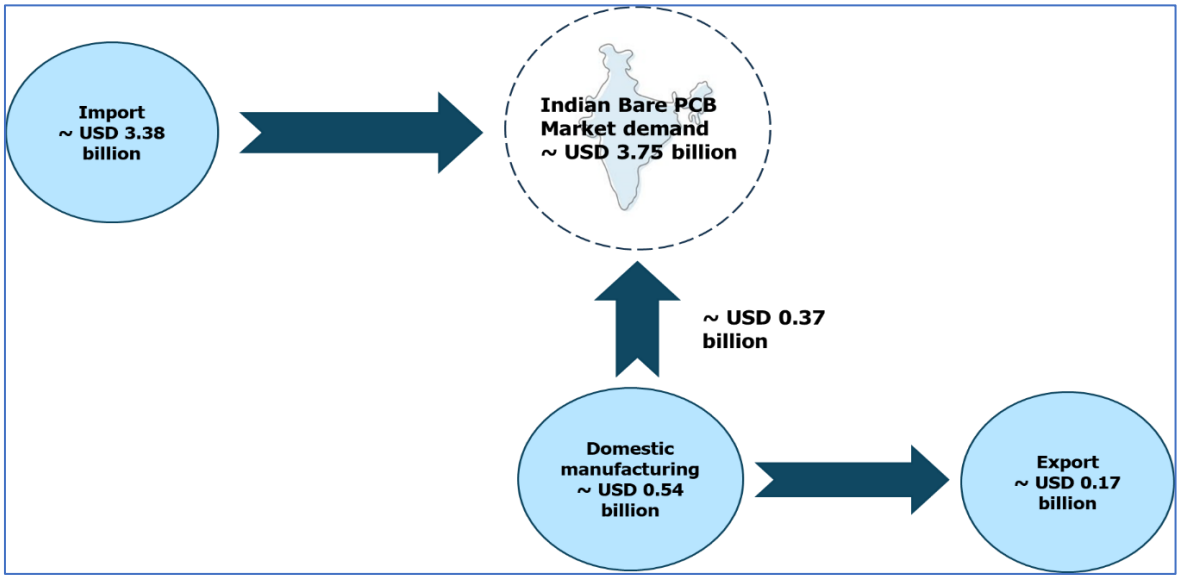


Source: Maia Research, CareEdge Research

Composition of Indian bare PCB market, 2024

Indian PCB manufactures have sold bare PCB worth USD 0.54 billion in CY24. Apart from supplying USD 0.37 billion worth of Bare PCB in the domestic market, the industry has also generated decent revenue of USD 0.17 billion through exports, albeit through select suppliers namely, AT&S, Shahasra Electronics, Meena Circuits, Cipsa Tec, amongst others. Despite the strong growth in electronics manufacturing in the country, the domestic PCB manufacturing scenario has not changed much in the recent past. There is strong headroom for growth in domestic manufacturing of Bare PCBs.

Bare PCB supplied by domestic manufacturers, 2024



Source: Maia Research, CareEdge Research

Domestic Bare PCB Supply Landscape

AT&S India Ltd. is one of the largest producers of bare PCBs in the country, with an estimated more than 20% share of the domestic market. The company manufactures advanced multilayer and high-density interconnect (HDI) PCBs for a wide range of applications, including smartphones, consumer electronics, tablets, ultrabooks, wearables, automotive systems, industrial equipment, and medical devices.

Other key domestic manufacturers include Epitome Components, Shogini Technoarts, Ascent Circuits, and Genus Electrotech, they together hold approximately 35% of the market, serving both domestic and international customers. Additionally, emerging players such as CIPSA-TEC, PCB Power, India Circuit, Nano Electrotech, and Hi-Q Electronics are investing in flexible, rigid-flex, and HDI technologies to meet evolving industry needs and advance India's goal of reducing import dependence in electronics manufacturing.

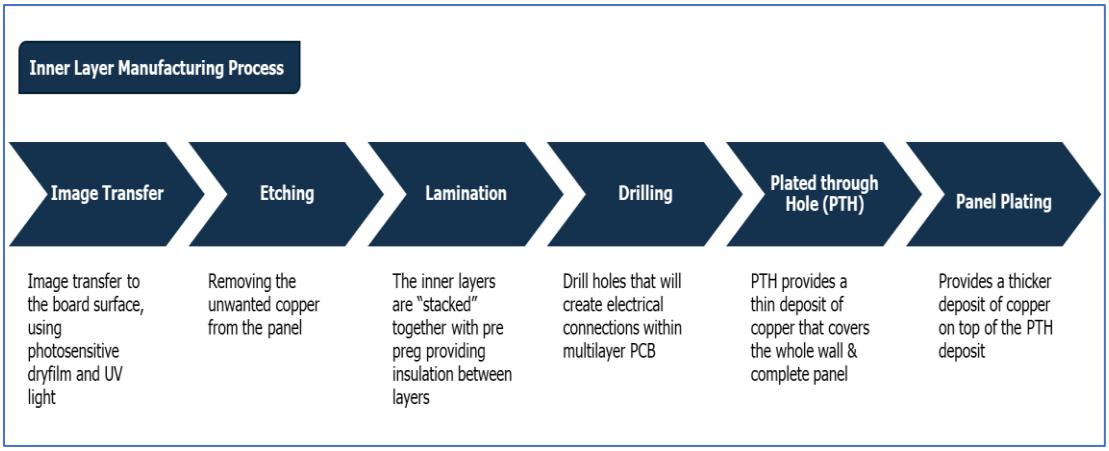
Expected Growth in Bare PCB Demand in India

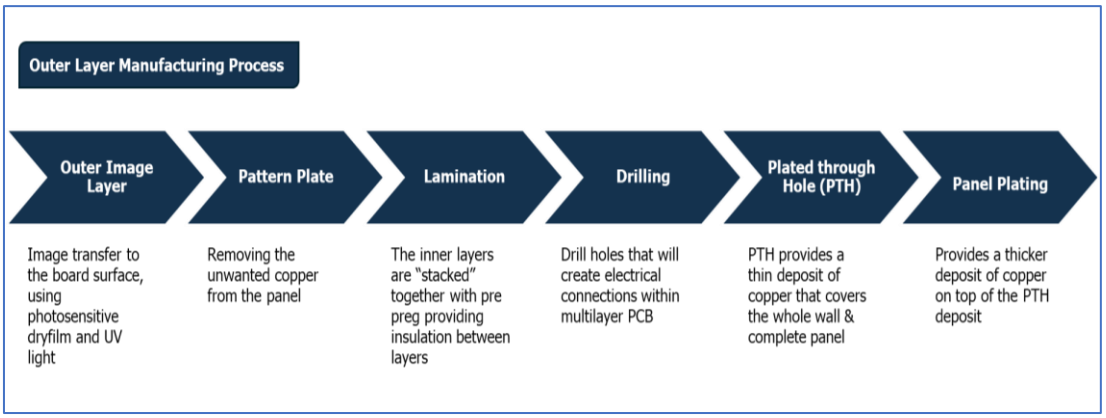
PCBs, being integral to all electronic devices, are poised for substantial demand growth over the next several years. With the Indian electronics industry progressing towards greater maturity, a significant portion of this demand is expected to be for bare PCBs, while assembly operations are anticipated to be increasingly localized within the country.

The overall demand for PCBs in India is projected to grow at a CAGR of 24.2%, from 2024, reaching approximately USD 7.9 billion by 2027. Bare PCBs are expected to comprise more than 90% of this demand. Specifically, the market for bare PCBs is projected to grow at a CAGR of 24.8% during the period 2024 to 2027 to reach approximately USD 7.3 billion in 2027.

Bare PCB Manufacturing Process

The bare PCB manufacturing process is a complex series of steps that involves transforming a raw substrate material into a finished PCB. The process can be broadly divided into six main stages:





- **Panel Preparation:** The manufacturing process begins with panel preparation, wherein the substrate, typically a fiberglass-reinforced epoxy resin panel is cleaned and inspected for defects. The cleaned substrate is then laminated with a photosensitive dry film, which serves as the medium for transferring the circuit pattern onto the board.

- **Pattern Transfer:** In this stage, the circuit layout is transferred onto the dry film through ultraviolet (UV) exposure. A photomask, which contains the desired circuit pattern, is placed over the film. UV light selectively exposes the pattern areas, hardening the photoresist where the circuit is to be formed, while unexposed areas remain soluble.

- **Etching:** Following pattern transfer, the panel undergoes a chemical etching process. The etchant removes unprotected copper from the substrate, leaving behind the desired copper traces that form the electrical circuit. This step defines the conductive pathways on the PCB.

- **Drilling and Routing:** Subsequently, the PCB is subjected to mechanical drilling and routing. Holes are drilled to accommodate component leads or vias, and routing operations are performed to shape the board and isolate circuit traces, ensuring electrical separation and preventing short circuits.

- **Solder Mask Application:** Once drilling and routing are completed, a solder mask is applied. This protective coating covers non-conductive areas of the board, preventing solder bridging during component assembly and enhancing the board's durability and reliability.

- **Surface Finishing:** The final stage involves surface finishing, wherein a thin metallic coating—such as nickel, gold, or other suitable material is applied to the exposed copper areas. This finish protects the copper from oxidation and enhances solderability during assembly. Upon completion of surface finishing, the bare PCB is ready for assembly, which includes component placement, soldering, and functional testing to ensure compliance with design specifications and performance requirements.

Key Growth Drivers for the Indian Bare PCB Market

The growth trajectory of the Indian bare PCB market closely aligns with that of the domestic electronics manufacturing sector, commonly referred to as the ESDM industry. On account of India's increasing efforts to localize electronics manufacturing and assembly, the reliance on imported PCB assemblies is projected to decrease substantially. Consequently, a significant portion of future PCB demand is expected to be met through domestically produced bare PCBs. In addition to the drivers discussed in previous sections, several other factors are contributing to market expansion:

- **Expanding Demand Across Key End-Use Segments:** The growing adoption of wearable electronics, smartphones, aerospace and defence systems, and medical devices is generating sustained demand for high-quality bare PCBs.

- **Innovation in Product Design and Miniaturization:** Rising investments in the development of smaller, more compact, and high-performance electronic devices are driving the need for advanced multilayer and high-density interconnect (HDI) PCBs.

- **Digital Transformation Across Industries:** The digitization and modernization of sectors such as industrial automation and healthcare electronics are further contributing to PCB demand by increasing the complexity and volume of electronic components required.

- **Trend Toward Computer Miniaturization:** The ongoing shift toward compact computing solutions is fuelling demand for miniaturized, high-efficiency PCB designs.

- **Supportive Government Initiatives:** National programs such as *Digital India* and *Skill India* are promoting widespread adoption of digital devices, thereby enhancing demand for domestically manufactured electronic components, including bare PCBs.

Strategic benefits of Manufacturing Bare PCB

The expansion of bare PCB manufacturing in India presents several strategic benefits for the country's electronics ecosystem. These advantages span across operational efficiency, innovation, supply chain resilience, and market competitiveness.

Vertical Integration of the Electronics Manufacturing Ecosystem: The growth of domestic bare PCB production is expected to drive vertical integration within the electronics manufacturing sector. Increasingly, electronics companies are likely to internalize PCB fabrication as part of their operations. This integration offers several key benefits:

- **Cost Efficiency and Operational Optimization:** In-house PCB manufacturing allows companies to streamline processes, reduce production costs, and enhance supply chain control.
- **Improved Quality Assurance:** Direct control over PCB fabrication enables stricter quality standards and better alignment with product specifications.
- **Accelerated Product Development:** Vertical integration reduces dependency on third-party suppliers, thereby shortening product development cycles and expediting time to market.

Acceleration of Innovation and Time-to-Market: A robust domestic PCB manufacturing ecosystem will foster innovation and significantly reduce time-to-market for new electronic products. Key enablers include:

- **Collaborative Product Development:** Proximity between PCB manufacturers and electronics OEMs facilitates closer collaboration, enabling faster design iterations and co-development of customized solutions.
- **Access to Advanced Technologies:** Local manufacturers adopting cutting-edge PCB technologies will support innovation in form factor, performance, and product functionality.
- **Reduced Lead Times:** Domestic capabilities in rapid prototyping and production reduce delays, allowing electronics firms to respond swiftly to market needs.

Strengthening of the Supply Chain and Future Readiness: Scaling up bare PCB manufacturing will enhance India's electronics supply chain resilience and prepare the sector to meet future technological demands:

- **Lower Dependence on Imports:** Domestic production mitigates risks associated with global supply chain disruptions and geopolitical uncertainties.
- **Enhanced Agility and Resilience:** A localized supply base enables quicker responses to changing market dynamics and demand surges.
- **Readiness for Emerging Technologies:** Establishing a strong PCB manufacturing foundation positions India to effectively support next-generation technologies such as IoT, 5G, electric mobility, and AI-driven devices.

Enhanced Value Proposition for Customers: Strategic investments in bare PCB manufacturing will empower Indian electronics firms to deliver greater value to end customers:

- **Competitive Pricing:** Reduced production costs will translate into more affordable electronics products, improving market competitiveness.
- **Shorter Delivery Cycles:** Local sourcing of PCBs will significantly reduce turnaround times, resulting in faster order fulfilment.
- **Greater Customization Capabilities:** Proximity and control over the manufacturing process allow for more tailored PCB designs, meeting specific customer and application requirements.

Financial Analysis of key ESDM companies in India

Revenue from Operations (Rs million)	Fiscal 2023	Fiscal 2024	Fiscal 2025
Kaynes Technology India Limited	11,261.1	18,046.2	27,217.5
Dixon Technologies (India) Limited	1,21,920.1	1,76,909.0	3,88,601.0
Amber Enterprises India Limited	69,271.0	67,292.7	99,730.2
Avalon Technologies Limited	9,447.2	8,671.7	10,981.3
Elin Electronics Limited	10,754.3	10,417.2	11,802.1
Syrma SGS Technology	20,483.9	31,538.4	37,866.9

EBITDA (Rs million)	Fiscal 2023	Fiscal 2024	Fiscal 2025
Kaynes Technology India Limited	1,683.2	2,541.7	4,107.0
Dixon Technologies (India) Limited	5,183.6	7,201.9	11,170.5
Amber Enterprises India Limited	4,706.0	5,448.5	8,369.8
Avalon Technologies Limited	1,127.9	773.5	1,319.9
Elin Electronics Limited	673.8	496.5	707.1
Syrma SGS Technology	2,315.2	2,557.8	3,706.0

EBITDA Margin (%)	Fiscal 2023	Fiscal 2024	Fiscal 2025
Kaynes Technology India Limited	14.9%	14.1%	15.1%
Dixon Technologies (India) Limited	4.3%	4.1%	2.9%
Amber Enterprises India Limited	6.8%	8.1%	12.4%
Avalon Technologies Limited	11.9%	8.9%	12.0%
Elin Electronics Limited	6.3%	4.8%	6.0%
Syrma SGS Technology	11.3%	8.1%	9.8%

Profit for the year (Rs million)	Fiscal 2023	Fiscal 2024	Fiscal 2025
Kaynes Technology India Limited	952.0	1832.9	2934.3
Dixon Technologies (India) Limited	2550.8	3749.2	12325.8
Amber Enterprises India Limited	1637.8	1394.7	2511.5
Avalon Technologies Limited	525.0	279.9	634.4
Elin Electronics Limited	268.0	138.7	293.2
Syrma SGS Technology	1230.8	1243.4	1844.5

PAT Margin (%)	Fiscal 2023	Fiscal 2024	Fiscal 2025
Kaynes Technology India Limited	8.5%	10.2%	10.8%
Dixon Technologies (India) Limited	2.1%	2.1%	3.2%
Amber Enterprises India Limited	2.4%	2.1%	3.7%
Avalon Technologies Limited	5.6%	3.2%	5.8%
Elin Electronics Limited	2.5%	1.3%	2.5%
Syrma SGS Technology	6.0%	3.9%	4.9%

KPI Definition	
Revenue	Revenue from Operations
EBITDA	Depreciation + Finance Cost+ Profit (Loss) before exceptional item and tax - Other Income
EBITDA Margin	EBITDA/ Revenue from operations
PAT Margin	Profit after Tax/ Revenue from operations

OUR BUSINESS

Some of the information in this section, including information with respect to our plans and strategies, contain forward-looking statements that involve risks and uncertainties. You should read "Forward-Looking Statements" on page 14 for a discussion of the risks and uncertainties related to those statements and also "Risk Factors", "Financial Information" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" on pages 45, 232 and 92, respectively, for a discussion of certain factors that may affect our business, financial condition or results of operations. Our actual results may differ materially from those expressed in or implied by these forward-looking statements.

Unless otherwise indicated or the context otherwise requires, the financial information included in this section for Fiscal 2023, 2024 and 2025 has been derived from our Audited Consolidated Financial Statements beginning on page 232. Our fiscal year ends on March 31 of each year. Accordingly, references to a "Fiscal" year are to the 12-month period ended March 31 of the relevant year. Unless otherwise indicated or the context otherwise requires, in this section, references to "the Company" or "our Company" are to Kaynes Technology India Limited on a standalone basis, and references to "the Group", "we", "us", "our", are to Kaynes Technology India Limited on a consolidated basis.

*Unless otherwise indicated, industry and market data used in this section has been derived from the report titled "Industry Research Report on ESDM and OSAT " dated June, 2025 (the "**CARE Report**"), prepared and issued by Care Edge Limited. There are no parts, data or information (which may be relevant for the proposed issue), that has been left out or changed in any manner. Unless otherwise indicated, financial, operational, industry and other related information derived from the CARE Report and included herein with respect to any particular year refers to such information for the relevant calendar year. For more information, see "Risk Factors – Certain sections of this Placement Document disclose information from the CARE Report which is a paid report and commissioned and paid for by us exclusively in connection with the Issue and any reliance on such information for making an investment decision in the Issue is subject to inherent risks." on page 62. Also see, "Industry and Market Data" on page 13.*

OVERVIEW

We are an end-to-end integrated and IoT solutions enabled integrated electronics manufacturing player, having capabilities across the entire spectrum of electronics system design and manufacturing ("**ESDM**") services. We have experience in providing conceptual design, process engineering, integrated manufacturing and life-cycle support for major players in the automotive, industrial including electric vehicle ("**EV**"), aerospace, outer-space and strategic electronics, medical, railways, Internet of Things ("**IoT**"), Information Technology ("**IT**"), and IT hardware – high performance computing servers ("**HPCS**").

Our business is classified based on the stage of services that we provide to our customers. We classify our operations primarily under the following business verticals:

OEM – Turnkey Solutions – Box Build ("OEM – Box Build"): We undertake "Build To Print" or "Build to Specifications" of complex box builds, sub-systems and products across various industry verticals.

OEM – Turnkey Solutions – Printed Circuit Board Assemblies ("PCBAs") ("OEM – Turnkey Solutions"): We undertake turnkey electronics manufacturing services of PCBAs, cable harness, magnetics and plastics ranging from prototyping to product realization including mass manufacturing.

ODM and Product Design and Engineering and IoT Solutions: We offer ODM services in smart metering technology, smart street lighting, brush less DC ("**BLDC**") technology, inverter technology, gallium nitride based charging technology and providing IoT solutions for making smart consumer appliances or devices IoT connected. We also offer conceptual design and product engineering services in industrial and consumer segments. Our services include PCB cladding or electrical schematics to embedded design and submitting proof of concept to prototyping. We also offer connected product engineering and solutions.

Circuit and Semiconductors: We are in the process of setting-up our dedicated circuit and semiconductor vertical to strengthen our capabilities in advanced electronics manufacturing. This initiative focuses on high-reliability PCB assemblies and semiconductor solutions tailored for automotive, industrial, and aerospace applications.

We have a portfolio of hardware, software accelerators and proprietary sensors along with cloud platform-based service and solution offerings in asset tracking, remote device management and smart product development. Our digital engineering offerings leverage latest technologies including IoT, big data, machine learning, cloud and media to improve customers'

efficiency. We also provide end-to-end IoT and cloud enablement solutions and offer IoT data and analytics platform and vertical IoT solutions.

The table below shows our revenue from operations across various business verticals for the periods indicated:

Services	Fiscal 2023		Fiscal 2024		Fiscal 2025	
	Amount (₹ million)	Percentage of Revenue from Operations (%)	Amount (₹ million)	Percentage of Revenue from Operations (%)	Amount (₹ million)	Percentage of Revenue from Operations (%)
OEM – Turnkey Solutions – Box Build	3,322.36	29.50%	7,512.92	41.63%	10,666.82	39.19%
OEM – Turnkey Solutions – Printed Circuit Board Assemblies	7,008.48	62.24%	9,871.49	54.70%	11,659.60	42.84%
ODM and Product Design and Engineering and IoT Solutions	930.31	8.26%	661.77	3.67%	4,891.10	17.97%
Total Revenue from Operations	**11,261.14**	**100.00%**	**18,046.18**	**100.00%**	**27,217.52**	**100.00%**

We operate 15 strategically located manufacturing facilities across India and United States with eight of them being operated by our Company in the states of Karnataka (three facilities, namely, Mysuru – Unit I, Bengaluru – Unit I and Unit II), Haryana (two facilities, namely, Manesar – Unit I and Unit – II), Himachal Pradesh (one facility at Parwanoo), Tamil Nadu (one facility at Chennai) and Maharashtra (one facility in Pune); six manufacturing facilities operated by our Subsidiaries in India, at Chamarajanagar, Karnataka (operated by our Subsidiary, Kaynes Electronics Manufacturing Private Limited); Mysuru, Karnataka (operated by our Subsidiary, Kaynes International Design & Manufacturing Private Limited); Hyderabad, Telangana (operated by our Subsidiary, Kaynes Electronics Manufacturing Private Limited); Bengaluru, Karnataka (operated by our Subsidiary Kaynes Mechatronics Private Limited; Mysuru, Karnataka (operated by our Subsidiary, Iskraemeco India Private Limited); one Hyderabad, Telangana (operated by our Subsidiary Iskraemeco India Private Limited) and one facility operated by our Subsidiary Digicom Electronics Inc. in Oakland, USA. We have recently completed phase-I of our new manufacturing facility at Chamarajanagar, Karnataka which commenced commercial operations on May 5, 2023. In addition, we are in the process of setting-up additional facilities for manufacturing of High Density Interconnect ("**HDI**") circuit boards and an Outsourced Semiconductor Assembly and Testing ("**OSAT**") facility at Chennai, Tamil Nadu and Sanand, Gujarat, respectively.

Our facilities are located in proximity to our customers, allowing us to service their requirements efficiently and cost-effectively. Certain of our manufacturing facilities are approved under the Electronics Hardware Technology Park Scheme of Software Technology Park of India, Bengaluru and 100% Export Oriented Unit Scheme of Madras Export Processing Zone, Chennai, Tamil Nadu that offer incentives similar to a special economic zone. As of March 31, 2025, our manufacturing infrastructure also included five design facilities at Bengaluru, Karnataka, Ahmedabad, Gujarat, Scharding, Austria, Hampshire, United Kingdom and Princeton, USA and two service centres at Navi Mumbai, Maharashtra and Kochi, Kerala. Further, with our recent acquisition of Sensonic, an Austria-based company we have added design capabilities in AI-integrated IoT-based asset tracking technologies for the railway signaling and safety segment.

We lay significant emphasis on research and development. This has enabled us to address our consumers' diverse needs, enhance existing products with emerging technologies, introduce new and innovative products in the market, enhance existing products with emerging technologies, and optimize costs across our products through value analysis and value engineering. We have a dedicated research and development facility located within our facility at Mysuru, Karnataka – Unit – I and a separate research and development facility located at Ahmedabad, Gujarat. Our research and development efforts are focused on development of new products and improvement of the quality of our existing products; and driving the design and engineering capabilities and original design manufacturing capabilities. As of March 31, 2025, our research and development team comprised 212 employees, including engineers, designers and other workers.

Over the years, we have focused on creating robust manufacturing systems and processes that comply with health and safety, as well as environmental and social and governance requirements. Our operations comply with global standards and our facilities have 13 global accreditations. We are an ISO 9001/14001/45001 BVCI certified company. Our facilities are approved by global product certification agencies including Underwriters Laboratories, Canadian Standards Association and TUV Rhineland. In addition, we have separate vertical specific certifications including EN/AS 9100 for defence and aerospace products, International Railway Industry Standard ("**IRIS**") (ISO/TS 22613) for railway signaling, IATF 16949 for automotive, and ISO:13485 for medical systems. We have also been recognized in the "Great Place to Work" by Great Place to Work, India for February 2025 – February 2026. Further, we were a manufacturing partner for soft landing of Chandrayaan-3 and

launch of Aditya-L1 missions. Our recently acquired Subsidiary, Digicom Electronics Inc. is International Traffic in Arms Regulations certified.

We have long-term relationships with a large customer base diversified across verticals and geographies. In the year ended March 31, 2025, we served 533 customers in 36 countries globally and multiple industry verticals such as automotive, aerospace, outer-space and strategic electronics, industrial including EV, railways, medical, IT / ITES and HPCS. We collaborate with our customers through the entire product life-cycle and after-sales and end-of-life services including assisting with concept creation, product development, prototyping, testing and mass manufacturing. This results in customers shortening their product development and time-to-market cycles. We are well positioned to increase the number of different products that we manufacture for them, increase the volume of our shipments to them of each particular product and expand our coverage to other areas where they require similar solutions.

We are led by experienced Promoters with significant experience in the ESDM industry. Our Promoter and Managing Director, Ramesh Kunhikannan, started Kaynes Technology as a sole proprietorship in 1989. Ramesh Kunhikannan is a technocrat and has over 34 years of experience in the electronic manufacturing services industry. Savitha Ramesh, our Promoter and Whole-time Director has been associated with our Company since 1996 and is responsible for the overall implementation of process and control across our operations. Under their leadership we have been able to expand our operations and have established a significant presence in India. We also have qualified and experienced Key Managerial Personnel that has demonstrated its ability to anticipate and capitalize on changing market trends, manage and grow our operations and leverage and deepen customer relationships.

The following table sets forth certain information relating to certain key financial performance metrics on a consolidated basis as of the dates and for the periods indicated:

Particulars	**Fiscal 2023**	**Fiscal 2024**	**Fiscal 2025**
	(*₹ million, except ratio and percentages*)		
Revenue from Operations	11,261.14	18,046.19	27,217.52
Gross Margins[(1)]	30.73%	26.30%	30.20%
EBITDA[(2)]	1,683.18	2,541.68	4,106.99
EBITDA Margin[(3)]	14.95%	14.08%	15.09%
Profit After Tax for the Year/Period	951.96	1,832.89	2,934.33
Profit After Tax Margin[(4)]	8.45%	10.16%	10.78%
Return on Equity ("**ROE**") (adjusted for unutilised initial public offering and qualified institutions placement proceeds)[(5)]	24.94%	22.76%	19.40%
Return on Capital Employed ("**ROCE**") (adjusted for unutilised initial public offering and qualified institutions placement proceeds)[(6)]	24.18%	21.99%	19.17%
Net Worth[(7)]	9,576.65	24,848.03	28,374.23
Asset Turnover Ratio[(8)]	6.22	4.90	3.45
Net Working Capital Days[(9)]	99	83	87
Debt to Equity Ratio[(10)]	0.14	0.12	0.31
Net Debt to Equity Ratio (adjusted for unutilised initial public offering and qualified institutions placement proceeds)[(11)]	0.05	0.09	0.24
Inventory Turnover Ratio[(12)]	3.52	3.75	3.99

Notes:

(1) Gross margin is calculated as revenue from operations less cost of materials consumed and changes in inventories of finished goods and traded goods divided by revenue from operations.

(2) EBITDA is calculated as profit before tax plus depreciation and amortization expense plus finance cost less finance income and other income.

(3) EBITDA margin is calculated as EBITDA divided by revenue from operations.

(4) Profit After Tax Margin is calculated as profit after tax divided by revenue from operations.

(5) ROE is calculated as profit for the year less share of profit / (loss) of minority interest divided by average Net Worth. Average Net Worth is calculated as average of Net Worth as of the first day of the relevant Fiscal and as of the last day of the relevant Fiscal.

(6) ROCE (adjusted for unutilised initial public offering and qualified institutions placement proceeds) is calculated as EBIT divided by capital employed. EBIT is calculated as profit before tax plus finance cost. Total capital employed is calculated as tangible net worth plus non-current borrowings plus current borrowings. Tangible net worth is calculated as total assets less total non-current liabilities (except non-current lease liabilities and deferred tax liabilities), total current liabilities (except current lease liabilities), intangible assets, intangible assets under development, goodwill and right of use asset.

(7) Net Worth is the aggregate value of the paid-up share capital and all reserves created out of the profits, securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the restated balance sheet, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation, debenture redemption reserve and foreign currency translation reserve.

(8) Asset Turnover Ratio is calculated as revenue from operations divided by gross block of assets.

(9) Net Working Capital Days is calculated as average inventory days plus average receivable days less average payable days.

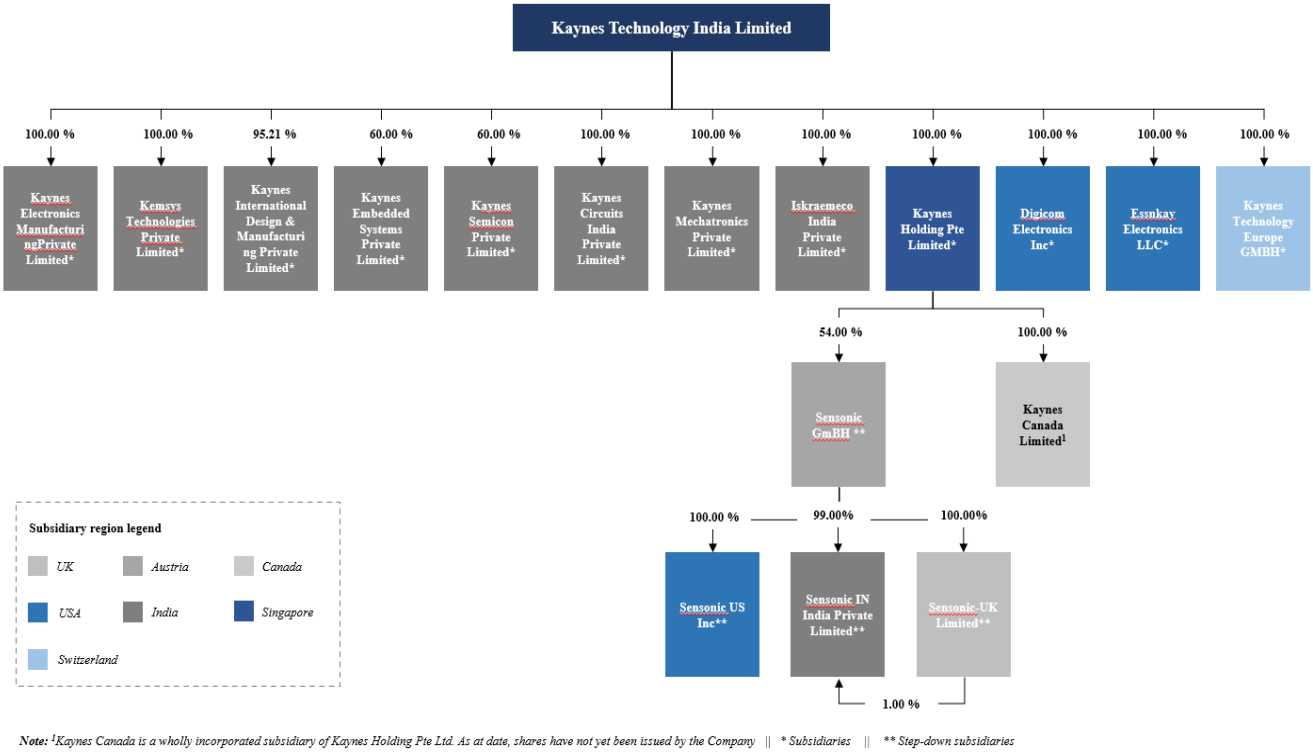
(10) Debt to Equity Ratio is calculated as total debt divided by Net Worth. Total debt is calculated as non-current borrowings plus current borrowing.

(11) Net Debt to Equity Ratio (adjusted for unutilised initial public offering and qualified institutions placement proceeds) is calculated as net debt divided by Net Worth. Net debt is calculated as non-current borrowings plus current borrowing less Cash and cash equivalents less Bank balances other than cash and cash equivalents.

(12) Inventory Turnover Ratio is calculated as revenue from operations divided by average inventory.

Organizational Structure

Set out below is our organizational structure:



*Note: [1]Kaynes Canada is a wholly incorporated subsidiary of Kaynes Holding Pte Ltd. As at date, shares have not yet been issued by the Company || * Subsidiaries || ** Step-down subsidiaries*

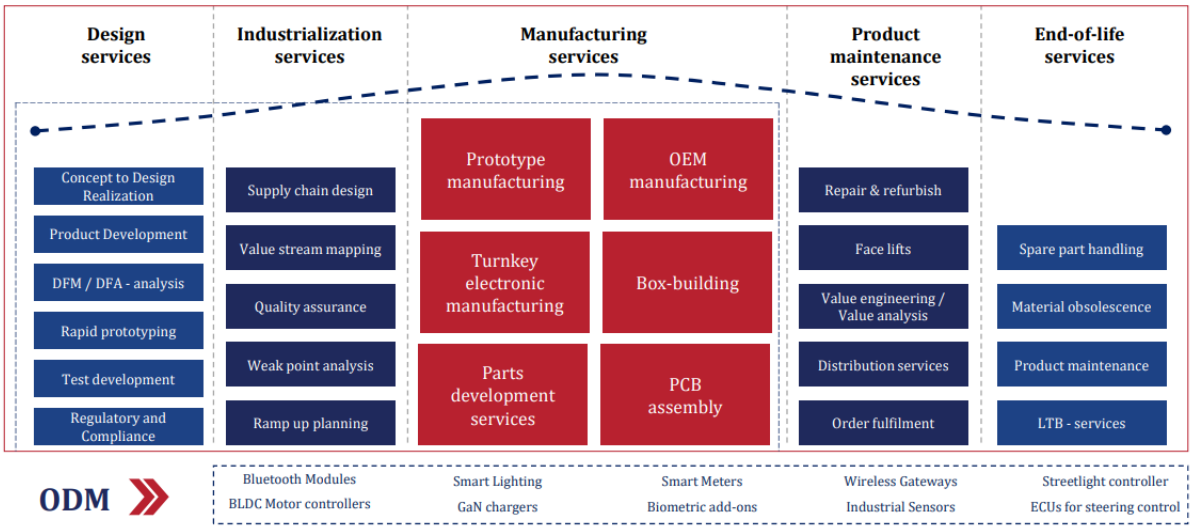
STRENGTHS

The following competitive strengths have contributed to and will continue to drive our business growth:

Internet of Things ("IoT") solutions enabled integrated electronics manufacturing player with end-to-end capabilities across the Electronics System Design and Manufacturing spectrum

We are a fully integrated electronics manufacturing company with a strong focus on IoT-enabled solutions, offering end-to-end services across the entire ESDM spectrum. (*Source: CARE Report*) We are engaged in concept co-creation with our customers followed by product realization and life-cycle support.

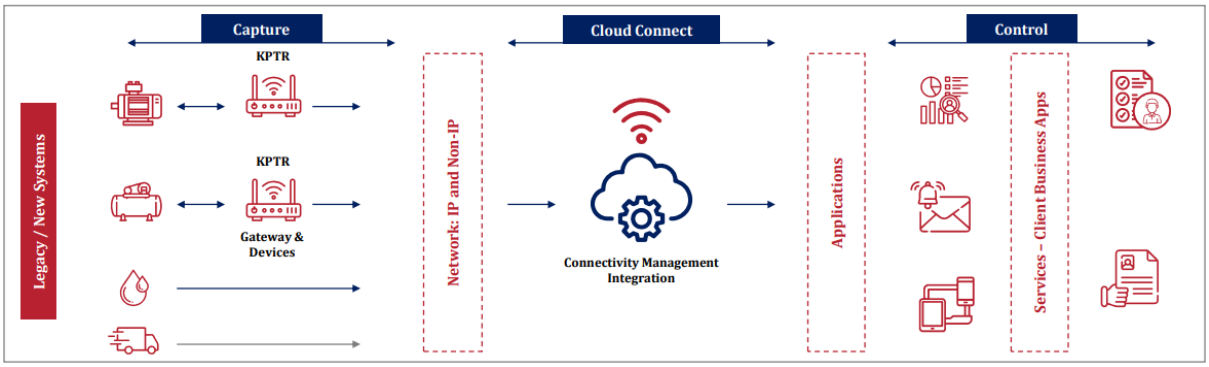
Service offering across entire customer value chain



We also provide various value-added services such as obsolescence management, warehousing support, value engineering and value analysis, last time buy services that include purchase of electronic components that are either being discontinued or have been discontinued in larger quantities than immediately required for manufacturing continuity, regulatory and compliance and DFM / DFA analysis. Our ODM capabilities include hardware, software and firmware design, mechanical design, product integration and testing, amongst others. We have also evolved to offer customers in-house developed IoT technology consisting of hardware, software, and firmware design and tools which accelerate time-to-market and de-risk our customer's product development lifecycle. We have developed designs for miniaturized Bluetooth modules, smart lighting with embedded Bluetooth, ceiling fans and remotes with embedded Bluetooth, various industrial sensors, wireless gateways with Bluetooth, Wi-Fi and 4G, streetlight controller working on wireless area network ("**WAN**") technology, smart meters compliance 4G WAN and connected vending machines.

We possess the ability to manufacture complex products through innovative engineering across various industry verticals. Our comprehensive capabilities span from conceptual design to product realization and complete lifecycle support, enabling the development of both simple and highly complex electronic and IoT-enabled devices. (*Source: CARE Report*) Further, we were a manufacturing partner for soft landing of Chandrayaan-3 and launch of Aditya-L1 missions. We also provide integrated manufacturing that include manufacturing plastics, wiring and cable harnesses, magnetics, PCB assemblies and box builds. In addition, we also implement testing solutions. Our technology infrastructure complements our in-house testing capabilities to ensure quality products.

End-to-end connected asset platform, including business applications, managed cloud service, and ODM Device solution



We operate our canvas-to-cloud industrial internet of things ("**IIoT**") solutions through our Subsidiary, Kemsys. Our value proposition is to assist OEMs to transform their legacy products into smart systems by incorporating combination of sensors, micro-processors, software, and connectivity technologies in multiple ways. We differentiate our self by providing in-house developed IoT IPs and tools which accelerate time to market and de-risk our customer's product development lifecycle. As of March 31, 2025, we have a dedicated facility with a team of 38 engineers and employees who possess in-depth technical knowledge and expertise in assisting customers of our Subsidiary, Kemsys, in their solutions.

Kemsys Platform Product: Snapshots



We have portfolio of hardware and software accelerators, cloud platform based service and solution offerings which includes ODM product design, IoT data and analytics platform, and vertical IoT solutions.
Our key capabilities are as below:

Platform: We offer a customizable remote device and data management platform, ready to white label, making it convenient for OEMs to securely register, organize, monitor, collect and remotely manage IoT devices and all relevant data at scale.

Solutions: We offer IoT solutions in vertical applications for asset tracking, asset performance monitoring, and predictive maintenance solutions targeting industrial OEMs both in Asia Pacific region, and USA.

Devices: We have built IoT ODM products including sensors, gateways, human machine interfaces, connectivity modules targeting industrial and consumer IoT market.

Diversified business model with portfolio having applications across industry verticals

We have a robust and diversified portfolio, and follow a de-risked business model, catering to a wide range of industry verticals. (*Source: CARE Report*) Our diverse portfolio limits our exposure to downturns associated with a particular vertical. It also ensures that our revenues are consistent across periods on account of our customers serving different industry verticals with different business or industry cycles. The table below sets forth our revenue from operations across the various end-use industry verticals we serve for the periods indicated:

Industry Vertical	Fiscal 2023		Fiscal 2024		Fiscal 2025	
	Amount (₹ million)	Percentage of Revenue from Operations (%)	Amount (₹ million)	Percentage of Revenue from Operations (%)	Amount (₹ million)	Percentage of Revenue from Operations (%)
Automotive	4,322.48	38.38%	5,229.54	28.98%	7,207.71	26.48%
Industrial including EV	3,096.06	27.49%	8,559.08	47.43%	14,959.56	54.96%
Aerospace, Outer space and Strategic Electronics	199.98	1.78%	486.18	2.69%	362.68	1.33%
Medical	692.54	6.15%	572.99	3.18%	646.98	2.38%
Railways	1,347.22	11.96%	1,917.12	10.62%	1,870.17	6.87%
IoT / IT, Consumer and Others	1,602.86	14.23%	1,281.27	7.10%	2,170.42	7.97%
Total	**11,261.14**	**100.00%**	**18,046.18**	**100.00%**	**27,217.52**	**100.00%**

Long-standing relationships with marquee customer base

We have, through our business operations, established long-term relationships with well-known customers across industries we cater to. We have a diversified customer base and we served 533 customers in 36 countries across 5 continents, during Fiscal 2025. Our customers span multiple sectors, ranging from electronics, to automotive, to healthcare, industrial and IoT. We have a balanced mix of domestic and international customers including certain Fortune 500 companies, multinational corporations and start-ups. We believe that our continued success is, in part, due to our customer centric practices such as open book costing, internal and external audits, and direct shipments to end-customers. Our customers include a leading company which manufactures headlamps, rear combination lamps, fog lamps, and other signal/indicator lamps for auto applications; a leading global manufacturer of electronic instruments and electromechanical devices; a leading provider of global digital infrastructure; a leading company specializing in advanced imaging and sensor solutions for applications in defense, security, and industrial sectors; one of the one of the world's leading suppliers of avionic-standard aircraft communications, navigation and audio/intercom systems; a company dedicated to the development, manufacturing, and distribution of diagnostic reagents, instruments, and other medical solutions; a leading company specializing in advanced rail signaling and automation solutions for efficient and safe railway transportation; a leading owner of consumer audio accessories; a leading company specializing rail signaling and traffic management solutions; and a leading company operating in the field of energy solutions and services.

The table below sets out certain information about our various customers in different industry verticals for the periods indicated:

Industry Vertical	Number of Customers Fiscal 2025		Average period of business relationship of top 10 customers (years)*
	Domestic	International	
Automotive	63	12	7
Industrial including EV	248	29	10
Aerospace, Outer- space and Strategic Electronics	18	6	7
Medical	36	5	10
Railways	12	5	10
IoT / IT, Consumer and Others	92	10	7

Global certifications for each industry vertical catered to and multiple facilities across India with advanced infrastructure

Global Certifications

Over the years, we have focused on creating robust manufacturing systems and processes. We adhere to global standards and have obtained various global certifications. This ensures that our processes comply with customer specific, industry specific, statutory health and safety, as well as environmental and social and governance requirements.

Our systems and processes are also certified by global certification bodies that helps us to serve our customers stringent quality specifications and assists in new customer acquisition. For further information regarding our certifications, see " – *Quality Control, Testing and Certifications*" on page 164. We are also part of the Maruti Center For Excellence ("**MACE**") and have been consistently participating and getting approved as part of the Supplier Excellence Programme. This allows us to be seen by potential customers as a MACE approved supplier for electronic assemblies. Further, we have qualified as a "Green" partner for a certain customer and accredited for electronic assemblies for space craft applications from U.R. Rao Satellite Centre, ISRO. We have also received the Certification of Military Airworthiness documents or CEMILAC for instrumentation electronics repair, which enables us to perform avionics repair. We are also certified by the Center for Design and Development of Chittaranjan Locomotive Works of the Indian Railways for the repair and rehabilitation of three phase locomotives.

As part of our services offerings, we undertake repairs and provide rehabilitation of electronic cards in the railways, aerospace and defense and industrial verticals at our servicing and maintenance business unit at Navi Mumbai. The said business unit also specializes in re-engineering at component and PCBA level in order to meet obsolescence and discontinuance issues, along with design and development of cards edge level test set up for electronic assemblies. This third-party service support is extended in electronics repair for railways, and aerospace and defence establishments. In addition to our Mysuru – Unit I, Karnataka which is EN 9100/ AS 9100 D certified, this business unit is EN 9110/ AS 9110 certified for avionics repairs. This certification allows for critical electronics repair and maintenance of commercial, private, and military aircrafts.

Within each facility, all of our systems and processes are backed by our own fully customized full-stack enterprise resource planning ("**ERP**") that assists in automating our business operations. Our ERP platform is comprehensive, and has modules to manage lead generation, engineering, material requirement planning, purchase, inventory and costing, manufacturing, dispatch and logistics, servicing and accounting and finance, real-time management dashboards for analysis, review and monitoring, amongst other functions. Our ERP platform also enables us to track all processes from procurement to production, handle batch and series production, and other processes in terms of the number of component parts and complexity of products within the same system. Across facilities, we have an integrated management system which allows us to continually comply with the standards expected with our certifications. We are able to face our customers' system audits or compliance requirements quickly and successfully. Our focus on internal systems and processes have provided us with ease of customer acquisition, and culminated in our obtaining of various certifications and awards, which acts as potential entry barriers for future competitors.

Manufacturing Facilities

We operate 15 strategically located manufacturing facilities across India and United States with eight of them being operated by our Company in the states of Karnataka (three facilities, namely, Mysuru – Unit I, Bengaluru – Unit I and Unit II), Haryana (two facilities, namely, Manesar – Unit I and Unit – II), Himachal Pradesh (one facility at Parwanoo), Tamil Nadu (one facility at Chennai) and Maharashtra (one facility in Pune); six manufacturing facilities operated by our Subsidiaries in India, at Chamarajanagar, Karnataka (operated by our Subsidiary, Kaynes Electronics Manufacturing Private Limited); Mysuru, Karnataka (operated by our Subsidiary, Kaynes International Design & Manufacturing Private Limited); Hyderabad, Telangana (operated by our Subsidiary, Kaynes Electronics Manufacturing Private Limited); Bengaluru, Karnataka (operated by our Subsidiary Kaynes Mechatronics Private Limited; Mysuru, Karnataka (operated by our Subsidiary, Iskraemeco India Private Limited); one Hyderabad, Telangana (operated by our Subsidiary Iskraemeco India Private Limited) and one facility

operated by our Subsidiary Digicom Electronics Inc. in Oakland, USA. We have recently completed phase-I of our new manufacturing facility at Chamarajanagar, Karnataka which commenced commercial operations on May 5, 2023. In addition, we are in the process of setting-up additional facilities for manufacturing of HDI circuit boards and an OSAT facility at Chennai, Tamil Nadu and Sanand, Gujarat, respectively. Each of these facilities are expected to commence commercial production by Fiscal 2026.

Our facilities are located in proximity to our customers, allowing us to service their requirements efficiently and cost-effectively. Certain of our manufacturing facilities are approved under the Electronics Hardware Technology Park Scheme of Software Technology Park of India, Bengaluru and 100% Export Oriented Unit Scheme of Madras Export Processing Zone, Chennai, Tamil Nadu that offer incentives similar to a special economic zone. As of March 31, 2025, our manufacturing infrastructure also included five design facilities at Bengaluru, Karnataka, Ahmedabad, Gujarat, Scharding, Austria, Hampshire, United Kingdom and Princeton, USA and two service centres at Navi Mumbai, Maharashtra and Kochi, Kerala.

We have capability in manufacturing RoHS compliant products and have set up an environmentally friendly and exclusive "lead free" manufacturing line for PCBAs at our Mysuru – Unit I, Karnataka, Mysuru – Unit II, Karnataka and Manesar, Haryana facilities. We also have the capability to make engineering changes through component engineering to convert a product into being RoHS compliant.

As of March 31, 2025, our manufacturing infrastructure include, inter alia, 24 robotics surface mount lines, 70 through-hole devices ("**THD**") and exclusive clearance lines, 26 cable harness lines, 15 plastic moulding lines, class 10,000 cleanrooms, humidity-controlled component stores, flying probes, in-circuit testers, X-ray machines, automatic optical testing machines and walk-in thermal cycling chambers have obtained product approvals on behalf of customers for several safety related requirements, for example, Underwriters Laboratories, Canadian Standards Association and TUV Rhineland approved for supplying toggle switches, dental chair control units and medical diagnostic machines.

We possess customized lines for box building, integration and testing, with facilities for manufacturing cable forms and harnesses, plastic moulding and fabrication facility infrastructure as well as a burn-in / soak-test facility. We also possess build-capabilities for customised designing of testing hardware for a wide range of automated test equipment, functional testers right from firmware flashing fixture, PCBA fixture, end of line tester and product functional testers. This test equipment is designed and built in-house and custom firmware supporting various platforms, processors and microcontrollers. Test application software for automated testing, analysis, report generation, alert generation and data push to the server is also in-house designed based on specific requirements. These advanced service of in-house development of test fixture, provides customers with increase in productivity by reduction of time and skilled resources.

Our facilities are scalable allowing us to expand our capacity within a short time period without incurring significant capital expenditure This is primarily on account of relatively short procurement and installation time for surface mount technology ("**SMT**") lines and ability to augment manual lines without requiring incremental real estate. As such, our capacity can be scaled. All our manufacturing lines are fungible with the flexibility to service customers across industry verticals and across diverse product requirements. We also have the capability to manufacture the new generation SMT technology-based boards containing ceramic columnar grid array, ball grid array, land grid array and quad flat package.

Strong supply chain and sourcing network

We possess a mature and reliable supply chain network. We have long-term relationships with our vendors within India and outside India, that has led to improvement in credit terms over the years. As of March 31, 2025, we work with over 2,927 vendors and source materials from various regions including Asia, Europe and North America as well as locally within India. Our top 10 suppliers have an average relationship period of 11 years, as of March 31, 2025.

We do not rely on a single source or vendor for components, instead, have alternative sources for vendors for each component category. This offers us leverage to ensure availability of materials and negotiate better credit terms at cost-effective rates. As of March 31, 2025, we had over 2,927 suppliers with multiple sources for a single component and utilise specialized dealers for niche verticals. For example, for railway projects, there are only a select few vendors who have the requisite sourcing network to supply the required components to us. In such verticals, we foster good relationships with these suppliers for us to get the required components without any disruption or issues. We also possess the technical expertise to re-engineer components that are difficult to source, or components that are on the verge of becoming obsolete or has been discontinued by the various vendors.

Track record of consistent financial performance

We have continued to deliver consistent financial performance. Our revenue from operations has grown at a CAGR of 55.47%, from ₹11,261.14 million in Fiscal 2023 to ₹27,217.52 million in Fiscal 2025. Similarly, our EBITDA has grown at a CAGR of 56.21%, from ₹1,683.18 million in Fiscal 2023 to ₹4,106.99 million in Fiscal 2025.

We have been profitable for every year since inception. We believe that our operational and financial performance will allow us to capitalize on the tailwinds in the electronics industry. The following table sets forth certain information relating to certain key financial performance metrics as of the dates and for the periods indicated:

Particulars	Fiscal 2023	Fiscal 2024	Fiscal 2025
	(*₹ million, except ratios and percentages*)		
Revenue from Operations	11,261.14	18,046.19	27,217.52
Gross Margins[(1)]	30.73%	26.30%	30.20%
EBITDA[(2)]	1,683.18	2,541.68	4,106.99
EBITDA Margin[(3)]	14.95%	14.08%	15.09%
Profit After Tax for the Year/Period	951.96	1,832.89	2,934.33
Profit After Tax Margin[(4)]	8.45%	10.16%	10.78%
Return on Equity ("**ROE**") (adjusted for unutilised initial public offering and qualified institutions placement proceeds)[(5)]	24.94%	22.76%	19.40%
Return on Capital Employed ("**ROCE**") (adjusted for unutilised initial public offering and qualified institutions placement proceeds)[(6)]	24.18%	21.99%	19.17%
Net Worth[(7)]	9,576.65	24,848.03	28,374.23
Asset Turnover Ratio[(8)]	6.22	4.90	3.45
Net Working Capital Days[(9)]	99	83	87
Debt to Equity Ratio[(10)]	0.14	0.12	0.31
Net Debt to Equity Ratio (adjusted for unutilised initial public offering and qualified institutions placement proceeds)[(11)]	0.05	0.09	0.24
Inventory Turnover Ratio[(12)]	3.52	3.75	3.99

Notes:

(1) Gross margin is calculated as revenue from operations less cost of materials consumed and changes in inventories of finished goods and traded goods divided by revenue from operations.

(2) EBITDA is calculated as profit before tax plus depreciation and amortization expense plus finance cost less finance income and other income.

(3) EBITDA margin is calculated as EBITDA divided by revenue from operations.

(4) Profit After Tax Margin is calculated as profit after tax divided by revenue from operations.

(5) ROE is calculated as profit after tax less share of profit / (loss) of minority interest divided by average Net Worth. Average Net Worth is calculated as average of Net Worth as of the first day of the relevant period and as of the last day of the relevant period.

(6) ROCE is calculated as EBIT divided by capital employed. EBIT is calculated as profit before tax plus finance cost. Total capital employed is calculated as tangible net worth plus non-current borrowings plus current borrowings. Tangible net worth is calculated as total assets less total non-current liabilities (except non-current lease liabilities and deferred tax liabilities), total current liabilities (except current lease liabilities), intangible assets, intangible assets under development, goodwill and right of use asset.

(7) Net Worth is the aggregate value of the paid-up share capital and all reserves created out of the profits, securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the restated balance sheet, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation, debenture redemption reserve and foreign currency translation reserve.

(8) Asset Turnover Ratio is calculated as revenue from operations divided by gross block of assets.

(9) Net Working Capital Days is calculated as average inventory days plus average receivable days less average payable days.

(10) Debt to Equity Ratio is calculated as total debt divided by Net Worth. Total debt is calculated as non-current borrowings plus current borrowing.

(11) Net Debt to Equity Ratio is calculated as net debt divided by Net Worth. Net debt is calculated as non-current borrowings plus current borrowing less Cash and cash equivalents less Bank balances other than cash and cash equivalents.

(12) Inventory Turnover Ratio is calculated as revenue from operations divided by average inventory.

Experienced Promoters and senior management with extensive knowledge of the sector

We are led by an experienced management team. Our Managing Director and Promoter, Ramesh Kunhikannan, is a first-generation entrepreneur, and has more than three decades of experience in the ESDM industry. Our management team includes our Chairperson and Whole-time Director, Savitha Ramesh, who has over two decades of experience in operations management, and our Whole-time Director and Chief Financial Officer, Jairam Paravastu Sampath, who possesses over three decades of experience in manufacturing, operations, sales and marketing. Our other key management personnel have been with our Company for more than 15 years and head the functions of Market Development, Plant Operations and Commercial and have been instrumental in managing our rapidly expanding growth, implementing strategic marketing with overseas business initiatives and improving financial performance. We have a well-qualified senior management team with extensive experience in the EMS industry, which positions us well to capitalize on future growth opportunities. The quality of our management team is enhanced with specific yet extensive industry experience. For further information, see "*Board of Directors and Senior Management*" on page 174.

Strategies

Improve operational efficiency through backward integration into OSAT and Bare PCB Fabrication Manufacturing

In order to improve our operational efficiency, we intend to implement comprehensive backward integration measures by manufacturing in-house components like bare printed circuit boards and get into deep competencies in design of integrated circuits, chip sets and system on chips to leverage complete backward integration for supporting semiconductor component and module development. We believe these backward integration measures will allow us to reduce our dependence on third party components, reduce lead time on account of synchronization of actual requirements leading to faster utilization of remaining components, better management of our material inventory, and contribute to higher margins while making us a comprehensive and integrated ESDM company.

Further, semiconductors, characterized by their adjustable electrical properties, serve as essential components in the functionality of modern devices such as smartphones. The semiconductor industry has experienced substantial growth, fuelled by the widespread adoption of 5G technology, rising demand for high-performance processors in cryptocurrency mining, and government-led digital transformation initiatives. Global supply chain disruptions, intensified by escalating tensions between the United States and China in the recent past had contributed to semiconductor shortages. The Indian semiconductor market, valued at around USD 46.9 billion, in 2024 which grew at a CAGR of 14.1% between 2017 and 2024. India, with its population surpassing 1.4 billion and a well-established education system, is well-positioned to develop into a major global hub for semiconductor talent. (*Source: CARE Report*) Considering this growth opportunity, our Company through our step-down subsidiary, Kaynes Semicon Private Limited, we are in the process of expanding our operations by setting-up of an OSAT and compound semiconductor manufacturing facility at Sanand, Gujarat which will support customers worldwide in QFN / QFN stack die, SOT, flip chip ball grid array and TO220 kind of packages for power devices and many other device packages including advanced packaging.

As part of the project execution plan for the OSAT facility, we are partnering with raw material vendors to establish ecosystem in India and will source electricity, and raw water from local authorities while establishing a de-ionized plant for converting raw water to de-ionized water at the manufacturing facility. Further, we have partnered with a global OSAT player which will provide us with a range of packaging technologies and a global distribution and sale network with access to key export markets such as Europe, USA and Japan. We have also partnered with a Malaysian company experienced in OSAT and semiconductor material manufacturing having expertise in development and manufacturing in multiple semiconductor applications including automotive, power, memory, LED, solar, micro-controller and sensor, as an execution partner for the project. We have also entered into strategic memorandum of understandings with a telecommunication company based out of United States for assistance in go-to-market strategy of its products and with a leading semiconductor packaging and systems company that provides end to end solutions for semi-conductor package design.

Further, we are also in the process of preparing an implementation plan for the bare PCB fabrication facility in Tamil Nadu that will manufacture PCB - multilayer, advanced HDI circuit boards and other hitech and standard types required by customers. HDI circuit boards have been the key driving factor behind the reducing size and weight of consumer electronic products while improving the speed, performance and power consumption. We have been allotted 20 acres of land for the proposed manufacturing facility.

With backward integration, we will have greater control on the manufacturing process, quality standards and benefit from cost efficiencies. As a result, we expect to fulfil our customers' needs in a timely manner, increase our sales per customer and improve our working capital and supply chain processes. In addition, we believe that by incorporating OSAT and PCB fabrication capabilities into our operations, we are strategically positioned to deliver comprehensive and integrated solutions to customers. This proposed vertical integration will allow us to be involved in the entire electronics supply chain, spanning across wafer fabrication to end-user product. The synergy between these two aspects will not only enhance our ability to meet customer demands but is also expected to yield significant cost efficiencies and superior quality control. This approach will empower us to optimize each stage of the production process, ensuring a seamless and high-quality end-to-end experience for customers.

We are also looking to participate in the Design Linked Incentive scheme of the Government of India. Further, our Company has received approval under the Production Linked Incentive Scheme for White Goods (Air Conditioner parts and LED Lights). In addition, our Subsidiary, Kaynes International Design and Manufacturing Private Limited has received an approval under the Scheme Design Led Manufacturing of Telecom and Networking Equipments, PLI Telecom 2.0 and our subsidiary Kaynes Electronics Manufacturing Private Limited has received approval under PLI IT Hardware 2.0.

Focus on full product / box build capabilities

As an ESDM player catering to OEMs through in-house build of test fixtures, provide product reliability at closer proximity with faster turn-around time, delivering complex prototypes in shorter lead times and setting-up product or box build manufacturing with zero defects will ensure more customers with larger revenue share. In addition as an integrated manufacturing player, providing almost all the services in-house from electronics to tooling, sheet metal, magnetics, cable harness, test benches will increase the share of box build which we believe will positively impact revenue and margins. To fulfil this aspect of integrated manufacturing, we have completed phase-I of our new manufacturing facility at Chamarajanagar, Karnataka, with integrated inhouse and onsite infrastructure with specialized skills to do complete product or Box Build. As an ODM, we are responsible for products we manufacture, from initial design stage and subsequently all the aspects of manufacturing, including planning and sourcing of raw materials and components. In our experience, although, the ODM model of business requires additional investment in research and development as well as working capital, we believe that it results in higher margins, recurring business with high customer retention, as compared to the OEM model.

The table below provides contribution from box build customers in the periods indicated:

Industry Vertical	Fiscal 2023		Fiscal 2024		Fiscal 2025	
	Amount (₹ million)	Percentage of Revenue from Operations (%)	Amount (₹ million)	Percentage of Revenue from Operations (%)	Amount (₹ million)	Percentage of Revenue from Operations (%)
Contribution from box build customers	3,322.36	29.50%	7,512.92	41.63%	10,666.82	39.19%

We have recently completed phase-I of our new manufacturing facility at Chamarajanagar, Karnataka which commenced commercial operations on May 5, 2023. We intend to expand our box build clientele for a more expansive reach. We have already built capabilities in BLDC motor controllers, invertors, IoT modules integration, smart energy meters and applied products such as street light controllers and biometric add-ons. We propose to grow our customer base in these areas and add newer product categories going forward.

Leverage our research and development capabilities to continue to diversify product portfolio and provide value-added services

As an ODM, we have the ability to provide product design and development services and even whole product lifecycle services. We intend to leverage on our experience and capabilities of our in-house design and research and development team to further our ODM capabilities. ODM services allows us to design and develop a product for a customer as per stated specifications and features and thereby develop and control supply chain along with the manufacturing process. We believe, this results in deeper customer relationship with constant improvement in product features and introduction of newer variants. We are increasing our product design competency in our chosen areas of technological competency and trying to introduce newer applications with increased focus in developing collaboration with chip manufacturers and building stronger team with skills in embedded hardware design, firmware and software. This is a continuous process of up-skilling and adding infrastructure by investing in newer licenses, testing equipment and application software. We have a dedicated team of engineers focusing on our ODM strategy. As of March 31, 2025, our design, research and development team comprised 212 employees and has capabilities to provide end-to-end support, including verifying and developing conceptual designs received from customers and converting such designs into deliverable products by improving the designs, recommending suitable raw materials and testing of trial products. The team also provides solutions to improve manufacturing efficiency on the existing products, reduce production costs and assists our customers in designing durable products by providing design and engineering support. We believe that our focus on research and development will allow us to focus on ODM capabilities on new business verticals like consumer electronics. Our expansion strategies also include customer acquisition for smart meter ODM, appliance electronics ODM, solar panel cleaners as ODM, BLDC electric motor ODM as part of our diversified product portfolio. Our endeavour is to identify newer technology applications in consumer appliances, smart technology, IT accessories and cloud based, sensor driven IoT solutions which can easily be scaled, leading to growth in revenue with better margins. We also have a separate design team which offers non-intellectual property design and engineering services in consumer and industrial segments. This team provides hardware or device design and can contribute towards design led manufacturing.



Focus on expansion across each vertical as well as on the OSAT and PCB manufacturing to on industry opportunity

We intend to undertake vertical-focused expansion, to expand our business using different strategies for our different business verticals. We intend to expand our order book by scaling our opportunity across our customer and business verticals. Our diversified products and customer base over the years, backed by our end-to-end integrated business model and our manufacturing capabilities has led to our order book growing from ₹ 26,481.68 million, as of March 31, 2023 to ₹ 65,968.60 million, as of March 31, 2025 with orders from several customers across business verticals. Currently, we are involved in several projects in our different business verticals like smart-meters, automotive lighting, electronic control units, hand-held diagnostic hardware, IOT driven smart solutions, dispensing solutions and avionic electronics.

Further, the Indian OSAT market is currently in its early stages of development; however, it holds substantial potential for growth in the coming years. It is projected to reach a market size of approximately USD 201 million by 2027. This growth could be further accelerated by the establishment of production facilities by major global OSAT players within the country. Beyond their strategic impact, OSAT providers are instrumental in driving technological innovation within the semiconductor industry. They actively contribute to advancements in packaging methodologies, heterogeneous integration, and the persistent trend toward device miniaturization. (*Source: CARE Report*)

Expand manufacturing capacity at our existing facilities and set-up additional strategically located facilities

We operate 15 strategically located manufacturing facilities across India and United States with eight of them being operated by our Company in the states of Karnataka (three facilities, namely, Mysuru – Unit I, Bengaluru – Unit I and Unit II), Haryana (two facilities, namely, Manesar – Unit I and Unit – II), Himachal Pradesh (one facility at Parwanoo), Tamil Nadu (one facility at Chennai) and Maharashtra (one facility in Pune); six manufacturing facilities operated by our Subsidiaries in India, at Chamarajanagar, Karnataka (operated by our Subsidiary, Kaynes Electronics Manufacturing Private Limited); Mysuru, Karnataka (operated by our Subsidiary, Kaynes International Design & Manufacturing Private Limited); Hyderabad, Telangana (operated by our Subsidiary, Kaynes Electronics Manufacturing Private Limited); Bengaluru, Karnataka (operated by our Subsidiary Kaynes Mechatronics Private Limited; Mysuru, Karnataka (operated by our Subsidiary, Iskraemeco India Private Limited); one Hyderabad, Telangana (operated by our Subsidiary Iskraemeco India Private Limited) and one facility operated by our Subsidiary Digicom Electronics Inc. in Oakland, USA. We have recently completed phase-I of our new manufacturing facility at Chamarajanagar, Karnataka which commenced commercial operations on May 5, 2023. In addition, we are in the process of setting-up additional facilities for manufacturing of HDI circuit boards and an OSAT facility at Chennai, Tamil Nadu and Sanand, Gujarat, respectively. Each of these facilities are expected to commence commercial production by Fiscal 2026.

The following table sets forth further information relating to our proposed manufacturing facilities for OSAT and PCB:

Locations	Verticals	Unit of measure	Proposed Capacity* (in respective units)
Sanand, Gujarat	OSAT	Million packages per annum across various types of packages	2,310.00 (expected to be commissioned by Fiscal 2026)
Chennai, Tamil Nadu	Bare PCB Fabrication – HDI	Square meter per annum	330,000.00 (expected to be commissioned by Fiscal 2026)
	PCB – Multilayer	Square meter per annum	1,050,000 (expected to be commissioned by Fiscal 2026)
	Total (PCB)		**1,380,000.00**

[#] For risks associated with the estimated schedule commercial date of our proposed manufacturing facilities, see "Risk Factors – Our proposed capacity expansion plans relating to our manufacturing facilities are subject to the risk of unanticipated delays in implementation and cost overruns. Further, the installed capacities at our manufacturing facilities were not fully utilised in Fiscal 2023, 2024 and 2025." on page 51.

Certain of these facilities will also benefit from subsidized land grants and tax incentives. We believe that our strategy will allow us to better serve our existing customers, assist us in better addressing the business requirements of large customers, and allow us to expand into new business verticals, in particular, consumer electronics and smart meters.

We are in the process of expanding our manufacturing capabilities by setting-up of OSAT manufacturing facilities, at an estimated cost of ₹ 33,070.00 million. The facility is proposed to be established at Sanand, Gujarat, which will support customers worldwide with various types of packages including but not limited to in QFN / QFN stack die, SOT, flip chip ball grid array and TO220. Further, we also propose to expand our capabilities to manufacture in-house bare PCBs with a manufacturing facility at Chennai, Tamil Nadu, for an estimated cost of ₹ 17,880.00 million, which will manufacture advanced HDI circuit boards and PCB – multilayer.

Continue to expand our customer base to focus on large customers

Over the last three Fiscals, we have been able to consistently grow our customer base. For Fiscal 2023, 2024 and 2025, we served 361, 407, and 533 customers, respectively, across our different business verticals. With the growing customer demand for our products, we intend to capitalize on this strong industry tailwind by continuing to grow our customer base.

Our expansion of customer base is generally four-pronged. We intend to acquire customers that can provide higher value business, to increase the wallet share with our existing customers through a combined means of marketing strategies and capacity enhancement of our manufacturing facilities to improve our services to our customers, and to attract customers who can provide to us higher margins. As we look to expand our operations both domestically and internationally, we intend to have additional sales and business development representatives in geographies outside India to acquire new and larger customers in such geographies. To generate brand awareness, we intend to continue to utilize content-based marketing through content articles, search engine optimization, email newsletters, social media, press mentions and media partners. We intend to increase the share of our export sales as these offer better margins. To further this strategy, we intend to set up sales and marketing offices in the United States, Japan and Europe in order to grow our exports. As of March 31, 2025, we have 50 employees in our sales and business development team who specialise in assisting us in customer acquisition efforts.

To better serve our customers, we will continue to expand our geographical footprint by enhancing current manufacturing capacities in Mysuru, Karnataka and Manesar, Haryana and have recently set-up a new manufacturing facility in Chamarajanagar, Karnataka. Our facility in Chamarajanagar, Karnataka is strategically located in proximity to our existing facility. As we expand our manufacturing capacities and set up new manufacturing facilities to enhance our business in India and globally, we will continue to develop new customer relationships in a wider range of geographic markets, further decreasing our single market dependency and customer revenue concentration.

Pursue inorganic growth through selective partnerships and acquisitions

We intend to pursue inorganic growth opportunities through selective strategic acquisitions to complement the scale of our operations and growth in recent periods. As part of our strategy to strengthen our capabilities in high-end, complex electronics products and ODM, we intend to pursue and continue to evaluate strategic acquisitions and investments and other strategic alliance partnerships within the ESDM sector that are complementary to our current and future business verticals. We believe that these partnerships will complement our existing marketing approach, expand into newer geographies including North America, Europe, Southeast Asia, South Asia, Middle East and North Africa by addressing additional business verticals and augment our coverage of electronic product servicing into high end industrial segments including high technology, medical, railways, aerospace, power electronics and other growing disruptive technologies. Our extensive industry experience and insights enables us to identify suitable target companies for acquisition and effectively evaluate and execute potential opportunities. Our senior management along with external experts evaluate potential inorganic opportunities and assists us in evaluating each potential acquisition in determining how their business model or solution will integrate with our existing product portfolio, and how both the companies can mutually benefit from such potential investments or acquisitions.

For instance, we have recently acquired: (i) Iskraemeco, a Slovenia-based manufacturer of advanced metering infrastructure (AMI) products; (ii) Digicom, a U.S.-based contract manufacturer of printed circuit board assemblies; and (iii) Sensonic, an Austria-based company focused on AI-integrated IoT-based asset tracking technologies. We are also in the process of acquiring August Electronics, a Canada-based provider of custom electronic manufacturing services, and have signed a share purchase agreement dated May 7, 2025. The acquisition is subject to completion and customary closing conditions. These acquisitions are intended to enhance our product portfolio, deepen customer relationships, and broaden our global footprint.

BUSINESS OPERATIONS

We engage along the entire product development lifecycle for our customers as summarized below:

Product Development Life Cycle	OEM -Turnkey / OEM – Box Build	ODM	Product Engineering and IoT Solutions
Identification of customer need	N.A.	N.A.	Yes
Current technology and state of the art	N.A.	N.A.	Yes
Finalization of specification both generic and customized	N.A.	Yes (Generic Specification)	Yes
Engineering design	N.A.	Yes	Yes
Prototyping user testing and finalization	Yes	Yes	Yes
Product realization / industrialization – development of supply chain, manufacturing process, testing infrastructure, including part obsolescence / end of life actions	Yes	Yes	Yes
Pilot and Series production	Yes	Yes	Yes

Product Development Life Cycle	OEM -Turnkey / OEM – Box Build	ODM	Product Engineering and IoT Solutions
Post-sales – Warranty and out of warranty	Yes	Yes	Yes
After-Market	N.A.	N.A.	Yes

N.A.: Not Applicable

Business Verticals

Original Equipment Manufacturer ("OEM") – Box Build

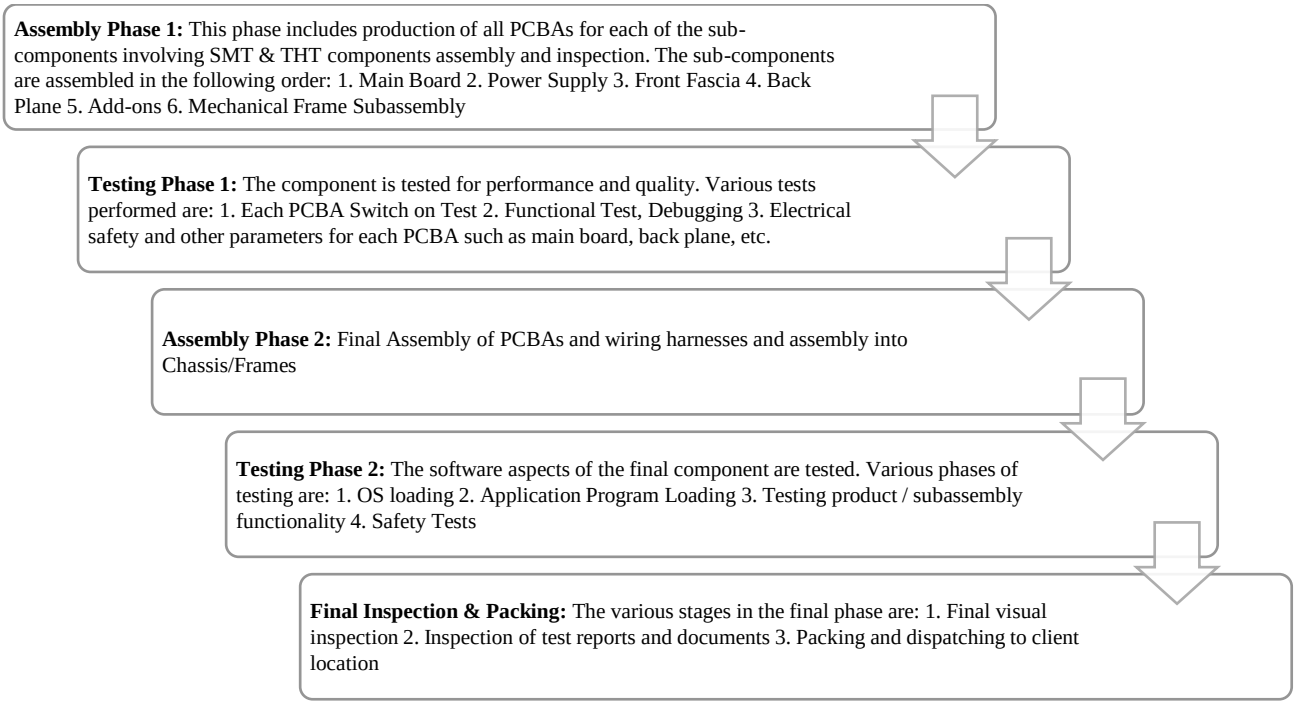
We work with our customers to offer complete "Build To Print" or "Build to Specifications" of complex Box Builds, sub-systems and products in the defence and aerospace, transportation, healthcare, IT and industrial verticals.

We have customised manufacturing lines for box building, integration and testing, with facilities for manufacturing cable forms and harnesses, plastic moulding and fabrication facility infrastructure as well as a burn-in / soak-test facility. We also possess build-capabilities for customised designing of testing hardware for a wide range of automated test equipment, functional testers right from firmware flashing fixture, PCBA fixture, end of line tester and product functional testers. Our OEM products are shipped directly to the warehouse of our customers.

We have a dedicated 'New Product Introduction' team that is capable of localizing custom built parts including tooling for plastics. As of March 31, 2025, we completed over 44 transfers of technology from overseas customers, wherein both the process and the complete product has been qualified and approved for manufacturing for global requirements.

We offer services from the concept to design stage and undertake prototyping and pilot and thereafter mass manufacturing. As part of our project management services, we undertake product reliability, validation and approvals. Type tests required for reliability of products are also carried out at external labs.

The infographic below sets forth the typical process for our end-to-end OEM – Box Build and OEM – Turnkey solutions:



OEM – Turnkey Solutions

We provide end-to-end turnkey solutions in manufacturing of PCB assemblies. We undertake prototyping, sourcing including supplier development for bare PCBs, building test jigs and designing processes for PCBAs. We then manufacture at our SMT lines and deliver tested and validated boards to customers globally.

We focus on high mix, high technology, flexible volume production, and provide value added services to customer across aerospace, defence and outer-space, railways, medical, IT/ITES, industrial and automotive electronics verticals.

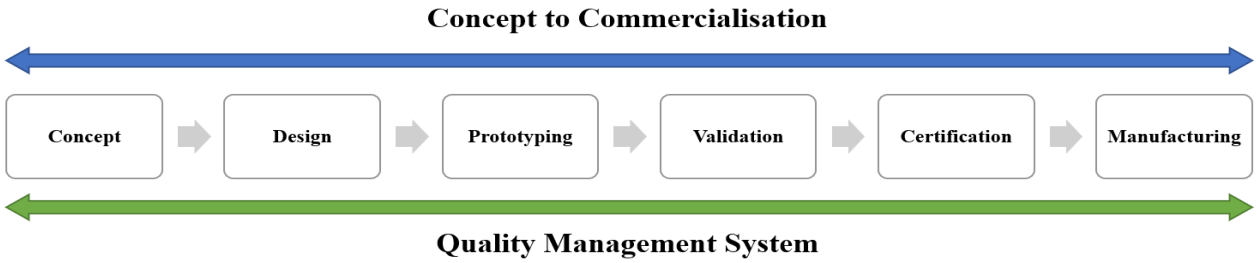
We have machines and capabilities for SMT devices and THD boards with latest packaging of QFPs, BGAs, LGAs / QFNs, 0402/0201/01005 chips, and handle all types of boards – processes based RF, power electronics and discrete logic boards.

We also have complete testing facilities for the PCB assembly and products including AOI, flying probe, x-ray, ICT and high precision voltmeter, frequency controls, digital oscilloscopes, spectrum analyzers, signal generators and customer specific test jigs and automated testing equipment.

Original Design Manufacturing ("ODM") and Product Design and Engineering and IoT Solutions

ODM

Concept to Commercialization



Software Services: We assist customers in creating new technology solutions. Our Kaynes Embedded Systems service develops customized products for our customers as per their requirements.

PCB Design Services: We specialise in high-speed, multi-layer, mixed signals, RF PCB designing along with fabrication and assembly. We offer two stage design reviews, either offline or interactive online. Designs are provided using industry standard PCB design software. We also offer RoHS compliant designs for new layouts and conversions of existing assemblies.

Mechanical Designs and Engineering Services: We provide product design solutions, enclosures design, remastering jigs and fixtures.

Prototyping: We provide turnkey prototyping solutions and rely on DFM, DFT and DFS review for transition of prototypes to bulk production. We have capabilities to manufacture prototype of small quantity of two to 10 numbers with expertise in handling SMT technology based boards, BGAs, LGAs, QFNs, QFPs and chip bonding.

We offer complete testing facility of basic measurements like oscilloscope, frequency counters, spectrum analyzer, power supply and specific test like the JTAG based testing for DSP designs. We provide prototypes on a turnkey basis; tests involving mechanical boxing for demo package design and door- to-door logistic services like ship to bill to where the end-user directly gets a technical product reducing time to market for customers.

Validation and Regulatory Compliance

We provide solutions for testing, verification, validation of products for quality assurance. We also support reliability demonstration through a series of reliability tests on prototype before release to manufacturing. We evaluate the product for compliance to national and international regulatory standards (BIS, CE, FCC and others). We also provide end-to-end support for identifying requirements, pre-compliance and compliance testing, documentation and certification.

Use cases of certain of our ODM applications are set out below:

Products	Vertical	Description
Smart meter	Industrial	Our customer is a European company that has entered the Indian market and have supported with a design and qualification of smart meters suitable for the Indian standards.
Home diagnostic products	Medical	Start-up entering into at-home diagnostic market. We undertake the design, prototype and bulk manufacturing
Streetlight controllers	IoT and IT	Customer has its own long range network for which we designed and developed a street-light controller which has a built-in energy meter. The product has qualified for reliability and taken up for bulk manufacturing including exports.

Products	Vertical	Description
IoT appliance	Consumer	Looking for support in IoT driven smart solutions for appliance. Handled design, proto and currently doing bulk manufacturing.
Consumer audio	Consumer	Customer looking to localize manufacturing through assembly of semi-knockdown unit. We supported in SKU and localizing for complete knockdown unit.

Product Design and Engineering and IoT solutions

Our service offerings in this vertical are set out below:

Device Engineering: We offer turnkey solutions for product companies across verticals requiring custom embedded system development. Device engineering is an interplay of hardware, embedded and mechanical designs involving advanced technologies such as high-end processors, sensors, connectivity, and advanced embedded software and device

Digital Engineering: We bring a one-stop-shop for our customers looking for an end-to-end IoT and Cloud enablement solution offering. We have a comprehensive remote device management IP and cloud platforms to accelerate our customer solution journey.

Quality Engineering: We provide quality assurance services across the entire connected product lifecycle spectrum, covering quality assurance consulting services, IoT quality assurance implementation services, to end- of-life quality assurance support services. Through our comprehensive suite of service offerings and best practices, we ensure high product quality, operational excellence, and agility to meet our customer's dynamic and complex end-to-end solution testing needs.

Prototype and Bulk Manufacturing: We manage product development and product certifications, mechanical casing design, BOM optimization, and mass manufacturing services. This results in time saving for customers and in better control.

Manufacturing Processes

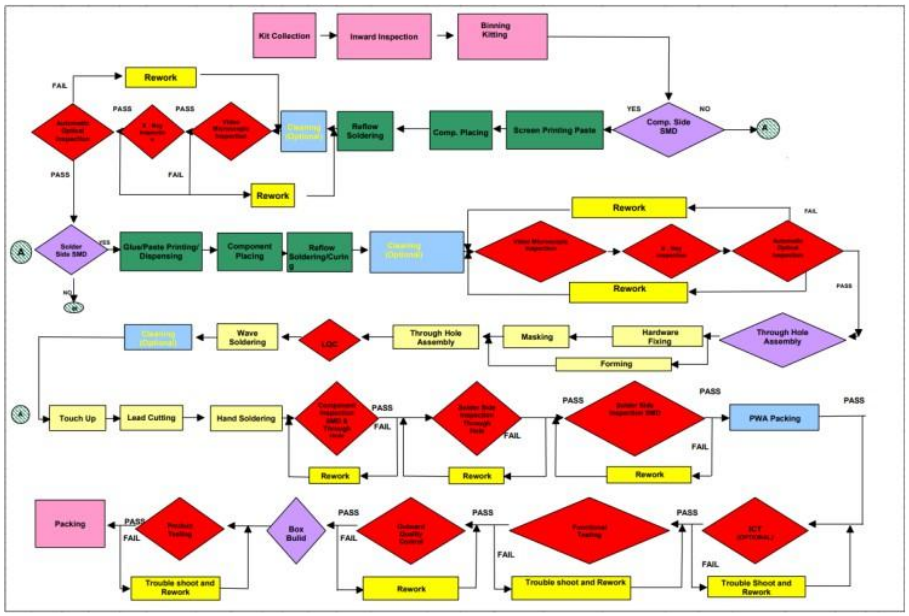
Manufacturing

Our manufacturing activities primarily comprise the SMT process and module assembly process.

SMT Process

SMT process is an automated process with specific machines performing the job as per pre-set programs. The different sub processes in SMT are performed serially in process specific machines. The unit under assembly are moved from one machine to another thro' an automated conveyor. All the machines in the line as well as the connecting conveyors are conforming to SMEMA Electrical Equipment Interface Standard. This ensures proper sequencing of entry and exit of the unit under assembly from each individual machine.

The sequence of operations in SMT section and the machines used in each of them are as per the manufacturing process flow chart below:



Screen Printing: A bare PCB is passed through the machine and the solder paste (a combination of lead, tin and in certain cases silver powder suspended in thick flux) is deposited on the board through a stencil. The stencil is specific to the product and will have openings corresponding to the solder-able pads on the bare PCB. The machine operation parameters like squeegee movement speed and pressure are set in the machine through different programs.

Component Placement: After solder paste printing is brought into the machine through conveyor and the components to be placed on the PCB are loaded in bulk packages through different feeders. The feeder and the location where the component is to be placed on the board are defined in a program.

Reflow Oven: During re-flow process, the PCB with components placed on solder paste deposits is moved through a conveyor. There are multiple heating zones in the oven. The temperature of each of the zone is set based on the temperature profile measured on the PCB during the movement of the PCB through the oven. The speed of the movement also is fixed based on the temperature profile measured on the board. By the time the PCB comes out of the oven, the solder paste get converted from paste form to solid form and the electrical connection from components to the pad on the board is established.

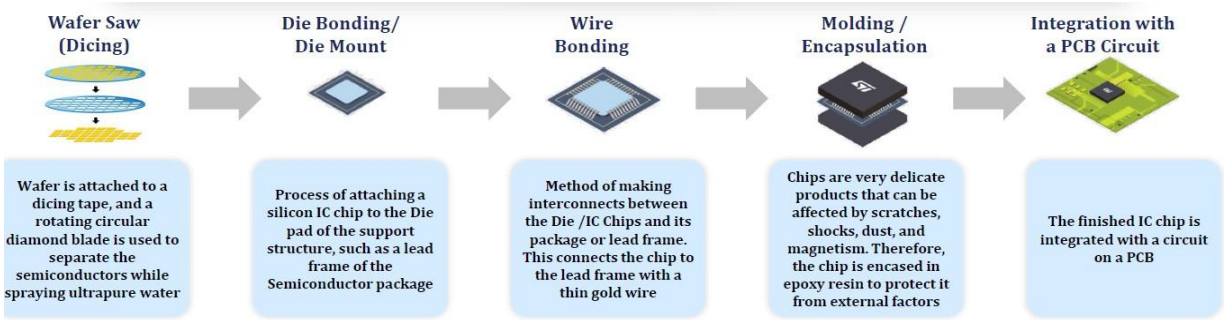
Wave Soldering and Selective Soldering: This process is used when any through hole components are to be soldered. Here the PCB after mounting the components is passed over a bath of molten solder. Due to capillary action, the molten solder passes through the plated holes in the PCB and once solidified, the electrical connection is established. If the component to be soldered is sensitive to heat, selective soldering process is adopted, where instead of a solder bath, a small solder wave is used and the board is moved in different axes so that the area to be soldered alone comes into contact with the wave.

Module Assembly Process

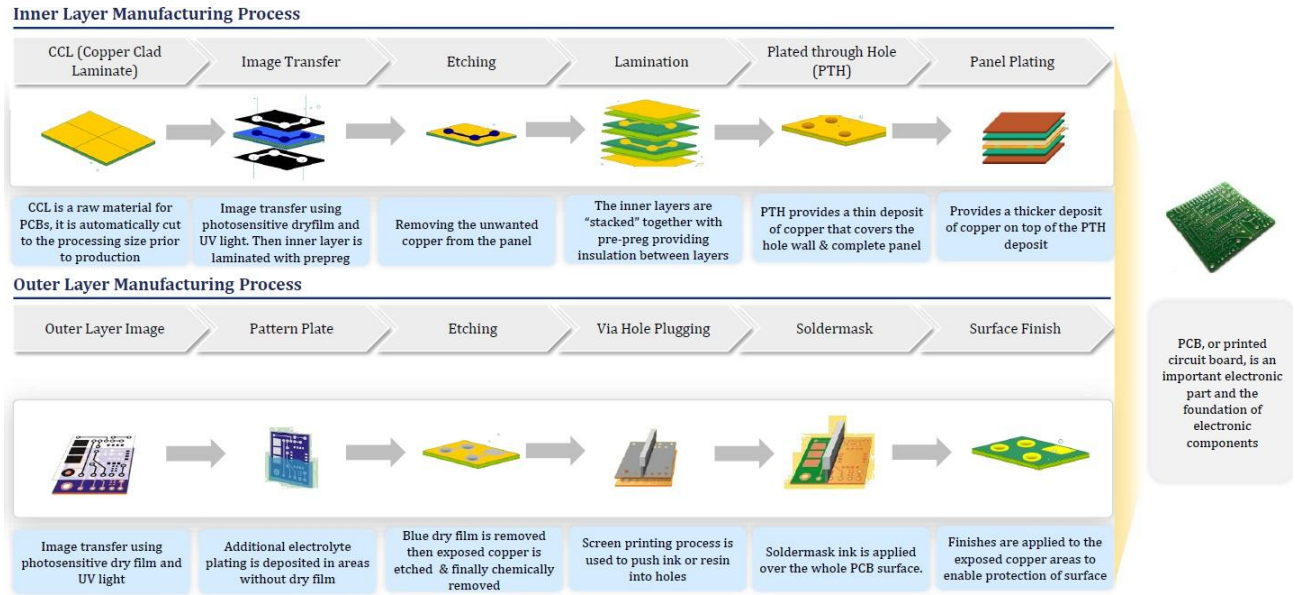
This process is also known as the box build process or final assembly process. In this process, all the sub- assemblies are assembled together to get a final product which is then tested and packaged for shipment. This stage may include some assembly processes, some testing processes, and final testing and quality control processes. At this stage all quality documentation and production documentation that is required for shipment is collated.

Manufacturing Process for Proposed OSAT and Bare PCB

OSAT Manufacturing Process



Bare PCB Manufacturing Process



Inspection Systems and Processes

There are different stages of inspections for ensuring products are defect free and the processes followed are in compliance with the standards / guidelines adopted for manufacturing. In addition to the manual inspections, there are automated inspection systems also.

After reflow soldering, the PCB from reflow oven is passed onto automatic optical inspection system. Here the soldering qualities as well as the identity of the components are verified with reference to the reference data available in the system.

For certain customers, there is a requirement that they require fully-assembled and tested OK boards. In such assembly lines, at the end of the line there will be an automatic test equipment, In-Circuit Tester ("**ICT**"). The final product is loaded onto the machine and connected through a customized testing jig specific to the product. Once connected, the assembly will power up from the ICT machine and all functionalities of the assembly are verified by electronic means through output from different test points.

In certain PCBs, the electrical connection will be from beneath the component. In such cases, no visual inspection can be undertaken to ensure soldering quality. In such cases, the inspection is conducted with the help of an inspection system employing X-ray.

Once the product is ready, there are additional tests undertaken to ensure reliability. These include vibration tests and temperature cycling. To ensure mechanical stability, the product undergoes a vibration test for a specified time at specified amplitude of vibration on a vibration table of suitable capacity. To ensure functionality of the product under varied operating conditions, the unit is kept in Power ON or OFF condition in a thermal cycling chamber, where temperature is varied between – 30°C and 80°C. Temperature ramp up and down is done in different cycles and rates based on product requirement and application.

Products

The table below sets forth details of the products we manufacture based on the verticals for which they are manufactured:



1 – Headlamp level switch / Steering control switch/ Windowlift Motor/ Rocker Switch PCBA | 2 - Kaynes has been a valuable industry partner for soft landing of Chandrayaan-3 & launch of Aditya-L1 missions

Platforms

KPTR – IIoT Products and Accelerators: The Smart Edge platform powers our array of ODM products including industrial sensors and multi-protocol gateways. These devices are essential to make assets smart by capturing and contextualizing the machine data in real-time. KPTR designs are field-proven and have industry certifications. They support varied industrial protocol and IoT connectivity stack out-of-box.

KemPaaS – Remote Device Management Platform: KemPaaS provides a managed and secure cloud platform to capture, store, and analyse industrial machine data at scale. KemPaaS extends IoT data as an API for building vertical applications and enabling OT-IT data integration with known IT platforms. The platform also offers turnkey remote device management, rule-based workflow automation, and a notification engine.

KemSights – Analytical Applications: Connected industrial applications targeted for various IIoT use cases including condition monitoring, asset tracking, predictive maintenance, energy optimization, and equipment rental. KemSight offers the opportunity to use out-of-box applications, build custom applications, or port third- party application on KemPaaS data APIs.

Facilities

The map below sets forth details of our facilities, service centres, design centres, offices and plant under construction as of March 31, 2025:



Note: Map not to Scale

Manufacturing Facilities

As of March 31, 2025, our Company and subsidiaries, operated 15 manufacturing facilities (14 facilities in India and one manufacturing facility in Oakland, USA), 2 Service Centres in India and five design facilities (three facilities in India and one facility each in United Kingdom, Austria and USA), details of which are given below:

S. No.	Location	Verticals	Area (sq. ft.)	Owned / Leased	Type	Operating Entity
1.	Mysuru, Karnataka – Unit I	Automotive, Industrial, Aerospace, Defence, Outer-space and Nuclear, Medical, Railways, IoT / IT and Consumer	359,485	Owned	Manufacturing	Company
2.	Pune, Maharashtra	Automotive and Industrial	64,000	Leased	Manufacturing	Company
3.	Parwanoo, Himachal Pradesh	IT, Telecom, Industrial, Medical and Automotive	5,253	Owned	Manufacturing	Company
4.	Bengaluru, Karnataka – Unit I	Automotive, Medical, IOT, IT and Industrial	12,425	Leased	Manufacturing	Company
5.	Bengaluru, Karnataka – Unit II	Automotive and Industrial	13,447	Leased	Manufacturing	Company
6.	Chennai, Tamil Nadu	Automotive, Medical and Industrial	10,125	Leased	Manufacturing	Company
7.	Manesar, Haryana – Unit I	Industrial, Medical and Automotive	25,000	Leased	Manufacturing	Company
8.	Manesar, Haryana – Unit II	Industrial, Medical and Automotive	88,000	Leased	Manufacturing	Company
9.	Chamarajanagar, Karnataka (Phase-I)	Automotive, Telecom, IOT, IT, Defence and Aerospace, Medical and Industrials	175,720	Owned	Manufacturing	Kaynes Electronics Manufacturing Private Limited

S. No.	Location	Verticals	Area (sq. ft.)	Owned / Leased	Type	Operating Entity
10.	Mysuru, Karnataka	Industrial	29,240	Leased	Manufacturing	Kaynes International Design & Manufacturing Private Limited
11.	Kochi, Kerala	Aerospace and Defence	2,000	Leased	Service Centre	Company
12.	Navi Mumbai, Maharashtra	Railway, Aerospace, Defence and Industrial	6,350	Leased	Service Centre	Company
13.	Bengaluru, Karnataka	Automotive, Industrial, Aerospace, Defence, Outer- space and Nuclear, Medical, Railways, IoT / IT and Others and Consumer	4,990	Leased	Design Facility	Company
14.	Ahmedabad, Gujarat	Automotive, Industrial, Aerospace, Defence, Outer- space and Nuclear, Medical, Railways, IoT / IT and Others and Consumer	1,882	Leased	Design Facility	Company
15.	Bengaluru, Karnataka	Automotive, Industrial, Aerospace, Defence, Outer-space and Nuclear, Medical, Railways, IoT / IT and Others and Consumer	25,200	Leased	Manufacturing	KMPL
16.	Hyderabad, Telangana	Automotive, Telecom, IOT, IT, and Industrials	70,235	Leased	Manufacturing	Kaynes Electronics Manufacturing Private Limited
17.	Mysore, Karnataka	Industrial	3,200	Leased	Manufacturing	Iskraemeco India Private Limited
18.	Hyderabad, Telangana	Industrial	16,145	Leased	Manufacturing	Iskraemeco India Private Limited
19.	Oakland, California, USA	Automotive, Telecom, IOT, IT, Defence and Aerospace, Medical and Industrials	19,800	Leased	Manufacturing	Digicom Electronics Inc.
20.	Scharding, Austria	Railways	6,430	Leased	Design Facility	Sensonic GmbH, Austria
21.	Hampshire, UK	Railways	2,040	Leased	Design Facility	Sensonic UK Ltd.
22.	Princeton, New Jersey, USA	Railways	1,000	Leased	Design Facility	Sensonic USA

Aggregate Installed Capacity and Capacity Utilization

The following tables sets forth certain information relating to the installed capacity and capacity utilisation (on the basis of total installed capacity and actual production) of SMT components placement/ assembly and PCB assemblies at our manufacturing facilities located at (i) Mysuru, Karnataka – Unit I and Mysuru, Karnataka – Unit II; (ii) Parwanoo, Himachal Pradesh; and (iii) Manesar, Haryana Unit – I and Unit - II. The two facilities each at Mysuru, Karnataka and Manesar, Haryana, respectively are used interchangeably for the assembly of SMT components. Accordingly, the facility-wise data cannot be determined for individual capacity utilization calculations and have been clubbed for the purpose of determination of capacity utilization.

The installed and utilized capacity of our facilities located at: (i) Bengaluru, Karnataka – Unit I; (ii) Bengaluru, Karnataka – Unit II; (iii) Chennai, Tamil Nadu; and (iv) Mysuru, Karnataka (operated by Kaynes International Design & Manufacturing Private Limited) cannot be specified these facilities are engaged in ancillary placement/assembling activities. Since these facilities are not involved in SMT component assembly and PCB assemblies, an estimate with respect to installed or utilised capacity cannot be specified. The capacity of the placement/assembly operations varies significantly depending on products manufactured and hence an estimate of the installed / utilized capacity cannot be provided accurately.

The capacity is measured in two ways: (i) number of SMT components placed on a PCB (in million SMT components places per annum); and (ii) number of PCB assembled (in million PCB assembles per annum).

SMT Components Placement/ Assembly

Consolidated	As of, and for the period ended, March 31, 2025			As of, and for the period ended, March 31, 2024			As of, and for the period ended, March 31, 2023		
	Installed Capacity *1	Actual Production *2	Utilization	Installed Capacity *1	Actual Production *2	Utilization	Installed Capacity *1	Actual Production *2	Utilization
	Million		%	Million		%	Million		%
SMT Component Placement	5,182.78	3,744.13	72.24%	3,032.68	2,264.58	74.67%	1,550.69	1,333.56	86.00%
PCB Assemblies	114.73	83.32	72.62%	87.06	64.35	73.91%	53.31	46.47	87.16%

**As certified by K. L. Arun, Chartered Engineer, by certificate dated June 19, 2025.*

Notes:

(1) The information relating to the existing installed capacity of our manufacturing facilities as of dates indicated above are based on various assumptions and estimates that have been taken into account for calculation of the installed capacity. These assumptions and estimates include the standard capacity calculation practice of the component manufacturing industry after examining the calculations and explanations provided by our Company and the capacities and other ancillary equipment installed at the manufacturing facilities.

(2) Capacity utilization has been calculated on the basis of actual production during the relevant period divided by the aggregate installed capacity of relevant manufacturing plant as of at the end of the relevant period.

(3) The assumptions and estimates taken specifically into account include the following:

a. Number of working hours per day taken at 22 hours per day; Number of working days per month taken at 25 days per month; and Number of months in a year taken at 12 months per year; and

b. The SMT machines have a rated capacity in terms of number of components placements per hour ("CPH") and based upon 3(a) above, the rated CPH for the year was determined for each of the machines in terms of total number of component placements in a year which is the rated theoretical capacity for each machine.

(4) Actual production levels and utilization rates may vary significantly from the capacity information of our manufacturing facilities included in this Placement Document and undue reliance should not be placed on such information.

Also, see "*Risk Factors – Information relating to our production capacities and the historical capacity utilization of our manufacturing facilities included in this Placement Document is based on various assumptions and estimates and future production and capacity utilization may vary.*" on page 62.

Research, Development and Technological Capabilities

We believe that R&D is critical in maintaining our competitive position in the ESDM industry, including in order to address changing customer trends, be updated with technological advancements, industry developments and business models. Our R&D capabilities focus on technology development, costs and operating efficiencies, product design and development, production processes and environmental management by understanding current market demands and evolving customer trends. We believe that the ESDM industry is rapidly evolving due to technological advancements and deeper penetration of information technology. We have a dedicated research and development facility located within our facility at Mysuru, Karnataka – Unit – I and a separate research and development facility located at Ahmedabad, Gujarat. In addition, we intend to establish a new research and development facility in Telangana for OSAT and compound semiconductor.

Manpower: As of March 31, 2025, we have 212 personnel engaged as part of our R&D and engineering operations. Through our R&D and innovation capabilities, we have successfully designed and developed a portfolio of wide-ranging products that are used across various industry verticals. We have the ability to manufacture most of our products from the concept and design stage until the final delivery thereby covering the entire manufacturing value chain.

Quality Control, Testing and Certifications

Our quality policy is focused on fulfilling customer requirements through reliable products and services aimed at meeting all regulatory requirements and through continual improvement of our quality management systems. Our products undergo a qualification process throughout the entire value chain to ensure that quality products are being provided to customers. Our quality control programs at most of our manufacturing facilities involve subjecting the manufacturing processes and quality management systems to periodic reviews and observations for various periods. In addition, our manufacturing facilities are subject to compliance audits in relation to quality management by third party agencies as well as by our customers.

IATF 16949 is the required QMS standard for the global automotive supplier base. Any automotive supplier who supplies a component or system that ends up in an automobile must be certified, along with any automotive supplier who is contractually required by an automotive OEM to be certified.

ISO 9001 certification provides us with tools to improve our business performance, such as defining policy and objectives, monitoring and measuring processes and product characteristics, specifying corrective and preventive actions and encouraging continuous improvement. We have also obtained ISO 14001:2015 certifications to ensure compliance with environmental standards.

To complement our existing quality certifications, we have also obtained ISO 13485: 2016 registration to support our activities in the manufacture of medical devices and implants as well as AS 9100 – Rev D to validate our quality system for the aerospace and defence applications.

Other accreditations and certifications pertaining to quality and health and safety standards obtained by us include NADCAP certification for our aerospace products.

Our customers expect us to undertake extensive product approvals and/or certification process and some of our customers also perform their own quality checks to ensure that our products meet their demands and comply with the requirements.

Certain information regarding our certifications are shown in the table below:

Certification	Certification Type	Vertical	Description
EN 9100	Industry specific	Aerospace, Defence and Nuclear	• Mandatory for all electronic and mechanical supplies to aerospace industry • Assists in vendor selection by a global MNC. Certification to manufacture and service populated PCBs, electromechanical assemblies, and cable harnesses for aerospace application.
National Aerospace and Defense	Industry specific	Aerospace, Defence and Nuclear	Certification is managed by a consortium of all aerospace and defence contractors in the United States for suppliers who need to be accredited before any supplies for Aerospace industry.
Contractors Accreditation Program ("**NADCAP**")			We are NADCAP accredited for all electronic processes for delivering products compliant with EN 9100 standards.
IRIS / ISO TS22163	Industry specific	Railways	▪ Required standard for any supplies to railway authorities or companies in Europe. ▪ Scope of the certification comprises design, development, and manufacturing of components for populated PCBAs, electromechanical assemblies, and services.
IATF 16949	Industry specific	Automotive	Manufacturing permitted exclusions, design and development of products and services for the Automotive electronics.
ISO 9001	Industry specific	Industrial	▪ Minimum standard required for supplies of industrial products ▪ Design, manufacture, and service of populated PCBAs, electromechanical assemblies, and transformers for electronic assemblies.
ISO 13485	Industry specific	Medical	▪ The management system is applicable for: ▪ Manufacturing of PCBAs, electromechanical assemblies, cable assemblies for active and in-vitro diagnostics, medical devices and laboratory equipment, ▪ High level assembly of in-vitro diagnostic and medical devices ▪ Designs and engineering / value engineering support for manufacture of parts and assemblies used in medical devices

Certification	Certification Type	Vertical	Description
EN 9110/ AS 9110C	Industry specific	Aerospace, Defence and Nuclear	Repair and maintenance of PCB assemblies for aerospace and other industries
SA 8000	Social Accountability	Various	Certification to develop, maintain, and apply socially acceptable practices in the workplace.
ANSI S 20.20	Generic	Various	Certification for implementing and maintaining electrostatic discharge control program.
IEC 61340	Generic	Various	Certification for implementing and maintaining electrostatic discharge control program.
ISO 14001	Regulatory	Various	Adhering to environmental standards and regulations.
ISO 45001	Regulatory	Various	Adhering to safeguarding health and safety in workplace.

Customers

We have, through our experience in business operations, established long-term relationships with our customers across industries. We have a diversified customer base and we served 533 customers in 36 countries across 5 continents including countries such as the United States, United Kingdom, France, Malaysia, Austria and Germany, as of March 31, 2025.

Our customers span multiple sectors, ranging from electronics, to automotive, to healthcare, industrial and IoT. We have a balanced mix of domestic and international customers including certain Fortune 500 companies, multinational corporations and start-ups.

The table below sets forth details of revenues generated from our single largest customer, top 5 customers and our top 10 customers for the periods indicated.

Customer	Fiscal 2023		Fiscal 2024		Fiscal 2025	
	Amount (₹ million)	Percentage of Revenue from Operations (%)	Amount (₹ million)	Percentage of Revenue from Operations (%)	Amount (₹ million)	Percentage of Revenue from Operations (%)
Top 1	1,597.96	14.19%	4,617.22	25.59%	4,300.83	15.80%
Top 5	4,908.03	43.58%	9,569.10	53.03%	12,581.75	46.23%
Top 10	6,802.97	60.41%	12,422.22	68.84%	18,302.31	67.24%

The table below sets forth details of some of our major customers and products supplied by us to them:

Segment	Customer	Major Products Supplied
Automotive	A leading company which manufactures headlamps, rear combination lamps, fog lamps, and other signal/indicator lamps for auto applications	Cluster PCBAs, all types of electronics for automotive lighting, passenger entry passenger exit, electronic control units, switches for steering control, doors, windows, HVAC and lumbar support.
Industrial including EV	• Leading global manufacturer of electronic instruments and electromechanical devices • Leading provider of global digital infrastructure	• Engine control panels, biometric add-ons, surge protectors, accelerometers, street light controller, BLE modules, precision bridges, test equipment, temperature controllers, switch gear electronics, instrumentation, power electronics, control systems, energy metering and controls, process control electronics, machinery electronics, security and surveillance systems, BLDC motor controllers, HVAC system electronic and alternate energy electronics. • PCBAs, high end test instruments, integrated circuit card readers, BLE modules, streetlights, energy meters, controllers, and night vision cameras.
Aerospace, outer-space and strategic electronics	• A leading company specializing in advanced imaging and sensor solutions for applications in defense, security, and industrial sectors • One of the one of the world's leading suppliers of avionic- standard aircraft communications, navigation and audio/intercom systems	Electronics for navigation and sensors, airborne radio communication systems, thermal imaging systems and line replaceable unit for power supplies.
Medical	A company dedicated to the development, manufacturing, and distribution of diagnostic reagents, instruments, and other medical solutions	Ventilators, respirators, controller units for dental chairs, smart glucometers, single and multiple-bed patient management systems, endoscopy carts, fetal monitoring systems, X-ray machines with display, tube sealers, incubators and agitators, Specific protein

Segment	Customer	Major Products Supplied
		analyzers and clinical chemistry analyzers, foreign body extractors and diagnostic devices.
Railways	• Leading company specializing in advanced rail signaling and automation solutions for efficient and safe railway transportation • Leading company specializing rail signaling and traffic management solutions • Leading company delivering railway sensor solutions for train detection and asset monitoring	Audio frequency track circuits, short distance track circuits, cubicles, electronics for interlocking, axel counters, passenger information systems.
IoT / IT, Consumer and Others	• Leading company operating in the field of energy solutions and services • Leading owner of consumer audio accessories	• Bar code scanners, industrial tablets, industrial human machine interface, programmable logic controller gateways, gateway – asset condition monitoring, artificial intelligence IIoT gateway, magnetics, relays, plastic moulding, high complex and high mix PCBAs, printer electronics, robotics, development kits, infotainment systems, street-light controllers, vending and dispensing machines, industrial display electronics, semi-conductors based products, IoT solutions, IoT modules and remote asset management. • Wired headsets, wireless headsets, accessories, true wireless stereo, smart watches and Bluetooth speakers.

Customer Service and Support

We endeavour to ensure customer satisfaction not only by delivering customized products to make our customers achieve their intended goals but also by assisting customers through their journey during the envisaged products life span and beyond. We consider customer satisfaction and feedback as a critical measure of our business success and use the valuable information for improve our processes and procedures.

Our customer service and support team has 46 qualified engineers, as of March 31, 2025. We also periodically advice our customers on product life cycle updates and upgrades to keep pace with technological changes and also to circumvent obsolescence.

Repair and Maintenance

We schedule regular repair and maintenance programs for our facilities, including maintenance of machinery and equipment, to maximize production efficiency and avoid unexpected interruption of our operations. We also have periodic scheduled shutdowns for maintenance. Our machinery and electrical repair teams carry out day-to-day maintenance and repair of the facilities and machinery on an as-needed basis.

Raw Materials and Suppliers

The primary raw materials used in the manufacture of our products are:

Electronic Components (micro controllers, IC, resistors, capacitors, LED, PCB and other semiconductors): We procure these components directly from overseas manufacturers or their authorized distributors.

Wound Components: Wound components or magnetic components are either manufactured in-house, sourced from approved vendors. Periodic and non-periodic audits are conducted to ensure quality.

Wiring Harness: These are critical for long-term quality of our products since these carry actual electrical load in our products. Wiring harness for export products are manufactured in-house while those required for domestic markets are procured from approved vendors. Drawings of wiring harness specifying the gauge of wires, number of strands in each wire, insulation strength, make and material of crimping pins, and the make and specification of the insulation tape are detailed in the drawings provided by us. Periodic and non-periodic audits are conducted to ensure quality.

Plastic Parts: These are procured from dedicated plastic moulding companies. The drawings and specifications for the moulds are provided by us, and the moulds for these parts are owned by us. Strict quality control procedures, including third party testing, are carried out to ensure compliance with our quality specifications.

Sheet Metal Parts: These are made based on our drawings.

Process consumables: These are sourced from various third-party manufacturers. We rely on certified and recognized laboratories to verify the quality of these components.

The table below provides details of our cost of materials consumed as a percentage of our total expenses:

Particulars	Fiscal 2023		Fiscal 2024		Fiscal 2025	
	Amount (₹ million)	Percentage of Total Expenses (%)	Amount (₹ million)	Percentage of Total Expenses (%)	Amount (₹ million)	Percentage of Total Expenses (%)
Cost of Materials Consumed	8,478.01	83.82%	13,712.02	84.18%	19,116.26	77.80%

We have a centralized system across our manufacturing facilities for procurement of raw material. We procure raw material from various domestic and foreign vendors. Majority of our raw materials are sourced from 2,927 vendors based on our engineering designs, as of March 31, 2025. Further, we subject our suppliers to a qualification process to ensure that the supplied raw materials are of appropriate quality.

The purchase price of our raw materials generally follows market prices. We typically purchase raw materials based on the historical levels of sales, actual sales orders on hand and the anticipated production requirements taking into consideration any expected fluctuation in raw material prices and delivery delay. Moreover, we do not rely on a single source or vendor for components, instead, have alternative sources for vendors for each component category. This offers us leverage to ensure availability of materials and negotiate better credit terms at cost- effective rates.

Utilities

We consume a substantial amount of power and fuel for our business operations. Our manufacturing processes require uninterrupted supply of power and fuel in order to ensure that we are able to manufacture high quality products. Our power requirement for our manufacturing facilities is sourced from local providers. We have also installed generators in our manufacturing facilities to ensure constant supply of power.

For further information, see "*Risk Factors - Our manufacturing facilities are dependent on adequate and uninterrupted supplies of electricity, water and fuel; shortage or disruption in electricity or fuel supplies may lead to disruption in operations, higher operating cost and consequent decline in operating margins.*" on page 66.

Marketing, Sales and Distribution

Our principal markets are India, North America, Europe and South East Asia. Our diversified customer base enables us to reduce our dependence on any particular segment or market. Our marketing activities involve our development and engineering teams working closely with customers or prospective customers, and our design and manufacturing facilities to design products tailored to meet specific customer requirements.

We supply our products and services directly to the Indian and global OEMs. Further, our sales and marketing team is regularly in contact with our OEM customers, distributors, sales representatives and agents to understand the evolving needs of customers as well as market trends. We also engage in a variety of marketing and promotional activities tailored to different customers groups to promote brand recognition of our products, including by participating in technical shows and events as well as through periodic interactions and by direct marketing to existing and potential OEM customers.

Exports

A portion of our revenue is generated from export of our products to Asia, Europe and North America. The table below provides details of our revenue from operations from exports in the periods indicated:

Particulars	Fiscal 2025	Fiscal 2024	Fiscal 2023
	(₹ million)		
India	25,202.12	16,373.72	9,599.64
Outside India	2,015.40	1,672.47	1,661.50
Total Revenue from Operations	**27,217.52**	**18,046.19**	**11,261.14**

Environmental, Social and Corporate Governance

Our financial performance allows us to make investments in order to ensure responsible and safe operations and help us enrich the communities we work and live in. We believe in caring and nurturing the environment and the community. We work collectively and individually towards a sustainable and green environment.

Environment

We are focused on conserving the environment, and have made various contributions and undertaken initiatives towards environmental sustainability. We seek to integrate our business values and operations ethically to improve our fulfilment of environmental practices to positively impact society. We have implemented sustainable practices across all our operations, such as, responsible use of natural resources, well-calibrated processes to reduce wastage, optimized the raw material mix to reuse waste materials and debottlenecking operations.

We deploy modern and sophisticated equipment, which allows us to reduce emissions, minimize our carbon footprint and help us operate more sustainably. We comply and aim to continue to comply with all regulatory policies and frameworks. We regularly undertake plantation programmes to revive the quality of soil and air near our facilities. Our waste management systems incorporate sustainable practices in the ESDM industry. We also deploy technological solutions to ensure minimal environmental impact. In addition, Karnataka Renewable Energy Development Limited has allotted 1.5 MW capacity wind power project at Kopppal district, Karnataka.

Social

We believe that our responsibility is to positively impact society and endeavour towards imparting the basics of livelihood to our villages and the community, i.e. food, water, shelter and education. We have contributed to the betterment of the quality of lives in the villages surrounding our manufacturing facilities. We have obtained a voluntary certification under SA8000, the international standard for social accountability, which confirms our compliance with labour rights and our commitment to established social standards of corporate governance.

Governance

We are committed to following the best governance practices relevant to our industry and aim to achieve high levels of transparency, accountability and ethical behaviour in all aspects of our operations. Our Board consists of experienced professionals in their respective fields, bringing in specialized experiences and adding to the diversity of our Board. Our Directors are well qualified and have significant experience in accounting, manufacturing, operations, engineering, power, governance, administrative services, mergers, and acquisitions. Our Board's performance is evaluated annually, based on the Directors' key responsibilities during appointment/ re-appointment. We have also implemented a robust mechanism for managing compliances and ensure that all the applicable rules and regulations are followed.

We believe that transparency, accountability, inclusiveness and integrity constitute the basic building blocks of good governance practice. We have built a governance framework with well-defined codes of conduct and procedures, with an experienced and diverse leadership driving our operations.

Sustainability

We believe in incorporating ethical corporate practices and undertake initiatives in the areas of accountability of suppliers, transparency, professional development cum growth of employees, employee productivity, community building and reduction in attrition and operational risks.

Product Compliance Requirements for Suppliers: All international regulations and voluntary standards for safety, health and environmental protection are complied with.

Training and Awareness: We provide training to our core and key suppliers covering the latest updates in worldwide compliance.

Professional Development Programs: We undertake training programmes for employees.

Community Building and Philanthropy: We comply with the standards on social awareness and create a social infrastructure, environmental and ethical issues in the electronics industry supply chain.

Health, Safety and Environment

Our activities are subject to the environmental laws and regulations of India, which govern, among other things, air emissions, waste water discharges, the handling, storage and disposal of hazardous substances and wastes, the remediation of contaminated sites, natural resource damages, and employee health and employee safety.

We are environmentally friendly and have set up an exclusive "Lead free" manufacturing line for PCB Assemblies, with the expertise on manufacturing RoHS compliant products.

We continually aim to comply with the applicable health and safety regulations and other requirements in our business operations. This is further driven by our ESG focussed practices within our organisation. To this end, we have accreditations such as the ISO and OHSAS.

We aim to ensure safe and healthy environment and further provide for medical checkups and safety measures in order to achieve zero accidents on a sustainable basis. We take initiatives to reduce the risk of accidents at our manufacturing facilities including by providing training and safety manuals to our employees and conducting safety audits periodically. We implement work safety measures to ensure a safe working environment including general guidelines for health and safety at our offices and branches, accident reporting, wearing safety equipment and maintaining clean and orderly work locations. To ensure workplace safety, we also provide personal protective equipment to our employees, which include safety shoes and goggles.

Environmental requirements imposed by the regulatory authorities in India will continue to have an effect on our operations. We believe that we have materially complied, and will continue to comply, with all applicable environmental laws, rules and regulations. We have obtained, or are in the process of obtaining or renewing, environmental consents and licenses from the relevant governmental agencies that are necessary for us to carry on our business.

Inventory Management

Our finished products are stored on-site at our manufacturing facilities. The raw materials are also stored at our warehouses on-site. We typically keep up to three to four months of inventory including raw materials, work in progress and finished good at our facilities to mitigate the risk of raw material price movements. These inventory levels are planned based on historical trends and expected orders, which are confirmed due to our long-standing relationships with customers. We maintain a lead-time material requirement planning system and utilize our ERP system to manage our levels of inventory on a real-time basis.

Logistics

We transport our finished products by road, sea and air. We rely on freight forwarders to deliver our products. We do not have formal contractual relationships with our freight forwarders. The pricing for freight is negotiated and agreed.

We sell our products on a cost, insurance and freight basis, on a consignee basis and on a door delivery/ delivery at place basis. Where we are responsible for shipping the products to the customer, our freight forwarders arrange for the finished products to be trucked to our customers in India or to the port for export, as applicable. Our custom house agents handle the requisite clearance procedures. For exports, our freight forwarders co-ordinate with the shipping line/ airline to file and release the necessary bills of lading/ air waybills. Incoterms determine the exact delivery terms, which would include how the goods will be delivered, who pays, who is responsible and who handles specific procedures such as loading and unloading.

Information Technology

Our information technology systems support key aspects of our business, from manufacturing, sales, planning, operations and documentation to accounts and customer service. We have implemented enterprise resource planning system to leverage business value by centralizing accounting systems across all locations in India, leading to cost optimization. Our IT infrastructure enables us to track procurement of raw materials, sale of finished goods, payments to vendors and contract suppliers, receivables from customers and distribution network. We also utilize an enterprise resource planning solution that covers production, finance, sales, marketing logistics, purchase and inventory, across all our offices and facilities.

Intellectual Property

As of the date of this Placement Document, our Company together with our Subsidiary have been granted four trademark registrations.

Insurance

We maintain an insurance policy that insures against material damage to buildings, facilities and machinery, furniture, fixtures, fittings, stocks, and machinery breakdown. We also maintain product liability insurance, a marine cargo insurance policy that insures consignments of goods by sea, air and by courier until delivery to the customer's warehouse and inland movement of bulk cargo in road tankers. In addition, we maintain a commercial general liability insurance that covers liability in claims for bodily injury (and medical payments), property damage, personal and advertising injury. Our insurance coverage for our employees covers pre and post- hospitalization expenses and emergency road ambulance expenses.

We believe that our insurance coverage is in accordance with industry custom, including the terms of and the coverage provided by such insurance.

Also see, "*Risk Factors – An inability to maintain adequate insurance cover in connection with our business may adversely affect our operations and profitability*" on page 64.

Awards and Recognition

We have been recognised with several awards by various industry bodies and association for the quality of our products. We have been awarded the award for "Excellence in Manufacturing – Components, MSME Category" by ELCINA - Electronic Industries Association of India in 2018. In addition, we have been awarded the "Export Excellence Award (in less than ₹100 million category)" by Madras Export Processing Zone, Government of India in 2018 and ELCINA Innovation Award for Excellence in Manufacturing – Product (large scale) in 2022. We have also been recognized in the "Great Place to Work India" list in February 2023. Further, we received a letter of appreciation from ISRO for our contribution towards Chandrayaan-3 and Aditya-L1 Mission on October 3, 2023. Additionally, we have been recognized as the "Best Techno Visionary Industry" in 2022 by India Electronics and Semiconductors Association. We have also received the Business Excellence Award 2024 by ELCINA and Electronics Man of the Year Award 2024 by ELCINA.

Competition

We operate in the ESDM industry, which is highly competitive. Our competition varies by market, geographic areas and type of products manufactured. As a result, to remain competitive in our markets, we must continuously strive to reduce our costs of production, transportation and distribution and improve our operating efficiencies. We compete with a variety of independent suppliers and distributors, as well as the in-house operations of certain OEMs. We compete primarily on the basis of product quality, technology, cost, delivery and service, as well as quality and depth of senior level relationships as well as the operating level relationships.

As per the CARE Report, the EDSM market in India includes major global players such as Bharat FIH Limited, Flex Limited, Wistron Infocomm Manufacturing India Private Limited, Pegatron Technology India Private Limited, Jabil India Manufacturing Private Limited, alongside prominent Indian companies such as Dixon Technologies India Limited, Amber Enterprises India Limited, SFO Technologies Private Limited, Syrma SGS Technology Limited, Elin Electronics Limited, Avalon Technologies Limited amongst others.

Due to our diversified product portfolio, we cater to various segments in the automotive, medical products, consumer goods, defense and aerospace industries, and as a result, we compete with various companies for each of our business segments. For further information, see, *"Risk Factors - Increasing competition in the electronics system design and manufacturing industry may create pressures of pricing and market share that may adversely affect our business, prospects, results of operations, cash flows and financial condition."* on page 47.

Human Resources

As of March 31, 2025, we have 3,227 permanent employees and 2,169 persons employed as contract employees. The following table provides information about our full-time employees, as of March 31, 2025:

Vertical	Headcount
Human Resources and Administration	107
Business Development	50
Manufacturing	2,141
Corporate	23
Servicing	5
Systems, EHS and Training	33

Vertical	Headcount
R&D and Engineering	212
Finance & Accounts	63
Materials	167
Quality Assurance	259
Information Technology / Enterprise Resource Planning	14
Maintenance	35
Operations	100
Sales	12
Security	6
Total	**3,227**

Our human resource practices are aimed at recruiting talented individuals, ensuring continuous development and addressing their grievances, if any, in a timely manner. We conduct training workshops for our employees to develop a variety of skill sets and organize modules at regular intervals to promote teamwork and personal growth of employees. We train all our employees in our manufacturing operations, including machine utilization, operations flow, quality management and work safety.

Our human resource department continuously focuses on employee engagement and motivation, which further helps in achieving the strategic objectives of the organization. Our human resource practices are aimed at recruiting individuals with good potential and ensuring their continuous development and addressing their grievances, if any, in a timely manner.

Our employees are not unionised into any labour or workers' unions and have not experienced any major work stoppages due to labour disputes or cessation of work in the last three years. For further information, see "*Risk Factors – Our business is manpower intensive. Our business may be adversely affected by work stoppages, increased wage demands by our employees, or increase in minimum wages across various states, and if we are unable to engage new employees at commercially attractive terms. We have experienced high attrition rates and an increase in our employee benefit expenses.*" on page 53.

Corporate Social Responsibility

We have constituted a Corporate and Social Responsibility Committee of our Board and have adopted and implemented a CSR policy, pursuant to which we carry out various CSR activities. Our CSR activities primarily involve in the promotion of education, healthcare, art and cultural promotion, animal welfare, rural development, natural calamities relief and skill development for underprivileged people and include, among others:

- ***Technical training for economically weaker sections:*** Kaynes Technical Training Foundation runs a technical institute for the social cause since 2007. People from economically weaker sections are given the opportunity for their two-year diploma programme in electronics and mechanics duly approved by National Council for Vocational Training.

- ***Encouragement and employment of differently abled:*** We employ differently abled people and they are specially trained and groomed to do repetitive jobs under the guidance of a trained mentor. We also teach yoga and other measures of physical and mental developmental exercises to these employees as part of their daily routine.

- ***Road safety awareness programme:*** We conduct safety awareness programmes with the police and civil administration during the road safety week.

- ***Environmental day programmes:*** We undertake awareness programmes on ecological and environmental protection and educating people on hygiene, including planting of saplings.

- ***Socio-cultural exhibit programmes:*** We regularly conduct cultural programmes on social themes with involvement of school and college students.

- ***Indian cultural developmental programmes:*** We undertake activities to display the cultural heritage of various arts and music in various public forum and by conducting state level dance competition programme. We also support artists and their talent building for the children of various groups.

- ***Youth programme on nation building:*** Programmes are organized with the help of people of eminence for interactive session with the youth from colleges and young employees for knowledge exchange and conceptual clarity.

- ***Activities for Spastic Society:*** We contribute to the wellbeing of the spastic society by supporting the organization "Sneha Kiran" who are running a school especially for children of cerebral palsy.

- ***Disaster Relief:*** As a citizen of India, it is every individual's responsibility to extend our supporting hand especially during disasters.

Properties

Our registered and corporate office is owned by us and is located at #23 – 25, Belagola Food Industrial Area, Metagalli PO, Mysuru – 570 016, Karnataka, India. Each of our manufacturing facilities, design facilities and service centres are located on land that is owned or leased by us. For further information, see " – *Manufacturing Facilities*" on page 162.

Also see, "*Risk Factors – Certain of our manufacturing facilities, design facility, service centres and offices are located on leased premises.*" on page 60.

BOARD OF DIRECTORS AND SENIOR MANAGEMENT

Board of Directors

The composition of our Board is governed by the provisions of the Companies Act, 2013, the SEBI Listing Regulations and the Articles. In accordance with the Articles, our Company shall not have less than three Directors and more than fifteen Directors, provided that our Company may appoint a director in excess of the limit provided by passing a special resolution. As of the date of this Placement Document, our Company has eight Directors, of which three are Whole-Time Directors and five are Independent Directors. Our Board also has two women Directors (which includes one Independent Director).

The following table sets forth details regarding our Board as of the date of this Placement Document:

Name, date of birth, address, occupation, nationality term and DIN	Age	Designation
Savitha Ramesh ***Date of Birth:*** March 4, 1972 ***Address***: 128/11, Rukmani, Emerald Enclave, Belavadi Post, Mandya – 571 606, Karnataka, India ***Occupation****:* Business ***Nationality****:* Indian ***Term****:* Reappointed for a period of five years with effect from April 1, 2019, till March 31, 2024 and further extended for a period of five years with effect from April 1, 2024 till March 31, 2029 ***DIN***: 01756684	53 years	Chairperson and Whole-Time Director
Ramesh Kunhikannan ***Date of Birth:*** February 28, 1964 ***Address***: 128/11, Rukmini, Emerald Enclave, Belavadi, Mandya – 571 606, Karnataka, India ***Occupation:*** Business ***Nationality****:* Indian ***Term****:* Reappointed for a period of five years with effect from April 1, 2019 till March 31, 2024 and further extended for a period of five years with effect from April 1, 2024 till March 31, 2029 ***DIN***: 02063167	61 years	Managing Director
Jairam Paravastu Sampath ***Date of Birth:*** December 9, 1964 ***Address***: 103, Bougainvilla, Sankalp Central Park, Jawa Main Road, Old Jawa Factory, Yadavagiri, Mysuru – 570 020, Karnataka, India ***Occupation:*** Service ***Nationality****:* Indian ***Term****:* Reappointed for a period of five years with effect from March 31, 2022 till March 30, 2027 ***DIN***: 08064368	60 years	Whole-Time Director and Chief Financial Officer

Name, date of birth, address, occupation, nationality term and DIN	Age	Designation
Anup Kumar Bhat ***Date of Birth:*** February 21, 1957 ***Address***: 361, Rainbow Drive, Doddakennahalli, Sarjapur Road, Bengaluru Rural – 560 035, Karnataka, India ***Occupation****:* Professional ***Nationality****:* Indian ***Term****:* Appointed for a period of five years with effect from January 12, 2022 till January 11, 2027 ***DIN***: 06470857	68 years	Independent Director
Alexander Koshy ***Date of Birth:*** July 15, 1960 ***Address***: 59, 2nd Main, Jaladarshini Bel Layout, New Bel Road, Bengaluru – 560 094, Karnataka, India ***Occupation****:* Professional ***Nationality****:* Indian ***Term****:* Appointed for a period of five years with effect from February 21, 2022 till February 20, 2027 ***DIN***: 07896084	64 years	Independent Director
Seeplaputhur Ganapathiramaswamy Murali ***Date of Birth:*** September 26, 1950 ***Address***: No 8 Shruthi, 515 Housing Colony, Hal 3rd Stage, Bengaluru – 560 075, Karnataka, India ***Occupation****:* Professional ***Nationality****:* Indian ***Term****:* Appointed for a period of five years with effect from February 21, 2022 till February 20, 2027 ***DIN***: 00348902	74 years	Independent Director
Poornima Ranganath ***Date of Birth:*** March 23, 1970 ***Address***: No. 187, 37th Cross, 18th Main, 4th T Block, Jayanagar, Bangalore – 560 041, Karnataka, India ***Occupation****:* Professional ***Nationality****:* Indian ***Term****:* Appointed for a period of five years with effect from March 31, 2022 till March 30, 2027 ***DIN***: 00349450	55 years	Independent Director
Heinz Franz Moitzi ***Date of Birth:*** July 5, 1956	68 years	Independent Director

Name, date of birth, address, occupation, nationality term and DIN	Age	Designation
Address: Bundesstrabe 26/1, Zeltweg – 8740, Austria ***Occupation****:* Profession ***Nationality****:* Austrian ***Term****:* Appointed for a period of five years with effect from June 16, 2023 till June 15, 2028 ***DIN***: 00323506		

Brief Profiles of our Directors

Savitha Ramesh is the Chairperson and Whole-Time Director of our Company. She has been associated with our Company since incorporation. She holds a bachelor's degree in commerce from the University of Madras. She has over 25 years of experience in electronic manufacturing services industry. She is responsible for the overall implementation of the manufacturing process and controls compliant with different standard across the Company.

Ramesh Kunhikannan is the Managing Director of our Company. He has been associated with our Company since incorporation. He holds a bachelor's degree in electrical engineering from National Institute of Engineering, Mysuru. He has over 33 years of experience in the electronic manufacturing services industry. He oversees the management function of our Company and together with our senior management is responsible for the implementation of strategy in respect of such management function.

Jairam Paravastu Sampath is a Whole-Time Director and Chief Financial Officer of our Company. He has been associated with our Company since 2011. He holds a bachelor of technology degree in mechanical engineering from the Indian Institute of Technology, Madras and a post graduate diploma in management from the Indian Institute of Management, Ahmedabad. He has been leading the finance function of the Company during the recent years. He has over 30 years of experience in manufacturing, operations, sales and marketing. He was the vice president of TVS Group and the chief marketing officer of iPath Technologies Private Limited. He was also associated with Hindustan Motors Limited, TVS Electronics Limited and Sundaram-Clayton Limited.

Anup Kumar Bhat is an Independent Director of our Company. He has been associated with our Company since 2022. He holds a bachelor of technology degree in metallurgical engineering from Banaras Hindu University. He has several years of experience and was previously associated with the Ashok Leyland as senior vice president (subsidiaries support).

Alexander Koshy is an Independent Director on the Board of our Company. He has been associated with our Company since 2022. He holds a bachelor's degree in law from Bangalore University and a master's degree of commerce from Bangalore University. He is also an associate member of the Institute of Chartered Accountants of India. He has approximately 34 years of experience and was previously associated with Bharat Electronics Limited as director (finance).

Seeplaputhur Ganapathiramaswamy Murali is an Independent Director on the Board of our Company. He has been associated with our Company since 2022. He holds a bachelor's degree in commerce from University of Madras. He is also an associate member of the Institute of Chartered Accountants of India. He has over 45 years of experience in finance. He was the group CFO of TVS Motor Company. He was also associated with Voltas and Unilever group.

Poornima Ranganath is an Independent Director on the Board of our Company. She has been associated with our Company since 2022. She is a law graduate from the National Law School of India University, Bangalore. She has several years of experience. She is managing partner of Law Assist, a full-service law firm advising clients on corporate laws, contract negotiations, human resource laws with special focus on foreign companies operating in India.

Heinz Franz Moitzi is an Independent Director on the Board of our Company. He has been associated with our Company since 2023. He holds a degree in engineering issued by the Bundesministerium Für Bauten Und Technik, Austria. He is currently also a director in MO & MO Gesmbh Austria and W&M Gesmbh Austria.

Relationship with other Directors

Except Ramesh Kunhikannan and Savitha Ramesh who are husband and wife, none of our Directors are related to each other.

Borrowing powers of our Board

In accordance with the Articles of Association, our Board of Directors has been empowered to borrow funds in accordance with applicable law. Pursuant to the resolution dated April 1, 2022, passed by our Shareholders, our Board is authorized to borrow any sum or sums of money for and on behalf of our Company, from time to time provided that such or sums of monies so borrowed together with monies, if any, already borrowed by our Company (apart from the temporary loans obtained from our Company's bankers in the ordinary course of business) in excess of the aggregate of the paid up share capital of our Company and its free reserves provided further that total amount up to which monies may be borrowed shall not exceed ₹5,000 million, at any time. Our borrowing limits may be changed from time to time, subject to approval of the Board and our Shareholders.

Interest of our Directors

Our Directors may be deemed to be interested to the extent of their shareholding, remuneration and fees payable to them for attending meetings of our Board or committees thereof, as well as to the extent of reimbursement of expenses payable to them and benefits or stock options to which they are entitled to as per their terms of appointment, and the Whole-Time Directors of our Company may be deemed to be interested to the extent of remuneration paid to them for services rendered. In consideration for these services, they are paid managerial remuneration in accordance with the provisions of applicable law.

Except for Ramesh Kunhikannan and Savitha Ramesh, who are Promoters of our Company, none of our Directors have any interest in the promotion of our Company.

Our Directors may also be regarded as interested in any Equity Shares held by them and to the extent of any dividend payable to them and other distributions or benefits in respect of the Equity Shares held by them. Our Directors may also be regarded as interested in the Equity Shares held by the companies, firms, HUFs, and trusts in which they are interested as directors, members, partners, karta, trustees, etc.

Except as provided in "*Related Party Transactions*" on page 44, there have been no related party transactions between the Company and any of the Directors during the three Fiscals immediately preceding the date of this Placement Document. Further, in the current Fiscal, none of the Directors have entered into any additional type of related party transactions, other than disclosed in the related party transactions of the Company for the periods mentioned above. For further details on the related party transactions mentioned above, see "*Related Party Transactions*" on page 44. Further, except as provided in "*Related Party Transactions*" on page 44 our Company has neither availed of any loans from, nor extended any loans to the Directors which are currently outstanding.

Shareholding of Directors

As per our Articles, our Directors are not required to hold any qualification shares.

Except as disclosed below, none of our Directors hold Equity Shares in our Company as of the date of this Placement Document.

Name of Director	Designation	Number of Equity Shares	Percentage (%) Shareholding
Savitha Ramesh	Chairperson and Whole-time Director	19,800	0.03
Ramesh Kunhikannan	Managing Director	3,58,18,633	55.89
Jairam Paravastu Sampath	Whole-time Director and Chief Financial Officer	10,000	Negligible
Anup Kumar Bhat	Independent Director	82	Negligible

Terms of Appointment of Whole-Time Directors

Savitha Ramesh

Savitha Ramesh is the Chairperson and Whole-Time Director of our Company. The following is a description of the current terms of appointment of Savitha Ramesh pursuant to the Board resolution dated March 31, 2022 and Shareholders' resolution dated April 1, 2022:

(in ₹ million)

Particulars	Amount
Remuneration	18.00 p.a.

Ramesh Kunhikannan

Ramesh Kunhikannan is the Managing Director of our Company. The following is a description of the current terms of appointment of Ramesh Kunhikannan pursuant to the Board resolution dated March 31, 2022 and Shareholders' resolution dated April 1, 2022:

(in ₹ million)

Particulars	Amount
Remuneration	18.00 p.a.

Jairam Paravastu Sampath

Jairam Paravastu Sampath is a Whole-Time Director and Chief Financial Officer of our Company. The following is a description of the current terms of appointment of Jairam Paravastu Sampath pursuant to the Board resolution dated January 31, 2023 and Shareholders' resolution dated April 1, 2022:

(in ₹ million)

Particulars	Amount
Remuneration	
Fixed component	8.00 p.a.
Variable component	2.00 p.a.

Remuneration paid to Whole-Time Directors

The following tables set forth the details of remuneration paid by our Company to the Whole-Time Directors of our Company for Fiscals 2025, 2024 and 2023 and for the current Fiscal:

(in ₹ million)

Sr. No.	Name of the Director	From April 1, 2025 to May 31, 2025	Fiscal 2025	Fiscal 2024	Fiscal 2023
1.	Savitha Ramesh	3.00	18.00	18.00	18.00
2.	Ramesh Kunhikannan	3.00	18.00	18.00	18.00
3.	Jairam Paravastu Sampath	1.60	9.60	8.00	6.40

Remuneration of the Independent Directors

Our Independent Directors are entitled to receive sitting fees for attending meetings of our Board of Directors or any of its committee and other payments as may be determined by our Board from time to time. Pursuant to a resolution passed by our Board dated May 15, 2025, our Independent Directors are entitled to sitting fees of ₹80,000 for attending each meeting of our Board and ₹50,000 for attending each meeting of the committees of the Board. The sitting fees shall be exclusive of reimbursement of travel, lodging, and other out-of-pocket expenses incurred in connection with the attendance of such meetings.

The following tables set forth the details of sitting fees paid by our Company to the Independent Directors of our Company for Fiscals 2025, 2024 and 2023 and for the current Fiscal:

(in ₹ million)

Name of the Director	From April 1, 2025 to May 31, 2025	Fiscal 2025	Fiscal 2024	Fiscal 2023
Anup Kumar Bhat	0.29	0.63	0.62	0.22
Alexander Koshy	0.29	0.93	0.72	0.56
Seeplaputhur Ganapathiramaswamy Murali	0.29	0.87	0.58	0.50
Poornima Ranganath	0.19	0.66	0.48	0.48
Heinz Franz Moitzi	0.14	0.54	0.39	NA

Notes: The compensation paid to non-executive directors comprises sitting fees only. No professional fee was paid to any non-executive directors in their capacity as a consultant.

Prohibition by SEBI or Other Governmental Authorities

Neither our Company, nor our Directors or Promoters are debarred from accessing capital markets under any order or direction made by SEBI or any other governmental authority.

None of the Directors of the companies with which they are or were associated as promoters, directors or persons in control have been debarred from accessing the capital market under any order or direction passed by SEBI or any other governmental authority.

Key Managerial Personnel

The Key Managerial Personnel are permanent employees of our Company. In addition to the Managing Director, the Chairperson and Whole-Time Director, the details of our other Key Managerial Personnel in terms of the Companies Act and the SEBI ICDR Regulations as on the date of this Placement Document are set forth below:

Name	Designation
Rajesh Sharma	Chief Executive Officer
Jairam Paravastu Sampath	Whole-Time Director and Chief Financial Officer
Anuj Mehtha	Company Secretary and Compliance Officer

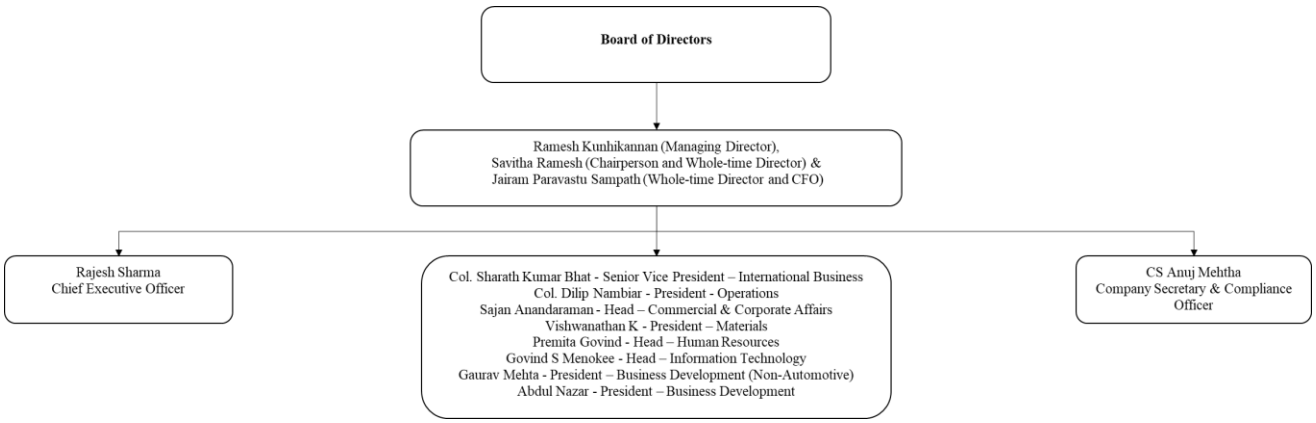
Members of Senior Management

The members of Senior Management are permanent employees of our Company. In addition to the Chief Executive Officer, the Whole-Time Director and Chief Financial Officer of our Company and the Company Secretary and Compliance Officer of our Company, the details of our members of Senior Management, as on the date of this Placement Document are set forth below:

Name	Designation
Sajan Anandaraman	Head – Commercial and Corporate Affairs
Col. Sharath Kumar Bhat	Senior Vice President – International Business
Col. Dilip Nambiar	President – Operations
Vishwanathan K	President – Materials
Premita Govind	Head – Human Resources
Govind S Menokee	Head – Information Technology
Gaurav Mehta	President – Business Development (Non-Automotive)
Abdul Nazar	President – Business Development

Organisational Chart of our Company

Set forth below is the organisational structure of our Company, including our Board, Key Managerial Personnel and Senior Management:



Relationship between Key Managerial Personnel and members of Senior Management

Other than as disclosed under "– *Relationship with other Directors*" on page 176 and as disclosed below, none of our Key Managerial Personnel and members of our Senior Management are related either to each other or to the Directors:

Names of Key Managerial Personnel/ members of Senior Management	Relationship
Premita Govind and Ramesh Kunhikannan	Daughter and father
Premita Govind and Savitha Ramesh	Daughter and mother
Premita Govind and Govind S Menokee	Wife and husband
Govind S Menokee and Ramesh Kunhikannan	Son-in-law and father-in-law

Names of Key Managerial Personnel/ members of Senior Management	Relationship
Govind S Menokee and Savitha Ramesh	Son-in-law and mother-in-law

Interest of Key Managerial Personnel and members of Senior Management

Other than as disclosed under *"– Interest of our Directors*" on page 177, our Key Managerial Personnel and members of the Senior Management do not have any interest in our Company other than to the extent of the remuneration or benefits or stock options to which they are entitled as per their terms of appointment, reimbursement of expenses incurred by them during the ordinary course of business. Our Key Managerial Personnel and members of Senior Management may also be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of Equity Shares held in our Company, if any.

None of our Key Managerial Personnel and members of Senior Management have been paid any consideration of any nature from our Company, other than their remuneration.

There is no arrangement or understanding with the major shareholders, customers, suppliers or others, pursuant to which any Key Managerial Personnel and members of Senior Management was selected as member of senior management.

Corporate Governance

Our Company is in compliance with the requirements of the applicable regulations, including the SEBI Listing Regulations, the Companies Act, 2013 and the SEBI ICDR Regulations, in respect of corporate governance, including constitution of our Board and committees thereof. The corporate governance framework is based on an effective independent Board, separation of our Board's supervisory role from the executive management team and constitution of our Board committees, as required under law.

Our Board has been constituted in compliance with the Companies Act, 2013 and the SEBI Listing Regulations.

Committees of our Board of Directors

Our Board has constituted statutory committees, which function in accordance with the relevant provisions of the Companies Act, 2013 and the SEBI Listing Regulations and applicable circulars or directions issued by the RBI. The statutory committees of our Board are: (i) Audit Committee; (ii) Nomination and Remuneration Committee; (iii) Stakeholders' Relationship Committee; (iv) Risk Management Committee; and (v) Corporate Social Responsibility Committee.

The following table sets forth details of members of the aforesaid committees, as on the date of this Placement Document:

Committee	Name and Designation of Members
Audit Committee	Seeplaputhur Ganapathiramaswamy Murali (*Chairperson*), Alexander Koshy, Anup Kumar Bhat and Ramesh Kunhikannan
Nomination and Remuneration Committee	Anup Kumar Bhat (*Chairperson*), Alexander Koshy and Poornima Ranganath
Stakeholders Relationship Committee	Alexander Koshy (*Chairperson*), Seeplaputhur Ganapathiramaswamy Murali and Jairam Paravastu Sampath
Risk Management Committee	Poornima Ranganath (*Chairperson*), Savitha Ramesh, Ramesh Kunhikannan, Jairam Paravastu Sampath, Anup Kumar Bhat, Alexander Koshy, Seeplaputhur Ganapathiramaswamy Murali and Heinz Franz Moitzi
Corporate Social Responsibility Committee	Savitha Ramesh (*Chairperson*), Anup Kumar Bhat and Seeplaputhur Ganapathiramaswamy Murali

We have also formed a fund-raising committee comprising of Savitha Ramesh, Ramesh Kunhikannan, Jairam Paravastu Sampath and Rajesh Sharma.

Other Confirmations

- None of our Directors, Promoters or Key Managerial Personnel or members of Senior Management have any financial or other material interest in the Issue and there is no effect of such interest in so far as it is different from the interests of other persons.

- Neither our Company, nor the Directors or Promoters are identified as wilful defaulters or fraudulent borrowers by any bank or financial institution or consortium thereof, in accordance with the guidelines on Wilful Defaulters or Fraudulent Borrowers issued by the RBI.

- None of our Promoters or Directors have been declared as a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018.

- None of our Directors, Promoters, Key Managerial Personnel or Senior Management of our Company intend to subscribe to the Issue.

- No change in control of our Company will occur consequent to the Issue.

Policy on disclosures and internal procedure for prevention of insider trading

The SEBI Insider Trading Regulations applies to our Company and our employees and requires our Company to implement a code of practices and procedures for fair disclosure of unpublished price sensitive information and conduct for the prevention of insider trading. Our Company has implemented a code of conduct for prevention of insider trading in accordance with the SEBI Insider Trading Regulations.

Related Party Transactions

For details in relation to the related party transactions entered into by our Company during Fiscals 2025, 2024 and 2023, see "***Financial Information***" and "***Related Party Transactions***" on pages 232 and 44, respectively.

ORGANISATIONAL STRUCTURE OF OUR COMPANY

Corporate history

Our Company was incorporated on March 28, 2008 as '*Kaynes Technology India Private Limited*', at Mysuru, Karnataka, a private limited company under the Companies Act, 1956 pursuant to a certificate of incorporation granted by the RoC. Subsequently, the name of our Company was changed to '*Kaynes Technology India Limited*' upon conversion of our Company into a public limited company pursuant to a special resolution passed by our Shareholders on March 24, 2022 and a fresh certificate of incorporation was issued by the RoC consequent upon change of name on conversion to public limited company on March 31, 2022.

Our Company's CIN is L29128KA2008PLC045825.

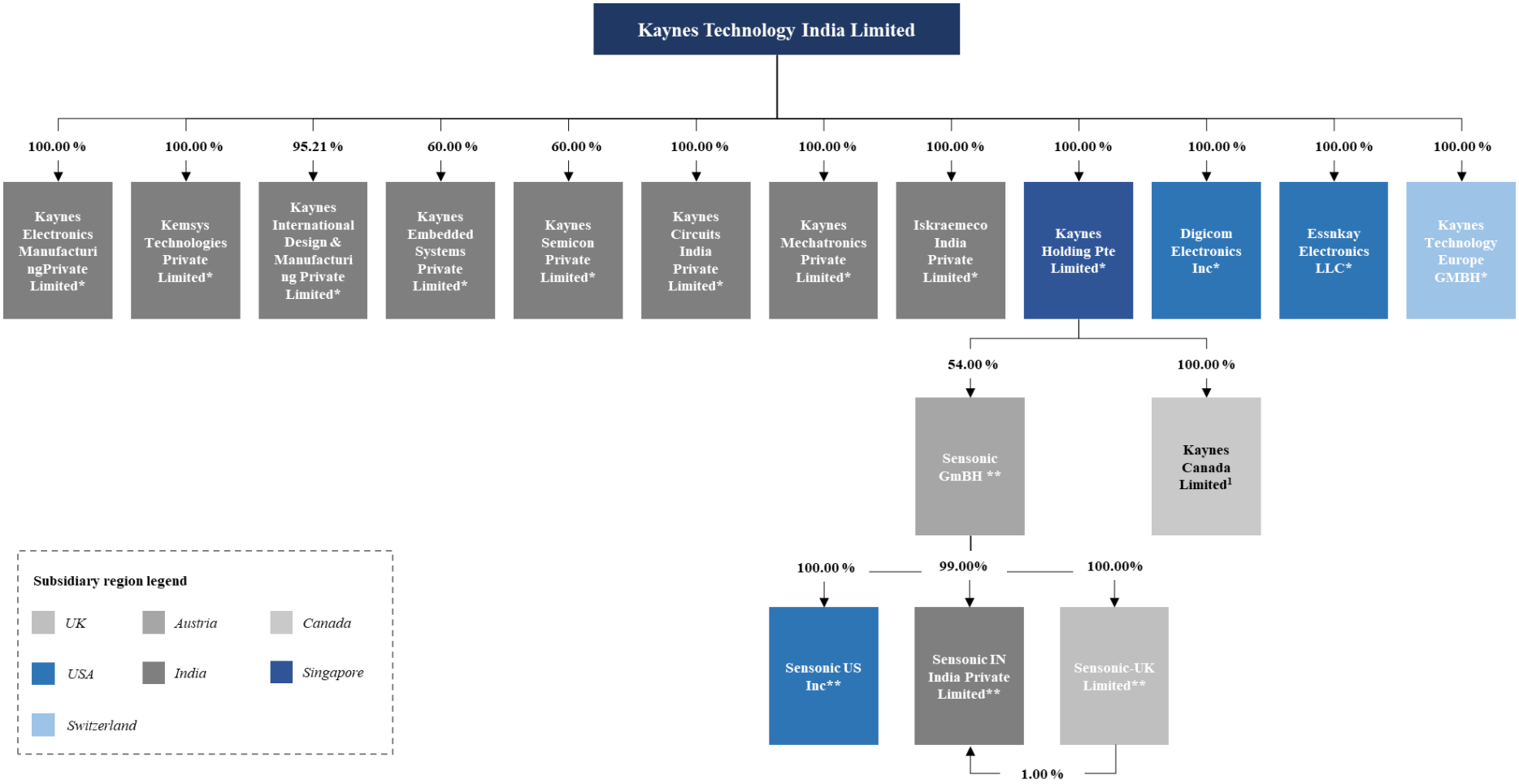
The Registered and Corporate Office of our Company is located at 23-25, Belagola, Food Industrial Estate, Metagalli P.O., Mysuru – 570 016, Karnataka, India.

Our Equity Shares are listed on BSE and NSE since November 22, 2022.

Organizational structure

As of the date of this Placement Document, we have seventeen Subsidiaries (including five step-down Subsidiaries). For further details, see *"Definitions and Abbreviations"* and *"Financial Information"* on pages 18 and 232, respectively**.**

Our organisational structure is set forth below:



Note: *[1]Kaynes Canada is a wholly incorporated subsidiary of Kaynes Holding Pte Ltd. As at date, shares have not yet been issued by the Company || * Subsidiaries || ** Step-down subsidiaries*

SHAREHOLDING PATTERN OF OUR COMPANY

Shareholding pattern of our Company as on March 31, 2025

The following table sets forth the details regarding the equity shareholding pattern of our Company as on March 31, 2025.

Category (I)	Category of shareholder (II)	Number of shareholders (III)	Number of fully paid-up Equity Shares held (IV)	Number of Partly paid-up Equity Shares held (V)	Number of shares underlying Depository Receipts (VI)	Total number of shares held (VII) =(IV)+(V) + (VI)	Shareholding as a % of total number of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)				Number of shares Underlying Outstanding convertible securities (including Warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(X) As a % of (A+B+C2)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of Equity Shares held in dematerialized form (XIV)
								Number of Voting Rights			Total as a % of (A+B + C)			Number (a)	As a % of total Shares held (b)	Number (a)	As a % of total Shares held (b)	
								Class e.g.: Equity Shares	Class e.g.: Others	Total								
(A)	Promoters and Promoter Group	3	3,69,63,533	-	-	3,69,63,533	57.75	3,69,63,533	-	3,69,63,533	57.75	-	57.75	1,16,28,600	31.46	-	-	3,69,63,533
(B)	Public	2,30,530	2,70,47,237	-	-	2,70,47,237	42.25	2,70,47,237	-	2,70,47,237	42.25	-	42.25	-	-	-	-	2,70,47,237
(C)	Non-Promoter-Non Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C1)	Shares underlying depository receipts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C2)	Shares held by employee trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total	**2,30,533**	**6,40,10,770**	**-**	**-**	**6,40,10,770**	**100.00**	**6,40,10,770**	**-**	**6,40,10,770**	**100.00**	**-**	**100.00**	**1,16,28,600**	**31.46**	**-**	**-**	**6,40,10,770**

Statement showing shareholding pattern of our Promoters and Promoter Group

The following table sets forth the details regarding the equity shareholding pattern of our Promoters and Promoter Group as on March 31, 2025.

Category	Category & Name of shareholder (I)	Entity type (II)	Number of Shareholders (III)	Number of fully paid-up Equity Shares held (IV)	Number of partly paid-up Equity Shares held (V)	Number of shares underlying Depository Receipts (VI)	Total number of shares held (VII) =(IV)+(V)+ (VI)	Shareholding as a % of total number of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)				Number of shares Underlying Outstanding convertible securities (including Warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(X) As a % of (A+B+C2)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of Equity Shares held in dematerialized form (XIV)
									Number of Voting Rights			Total as a % of (A+B+C)			Number (a)	As a % of total Shares held (b)	Number (a)	As a % of total Shares held (b)	
									Class e.g.: Equity Shares	Class e.g.: Others	Total								
A(1)	Indian																		
(a)	Individuals/ Hindu Undivided Family	Promoter	3	3,69,63,533	-	-	3,69,63,533	57.75	3,69,63,533	-	3,69,63,533	57.75	-	57.75	1,16,28,600	31.46	-	-	3,69,63,533
(b)	Any other (Specify)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Sub Total (A)(1)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
A(2)	Foreign		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total = A(1)+ A(2)		**3**	**3,69,63,533**	**-**	**-**	**3,69,63,533**	**57.75**	**3,69,63,533**	**-**	**3,69,63,533**	**57.75**	**-**	**57.75**	**1,16,28,600**	**31.46**	**-**	**-**	**3,69,63,533**

Statement showing shareholding pattern of the Public Shareholders

The following table sets forth the details regarding the equity shareholding pattern of the Public Shareholders as on March 31, 2025:

Category (I)	Category of shareholder (II)	Number of shareholders (III)	Number of fully paid up Equity Shares held (IV)	Number of Partly paid-up Equity Shares held (V)	Number of shares underlying Depository Receipts (VI)	Total number of shares held (VII) =(IV)+(V)+ (VI)	Shareholding as a % of total number of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)				Number of shares Underlying Outstanding convertible securities (including Warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(X) As a % of (A+B+C2)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of Equity Shares held in dematerialized form (XIV)
								Number of Voting Rights			Total as a % of (A+B+C)			Number (a)	As a % of total Shares held (b)	Number (a)	As a % of total Shares held (b)	
								Class e.g.: Equity Shares	Class e.g.: Others	Total								
B(1)	**Institutions (Domestic)**																	
(a)	Mutual Funds	28	82,16,994	-	-	82,16,994	12.84	82,16,994	-	82,16,994	12.84	-	12.84	-	-	-	-	82,16,994
(b)	Alternative Investments Funds	28	11,27,421	-	-	11,27,421	1.76	11,27,421	-	11,27,421	1.76	-	1.76	-	-	-	-	11,27,421
(c)	Insurance Companies	10	15,17,018	-	-	15,17,018	2.37	15,17,018	-	15,17,018	2.37	-	2.37	-	-	-	-	15,17,018
(d)	NBFCs registered with RBI	2	4,061	-	-	4,061	0.01	4,061	-	4,061	0.01	-	0.01	-	-	-	-	4,061
	Sub-Total B(1)	**68**	**1,08,65,494**	**-**	**-**	**1,08,65,494**	**16.97**	**1,08,65,494**	**-**	**1,08,65,494**	**16.97**	**-**	**16.97**	**-**	**-**	**-**	**-**	**1,08,65,494**
B(2)	**Institutions (Foreign)**																	
(a)	Foreign Portfolio Investors Category-I	194	67,41,273	-	-	67,41,273	10.53	67,41,273	-	67,41,273	10.53	-	10.53	-	-	-	-	67,41,273
(b)	Foreign Portfolio Investors Category-II	28	4,08,159	-	-	4,08,159	0.64	4,08,159	-	4,08,159	0.64	-	0.64	-	-	-	-	4,08,159
	Sub-Total B(2)	**222**	**71,49,432**	**-**	**-**	**71,49,432**	**11.17**	**71,49,432**	**-**	**71,49,432**	**11.17**	**-**	**11.17**	**-**	**-**	**-**	**-**	**71,49,432**
B(3)	**Central Government / State Government (s)**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
B(4)	**Non-Institutions**																	
(a)	Resident Individuals holding nominal share capital up to ₹0.2 million	2,21,060	65,58,012	-	-	65,58,012	10.24	65,58,012	-	65,58,012	10.24	-	10.24	-	-	-	-	65,58,012
(b)	Resident Individuals holding nominal share capital in excess of ₹0.2 million	2	93,500	-	-	93,500	0.15	93,500	-	93,500	0.15	-	0.15	-	-	-	-	93,500
(c)	Non-Resident Indians	4,469	14,98,094	-	-	14,98,094	2.34	14,98,094	-	14,98,094	2.34	-	2.34	-	-	-	-	14,98,094
(d)	Bodies Corporate	934	5,57,276	-	-	5,57,276	0.87	5,57,276	-	5,57,276	0.87	-	0.87	-	-	-	-	5,57,276

Category (I)	Category of shareholder (II)	Number of shareholders (III)	Number of fully paid up Equity Shares held (IV)	Number of Partly paid-up Equity Shares held (V)	Number of shares underlying Depository Receipts (VI)	Total number of shares held (VII) =(IV)+(V)+ (VI)	Shareholding as a % of total number of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)				Number of shares Underlying Outstanding convertible securities (including Warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(X) As a % of (A+B+C2)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of Equity Shares held in dematerialized form (XIV)
								Number of Voting Rights			Total as a % of (A+B+C)			Number (a)	As a % of total Shares held (b)	Number (a)	As a % of total Shares held (b)	
								Class e.g.: Equity Shares	Class e.g.: Others	Total								
(e)	Any other (Specify)	3,773	2,65,429	-	2,65,429	2,65,429	0.41	2,65,429	-	2,65,429	0.41	-	0.41	-	-	-	-	2,65,429
(i)	Clearing Members	7	2,545	-	2,545	2,545	-	2,545	-	2,545	-	-	-	-	-	-	-	2,545
(ii)	Hindu Undivided Family	3,661	2,09,372	-	2,09,372	2,09,372	0.33	2,09,372	-	2,09,372	0.33	-	0.33	-	-	-	-	2,09,372
(iii)	LLP	100	53,358	-	53,358	53,358	0.08	53,358	-	53,358	0.08	-	0.08	-	-	-	-	53,358
(iv)		5	154	-	154	154	-	154	-	154	-	-	-	-	-	-	-	154
	Sub-Total B(4)	**2,30,240**	**90,32,311**	**-**	**90,32,311**	**90,32,311**	**14.11**	**90,32,311**	**-**	**90,32,311**	**14.11**	**-**	**14.11**	**-**	**-**	**-**	**-**	**90,32,311**
	Total B=B(1)+B(2)+B(3)+B(4)	**2,30,530**	**2,70,47,237**	**-**	**2,70,47,237**	**2,70,47,237**	**42.25**	**2,70,47,237**	**-**	**2,70,47,237**	**42.25**	**-**	**42.25**	**-**	**-**	**-**	**-**	**2,70,47,237**

Statement showing shareholding pattern of the non – Promoter – non-public Shareholder:

The following table sets forth the details regarding the equity shareholding pattern of the non- Promoter- non- public Shareholders as on March 31, 2025:

Sl. No.	Category & Name of the Shareholders (I)	No of shareholders	Total no. of shares held =(IV)+ (V)+(VI)	Shareholding % calculated as per SCRR. 1957) As a % of (A+B+C2) (VIII)	Number of Locked in shares (XII)		Number of equity shares held in dematerialized form
					No.	As a % of total shares held	
(1)	**Custodian / DR Holder**	-	-	-	-	-	-
(2)	**Employee Benefit Trust/Employee Welfare Trust under SEBI (Share based Employee Benefits and Sweat Equity) Regulations, 2021**	-	-	-	-	-	-
	Total Non-Promoter - Non-Public Shareholding (C)=(C)(1)+(C)(2)	-	-	-	-	-	-

ISSUE PROCEDURE

The following is a summary intended to present a general outline of the procedure relating to Bidding, payment of Application Amount, Allocation and Allotment of the Equity Shares. The procedure followed in the Issue may differ from the one mentioned below, and investors are assumed to have apprised themselves of the same from our Company or the Book Running Lead Managers. Bidders are advised to inform themselves of any restrictions or limitations that may be applicable to them and are required to consult their respective advisers in this regard. Eligible QIBs that applied in the Issue were required to confirm and have been deemed to have represented to our Company, the BRLMs and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares. Our Company, the BRLMs and their respective directors, officers, employees, counsels, agents, affiliates, and representatives accept no responsibility or liability for advising any Eligible QIBs on whether such Eligible QIB was eligible to acquire the Equity Shares. Also see "Selling Restrictions" and "Transfer Restrictions and Purchaser Representations" on pages 203 and 211, respectively.

Our Company, the Book Running Lead Managers and their respective directors, officers, agents, advisors, shareholders, employees, counsels, affiliates and representatives are not liable for any amendment or modification or change to applicable laws or regulations, which may occur after the date of this Placement Document. Eligible QIBs are advised to make their independent investigations and satisfy themselves that they are eligible to apply. Eligible QIBs are advised to ensure that any single Bid from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Placement Document. Further, Eligible QIBs are required to satisfy themselves that their Bids would not result in triggering an open offer under the SEBI Takeover Regulations and shall be solely responsible for compliance with all the applicable provisions of the SEBI Takeover Regulations, the SEBI Insider Trading Regulations, and other applicable laws.

I. Qualified Institutions Placement

THE ISSUE IS MEANT ONLY FOR ELIGIBLE QIBS ON A PRIVATE PLACEMENT BASIS AND IS NOT AN OFFER TO THE PUBLIC OR TO ANY OTHER CLASS OF INVESTORS.

The Preliminary Placement Document and this Placement Document have not been, and will not be, filed as a prospectus with the RoC and, no Equity Shares will be offered in India or overseas to the public or any members of the public or any other class of investors, other than Eligible QIBs.

The Issue has been made to Eligible QIBs in reliance upon Chapter VI of the SEBI ICDR Regulations and Section 42 and other applicable provisions of the Companies Act, 2013 and rules thereunder, through the mechanism of a QIP. Under Chapter VI of the SEBI ICDR Regulations and Section 42 of the Companies Act, 2013 read with Rule 14 of the PAS Rules, our Company, being a listed company in India, may issue Equity Shares to Eligible QIBs, provided that:

- our Shareholders have passed a special resolution approving the Issue. Such special resolution inter alia must specify (a) that the allotment of Equity Shares is proposed to be made pursuant to a qualified institutions placement and (b) the Relevant Date;

- the explanatory statement to the notice to our Shareholders for convening the general meeting must disclose, among other things, the particulars of the issue including the date of passing the board resolution, the kind of securities being offered, amount which the company intends to raise by way of such securities and the material terms of raising such securities, proposed issue schedule, the purpose or objects of offer, the contribution made by the promoters or directors either as part of the offer or separately in furtherance of the objects, and the basis or justification for the price (including premium, if any) at which the offer or invitation is being made;

- under Regulation 172(1)(b) of the SEBI ICDR Regulations, the Equity Shares of the same class of our Company, which are proposed to be allotted through the Issue, are listed on the Stock Exchanges, for a period of at least one year prior to the date of issuance of notice to our shareholders for convening the meeting to pass the above-mentioned special resolution;

- invitation to apply in the Issue must be made through a private placement offer-cum-application letter and an Application Form serially numbered and addressed specifically to the Eligible QIBs to whom the Issue is made either in writing or in electronic mode, within 30 days of recording the name of such person in accordance with applicable law; the allotments with respect to any earlier offer or invitation made by our Company shall have been completed or our Company shall have withdrawn or abandoned such invitation or offer made, except as permitted under the Companies Act, 2013;

- in accordance with the SEBI ICDR Regulations, issuance and allotment of Equity Shares shall be made only in dematerialized form;

- our Company shall not make any subsequent qualified institutions placement until the expiry of two weeks from the date of this Issue;

- an offer to Eligible QIBs will not be subject to a limit of 200 persons. Prior to circulating the private placement offer-cum-application letter (i.e., the Preliminary Placement Document and the Application Form), our Company must prepare and record a list of Eligible QIBs to whom the offer will be made. The qualified institutions placement must be made only to such Eligible QIBs whose names are recorded by the issuer prior to the invitation to subscribe;

- our Company acknowledges that the offering of securities by issue of public advertisements or utilisation of any media, marketing or distribution channels or agents to inform the public about the Issue is prohibited;

At least 10% of the Equity Shares issued pursuant to this Issue to Eligible QIBs shall be available for Allocation to Mutual Funds, provided that, if this portion or any part thereof to be allotted to Mutual Funds remains unsubscribed, it may be allotted to other Eligible QIBs.

Bidders were not allowed to withdraw or revise downwards their Bids after the Issue Closing Date.

Additionally, there is a minimum pricing requirement under the SEBI ICDR Regulations. The Floor Price of the Equity Shares issued under this Issue is not less than the average of the weekly high and low of the closing prices of the Equity Shares of the same class quoted on the Stock Exchanges during the two weeks preceding the Relevant Date as calculated in accordance with Chapter VI of the SEBI ICDR Regulations. The "Relevant Date" referred to above means the date of the meeting in which the Board or duly authorised committee thereof decides to open the Issue and "stock exchange", for the purposes of determination of price, means any of the recognized stock exchanges on which the Equity Shares of the same class are listed and on which the highest trading volume in such Equity Shares has been recorded during the two weeks immediately preceding the Relevant Date. Further, in accordance with the resolution of our Shareholders passed in their extraordinary general meeting held on February 14, 2025, our Company offered a discount of 56.25 per Equity Share, being equivalent to a discount of 1% on the Floor Price which is not more than 5% on the Floor Price in accordance with the SEBI ICDR Regulations.

The Allotment of the Equity Shares pursuant to the Issue will be completed within 365 days from the date of our Shareholder's resolution approving the Issue, being February 14, 2025 and within 60 days from the date of receipt of Application Amount from the Successful Bidders failing which our Company shall refund the Bid Amount in accordance with applicable laws. For details of refund of Application Amount, see "*– Pricing and Allocation – Designated Date and Allotment of Equity Shares*" on page 199.

Subscription to the Equity Shares offered pursuant to the Issue was to be made by Eligible QIBs on the basis of the Preliminary Placement Document and this Placement Document, which contains all material information required under applicable law including the information specified in Schedule VII of SEBI ICDR Regulations and the requirements prescribed under Form PAS-4. The Preliminary Placement Document and this Placement Document are private documents provided to only select Eligible QIBs through serially numbered copies and are required to be placed on the website of the concerned Stock Exchanges and of our Company with a disclaimer to the effect that it is in connection with an issue to Eligible QIBs and no offer is being made to the public or to any other category of investors. Please note that if you do not receive a serially numbered copy of the Preliminary Placement Document addressed to you, you may not rely on the Preliminary Placement Document or this Placement Document uploaded on the website of the Stock Exchanges or our Company for making an application to subscribe to Equity Shares pursuant to the Issue.

The minimum number of allottees with respect to a QIP shall not be less than (i) two, where the issue size is less than or equal to ₹2,500 million; and (ii) five, where the issue size is greater than ₹2,500 million.

No single Allottee shall be Allotted more than 50% of the Issue Size.

Eligible QIBs that belong to the same group or that are under common control shall be deemed to be a single Allottee for the purpose of the Issue. For details of what constitutes "same group" or "common control", see "*– Bid Process - Application Form*" on page 194.

Equity Shares being Allotted pursuant to the Issue shall not be sold for a period of one year from the date of Allotment, except on the floor of a recognized stock exchange.

Allotments made to VCFs and AIFs in the Issue are subject to the rules and regulations that are applicable to them, including in relation to lock-in requirements. VCFs and AIFs should independently consult their own counsel and advisors as to investment in and related matters concerning the Issue.

The Equity Shares offered in this Issue have not been and will not be registered under the U.S. Securities Act or the securities laws of any state of the United States and, unless so registered, may not be offered or sold in the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. Accordingly, the Equity Shares are being offered and sold only outside the United States, in "offshore transactions", as defined in and in reliance on Regulation S and the applicable laws of the jurisdictions where those offers and sales are made. The Equity Shares, see are transferable only in accordance with the restrictions described under "*Selling Restrictions*" and "*Transfer Restrictions and Purchaser Representations*" on pages 203 and 211, respectively.

The Equity Shares issued pursuant to this Issue have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Our Company has filed a draft of this Placement Document with each of the Stock Exchanges. Our Company has received in-principle approvals from each of the Stock Exchanges under Regulation 28(1)(a) of the SEBI Listing Regulations for the listing of the Equity Shares on the BSE and NSE on June 19, 2025.

We shall also make the requisite filings with the RoC within the stipulated time periods as required under applicable laws.

II. Issue Procedure

1. On the Issue Opening Date, our Company and the Book Running Lead Managers circulated serially numbered copies of the Preliminary Placement Document and the serially numbered Application Form, either in electronic or physical form, to identified Eligible QIBs and the Application Form, specifically addressed to each such Eligible QIB. In terms of Section 42(3) of the Companies Act, 2013, our Company shall maintain records of the Eligible QIBs in the form and manner as prescribed under the PAS Rules, to whom the Preliminary Placement Document and the serially numbered Application Form have been dispatched or circulated, as the case may be. The list of Eligible QIBs to whom the Preliminary Placement Document, this Placement Document and Application Form was delivered was determined by our Company in consultation with the BRLMs, at their sole discretion.

2. Unless a serially numbered Preliminary Placement Document along with the serially numbered Application Form, which included the details of the bank account wherein the Application Amount is to be deposited, was addressed to a particular Eligible QIB, no invitation to make an offer to subscribe shall be deemed to have been made to such Eligible QIB. Even if such documentation were to come into the possession of any person other than the intended recipient, no offer or invitation to offer shall be deemed to have been made to such person and any application that does not comply with this requirement shall be treated as invalid.

3. Eligible QIBs were required to submit the Application Form, including any revisions thereof along with the Application Amount and a copy of the PAN card or PAN allotment letter, during the Issue Period to the Book Running Lead Managers. Application Form were required to be signed physically or digitally, if required under applicable law in the relevant jurisdiction applicable to each Eligible QIB and as permitted under such applicable law. An Eligible QIB could submit an unsigned copy of the Application Form, as long as the Application Amount was paid along with submission of the Application Form within the Issue Period. Once a duly filled Application Form is submitted by an Eligible QIB, whether signed or not, and the Application Amount has been transferred to the Escrow Account, such Application Form constitutes an irrevocable offer and cannot be withdrawn or revised downwards after the Issue Closing Date. In case Bids are being made on behalf of the Eligible QIB and the Application Form is unsigned, it shall be assumed that the person submitting the Application Form and providing necessary instructions for transfer of the Application Amount to the Escrow Account, on behalf of the Eligible QIB is authorised to do so.

4. Bidders were required to indicate the following in the Application Form:

    a. A representation that it is either (i) outside the United States acquiring the Equity Shares in an "offshore transaction" as defined in, and in reliance on, Regulation S, or (ii) a U.S. QIB and it has agreed to certain other representations set forth in the *"Representation by Investors"* on page 4 and *"Transfer Restrictions and Purchaser Representations"* on page 211 and certain other representations as set forth in the Application Form;

    b. full official name of the Eligible QIB to whom Equity Shares are to be Allotted, complete address, e-mail id, PAN details and bank account details;

    c. number of Equity Shares Bid for;

    d. price at which were agreeable to subscribe for the Equity Shares and the aggregate Application Amount for the number of Equity Shares Bid for;

e. Equity Shares held by the Eligible QIBs in our Company prior to the Issue;

f. details of the depository account to which the Equity Shares should be credited; and

g. Eligible FPIs were required to indicate their SEBI FPI registration number in the Application Form. The Bids made by the asset management companies or custodian of Mutual Funds were required to specifically state the names of the concerned schemes for which the Bids were made. In case of a Mutual Fund, a separate Bid could be made in respect of each scheme of the Mutual Fund registered with SEBI and such Bids in respect of more than one scheme of the Mutual Fund would not be treated as multiple Bids provided that the Bids clearly indicate the scheme for which the Bid has been made. Application by various schemes or funds of a Mutual Fund were be treated as one application from the Mutual Fund. Bidders are advised to ensure that any single Bid from them did not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law.

5. Eligible QIBs were required to make the entire payment of the Application Amount for the Equity Shares Bid for, along with the Application Form, only through electronic transfer to the Escrow Account within the Issue Period as specified in the Application Form sent to the respective Bidders. Please note that any payment of Application Amount for the Equity Shares was to be made from the bank accounts of the relevant Bidders and our Company has kept a record of the bank account from where such payment has been received. Application Amount payable on Equity Shares to be held by joint holders was required to paid from the bank account of the person whose name appeared first in the Application Form. Pending Allotment, Application Amounts received for subscription of the Equity Shares have been kept by our Company in a separate bank account with a scheduled bank and shall be utilised only for the purposes permitted under the Companies Act, 2013. Notwithstanding the above, in the event (a) any Bidder is not allocated Equity Shares in the Issue, (b) the number of Equity Shares Allotted to a Bidder is lower than the number of Equity Shares applied for through the Application Form and towards which Application Amount has been paid by such Bidder, (c) the Application Amount has been arrived at using an indicative price higher than the Issue Price, or (d) any Eligible QIB lowers or withdraws their Bid after submission of the Application Form but prior to the Issue Closing Date, the excess Application Amount will be refunded to the same bank account from which it was remitted, in the form and manner set out in "- Refunds" on page 199.

6. Once a duly completed Application Form was submitted by a Bidder and the Application Amount was transferred to the Escrow Account, such Application Form constituted an irrevocable offer and the Bid could not be withdrawn or revised downwards after the Issue Closing Date. In case of an upward revision before the Issue Closing Date, an additional amount was required to be deposited towards the Application Amount in the Escrow Account along with the submission of such revised Bid. The Issue Closing Date was notified to the Stock Exchanges and the Eligible QIBs were deemed to have been given notice of such date after receipt of the Application Form.

7. Eligible QIBs acknowledged that in accordance with the requirements of the Companies Act, 2013, upon Allocation, our Company has disclosed the names of proposed Allottees and the percentage of their post Issue shareholding in this Placement Document and consented to such disclosure, if any Equity Shares were allocated to it.

8. Upon receipt of the duly completed Application Form and the Application Amount in the Escrow Account, on or after the Issue Closing Date, our Company shall, in consultation with Book Running Lead Managers determine the final terms, including the Issue Price of the Equity Shares to be issued pursuant to the Issue and Allocation. Upon such determined , the Book Running Lead Managers sent the serially numbered CAN to the Eligible QIBs who have been Allocated the Equity Shares. The dispatch of a CAN, and this Placement Document to a Successful Bidder shall be deemed a valid, binding and irrevocable contract for the Successful Bidders to subscribe to the Equity Shares Allocated to such Successful Bidders at an aggregate price equivalent the product of the Issue Price and Equity Shares Allocated to such Successful Bidders. The CAN contains details such as the number of Equity Shares Allocated to the Successful Bidders, Issue Price and the aggregate amount received towards the Equity Shares Allocated. Please note that the Allocation will be at the absolute discretion of our Company and will be based on the recommendation of the Book Running Lead Managers.

9. Upon determination of the Issue Price and the issuance of CAN and before Allotment of Equity Shares to the Successful Bidders, the Book Running Lead Managers, shall, on our behalf, send a serially numbered Placement Document to each of the Successful Bidders who have been Allocated Equity Shares pursuant to dispatch of a serially numbered CAN.

10. Upon dispatch of the serially numbered Placement Document, our Company shall Allot Equity Shares as per the details in the CANs sent to the Successful Bidders. We will inform the Stock Exchanges of the details of the Allotment.
11. After passing the resolution for Allotment and prior to crediting the Equity Shares into the beneficiary account of the Successful Bidders maintained by the depository participant, as indicated in their respective Application Form, our

Company shall apply to the Stock Exchanges for listing approvals in respect of the Equity Shares Allotted pursuant to the Issue.

12. After receipt of the listing approvals of the Stock Exchanges, our Company shall credit the Equity Shares Allotted pursuant to this Issue into the beneficiary accounts of the respective Allottees.

13. Our Company will then apply for the final trading approvals from the Stock Exchanges.

14. The Equity Shares that would have been credited to the beneficiary account with the Depository Participant of the Eligible QIBs shall be eligible for trading on the Stock Exchanges only upon the receipt of final trading and listing approvals from the Stock Exchanges.

15. As per applicable law, the Stock Exchanges will notify the final listing and trading approvals, which are ordinarily available on their websites, and our Company may communicate the receipt of the listing and trading approvals to those Eligible QIBs to whom the Equity Shares have been Allotted. Our Company and the Book Running Lead Managers shall not be responsible for any delay or non-receipt of the communication of the final trading and listing permissions from the Stock Exchanges or any loss arising from such delay or non-receipt. Investors are advised to apprise themselves of the status of the receipt of the permissions from the Stock Exchanges or our Company.

16. In the event that the number of Equity Shares Allocated to a Bidder is lower than the number of Equity Shares applied for through the Application Form and towards which Application Amount has been paid by such Bidder, or Equity Shares are not Allocated to a Bidder for any reasons, or a Bidder withdraws the Bid prior to the Issue Closing Date, any excess Application Amount paid by such Bidder will be refunded to the same bank account from which Application Amount was remitted, in the form and manner set out in the Refund Intimation which will be dispatched to such Bidder.

III. Eligible Qualified Institutional Buyers

Only Eligible QIBs were eligible to invest in the Equity Shares pursuant to the Issue, provided that with respect to foreign portfolio investors, only Eligible FPIs applying under Schedule II of the FEMA Rules were considered as Eligible QIBs. FVCIs were not permitted to participate in the Issue. Currently, Eligible QIBs, who were eligible to participate in the Issue and also as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations, are set forth below:

- alternate investment funds registered with SEBI;
- Eligible FPIs;
- insurance companies registered with Insurance Regulatory and Development Authority of India;
- insurance funds set up and managed by army, navy or air force of the Union of India;
- insurance funds set up and managed by the Department of Posts, India;
- multilateral and bilateral development financial institutions;
- Mutual Funds;
- pension funds with minimum corpus of ₹250 million registered with the Pension Fund Regulatory and Development Authority established under sub-section (1) of section 3 of the Pension Fund Regulatory and Development Authority Act, 2013;
- provident funds with minimum corpus of ₹250 million;
- public financial institutions;
- scheduled commercial banks;
- state industrial development corporations;
- the National Investment Fund set up by resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of the Government published in the Gazette of India;
- venture capital funds registered with SEBI; and
- systemically important non-banking financial companies.

Eligible FPIs were permitted to participate through the portfolio investment scheme under Schedule II of FEMA Rules respectively, in this Issue. Eligible FPIs were permitted to participate in the Issue subject to compliance with all applicable laws and such that the shareholding of the FPIs do not exceed specified limits as prescribed under applicable laws in this regard. Other eligible non-resident QIBs were permitted to participate in the Issue under Schedule I of the FEMA Rules, subject to other conditions mentioned in the FEMA Rules.

In terms of the SEBI FPI Regulations, the issue of Equity Shares to a single FPI or an investor group (multiple entities registered as FPIs and directly or indirectly, having common ownership of more than 50% or common control) is not permitted to be 10% or more of the post-Issue equity share capital of our Company, and the total holding of all FPIs, collectively, shall not exceed 24% of the paid-up equity share capital of our Company. In terms of the FEMA Regulations, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included.

With effect from April 1, 2020, the aggregate limit for FPI investments shall be the sectoral caps applicable to our Company (i.e. up to 100% under the automatic route as we are engaged in the manufacturing sector). Further, if any FPI holds 10% or more of the Equity Share capital of our Company, on a fully diluted basis, the FPI including its investor group is required to divest the excess holding within five trading days from the date of settlement of the trades resulting in the breach. In the event that such divestment of excess holding is not done, the total investment made by such FPI together with its investor group will be re-classified as FDI as per procedure specified by SEBI and the FPI and its investor group will be prohibited from making any further portfolio investment in the company under the SEBI FPI Regulations. However, in accordance with Regulation 22(4) of the SEBI FPI Regulations, the FPIs who are: (i) appropriately regulated public retail funds; (b) public retail funds where the majority is owned by appropriately regulated public retail fund on look through basis; or (c) public retail funds and investment managers of such foreign portfolio investors are appropriately regulated, the aggregation of the investment limits of such FPIs having common control, shall not be applicable.

Eligible FPIs were permitted to participate in the Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

In terms of the FEMA Rules, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included.

IV. Restriction on Allotment

Under Regulation 179(2)(b) of the SEBI ICDR Regulations, no Allotment shall be made pursuant to the Issue, either directly or indirectly, to any QIB being, or any person related to, the Promoters. QIBs which have all or any of the following rights shall be deemed to be persons related to the Promoters:

1. rights under a shareholders' agreement or voting agreement entered into with the Promoters or members of the Promoter Group;

2. veto rights; or

3. a right to appoint any nominee director on our Board.

Provided, however, that a QIB which does not hold any Equity Shares in our Company and which has acquired the aforesaid rights in the capacity of a lender shall not be deemed to be related to the Promoters.

Our Company, the BRLMs and any of their respective shareholders, employees, counsels, officers, directors, representatives, agents, advisors or affiliates shall not be liable for any amendment or modification or change to applicable laws or regulations, which may occur after the date of this Placement Document. Eligible QIBs are advised to make their independent investigations and satisfy themselves that they are eligible to apply in the Issue. Eligible QIBs were advised to ensure that any single application from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Placement Document.

Further, Eligible QIBs are required to satisfy themselves that their Bids would not eventually result in triggering a tender offer under the SEBI Takeover Regulations and ensure compliance with applicable laws.

A minimum of 10% of the Equity Shares offered in the Issue shall be Allotted to Mutual Funds. In case of under subscription in such portion, such portion or part thereof may be Allotted to other Eligible QIBs.

Note: *Affiliates or associates of the Book Running Lead Managers who were Eligible QIBs were permitted to participate in the Issue in compliance with applicable laws.*

V. Bid Process

Application Form

Eligible QIBs shall only use the serially numbered Application Forms (which are addressed to them) supplied by our Company and/or the Book Running Lead Managers in either electronic form or by physical delivery for the purpose of making a Bid (including revision of a Bid) in terms of the Preliminary Placement Document and this Placement Document.

By making a Bid (including the revision thereof) for Equity Shares through Application Forms and pursuant to the terms of this Placement Document, the Eligible QIB will be deemed to have made the following representations, warranties, acknowledgements and undertakings as well as those given or made under the sections "*Notice to Investors*",

"*Representations by Investors*", "*Selling Restrictions*" and "*Transfer Restrictions and Purchaser Representations*" on pages 1, 4, 203 and 211, respectively:

Eligible QIBs shall only use the serially numbered Application Forms (which are addressed to them) supplied by our Company and/or the Book Running Lead Managers in either electronic form or by physical delivery for the purpose of making a Bid (including revision of a Bid) in terms of the Preliminary Placement Document and this Placement Document.

By making a Bid (including the revision thereof) for Equity Shares through Application Forms and pursuant to the terms of this Placement Document, the Eligible QIB will be deemed to have made the following representations, warranties, acknowledgements and undertakings as well as those given or made under the sections "*Notice to Investors*", "*Representations by Investors*", "*Selling Restrictions*" and "*Transfer Restrictions and Purchaser Representations*" on pages 1, 4, 203 and 211, respectively:

1. The Eligible QIB confirmed that it is a QIB in terms of Regulation 2(1)(ss) of the SEBI ICDR Regulations and is not excluded under Regulation 179(2)(b) of the SEBI ICDR Regulations, has a valid and existing registration under the applicable laws in India (as applicable) and is eligible to participate in this Issue;

2. The Eligible QIB confirmed that it is not a Promoter and is not a person related to the Promoters, either directly or indirectly and its Application Form does not directly or indirectly represent the Promoters or Promoter Group or persons related to the Promoters;

3. The Eligible QIB confirmed that it has no rights under a shareholders' agreement or voting agreement with the Promoters or members of the Promoter Group, no veto rights or right to appoint any nominee director on the Board other than those acquired in the capacity of a lender which shall not be deemed to be a person related to the Promoters;

4. The Bidder confirmed that in the event it is resident outside India, it is an Eligible FPI, having a valid and existing registration with SEBI under the applicable laws in India or a multilateral or bilateral development financial institution, and is eligible to invest in India under applicable law, including the FEMA Rules, as amended, and any notifications, circulars or clarifications issued thereunder, and has not been prohibited by SEBI or any other regulatory authority, from buying, selling, dealing in securities or otherwise accessing the capital markets and is not an FVCI;

5. The Eligible QIB acknowledged that it has no right to withdraw or revise its Bid downwards after the Issue Closing Date;

6. The Eligible QIB confirmed that if Equity Shares are Allotted through this Issue, it shall not, for a period of one year from Allotment, sell such Equity Shares otherwise than on the Stock Exchanges;

7. The Eligible QIB confirmed that it is eligible to Bid and hold Equity Shares so Allotted together with any Equity Shares held by it prior to the Issue, if any. The Eligible QIB further confirms that the holding of the Eligible QIB, does not and shall not, exceed the level permissible as per any applicable regulations applicable to the Eligible QIB;

8. The Eligible QIB confirmed that its Bid would not result in triggering an open offer under the SEBI Takeover Regulations;

9. The Eligible QIB agreed that although the Application Amount is required to be paid by it along with the Application Form within the Issue Period in terms of provisions of the Companies Act, 2013 and rules made thereunder, our Company reserves the right to Allocate and Allot Equity Shares pursuant to this Issue on a discretionary basis in consultation with the Book Running Lead Managers. The Eligible QIB further acknowledged and agreed that the payment of Application Amount does not guarantee Allocation and/or Allotment of Equity Shares Bid for in full or in part;

10. The Eligible QIB acknowledged that in terms of the requirements of the Companies Act 2013, upon Allocation, our Company is required to disclose names as proposed Allottees and percentage to post- Issue shareholding of the proposed Allottees in this Placement Document and consents to such disclosure, if any Equity Shares are Allocated to it. However, the Eligible QIB further acknowledged and agreed, disclosure of such details in relation to the proposed Allottees in this Placement Document does not guarantee Allotment to them, as Allotment in the Issue shall continue to be at the sole discretion of our Company, in consultation with the BRLMs;

11. The Eligible QIB confirmed that the number of Equity Shares Allotted to it pursuant to the Issue, together with other Allottees that belong to the same group or are under common control, shall not exceed 50% of the Issue. For the purposes of this representation:

    (a) Eligible QIBs "belonging to the same group" shall mean entities where (a) any of them controls, directly or indirectly, through its subsidiary or holding company, not less than 15% of the voting rights in the other; (b) any of them, directly or indirectly, by itself, or in combination with other persons, exercise control over the others; or (c) there is a common director, excluding nominee and independent directors, amongst an Eligible QIB, its subsidiary(ies) or holding company and any other QIB; and

    (b) 'Control' shall have the same meaning as is assigned to it by Regulation 2(1)(c) of the SEBI Takeover Regulations;

12. The Eligible QIB acknowledged that no Allotment shall be made to them if the price at which they have Bid for in the Issue is lower than the Issue Price;

13. Each Eligible FPI, confirmed that it will participate in the Issue only under and in conformity with Schedule II of FEMA Rules. Further, each Eligible FPI acknowledges that Eligible FPIs may invest in such number of Equity Shares such that the individual investment of the Eligible FPI or its investor group (multiple entities registered as FPIs and directly or indirectly, having common ownership of more than fifty per cent or common control) in our Company does not exceed 10% of the post-Issue paid-up capital of our Company on a fully diluted basis. The Bidder confirms that it, individually or together with its investor group, is not restricted from making further investments in our Company through the portfolio investment route, in terms of Regulation 22(3) of the SEBI FPI Regulations.

14. The Eligible QIBs confirmed that they shall not undertake any trade in the Equity Shares credited to their beneficiary accounts maintained with the Depository Participant until such time that the final listing and trading approvals for the Equity Shares Allotted in the Issue are issued by the Stock Exchanges; and

15. The Eligible QIB confirmed that:

    (a) It is outside the United States and is subscribing to the Equity Shares in an "offshore transaction" as defined in, and in reliance on Regulation S, and is not our affiliate or a person acting on behalf of such an affiliate; and

    (b) It has read and understood, and by making a Bid for the Equity Shares through the Application Forms and pursuant to the terms of the Preliminary Placement Document and this Placement Document, will be deemed to have made the representations, warranties and agreements made under the sections entitled "*Notice to Investors*", "*Representations by Investors*", "*Selling Restrictions*" and "*Transfer Restrictions and Purchaser Representations*" on pages 1, 4, 203 and 211, respectively.

ELIGIBLE QIBS WERE REQUIRED TO PROVIDE THEIR NAME, COMPLETE ADDRESS, EMAIL ID, PHONE NUMBER, BANK ACCOUNT DETAILS, BENEFICIARY ACCOUNT DETAILS, PAN, DEPOSITORY PARTICIPANT'S NAME, DEPOSITORY PARTICIPANT IDENTIFICATION NUMBER AND BENEFICIARY ACCOUNT NUMBER IN THE APPLICATION FORM. ELIGIBLE QIBS HAD TO ENSURE THAT THE NAME GIVEN IN THE APPLICATION FORM WAS EXACTLY THE SAME AS THE NAME IN WHICH THEIR BENEFICIARY ACCOUNT IS HELD.

IF SO, REQUIRED BY THE BOOK RUNNING LEAD MANAGERS, THE ELIGIBLE QIBS SUBMITTING A BID, ALONG WITH THE APPLICATION FORM, WERE ALSO REQUIRED TO SUBMIT REQUISITE DOCUMENT(S) TO THE BOOK RUNNING LEAD MANAGERS TO EVIDENCE THEIR STATUS AS AN "ELIGIBLE QIB" AS DEFINED HEREINABOVE.

IF SO REQUIRED BY THE BOOK RUNNING LEAD MANAGERS, ESCROW BANK OR ANY STATUTORY OR REGULATORY AUTHORITY IN THIS REGARD, INCLUDING AFTER ISSUE CLOSURE, THE ELIGIBLE QIBS SUBMITTING A BID AND/OR BEING ALLOTTED EQUITY SHARES IN THE ISSUE, WERE ALSO REQUIRED TO SUBMIT REQUISITE DOCUMENT(S) TO FULFILL THE APPLICABLE KNOW YOUR CUSTOMER (KYC) NORMS.

Demographic details such as address and bank account were obtained from the Depositories as per the Depository Participant account details provided in the Application Form. However, for the purposes of refund of all or part of the Application Amount submitted by the Bidder, the bank details as mentioned in the Application Form from which the Application Amount shall be remitted for the Equity Shares applied for in the Issue, will be considered.

The submission of an Application Form and payment of the Application Amount pursuant to the Application Form by a Bidder was deemed a valid, binding and irrevocable offer for such Bidder to pay the entire Issue Price for the Equity Shares and becomes a binding contract on a Successful Bidder upon issuance of the CAN and this Placement Document by our Company in favour of the Successful Bidder.

Submission of Application Form

All Application Forms were required to be duly completed with information including the number of Equity Shares applied for along with proof of payment and a copy of the PAN card or PAN allotment letter. Additionally, the Application Form included details of the relevant Escrow Account into which the Application Amounts will have to be deposited. The Application Amount was required to be deposited in the Escrow Account as is specified in the Application Form and the Application Form was required to be submitted to the Book Running Lead Managers either through electronic form or through physical delivery at either of the following addresses:

Name of BRLM	Address	Contact Person	Email and website	Contact details
Motilal Oswal Investment Advisors Limited	Motilal Oswal Tower, Rahimtullah Sayani Road, Prabhadevi, Mumbai 400025	Subodh Mallya	**E-mail:** mocorpfin@motilaloswal.com **Website**: www.motilaloswalgroup.com	+91 22 7193 4380
Axis Capital Limited	Axis House, 1st Floor, Pandurang Budhkar Marg, Worli, Mumbai 400 025, Maharashtra, India	Animesh Vanjari	**Email:** kaynes.qip@axiscap.in **Website:** www.axiscapital.co.in/	+91 22 4325 2183
Nomura Financial Advisory and Securities (India) Private Limited	Ceejay House, Level 11 Plot F, Shivsagar Estate, Dr. Annie Besant Road, Worli, Mumbai 400 018, Maharashtra, India	Vishal Kanjani / Shreyas Goel	**Email:** kaynesqip2025@nomura.com **Website:** www.nomuraholdings.com/company/group/asia/india/index.html	+91 22 4037 4037

The Book Running Lead Managers shall not be required to provide any written acknowledgement of the receipt of the Application Form and the Application Amount.

Bidders Bidding in the Issue shall pay the entire Application Amount along with the submission of the Application Form, within the Issue Period.

VI. Payment of Application Amount

Our Company has opened the "KAYNES TECHNOLOGY INDIA LTD – QIP ESCROW A/C" with the Escrow Bank, in terms of the arrangement among our Company, the Book Running Lead Managers and the Escrow Bank. Bidders were required to deposit the entire Application Amount payable for the Equity Shares applied for through the Application Form submitted by it in accordance with the applicable laws.

Note: Payments were to be made only through electronic fund transfer. Payments through cheques or demand draft or cash were rejected. If the payment was not made favouring the "KAYNES TECHNOLOGY INDIA LTD – QIP ESCROW A/C" account within the Issue Period stipulated in the Application Form, the Application Form of the QIB was liable to be cancelled.

Pending Allotment, our Company undertakes to utilise the amount deposited in "KAYNES TECHNOLOGY INDIA LTD – QIP ESCROW A/C" only for the purposes of (i) adjustment against Allotment of Equity Shares in the Issue; or (ii) repayment of Application Amount if our Company is not able to Allot Equity Shares in the Issue. Notwithstanding the above, in the event a Bidder is not Allocated Equity Shares in the Issue, or the number of Equity Shares Allocated to a Bidder, is lower than the number of Equity Shares applied for through the Application Form and towards which Application Amount has been paid by such Bidder, the excess Application Amount will be refunded to the same bank account from which Application Amount was remitted, in the form and manner set out in "**–** *Refunds*" on page 199.

Permanent Account Number or PAN

Each Bidder was required to mention its PAN allotted under the Income Tax Act, 1961 in the Application Form and enclose a copy of the PAN card or PAN allotment letter along with the Application Form, to the extent applicable.

Applications without this information were considered incomplete and were liable to be rejected. Bidders were not to submit the GIR number instead of the PAN as the Application Form was liable to be rejected on this ground.

Bank Account Details

Each Bidder was required to mention the details of the bank account from which the payment of Application Amount has been made along with confirmation that such payment has been made from such account.

VII. Pricing and Allocation

Build-up of the Book

The Eligible QIBs were required to submit their Bids (including any revision thereof) through the Application Forms within the Issue Period to the Book Running Lead Managers. Such Bids cannot be withdrawn or revised downwards after the Issue Closing Date. The book shall be maintained by the Book Running Lead Managers.

Price Discovery and Allocation

Our Company, in consultation with the Book Running Lead Managers, shall determined the Issue Price, which shall be at or above the Floor Price. However, our Company has offered a discount of ₹ 56.25 per Equity Share, being equivalent to a discount of 1% on the Floor Price which is not more than 5% on the Floor Price in terms of Regulation 176 of the SEBI ICDR Regulations as approved by our Shareholders through a resolution dated February 14, 2025 .

Method of Allocation

Our Company shall determine the Allocation in consultation with the Book Running Lead Managers on a discretionary basis and in compliance with Chapter VI of the SEBI ICDR Regulations.

Bids received from the Eligible QIBs at or above the Issue Price were grouped together to determine the total demand. The Allocation to all such Eligible QIBs was made at the Issue Price. Allocation to Mutual Funds for up to a minimum of 10% of the Issue Size would be undertaken subject to valid Bids being received at or above the Issue Price.

In case of cancellations or default by the Bidders, our Company in consultation with Book Running Lead Managers had the right to reallocate the Equity Shares at the Issue Price among existing or new Bidders at their sole and absolute discretion subject to the applicable laws.

THE DECISION OF OUR COMPANY IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGERS IN RESPECT OF ALLOCATION SHALL BE FINAL AND BINDING ON ALL BIDDERS. BIDDERS MAY NOTE THAT ALLOCATION OF EQUITY SHARES IS AT THE SOLE AND ABSOLUTE DISCRETION OF OUR COMPANY, IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGERS AND ELIGIBLE QIBS MAY NOT RECEIVE ANY ALLOCATION EVEN IF THEY HAVE SUBMITTED VALID APPLICATION FORMS AND PAID THE ENTIRE APPLICATION AMOUNT AT OR ABOVE THE ISSUE PRICE WITHIN THE ISSUE PERIOD. NEITHER OUR COMPANY NOR THE BOOK RUNNING LEAD MANAGERS ARE OBLIGED TO ASSIGN ANY REASON FOR ANY NON-ALLOCATION.

CAN

Based on receipt of the serially numbered Application Forms and Application Amount, our Company, in consultation with the Book Running Lead Managers, in their sole and absolute discretion, shall decide the Successful Bidders to whom the serially numbered CAN shall be dispatched, pursuant to which the details of the Equity Shares Allocated to them, the Issue Price and the Application Amount for the Equity Shares Allotted shall be notified to such Successful Bidders. Additionally, the CAN will include the probable Designated Date, being the date of credit of the Equity Shares to the Bidders' account, as applicable to the respective Bidder.

The Successful Bidders would also be sent a serially numbered Placement Document (which will include the names of the proposed Allottees along with the percentage of their post-Issue Shareholding in our Company) either in electronic form or by physical delivery.

The dispatch of the serially numbered CAN and this Placement Document, to the Eligible QIBs shall be deemed a valid, binding and irrevocable contract for the Eligible QIBs to furnish all details that may be required by the Book Running Lead Managers. Subsequently, our Board will approve the Allotment of the Equity Shares to the Allottees.

Eligible QIBs are advised to instruct their Depository Participant to accept the Equity Shares that may be Allotted to them pursuant to the Issue.

By submitting the Application Form, an Eligible QIB would have deemed to have made the representations and warranties as specified in "*Notice to Investors*" on page 1 and further that such Eligible QIB shall not undertake any trade on the Equity Shares credited to its Depository Participant account pursuant to the Issue until such time as the final listing and trading approval is issued by Stock Exchanges.

Designated Date and Allotment of Equity Shares

Subject to the satisfaction of the terms and conditions of the Placement Agreement, our Company will ensure that the Allotment of the Equity Shares is completed by the Designated Date provided in the CAN.

The Equity Shares in the Issue will be issued, and Allotment shall be made only in dematerialised form to the Allottees. Allottees will have the option to re-materialise the Equity Shares, if they so desire, as per the provisions of the Companies Act, 2013 and the Depositories Act. However, no transfer in physical form is permitted as per Regulation 40 of the SEBI Listing Regulations.

Our Company, at its sole discretion, reserves the right to cancel the Issue at any time up to Allotment without assigning any reason whatsoever.

Following the Allotment and credit of Equity Shares into the Successful Bidders' beneficiary demat accounts maintained with the Depository Participant, as indicated in the respective Application Form, our Company will apply for final trading and listing approvals from the Stock Exchanges.

Pursuant to a circular dated March 5, 2010 issued by the SEBI, Stock Exchanges are required to make available on their websites the details of those Allottees in Issue who have been allotted more than 5% of the Equity Shares offered in the Issue, viz, the names of the Allottees, and number of Equity Shares Allotted to each of them, pre and post Issue shareholding pattern of our Company along with this Placement Document. Our Company shall make the requisite filings with the RoC within the stipulated period as required under the Companies Act, 2013 and the PAS Rules. Further, as required in terms of the PAS Rules, names of the proposed Allottees and the percentage of their post-Issue shareholding in our Company is being disclosed in this Placement Document.

The Escrow Bank shall release the monies lying to the credit of the Escrow Account to our Company upon receipt of notice from the Book Running Lead Managers and the trading and listing approvals of the Stock Exchanges for Equity Shares offered in the Issue and after filing return of Allotment under Form PAS-3 with the RoC.

After finalization of the Issue Price, our Company has updated the Preliminary Placement Document with the Issue details and file the same with the Stock Exchanges as this Placement Document.

VIII. Refunds

In the event that the number of Equity Shares Allocated to a Bidder is lower than the number of Equity Shares applied for through the Application Form and towards which Application Amount has been paid by such Bidder, or Equity Shares are not Allocated to a Bidder for any reasons, or a Bidder withdraws the Bid prior to the Issue Closing Date, any excess Application Amount paid by such Bidder will be refunded to the same bank account from which the Application Amount was remitted, in the form and manner set out in the Refund Intimation. The Refund Amount will be transferred to the relevant Bidders within two Working Days from the issuance of the CAN.

In the event that Equity Shares have been Allocated to Successful Bidders and our Company is unable to issue and Allot the Equity Shares offered in the Issue or on cancellation of the Issue, within 60 days from the date of receipt of the Application Amount, our Company shall repay the Application Amount within 15 days from expiry of 60 days, failing which our Company shall repay that money with interest at such rate and in such manner as prescribed under the Companies Act, 2013.

IX. Other Instructions

Right to Reject Applications

Our Company, in consultation with the Book Running Lead Managers, could reject Bids, in part or in full, without assigning any reason whatsoever. The decision of our Company in consultation with the Book Running Lead Managers in relation to the rejection of Bids shall be final and binding. In the event the Bid is rejected by our Company, the Application

Amount paid by the Bidder shall be refunded to the same bank account from which the Application Amount was remitted by such Bidder. For further details, see "*Bid Process*" – "*Refund*" on page 199.

Equity Shares in dematerialized form with NSDL or CDSL

The Allotment of the Equity Shares in this Issue shall be only in dematerialised form (i.e., not in physical certificates but be fungible and be represented by the statement issued through the electronic mode).

An Eligible QIB applying for Equity Shares to be issued pursuant to the Issue was required to have at least one beneficiary account with a Depository Participant of either NSDL or CDSL prior to making the Bid. Equity Shares Allotted to a Successful Bidder will be credited in electronic form directly to the beneficiary account (with the Depository Participant) of the Successful Bidder, as indicated in the Application Form.

Equity Shares in electronic form can be traded only on the stock exchanges having electronic connectivity with NSDL and CDSL. The Stock Exchanges have electronic connectivity with NSDL and CDSL.

The trading of the Equity Shares to be issued pursuant to the Issue would be in dematerialised form only for all QIBs in the demat segment of the respective Stock Exchanges.

Our Company and the Book Running Lead Managers will not be responsible or liable for the delay in the credit of Equity Shares to be issued pursuant to the Issue due to errors in the Application Form or otherwise on the part of the Bidders.

Release of Funds to our Company

The Escrow Bank shall not release the monies lying to the credit of the "KAYNES TECHNOLOGY INDIA LTD – QIP ESCROW A/C" account to our Company until receipt of notice from the Book Running Lead Managers, the trading and listing approvals of the Stock Exchanges for Equity Shares offered in the Issue and filing of return of Allotment under Form PAS-3 with the RoC.

PLACEMENT

Placement Agreement

The BRLMs have entered into the Placement Agreement dated June 19, 2025 with our Company, pursuant to which the BRLMs have agreed, subject to certain conditions, to manage the Issue and to act as placement agents in connection with the proposed Issue and procure subscription to Equity Shares to be placed with the Eligible QIBs, pursuant to Chapter VI of the SEBI ICDR Regulations, Section 42 of the Companies Act, 2013 read with Rule 14 of the PAS Rules, to the extent applicable, as amended and other applicable provisions of the Companies Act and the rules made thereunder. The Placement Agreement contains customary representations, warranties and indemnities from our Company, and it is subject to satisfaction of certain conditions and subject to termination in accordance with the terms contained therein.

The Preliminary Placement Document and this Placement Document has not been, and will not be, registered as a prospectus with the RoC and, no Equity Shares offered pursuant to the Issue, will be offered in India or overseas to the public or any members of the public or any other class of prospective investors, other than Eligible QIBs.

The Equity Shares offered in the Issue have not been and will not be registered under the U.S. Securities Act, or any other applicable state securities laws of the United States and, unless so registered may not be offered, sold or delivered within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, the Equity Shares are being offered and sold only outside the United States in "offshore transactions", as defined in and in reliance on Regulation S and the applicable laws of the jurisdictions where those offers and sales are made. The Equity Shares are transferable only in accordance with the restrictions described under the sections "*Selling Restrictions*" and "*Transfer Restrictions and Purchaser Representations*" on pages 203 and 211, respectively. For the avoidance of doubt, the term U.S. QIBs does not refer to a category of institutional investors defined under applicable Indian regulations and referred to in this Placement Document as "QIBs".

Applications shall be made to list the Equity Shares issued pursuant to the Issue and admit them to trading on the Stock Exchanges.

In connection with the Issue, the BRLMs (or their affiliates) may, for their own account, subscribe to the Equity Shares or enter into asset swaps, credit derivatives or other derivative transactions relating to the Equity Shares to be offered pursuant to the Issue at the same time as the offer and sale of the Equity Shares, or in secondary market transactions. As a result of such transactions, the BRLMs (or their affiliates) may hold long or short positions in such Equity Shares. These transactions may comprise a substantial portion of the Issue and no specific disclosure will be made of such positions. The Affiliates of the BRLMs may purchase Equity Shares and be Allotted Equity Shares for proprietary purposes and not with a view to distribute or in connection with the issuance of P-Notes. For further details, see "*Offshore Derivative Instruments*" on page 9.

From time to time, the BRLMs, and their respective affiliates have been engaged in or may in the future engage in transactions with and perform services, including but not limited to investment banking, advisory, banking, trading services for our Company, its Subsidiaries, its group companies, affiliates and the shareholders of our Company, as well as to their respective affiliates, pursuant to which fees and commissions have been paid or will be paid to the BRLMs and their respective affiliates.

Lock-up

Under the Placement Agreement, our Company undertakes that it will not, for a period commencing the date thereof and ending 90 days from the date of allotment of equity shares pursuant to the Issue ("Lock-up Period"), without the prior written consent of the Book Running Lead Managers, do the following:

1. directly or indirectly, offer, issue, contract to issue, lend, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, or otherwise transfer or dispose of, any of the Equity Shares or any securities convertible into or exercisable for the Equity Shares or file any registration statement under the U.S. Securities Act, with respect to any of the foregoing, or

2. enter into any swap or other agreement or any transaction that transfers, in whole or in part, directly or indirectly, any of the economic consequences associated with the ownership of any of the Equity Shares or any securities convertible into or exercisable or exchangeable for the Equity Shares (regardless of whether any of the transactions described in clause (a) or (b) is to be settled by the delivery of the Equity Shares or such other securities, in cash or otherwise), or

3. enter into any transaction (including a transaction involving derivatives) having an economic effect similar to that of an issue, offer, sale or deposit of the Equity Shares in any depository receipt facility, or

4. publicly announce any intention to enter into any transaction falling within 1 to 3 above or enter into any transaction (including a transaction involving derivatives) having an economic effect similar to that of a sale or deposit of the Equity Shares in any depositary receipt facility or publicly announce any intention to enter into any transaction falling within 1 to 3 above.

In addition, our Company agrees that, without the prior written consent of the Book Running Lead Managers, we shall not, during the Lock-up Period, make any demand for or exercise any right with respect to, the registration of any shares or any other securities of the Company substantially similar to the Equity Shares, including, but not limited to options, warrants or other securities that are convertible into, exercisable or exchangeable for, or that represent the right to receive Shares or any such substantially similar securities, whether now owned or hereinafter acquired.

Promoter's lock-up

Under the Placement Agreement, to encourage the Placement Agents to enter into the Placement Agreement and continue their efforts in connection with the Placement and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, our Company hereby agrees, without the prior written consent of the Placement Agents (which such consent shall not be unreasonably withheld), we will not, during the period commencing on the date hereof and ending 90 days after the date of allotment of the Equity Shares pursuant to the Placement (the "**Lock-up Period**"), directly or indirectly:

a) sell, lend, pledge, contract to sell, purchase any option or contract to sell, grant any option, right or warrant to purchase, lend or otherwise transfer or dispose of, directly or indirectly, any Promoter and Promoter Group Equity Shares, or any securities convertible into or exercisable or exchangeable for Equity Shares or publicly announce an intention with respect to any of the foregoing (regardless of whether any of the transactions described in this clause (a) is to be settled by the delivery of the Promoter and Promoter Group Shares or such other securities, in cash or otherwise);

b) enter into any swap or other agreement or any transaction that transfers, directly or indirectly, in whole or in part, any of the economic consequences of ownership of the Promoter and Promoter Group Equity Shares or any securities convertible into or exercisable or exchangeable for any of the Promoter and Promoter Group Equity Shares (regardless of whether any of the transactions described in this clause (b) is to be settled by the delivery of the Promoter and Promoter Group Shares or such other securities, in cash or otherwise); or

c) deposit any of the Promoter and Promoter Group Equity Shares or any securities convertible into or exercisable or exchangeable for the Promoter and Promoter Group Equity Shares or which carry the right to subscribe to or purchase the Promoter and Promoter Group Equity Shares or which carry the right to subscribe to or purchase Equity Shares in depository receipt facilities or enter into any such transactions (including a transaction involving derivatives) having an economic effect similar to that of a sale or deposit of Equity Shares in any depository receipt facility; or

d) publicly announce any intention to enter into any transaction whether any such transaction described in a), b) or c) above is to be settled by delivery of Equity Shares, or such other securities, in cash or otherwise.

Further, the above provisions will not be applicable for (a) any pledge or mortgage of the Equity Shares already existing on the date of this Agreement or transfer of such existing pledge or mortgage; and (b) any inter group transfer made to any member of Promoter Group, subject to compliance with applicable laws and subject to observance by the transferee Promoter Group Entities of the foregoing restrictions on transfer of Promoter Shares until the expiry of the Lock-up Period.

SELLING RESTRICTIONS

The distribution of this Placement Document or any offering material and the offering, sale or delivery of Equity Shares in this Issue is restricted by law in certain jurisdictions. Therefore, persons who may come into possession of this Placement Document or any offering material are advised to consult with their own legal advisors as to what restrictions may be applicable to them and to observe such restriction. This Placement Document may not be used for the purpose of an offer or invitation in any circumstances in which such offer or invitation is not authorised.

This Issue is being made only to Eligible QIBs through a QIP, in reliance upon Chapter VI of the SEBI ICDR Regulations and the Companies Act. Each purchaser of the Equity Shares in this Issue will be deemed to have made acknowledgments and agreements as described under "Notice to Investors", "Representations by Investors" and "Transfer Restrictions and Purchaser Representations" on pages 1, 4 and 211, respectively.

General

The Issue is being made only to Eligible QIBs. The distribution of the Preliminary Placement Document and this Placement Document or any offering material and the offer and sale of the Equity Shares offered in the Issue is restricted by law in certain jurisdictions. This Placement Document may not be used for the purpose of an offer or invitation in any circumstances in which such offer or invitation is not authorised. No action has been taken or will be taken that would permit a public offering of the Equity Shares to occur in any jurisdiction other than India, or the possession, circulation or distribution of this Placement Document or any other material relating to our Company or the Equity Shares in any jurisdiction where action for such purpose is required. Accordingly, the Equity Shares may not be offered or sold, directly or indirectly, and neither the Preliminary Placement Document and this Placement Document nor any offering materials or advertisements in connection with the Equity Shares may be distributed or published in or from any country or jurisdiction except under circumstances that will result in compliance with any applicable rules and regulations of any such country or jurisdiction. Therefore, persons who may come into possession of this Placement Document are advised to consult with their own legal advisors as to what restrictions may be applicable to them and to observe such restrictions. The Issue will be made in compliance with the applicable SEBI ICDR Regulations, Section 42 and 62 of the Companies Act, 2013 read with Rule 14 of the PAS Rules and other applicable provisions of the Companies Act, 2013 and the rules made thereunder. Each purchaser of the Equity Shares in the Issue will be deemed to have made the representations, warranties, acknowledgments and agreements as described under this section and under the sections entitled "*Notice to Investors*", "*Representations by Investors*" and "*Transfer Restrictions and Purchaser Representations*" on pages *1, 4 and 211*, respectively.

Additionally, in accordance with the FDI Policy, read along with the press note no. 3 (2020 Series), dated April 17, 2020, issued by the Department for Promotion of Industry and Internal Trade, Government of India and the related amendments to the FEMA Rules, wherein if the beneficial owner of the Securities is situated in or is a citizen of a country which shares land border with India, foreign direct investments can only be made through the Government approval route, as prescribed in the FEMA Rules. Further, the Bidders need to confirm that no government approval is required under the FEMA Rules, as mandated under the Companies (Share Capital and Debentures) Rules, 2014 and the Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended.

Republic of India

The Preliminary Placement Document and this Placement Document may not be distributed directly or indirectly in India or to residents of India and any Equity Shares may not be offered or sold directly or indirectly in India to, or for the account or benefit of, any resident of India except as permitted by applicable Indian laws and regulations, under which an offer is strictly on a private and confidential basis and is limited to Eligible QIBs and is not an offer to the public. The Preliminary Placement Document and this Placement Document has not been and will not be filed as a prospectus with the RoC and will not be circulated or distributed to the public in India or any other jurisdiction and will not constitute a public offer in India or any other jurisdiction.

Australia

This Placement Document:

- does not constitute a prospectus or other disclosure document under the Corporations Act 2001 (Cth) ("**Australian Corporations Act**") and does not purport to include the information required of a disclosure document under the Australian Corporations Act.
- has not been, and will not be, lodged with the Australian Securities and Investments Commission ("ASIC"), as a disclosure document for the purposes of the Corporations Act and does not purport to include the information required of a disclosure document under Chapter 6D.2 of the Corporations Act;

- does not constitute or involve a recommendation to acquire, an offer or invitation for issue or sale, an offer or invitation to arrange the issue or sale, or an issue or sale, of interests to a "retail client" (as defined in section 761G of the Corporations Act and applicable regulations) in Australia; and

- may only be provided in Australia to select investors who are able to demonstrate that they fall within one or more of the categories of investors ("**Exempt Investors**"), available under section 708 of the Corporations Act.

The Equity Shares may not be directly or indirectly offered for subscription or purchased or sold, and no invitations to subscribe for or buy the Equity Shares may be issued, and no draft or definitive Placement Document, advertisement or other offering material relating to any Equity Shares may be distributed in Australia, except where disclosure to investors is not required under Chapter 6D of the Corporations Act or is otherwise in compliance with all applicable Australian laws and regulations. By submitting an application for the Equity Shares, you represent and warrant to us that you are an Exempt Investor.

As any offer of the Equity Shares under this Placement Document will be made without disclosure in Australia under Chapter 6D.2 of the Corporations Act, the offer of those securities for resale in Australia within 12 months may, under section 707 of the Corporations Act, require disclosure to investors under Chapter 6D.2 if none of the exemptions in section 708 applies to that resale. By applying for the Equity Shares you undertake to us that you will not, for a period of 12 months from the date of issue of the Equity Shares, offer, transfer, assign or otherwise alienate those securities to investors in Australia except in circumstances where disclosure to investors is not required under Chapter 6D.2 of the Corporations Act or where a compliant disclosure document is prepared and lodged with ASIC.

Bahrain

All applications for investment should be received, and any allotments should be made, in each case from outside Bahrain. This Placement Document has been prepared for private information purposes for intended investors only who will be high net worth individuals and institutions. Our Company has not made and will not make any invitation to the public in the Kingdom of Bahrain and this Placement Document will not be issued, passed to, or made available to the public generally. The Bahrain Monetary Agency ("**BMA**") has not reviewed, nor has it approved, this Placement Document or the marketing of Equity Shares in the Kingdom of Bahrain. Accordingly, the Equity Shares may not be offered or sold in Bahrain or to residents thereof except as permitted by Bahrain law.

European Economic Area

In relation to each Member State of the European Economic Area (each a "**Relevant State**"), no Equity Shares have been offered or will be offered pursuant to the Issue to the public in that Relevant State prior to the publication of a prospectus in relation to the Equity Shares which has been approved by the competent authority in that Relevant State or, where appropriate, approved in another Relevant State and notified to the competent authority in that Relevant State, all in accordance with the Prospectus Regulation (as defined below), except that it may make an offer to the public in that Relevant State of any Equity Shares at any time:

- to any legal entity which is a qualified investor as defined in the Prospectus Regulation;

- to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Regulation), subject to obtaining the prior consent of the BRLMs; or

- in any other circumstances falling within Article 1(4) of the Prospectus Regulation,

provided that no such offer of the Equity Shares shall require the Issuer or any Book Running Lead Managers to publish a prospectus pursuant to Article 3 of the Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation. For the purposes of this provision, the expression an "offer to the public" in relation to the Equity Shares in any Relevant State means the communication in any form and by any means of sufficient information on the terms of the offer and any Equity Shares to be offered so as to enable an investor to decide to purchase or subscribe for any Equity Shares, and the expression "Prospectus Regulation" means Regulation (EU) 2017/1129.

Hong Kong

The Book Running Lead Managers have represented, warranted and agreed that:

(i) it has not offered or sold and will not offer or sell in Hong Kong, by means of any document, any Equity Shares other than (a) to "professional investors" as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong (the "**SFO**") and any rules made under the SFO; or (b) in other circumstances which do not result in the document being a "prospectus" as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong (the "**CWUMPO**") or which do not constitute an offer to the public within the meaning of the CWUMPO.

(ii) it has not issued or had in its possession for the purposes of the issue, and will not issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere any advertisement, invitation or document relating to the Equity Shares, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong), other than with respect to the Equity Shares which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" as defined in the SFO and any rules made under the SFO.

Japan

The Equity Shares have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Law. No. 25 of 1948 as amended) (the "**FIEA**") and disclosure under the FIEA has not been and will not be made with respect to the Equity Shares. No Equity Shares have, directly or indirectly, been offered or sold, and may not, directly or indirectly, be offered or sold in Japan or to, or for the benefit of, any resident of Japan as defined in the first sentence of Article 6, Paragraph 1, Item 5 of the Foreign Exchange and Foreign Trade Law of Japan ("**Japanese Resident**") or to others for re-offering or re-sale, directly or indirectly in Japan or to, or for the benefit of, any Japanese Resident except (i) pursuant to an exemption from the registration requirements of the FIEA and (ii) in compliance with any other relevant laws, regulations and governmental guidelines of Japan.

If an offeree does not fall under a "qualified institutional investor" (*tekikaku kikan toshika*), as defined in Article 10, Paragraph 1 of the Cabinet Office Ordinance Concerning Definition Provided in Article 2 of the Financial Instruments and Exchange Act (the "**Qualified Institutional Investor**"), the Equity Shares will be offered in Japan by a private placement to small number of investors (*shoninzu muke kanyu*), as provided under Article 23-13, Paragraph 4 of the FIEA, and accordingly, the filing of a securities registration statement for a public offering pursuant to Article 4, Paragraph 1 of the FIEA has not been made.

If an offeree falls under the Qualified Institutional Investor, the Equity Shares will be offered in Japan by a private placement to the Qualified Institutional Investors (*tekikaku kikan toshikamuke kanyu*), as provided under Article 23-13, Paragraph 1 of the FIEA, and accordingly, the filing of a securities registration statement for a public offering pursuant to Article 4, Paragraph 1 of the FIEA has not been made. To subscribe the Equity Shares (the "**QII Equity Shares**") such offeree will be required to agree that it will be prohibited from selling, assigning, pledging or otherwise transferring the QII Equity Shares other than to another Qualified Institutional Investor.

Republic of Korea

The Equity Shares have not been and will not be registered under the Financial Investments Services and Capital Markets Act of Korea and the decrees and regulations thereunder (the "**FSCMA**"), and the Equity Shares have been and will be offered in Korea as a private placement under the FSCMA. None of the Equity Shares may be offered, sold or delivered directly or indirectly, or offered or sold to any person for re-offering or resale, directly or indirectly, in Korea or to any resident of Korea except pursuant to the applicable laws and regulations of Korea, including the FSCMA and the Foreign Exchange Transaction Law of Korea and the decrees and regulations thereunder (the "**FETL**"). Furthermore, the purchaser of the Equity Shares shall comply with all applicable regulatory requirements (including but not limited to requirements under the FETL) in connection with the purchase of the Equity Shares. By the purchase of the Equity Shares, the relevant holder thereof will be deemed to represent and warrant that if it is in Korea or is a resident of Korea, it purchased the Equity Shares pursuant to the applicable laws and regulations of Korea.

Kuwait

This Placement Document does not constitute an offer to sell, or the solicitation of an offer to subscribe for or buy, the Equity Shares in the State of Kuwait. The Equity Shares have not been licensed for offering, promotion, marketing, advertisement or sale in the State of Kuwait by the Capital Markets Authority or any other relevant Kuwaiti government agency. The offering, promotion, marketing, advertisement or sale of the Equity Shares in State of Kuwait on the basis of a private placement or public offering is, therefore, prohibited in accordance with Law No. 7 of 2010 and the Executive Bylaws for Law No. 7 of 2010, as amended, which govern the issue, offer, marketing and sale of financial services/products in the State of Kuwait ("**Kuwait Securities Laws**"). No private or public offering of the Equity Shares is or will be made in the State of Kuwait, and no agreement relating to the sale of the Equity Shares will be concluded in the State of Kuwait and no marketing or solicitation or inducement activities are being used to offer or market the Equity Shares in the State of Kuwait.

Malaysia

No prospectus or other offering material or document in connection with the offer and sale of the Equity Shares has been or will be registered with the Securities Commission of Malaysia ("**Commission**") for the Commission's approval pursuant to the Capital Markets and Services Act 2007. Accordingly, this Placement Document and any other document or material

in connection with the offer or sale, or invitation for subscription or purchase, of the Equity Shares may not be circulated or distributed, nor may the Equity Shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Malaysia other than (i) a closed end fund approved by the Commission; (ii) a holder of a Capital Markets Services Licence; (iii) a person who acquires the Equity Shares, as principal, if the offer is on terms that the Equity Shares may only be acquired at a consideration of not less than RM250,000 (or its equivalent in foreign currencies) for each transaction; (iv) an individual whose total net personal assets or total net joint assets with his or her spouse exceeds RM3 million (or its equivalent in foreign currencies), excluding the value of the primary residence of the individual; (v) an individual who has a gross annual income exceeding RM300,000 (or its equivalent in foreign currencies) per annum in the preceding twelve months; (vi) an individual who, jointly with his or her spouse, has a gross annual income of RM400,000 (or its equivalent in foreign currencies), per annum in the preceding twelve months; (vii) a corporation with total net assets exceeding RM10 million (or its equivalent in a foreign currencies) based on the last audited accounts; (viii) a partnership with total net assets exceeding RM10 million (or its equivalent in foreign currencies); (ix) a bank licensee or insurance licensee as defined in the Labuan Financial Services and Securities Act 2010; (x) an Islamic bank licensee or takaful licensee as defined in the Labuan Financial Services and Securities Act 2010; and (xi) any other person as may be specified by the Commission; provided that, in the each of the preceding categories (i) to (xi), the distribution of the Equity Shares is made by a holder of a Capital Markets Services Licence who carries on the business of dealing in securities. The distribution in Malaysia of this Placement Document is subject to Malaysian laws. This Placement Document does not constitute and may not be used for the purpose of public offering or an issue, offer for subscription or purchase, invitation to subscribe for or purchase any securities requiring the registration of a prospectus with the Commission under the Capital Markets and Services Act 2007.

Mauritius

The Equity Shares may not be offered or sold, directly or indirectly, to the public in Mauritius. Neither this Placement Document nor any offering material or information contained herein relating to the offer of Equity Shares may be released or issued to the public in Mauritius or used in connection with any such offer. This Placement Document does not constitute an offer to sell Equity Shares to the public in Mauritius and is not a prospectus as defined under the Companies Act 2001.

New Zealand

This Placement Document has not been registered, filed with or approved by any New Zealand regulatory authority under the Financial Markets Conduct Act 2013 (the "**FMC Act**"). This Issue is not an offer of financial products that requires disclosure under Part 3 of the FMC Act and no product disclosure statement, register entry or other disclosure document under the FMC Act will be prepared in respect of this Issue. The Equity Shares are not being offered or sold in New Zealand (or allotted with a view to being offered for sale in New Zealand) other than to a person who:

- is an investment business within the meaning of clause 37 of Schedule 1 of the FMC Act;
- meets the investment activity criteria specified in clause 38 of Schedule 1 of the FMC Act;
- is large within the meaning of clause 39 of Schedule 1 of the FMC Act; or
- is a government agency within the meaning of clause 40 of Schedule 1 of the FMC Act.

If, in the future, any person in New Zealand to whom the Equity Shares are issued or sold elects to sell any Equity Shares, they must not do so in any manner which will, or is likely to, result in this Issue, or such sale, being viewed as an offer to which Part 3 of the FMC Act is applicable.

Sultanate of Oman

This Placement Document and the Equity Shares to which it relates may not be advertised, marketed, distributed or otherwise made available to any person in the Sultanate of Oman ("**Oman**") without the prior consent of the Capital Market Authority ("**Oman CMA**") and then only in accordance with any terms and conditions of such consent. In connection with the offering of the Equity Shares, no prospectus has been filed with the Oman CMA. The offering and sale of the Equity Shares described in this Placement Document will not take place inside Oman. This Placement Document is strictly private and confidential and is being issued to a limited number of sophisticated investors, and may neither be reproduced, used for any other purpose, nor provided to any other person than the intended recipient hereof does not constitute a public offer of the Equity Shares in Oman as contemplated by the Commercial Companies Law of Oman (Royal Decree 4/74) or the Capital Market Authority Law (Royal Decree 80/98) (the "**CMAL**"), nor does it constitute an offer to sell, or the solicitation of any offer to buy Non-Omani securities in the Sultanate of Oman as contemplated by Article 139 of the Executive Regulations of CMA. Additionally, this Placement Document and the Equity Shares is not intended to lead to the conclusion of a contract for the sale or purchase of securities. The recipient of this Placement Document and the Equity Shares represents that it is a sophisticated investor (as described in Article 139 of the Executive Regulations of the Capital Market Law) and that it has experience in business and financial matters that they are capable of evaluating the merits and risks of investments.

Qatar (excluding the Qatar Financial Centre)

This Placement Document and the offering of the Equity Shares have not been, and will not be: (i) lodged or registered with, or reviewed or approved by, the Qatar Central Bank, the Qatar Financial Markets Authority the Ministry of Business and Trade or any other governmental authority in the State of Qatar or (ii) authorized, permitted or licensed for offering or distribution in Qatar, and the information contained in this document does not, and is not intended to, constitute a public or general offer or other invitation in respect to the Equity Shares in the State of Qatar. Accordingly, the Equity Shares are not being, and will not be, offered, issued or sold in the State of Qatar, and this document is not being, and will not be, distributed in the State of Qatar. The offering, marketing, issue and sale of the Equity Shares and distribution of this Placement Document is being made in, and is subject to the laws, regulations and rules of jurisdictions outside of the State of Qatar. No application has been or will be made for the Equity Shares to be listed or traded on the Qatar Exchange or the QE Venture Market.

This Placement Document is strictly private and confidential, and is being sent to a limited number of institutional and/or sophisticated investors (a) upon their request and confirmation that they understand the statements above; and (b) on the condition that it will not be provided to any person other than the original recipient, and is not for general circulation and may not be reproduced or used for any other purpose.

Qatar Financial Centre

This Placement Document does not, and is not intended to, constitute an invitation or offer of securities from or within the Qatar Financial Centre (the "**QFC**"), and accordingly should not be construed as such. This document has not been reviewed or approved by or registered with the Qatar Financial Centre Authority, the Qatar Financial Centre Regulatory Authority or any other competent legal body in the QFC. This document is strictly private and confidential, and may not be reproduced or used for any other purpose, nor provided to any person other than the recipient thereof. Our Bank has not been approved or licensed by or registered with any licensing authorities within the QFC.

Saudi Arabia

Any investor in the Kingdom of Saudi Arabia or who is a Saudi person (a "**Saudi Investor**") who acquires Equity Shares pursuant to the Issue should note that the offer of Equity Shares is an offer to "Sophisticated Investors" (as defined in Article 11 of the "Offer of Securities Regulations" as issued by the Board of the Capital Market Authority resolution number 2-11-2004 dated October 4, 2004 and amended by the Board of the Capital Market Authority resolution number 1-28-2008 dated August 18, 2008 (the "**KSA Regulations**")) for the purposes of Article 9 of the KSA Regulations. Each Book Running Lead Managers have represented, warranted and agreed that the offer of the Equity Shares will only be directed at Sophisticated Investors. Prospective purchasers of the Equity Shares offered hereby should conduct their own due diligence on the accuracy of the information relating to the Equity Shares. If you do not understand the contents of this document, you should consult an authorised financial adviser.

The offer of Equity Shares shall not therefore constitute a "public offer" pursuant to the KSA Regulations, but is subject to the restrictions on secondary market activity under Article 17 of the KSA Regulations. Any Saudi Investor who has acquired Equity Shares as a Sophisticated Investor may not offer or sell those Equity Shares to any person unless the offer or sale is made through an authorised person appropriately licensed by the Saudi Arabian Capital Market Authority and (a) the Equity Shares are offered or sold to a Sophisticated Investor; (b) the price to be paid for the Equity Shares in any one transaction is equal to or exceeds Saudi Arabian Riyal 1 million or an equivalent amount; or (c) the offer or sale is otherwise in compliance with Article 17 of the KSA Regulations.

Singapore

Each BRLM has acknowledged that this Placement Document has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, each BRLM has represented and agreed that it has not offered or sold any Equity Shares or caused the Equity Shares to be made the subject of an invitation for subscription or purchase and will not offer or sell any Equity Shares or cause the Equity Shares to be made the subject of an invitation for subscription or purchase, and has not circulated or distributed, nor will it circulate or distribute, this Placement Document or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Equity Shares, whether directly or indirectly, to any person in Singapore other than: (i) to an institutional investor (as defined in Section 4A of the Securities and Futures Act (Chapter 289) of Singapore, as modified or amended from time to time (the "SFA")) pursuant to Section 274 of the SFA; (ii) to a relevant person (as defined in Section 275(2) of the SFA) pursuant to Section 275(1) of the SFA, or any person pursuant to Section 275(1A) of the SFA, and in accordance with the conditions specified in Section 275 of the SFA; or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA. Where the Equity Shares are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

(a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or

(b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

securities or securities-based derivatives contracts (each term as defined in Section 2(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the Equity Shares pursuant to an offer made under Section 275 of the SFA except:

(1) to an institutional investor or to a relevant person, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA;
(2) where no consideration is or will be given for the transfer;
(3) where the transfer is by operation of law;
(4) as specified in Section 276(7) of the SFA; or
(5) as specified in Regulation 37A of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018.

Singapore SFA Product Classification: In connection with Section 309B of the SFA and the CMP Regulations 2018, unless otherwise specified before an offer of Equity Shares, the Company has determined, and hereby notifies all relevant persons (as defined in Section 309A(1) of the SFA), that the Equity Shares are "prescribed capital markets products" (as defined in the CMP Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

South Africa

Due to restrictions under the securities laws of South Africa, no "offer to the public" (as such term is defined in the South African Companies Act, No. 71 of 2008 (as amended or re-enacted) (the "**South African Companies Act**")) is being made in connection with the issue of the Equity Shares in South Africa. Accordingly, this Placement Document does not, nor is it intended to, constitute a "registered prospectus" (as that term is defined in the South African Companies Act) prepared and registered under the South African Companies Act and has not been approved by, and/or filed with, the South African Companies and Intellectual Property Commission or any other regulatory authority in South Africa. The Equity Shares are not offered, and the offer shall not be transferred, sold, renounced or delivered, in South Africa or to a person with an address in South Africa, unless one or other of the following exemptions stipulated in section 96 (1) applies:

i. the offer, transfer, sale, renunciation or delivery is to:
   (a) persons whose ordinary business is to deal in securities, as principal or agent;
   (b) the South African Public Investment Corporation;
   (c) persons or entities regulated by the Reserve Bank of South Africa;
   (d) authorised financial service providers under South African law;
   (e) financial institutions recognised as such under South African law;
   (f) a wholly-owned subsidiary of any person or entity contemplated in (c), (d) or (e), acting as agent in the capacity of an authorised portfolio manager for a pension fund or collective investment scheme (in each case duly registered as such under South African law); or
   (g) any combination of the person in (a) to (f); or

ii. the total contemplated acquisition cost of the securities, for any single addressee acting as principal is equal to or greater than ZAR1,000,000 or such higher amount as may be promulgated by notice in the Government Gazette of South Africa pursuant to section 96(2)(a) of the South African Companies Act.

Information made available in this Placement Document should not be considered as "advice" as defined in the South African Financial Advisory and Intermediary Services Act, 2002.

Switzerland

The Equity Shares may not be publicly offered in Switzerland and will not be listed on the SIX Swiss Exchange ("**SIX**") or on any other stock exchange or regulated trading facility in Switzerland. This Placement Document does not constitute a prospectus within the meaning of, and has been prepared without regard to the disclosure standards for issuance

prospectuses under art. 652a or art. 1156 of the Swiss Code of Obligations or the disclosure standards for listing prospectuses under art. 27 ff. of the SIX Listing Rules or the listing rules of any other stock exchange or regulated trading facility in Switzerland. Neither this document nor any other offering or marketing material relating to the Equity Shares or the offering may be publicly distributed or otherwise made publicly available in Switzerland.

Neither this Placement Document nor any other offering or marketing material relating to the offering, the Company, the Equity Shares have been or will be filed with or approved by any Swiss regulatory authority. In particular, this document will not be filed with, and the offer of Equity Shares will not be supervised by, the Swiss Financial Market Supervisory Authority and the offer of Equity Shares has not been and will not be authorized under the Swiss Federal Act on Collective Investment Schemes ("**CISA**"). The investor protection afforded to acquirers of interests in collective investment schemes under the CISA does not extend to acquirers of Equity Shares.

Taiwan

The Equity Shares have not been and will not be registered with the Financial Supervisory Commission of Taiwan pursuant to relevant securities laws and regulations and may not be sold, issued or offered within Taiwan through a public offering or in circumstances which constitutes an offer within the meaning of the Securities and Exchange Act of Taiwan that requires a registration or approval of the Financial Supervisory Commission of Taiwan. No person or entity in Taiwan has been authorised to offer, sell, give advice regarding or otherwise intermediate the offering and sale of the Equity Shares in Taiwan.

United Arab Emirates (excluding the Dubai International Financial Centre)

This Placement Document has not been, and is not intended to be, approved by the UAE Central Bank, the UAE Ministry of Economy, the Emirates Securities and Commodities Authority or any other authority in the UAE or any other authority in any of the free zones established and operating in the UAE. The Equity Shares have not been and will not be offered, sold or publicly promoted or advertised in the UAE in a manner which constitutes a public offering in the UAE in compliance with any laws applicable in the UAE governing the issue, offering and sale of such securities. This Placement Document is strictly private and confidential and is being distributed to a limited number of investors and must not be provided to any other person other than the original recipient and may not be used or reproduced for any other purpose.

Dubai International Financial Centre

The Equity Shares have not been offered and will not be offered to any persons in the Dubai International Financial Centre except on that basis that an offer is:

1. an "Exempt Offer" in accordance with the Markets Rules (MKT) module of the Dubai Financial Services Authority (the "**DFSA**"); and
2. made only to persons who meet the Professional Client criteria set out in Rule 2.3.2 of the DFSA Conduct of Business Module of the DFSA rulebook.

United Kingdom

The communication of this Placement Document and any other document or materials relating to the issue of the Equity Shares offered hereby is not being made, and such documents and/or materials have not been approved, by an authorised person for the purposes of section 21 of the United Kingdom's Financial Services and Markets Act 2000, as amended (the "**FSMA**"). Accordingly, such documents and/or materials are not being distributed to, and must not be passed on to, the general public in the United Kingdom. In the United Kingdom, this Placement Document is being distributed only to, and is directed only at those (i) who have professional experience in matters relating to investments and who fall within the definition of investment professionals in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the "Order") and/or (ii) who are high net worth companies (or persons to whom it may otherwise be lawfully communicated) falling within Article 49(2)(a) to (d) of the Order (all such persons together being referred to as "relevant persons") or otherwise in circumstances which have not resulted and will not result in an offer to the public of the Equity Shares in the United Kingdom within the meaning of the FSMA. Any person in the United Kingdom that is not a relevant person should not act or rely on the information included in this Placement Document or use it as basis for taking any action. In the United Kingdom, any investment or investment activity that this Placement Document relates to may be made or taken exclusively by relevant persons.

In addition, in relation to the United Kingdom, no offer of Equity Shares which are the subject of the offering contemplated by this Placement Document to the public may be made in the United Kingdom other than:

(i) to any legal entity which is a qualified investor as defined in Article 2 of Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018, as amended by the European Union (Withdrawal Agreement) Act 2020 ("**EUWA**");

(ii) to fewer than 150 natural or legal persons (other than qualified investors as defined in Article 2 of Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the EUWA) in the United Kingdom subject to obtaining the prior consent of the BRLMs; or

(iii) in any other circumstances falling within section 86 of the FSMA,

provided that no such offer of Equity Shares shall require our Company or any BRLM to publish a prospectus pursuant to section 85 of the FSMA or supplement a prospectus pursuant to Article 23 of Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the EUWA.

For the purposes of this provision, the expression "an offer of Notes to the public" in relation to any Equity Shares means the communication in any form and by any means of sufficient information on the terms of the offer and the Equity Shares to be offered so as to enable an investor to decide to purchase or subscribe for the Equity Shares.

United States

The Equity Shares offered in the Issue have not been and will not be registered under the U.S. Securities Act, or the securities laws of any state of the United States and unless so registered, may not be offered or sold in the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and any applicable U.S. state securities laws. Accordingly, the Equity Shares offered in the Issue are being offered and sold outside the United States, in "offshore transactions", as defined in and in reliance on Regulation S and the applicable laws of the jurisdiction where those offers and sales are made. For further information, please refer to the section titled "*Transfer Restrictions and Purchaser Representations*" on page 211.

Other Jurisdictions

The distribution of this Placement Document and the offer and sale of the Equity Shares may be restricted by law in certain jurisdictions. Persons into whose possession this Placement Document comes are required to inform themselves about, and to observe, any such restrictions to the extent applicable.

TRANSFER RESTRICTIONS AND PURCHASER REPRESENTATIONS

Due to the following restrictions, investors are advised to consult their legal counsel prior to subscribing for Equity Shares or making any resale, pledge or transfer of the Equity Shares.

Pursuant to Chapter VI of the SEBI ICDR Regulations, any resale of Equity Shares Allotted in the Issue, except on the Stock Exchanges, is not permitted for a period of one year from the date of Allotment. Investors are advised to consult legal counsels prior to making any resale, pledge, or transfer of our Equity Shares. In addition to the above, Allotments made to Eligible QIBs, including VCFs and AIFs, in the Issue may be subject to lock-in requirements, if any, under the rules and regulations that are applicable to them. For more information, see "*Selling Restrictions*" on page 203.

Transfer Restrictions and Purchaser Representations

The Equity Shares Allotted in the Issue are also subject to the resale restrictions in "*Selling Restrictions*" on page 203 and the following resale restrictions.

The Equity Shares have not been and will not be registered under the U.S. Securities Act or the securities laws of any state of the United States and, unless so registered, may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws.

By accepting delivery of this Placement Document, submitting a bid to purchase the Equity Shares and/or accepting delivery of Equity Shares, you will be deemed to have represented and agreed as follows:

- It is authorised to consummate the purchase of the Equity Shares in compliance with all applicable laws and regulations.

- It acknowledges (or if it is a broker-dealer acting on behalf of a customer, its customer has confirmed to it that such customer acknowledges) that the Equity Shares are being issued in reliance upon Regulation S and such Equity Shares have not been and will not be registered under the U.S. Securities Act

- It certifies that either (A) it is, or at the time the Equity Shares are purchased will be, the beneficial owner of the Equity Shares, is located outside the United States (within the meaning of Regulation S), and it has not purchased the Equity Shares for the account or benefit of any person in the United States or entered into any arrangement for the transfer of the Equity Shares or an economic interest therein to any person in the United States, or (B) it is a broker-dealer acting on behalf of its customer and its customer has confirmed to it that (i) such customer is, or at the time the Equity Shares are purchased will be, the beneficial owner of the Equity Shares, and (ii) such customer is located outside the United States (within the meaning of Regulation S), and such customer has not purchased the Equity Shares for the account or benefit of any person in the United States or entered into any arrangement for the transfer of the Equity Shares or an economic interest therein to any person in the United States.

- It is aware of the restrictions of the offer, sale and resale of the Equity Shares pursuant to Regulation S.

- It agrees (or it is a broker-deal acting on behalf of a customer that has confirmed to it that such customer agrees) that neither it, nor any of its affiliates, nor any person acting on its behalf, will make any "directed selling efforts" as defined in Regulation S. It acknowledges and agrees that it is not purchasing any Equity Shares as a result of any "directed selling efforts" as defined in Regulation S

- It understands that the Equity Shares are being offered in a transaction not involving any public offering in the United States within the meaning of the U.S. Securities Act, that the Equity Shares have not been and will not be registered under the U.S. Securities Act and that if in the future it decides to offer, resell, pledge or otherwise transfer any of the Equity Shares, such Equity Shares may be offered, resold, pledged or otherwise transferred only outside the United States in a transaction complying with the provisions of Rule 903 or Rule 904 of Regulation S or in a transaction otherwise exempt from the registration requirements of the U.S. Securities Act and other applicable U.S. state securities laws.

- It is a sophisticated investor and has such knowledge and experience in financial, business and investments as to be capable of evaluating the merits and risks of the investment in the Equity Shares. It is experienced in investing in private placement transactions of securities of companies in a similar stage of development and in similar jurisdictions. It and any accounts for which it is subscribing to the Equity Shares (i) are each able to bear the economic risk of the investment in the Equity Shares, (ii) will not look to the Company or any of the Book Running Lead Managers for all or part of any such loss or losses that may be suffered, (iii) are able to sustain a complete

loss on the investment in the Equity Shares, (iv) are seeking to subscribe to the Equity Shares in this Issue for investment purposes and not with a view to resell or distribute them and it has no reason to anticipate any change in its circumstances, financial or otherwise, which may cause or require any sale or distribution by it of all or any part of the Equity Shares and (v) have no need for liquidity with respect to the investment in the Equity Shares. It acknowledges that an investment in the Equity Shares involves a high degree of risk and that the Equity Shares are, therefore, a speculative investment.

- It has been provided access to the Preliminary Placement Document and will be provided access to this Placement Document which it has read in its entirety.

- It agrees to indemnify and hold our Company and the Book Running Lead Managers harmless from any and all costs, claims, liabilities and expenses (including legal fees and expenses) arising out of or in connection with any breach of these representations and warranties. It will not hold our Company or the Book Running Lead Managers liable with respect to its investment in the Equity Shares. It agrees that the indemnity set forth in this paragraph shall survive the resale of the Equity Shares.

- Where it is subscribing to the Equity Shares for one or more managed accounts, it represents and warrants that it is authorised in writing, by each such managed account to subscribe to the Equity Shares for each managed account and to make (and it hereby makes) the acknowledgements and agreements herein for and on behalf of each such account, reading the reference to "it" to include such accounts.

- It agrees that any resale or other transfer, or attempted resale or other transfer, of the Equity Shares made other than in compliance with the above-stated restrictions shall not be recognised by our Company.

It acknowledges that the Company and the BRLM and their affiliates and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements and agrees that, if any of such acknowledgements, representations or agreements is no longer accurate, it will promptly notify the Company and the BRLM. It agrees that the terms and provisions of the foregoing acknowledgements, representations and agreements shall inure to the benefit of and any document incorporating such acknowledgements, representations and agreements shall be enforceable by the Company, its successors and its permitted assigns, and the terms and provisions hereof shall be binding on its permitted successors in title, permitted assigns and permitted transferees. It understands that these acknowledgments, representations and undertakings are required in connection with United States securities laws and irrevocably authorizes the Company to produce these acknowledgments, representations and undertakings (or any document incorporating them) to any interested party in any administrative or legal proceedings or official enquiry with respect to the matters covered herein.

THE SECURITIES MARKET OF INDIA

The information in this section has been extracted from documents available on the website of SEBI and the Stock Exchanges and has not been prepared or independently verified by our Company or the Book Running Lead Managers or any of their respective affiliates or advisors.

India has a long history of organized securities trading. In 1875, the first stock exchange was established in Mumbai. BSE and NSE are the significant stock exchanges in terms of the number of listed companies, market capitalisation and trading activity.

Indian Stock Exchanges

Indian stock exchanges are regulated primarily by SEBI, as well as by the Government acting through the Ministry of Finance, Capital Markets Division, under the Securities Contracts (Regulation) Act, 1956 (the "**SCRA**") and the SCRR. On October 3, 2018, SEBI, in exercise of its powers under the SCRA and the SEBI Act, notified the Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporations) Regulations, 2018 (the "**SCR (SECC) Regulations**"), which regulate *inter alia* the recognition, ownership and internal governance of stock exchanges and clearing corporations in India together with providing for minimum capitalisation requirements for stock exchanges. The SCRA, the SCRR and the SCR (SECC) Regulations along with various rules, bye-laws and regulations of the respective stock exchanges, regulate the recognition of stock exchanges, the qualifications for membership thereof and the manner, in which contracts are entered into, settled and enforced between members of the stock exchanges.

The SEBI Act empowers SEBI to regulate the Indian securities markets, including stock exchanges and intermediaries in the capital markets, protect the interests of investors in securities, promote and monitor self-regulatory organisations and prohibit fraudulent and unfair trade practices. Regulations concerning minimum disclosure requirements by public companies, rules and regulations concerning investor protection, insider trading, substantial acquisitions of shares and takeover of companies, buy-backs of securities, employee stock option schemes, stockbrokers, merchant bankers, underwriters, mutual funds, foreign portfolio investor, credit rating agencies and other capital market participants have been notified by the relevant regulatory authority.

BSE

Established in 1875, it is the oldest stock exchange in India. In 1956, it became the first stock exchange in India to obtain permanent recognition from the Government under the SCRA. Pursuant to the BSE (Corporatization and Demutualization) Scheme 2005 of SEBI, with effect from August 19, 2005, the BSE was incorporated as a company under the Companies Act, 1956. BSE was listed on NSE with effect from February 3, 2017.

NSE

The NSE was established by financial institutions and banks to provide nationwide online, satellite-linked, screen-based trading facilities with market-makers and electronic clearing and settlement for securities including government securities, debentures, public sector bonds and units. The NSE was recognised as a stock exchange under the SCRA in April 1993.

Listing and delisting of Securities

The listing of securities on a recognised Indian stock exchange is regulated by the applicable Indian laws including the Companies Act, 2013 the SCRA, the SCRR, the SEBI Act and various guidelines and regulations issued by SEBI including the SEBI ICDR Regulations and the SEBI Listing Regulations. The SCRA empowers the governing body of each recognised stock exchange to suspend trading of or withdraw admission to dealings in a listed security for breach of or non-compliance with any conditions or breach of company's obligations under the SEBI Listing Regulations or for any reason, subject to the issuer receiving prior written notice of the intent of the exchange and upon granting of a hearing in the matter. SEBI also has the power to amend the SEBI Listing Regulations and bye-laws of the stock exchanges in India, to overrule a stock exchange's governing body and withdraw recognition of a recognized stock exchange.
Delisting of equity shares from the stock exchanges, whether by way of a compulsory or a voluntary delisting, is governed by the provisions of the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021, as amended (the "**Delisting Regulations**"). Following a compulsory delisting of equity shares, a company, its whole-time directors, its promoters, person(s) responsible for ensuring compliance with the securities laws and the companies promoted by any of them cannot directly or indirectly access the securities market or seek listing of any equity shares for a period of 10 years from the date of such delisting. In addition, certain amendments to the SCRR have also been notified in relation to delisting.

Minimum Level of Public Shareholding

All listed companies (except exempted public sector undertakings) are required to maintain a minimum public shareholding of 25%. Where the public shareholding in a listed company falls below 25% at any time, such company shall bring the public shareholding to 25% within a maximum period of 12 months from the date of such the public shareholding having fallen below the 25% threshold. Consequently, a listed company may be delisted from the Stock Exchanges for not complying with the above-mentioned requirements.

Disclosures under the Companies Act and securities regulations

Under the Companies Act, a public offering of securities in India must be made by means of a prospectus, which must contain information specified in the Companies Act, 2013, the Companies (Prospectus and Allotment of Securities) Rules, 2014 and the SEBI ICDR Regulations. The prospectus must be filed with the relevant registrar of companies having jurisdiction over the place where a company's registered office is situated. A company's directors and promoters shall be subject to civil and criminal liability for misrepresentation in a prospectus. The Companies Act also sets forth procedures for the acceptance of subscriptions and payment of commission rates for the sale of securities. Pursuant to the provisions of the SEBI Act, SEBI has issued detailed guidelines concerning disclosures by public companies and to further investor protection. The SEBI ICDR Regulations permit companies to price their domestic issues of securities in consultation with the lead merchant banker or through the book building process.

Public limited companies are required under the Companies Act, and other applicable guidelines to prepare, file with the RoC and circulate to their shareholders audited annual accounts which comply with the Companies Act's disclosure requirements and regulations governing their manner of presentation and which include sections pertaining to corporate governance, related party transactions and the management's discussion and analysis as required under the SEBI Listing Regulations. In addition, a listed company is subject to continuing disclosure requirements pursuant to the terms of the SEBI Listing Regulations. Accordingly, companies are required to publish unaudited financial results (subject to a limited review by the company's auditors) on a quarterly basis and are required to inform stock exchanges immediately regarding any unpublished price sensitive information.

Index-Based Market-Wide Circuit Breaker System

In order to restrict abnormal price volatility in any particular stock, SEBI has instructed stock exchanges to apply daily circuit breakers which do not allow transactions beyond a certain level of price volatility. The index-based market-wide circuit breaker system (equity and equity derivatives) applies at three stages of the index movement, at 10%, 15% and 20%. The Stock Exchanges on a daily basis translate the circuit breaker limits based on previous day's closing level of the index. These circuit breakers, when triggered, bring about a co-ordinated trading halt in all equity and equity derivative markets nationwide. The market-wide circuit breakers are triggered by movement of either the SENSEX of the BSE or the CNX NIFTY of the NSE, whichever is breached earlier.

In addition to the market-wide index-based circuit breakers, there are currently in place individual scrip-wise price bands. However, no price bands are applicable on scrips on which derivative products are available or scrips included in indices on which derivative products are available.

The stock exchanges in India can also exercise the power to suspend trading during periods of market volatility. Margin requirements are imposed by stock exchanges that are required to be paid by the stockbrokers.

Internet-based Securities Trading and Services

Internet trading takes place through order routing systems, which route client orders to exchange trading systems for execution. Stockbrokers interested in providing this service are required to apply for permission to the relevant stock exchange and also have to comply with certain minimum conditions stipulated by SEBI. The NSE became the first exchange to grant approval to its members for providing internet-based trading services. Internet trading is possible on both the "equities" as well as the "derivatives" segments of the NSE.

Trading Hours

Trading on both the NSE and the BSE occurs from Monday to Friday, between 9:15 a.m. and 3:30 p.m. IST (excluding the 15 minutes pre-open session from 9:00 a.m. to 9:15 a.m.). The BSE and the NSE are closed on public holidays. The recognised stock exchanges have been permitted to set their own trading hours (in the cash and derivatives segments) subject to the condition that (i) the trading hours are between 9.00 a.m. and 5.00 p.m.; and (ii) the stock exchange has in place a risk management system and infrastructure commensurate to the trading hours.

Trading Procedure

In order to facilitate smooth transactions, the BSE replaced its open outcry system with BSE on-line trading facility in 1995. This totally automated screen-based trading in securities was put into practice nation-wide. This has enhanced transparency in dealings and has assisted considerably in smoothening settlement cycles and improving efficiency in back-office work. In the year 2014, the BSE introduced its new generation fully automated BSE on-line trading platform (**"BOLT+"**) through which all trades on the equity cash, equity derivatives and currency segments of the exchange are executed.

The NSE has introduced a fully automated trading system called National Exchange for Automated Trading ("**NEAT**"), which operates on strict time/price priority besides enabling efficient trade. NEAT has provided depth in the market by enabling large number of members all over India to trade simultaneously, narrowing the spreads.

Settlement

The stock exchanges in India operate on a trading day plus one, or T+1 rolling settlement system. At the end of the T+1 period, obligations are settled with buyers of securities paying for and receiving securities, while sellers transfer and receive payment for securities. For example, trades executed on a Monday would typically be settled on a Tuesday. Additionally, the SEBI has introduced the beta version of T+0 rolling settlement cycle on optional basis in addition to existing T+1 settlement cycle for a limited set of 25 scrips and with a limited number of brokers.

SEBI Listing Regulations

Public listed companies are required under the SEBI Listing Regulations to prepare and circulate to their shareholders audited annual accounts which comply with the disclosure requirements and regulations governing their manner of presentation and which include sections relating to corporate governance, related party transactions and management's discussion and analysis as required under the SEBI Listing Regulations. In addition, a listed company is subject to continuing disclosure requirements pursuant to the terms of the SEBI Listing Regulations.

SEBI Takeover Regulations

Disclosure and mandatory bid obligations for listed Indian companies under Indian law are governed by the SEBI Takeover Regulations, which provide for specific regulations in relation to substantial acquisition of shares and takeover. Once the equity shares of a company are listed on a stock exchange in India, the provisions of the SEBI Takeover Regulations will apply to any acquisition of the company's shares/voting rights/control. The SEBI Takeover Regulations prescribe certain thresholds or trigger points in the shareholding a person or entity (along with persons acting in concert with such person or entity) has in the listed Indian company, which give rise to certain obligations on part of the acquirer. Acquisitions up to a certain threshold prescribed under the SEBI Takeover Regulations mandate specific disclosure requirements, while acquisitions (direct or indirect along with persons acting in concert with such acquirer) crossing particular thresholds may result in the acquirer having to make an open offer of the shares of the target company. The SEBI Takeover Regulations also provides for the possibility of indirect acquisitions, imposing specific obligations on the acquirer in case of such indirect acquisition.

SEBI Insider Trading Regulations

SEBI had earlier notified the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 to prohibit and penalise insider trading in India. The regulations, among other things, prohibited an 'insider' from dealing in the securities of a listed company when in possession of unpublished price sensitive information ("**UPSI**").

The SEBI Insider Trading Regulations were notified on January 15, 2015, and came into effect on May 15, 2015, which repealed the erstwhile regulations of 1992. The SEBI Insider Trading Regulations, prohibit and penalize insider trading in India and impose certain restrictions on the communication of information by listed companies. Under the SEBI Insider Trading Regulations, (i) no insider shall communicate, provide or allow access to any UPSI relating to such companies and securities to any person including other insiders; and (ii) no person shall procure or cause the communication by any insider of UPSI relating to such companies and securities, except in furtherance of legitimate purposes, performance of duties or discharge of legal obligations. However, UPSI may be communicated, provided or allowed access to or procured, under certain circumstances specified in the SEBI Insider Trading Regulations.

The SEBI Insider Trading Regulations make it compulsory for listed companies and certain other entities that are required to handle UPSI in the course of business operations to establish an internal code of practices and procedures for fair disclosure of UPSI and to regulate, monitor and report trading by insiders. To this end, the SEBI Insider Trading Regulations provide principles of fair disclosure for purposes of code of practices and procedures for fair disclosure of UPSI and minimum standards for code of conduct to regulate, monitor and report trading by insiders. There are also initial and continuing shareholding disclosure obligations under the SEBI Insider Trading Regulations.

Further, the board of directors or head(s) of the listed entities are required to maintain a structured digital database containing, inter alia, the nature of UPSI, the names of such persons who have shared the UPSI and the names of persons with whom such UPSI is shared under the SEBI Insider Trading Regulations.

Depositories

The Depositories Act, 1996 provides a legal framework for the establishment of depositories to record ownership details and effect transfer in book-entry form. Further, SEBI framed regulations in relation to the registration of such depositories, the formation and registration of participants as well as the rights and obligations of the depositories, participants, companies and beneficial owners. The depository system has significantly improved the operation of the Indian securities markets.

Derivatives (Futures and Options)

Trading in derivatives is governed by the SCRA, the SCRR and the SEBI Act. The SCRA was amended in February 2000 and derivatives contracts were included within the term "securities", as defined by the SCRA. Trading in derivatives in India takes place either on separate and independent derivatives exchanges or on a separate segment of an existing stock exchange. The derivatives exchange or derivatives segment of a stock exchange functions as a self-regulatory organisation under the supervision of SEBI.

Buy-back

A company may buy-back its shares subject to compliance with the requirements of Section 68 of the Companies Act, 2013, as amended and the SEBI (Buy-back of Securities) Regulations 2018, as amended. Under Section 68 of the Companies Act, 2013, as amended, a company may buy-back its shares out of its free reserves or securities premium account or the proceeds of the issue of any shares or other specified securities, other than proceeds of an earlier issue of the same kind of shares or same kind of other specified securities.

DESCRIPTION OF THE EQUITY SHARES

The following is the information relating to the Equity Shares including a brief summary of the Memorandum of Association and Articles of Association and the Companies Act, 2013. The prospective investors are urged to read the Memorandum of Association and Articles of Association carefully, and consult with their advisers, as the Memorandum of Association and Articles of Association and applicable Indian law, and not this summary, govern the rights attached to the Equity Shares.

Share Capital

The authorised share capital of our Company is ₹720,000,000 comprising of 70,000,000 Equity Shares (of face value of ₹10 each) and 2,000,000 Preference Shares (of face value of ₹10 each). As on the date of this Placement Document, the issued, subscribed and paid-up capital of our Company is ₹640,843,050 comprising of 64,084,305 Equity Shares (of face value of ₹10 each). The Equity Shares are listed on BSE and NSE.

Dividends and Reserve

Under Indian law, a company pays dividends upon a recommendation by its board of directors and approval by a majority of its shareholders at the annual general meeting of its shareholders. The shareholders have the right to decrease but not increase the dividend amount recommended by the board of directors. Dividends are generally declared as a percentage of par value (on per share basis) and distributed and paid to shareholders. The Companies Act, 2013 provides that shares of the same class of a company must receive equal dividend treatment. These distributions and payments are required to be paid to or claimed by shareholders within 30 days of the date of declaration of dividend. The Companies Act, 2013 states that any dividends that remain unpaid or unclaimed after that period are to be transferred to a special bank account within seven days from the date of expiry of the period of 30 days. Any dividend amount that remains unclaimed for seven years from the date of such transfer is to be transferred by the company to a fund, called the Investor Education and Protection Fund, created by the Government of India.

According to the Articles of Association, the Company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board. In addition, subject to the provisions of section 123, the Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the Company. The Board may, before recommending any dividend, set aside out of the profits of the Company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the Company may be properly applied, including provision for meeting contingencies or for equalizing dividends; and pending such application, may, at the like discretion, either be employed in the business of the Company or be invested in such investments (other than shares of the Company) as the Board may, from time to time, thinks fit. The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.

Where the Company has declared a dividend but which has not been paid or claimed within thirty (30) days from the date of declaration, the Company shall within seven (7) days from the date of expiry of the said period of thirty (30) days, transfer the total amount of dividend which remains unpaid or unclaimed within the said period of thirty (30) days, to a special account to be opened by the Company in that behalf in any scheduled bank to be called "Unpaid Dividend Account of Kaynes Technology India Limited".

Any money transferred to the unpaid dividend account of the Company which remains unpaid or unclaimed for a period of seven (7) years from the date of such transfer, shall be transferred by the Company to the fund known as Investor Education and Protection Fund established under the Companies Act, 2013. Provided that any claimant of Shares so transferred shall be entitled to claim the transfer of Shares from Investor Education and Protection Fund in accordance with such procedure and on submission of such documents as may be prescribed.

Capitalisation of profits

In addition to permitting dividends to be paid as described above, the Companies Act, 2013 permits the board of directors of a company, subject to the approval of the shareholders of the company, to capitalise the profits or reserves of the company to inter alia distribute to the shareholders, in the form of fully paid-up bonus shares, an amount transferred from the company's free reserves, securities premium account or the capital redemption reserve account. These bonus equity shares must be distributed to the shareholders in proportion to the number of equity shares owned by them.

As per the Articles of Association, the Company in a general meeting may, upon the recommendation of the Board resolve that that it is desirable to capitalize any part of the amount for the time being standing to the credit of any of the Company's reserve accounts, or to the credit of the profit and loss account, or otherwise available for distribution and that such sum be accordingly set free for distribution amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions. The sum aforesaid shall not be paid in cash but shall be applied, either in or towards

(a) paying up any amounts for the time being unpaid on any shares held by such members respectively; (b) paying up in full, unissued shares of the company to be allotted and distributed, credited as fully paid-up, to and amongst such members in the proportions aforesaid; (c) partly in the way specified in sub-clause (a) and partly in that specified in sub-clause (b); and (d) a securities premium account and a capital redemption reserve account may, for the purposes of this regulation, be applied in the paying up of unissued shares to be issued to members of the company as fully paid bonus shares.

Alteration of share capital

Under the provisions of the Companies Act, 2013, a company may increase its share capital by issuing new shares on such terms and with such rights as it, by action of its shareholders in a general meeting may determine. The board of directors of a company is entitled to make private placement and preferential issue of equity shares, debentures, preference shares or any other instruments to such class of persons as the board of directors may deem fit.

According to Section 62(1)(a) of the Companies Act 2013, such new shares shall be offered to existing shareholders in proportion to the amount paid-up on those shares at that date. The offer shall be made by notice specifying the number of shares offered and the date (being not less than 15 days and not exceeding 30 days from the date of the offer or as may be permitted by applicable law) within which the offer, if not accepted, will be deemed to have been declined. After such date, the board may dispose of the shares offered in respect of which no acceptance has been received which shall not be disadvantageous to the Shareholders. The offer is deemed to include a right exercisable by the person concerned to renounce the shares offered to him in favour of any other person. Under the provisions of Section 62(1)(c) of the Companies Act, 2013, new shares may be offered to any persons whether or not those persons include existing shareholders, either for cash or for a consideration other than cash, if the price of such shares is determined by the valuation report of a registered valuer subject to such conditions as may be prescribed, if a special resolution to that effect is passed by our shareholders in a general meeting. Further, the Companies (Share Capital and Debentures) Rules, 2014 prescribe that price of shares to be issued on preferential basis by a listed company need not be determined by the valuation report of the registered valuer.

In accordance with the Articles of Association and the provisions of the Companies Act, 2013, the Company may issue the following kinds of shares: (a) Equity share capital: (i) with voting rights; and/or (ii) with differential rights as to dividend, voting or otherwise in accordance with the Companies Act, 2013; and (b) Preference share capital. Further, subject to the provisions of the Companies Act, 2013 and the Articles of Association, the shares in the capital of the Company shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par (subject to the compliance with the provision of the Companies Act, 2013) or at a discount and at such time as they may from time to time think fit and with sanction of the Company in the general meeting to give to any person or persons the option or right to call for any shares either at par or premium during such time and for such consideration as the Board thinks fit, and may issue and allot shares in the capital of the Company on payment in full or part of any property sold and transferred or for any services rendered to the company in the conduct of its business and any shares which may so be allotted may be issued as fully paid up shares and if so issued, shall be deemed to be fully paid shares. The Board may issue and allot shares of the Company as payment in full or in part, for any property purchased by the Company or in respect of goods sold or transferred or machinery or appliances supplied or for services rendered to the Company in the acquisition and/or in the conduct of its business; and any shares which may be so allotted may be issued as fully paid up shares and if so issued shall be deemed as fully paid up shares. Subject to the provisions of the Companies Act, 2013, the Company in its general meetings may, by an ordinary resolution, from time to time: (a) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares; (b) convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination; (c) sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum so however, that in the sub- division the proportion between the amount paid and the amount, if any, unpaid on each reduced Share shall be the same as it was in the case of the Share from which the reduced Share Is derived; or; (d) cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person and diminish the amount of share capital by the amount of the shares so cancelled. A cancellation of shares in pursuance of this article shall not be deemed to be a reduction of share capital within the meaning of the Companies Act, 2013. Subject to the provisions of section 55, any preference shares may, with the sanction of an ordinary resolution, be issued on the terms that they are to be redeemed on such terms and in such manner as the company before the issue of the shares may, by special resolution, determine.

General meetings

There are two types of general meetings of shareholders: (i) AGM; and (ii) EGM. A company must hold its AGM within six months after the expiry of each Fiscal provided that not more than 15 months shall elapse between the AGM and next one, unless extended by the RoC at its request for any special reason for a period not exceeding three months. The board of directors of the company may convene an EGM when necessary or at the request of shareholders in accordance with the Companies Act, 2013. Written notice or notice via electronic mode means setting out the business to be transacted at the meeting must be given at least 21 days prior to the date set for the general meeting to the shareholders. Shorter notice is permitted if consent is received from 95% of the shareholders entitled to vote at such meeting. Such number of shareholders

as required under the Companies Act, 2013 or applicable law personally present shall constitute quorum for a general meeting.

As per the provisions of the Companies Act, 2013 and the Articles of Association, all general meetings other than annual general meeting shall be called extraordinary general meeting. The Board may, whenever it thinks fit, call an extraordinary general meeting. If at any time Directors capable of acting who are sufficient in number to form a quorum are not within India, any Director or any two members of the company may call an extraordinary general meeting in the same manner, as nearly as possible, as that in which such a meeting may be called by the Board. No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business. The quorum for a general meeting shall be as provided in section 103 of the Companies Act, 2013. The Chairperson, if any, of the Board shall preside as Chairperson at every general meeting of the Company.

Voting rights

Subject to provisions of the Companies Act, 2013 and in accordance with the Articles of Association, subject to any rights or restrictions for the time being attached to any class or classes of shares, on a show of hands, every member present in personal shall have one vote and on a poll, the voting rights of members shall be in proportion to his share in the paid-up equity share capital of the Company. A member may exercise his vote at a meeting by electronic means in accordance with section 108 of the Companies Act, 2013 and shall vote only once. In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders.

Transfer of shares

Shares held through depositories are transferred in the form of book entries or in electronic form in accordance with the regulations laid down by SEBI. These regulations provide the regime for the functioning of the depositories and the participants and set out the manner in which the records are to be kept and maintained and the safeguards to be followed in this system. Transfers of beneficial ownership of shares held through a depository are subject to securities transaction tax (levied on and collected by the stock exchanges on which such equity shares are sold), however, are exempt from stamp duty. Our Company has entered into an agreement for such depository services with the Depositories. SEBI requires that the shares for trading and settlement purposes be in book-entry form for all investors, except for transactions that are not made on a stock exchange and transactions that are not required to be reported to the stock exchange. The registrar and transfer agent shall maintain a register in which every transfer or transmission of shares will be entered. In addition to complying with the Companies Act, 2013 and the other applicable laws, the Company is also required to comply with the provisions of the SEBI Listing Regulations for effecting the transfer of shares. In terms of the SEBI Listing Regulations, except in case of transmission or transposition of Equity Shares, requests for effecting transfer of shares shall not be processed unless the shares are held in dematerialized form with a depository and that transmission or transposition of securities held in physical or dematerialised form shall be effected only in dematerialised form. The Equity Shares shall be freely transferable, subject to applicable laws.

Our Articles of Association provide that the Company shall maintain a 'Register of Transfers' and shall have recorded therein fairly and distinctly particulars of every transfer or transmission of any share, debenture or other security held in a material form.

Winding up

Our Articles of Association provide that subject to the provisions of the Companies Act, 2013 and the Rules made thereunder, if the Company shall be wound up, the liquidator may, with the sanction of a special resolution of the Company and any other sanction required by the Companies Act, 2013, divide amongst the members, in specie or kind, the whole or any part of the assets of the Company, whether they shall consist of property of the same kind or not. For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members. The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

TAXATION

STATEMENT OF POSSIBLE TAX BENEFITS

To,

The Board of Directors
Kaynes Technology India Limited
23-25, Belagola, Food Industrial Estate
Metagalli P O, Mysore, Karnataka,
570016, India

(Referred as the "Company")

Motilal Oswal Investment Advisors Limited
Motilal Oswal Tower, Rahimtullah Sayani Road, Opposite Parel ST Depot, Prabhadevi, Mumbai- 400 025, Maharashtra, India

Axis Capital Limited
1st Floor, Axis House, C-2
Wadia International Centre, P.B. Marg,
Worli, Mumbai – 400 025

Nomura Financial Advisory and Securities (India) Private Limited,
Ceejay House, Level 11,
Plot F, Shivsagar Estate,
Dr. Annie Besant Marg,
Worli, Mumbai 400018

(Referred as the "Book Running Lead Managers" or "BRLMs")

Dear Sirs/Madams,

Sub: Qualified institutions placement of equity shares of face value of ₹10 each ("Equity Shares") under Chapter VI of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("SEBI ICDR Regulations") and applicable provisions of the Companies Act, 2013, and the rules framed thereunder, each as amended ("Companies Act") by Kaynes Technology India Limited (the "Company", and such qualified institutions placement, the "Issue")

1. This certificate is issued in accordance with our engagement letter dated March 6, 2025 with the Company in relation to the Issue.

2. We, the current statutory auditors of the Company, namely, M/s. K.P. Rao & Co., Chartered Accountants, (Firm Registration Number: 003135S), have been requested by the Company to provide this report, issued in accordance with the terms of our engagement letter dated March 6, 2025 in context of the Issue of Equity Shares in accordance with the SEBI ICDR Regulations and applicable provisions of the Companies Act, 2013, by the Company.

3. The accompanying 'Statement of Possible Tax Benefits available to the Company, its shareholders and to its subsidiaries namely, Kaynes Technology India Limited (hereinafter referred to as "the Company") and its **Subsidiaries**, attached herewith (the "**Statement**"), prepared by the Company, initialed by us for identification purpose and proposed to be included in the Preliminary Placement Document and Placement Document (the "**Placement Documents**") of the Company, states the possible special tax benefits available to the Company, to its shareholders, as per the provisions of the direct and indirect tax laws, including the Income-tax Act, 1961, read with Income tax Rules, 1962 including amendments made by Finance Act, 2025 other relevant circulars and notifications, as applicable for the financial year 2025-2026, Central Goods and Services Tax Act, 2017, Integrated Goods and Services Tax Act, 2017, State Goods and Services Tax Act as passed by respective State Governments from where the Company operates and applicable to the Company, Customs Act, 1962 and Foreign Trade Policy 2016-2021 as applicable for the financial year 2025-2026 relevant to the assessment year 2026-2027, presently in force in India as on the signing date as well as any special tax benefit. These possible tax benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Income-tax Act, 1961. Hence, the ability of the Company, its shareholders and to its Subsidiaries to derive these possible tax benefits is dependent upon their fulfilling such conditions, which is based on business imperatives the Company may face in the future and accordingly, the Company, its shareholders and to its Subsidiaries may or may not choose to fulfill.

Management's Responsibility

4. The preparation of this Statement is the responsibility of the management of the Company. The management of the respective companies included in the Company are responsible for the preparation and maintenance of all accounting and other relevant supporting records and documents. The management's responsibility includes designing, implementing and maintaining internal control relevant to the preparation and presentation of the Statement, and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.

   The management is also responsible for ensuring compliance with the requirements of SEBI ICDR Regulations, and other applicable rules and regulations, for the purpose of furnishing this Statement and for providing all relevant information to the BRLMs and Stock Exchanges.

Practitioner's Responsibility

5. Pursuant to the SEBI ICDR Regulations and the Companies Act 2013, it is our responsibility to report whether the Statement prepared by the Company, presents, in all material respects, the possible special tax benefits available to the Company, its shareholders and to its Subsidiaries, under the Income Tax and GST Regulations as at the date of our certificate.

6. Capitalized terms used herein, unless otherwise specifically defined, shall have the same meaning as ascribed to them in the Placement Documents.

7. We performed procedures in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India

8. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Inherent Limitations

9. We draw attention to the fact that the Statement includes certain inherent limitations that can influence the reliability of the information. Several of the benefits mentioned in the Statement are dependent on the Company, its shareholders and to its Subsidiaries fulfilling the conditions prescribed under the relevant provisions of the tax laws. Hence, the ability of the Company, its shareholders and to its Subsidiaries to derive the tax benefits is dependent upon fulfilling such conditions, which may or may not be fulfilled. The benefits discussed in the Statement are not exhaustive.

10. The Statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the Issue.

11. Further, we give no assurance that the tax authorities/courts will concur with our views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to change from time to time. We do not assume responsibility to update the views consequent to such changes.

Opinion

12. In our opinion, the Statement prepared by the Company presents, in all material respects, the possible special tax benefits available as of the date of this certificate, to the Company, its shareholders and to its Subsidiaries, under the Income Tax and GST Regulations.

13. Considering the matters referred to in paragraph 3 above, we are unable to express any opinion or provide any assurance as to whether: (i) The Company, its shareholders and to its Subsidiaries will continue to obtain the benefits as per the Statement in future; or (ii) The conditions prescribed for availing the benefits as per the Statement have been/ would be met with.

14. We hereby confirm that the information herein above is true, complete, accurate and not misleading. We consent to the inclusion of the above information or any extract thereof in the preliminary placement document and

placement document to be filed by the Company with the BSE Limited and the National Stock Exchange of India Limited ("**Stock Exchanges**"), the Registrar of Companies, Karnataka at Bangalore, or any other authority and such other documents as may be prepared in connection with the Issue (collectively "**Placement Documents**").

Restriction on Use

15. We consent to the inclusion of the above information in the Preliminary Placement Documents to be filed by the Company with the stock exchanges on which the Equity Shares of the Company are listed (the "Stock Exchanges"), and the Registrar of Companies, and any other authority and such other documents as may be prepared in connection with the Issue**.**

16. This certificate has been prepared at the request of the Company for submission to the BRLMs and legal counsels appointed in connection with the Issue by the Company and is not to be considered for any other purpose except submission with the Stock Exchanges, and any other regulatory or statutory authority in respect of the Issue and for the records to be maintained by the BRLMs in connection with the Issue. Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing.

17. We hereby consent to this certificate being disclosed by the BRLMs, if required (i) by reason of any law, regulation or order of a court or by any governmental or competent regulatory authority, or (ii) in seeking to establish a defense in connection with, or to avoid, any actual, potential or threatened legal, arbitral or regulatory proceeding or investigation.

M/s. K.P. Rao & Co.
Chartered Accountants
Firm Registration Number: 003135S
Peer Review Number: 016719

Mohan R Lavi

Partner
Membership Number: 029340
Place: Bangalore
Date: June 19, 2025

UDIN: 25029340BMKTGO6634

cc:

Legal Counsel to BRLMs as to Indian Law

M/s. Crawford Bayley & Co.
Advocates and Solicitors
State Bank Buildings,
N.G. N. Vaidya Marg,
Fort, Mumbai 400 023

Legal Counsel to the Company

Khaitan & Co.
One World Center, 10th & 13th Floors,
Tower 1C, 841 Senapati Bapat Marg,
Mumbai 400 013

International Legal Counsel to BRLMs

Hogan Lovells (Middle East) LLP
19th Floor, Al Fattan Currency Tower
Dubai International Financial Centre,
PO Box 506602
Dubai, UAE

STATEMENT OF POSSIBLE TAX BENEFITS AVAILABLE TO THE COMPANY, ITS SUBSIDIARY AND ITS SHAREHOLDERS UNDER THE APPLICABLE TAX LAWS IN INDIA

LIST OF SUBSIDIARIES CONSIDERED AS PART OF THE STATEMENT

1. Kaynes International Design & Manufacturing Private Limited
2. Kemsys Technologies Private Limited
3. Kaynes Embedded Systems Private Limited
4. Kaynes Electronics Manufacturing Private Limited
5. Kaynes Semicon Private Limited
6. Kaynes Circuits India Private Limited
7. Kaynes Mechatronics Private Limited
8. Iskraemeco India Private Limited
9. Sensonic IN India Private Limited (Subsidiary of Kaynes Holding Pte Limited)

ANNEXURE TO THE STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO THE COMPANY, ITS SHAREHOLDERS AND ITS SUBSIDIARIES UNDER THE APPLICABLE DIRECT TAX LAWS

Outlined below are the possible tax benefits available to the Company, its Shareholders and its Subsidiaries, under the Income Tax Act, 1961 presently forced in India. It is not exhaustive or comprehensive and is not intended to be a substitute for professional advice. Investors are advised to consult their own tax consultant with respect to the tax implications of an investment in the Equity Shares particularly in view of the fact that certain recently enacted legislation may not have a direct legal precedent or may have different interpretation on the benefits, which an investor can avail.

STATEMENT OF POSSIBLE SPECIAL DIRECT TAX BENEFITS AVAILABLE TO THE COMPANY, TO THE SHAREHOLDERS OF THE COMPANY AND ITS SUBSIDIARIES
Under the Income Tax Act, 1961 ('the Act')

1. Special tax benefits available to the Company and Subsidiaries under the Act

Section 80JJAA of the Act: Deduction in respect of employment of new employee- In accordance with and subject to the conditions specified under Section 80JJAA of the Act, a company is entitled to a deduction of an amount equal to 30% of additional employee cost incurred in the course of business in the previous year, for 3 consecutive assessment years including the assessment year relevant to the previous year in which such additional employment cost is incurred.

Additional employee cost means the total emoluments paid or payable to additional employees employed in the **previous** year. The deduction under section 80JJAA would continue to be available to the company even where the company opts for the lower tax rate of 22% under the provisions of section 115BAA (as discussed above).

The company should be eligible to claim this deduction in case it incurs additional employee cost within the meaning of Explanation (i) to sub-section (2) of Section 80JJAA of the Act and satisfies the conditions mentioned in the section.

2. General tax benefits available to the Company and subsidiary:

a) Section 115BAA of the Act: Corporate Tax Rate of 22%

- Section 115BAA, as inserted vide The Taxation Laws (Amendment) Act, 2019, provides that domestic company can opt for a rate of 22% (plus applicable surcharge and education cess) from the financial year 2019-20 onwards, provided the total income of the company is computed without claiming certain specified deductions or set–off of losses, depreciation etc., and claiming depreciation determined in the prescribed manner.

- In case a company opts for section 115BAA, provisions of Minimum Alternate Tax would not be applicable and earlier year MAT credit will not be available for set – off.

- The options needs to be exercised on or before the due date of filing the income tax return. Option once exercised, cannot be subsequently withdrawn for the same or any other tax year.

Further, if the conditions mentioned in section 115BAA are not satisfied in any year, the option exercised shall become invalid in respect of such year and subsequent years, and the other provisions of the Act shall apply as if the option under section 115BAA had not been exercised.

- The company has opted for section 115BAA of the Act for AY 2025-26.

b) Section 115BAB of the Act: Corporate Tax Rate of 15%

- Section 115BAB, as inserted vide The Taxation Laws (Amendment) Act, 2019, provides that domestic company can opt for a rate of 15% (plus applicable surcharge and education cess) from the financial year 2019-20 onwards, provided the total income of the company is computed without claiming certain specified deductions or set–off of losses, depreciation etc., and claiming depreciation determined in the prescribed manner.

- In case a company opts for section 115BAB, provisions of Minimum Alternate Tax would not be applicable and earlier year MAT credit will not be available for set – off.

- The options needs to be exercised on or before the due date of filing the income tax return. Option once exercised, cannot be subsequently withdrawn for the same or any other tax year.

Further, if the conditions mentioned in section 115BAB are not satisfied in any year, the option exercised shall become invalid in respect of such year and subsequent years, and the other provisions of the Act shall apply as if the option under section 115BAB had not been exercised.

- The Company has set up a wholly owned subsidiary during the financial year 2021- 22, for which subsidiary company is eligible for deduction under Section 115BAB of the Income Tax Act. The Subsidiary Company has opted for Section 115BAB of the Act and is claiming the lower corporate rate of 15%.

c) Section 35D of the Act- Where the assessee is a company, also expenditure in connection with the issue, for public subscription, of shares in or debentures of the company, being underwriting commission, brokerage and charges for drafting, typing, printing and advertisement of the prospectus, the assessee shall, in accordance with and subject to the provisions of this section, be allowed a deduction under the head "Profit and gains of business or profession" of an amount equal to one-fifth of such expenditure for each of the five successive financial years.

d) **Taxation on dividend income**

As per Section 80M of the ITA, where domestic companies have declared dividend and are also in receipt of the dividend from another domestic company or a foreign company or a business trust, deduction is allowed with respect to the dividend received as long as the same is distributed as dividend one month prior to the due date of furnishing the return of income under sub-section (1) of Section 139 of the ITA.
The deduction under Section 80M is available even if domestic company opts for concessional tax rate under Section 115BAA of the ITA.

3. General tax benefits available to the Shareholders

a) Dividend Income

Dividend income earned by the shareholders would be taxable in their hands at the applicable tax rates, surcharge and cess. However, in case of shareholders who are individuals, Hindu undivided family, association of persons, body of individuals, whether incorporated or not and every artificial juridical person, maximum rate of surcharge would be restricted to 15%, irrespective of the amount of dividend. Further in case shareholder is a domestic company, deduction under Section 80M of the ITA would be available on fulfilling the conditions as mentioned above. Further, if the shareholder is a tax resident of foreign country with which India has a Double taxation Avoidance Agreement ('DTAA'), it may claim benefit of applicable rate as stated in the DTAA, if more beneficial over rate is ITA.

b) Tax On Capital Gains

As per Section 112A of the Act, long-term capital gains arising from the transfer of listed equity shares on which securities transaction tax ("STT") is paid at the time of acquisition and sale, shall be taxed at the rate of 12.5% (without indexation) (plus applicable surcharge & health & education cess) on such capital gains exceeding INR 1,25,000/- in a financial year.

As per Section 111A of the Act, short-term capital gains arising from the transfer of listed equity shares on which STT has been paid at the time of sale shall be taxed at the rate of 20% (plus applicable Surcharge and health and education cess).

Taxation of long term and short-term capital gain to Non-Residents is similar to that of taxation in hands of resident share holder except of the followings.

i. The first proviso to Section 48 of the Act entitles a non-resident to factor in the effects of exchange rate fluctuation while computing the capital gains in the manner prescribed in the Income tax regulations, where the shares are purchased in foreign currency.

ii. Section 90(2) of the Act, entitles a non-resident shareholder to be governed by the beneficial provisions under the DTAA, if any, executed between India and the country of resident of the shareholder, in accordance with and subject to fulfilment of conditions as laid out in the section.

iii. Any income by way of capital gains/ dividends accruing to non-residents may be subject to withholding tax per the provisions of the Act or under the relevant DTAA, whichever is beneficial. The non-resident shareholders may be able to avail credit of any taxes paid in India, in their respective country of residence, subject to local laws of that country.

NOTES:

1. The above is as per the current Tax Laws.

2. The above Statement of possible tax benefits sets out the provisions of Tax Laws in a summary manner only and is not a complete analysis or listing of all the existing and potential tax consequences of the purchase, ownership and disposal of equity shares of the Company.

3. This Statement does not discuss any tax consequences in any country outside India of an investment in the equity shares of the Company. The shareholders / investors in any country outside India are advised to consult their own professional advisors regarding possible income tax consequences that apply to them under the laws of such jurisdiction.

ANNEXURE TO THE STATEMENT OF POSSIBLE SPECIAL INDIRECT TAX BENEFITS AVAILABLE TO THE COMPANY, TO THE SHAREHOLDERS OF THE COMPANY AND ITS SUBSIDIARIES

INDIRECT TAXATION

Outlined below are the special tax benefits available to the Company, its Shareholders under The Central Goods and Services Tax Act, 2017 ("CGST Act"), the Integrated Goods and Services Tax Act, 2017 ("IGST Act"), the Union Territory Goods and Services Tax Act, 2017, respective State Goods and Services Tax Act, 2017 (read with respective State Goods and Services Tax Rules, circulars, notifications), the Customs Act, 1962 and the Customs Tariff Act, 1975, the Foreign Trade (Development and Regulation) Act, 1992 (read with the Foreign Trade Policy 2016-2021 as applicable for the financial year 2023-2024 relevant to the assessment year 2024-2025 ("FTP") (collectively referred to as "**Indirect tax**").

1. Special tax benefits available to the Company

a) As per a Customs Notification issued in 25/2002 CUS dated 01.03.2002 and its amendments, the Company is eligible for a concessional rate of duty.
Certain machineries if utilised for manufacture of specified finished goods, are eligible for import with Basic Customs Duty concession of 50%/100%. Some of the machineries imported/proposed to be imported are eligible for this benefit on Customs Duty after following IGCRD (Import of Goods at Concessional Rate of Duty) Rules, 2017. Note that such concession is only on Basic Customs Duty.

b) Remission of Duties or Taxes on Export Products Scheme (RODTEP) has been notified by the Department of Commerce vide DGFT Notification No. 19/2015-20 dated 17.08.2021. RODTEP has been made effective for exports from 1st January 2021 in respect of those exports where intention to claim the benefit has been manifested on the shipping bills. RODTEP scheme would be in the form of transferable duty credit scrip, or it may be in the form of electronic scrip which will be maintained in the electronic ledger.

Kaynes Technology India Limited is eligible for availing the benefits of RODTEP Scheme in the future when the company complies with necessary conditions.

2. Special Tax Benefits available to the Shareholders of the Company

There are no special tax benefits available to the shareholders of the Company**.**

3. Special tax benefits available to subsidiaries of the Company-

All the special tax benefits available to the parent company are available to the subsidiaries also.

LEGAL PROCEEDINGS

*As on date of this Placement Document, except as disclosed below, there are no outstanding legal proceedings which have been considered as "material", in accordance with our Company's policy for determining materiality of events or information for disclosures in accordance with Regulation 30 of the SEBI Listing Regulations (the "**Materiality Policy**").*

Additionally, solely for the purpose of the Issue, the following outstanding legal proceedings have been disclosed in this section involving our Company, its Directors, its Subsidiaries and our Promoters (as applicable):

- *outstanding criminal proceedings against our Company, our Subsidiaries, our Directors and our Promoters;*
- *outstanding actions by statutory or regulatory authorities against our Company and our Subsidiaries, our Directors and Promoters.*
- *outstanding civil proceedings involving our Company and our Subsidiaries, where the value or expected impact in terms of value involved in such proceeding exceeds the lower of the following:2% of the turnover (i.e. ₹ 544.35 million) or 2% of the net worth (i.e. ₹567.47 million) or 5% of the average of absolute value of profit or loss after tax (₹ 95.32 million) (based on the audited consolidated financial statements) of the Company as per the last three financial years i.e. ₹95.32 million ("**Materiality Threshold**");*
- *outstanding direct and indirect tax matters involving our Company and our Subsidiaries exceeding the Materiality Threshold (disclosed in a consolidated manner);*
- *any other outstanding litigation involving our Company and our Subsidiaries, wherein the amount involved cannot be determined or is below the Materiality Threshold, but an adverse outcome of which could, individually or in the aggregate, materially and adversely affect the reputation, operations or financial position of our Company on a consolidated basis, and*
- *other outstanding litigation involving our Promoters and our Directors wherein an adverse outcome could materially and adversely affect the reputation, operations or financial position of our Company, on a consolidated basis.*

The Materiality Threshold was determined basis the Materiality Policy, adopted by the Board, pursuant to its resolution dated July 31, 2023.

Further, except as disclosed in this section, there are no:

- *inquiries, inspections or investigations initiated or conducted (for which notices have been issued) under the Companies Act, 2013 in the last three years preceding the year of this Placement Document, involving our Company and its Subsidiaries, and any prosecutions filed (whether pending or not), fines imposed, compounding of offences in the last three years immediately preceding the year of this Placement Document, involving our Company and our Subsidiaries;*
- *material frauds committed against our Company and our Subsidiaries in the last three years, and if so, the action taken by our Company and our Subsidiaries;*
- *significant and material order passed by the regulators, courts and tribunals impacting the going concern status of our Company on a consolidated basis;*
- *defaults by our Company and our Subsidiaries, including therein the amount involved, duration of default and present status, in repayment of: (a) statutory dues; (b) debentures and interest thereon; (c) deposits and interest thereon; or (d) loan from any bank or financial institution and interest thereon;*
- *defaults in annual filings of our Company under the Companies Act, 2013; and*
- *litigation or legal actions, pending or taken, by any ministry or department of the government or a statutory authority against the Promoter of our Company during the last three years immediately preceding the year of this Placement Document, and no direction have been issued by such ministry or department or statutory authority upon conclusion of such litigation or legal action, if any.*

It is clarified that for the purposes of the above, pre-litigation notices received by any of our Company, our Subsidiaries, our Directors and our Promoters, from third parties (excluding statutory/ regulatory/ governmental authorities or notices threatening criminal action) shall, not be considered as litigation proceedings till such time that any of our Company, our Subsidiaries, our Directors and our Promoters, are impleaded as parties in any such litigation proceedings before any court, tribunal or governmental authority, or is notified by any governmental, statutory or regulatory authority of any such proceeding that may be commenced. Capitalised terms used herein shall, unless otherwise specified, have the meanings ascribed to such terms in this section.

Litigation involving our Company

Litigation against our Company

Criminal proceedings

Nil

Actions taken by regulatory and statutory authorities

Nil

Civil proceedings above the Materiality Threshold

Nil

Litigation by our Company

Criminal proceedings

Nil

Civil proceedings above the Materiality Threshold

Nil

Litigation involving our Subsidiaries

Litigation against our Subsidiaries

Criminal proceedings

Nil

Actions taken by regulatory and statutory authorities

Nil

Civil proceedings above the Materiality Threshold

Nil

Litigation by our Subsidiaries

Criminal proceedings

Nil

Civil proceedings above the Materiality Threshold

Nil

Other outstanding litigation involving our Company and our Subsidiaries, wherein the amount involved cannot be determined or is below the Materiality Threshold, but an adverse outcome of which could, individually or in the aggregate, materially and adversely affect the reputation, operations or financial position of our Company on a consolidated basis

Nil

Litigation involving our Directors

Criminal proceedings against our Directors

Nil

Criminal proceedings by our Directors

Nil

Actions taken by regulatory and statutory authorities

Our Managing Director, Ramesh Kunhikannan, in his capacity as a director of our Company, received a show cause notice dated March 10, 2025 from the SEBI Adjudicating Officer, Enquiries and Adjudication Department alleging non-compliance in maintaining a structured digital database related to the financial results for the period ended March 31, 2023, under the SEBI (Prohibition of Insider Trading) Regulations. In response to the show cause notice, he has submitted a settlement application with the Securities and Exchange Board of India. The matter is currently pending.

Litigation involving our Promoters

Criminal proceedings against our Promoters

Nil

Criminal proceedings by our Promoters

Nil

Actions taken by regulatory and statutory authorities

Nil

Other outstanding litigation involving our Promoters and our Directors wherein an adverse outcome could materially and adversely affect the reputation, operations or financial position of our Company, on a consolidated basis

Nil

Inquiries, inspections or investigations initiated or conducted (for which notices have been issued) under the Companies Act, 2013 in the last three years preceding the year of this Placement Document, involving our Company and its Subsidiaries, and any prosecutions filed (whether pending or not), fines imposed, compounding of offences in the last three years immediately preceding the year of this Placement Document, involving our Company and its Subsidiaries

Nil

Material frauds committed against our Company in the last three years, and if so, the action taken by our Company

Nil

Significant and material order passed by the regulators, courts and tribunals impacting the going concern status of our Company and its future operations

Nil

Default by our Company, including therein the amount involved, duration of default and present status, in repayment of statutory dues, debentures and interest thereon, deposits and interest thereon and loan from any bank or financial institution and interest thereon.

Repayment of statutory dues

Nil

Repayment of debentures and interest thereon

Nil

Repayment of deposits and interests thereon

Nil

Repayment of loan from any bank or financial institution and interest thereon

Nil

Default in annual filings of our Company under the Companies Act, 2013

Nil

Litigation or legal actions, pending or taken, by any ministry or department of the government or a statutory authority against the Promoter of our Company during the last three years immediately preceding the year of this Placement Document, and any direction issued by such ministry or department or statutory authority upon conclusion of such litigation or legal action, if any.

Nil

Tax Litigation above the Materiality Threshold

Nil

STATUTORY AUDITORS

In term of the provisions of Section 139 of the Companies Act, 2013, K. P. Rao & Co., Chartered Accountants, were appointed as our Company's Statutory Auditors pursuant to a resolution adopted by our Shareholders at the AGM held on November 29, 2021 for a period of five years, from Fiscal 2022 to Fiscal 2026.

Our Statutory Auditors have audited the Audited Consolidated Financial Statements which are included in this Placement Document in "*Financial Information*" on page 232.

The peer review certificate of our Statutory Auditors is valid as of the date of this Placement Document.

FINANCIAL INFORMATION

Particulars	Page Number
Audited Consolidated Financial Statements for Fiscal 2025	F-1
Audited Consolidated Financial Statements for Fiscal 2024	F-74
Audited Consolidated Financial Statements for Fiscal 2023	F-141

K. P. RAO & CO.
CHARTERED ACCOUNTANTS

'Poornima', IInd Floor, 25, State Bank Road,
Bangalore - 560 001. Karnataka, India.

K. P. RAO
H.N. ANIL
MOHAN R LAVI
K. VISWANATH
S. PRASHANTH
P. RAVINDRANATH

Phone : 080 - 25587385 / 25586814
Fax : 080 - 25594661
E-mail : info@kprao.co.in

INDEPENDENT AUDITOR'S REPORT

To the Members of Kaynes Technology India Limited

Report on the Audit of the Consolidated Ind AS Financial Statements

Opinion

We have audited the accompanying Consolidated Ind AS financial statements of **Kaynes Technology India Limited** (hereinafter referred to as "the Holding Company / the Parent Company") and **its subsidiaries** (Holding Company and its subsidiaries together referred to as "the group"), which comprise the Consolidated Balance Sheet as at March 31, 2025, the Consolidated Statement of Profit and Loss (including other comprehensive income), Consolidated statement of changes in equity and the Consolidated Statement of Cash Flows for the year then ended, and Notes to the Consolidated Ind AS Financial Statements, including a Summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the companies (Indian Accounting Standards) Rules, 2015 as amended, ("Ind AS") and other accounting principles generally accepted in India, of the Consolidated state of affairs of the Group as at March 31, 2025, the Consolidated profit, the Consolidated total comprehensive income, Consolidated cash flows and the Consolidated changes in equity for the year ended.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs) as specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Consolidated Financial Statements' section of our report. We are independent of the Group in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules there-under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.



Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the Consolidated Ind AS financial statements of the current period. These matters were addressed in the context of our audit of the Consolidated Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matter	Auditor's Response
Revenue Recognition: Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company has generally concluded that it is the principal in its revenue arrangements because it typically controls the goods or services before transferring them to the customer. Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts and schemes offered by the company as part of the contract. This variable consideration is estimated based on the expected value of outflow. Revenue (net of variable consideration) is recognised only to the extent that it is highly probable that the amount will not be subject to significant reversal when uncertainty relating to its recognition is resolved. The company has ascertained that all performance obligations are performed at a point in time.	**Audit procedures performed to address the key audit matter:** Our audit procedures included, among others, inquiries with management regarding significant new contracts and relevant changes in existing contracts. The procedures also included reading significant new contracts to understand the terms and conditions and their impact on revenue recognition. On a sample basis, we reconciled revenue to the supporting documentation, such as sales orders, invoices and other relevant documents. A specific emphasis was set on verifying that revenue transactions at the end of the financial year and at the beginning of the new financial year have been recognised in the proper accounting period by comparing revenues close to the balance sheet date with the respective contractual terms. Our procedures also involved testing the performance obligations in the contract and the variable consideration, if any. We also test-checked instances for transfer of control to the customer with the necessary documentation



Information Other than the Consolidated Ind AS Financial Statements and Auditors' Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report and Shareholder's Information, but does not include the Financial Statements and our auditor's report thereon.

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

In connection with our audit of the Consolidated Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the Consolidated Ind AS financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and those charged with governance for the Standalone Ind AS Financial Statements

The Holding Company's Management and Board of Directors are responsible for the matters stated in section 134(5) of the Companies Act, 2013 with respect to the preparation of these consolidated financial statements that give a true and fair view of the financial position and financial performance of the group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. The respective Management and Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated financial statements by the Management and Board of Directors of the Holding Company, as aforesaid.

In preparing the Consolidated Ind AS financial statements, the respective management and Board of Directors of the companies included in the group are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the group are responsible for overseeing the financial reporting process of each company.



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

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

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

•Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

•Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

•Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

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

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

•Obtain sufficient appropriate audit evidence regarding the financial information of entities within the Group to express an opinion on the Consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the consolidated financial statements. We remain solely responsible for our audit opinion.



We communicate with those charged with governance of the Holding Company and such other companies included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

Other Matters

The Consolidated Financial Statements includes the audited financial results of seven subsidiaries, whose financial statements reflect total assets (before consolidation adjustments) of Rs.53,956.81 million as at March 31, 2025, total revenue (before consolidation adjustments) of Rs.27,025.22 million, total net profit after tax (before consolidation adjustments) of Rs.2,490.88 million, total comprehensive income (net) of Rs.2,497.61 million and net cash inflows of Rs.35.75 million for the year ended on that date, as considered in the Statement, which have been audited by us.

The Consolidated financial statement includes the audited financial results of one subsidiary whose financial statements reflect total assets (before consolidation adjustments) of Rs.7,147.64 million as at March 31, 2025, total revenue (before consolidation adjustments) of Rs.6,178.56 million, total net profit after tax (before consolidation adjustments) of Rs.22.61 million, total comprehensive income (loss) of Rs.19.01 million and net cash flows of Rs.(140.13) million for the period ended on that date as considered in the statement, which have been audited by another auditor. Our opinion in so far as it relates to the balances and affairs of this subsidiary is based on the group audit instructions received from the respective auditor.

Four of the subsidiaries of the company are located outside India whose financial statements have been prepared in accordance with accounting principles generally accepted in that country. These financial statements have not been audited. The Holding Company's management has converted the financial statements of these subsidiaries (including their step-down subsidiaries) from accounting principles generally accepted in that country to accounting principles generally accepted in India. We have reviewed the conversion adjustments made by the Holding Company's management. Our opinion in so far as it relates to the balances and affairs of these subsidiaries is based on the conversion adjustments made by the management of the Holding Company.



Our report on the Consolidated Ind AS Financial Statements and our report on Other Legal and Regulatory requirements below, are not modified in respect of the above matter with respect to our reliance on the financial information certified by the Board of Directors.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Independent Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Companies Act, 2013, we give in the "**Annexure 'A'**", a statement on the matters specified in paragraphs 3 and 4 of the said Order, to the extent applicable.

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

   a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated financial statements.

   b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated financial statements have been kept by the Company so far as it appears from our examination of those books.

   c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), Consolidated Statement of cash flows and Consolidated Statement of Changes in Equity dealt with by this Report, are in agreement with the books of account maintained for the purpose of preparation of the Consolidated financial statements.

   d. In our opinion, the aforesaid Consolidated financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules,2015 as amended.

   e. On the basis of the written representations received from the directors of the Holding Company as on March 31, 2025 taken on record by the Board of Directors of the Holding company and on the basis of written representations received by the management from directors of its subsidiaries which are incorporated in India, as on March 31, 2025, none of the directors of the Group Companies incorporated in India are disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164 (2) of the Act.

   f. With respect to the adequacy of the internal financial controls over financial reporting with reference to Consolidated financial statements of the Holding company and its subsidiary companies incorporated in India and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**" to this report.



g. In our opinion and according to the information and explanations given to us, the remuneration paid by the Holding company and its subsidiaries which are incorporated in India 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 by the Holding company and its subsidiaries which are incorporated in India, is not excess of the limit laid down under Section 197 of the Act.

h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

i. The Consolidated financial statements disclose the impact of pending litigations as at March 31, 2025 on the consolidated financial position of the Group. Refer Note 29 to the Consolidated financial statements.

ii. The group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii. There were no amounts which were required to be transferred, to the Investor Education and Protection Fund.

iv.

a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or its subsidiary companies incorporated in India to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

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



(c) Based on such audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (iv) (a) and (iv) (b) contain any material mis-statement.

v. The Group has neither declared nor paid interim dividend or final dividend during the year. Therefore, reporting under Rule 11(f) of Companies (Audit and Auditors) Rules, 2014 is not applicable

vi. Based on our examination which included test checks, the Holding company and its subsidiaries located in India have used an ERP accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has been operated throughout the year for all transactions recorded in the software.

Four of the subsidiaries are located outside India whose financial statements have been prepared in accordance with accounting principles generally accepted in that country. These financial statements have not been audited. As a result, we have not been able to verify the existence of audit trails in accounting package maintained by those subsidiaries.

The Consolidated financial statements include one of the subsidiaries whose financial statements have been audited by another auditor. As a result, we have not been able to verify the existence of audit trails in the accounting package maintained by the respective company. However, our opinion in so far is based on the group audit instructions received from the respective auditor.

Further, during the course of our audit and on the basis of test checking of selected samples, we did not come across any instance of audit trail feature being tampered with and the audit trail has been preserved by the company as per the statutory requirements for record retention.

For **K.P.Rao & Co**
Chartered Accountants
Firm Reg. No. 003135S

K.P. RAO & CO. BENGALURU FRN:003135S CHARTERED ACCOUNTANTS

Mohan R Lavi
Membership Number: 029340
UDIN: 25029340BMKTEM9851
Place: Mysuru
Date: May 15, 2025

Annexure A TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in report on other legal and regulatory requirements Section of our report of even date)

There have been no qualifications or adverse remarks by the respective auditors in the Companies (Auditor's Report) Order (CARO) reports of the companies included in the consolidated financial statements.

For K.P.Rao & Co
Chartered Accountants
Firm Reg. No. 003135S



Mohan R Lavi
Membership Number: 029340
UDIN: 25029340BMKTEM9851

Place: Mysuru
Date: May 15, 2025

ANNEXURE B TO INDEPENDENT AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

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

Opinion

In conjunction with our audit of the consolidated financial statements of Kaynes Technology India Limited (hereinafter referred to as "the Holding Company") as of and for the year ended March 31, 2025, we have audited the internal financial controls with reference to Consolidated financial statements of the Holding Company and such companies incorporated in India under the Companies Act,2013 which are its subsidiary companies as of that date.

In our opinion, the Holding Company and such Companies incorporated in India which are its subsidiary companies, have, in all material respects, an adequate internal financial controls system over financial reporting with reference to consolidated financial statements and such internal financial controls over financial reporting with reference to consolidated financial statements were operating effectively as at March 31, 2025, based on the internal control over financial reporting criteria established by such companies considering the essential components of internal control stated in the Guidance Note of Internal Financial Controls Over Financial Reporting with reference to consolidated financial statements issued by the Institute of Chartered Accountants of India. However, the existing policies, systems, procedures and internal controls followed by the Holding Company have to be completely and appropriately documented and reconciled.

Management and Board of Directors' Responsibility for Internal Financial Controls

The respective Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ('the Guidance Note') with reference to consolidated financial statements issued by the Institute of Chartered Accountants of India ('the ICAI')". These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective 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 the Companies Act, 2013 ('the Act').



Auditor's Responsibility

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

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

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

Meaning of Internal Financial Controls with reference to Consolidated Financial Statements

A Company's internal financial control with reference to Consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting in the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles. This includes those policies and procedures that:

i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;

ii) 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 authorizations of management and directors of the company; and



iii) provide reasonable assurance regarding prevention or timely detection of unauthorized 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 Consolidated Financial Statements

Because of the inherent limitations of internal financial controls with reference to consolidated 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 consolidated financial statements to future periods are subject to the risk that the internal financial control with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For **K.P.Rao & Co**
Chartered Accountants
Firm Reg. No. 003135S

K.P. RAO & CO. BENGALURU FRN:003135S CHARTERED ACCOUNTANTS

Mohan R Lavi
Partner
Membership No. 029340
UDIN: 25029340BMKTEM9851

Place: Mysuru
Date: May 15, 2025

Kaynes Technology India Limited
CIN No: L29128KA2008PLC045825
Consolidated Balance Sheet
(All amounts are in INR Millions, unless otherwise stated)

Particulars	Note	As at March 31,2025	As at March 31, 2024
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	3	5,044.94	2,593.80
Capital work-in-progress	3(b)	3,002.24	765.56
Intangible assets	3(c)	1,328.56	183.46
Intangible assets under development	3(d)	911.15	285.24
Rights-of-Use Assets	3(e)	1,934.77	263.13
Goodwill	3(f)	141.38	151.69
Financial assets			
i)Investments	4	1,323.84	1,317.56
ii)Loans and deposits	5(a)	131.68	88.82
iii)Other financial assets	5(b)	19.38	37.03
Other non-current assets	6	5,741.80	1,098.61
Total Non-Current Assets (A)		**19,579.74**	**6,784.90**
CURRENT ASSETS			
Inventories	7	8,144.23	5,483.24
Financial asset			
i)Trade receivables	8(a)	5,745.80	3,555.73
ii)Cash and cash equivalents	8(b)	474.22	194.11
iii)Bank balances other than cash and cash equivalents	8(c)	10,088.84	15,061.49
iv)Loans and deposits	8(d)	48.49	38.86
v)Other financial assets	8(e)	237.67	254.95
Current Tax Assets (Net)	9	-	58.81
Other current assets	10	2,093.18	1,219.68
Total Current Assets (B)		**26,832.43**	**25,866.87**
TOTAL ASSETS (A + B)		**46,412.17**	**32,651.77**
EQUITY AND LIABILITIES			
EQUITY			
Equity Share Capital	11(A)	640.84	639.18
Other Equity	12	27,761.76	24,229.71
Non-controlling Interest	13	39.72	15.79
Total Equity (A)		**28,442.32**	**24,884.68**
LIABILITIES			
NON-CURRENT LIABILITIES			
Financial Liabilities			
- Borrowings	14	674.80	111.56
- Lease liabilities	33	243.18	132.09
Deferred Tax Liabilities (Net)	15	129.95	101.60
Long Term Provisions	16	100.81	59.57
Total Non-current Liabilities (B)		**1,148.74**	**404.82**

K.P. RAO & CO. CHARTERED ACCOUNTANTS BENGALURU FRN:003135S

Kaynes Technology India Ltd.

Kaynes Technology India Limited
CIN No: L29128KA2008PLC045825
Consolidated Balance Sheet
(All amounts are in INR Millions, unless otherwise stated)

Particulars	Note	As at March 31,2025	As at March 31, 2024
CURRENT LIABILITIES			
Financial Liabilities			
- Short-term borrowings	17(a)	8,080.03	2,949.11
- Trade payables	17(b)		
- Total outstanding dues of micro enterprises and small enterprises		108.44	65.67
- Total outstanding dues to other than micro enterprises and small enterprises		6,720.75	3,544.47
- Other financial liabilities	17(c)	790.84	246.90
- Lease liabilities	33	31.76	32.70
Current tax liabilities (net)	18	38.34	-
Other current liabilities	19	1,025.76	508.59
Short-term provisions	20	25.19	14.83
Total Current Liabilities (C)		**16,821.11**	**7,362.27**
Total Liabilities (B+C)		**17,969.85**	**7,767.09**
TOTAL EQUITY AND LIABILITIES (A+B+C)		**46,412.17**	**32,651.77**

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

As per our report of even date
For K.P. Rao & Co
Chartered Accountants
Firm Registration Number: 003135S

Mohan R Lavi
Partner
Membership No.029340

Place: Mysuru
Date: May 15, 2025

For and on behalf of the Board of Directors of
Kaynes Technology India Limited

Ramesh Kunhikannan
Managing Director
(DIN: 02063167)

Jairam P Sampath
Whole Time Director & Chief Financial Officer
(DIN: 08064368)

Rajesh Sharma
Chief Executive Officer

Place: Mysuru
Date: May 15, 2025

Anuj Mehtha
Company Secretary
Membership No. A62542

Kaynes Technology India Limited
CIN No: L29128KA2008PLC045825
Consolidated Statement of Profit and Loss
(All amounts are in INR Millions, except per equity share data)

Particulars	Note	For the year ended March 31, 2025	For the year ended March 31, 2024
Income			
Revenue from operations	21	27,217.52	18,046.19
Other Income	22	1,069.63	559.16
Total Income (A)		**28,287.15**	**18,605.35**
Expenses			
Cost of materials consumed	23	19,116.26	13,712.02
Changes in inventories of Finished goods and work in progress	24	(119.16)	(412.64)
Employee Benefit Expenses	25	1,780.67	1,027.56
Finance Cost	26	1,012.98	533.74
Depreciation and amortization expense	27	447.40	251.41
Other Expenses	28	2,332.76	1,177.57
Total Expenses (B)		**24,570.91**	**16,289.66**
Profit / (Loss) before tax (A-B)=C		**3,716.24**	**2,315.69**
Tax Expenses			
Income taxes - Current tax		701.65	458.39
- Earlier year tax adjustments		39.46	-
Deferred tax Charge/ (Credit)		40.80	24.41
Total tax expense (D)		**781.91**	**482.80**
Profit / (Loss) for the year (C - D)=E		**2,934.33**	**1,832.89**
Other comprehensive income (net)			
(i) Other comprehensive income not to be reclassified to profit or loss in subsequent periods			
- Re-measurement gains/ (losses) on defined benefit plans		6.47	3.96
- Exchange differences in translating financial statements of foreign operations		4.94	0.66
Income tax effect		(1.63)	1.00
Total other comprehensive income for the year, net of tax (F)		**9.78**	**5.62**
Total comprehensive income for the year, net of tax (E+F)		**2,944.11**	**1,838.51**
Less: Share of Profit /(Loss) of minority interest		2.47	2.72
Total comprehensive income for the year, net of tax		**2,941.64**	**1,835.79**
Earnings per share (nominal value of Rs. 10 each)			
Basic		45.82	30.63
Diluted		45.40	30.24
Significant accounting policies and notes to financial statement	1 to 2		

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

As per our report of even date
For K.P. Rao & Co
Chartered Accountants
Firm Registration Number: 003135S

Mohan R Lavi
Partner
Membership No.029348

Place: Mysuru
Date: May 15, 2025

For and on behalf of the Board of Directors of
Kaynes Technology India Limited

Ramesh Kunhikannan
Managing Director
(DIN: 02063167)

Jairam P Sampath
Whole Time Director & Chief Financial Officer
(DIN: 08064368)

Rajesh Sharma
Chief Executive Officer

Anuj Mehtha
Company Secretary
Membership No. A62542

Place: Mysuru
Date: May 15, 2025

Kaynes Technology India Limited
CIN No: L29128KA2008PLC045825
Consolidated Statement of Cash Flows
(All amounts are in INR Millions, except per equity share data)

Particulars		For the year ended March 31, 2025	For the year ended March 31, 2024
A. Cash Flow from Operating Activities			
Net profit before extraordinary items and tax		3,716.24	2,315.69
Adjustments for :			
Intangible assets under development		447.40	251.41
Provision for doubtful debts		193.51	135.19
Lease adjustment		29.44	19.79
Interest on Security Deposit		(5.36)	(2.01)
Gain On Fair Valuation of Securities		(93.96)	(23.95)
Interest expense		1,012.98	533.74
Interest income		(957.23)	(519.52)
Operating profit before working capital changes, extraordinary items		**4,343.02**	**2,710.34**
Adjustments for:			
(Increase)/ decrease in Inventories		(2,660.99)	(1,351.60)
(Increase)/Decrease in Trade receivables		(2,190.08)	(1,420.26)
(Increase)/Decrease in Loans and Advances and other assets		(4,112.67)	(43.55)
Increase/(Decrease) in Trade payable and other liabilities		4,390.31	1,450.67
Increase/(Decrease) in Provisions		51.60	12.62
Cash Generated (used in) / From Operations		**(178.81)**	**1,358.22**
Income tax Received / (Paid)		(644.35)	(481.13)
Net Cash from Operating Activities	**(A)**	**(823.16)**	**877.09**
B. Cash Flow from Investing Activities			
Purchase of fixed assets		(9,487.47)	(3,825.99)
Interest Received		957.23	519.52
Investment in fixed deposits		4,989.93	(10,636.52)
Investment in mutual fund		(14.62)	(1,026.86)
Investment in Subsidiary and others		8.34	(257.94)
Net Cash used in Investing activities	**(B)**	**(3,546.59)**	**(15,227.79)**
C. Net Cash from/(used) in Financing Activities			
Proceeds from issue of Share Capital :			
- Equity		1.66	57.76
Share Premium received :			
- Equity		25.05	13,377.83
Share issue expenses		(58.03)	(318.03)
(Repayment) / Proceeds from long term borrowings		563.24	(38.86)
(Repayment) / Proceeds from short term borrowings		5,130.92	1,740.54
Interest expense		(1,012.98)	(533.74)
Net Cash from/(used) in Financing Activities	**(C)**	**4,649.86**	**14,285.50**
Net Increase in Cash and Cash Equivalents	**(A)+(B)+(C)**	**280.11**	**(65.20)**
Cash and cash equivalents as on April 01		194.11	259.31
Cash and cash equivalents as on March 31		**474.22**	**194.11**

K.P. RAO & CO. BENGALURU FRN:003135S CHARTERED ACCOUNTANTS

Kaynes Technology India Ltd.

Kaynes Technology India Limited
CIN No: L29128KA2008PLC045825
Consolidated Statement of Cash Flows
(All amounts are in INR Millions, except per equity share data)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Components of cash and cash equivalents		
Balance with scheduled banks on:		
- on Current Account	473.66	193.62
Cash on Hand	0.56	0.49
	474.22	**194.11**

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

As per our report of even date
For K.P. Rao & Co
Chartered Accountants
Firm Registration Number: 003135S

Mohan R Lavi
Partner
Membership No.029340

Place: Mysuru
Date: May 15, 2025

For and on behalf of the Board of Directors of
Kaynes Technology India Limited

Ramesh Kunhikannan
Managing Director
(DIN: 02063167)

Jairam P Sampath
Whole Time Director & Chief Financial Officer
(DIN: 08064368)

Rajesh Sharma
Chief Executive Officer

Place: Mysuru
Date: May 15, 2025

Anuj Mehtha
Company Secretary
Membership No. A62542

Kaynes Technology India Limited
CIN No: L29128KA2008PLC045825
Consolidated Statement of Changes in Equity
(All amounts are in INR Millions, except per equity share data)

A. Equity Share Capital

Particulars	No. of Shares	Amount
Balance as at April 01, 2023	5,81,42,496	581.42
Change during the year	57,75,577	57.76
Balance as at March 31, 2024	6,39,18,073	639.18
Change during the year	1,66,232	1.66
Balance as at March 31, 2025	6,40,84,305	640.84

B. Other Equity

For the year ended March 31, 2025

Particulars	Reserves & Surplus				Other Comprehensive Income		Total Other Equity	Non Controlling Interest	Total
	Securities premium	General Reserve	Retained earnings	Employee stock options outstanding account (ESOP Reserve)	Foreign Currency Translation Reserve	Remeasurement of defined benefit obligations			
Balance as at April 01, 2024	19,969.41	130.00	4,090.98	12.74	8.12	18.46	24,229.71	15.79	24,245.50
Profit for the period	-	-	2,941.64	-	4.94	-	2,946.58	2.47	2,949.05
On issue of Equity shares	21.28	-	-	-	-	-	21.28	-	21.28
On allotment of ESOPs	3.77	-		(3.77)	-	-	-	-	-
Share based payment expenses	-	-	-	6.34	-	-	6.34	-	6.34
On Acquisition of subsidiaries	-	539.81	-	-	-	-	539.81	21.46	561.27
Other Adjustments	-	-	18.04	-	-	-	18.04	-	18.04
Re-measurement of the net defined benefit liability/asset, net of tax effect	-	-	(9.78)	-	-	9.78	-	-	-
Balance as at March 31, 2025	19,994.46	669.81	7,040.88	15.31	13.06	28.24	27,761.76	39.72	27,801.48

For the year ended March 31, 2024

Particulars	Reserves & Surplus				Other Comprehensive Income		Total Other Equity	Non Controlling Interest	Total
	Securities premium	General Reserve	Retained earnings	Employee stock options outstanding account (ESOP Reserve)	Foreign Currency Translation Reserve	Remeasurement of defined benefit obligations			
Balance as at April 01, 2023	6,591.58	130.00	2,260.81	6.31	7.46	12.84	9,009.00	13.07	9,022.07
Profit for the period	-	-	1,835.79	-	0.66	-	1,836.45	2.72	1,839.17
On issue of Equity shares	13,942.24	-	-	-	-	-	13,942.24	-	13,942.24
Share based payment expenses	-	-	-	6.43	-	-	6.43	-	6.43
Amount utilised for share issue expenses	(564.41)	-	-	-	-	-	(564.41)	-	(564.41)
Re-measurement of the net defined benefit liability/asset, net of tax effect	-	-	(5.62)	-	-	5.62	-	-	-
Balance as at March 31, 2024	19,969.41	130.00	4,090.98	12.74	8.12	18.46	24,229.71	15.79	24,245.50

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

As per our report of even date
For K.P. Rao & Co
Chartered Accountants
Firm Registration Number: 003135S

Mohan R Lavi
Partner
Membership No.029340

Place: Mysuru
Date: May 15, 2025

For and on behalf of the Board of Directors of
Kaynes Technology India Limited

Ramesh Kunhikannan
Managing Director
(DIN: 02063167)

Rajesh Sharma
Chief Executive Officer

Place: Mysuru
Date: May 15, 2025

Jairam P Sampath
Whole Time Director & Chief Financial Officer
(DIN: 08064368)

Anuj Mehtha
Company Secretary
Membership No. A62542

Notes to the Consolidated Financial Statements
Basis of Preparation and Summary of Significant Accounting Policies

1 General Information

Kaynes Technology India Limited ("the Company" / "Parent Company"/ Holding Company") is a company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The Company and its subsidiaries' (Collectively, "the Group") are primarily engaged in Design and Manufacturing of advanced electronic modules and solutions catering to a wide range of industries.

The Holding company has converted itself from Private Limited to Public Limited, pursuant to a special resolution passed in the extraordinary general meeting of the shareholders of the Company held on March 24, 2022 and consequently the name of the Company has changed to "Kaynes Technology India Limited" pursuant to a fresh certificate of incorporation by the Registrar of Companies on March 31, 2022.

The following entities are considered in these Consolidated financial information

Name of Entity	Relationship	Country of Incorporation	Ownership Interest in %	
			As at March 31, 2025	As at March 31, 2024
Kaynes Technology India Limited	Holding	India	100.00	100.00
Kaynes International Design & Manufacturing Private Limited	Subsidiary	India	95.21	95.21
Kemsys Technologies Private Limited	Subsidiary	India	100.00	100.00
Kaynes Embedded Systems Private Limited	Subsidiary	India	60.00	60.00
Kaynes Electronics Manufacturing Private Limited	Subsidiary	India	100.00	100.00
Kaynes Technology Europe GmbH	Subsidiary	Switzerland	60.00	60.00
Kaynes Mechatronics Private Limited	Subsidiary	India	100.00	100.00
Digicom Electronics Inc	Subsidiary	USA	100.00	100.00
Kaynes Semicon Private Limited	Subsidiary	India	100.00	100.00
Kaynes Circuits India Private Limited	Subsidiary	India	100.00	100.00
Essnkay Electronics LLC	Subsidiary	USA	100.00	NA
Kaynes Holding Pte. Limited	Subsidiary	Singapore	100.00	NA
Iskraemeco India Private Limited.	Subsidiary	India	100.00	NA
Sensonic GmBH (Subsidiary of Kaynes Holding Pte. Limited)	Subsidiary	Austria	54.00	NA
Sensonic-UK Limited (Subsidiary of Kaynes Holding Pte. Limited)	Subsidiary	UK	54.00	NA
Sensonic IN India Private Limited (Subsidiary of Kaynes Holding Pte. Limited)	Subsidiary	India	54.00	NA
Sensonic US Inc. (Subsidiary of Kaynes Holding Pte. Limited)	Subsidiary	USA	54.00	NA

2 Basis of preparation

A. Statement of compliance

These Consolidated Ind AS financial statements ("Ind AS financial statements") have been prepared in accordance with Indian Accounting Standards ('Ind AS') notified under Section 133 of the Companies Act, 2013 ('the Act') read with the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) Rules, 2016 and other relevant provisions of the Act, to the extent applicable.

The Consolidated Financial Information, which have been approved by the Board of Directors of the Company, have been prepared in accordance with the requirements of:
- Section 26 of part I of Chapter III of the Act;
- relevant provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, issued by the Securities and Exchange Board of India ('SEBI') as amended in pursuance of the Securities and Exchange Board of India Act, 1992; and
- Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India ("ICAI").

Functional and presentation currency

Items included in the Consolidated Financial Information of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The Consolidated Financial Information are presented in Indian rupee (INR), which is also the Group's functional currency. All amounts have been rounded-off to the nearest million, up to two places of decimal, unless otherwise indicated. Amounts having absolute value of less than INR 1,00,000 have been rounded and are presented as INR 0.00 Millions in the Consolidated Financial Information.

Basis of measurement

The Consolidated financial information has been prepared on the historical cost basis except for the following items:

Items	Measurement Basis
Certain financial assets (except trade receivables and contract assets which are measured at transaction cost) and liabilities	Fair Value
Defined benefits liability	Fair value of plan assets less present value of defined benefit obligations

K.P. RAO & CO. CHARTERED ACCOUNTANTS BENGALURU FRN 003135S

Technology India Ltd.

(a) Expected to be realised or intended to be sold or consumed in normal operating cycle,
(b) Held primarily for the purpose of trading,
(c) Expected to be realised within twelve months after the reporting period, or
(d) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:
(a) It is expected to be settled in normal operating cycle,
(b) It is held primarily for the purpose of trading,
(c) It is due to be settled within twelve months after the reporting period, or
(d) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities. Advance tax paid is classified as non-current assets.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents.

2.2 Fair value measurement

The Company measures financial instruments at fair value at each balance sheet date.
Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:
(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 Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.
The principal or the most advantageous market must be accessible by the Company.

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

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

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

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities;
Level 2 – inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).;
Level 3 - inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement. The Group recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

2.3 Use of estimates and judgements

The preparation of the consolidated financial statements in conformity with Ind AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities. Estimates include provision for employee benefits, allowances for uncollectible trade receivables / advances / contingencies, useful life of fixed assets, provision for taxation, etc., during and at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next financial year are included in the following notes:

K.P. RAO & CO. BENGALURU FRN 003135S CHARTERED ACCOUNTANTS
Kaynes Technology India Ltd.

Note 37 – measurement of defined benefit obligations: key actuarial assumptions;
Notes 29 – recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources;

Note 39 – impairment of financial assets;

2.4 Foreign currency translation

The Company's financial statements are presented in INR, which is also the parent company's functional currency. For each foreign opertaion, the Company determines the functional currency and items included in the financial statements of each entity are measured using that functional currency. The Company uses the direct method of consolidation and on disposal of a foreign operation the gain or loss that is reclassified to profit or loss reflects the amount that arises from using this method.

Initial recognition

Transactions in foreign currencies entered into by the Company are accounted at the exchange rates prevailing on the date of the transaction or at the average rates that closely approximate the rate at the date of the transaction.

Conversion

Monetary assets and liabilities denominated in foreign currencies are translated at the foreign currency exchange rates at the reporting date. Non-monetary assets and liabilities that are carried at historical cost are translated using the exchange rates at the dates of initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined.

Treatment of Exchange Differences

Exchange differences are recognised in profit or loss, except exchange differences arising from the translation of the qualifying cash flow hedges, to the extent the hedges are effective, which are recognised in other comprehensive income (OCI).

2.5 Principles of consolidation

a. Subsidaries

Subsidiaries are entities controlled by the Group. Control is achieved when the Group 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 Group controls an investee if, and only if, the Group has:

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

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

(i) The contractual arrangement with the other vote holders of the investee;
(ii) Rights arising from other contractual arrangements;
(iii) The Group's voting rights and potential voting rights;
(iv) The size of the group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the Consolidated Financial Statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Consolidated Financial Statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the Consolidated Financial Statements for like transactions and events in similar circumstances, appropriate adjustments are made to that Group member's financial statements in preparing the consolidated financial statements to ensure conformity with the Group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the Parent Company, i.e. year ended on March 31.

b. **Consolidation Procedures:**

a. Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognized in the Consolidated Financial Statements at the acquisition date.

b. Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.

K.P. RAO & CO. BENGALURU FRN:003135S CHARTERED ACCOUNTANTS

Kaynes Technology India Pvt. Ltd.

c. Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the Group (profits or losses resulting from intragroup transactions that are recognized in assets, such as inventory and property, plant and equipment and intangible assets, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the Consolidated Financial Statements. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profit and losses resulting from intragroup transactions.

c. **Non-controlling interests (NCI)**
NCI are measured at their proportionate share of the acquiree's net identifiable assets at the date of acquisition.
Changes in the Group's equity interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

d. **Loss of control**
A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.
If the Group loses control over a subsidiary, it:
(i) Derecognises the assets (including goodwill) and liabilities of the subsidiary.
(ii) Derecognises the carrying amount of any non-controlling interests.
(iii) Derecognises the cumulative translation differences recorded in equity.
(iv) Recognises the fair value of the consideration received.
(v) Recognises the fair value of any investment retained.
(vi) Recognises any surplus or deficit in profit or loss.
(vii) Reclassifies the parent's share of components previously recognized in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities.

e. **Subsidiaries considered in the Consolidated Financial Statements:**

Name of Entity	Relationship	Country of Incorporation	Ownership Interest in %	
			As at March 31, 2025	As at March 31, 2024
Kaynes Technology India Limited	Holding	India	100.00	100.00
Kaynes International Design & Manufacturing Private Limited	Subsidiary	India	95.21	95.21
Kemsys Technologies Private Limited	Subsidiary	India	100.00	100.00
Kaynes Embedded Systems Private Limited	Subsidiary	India	60.00	60.00
Kaynes Electronics Manufacturing Private Limited	Subsidiary	India	100.00	100.00
Kaynes Technology Europe GmbH	Subsidiary	Switzerland	60.00	60.00
Kaynes Mechatronics Private Limited	Subsidiary	India	100.00	100.00
Digicom Electronics Inc	Subsidiary	USA	100.00	100.00
Kaynes Semicon Private Limited	Subsidiary	India	100.00	100.00
Kaynes Circuits India Private Limited	Subsidiary	India	100.00	100.00
Essnkay Electronics LLC	Subsidiary	USA	100.00	NA
Kaynes Holding Pte. Limited	Subsidiary	Singapore	100.00	NA
Iskraemeco India Private Limited	Subsidiary	India	100.00	NA
Sensonic GmBH (Subsidiary of Kaynes Holding Pte. Limited)	Subsidiary	Austria	54.00	NA
Sensonic-UK Limited (Subsidiary of Kaynes Holding Pte.	Subsidiary	UK	54.00	NA
Sensonic IN India Private Limited (Subsidiary of Kaynes Holding Pte. Limited)	Subsidiary	India	54.00	NA
Sensonic US Inc. (Subsidiary of Kaynes Holding Pte. Limited)	Subsidiary	USA	54.00	NA

2.6 Revenue recognition

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company has generally concluded that it is the principal in its revenue arrangements because it typically controls the goods or services before transferring them to the customer.

The specific recognition criteria described below must also be met before revenue is recognised.

Sale of products and services
Revenue from sale of products is recognised at the point in time when control of the asset is transferred to the customer, generally on delivery of the products. Revenue from sale of services is recognized as the service is performed and there are no unfulfilled obligations.

The Company considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated if any. In determining the transaction price for the sale of goods, the Company considers the effects of variable consideration, the existence of significant financing components, noncash consideration, and consideration payable to the customer (if any).

K.P. RAO & CO. BENGALURU FRN:003135S CHARTERED ACCOUNTANTS

Kaynes Technology India Ltd.

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts and schemes offered by the Company as part of the contract. This variable consideration is estimated based on the expected value of outflow. Revenue (net of variable consideration) is recognized only to the extent that it is highly probable that the amount will not be subject to significant reversal when uncertainty relating to its recognition is resolved.

The company has ascertained that all performance obligations are performed at a point in time.

Contract balances

Contract assets
A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional. Contract assets are transferred to receivables when the rights become unconditional and contract liabilities are recognized as and when the performance obligation is satisfied. Contract assets are subject to impairment assessment. Refer to accounting policies on impairment of financial assets in section (o) Financial instruments below.

A receivable is recognised if an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in section (o) Financial instruments below.

Contract Liability
A contract liability is recognised if a payment is received or a payment is due (whichever is earlier) from a customer before the Company transfers the related goods or services. Contract liabilities are recognised as revenue when the Company performs under the contract (i.e., transfers control of the related goods or services to the customer).
The company presents revenues net off indirect taxes in the statement of profit and loss.

2.7 Other Income

Interest income is recognized on time proportion basis and other income, if any, recognized on the basis of certainty of receipts and on accrual basis and this is included in the finance income in the statement of profit and loss.

For all financial instruments measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability.

When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses. Interest income is included in finance income in the statement of profit and loss.

Government Grant
Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. 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.

2.8 Employee Benefits

a) Short-term benefits
Short-term employee benefit obligations are measured on an undiscounted basis and are recorded as expense as the related service is provided. A liability is recognised for the amount expected to be paid, if the Company has a present obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

b) Provident Fund
This is a defined benefit plan. Aggregate contributions along with interest thereon are paid at retirement, death, incapacitation or termination of employment. Both the employee and the Company make monthly contributions equal to a specified percentage of the employee's salary to the provident fund. The Company contributes to the government administered pension fund.

c) Gratuity

This is a defined benefit plan. The Company provides for Gratuity covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment.

d) Leave Encashment

K.P. RAO & CO. BENGALURU FRN 003135S CHARTERED ACCOUNTANTS

Kaynes Technology India Ltd.

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 reporting date. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred. The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer the settlement for at least twelve months after the reporting date.

The Company's liability for Gratuity and Leave encashment are actuarially determined using the Projected Unit Credit method at the end of each year.

Actuarial gains and losses are recognised immediately in the retained earnings through Other Comprehensive Income (OCI) in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods. The defined benefit obligation recognised in the balance sheet represents the present value of the defined benefit obligation less the fair value of plan assets out of which the obligations are expected to be settled.

e) Employees' Stock Option Plans (ESOP)
The Group recognizes compensation expense relating to share-based payments in net profit based on estimated fair-values of the awards on the grant date. The estimated fair value of awards is recognized as an expense in the Statement of Profit and Loss on a straight-line basis over the requisite service period for each separately vesting portion of the award as if the award was in-substance, multiple awards with a corresponding increase to share options outstanding account.

f) Social Security 2020
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 entity believes the impact of the change will not be significant.

2.9 Borrowing cost

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset until such time as the assets are substantially ready for the intended use or sale. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

2.10 Financial instruments

2.11 Financial assets

Initial recognition and measurement
A financial asset (except trade receivable and contract asset) is recognised initially at fair value plus or minus transaction cost that are directly attributable to the acquisition or issue of financial assets (other than financial assets at fair value through profit and loss). Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss ('FVTPL') are recognised immediately in the Consolidated Statement of Profit and Loss.

Subsequent measurement
For purposes of subsequent measurement financial assets are classified in two broad categories:
Amortised cost;
Fair Value through Other Comprehensive Income (FVOCI) – equity investment; or
Fair Value through Profit or Loss (FVTPL)

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Group changes its business model for managing financial assets.

Where assets are measured at fair value, gains and losses are either recognised entirely in the statement of profit and loss (i.e. fair value through profit or loss), or recognised in other comprehensive income (i.e. fair value through other comprehensive income).

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

a) the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and

b)the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

K.P. RAO & CO. BENGALURU FRN 003135S CHARTERED ACCOUNTANTS
Kaynes Technology India Ltd.

Financial assets at FVTPL: These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.

Financial assets at FVOCI: These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in Other Comprehensive Income.

Financial assets at amortised cost: These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

2.12 Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Group of similar financial assets) is primarily derecognised (i.e. removed from the Group's statement of financial position) when:

The rights to receive cash flows from the asset have expired, or the Group 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 group has transferred substantially all the risks and rewards of the asset, or

b. the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group 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 the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group 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 Group has retained.

2.13 Impairment of financial assets

The Group assesses impairment based on expected credit losses (ECL) model to the following:

(i) **Financial assets measured at amortised cost;**

(ii) Financial assets measured at fair value through other comprehensive income (FVTOCI);

Expected credit losses are measured through a loss allowance at an amount equal to:

The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or

Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument).

The Group follows 'simplified approach' for recognition of impairment loss allowance on trade receivables or contract revenue receivables. Under the simplified approach, the Group does not track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

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

For recognition of impairment loss on other financial assets and risk exposure, the Group determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-months 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 Group reverts to recognising impairment loss allowance based on 12-months ECL.

For assessing increase in credit risk and impairment loss, the Group combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

For investments in subsidiary companies, the company does not provide for impairment losses till indicators of impairment are confirmed.

2.14 Financial liabilities:

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 Group's financial liabilities include trade and other payables, loans and borrowings.

Subsequent measurement

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

K.P. RAO & CO. BENGALURU FRN: 003135S CHARTERED ACCOUNTANTS

Kaynes Technology India Ltd.

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.

Gains or losses on liabilities held for trading are recognised in the statement of profit and loss. Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied.

2.15 Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate (EIR) method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

Offsetting of financial instruments:

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

2.16 Property, plant and equipment and intangible assets

Capital work in progress includes cost of property, plant and equipment under installation / under development, net of accumulated impairment loss, if any, as at the balance sheet date. Plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognised in profit or loss as incurred.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate assets are derecognised when replaced. All other repairs and maintenance are charged to profit and loss during the reporting period in which they are incurred.
The Company identifies and determines cost of each component/ part of the asset separately, if the component / part has a cost which is significant to the total cost of the asset having useful life that is materially different from that of the remaining asset. These components are depreciated over their useful lives; the remaining asset is depreciated over the life of the principal asset.

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any.
Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period with the affect of any change in the estimate being accounted for on a prospective basis. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

K.P. RAO & CO. BENGALURU FRN:003135S CHARTERED ACCOUNTANTS

Kaynes Technology India Ltd.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

An intangible asset is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised.

2.17 Depreciation and amortisation

Depreciation is provided using the straight-line method as per the useful lives of the assets estimated by the management in line with schedule II of the Companies Act, 2013 except in the case of moulds in respect of which the estimated useful life is ascertained as 6 years based on the independent technical evaluation carried out by the internal technical team which is different from the estimated useful life prescribed under Part C of Schedule II of the Companies Act 2013. Building in leasehold land will be depreciated over the remaining usefull life of the building as ascertained by an independent valuer over the remaining lease period or life specified in the Companies Act for such building whichever is lower.

Asset Category	Management estimate of useful life & Useful life as per Schedule II
Land	Unlimited
Buildings	60
Plant & Equipment	15
Furniture & Fittings	10
Office Equipments	5
Electrical Fittings	10
Computers	3
Vehicles	8
Airconditioners	5
Leasehold Improvement	3
Software	5
Technical know-how	5

The amortisation of software development and intellectual property costs is allocated on a straight-line basis over the best estimate of its useful life of the product. The factors considered for identifying the basis include obsolescence, product life cycle and actions of competitors. The amortization period and the amortization method are reviewed at each year end.

2.18 Impairment of tangible and intangible assets

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal / external factors. An impairment loss is recognised wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the assets net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset. After impairment, depreciation is provided on the revised carrying amount of the assets over its remaining useful life.

2.19 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. When the grant relates to an asset, it is presented as a reduction from the gross carrying amount of the respective assets and net balance is depreciated over the useful life of the related asset.

2.20 Inventories

Inventories are valued at lower of cost and net realisable value. 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. Costs incurred in bringing each product to its present location and condition are accounted for as follows:

a) Raw materials and stores and spares: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition.

b) Finished goods and work in progress: cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity, but excluding borrowing costs.

Cost of raw materials, stores and spares,work-in-progress and finished goods is determined on a weighted average basis.

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

K.P. RAO & CO. BENGALURU FRN:012135S CHARTERED ACCOUNTANTS

Kaynes Technology India Ltd.

2.21 Leases

The Group has lease contracts for office spaces. The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.
The Group applies a single recognition and measurement approach for all leases, except for shortterm leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

As lessee

i) Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made
at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets. If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment. Refer to the accounting policies in section (2.11) Impairment of non-financial assets.

ii) Lease liabilities

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

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

2.22 Cash and cash equivalents

Cash and cash equivalent in the standalone balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less that are readily convertible to a known amount of cash and which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, as they are considered an integral part of the Company's cash management.

2.23 Taxes on Income

Current income tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Parent Company and its subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred tax

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying values of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of the taxable profit and is accounted for using the balance sheet liability model. Deferred tax liabilities are generally recognised for all the taxable temporary differences. In contrast, deferred tax assets are only recognised to the extent that is probable that future taxable profits will be available against which the temporary differences can be utilised.

Deferred tax assets are recognized for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

K.P. RAO & CO. BENGALURU FRN:003135S CHARTERED ACCOUNTANTS

Kaynes Technology India Ltd.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date.
Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.
Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Minimum Alternate Tax
Minimum Alternative Tax ('MAT') under the provisions of the Income-tax Act, 1961 ("the IT Act") is recognised as current tax in the statement of Profit and Loss. The credit availed under the IT Act in respect of MAT paid is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the period for which the MAT credit can be carried forward for set-off against normal tax liability. MAT credit recognised as an asset is reviewed at each balance sheet date and written down to the extent the aforesaid convincing evidence no longer exists.

2.24 Provisions
General
Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Provisions are reviewed at each balance sheet.

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

Contingent Asset
Contingent assets has to be recognised in the financial statements in the period in which if it is virtually certain that an inflow of economic benefits will arise. Contingent assets are assessed continually and no such benefits were found for the current financial year.

2.26 Earnings per share (EPS)
Basic earnings per share is calculated by dividing the net profit or loss attributable to equity holder of the Group by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders of the parent company and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares. The conversion rate considered for computing dilutive potential equity shares is based on the terms and basis of the instrument as agreed under the shareholders agreement signed between the parties.

2.27 Cash flow statement
Cash flows are reported using the indirect method, whereby net profit/ (loss) before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from regular revenue generating (operating activities), investing and financing activities of the Group are segregated.

2.28 Events after reporting date
Where events occurring after the balance sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the financial statements. Otherwise, events after the balance sheet date of material size or nature are only disclosed.

2.29 Standards issued but not yet effective:
Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2025, MCA has notified Ind AS - 117 Insurance Contracts and amendments to Ind AS 116 - Leases, relating to sale and leaseback transactions, applicable to the Company w.e.f. April 1, 2024. The Company has reviewed the new pronouncements and based on its evaluation has determined that it does not have any significant impact in its financials.

3 Property, plant and equipment

		Particulars	Tangible Assets										Total
			Land	Buildings	Plant & Equipment	Furniture & Fittings	Office Equipments	Electrical Fittings	Computers	Vehicles	Air conditioners	Leasehold Improvement	
Gross Block		As at April 01, 2023	90.06	171.38	934.53	59.05	20.03	22.03	41.65	81.04	13.62	17.21	1,450.61
	2023-24	Additions during the year	5.10	548.54	1,075.14	62.20	10.61	33.29	15.40	29.99	39.52	10.53	1,830.32
		Deletions during the year	(7.60)	-	3.89	(1.15)	0.06	-	-	-	-	-	(4.80)
		As at March 31, 2024	87.56	719.92	2,013.56	120.10	30.70	55.32	57.05	111.03	53.14	27.74	3,276.13
	2024-25	Opening Balance of Newly Acquired Companies	-	-	280.47	47.19	4.38	-	32.62	2.92	0.05	0.38	368.01
		Additions during the year	446.44	10.72	1,978.17	52.20	22.40	12.48	30.45	40.73	23.27	13.13	2,629.99
		Deletions during the year	-	-	(2.71)	-	-	-	-	(1.27)	(7.62)	-	(11.60)
		Adjustments							-	-	-	-	-
		Balance as at March 31, 2025	534.00	730.64	4,269.49	219.49	57.48	67.80	120.12	153.41	68.84	41.25	6,262.53

		Particulars	Tangible Assets										Total
			Land	Buildings	Plant & Equipment	Furniture & Fittings	Office Equipments	Electrical Fittings	Computers	Vehicles	Air conditioners	Leasehold Improvement	
Accumulated Depreciation		As at April 01, 2023	-	31.48	345.52	35.25	16.12	14.29	33.16	45.63	10.47	16.93	548.85
	2023-24	Charge for the year	-	16.83	87.33	5.49	2.05	2.00	7.60	8.93	2.90	2.59	135.72
		Deletions during the year / written off	-	-	(0.55)	-	(0.02)	-	(1.67)	-	-	-	(2.24)
		As at March 31, 2024	-	48.31	432.30	40.74	18.15	16.29	39.09	54.56	13.37	19.52	682.33
	2024-25	Opening Balance of Newly Acquired Companies			189.93	16.62	5.65		21.09	0.06	4.89	(0.78)	237.46
		Charge for the year		24.01	216.44	12.22	3.44	4.94	17.22	11.70	10.40	5.30	305.67
		Deletions during the year / written off	-	-	(2.71)	-	-	-	-	-	(5.16)	-	(7.87)
		Balance as at March 31, 2025	-	72.32	835.96	69.58	27.24	21.23	77.40	66.32	23.50	24.04	1,217.59
Net Block		Balance as at March 31, 2025	534.00	658.32	3,433.53	149.91	30.24	46.57	42.72	87.09	45.34	17.21	5,044.94
		As at March 31, 2024	87.56	671.61	1,581.26	79.36	12.55	39.03	17.96	56.47	39.77	8.22	2,593.80

3(a) Capitalised Expenditure

Borrowing cost:

Particulars	As at March 31, 2025	As at March 31, 2024
Balance brought down	69.18	7.74
Interest expenses	92.87	65.98
Sub-Total	**162.05**	**73.72**
Less: Allocated to property, plant	-	(4.54)
Balance carried over (included in capital work in progress)	**162.05**	**69.18**

3(b) Capital Work in Progress

Particulars	Tangible Assets under Construction or Installation	Total
As at April 01, 2023	**111.63**	**111.63**
Additions/Adjustment	1,238.39	1,238.39
Capitalization of Interest	52.72	52.72
Capitalized in 2023-24	(637.18)	(637.18)
As at March 31, 2024	**765.56**	**765.56**
Additions/Adjustment	2,974.53	2,974.53
Capitalization of Interest	92.87	92.87
Capitalized in 2024-25	(830.72)	(830.72)
Balance as at March 31, 2025	**3,002.24**	**3,002.24**

Capital work in progress ageing schedule

As at March 31, 2025

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Project in Progress	2,423.85	578.39	-	-	3,002.24
Total	**2,423.85**	**578.39**	-	-	**3,002.24**

As at March 31, 2024

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Project in Progress	653.93	111.63	-	-	765.56
Total	**653.93**	**111.63**	-	-	**765.56**

There are no projects are temporarily suspended as at March 31,2025 and March 31,2024 .

3(c) Intangible Assets

		Particulars	Intangible Assets		Total
			Software	Technical know-how	
Gross Block		As at April 01, 2023	38.13	322.78	360.91
	2023-24	Additions during the year	3.83	39.08	42.91
		Deletions during the year / Written off	-	-	-
		As at March 31, 2024	41.96	361.86	403.82
	2024-25	Additions during the year	132.80	1,155.87	1,288.67
		Deletions during the year / Written off	-	59.97	59.97
		Capitalised	-	-	-
		Balance as at March 31, 2025	174.76	1,457.76	1,632.52

		Particulars	Intangible Assets		Total
			Software	Technical know-how	
Accumulated Depreciation		As at April 01, 2023	22.16	117.81	139.97
	2023-24	Charge for the year	4.19	70.91	75.10
		Deletions during the year / written off	-	(5.29)	(5.29)
		As at March 31, 2024	26.35	194.01	220.36
	2024-25	Charge for the year	11.16	72.44	83.60
		Deletions / Adjustments during the year	-	-	-
		Balance as at March 31, 2025	37.51	266.45	303.96
Net Block					
		Balance as at March 31, 2025	137.25	1,191.31	1,328.56
		As at March 31, 2024	15.61	167.85	183.46

K.P. RAO & CO. BENGALURU FRN:003135S CHARTERED ACCOUNTANTS

3(d) Intangible Assets under development

Particulars	Computer Software Under Development	Technical Knowhow (including Designs & Prototypes) Under Development	Total
As at April 01, 2023	-	142.71	142.71
Additions/Adjustment	30.00	99.28	129.28
Capitalization of Interest	-	13.25	13.25
Capitalized in 2023-24	-	-	-
As at March 31, 2024	30.00	255.24	285.24
Additions/Adjustment	45.10	641.01	686.11
Capitalization of Interest	-	-	-
Capitalized in 2024-25	(30.00)	(30.20)	(60.20)
Balance as at March 31, 2025	45.10	866.05	911.15

Intangible Assets under Development Ageing Schedule

Balance as at March 31, 2025

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Project in Progress	768.44	142.71	-	-	911.15
Total	768.44	142.71	-	-	911.15

As at March 31, 2024

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Project in Progress	142.53	142.71	-	-	285.24
Total	142.53	142.71	-	-	285.24

* No projects are temporarily suspended as at March 31,2025 and March 31,2024 .

Relevant line item in the Balance sheet	Description of item of property	Gross carrying value	Title deeds held in the name of	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** **also indicate if in dispute
Property, plant and equipment	Land	1.183	P.K. Bansal	NA	April 12, 2012	To be registered

3(e) Rights-of-Use Assets

Particulars	Total
As at April 01, 2023	**170.90**
Additions during the year	132.82
Deletions/ adjustments during the y	-
Depreciation during the year	(40.59)
As at March 31, 2024	**263.13**
Additions during the year	2,201.06
Deletions/ adjustments during the y	(34.54)
Depreciation during the year	(66.00)
Less: Subsidy Received	(428.88)
Balance as at March 31, 2025	**1,934.77**

3(f) Goodwill

Particulars	Total
As at April 01, 2023	**23.44**
Additions during the year	128.25
Write off during the year	-
As at March 31, 2024	**151.69**
Additions during the year (Net of Capital Reserve)	(10.31)
Write off during the year	-
Balance as at March 31, 2025	**141.38**

K.P. RAO & CO. BENGALURU FRN:003135S CHARTERED ACCOUNTANTS

Kaynes Technology India Limited

NON-CURRENT ASSETS

		As at March 31,2025	As at March 31, 2024
	FINANCIAL ASSET		
4	**Investments**		
	Unquoted		
	Investments - Non-Trade		
	Investments in Equity instruments	263.04	271.38
	Investments in Others	1,060.80	1,046.18
	Total	**1,323.84**	**1,317.56**

4.1 Detail of Non-Current Investments

	(i) Financial assets measured at amortised cost		
	Investment in Equity Instruments		
	(a) Other than Subsidiary Companies		
	Winfoware Technologies Limited	10.80	10.80
	Mysore ESDM Cluster	2.64	2.64
	Mixx Technologies Inc	249.60	249.60
	Essnkay Electronics LLC	-	8.34
		263.04	**271.38**
	(ii)Financial assets measured at FVTPL		
	Investments in Mutual Funds (Quoted)	1,060.80	1,046.18
		1,323.84	**1,317.56**

Investments in equity instruments- Others

a) Investment in Winfoware Technologies Limited 14,87,120 equity shares (2024: 14,87,120) face value of Rs.5/- each purchased at a premium, constitutes 18.98% of the capital of that company.

b) Investment in Mysore ESDM Cluster (Company constituted under section 8 of the Companies Act 2013), 2,500 equity shares of Rs. 10/- each constitutes 0.18% (2024: 0.18%) of the capital of that company.

Investments in Mutual Funds

Particulars	As at March 31,2025		As at March 31, 2024	
	Units	Total NAV	Units	Total NAV
Canara Robeco Emerging Equities - Regular Growth Fund	2,273.13	0.53	2,273.13	0.48
Canara Robeco Emerging Equities - Regular Growth Fund	315.66	0.07	315.66	0.07
Canara Robeco Equity Hybrid Fund - Regular Growth Fund	976.67	0.33	976.67	0.30
Canara Robeco Equity Hybrid Fund - Regular Growth Fund	135.30	0.05	135.30	0.04
Canara Robeco Infrastructure - Regular Growth Fund	1,711.00	0.25	1,711.00	0.22
Canara Robeco Blue Chip Equity Fund	6,474.13	0.38	6,474.13	0.35
Canara Robeco Large Capital Fund - Regular Growth Fund	1,320.41	0.08	1,320.41	0.07
Canara Robeco Consumer Trends Fund - Regular Growth	1,083.76	0.11	1,083.76	0.10
Canara Robeco Flexi Cap Fund - Regular Growth	404.53	0.13	404.53	0.12
Canara Robeco Mid Cap Fund - Regular Growth(MDGP)	9,99,950.00	14.88	9,99,950.00	13.76
Canara Robeco Multi cap fund-MF-DG	-	-	8,395.89	0.10
Canara Robeco Savings Fund-FR- DG	-	-	64,40,188.29	253.59
Equity Arbitrage Fund -Direct Growth 8178	-	-	39,41,418.51	131.98
Bandhan Arbitrage Fund - Growth Direct Plan	-	-	38,14,722.40	121.79
Bandhan Low Duration Fund - Growth Direct Plan	-	-	72,00,909.68	253.46
Adity Birla Sun Life Balanced Advantage Fund - Growth Direct	-	-	25,36,656.53	258.05
SBI Magnum low duration Fund	890.56	3.05	890.56	2.84
SBI Balanced Advantage Fund	49,997.50	0.73	49,997.50	0.68
SBI Magnum Medium Duration Fund	1,19,604.51	5.99	1,19,604.51	5.53
SBI Corporate Bond Fund	1,86,734.82	2.83	1,86,734.82	2.62
Baroda BNP Paribas GILT FUND - Direct Plan - Growth Option	2,24,12,262.87	1,030.12		
Canara Robeco Multi Cap Fund - Direct Plan - Growth Option	95,668.91	1.28		
		1,060.80		1,046.18

K.P. RAO & CO. BENGALURU FRN:003768S CHARTERED ACCOUNTANTS

Kaynes Technology India Ltd.

5 FINANCIAL ASSETS

	As at March 31,2025	As at March 31, 2024
5(a) Loans and deposits, (At Amortised Cost)		
Unsecured considered good (Unless Otherwise stated)		
Rental Deposits	49.82	36.26
Utility Deposits	16.90	12.14
EMD Deposits	34.96	10.42
NSE Deposits	30.00	30.00
	131.68	88.82
5(b) Other financial assets (At Amortised Cost)		
Unsecured considered good (Unless Otherwise stated)		
Advances recoverable in cash, kind or to value to be received	19.38	37.03
	19.38	37.03

6 OTHER NON-CURRENT ASSETS

	As at March 31,2025	As at March 31, 2024
Unsecured, considered good		
Capital Advances	2,459.79	1,092.48
Trade Receivables	3,263.65	-
Prepaid Rent	9.70	6.13
Prepaid staff welfare expenses	8.66	-
	5,741.80	1,098.61

CURRENT ASSETS

7 Inventories (at cost or net realisable value whichever is lower)

	As at March 31,2025	As at March 31, 2024
Raw materials	6,068.87	3,710.36
Work-in-progress	1,075.82	1,220.02
Finished Goods	524.62	261.26
Goods-in-transit	273.21	212.61
Consumables, stores and spares	201.71	78.99
	8,144.23	5,483.24

8 FINANCIAL ASSETS

8(a) Trade receivables

	As at March 31,2025	As at March 31, 2024
Unsecured, Considered Good(Unless otherwise stated)	5,745.80	3,555.73
Unsecured, Considered Doubtful	420.40	226.89
Less - expected credit loss allowance	(420.40)	(226.89)
	5,745.80	3,555.73

Movement in the expected credit loss allowance of trade receivables are as follows:

Balance at the Beginning of the year / period	226.89	91.70
Add: Provided during the year / period	193.51	135.19
Less: Amount written off		
Balance at the end of the year / period	420.40	226.89

(i)Trade Receivables Ageing Schedule:

Undisputed Trade receivables - considered good	As at March 31,2025	As at March 31, 2024
Less than 6 months	5,132.88	2,857.17
6 months - 1 year	241.43	263.67
1 -2 years	273.59	258.93
2 -3 years	22.73	175.96
More than 3 years	75.17	-
Total	5,745.80	3,555.73

Note:

No trade or other receivable are due from directors or other officers of the Company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member. Trade receivables are non-interest bearing.

Trade receivables of the company has been pledged with banks for availing working capital and other facilities.

8(b) Cash and cash equivalents

	As at March 31,2025	As at March 31, 2024
Balance with banks		
- In Current accounts	473.66	193.62
Cash on hand	0.56	0.49
	474.22	**194.11**

8(c) Bank balances other than cash and cash equivalents

Deposits with original maturity for less than 12 months	9,992.55	14,999.98
Margin Money and Other Deposits *	96.29	61.51
	10,088.84	**15,061.49**

*Deposits held with banks for issue of bank guarantees, letters of credit and guarantees to customs authorities.

8(d) Loans and deposits, carried at amortized cost

	As at March 31,2025	As at March 31, 2024
Unsecured, Considered Good(Unless otherwise stated)		
Loans to employees	48.49	38.86
Total	**48.49**	**38.86**

8(e) Other financial assets (At Amortised Cost)

	As at March 31,2025	As at March 31, 2024
Unsecured, Considered Good(Unless otherwise stated)		
Interest accrued	237.67	254.95
	237.67	**254.95**

9 CURRENT TAX ASSETS (NET)

	As at March 31,2025	As at March 31, 2024
Advance income tax	-	734.50
Less: Provision for income taxes	-	(675.69)
	-	**58.81**

10 OTHER CURRENT ASSETS

	As at March 31,2025	As at March 31, 2024
Unsecured, considered good		
Advances for supply of goods	608.97	473.03
MAT Credit Entitlement	0.96	0.96
Prepaid Expenses	362.61	284.84
Balance with government authorities	1,041.75	448.00
Contract Asset- Unbilled revenue	9.15	5.20
Other Advances	69.74	7.65
	2,093.18	**1,219.68**

K.P. RAO & CO. BENGALURU FRN:003135S CHARTERED ACCOUNTANTS

11 Share Capital

11(A) Equity Share Capital

i)Authorised

Particulars	Equity Share Capital	
	No of Shares	Amount
Balance as at April 01, 2023	7,00,00,000	700.00
Increase during the year	-	-
Balance as at March 31, 2024	7,00,00,000	700.00
Increase during the year	-	-
Balance as at March 31, 2025	7,00,00,000	700.00

ii) Shares issued, subscribed and fully paid-up

Particulars	Equity Share Capital	
	No of Shares	Amount
Balance as at April 01, 2023	5,81,42,496	581.42
Add: Shares issued during the year	57,75,577	57.76
Add: Conversion of Preference shares into equity	-	-
Balance as at March 31, 2024	6,39,18,073	639.18
Add: Shares issued during the year	1,66,232	1.66
Add: Conversion of Preference shares into equity	-	-
Balance as at March 31, 2025	6,40,84,305	640.84

iii) Terms/rights attached to equity shares

The company has only one class of equity shares having a par value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

iv) Shareholders holding more than 5 percent of Equity Shares

Name of Share holder	As at March 31,2025	As at March 31, 2024
Mr. Ramesh Kunhikannan	3,69,43,633	3,69,43,633
% of Share holding	57.65%	57.80%

Note: For the period of five years immediately preceding March 31,2025

(a) No shares were allotted as fully paid-up pursuant to contract(s) without payment being received in cash.

(b) Aggregate Number and class of shares allotted as fully paid up by way of bonus shares.

	No. of shares	Amount (Rs.)
(c) Financial Year Ended March 31, 2025		
i) During the year, the company has allotted 92,697 and 73,535 fully paid up equity shares of Rs.10 each under "ESOP Scheme 2022" on approval accorded by the Board of Directors of the company at their meetings held on July 26, 2024 and March 29, 2025 respectively.	1,66,232	16,62,320
(d) Financial Year Ended March 31, 2024		
i) The company has issued 57,75,577 fully paid up equity shares of Rs.10 each during the financial year by way of Qualified Institutional placement ("QIP") on approval accorded by the Fund raising committee of the Board of Directors of the company held on December 21,2023.	57,75,577	5,77,55,770

v) Shareholding of Promoters

Promoter Name	As at March 31,2025	As at March 31, 2024
Mr. Ramesh Kunhikannan		
- No. of Shares held	3,69,43,633	3,69,43,633
- Percentage of holding	57.65%	57.80%
- Changes during the year	(24.81%)	
Mrs. Savitha Ramesh		
- No. of Shares held	19,800	19,800
- Percentage of holding	0.03%	0.03%
- Changes during the year	(0.01%)	
RK Family Trust (Ramesh Kunhikannan)		
- No. of Shares held	100	100
- Percentage of holding	0.00%	0.00%
- Changes during the year	0.00%	

11(B) Instruments entirely equity in nature

Compulsorily Convertible Preference Share Capital

i)Authorised

Particulars	No of Shares	Amount
Balance as at March 31, 2023	20,00,000	20.00
Increase during the year	-	-
Balance as at March 31, 2024	20,00,000	20.00
Increase during the year	-	
As at March 31,2025	20,00,000	20.00

Pursuant to a resolution of the Board of Directors dated June 05, 2020 and the shareholders meeting dated June 05, 2020, the Authorized Share Capital of the Company has been reclassified to Rs. 10 millions consisting of 10,00,000 Preference Shares of Rs. 10/- (Rupees Ten only) and a resolution of Board of Directors dated October 11, 2020 and the shareholders meeting dated October 11, 2020, the Authorized Share Capital of the Company has been increased from Rs. 10 millions consisting of 10,00,000 Preference Shares of Rs. 10/- (Rupees Ten only) each to Rs.20 millions consisting of 20,00,000 Preference Shares of Rs. 10/- each (Rupees Ten only).

ii) Shares issued, subscribed and fully paid-up

Particulars	No of Shares	Amount
Balance as at April 01, 2023	-	-
Add: Shares issued during the year	-	-
Add: Bonus shares issued during the year	-	-
Less: Share converted into equity during the year	-	-
Balance as at March 31, 2024	-	-
Add: Shares issued during the year	-	-
Add: Bonus shares issued during the year	-	-
Less: Share converted into equity during the year	-	-
Balance as at March 31, 2025	-	-

ii) Terms/rights attached to Preference shares:

The Preference Shareholders shall carry such voting rights as are exercisable by persons holding Equity Shares in the Company and shall be treated pari passu with the Equity Shares on all voting matters. In the event of liquidation, the Preference Shareholders will carry a preferential right over the holder of equity shares for payment of dividend and for payment of capital, in proportion to their shareholding and are also eligible to participate in surplus funds.





12 OTHER EQUITY

	As at March 31,2025	As at March 31, 2024
Securities premium (refer note i)	19,994.46	19,969.41
General Reserve (refer note ii)	669.81	130.00
Surplus in the profit and loss statement (refer note iii)	7,040.88	4,090.98
Foreign currency translation reserve (refer note iv)	13.06	8.12
Other Comprehensive income (refer note v)	28.24	18.46
Employee stock options outstanding account (ESOP Reserve) (refer note vi)	15.31	12.74
	27,761.76	24,229.71

i) Securities Premium

	As at March 31,2025	As at March 31, 2024
At beginning of the year	19,969.41	6,591.58
Changes during the year	25.05	13,377.83
As at end of the year	19,994.46	19,969.41

ii) General Reserve

	As at March 31,2025	As at March 31, 2024
At beginning of the year	130.00	130.00
Add: Transfer from Retained earnings	-	
Add: On Acquisition of subsidiaries	539.81	
Add: Transfer from Debenture redemption reserve	-	-
As at end of the year	669.81	130.00

iii) Surplus in the profit and loss statement

	As at March 31,2025	As at March 31, 2024
At beginning of the year	4,090.98	2,260.81
Add: Profit for the year	2,941.64	1,835.79
Add: Other Adjustments	18.04	-
Less: Other Comprehensive Loss	(9.78)	(5.62)
As at end of the year	7,040.88	4,090.98

iv) Foreign currency translation reserve

	As at March 31,2025	As at March 31, 2024
At beginning of the year	8.12	7.46
Translation as per Non Integral Foreign Operations	4.94	0.66
As at end of the year	13.06	8.12

v) Other Comprehensive Income (Remeasurement of defined benefit obligations)

	As at March 31,2025	As at March 31, 2024
At beginning of the year	18.46	12.84
Add: Changes during the year	9.78	5.62
As at end of the year	28.24	18.46

vi) Employee stock options outstanding account (ESOP Reserve)

	As at March 31,2025	As at March 31, 2024
At beginning of the year	12.74	6.31
Add: Share based payment expenses	8.33	7.46
Less: Adjustment on Allotment of ESOP	(3.77)	-
Less: Adjustment on forfeiture of ESOP	(1.99)	(1.03)
As at end of the year	15.31	12.74

Note
1. Securities premium account is used to record the premium received on issue of share. It is utilised in accordance with the provisions of the Companies Act, 2013.

2. General reserve is the free reserve created out of the retained earnings of the company. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.

13 NON-CONTROLLING INTEREST

	As at March 31,2025	As at March 31, 2024
Non-Controlling Interest	39.72	15.79
	39.72	15.79

K.P. RAO & CO. BENGALURU FRN:003135S CHARTERED ACCOUNTANTS

NON-CURRENT LIABILITIES

14 FINANCIAL LIABILITIES

	As at March 31,2025	As at March 31, 2024
Borrowings		
Term loans from banks & financial institutions		
- Secured	434.28	130.23
Others		
- Unsecured	250.00	-
Vehicle loan - Secured	37.43	24.02
Less: Current maturities of Long term borrowings		
Term loans from banks & financial institutions		
- Secured	(36.34)	(25.39)
Vehicle loan - Secured	(10.55)	(7.30)
	674.80	**321.56**

A break-up of the above loans is tabulated below:

Loan Type	Loan Name	Repayment Terms	Amount outstanding	
			As at March 31,2025	As at March 31, 2024
Term Loans from banks - Secured	Bank of America	Repayable in 58 months monthly instalments from date of disbursement.	340.47	
Term loans from Bank - Secured	State bank of India	Repayable in 60 months in 48 equal monthly instalments after a moratorium of 12 months from date of disbursement.	-	0.40
	HDFC Bank Term Loan (Covid)	Repayable in 72 months in 48 equal monthly instalments after a moratorium of 24 months from	74.67	102.67
Term loans - From Financial Institutions - Secured	Sundaram Finance Machinery Loan - 3	Repayable in 60 monthly instalments from the date of loan.	2.36	3.72
	Sundaram Finance Machinery Loan - 4		1.61	2.44
	Sundaram Finance Machinery Loan - 5		15.37	21.00
		SUB TOTAL	**434.28**	**130.23**
Term loans - From Others - Unsecured	-		250.00	-
		SUB TOTAL	**250.00**	**-**

Loan Type	Loan Name	Repayment Terms	Amount outstanding	
			As at March 31,2025	As at March 31, 2024
Vehicle Loan - From Bank - Secured	SBI Loan - Mini Cooper	Repayable in 60 to 72 monthly instalments along with the interest.	-	0.05
	Canara Car Loan-Skoda Octavia		0.30	0.77
	Saraswat Car Loan-Seltos		0.04	0.34
	Saraswat Car Loan-Nexa		-	0.29
	Saraswat Car Loan - Bmw		0.68	1.75
	Saraswat Car Loan - Ertiga		0.15	0.38
	Saraswat Car Loan - Santro		0.07	0.22
	Saraswat Bus Loan		0.50	0.94
	Saraswat Car Loan - Harrier		1.11	1.55
	Saraswat Car Loan - Skoda Kushaq		0.90	1.21
	Saraswat Car Loan - Fortuner		2.82	3.91
	Saraswat Car Loan - Hyundai Tucson		2.58	3.21
	Saraswat Car Loan - Urban Cruiser		1.65	2.00
	Saraswat Car Loan - Innova Crysta		1.48	2.06
	Saraswat Car Loan - Black Fortuner		3.18	3.91
	Saraswat Car Loan - Jeep Compass		1.12	1.83
	Saraswat Car Loan - BYD Seal		3.71	-
	Saraswat Car Loan - BMW		17.14	-
		SUB TOTAL	**37.43**	**24.02**

K.P. RAO & CO. BENGALURU FRN:003135S CHARTERED ACCOUNTANTS
Kaynes Technology India Ltd.

15 DEFERRED TAX LIABILITIES (NET)

	As at March 31,2025	As at March 31, 2024
Deferred Tax Liability		
Property plant and equipment: timing differences on account of depreciation	190.65	138.20
Actuarial Gain/Loss	-	0.14
Lease Asset	56.12	63.76
Prepaid rent	1.10	1.48
Fair Valuation of Mutual Funds	9.37	5.87
Gross deferred tax liability	257.24	209.45
Deferred Tax Asset		
Security Deposits	1.16	(1.53)
Provision for ECL	(82.03)	(44.27)
Leases Liability	(32.08)	(38.68)
Expenses: timing differences on expenses allowable on payment basis.	(14.34)	(23.37)
Gross deferred tax asset	(127.29)	(107.85)
Net deferred tax liability	129.95	101.60

16 LONG TERM PROVISIONS

	As at March 31,2025	As at March 31, 2024
Provision for Gratuity	65.70	41.29
Provision for compensated absences	35.11	18.28
	100.81	59.57

CURRENT LIABILITIES

17 FINANCIAL LIABILITIES

	As at March 31,2025	As at March 31, 2024
17(a) Borrowings (At Amortised Cost)		
Credit Balance - Cash credit from banks (Secured)	7,576.65	2,388.93
Loans from Others (Unsecured)	0.61	0.58
Rupee Packing Credit (Secured)	455.86	439.12
Foreign Currency Packing Credit (Secured)	-	77.29
Current maturities of Long term borrowings		
- Term loans from banks & financial institutions		
- Secured		
- Vehicle loan	36.36	35.39
Total	10.55	7.30
	8,080.03	2,949.11

The Break up of above loans is tabulated below

Loan Type	Loan Name	Repayment Terms	Amount outstanding	
			As at March 31,2025	As at March 31, 2024
Cash credit from banks (secured)	Canara Bank	Repayable on Demand	(0.48)	503.19
	Canara Bank ST		1,229.92	(0.32)
	State Bank of India		12.35	145.24
	SBI Parwanoo		(0.11)	(0.33)
	HDFC Bank		(3.48)	(352.42)
	Indusind Bank		117.97	0.79
	Indusind Bank ST		349.26	(0.74)
	Axis Bank		382.27	2.43
	HSBC Bank		(0.10)	-
	ICICI Bank		(0.02)	-
	Federal Bank		(4.27)	-
	HDFC bank		0.63	(504.19)
	Axis Bank		398.55	4.14
	Axis Bank		497.37	-
	Federal Bank		(0.97)	-
	Axis Bank ST		494.73	-
Working Capital Demand Loan (WCDL)	HDFC Bank	Repayable within 180 days from the date of disbursement	2,269.40	1,751.14
	Axis bank		1.51	350.00
	Indusind Bank		380.00	90.00
	SBI		453.12	-
	Axis Bank		-	400.00
	Federal Bank		400.00	-
	Federal Bank		800.00	-
		SUB TOTAL	7,576.65	2,388.93

K.P. RAO & CO. BENGALURU FRN: 003135S CHARTERED ACCOUNTANTS

Kaynes Technology India Ltd.

Loan Type	Loan Name	Repayment Terms	Amount outstanding	
			As at March 31,2025	As at March 31, 2024
Term Loans from others - Unsecured	Loans from Others	12M or 10M Months differs by Party	0.61	0.58
Rupee Packing Credit - Secured	Canara Bank - FBE	Repayable on Demand	-	-
	Canara Bank - Packing Credit FBE		100.00	80.48
	Kotak Post Shipment Epc		-	-
	Kotak Post shipment USD		-	-
	Kotak Post-Shipment GBP		-	-
	Kotak Pre-Shipment GBP		-	-
	Indusind Bank - EPC		-	-
	SBI Packing Credit		-	92.40
	State Bank of India - EPC		146.96	198.77
	Kotak Sales Bills Discounting		139.90	67.67
			-	-
		SUB TOTAL	455.86	439.12
Foreign Currency Packing Credit - Secured	Indusind Bank - PCFC		-	77.79
		SUB TOTAL	-	77.79

17(b) Trade payables (At Amortised Cost)

	As at March 31,2025	As at March 31, 2024
Dues to micro enterprises and small enterprises (refer note 46)	108.44	65.67
Dues to other than micro enterprises and small enterprises	6,720.75	3,544.47
Total trade payables	6,829.19	3,610.14

Ageing Schedule

As at March 31, 2025

Particulars	Outstanding following for periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
MSME	108.09	0.35	-	-	108.44
Others	6,638.18	73.78	8.79	-	6,720.75

As at March 31, 2024

Particulars	Outstanding following for periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
MSME	65.32	0.35	-	-	65.67
Others	3,461.43	73.78	9.24	-	3,544.47

* No trade payables are disputed as at March 31,2025 and March 31, 2024.

17(c) Other financial liabilities (At Amortised Cost)

	As at March 31,2025	As at March 31, 2024
Payables - Capital Goods	461.44	69.39
Employee benefits payable	284.83	115.73
Deferred consideration payable	157.94	45.24
Interest accrued and due on borrowings	6.63	16.54
	760.84	246.90

18 CURRENT TAX LIABILITIES (NET)

	As at March 31,2025	As at March 31, 2024
Provision for income taxes		
Advance Tax	1,025.15	-
Less: MAT Credit	(986.79)	-
	-	
	38.34	-

19 OTHER CURRENT LIABILITIES

	As at March 31,2025	As at March 31, 2024
Advance from customers	88.68	89.07
Statutory dues and related liabilities	164.41	16.95
Other payables	772.67	408.57
	1,025.76	508.59

20 SHORT-TERM PROVISIONS

	As at March 31,2025	As at March 31, 2024
Provision for employee benefits		
Provision for Gratuity	11.20	10.90
Provision for Compensated absence	4.28	3.19
Other Provisions	9.71	0.74
	25.19	14.83

K.P. RAO & CO. BENGALURU FRN 003135S CHARTERED ACCOUNTANTS

Keynes Technology India Ltd.

19 OTHER CURRENT LIABILITIES

	As at March 31,2025	As at March 31, 2024
Advance from customers	88.68	83.07
Statutory dues and related liabilities	164.41	16.95
Other payables	772.67	408.57
	1,025.76	508.59

20 SHORT-TERM PROVISIONS

	As at March 31,2025	As at March 31, 2024
Provision for employee benefits		
Provision for Gratuity	11.20	10.90
Provision for Compensated absence	4.28	3.19
Other Provisions	9.71	0.74
	25.19	14.83

K.P. RAO & CO. BENGALURU FRN 003135S CHARTERED ACCOUNTANTS

Kaynes Technology India Ltd.

21 REVENUE FROM OPERATIONS

	For the year ended March 31, 2025	For the year ended March 31, 2024
Sale of Goods	26,224.04	17,352.91
Sale of services	993.48	693.28
	27,217.52	18,046.19
the company derives revenue from the transfer of goods & services in the following geographical regions		
India	25,202.12	16,373.72
Outside India	2,015.40	1,672.47
	27,217.52	18,046.19
Timing of Revenue Recognition		
Goods transferred at a point in time	26,224.04	17,352.91
Service transferred at a point in time	993.48	693.28
	27,217.52	18,046.19

22 OTHER INCOME

	For the year ended March 31, 2025	For the year ended March 31, 2024
Interest Income :		
Interest received on deposits with banks	957.23	519.52
Interest on Income Tax refund	-	0.16
Interest on Security Deposit	2.55	2.01
Gain On Fair Valuation of Mutual Funds	93.96	23.95
Profit on sale of investment	7.29	-
Export Incentives	0.07	-
Government Grants	0.07	-
Other non-operating income	0.69	0.51
Interest Income on staff loan	2.81	-
Exchange Differences (net)	4.96	13.01
	1,069.63	559.16

23 Cost of materials consumed

	For the year ended March 31, 2025	For the year ended March 31, 2024
Inventory at the beginning of the year	3,710.36	2,820.80
Add: Purchase	21,569.56	14,616.69
Less : Inventory at the end of the year	(6,068.87)	(3,710.36)
Less: Research and Developement expenses - considered separately	(94.79)	(15.11)
Cost of materials consumed	19,116.26	13,712.02

24 Changes in inventories of finished goods and work in progress

	For the year ended March 31, 2025	For the year ended March 31, 2024
Finished goods		
Closing stock	524.62	261.26
Opening stock	261.26	210.03
Sub total (A)	(263.36)	(51.23)
Closing stock	1,075.82	1,220.02
Opening stock	1,220.02	858.61
Sub total (B)	144.20	(361.41)
Total Changes in Inventories	(119.16)	(412.64)

25 EMPLOYEE BENEFITS EXPENSES

	For the year ended March 31, 2025	For the year ended March 31, 2024
Salaries and incentive	1,583.08	939.10
Contribution to provident fund	59.83	30.40
Share based payment expenses	6.34	6.43
Gratuity contribution scheme (Refer note 35)	30.86	16.11
Staff welfare expenses	153.15	88.94
Employee benefit expense on loan	1.77	-
Less: Research and Developement expenses - considered separately	(54.36)	(53.42)
	1,780.67	1,027.56

K.P. RAO & CO. BENGALURU FRN:003135S CHARTERED ACCOUNTANTS

Kaynes Technology India Ltd.

26 FINANCE COSTS

	For the year ended March 31, 2025	For the year ended March 31, 2024
Interest on borrowings	1,046.86	559.13
Interest on others	0.39	-
Unwinding of interest	5.23	1.22
Other borrowing costs	23.93	19.58
Interest on lease liabilities (Refer Note 33)	29.44	19.79
Less: Capitalized	(92.87)	(65.98)
	1,012.98	**533.74**

27 DEPRECIATION AND AMORTIZATION EXPENSE

	For the year ended March 31, 2025	For the year ended March 31, 2024
Depreciation of property, plant & equipment (Refer Note 3)	297.80	135.72
Amortization of Intangible Assets (Refer Note 3(c))	83.60	75.10
Depreciation of Rights-of-Use Assets (Refer Note 3(e))	66.00	40.59
	447.40	**251.41**

28 OTHER EXPENSES

	For the year ended March 31, 2025	For the year ended March 31, 2024
Rent	30.46	6.28
Rates and taxes	44.14	28.58
Printing and stationery	9.62	4.82
Insurance	54.28	23.92
Discount Allowed	0.18	0.98
Donation (Refer Note : 45)	110.08	0.52
Power and fuel	151.07	87.98
Labour and Processing Charges	499.93	221.77
Consumption of stores and spares	400.32	189.59
Repairs and maintenance - Plant & Machinery	29.62	19.10
Repairs and maintenance - Buildings	11.31	10.80
Repairs and maintenance - Others	66.86	26.84
Security maintenance expenses	28.83	15.31
Research and Development Expenses	8.63	8.32
Legal and professional fees	166.12	88.94
Audit Fees	5.65	5.65
Commission Expenses	7.03	9.51
LD/Claim Settled	2.61	1.99
Bank charges	44.82	24.96
Communication expenses	30.68	6.24
Travelling and conveyance	142.31	78.12
Business Promotion	43.37	21.53
Freight and forwarding charges	180.41	111.92
CSR expenditure	30.88	12.87
Provision for Expected Credit Loss (ECL)	193.51	135.19
Loss on sale of tangible assets	10.84	1.14
Software Expense	9.49	0.69
Hire charges	6.11	15.96
Director sitting fees	3.64	3.42
Miscellaneous expenses	9.96	14.63
	2,332.76	**1,177.57**

Research and Development Expenditure

	For the year ended March 31, 2025	For the year ended March 31, 2024
Raw Materials, Components and Consumables	94.79	15.11
Salaries and Wages	54.36	53.42
Legal and professional fees	-	6.49
Communication expenses	0.29	0.26
Travelling and Conveyance	-	1.45
	149.44	**76.73**
Less: Capitalized	(140.81)	(68.41)
	8.63	**8.32**

K.P. RAO & CO. BENGALURU FRN:008735S CHARTERED ACCOUNTANTS

Payment to Auditors

	For the year ended March 31, 2025	For the year ended March 31, 2024
As statutory auditors		
Audit fees	4.15	4.15
Tax audit fee	0.90	0.90
Limited review fees	0.60	0.60
	5.65	**5.65**

29 Contingent Liabilities and Commitments

Particulars

		As at March 31,2025 (Rs.)	As at March 31, 2024 (Rs.)
	Contingent Liabilities:		
a)	**Claims against the company not acknowledged as debt**		
	Disputed Income Tax Demand [refer note 29.1]	-	1.74
	Disputed Income Tax Demand - CPC Demand [refer note 29.2]	6.05	6.05
	Disputed Income Tax Demand - CPC Demand [refer note 29.3]	34.58	31.81
	Disputed Indirect taxes Demand [refer note 29.5]	1.80	1.62
	Disputed Income Tax Demand - CPC demand [refer note 29.6]	99.51	23.98
	Disputed Income Tax Demand - CPC demand [refer note 29.7]	45.88	19.82
b)	Bank Guarantees for contractual performance	0.70	0.70
c)	Letter of Credit issued by bank	1,039.78	66.71
d)	Bond Executed for Customs/Central Excise/GST. (Covered by Bank guarantee to the extent of Rs 8.16 Millions)	0.22	6.92
		725.87	625.00
e)	On account of Bills Discounted with Banks set off against Trade Receivable		
f)	Corporate Guarantee to Subsidiary Company	1,146.68	1,160.71
		2,105.80	780.40
	Commitments:		
(i)	Estimated amount of contracts remaining to be executed on capital account and not provided for, net of advances.	288.79	-
(ii)	Approval for Land Conversion from Lease to Sale of Plot no 20 & Plot no 119 from Karnataka Industrial Area Development Board (KIADB) is in progress. Estimated Conversion cost is considered as a Capital commitment remaining unexecuted.	12.14	12.14

1 CPC demand of Rs. 17,37,670/- against the disallowance made by ITO against under 35(2AB) for A.Y. 2016-17 and thereby reducing the MAT credit availed by the company which was disputed in appeal before CIT(A) and the matter is resolved in FY 2024-25.

2 Income tax authorities Disallowed R& D expenditure and raised a demand for non submission of certificate from DSIR , Delhi. This case was disputed in appeal before CIT(A) and the matter is pending.

3 The disallowance on account of delay in payment of employer's contribution to EPF & ESI . Filed appeal against the order and submitted the relevant documentation. Assessing officer is in the process of reviewing supportings provided by us to substantiate our claim.

4 Commissioner of Income tax , Bangalore has issued a notice on Short deduction of TDS for various years commencing from FY 2009-10 to 2023-24 and imposed a Interest and penalty .Demand appearing in the TDS Portal amounts to Rs. 1.62 Million . We are in the process of adjusting the demand against the unconsumed challans available . We have already submitted a request to the commissioner for extension of time for reconciliation of TDS .

5 There are 18 (2024 : 16) cases relating to excise, VAT, Customs and CST amounting to Rs. 99.51 Million (2024 : 23.95 Million) covering a period commencing from FY 2012-13 to 2020-21 pertaining to units located in various states in Uttarakand and Maharashtra. Many of the cases required Information provided to the Concerned authorities and are in progress.

6 The disallowance / add back on account TDS non deduction wrongly considered by AO in Assessment order. Filed appeal against the order and submitted the relevant documentation. Assessing officer is in the process of reviewing supportings provided by us to substantiate our claim.

7 Commissioner of Income tax , Bangalore has issued a notice on Short deduction of TDS for various years commencing from FY 2012-13 to 2021-22 and imposed a Interest and penalty .

30 Related Party Disclosures

Disclosure in respect of material transactions with associated parties as required by Indian Accounting Standard (Ind AS) 24 "Related Party Disclosures".

[A.] Related Parties and their Relationship with the Company

Ref.	Description of relationship	Names of Related parties
[1.]	*Subsidiary Companies:*	Kemsys Technologies Private Limited
		Kaynes Technology Europe Gmbh
		Kaynes International Design & Manufacturing Private Limited
		Kaynes Embedded Systems Private Limited
		Kaynes Semicon Private Limited
		Kaynes Circuits India Private Limited
		Digicom Electronics Inc.
		Essnkay Electronics LLC
		Kaynes Mechatronics Private Limited
		Kaynes Electronics Manufacturing Private Limited
		Iskraemeco India Private Limited
		Kaynes Holding Pte Limited
		Sensonic GmbH (Subsidiary of Kaynes Holding Pte Limited)
		Sensonic US Inc (Subsidiary of Kaynes Holding Pte Limited)
		Sensonic UK Ltd (Subsidiary of Kaynes Holding Pte Limited)
		Sensonic IN India Private Limited (Subsidiary of Kaynes Holding Pte Limited)

[2.] *Entity Controlled by Directors:*

Kaynes Technology Inc.
Kemsys Technologies Inc.
Kaynes Circuits Private Limited
Mysore ESDM Cluster
Chayyur Real Estates Private Limited
Chayyur Properties Private Limited
Nambi Reality Private Limited

[3.] *Entity where relative of Directors have substantial interest*

A ID Systems (India) Private Limited

[4.] *Key Management Personnel:*

Ms. Savitha Ramesh	Chairperson
Mr. Ramesh Kunhikannan	Managing Director
Mr. Jairam Paravasthu Sampath	Whole Time Director & Chief Financial Officer
Mr. Rajesh Sharma	Chief Executive Officer
Mr. Anup Kumar Bhat	Independent Director
Mr. Seeplaputhur Ganapathiramaswamy Murali	Independent Director
Mr. Alexander Koshy	Independent Director
Ms Poornima Ranganath	Independent Director
Mr. Heinz Franz Moitzi	Independent Director
Mr. Adithya Jain SM	Company Secretary & Compliance Officer (w.e.f 15.09.2023 to 30.11.2024)
Mr. Anuj Mehtha	Company Secretary & Compliance Officer (w.e.f 27.01.2025)
Ms. Premita Ramesh	Director in subsidiary company
Mr Sajan Anandaraman	Director in subsidiary company
Mr. Manoj Rajnarain Pandey	Managing Director in subsidiary company
Mr. Madan Mohan Chakraborty	Managing Director in subsidiary company
Mr. Subir Majumder	Director in subsidiary company
Mr. S. Sharath Kumar	Company Secretary & Compliance Officer in subsidiary company (w.e.f 23.08.2024)

[5.] *Relatives of KMP's:*

Mr. Govind Shasiprasad Menoker

[B.] Transactions with KMPs

Transactions / Balances	For the year ended March 31, 2025	For the year ended March 31, 2024
[i.] Remuneration and Commission:		
Mr. Ramesh Kunhikannan	18.00	18.00
Ms. Savitha Ramesh	18.00	18.00
Mr. Jairam Paravasthu Sampath	9.60	8.00
Ms. Premita Ramesh	6.00	5.40
Mr. Govind Shasiprasad Menoker	8.40	6.60
Mr. Manoj Rajnarain Pandey	-	1.98
Mr Rajesh Sharma	14.50	8.00
Mr Sajan Anandraman	2.70	2.12
Mr Adithya Jain S.M	2.33	2.40
Mr Anuj Mehtha	0.20	-
Mr. Madan Mohan Chakraborty	13.91	-
Mr. Subir Majumder	6.83	-
Mr. S. Sharath Kumar	0.77	-
[ii.] Share Based Payments Exercised:		
Mr. Jairam Paravasthu Sampath	80.47	-
Mr Rajesh Sharma	15.72	-
Mr Sajan Anandaraman	16.08	-
Mr. Adithya Jain S.M	2.35	-

[iii.] Reimbursement of expenses		
Mr. Ramesh Kunhikannan	5.37	3.60
Ms. Savitha Ramesh	0.33	1.45
Ms. Premita Ramesh	-	-
Mr. Jairam Paravasthu Sampath	0.50	0.12
Mr Rajesh Sharma	0.01	0.11
Mr. Govind Shasiprasad Menokee	0.67	0.42
Mr Adithya Jain. S.M	0.01	0.01
Mr. Manoj Rajnarain Pandey	0.10	0.05
[iv.] Transaction in current account (net)		
Mr. Ramesh Kunhikannan	-	-
Ms. Savitha Ramesh	-	-
Ms. Premita Ramesh	-	-

[C.] Balances with KMPs and relatives of KMPs	As at March 31,2025	As at March 31, 2024
[i.] Amount Receivable from/ Due to directors:		
Mr. Jairam P Sampath (Dr. Balance)	-	-
[ii.] Amount Receivable from / Due to KMP:		
Mr Rajesh Sharma (Dr. Balance)	-	-
[ii.] Salaries payable		
Mr. Ramesh Kunhikannan	0.97	1.00
Ms. Savitha Ramesh	1.00	0.99
Mr. Jairam Paravasthu Sampath	0.55	0.46
Mr. Manoj Rajnarain Pandey	-	0.32
Ms. Premita Ramesh	0.36	0.33
Mr. Govind Shasiprasad Menokee	0.32	0.40
Mr Rajesh Sharma	1.01	0.50
Mr Adithya Jain.S.M	-	0.18
Mr Sajan Anandaraman	0.14	0.14
Mr Anuj Mehtha	0.10	-
Mr. Madan Mohan Chakraborty	0.84	-
Mr. Subir Majumder	0.29	-
Mr. S. Sharath Kumar	0.07	-

[D.] Transactions with Related Parties other than subsidiaries & Associates			
Name of the related party	Nature of the transaction	For the year ended March 31, 2025	For the year ended March 31, 2024
Kaynes Technology Inc.			
	Services Rendered	34.72	53.33
	Services Received	-	-
Kemsys Technologies Inc. (From Kemsys Technologies Private Limited)			
	Services provided	24.29	-
	Services received	4.36	18.11
	Sale of Material	-	0.07

K.P. RAO & CO. BENGALURU FRN 003135S CHARTERED ACCOUNTANTS

Kaynes Technology India Limited

[E.] Balances with Related Parties other than subsidiaries & Associates

Name of the related party	Nature of the transaction	As at March 31,2025	As at March 31, 2024
Kaynes Interconnection Systems India Private Limited			
	Loans and Advances	-	-
	Trade Payables	-	-
Mysore ESDM Cluster			
	Investments / Loans and Advances	3.32	3.32
Kaynes Technology Inc.			
	Services Rendered Receivable	13.93	12.48
Kemsys Technologies Inc. (From Kemsys Technologies Private Limited)			
	Trade Receivable	21.73	1.39

[F.] Disclosure as per Schedule VI (Para 11(1)(A)(i)(g) of ICDR Regulation
The following are the transactions eliminated during the years March 31, 2025 and March 31, 2024

Name of the related party	Nature of the transaction	For the year ended March 31, 2025	For the year ended March 31, 2024
Kaynes International Design & Manufacturing Private Limited	Loans and Advances given to	813.68	189.68
	Loans and Advances repaid by	575.16	49.80
	Interest on loan advanced	17.87	-
	Corporate Guarantee given	180.80	80.40
	Sale of material	27.52	4.36
	Purchases	3.53	-
Kemsys Technologies Private Limited	Loans and Advances given to	3.41	64.50
	Loans and Advances repaid by	1.28	224.00
	Services Received from	-	-
	Interest on loan advanced	1.48	7.60
	Purchases	0.97	2.96
	Sale of material	-	-
	Investments	-	224.00
Kaynes Electronics Manufacturing Private Limited			
	Investments	-	-
	Loans and Advances given to	9,428.29	1,749.95
	Loans and Advances repaid by	6,971.79	
	Sale of material	1,604.85	390.58
	Purchases	1,141.90	3.54
	Interest on loan advanced	143.19	107.93
	Corporate Guarantee given	1,225.00	-
	Management services	-	11.28
Kaynes Semicon Private Limited			
	Loans and Advances given to	1,872.09	240.49
	Loans and Advances repaid by	560.21	16.65
	Investments	-	2.50
	Interest on loan advanced	101.92	3.19
Kaynes Circuits India Private Limited			
	Loans and Advances given to	923.87	1.77
	Loans and Advances repaid by	25.80	
	Investments	-	2.50
	Interest on loan advanced	12.40	
Kaynes Mechatronics Private Limited			
	Investments	-	0.10
	Loans and Advances given to	633.20	64.69
	Loans and Advances repaid by	63.57	-
	Interest on loan advanced	30.34	-
	Sale of material	2.80	-
	Purchases of material	52.45	-
Digicom Electronics Inc			
	Investments	-	199.63
	Loans and Advances given to	-	89.29
	Loans and Advances repaid by	8.29	

K.P. RAO & CO. BENGALURU FRN 001355 CHARTERED ACCOUNTANTS

Kaynes Technology India Limited

Essnkay Electronics LLC			
	Investments	100.18	-
Kaynes Technology Europe Gmbh			
	Commission Paid	-	2.68
Inkraemco India Private Limited	Investments	429.86	-
	Corporate Guarantee given	700.00	-
	Sale of material	1,625.35	-
	Purchase of material	879.74	-
Kaynes Holding Pte Ltd	Investments	650.77	-

[C.] The following are the details of the balances that were eliminated during the years ended March 31, 2025 and March 31, 2024

Name of the related party	Nature of the transaction	As at March 31,2025	As at March 31, 2024
Kaynes International Design & Manufacturing Private Limited	Loans and Advances received	327.67	65.16
	Investments	1.50	1.50
	Corporate Guarantee given	180.80	80.40
Kensys Technologies Private Limited	Loans and Advances	19.67	18.51
	Investments	229.00	229.00
	Interest on loan advanced	9.08	7.60
Kaynes Embedded Systems Private Limited	Loans and Advances given	-	-
	Investments	3.00	3.00
Kaynes Technology Europe GMBH	Investments	9.24	9.24
	Trade payable	-	0.50
Kaynes Electronics Manufacturing Private Limited	Investments	0.10	0.10
	Loans and Advances given	3,504.92	2,256.69
	Advances given for supply of goods	1,662.10	-
	Corporate Guarantee given	1,225.00	-
	Interest on Loan Advanced	143.19	107.93
Kaynes Semicon Private Limited	Management Services	-	11.28
	Loans and Advances given to	1,533.72	223.84
	Investments	2.50	2.50
	Interest on loan advanced	105.11	3.19
Kaynes Circuits India Private Limited	Loans and Advances given to	899.84	2.77
	Investments	2.50	2.50
	Interest on loan advanced	12.40	
Kaynes Mechatronics Private Limited	Investments	0.10	0.10
	Loans and Advances	604.47	64.69
	Interest on loan advanced	50.34	
Digicom Electronics Inc	Investments	199.63	199.63
	Loans and Advances	41.50	49.79
Essnkay Electronics LLC	Investments	100.18	-
Inkraemco India Private Limited	Investments	429.86	-
	Corporate Guarantee given	700.00	-
Kaynes Holding Pte Ltd	Investments	650.77	-

[H] The following are the intra-group company transactions eliminated during the years March 31, 2025 and March 31, 2024

Name of the group company	Name of the related party	Nature of the transaction	For the year ended March 31, 2025	For the year ended March 31, 2024
Kaynes Electronics Manufacturing Private Limited	*Kaynes Semicon Private Limited*			
		Loans and Advances given to	19.68	558.18
		Loans and Advances repaid by	9.94	-
		Interest on loan advanced	44.68	19.96
		Rent Received	0.80	-
Kaynes International Design & Manufacturing Private Limited	*Kaynes Tech Europe GmbH*	Commission Paid	-	2.68
Kaynes Electronics Manufacturing Private Limited	*Kensys Technologies Inc.*	Advances for Services	-	-

[I] The following are the intra-group company balance eliminated during the years March 31, 2025 and March 31, 2024

Name of the group company	Name of the related party	Nature of the transaction	For the year ended March 31, 2025	For the year ended March 31, 2024
Kaynes Electronics Manufacturing Private Limited	*Kaynes Semicon Private Limited*			
		Loans and Advances received	567.92	558.18
		Interest on loan	64.64	-
		Rent Received	0.80	-
Kaynes International Design & Manufacturing Private Limited	*Kaynes Tech Europe GmbH*	Trade Payables	-	1.33
Inkmemeco India Private Limited	*Kaynes Semicon Private Limited*	Rent Received	4.15	-

31 **Segment information**

Based on the management approach as defined in IND AS 108 - Operating Segments, the Chief Operating Decision Maker (CODM) evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by geographical segments. Accordingly, the Company has identified India and Outside India as its reportable segment.

As expenses, assets and liabilities are not separately identified for the individual segments, these are considered as common cost and unallocated. Hence, information with respect to revenue alone is provided by the Company for the geographical segments identified.

A) Revenue from Customers

Geographic Segment	For the year ended March 31, 2025	For the year ended March 31, 2024
Outside India	2,015.40	1,672.47
In India	25,202.12	16,373.72
	27,217.52	18,046.19

All material assets are located in India as export proceeds are also realisable in India. Hence no disclosure of segment assets/cost to acquire tangible and intangible asset is given.

Customers constituting more than 10% of revenue are as below:

Particulars	For the year ended March 31, 2025		For the year ended March 31, 2024	
	Revenue Contribution more than 10%	Percentage of Revenue Contribution	Revenue Contribution more than 10%	Percentage of Revenue Contribution
	(in millions)	(in %)	(in millions)	(in %)
Sale of Goods :				
Customer A	3427.49	13.07%	4,612.77	26.58%
Sale of Services :				
Customer A	487.32	49.05%	102.33	14.76%

Note: Customer identities have been excluded to safeguard confidentiality. The entities represented in each period are not necessarily identical.

K.P. RAO & CO. BENGALURU FRN 003135S CHARTERED ACCOUNTANTS

Kaynes Technology India Limited

32 Earnings per share (EPS)

Particulars	As at March 31,2025	As at March 31, 2024
Earnings		
Profit after tax for the year	2,934.33	1,832.89
Less: Profit attributable to the minority shareholders	(2.47)	(2.72)
Profit after tax for the year attributable to equity shareholders	**2,931.86**	**1,830.17**
Weighted average number of equity shares used as the denominator in calculating basic and diluted earnings per share (number) :		
Basic :		
Number of Shares outstanding at the beginning of the year	6,39,18,073	5,81,42,496
Add : Shares Issued during the year	1,66,232	57,75,577
Number of Shares outstanding at the end of the year	6,40,84,305	6,39,18,073
Number of Shares outstanding at the end of the year (Post bonus issue #)	**6,40,84,305**	**6,39,18,073**
Weighted average number of equity shares For calculating Basic EPS	6,39,81,914	5,97,56,493
Profit after tax for the year attributable to equity shareholders	2,931.86	1,830.17
Basic EPS (Rs. per share)	**45.82**	**30.63**
Diluted :		
Number of shares considered as basic weighted average shares outstanding	6,39,81,914	5,97,56,493
Add: Effect of diluted equity shares relating to CCPS/ESOP issued during the	5,92,146	7,71,661
Number of shares considered as diluted weighted average shares outstanding	6,45,74,060	6,05,28,154
Total shares outstanding including dilution	6,45,74,060	6,05,28,154
Diluted EPS (Rs. per share)	45.40	30.24
Restated Earnings per equity share (Face Value INR 10/- per share)		
- Basic	45.82	30.63
- Diluted	45.40	30.24

33 Disclosure with respect to Ind AS 116 - Leases

Information about Leases Assets for which the company is a lessee is presented below

Particulars	As at March 31,2025	As at March 31, 2024
Balance as at beginning of the year	263.13	170.90
Additions	2,201.06	132.82
Deletions	(34.54)	-
Depreciation*	(66.00)	(40.59)
Balance as at end of the year	**2,363.65**	**263.13**

The changes / movement in Lease Liabilities of the company are as follows:

Particulars	As at March 31,2025	As at March 31, 2024
Balance as at beginning of the year	164.79	188.44
Opening Balance of New Acquisitions	3.86	-
Additions	158.33	14.38
Deletions	(0.73)	(0.52)
Payment of lease liabilities	(64.47)	(57.30)
Accretion of interest	9.49	19.79
Balance as at end of the year	271.25	164.79

The table below provides details regarding amounts recognised in the Standalone Statement of Profit and Loss:

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Expenses relating to short-term leases and/or leases of low-value items	30.46	6.28
Interest on lease liabilities	29.44	19.79
Depreciation expense	66.00	40.59
Total	125.90	66.66

Contractual maturities of lease liabilities on undiscounted basis

	As at March 31,2025	As at March 31, 2024
Less than one year	92.06	48.11
More than one year	264.60	160.38
	356.67	208.49

34 Taxes

(a) Income tax expense:

Components of Income Tax Expense

(i) Income tax recognised in Profit or Loss:

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Tax expense recognised in the Statement of Profit and Loss		
A. Net current tax expense	741.11	458.39
Net Current Tax	**741.11**	**458.39**
B. Deferred tax (credit)/charge	40.80	24.41
Net Deferred tax	**40.80**	**24.41**
Total income tax expense recognised in statement of Profit & Loss	**781.91**	**482.80**

C. Tax recognised in Other Comprehensive Income:

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Origination and reversal of temporary differences - OCI	(1.63)	-
Remeasurement of Defined Benefiy Obligation	-	1.00
Total	**(1.63)**	**1.00**

Current tax assets / liabilities (net)

	As at March 31,2025	As at March 31, 2024
D. Advance tax (net of provision for tax)	-	58.81
E. Provision for tax (net of advance payment of taxes)	38.34	-
Current tax assets / liabilities (net)	**38.34**	**58.81**

Deferred tax assets / liabilities (net)

	As at March 31,2025	As at March 31, 2024
F.Deferred tax asset	(127.29)	(107.85)
G.Deferred tax liability	(257.24)	(209.45)
Deferred tax Liability (net)	**(384.53)**	**(317.30)**

H. Reconciliation of tax expense and the Accounting Profit

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Profit Before Tax	3,716.24	2,315.69
Enacted tax rate in India (B)	25.17%	25.17%
Expected tax expense using the Company's applicable rate	935.30	582.81
Deferred tax effect	40.80	24.41
Deferred tax effect on all amounts debited to other comprehensive income (OCI	(1.63)	-
Lower tax rate due loss at subsidiaries		
Impact of earlier period tax provision reversal		
Impact of Difference Between Depreciation as per books of accounts & Income Tax Act, 1961		
Impact of expenditure charged to the statement of profit and loss in the current year but allowed for tax purposes on payment basis		
Tax effect on account of Ind AS adjustment		
Income tax expense recognised in statement of profit or loss	40.80	24.41

Note: The tax rate used for the period ended March 31, 2025 and March 31, 2024 reconciliations above is the corporate tax rate of 25.17% and 25.17% respectively, payable by corporate entities in India on book profits under Indian Income Tax Laws.

35 Employee benefit plans

[a.] Defined Contribution Plans

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Employers' contribution to Provident Fund	11.45	9.48
Employers' contribution to Employee State Insurance	6.81	5.40
Employers' contribution to Employee's Pension Scheme 1995	22.52	15.15

[b.] Defined Benefit Plan

Gratuity -Funded obligation

The liability towards gratuity is provided for on the basis of independent actuarial valuation using projected unit credit method. The liability for gratuity is administered through Life Insurance Corporation of India (LIC).

Compensated Absences- Unfunded obligation

Company provided for unavailed accumulated leave of employees on the basis of actuarial valuation using projected unit credit method.

Gratuity -Funded obligation

i. Actuarial Assumptions

	For the year ended March 31, 2025	For the year ended March 31, 2024
Discount Rate (per annum)	7.00%	7.25%
Expected return on plan assets	7.67%	7.67%
Salary escalation rate*	5.00%	5.00%
Mortality rate	IALM (2012-14) Ultimate	IALM (2012-14) Ultimate

*The assumption of future salary escalation in actuarial valuation, takes into account inflation, seniority,

ii. Reconciliation of Obligation

	For the year ended March 31, 2025	For the year ended March 31, 2024
Present value of obligation at the beginning of the year	**63.43**	**48.93**
Current Service Cost	23.74	11.37
Past Service cost	-	-
Interest Cost	4.98	3.87
Actuarial (gain)/ loss	0.90	1.75
Benefits Paid	(4.17)	(2.78)
Present value of obligation at the end of the year	**88.88**	**63.44**

iii. Reconciliation of fair value of plan assets

	For the year ended March 31, 2025	For the year ended March 31, 2024
Fair value of plan assets at the beginning of the year	**11.24**	**5.75**
Actual return of plan assets	0.79	0.39
Actuarial gain/ (loss)	0.78	-
Contributions	3.36	7.88
Benefits paid	(4.20)	(2.78)
Assets distributed on settlement	-	-
Charges Deducted	-	-
Fair value of plan assets at the end of the year	**11.96**	**11.24**

iv. Description of Plan Assets

	For the year ended March 31, 2025	For the year ended March 31, 2024
Insured Managed Funds(LIC India)	11.96	11.24

v. Net (Asset)/ Liability recognized in Consolidated statement of assets and liabilities

	For the year ended March 31, 2025	For the year ended March 31, 2024
Present value of obligation at the end of the year	88.88	63.44
Fair value of plan assets at the end of the year	11.96	11.24
Net (asset)/ liability recognised in consolidated statement of assets and liabilities	76.91	52.20

vi) (Income)/ Expense recognized in consolidated statement of profit and loss

	For the year ended March 31, 2025	For the year ended March 31, 2024
Current Service Cost	23.74	11.37
Interest Cost	4.98	3.87
Actuarial (gain)/ loss recognized for the period	(1.65)	1.72
Expected return on plan assets	(0.79)	(0.39)
(Income)/ Expenses recognized in consolidated statement of profit and loss	26.28	16.58

vii) Sensitivity analysis of the defined benefit obligation:

	For the year ended March 31, 2025	For the year ended March 31, 2024
Impact of the change in Discount Rate		
Present Value of Obligation at the end of the period	88.86	63.44
Impact due to increase of 1%	77.26	58.62
Impact due to decrease of 1%	91.59	69.09
Impact of the change in salary increase		
Present Value of Obligation at the end of the period	88.86	63.44
Impact due to increase of 1%	91.62	69.07
Impact due to decrease of 1%	78.12	58.58
Impact of the change in Withdrawal Rate		
Present Value of Obligation at the end of the period	88.86	63.44
Impact due to increase of 1%	80.10	64.14
Impact due to decrease of 1%	78.42	62.54

Sensitivities due to mortality is insignificant & hence ignored.

viii) Maturity profile of defined benefit obligation:

	For the year ended March 31, 2025	For the year ended March 31, 2024
Year 1	14.11	10.88
Year 2	4.92	2.50
Year 3	3.04	3.85
Year 4	2.35	2.04
Year 5	4.40	1.89
Years 6 to 10	59.73	42.80

The above disclosures are based on information certified by the independent actuary and relied upon by auditors.

K.P. RAO & CO. BENGALURU FRN:003135S CHARTERED ACCOUNTANTS

ix) Other comprehensive (income) / expenses (Remeasurement)

	For the year ended March 31, 2025	For the year ended March 31, 2024
Cumulative unrecognized actuarial (gain)/loss opening. B/F	(8.47)	(4.34)
Actuarial (gain)/loss - obligation	0.90	1.75
Actuarial (gain)/loss - plan assets	0.79	0.02
Total Actuarial (gain)/loss	1.82	1.74
Cumulative total actuarial (gain)/loss. C/F	(6.88)	(2.57)

Compensated Absences- Unfunded obligation

i. Actuarial Assumptions

	For the year ended March 31, 2025	For the year ended March 31, 2024
Discount Rate (per annum)	7.00%	7.25%
Expected return on plan assets	NA	NA
Salary escalation rate*	5.00%	5.00%

ii. Reconciliation of Obligation

	For the year ended March 31, 2025	For the year ended March 31, 2024
Present value of obligation at the beginning of the year	**21.47**	**17.62**
Current Service Cost	20.99	7.73
Past Service cost	-	-
Interest Cost	1.99	1.34
Actuarial (gain)/ loss	(5.72)	(5.49)
Benefits Paid	(1.06)	(0.01)
Present value of obligation at the end of the year	**37.68**	**21.47**

v. Net (Asset)/ Liability recognized in consolidated statement of assets and liabilities

	For the year ended March 31, 2025	For the year ended March 31, 2024
Present value of obligation at the end of the year	37.68	21.47
Fair value of plan assets at the end of the year	-	-
Net (asset)/ liability recognised in consolidated statement of assets and liabilities	37.68	21.47

vi) (Income)/ Expense recognized in consolidated statement of profit and loss

	For the year ended March 31, 2025	For the year ended March 31, 2024
Current Service Cost	20.99	7.73
Interest Cost	1.87	1.34
Actuarial (gain)/ loss recognized for the period	(5.40)	(5.49)
Expected return on plan assets	(0.19)	-
(Income)/ Expenses recognized in consolidated statement of profit and loss	11.26	3.58

vii) Sensitivity analysis of the defined benefit obligation:

	For the year ended March 31, 2025	For the year ended March 31, 2024
Impact of the change in Discount Rate		
Present Value of Obligation at the end of the period	37.70	21.48
Impact due to increase of 1%	29.24	19.78
Impact due to decrease of 1%	34.91	23.45
Impact of the change in salary increase		-
Present Value of Obligation at the end of the period	37.70	21.48
Impact due to increase of 1%	34.93	23.48
Impact due to decrease of 1%	30.19	19.73
Impact of the change in Withdrawal Rate		-
Present Value of Obligation at the end of the period	37.70	21.48
Impact due to increase of 1%	27.80	21.82
Impact due to decrease of 1%	26.90	21.04

Sensitivities due to mortality is insignificant & hence ignored.

36 Employees' Stock Option Plans (ESOP)

(i) Kaynes Employees Stock Option Scheme 2022

The members of the Company at its Extraordinary General Meeting held on January 12, 2022 had approved the issue of Stock Options to eligible employees/directors of the Company and its subsidiaries. Accordingly, the Board a their meeting held on January 12, 2022 approved the "Kaynes ESOP Scheme 2022". A Compensation Committee was formed to govern the "Kaynes ESOP Scheme 2022" which has approved Details are as follows:

Particulars	Year 1	Year 2	Year 3	Year 4
Grant Date	04.07.2022	04.07.2022	04.07.2022	04.07.2022
Vesting date	04.07.2023	04.07.2024	04.07.2025	04.07.2026
Option Granted (Nos)	9,23,160	9,23,160	9,23,160	9,23,160
Exercise price (Amount in Rs. per share)	138.00	138.00	138.00	138.00

(ii) Fair value of share options granted during the year

The fair value of options granted is estimated using the Black Scholes Option Pricing Model after applying the key assumption which are tabulated below. The expected volatility has been calculated using the daily stock returns on NSE, based on expected life options of each vest. The expected life of share option is based on historical data and current expectation and not necessarily indicative of exercise pattern that may occur.

(iv) Inputs in the pricing model

Particulars	Year 1	Year 2	Year 3	Year 4
Weighted average fair Value of options	18.07	22.66	32.26	35.32
Exercise price (Amount in Rs. per share)	138.00	138.00	138.00	138.00
Expected Volatility	16.96%	17.28%	25.02%	23.42%
Options Life (Number of Years)	1.50	2.00	2.50	3.00
Dividend Yield	0.00%	0.00%	0.00%	0.00%
Risk Free Rate	6.13%	6.41%	6.62%	6.77%

(v) Movement in stock options

For the year ended March 31, 2025

Particulars	No of Options
Options outstanding as at March 31, 2022	-
New options issued during the year	9,23,160
Options exercised during the year	-
Lapsed/ forfeited during the year	(27,260)
Expired during the year	-
Options outstanding as at March 31, 2023	**8,95,900**
Options exerciseable as at March 31, 2023	-
New options issued during the year	-
Options exercised during the year	-
Lapsed/ forfeited during the year	(91,056)
Expired during the year	-
Options outstanding as at March 31, 2024	**8,04,844**
Options exerciseable as at March 31, 2024	-
New options issued during the year	-
Options exercised during the year	(1,66,232)
Lapsed/ forfeited during the year	(24,143)
Expired during the year	

Options outstanding as at March 31, 2025	**6,14,469**
Options exerciseable as at March 31, 2025	-

During the year ended March 31, 2025, the Company recorded an employee share based payment expense of Rs. 6.34 Million (March 31,2024 : Rs. 6.43 Million) in the Statement of Profit and Loss.

37 **Financial risk management objectives and policies**

The company's principal financial liabilities comprise of short tenured borrowings, trade and other payables. Most of these liabilities relate to financing for working capital requirements. the company has trade and other receivables, loans and advances that arise directly from its operations.

The company is accordingly exposed to market risk, credit risk and liquidity risk.

The company's senior management oversees management of these risks. The senior professionals working to manage the financial risks and the appropriate financial risk governance framework for the company are accountable to the Board of Directors and the Audit Committee. This process provides assurance that the company's financial risk-taking activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with Group's policies and overall risk appetite.

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 two types of risk: interest rate risk and currency rate risk. Financial instruments affected by market risk include loans and borrowings, deposits and advances.

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 with floating interest rates.

The company has no exposure to financial instruments with an interest rate risk as on March 31, 2025 and March 31, 2024.

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) and the company's net investments in foreign subsidiaries.

Foreign currency sensitivity

The sensitivity analysis has been based on the composition of the company's financial assets and liabilities at the end of the respective reporting periods. The period end balances are not necessarily representative of the average debt outstanding during the period.

Particulars	Currency	As at March 31,2025		As at March 31, 2024	
		Foreign Currency	INR (Millions)	Foreign Currency	INR (Millions)
Financial assets					
Trade receivable	EURO	4.81	443.71	4.48	404.35
Trade receivable	GBP	0.68	75.53	0.67	70.18
Trade receivable	JPY	2.56	1.46	2.56	1.41
Trade receivable	USD	7.10	607.36	5.21	488.00
Trade receivable	AUD	0.00	0.04	-	0.04
Trade receivable	AED	0.14	3.13	0.90	20.37
Advance to suppliers	EURO	1.03	94.98	0.34	30.98
Advance to suppliers	CNY	-	0.06	0.85	9.81
Advance to suppliers	GBP	0.05	5.51	0.04	4.58
Advance to suppliers	JPY	1.37	0.78	1.60	0.88
Advance to suppliers	USD	2.66	228.12	3.08	256.37
Financial Liabilities					
Trade payables	EURO	1.09	100.32	2.07	149.49
Trade payables	GBP	0.09	9.53	0.72	20.30
Trade payables	JPY	181.71	103.23	240.12	91.12
Trade payables	CHF	-	0.04	-	-
Trade payables	USD	27.33	3,223.43	31.13	2,622.22
Trade payables	CNY	0.44	5.14	0.02	0.24
Net Exposure in financial asset			**(1,981.01)**		**(1,596.39)**

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 investing activities, deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

A. Trade Receivables

Customer credit risk is managed by each business unit subject to the company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive credit rating scorecard and individual credit limits are defined in accordance with this assessment. Outstanding customer receivables are regularly monitored.

An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The calculation is based on exchange losses historical data.

The company does not hold collateral as security. the company evaluates the concentration of risk with respect to trade receivables as low, as its customers (which are in the nature of reputed banking and financial institutions) are located in several jurisdictions and industries and operate in largely independent

K.P. RAO & CO. CHARTERED ACCOUNTANTS BENGALURU FRN:003135S

Kaynes Technology India Ltd.

The company creates allowance for all unsecured receivables based on lifetime expected credit loss based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The management makes estimates of the expected losses on receivables taking into account past history and their assumptions. Expected credit loss allowance is calculated by comparing the management estimates with the provision matrix.

Details of allowances for expected credit losses are provided hereunder

Particulars	As at March 31,2025	As at March 31, 2024
At the beginning of the year	226.89	91.70
Provisions created	193.51	135.19
Closing at the end of the year	420.40	226.89

B. Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the treasury department in accordance with the company's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the management on an annual basis, and may be updated throughout the year subject to approval of the company's Finance Committee. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

Liquidity risk

Liquidity risk is the risk that the company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. the company's objective is to, at all times maintain optimum levels of liquidity to meet it cash and collateral requirements. the company closely monitors its liquidity position and deploys a robust cash management system. It maintains adequate sources of financing including loans, debt, and overdraft from both domestic and international banks at an optimised cost.

The table below provides details regarding the undiscounted contractual maturities of significant financial liabilities as of March 31, 2025:

Particulars	Less than 1 year	More than 1 year	Total
Interest bearing borrowings	8,080.03	674.80	8,754.83
Trade Payables	6,829.19	-	6,829.19
Other financial liabilities	790.84	-	790.84
Lease liabilities	31.76	243.18	274.94
Total	15,731.82	917.98	16,649.80

The table below provides details regarding the undiscounted contractual maturities of significant financial liabilities as of March 31, 2024:

Particulars	Less than 1 year	More than 1 year	Total
Interest bearing borrowings	2,949.11	111.56	3,060.67
Trade Payables	3,610.14	-	3,610.14
Other financial liabilities	246.90	-	246.90
Lease liabilities	32.70	132.09	164.79
Total	6,838.85	243.65	7,082.50

38 Capital management

For the purpose of the company's capital management, capital includes issued equity capital, convertible preference shares, share premium and all other equity reserves attributable to the equity holders. The primary objective of the company's capital management is to maximise the shareholders value. 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 company monitors capital using a gearing ratio, which is net debt divided by total capital. the company includes within net debt, interest bearing loans and borrowings less cash and cash equivalents.

Particulars	As at March 31,2025	As at March 31, 2024
Gross debt	8,754.83	3,060.67
Less: Cash and Cash equivalents	(474.22)	(194.11)
Net debt	8,280.61	2,866.56
Equity	28,402.60	24,868.89
Total capital	28,402.60	24,868.89
Gearing ratio	29.15%	11.53%

K.P. RAO & CO. BENGALURU FRN:003135S CHARTERED ACCOUNTANTS

39 Financial instruments: Fair values

Particulars	As at March 31,2025				As at March 31, 2024			
	FVTPL	FVOCI	Amortised cost	Total Carrying Amount	FVTPL	FVOCI	Amortised cost	Total Carrying Amount
Financial assets								
At Fair value								
Investments - Equity	-	263.04	-	263.04	-	271.38	-	271.38
Investments - Mutual Funds	1,060.80	-	-	1,060.80	1,046.18	-	-	1,046.18
At amortised cost:								
a) Trade receivables	-	-	5,745.80	5,745.80	-	-	3,555.73	3,555.73
b) Cash and cash equivalents	-	-	474.22	474.22	-	-	194.11	194.11
c) Bank balances other than cash and cash equivale	-	-	10,088.84	10,088.84	-	-	15,061.49	15,061.49
d) Loans and deposits	-	-	180.17	180.17	-	-	127.68	127.68
e) Other financial assets	-	-	257.05	257.05	-	-	291.98	291.98
Total Financial Assets	**1,060.80**	**263.04**	**16,746.08**	**18,069.92**	**1,046.18**	**271.38**	**19,230.99**	**20,548.55**
Financial liabilities								
At amortised cost:								
a) Borrowings (Long term)	-	-	674.80	674.80	-	-	111.56	111.56
b) Borrowings (Short term)	-	-	8,080.03	8,080.03	-	-	2,949.11	2,949.11
c) Trade payables	-	-	6,829.19	6,829.19	-	-	3,610.14	3,610.14
d) Other Financial Liabilities	-	-	790.84	790.84	-	-	246.90	246.90
e) Lease Liabilities			274.94	274.94			164.79	164.79
Total Financial Liabilities	**-**	**-**	**16,649.80**	**16,649.80**	**-**	**-**	**7,082.50**	**7,082.50**

The company has assessed that trade receivables, cash and cash equivalents, bank balances, other assets, borrowings, trade payables and other liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

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.

40 Fair value hierarchy

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.
Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

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

i. Quantitative disclosures fair value measurement hierarchy for assets and liabilities as at March 31, 2025

Particulars	Date of valuation	Fair value measurement			
		Fair Value as at March 31, 2025	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Financial assets					
Investments	March 31, 2025	1,323.84	1,060.80	-	263.04

There are no transfers between levels 1 and 2 during the year.

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

Particulars	Date of valuation	Fair value measurement			
		Fair Value as at March 31, 2024	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Financial assets					
Investments	March 31, 2024	1,317.56	1,046.18	-	271.38

41 Business Combination

Business combinations have been accounted for using the acquisition method under the provisions of Ind AS 103- (Revised), Business Combinations.

The purchase price in an acquisition is measured at the fair value of the assets transferred, equity instruments issued and liabilities incurred or assumed at the date of acquisition, which is the date on which control is transferred to the Group. The purchase price also includes the fair value of any contingent consideration. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair value on the date of acquisition. Contingent consideration is remeasured at fair value at each reporting date and changes in the fair value of the contingent consideration are recognized in the Consolidated Statement of Comprehensive Income.

The interest of non-controlling shareholders if any is initially measured either at fair value or at the non-controlling interests' proportionate share of the acquiree's identifiable net assets. The choice of measurement basis is made on an acquisition-by-acquisition basis. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity of subsidiaries.

Acquisitions during the year ended March 31, 2025

On September 30, 2024, the Company acquired Iskraemeco India Private Limited, a private limited company incorporated under the provisions of the Companies Act, 2013. The acquisition was made by entering into a definitive share purchase agreement with Iskraemeco Holding Switzerland AG and Iskraemeco Merjenje In Upravjanje Engerije . Iskraemeco India Private Limited is in the business of manufacturing end-to-end, customer-specific smart metering solutions.

The company acquired 54% stake by its wholly owned subsidiary Kaynes Holding Pte. Ltd in Sensonic GmbH ("Sensonic Austria") by way of subscription of shares on December 03, 2024. This strategic acquisition will enable the company to strengthen its presence in the railways segment.

Iskraemeco India Private Limited

Component	Acquirees Carrying Amount	Fair Value Adjustments	Purchase Price Allocated
Net Assets	-198.65	-	-198.65
Total	-198.65	-	-198.65
Goodwill			-628.51
Consideration			429.86

Sensonic Group

Component	Acquirees Carrying Amount	Fair Value Adjustments	Purchase Price Allocated
Net Assets	-107.82	-	-107.82
Total	-107.82	-	-107.82
Goodwill			-511.18
Consideration			452.95

The Purchase consideration includes a deferred consideration of INR 107.47 million payable upon the expiration of 18 months from the closing date subject to compliance by the seller with the terms of the Share Purchase Agreement.

Acquisitions during the year ended March 31, 2024

During the year ended March 31, 2024 the Group, completed one business combination to complement its business model by acquiring 100% voting interest in Digicom Electronics Inc, Oakland, California which is engaged in the business of electronic manufacturing services. A Share purchase agreement was entered into on December 31, 2023 with Digicom Electronics and the business combination has been accounted for with effect from January 01, 2024 (the closing date).

This acquisition is expected to strengthen the Group's core business and expand its presence across the Americas.
The purchase price is allocated to assets acquired and liabilities assumed based upon determination of fair values at the dates of acquisition as follows:

Component	Acquirees Carrying Amount	Fair Value Adjustments	Purchase Price Allocated
Net Assets	71.38	-	71.38
Total	71.38	-	71.38
Goodwill			128.25
Consideration			199.63

The Purchase consideration includes a deferred consideration of USD 625,000 payable upon the expiration of 18 months from the closing date subject to compliance by the seller with the terms of the Share Purchase Agreement.

42 Additional information as required under schedule III of companies act, 2013 of entities consolidated as subsidiaries

Name of the entity in the company	As at March 31,2025		As at March 31, 2024	
	Net Assets, i.e. total assets minus total liabilities		Net Assets, i.e. total assets minus total liabilities	
	As % of consolidated net assets	Amount in INR Millions	As % of consolidated net assets	Amount in INR Millions
A.Parent company				
Kaynes Technology India Limited	92.91%	26,425.89	97.60%	24,287.78
B.Indian Subsidiaries				
Kaynes International Design and Manufacturing Private Limited	0.68%	194.43	0.57%	142.73
Kemsys Technologies Private Limited	0.44%	126.42	0.56%	138.37
Kanyes Embedded Systems Private Limited			-	-
Kaynes Electronics Manufacturing Private Limited	3.60%	1,023.99	2.08%	516.95
Kaynes Semicon Private Limited	(0.42%)	(118.43)	-	(0.45)
Kaynes Circuits India Private Limited	(0.08%)	(23.05)	0.01%	2.41
Kaynes Mechatronics Private Limited	(0.03%)	(8.96)	0.01%	2.65
Iskraemeco India Private Limited	1.21%	344.74	-	-
C. Foreign Subsidiary				
Kaynes Technology Europe GmbH	(0.03%)	(8.62)	0.09%	23.24
Digicom Electronics Inc.	(0.27%)	(76.51)	0.22%	54.34
Sensonic Group	(1.49%)	(423.63)	-	-
Esrikay Electronics LLC	0.36%	101.86		
D.Consolidated adjustments	3.11%	884.11	(1.14%)	(283.34)
	100.00%	28,442.32	100.00%	24,884.68

Name of the entity in the company	For the year ended March 31, 2025		For the year ended March 31, 2024	
	Share in Profit/(Loss)		Share in Profit/(Loss)	
	As % of consolidated net assets	Amount in INR Millions	As % of consolidated net assets	Amount in INR Millions
A.Parent company				
Kaynes Technology India Limited	71.53%	2,099.05	68.80%	1,260.96
B.Indian Subsidiaries				
Kaynes International Design and Manufacturing Private Limited	1.76%	51.71	2.94%	53.87
Kemsys Technologies Private Limited	(0.41%)	(12.00)	(0.19%)	(3.55)
Kanyes Embedded Systems Private Limited	-	-	-	-
Kaynes Electronics Manufacturing Private Limited	17.28%	507.13	28.37%	519.97
Kaynes Semicon Private Limited	(4.02%)	(117.98)	(0.16%)	(2.95)
Kaynes Circuits India Private Limited	(0.87%)	(25.64)	(0.00%)	(0.09)
Kaynes Mechatronics Private Limited	(0.22%)	(6.45)	0.14%	2.58
Iskraemeco India Private Limited	16.65%	488.70	-	-
C. Foreign Subsidiary				
Kaynes Technology Europe GmbH	-	-	(0.08%)	(1.44)
Digicom Electronics Inc.	0.95%	28.00	-	-
Sensonic Group	(5.76%)	(169.00)	-	-
Esrikay Electronics LLC	0.06%	1.68		
D.Consolidated adjustments	3.04%	89.13	0.19%	3.55
	100.00%	2,934.33	100.00%	1,832.89

43 Ratios as per Schedule III Requirements

a) Current Ratio = Current Assets divided by Current Liabilities

	As at March 31,2025	As at March 31, 2024
Current Assets	26,832.43	25,866.87
Current Liabilities	16,821.11	7,362.27
Ratio	**1.60**	**3.51**
% Change from previous year	(54.60)	

Reason for change more than 25%

The decrease in ratio is due to increase in short-term borrowings and trade payables, driven by higher business volumes.

b) Debt Equity Ratio = Total Debt divided by total equity

	As at March 31,2025	As at March 31, 2024
Total Debt	8,754.83	3,060.67
Total Equity	28,442.32	24,884.68
Less : Non-controlling Interest	(39.72)	(15.79)
Less: Non free reserves	(28.37)	(20.86)
Equity attributable to the owners of the company	**28,374.23**	**24,848.03**
Ratio	**0.31**	**0.12**
% Change from previous year	150.50	

Reason for change more than 25%

The increase in ratio is due to increase in short-term borrowings, driven by higher business volumes.

c) Debt Service Coverage Ratio = Earnings available for servicing debt divided by total interest and principal payments

	As at March 31,2025	As at March 31, 2024
Profit before tax	3,716.24	2,315.69
Add: Depreciation	447.40	251.41
Add: Finance Cost	1,012.98	533.74
Adjusted Profit	**5,176.62**	**3,100.84**
Interest cost on borrowings	1,012.98	533.74
Principal repayments	-	28.45
Total of Interest and Principal repayments	**1,012.98**	**562.19**
DSCR	**5.11**	**5.52**
% Change from previous year	(7.35)	

Reason for change more than 25%

d) Return on Equity Ratio = Profit after Tax divided by Equity

	As at March 31,2025	As at March 31, 2024
Profit after tax	2,934.33	1,832.89
Less : Share of Profit /(Loss) of minority interest	(2.47)	(2.72)
Consolidated Net Profit after tax, for the year attributable to equity shareholders	**2,931.86**	**1,830.17**
Total Equity	28,442.32	24,884.68
Less : Non-controlling Interest	(39.72)	(15.79)
Less: Non free reserves	(28.37)	(20.86)
Equity attributable to the owners of the company	**28,374.23**	**24,848.03**
Average Shareholder's equity *	26,611.13	17,212.34
Ratio	**11.02**	**10.63**
% Change from previous year	3.62	

Reason for change more than 25%



e) Trade Receivables Turnover Ratio = Credit Sales divided by Closing Trade Receivables

	As at March 31,2025	As at March 31, 2024
Revenue from Operations	27,217.52	18,046.19
Average Trade Receivables *	4,650.77	2,913.19
Ratio	**5.85**	**6.19**
% Change from previous year	(5.53)	

Reason for change more than 25%

f) Trade Payables Turnover Ratio = Credit Purchases divided by closing trade payables

	As at March 31,2025	As at March 31, 2024
Credit Purchases	21,569.56	14,616.69
Average Trade payables	5,219.67	2,919.44
Ratio	**4.13**	**5.01**
% Change from previous year	(17.46)	

Reason for change more than 25%

g) Inventory Turnover Ratio = Revenue from operations divided by Closing Inventory

	As at March 31,2025	As at March 31, 2024
Revenue from Operations	27,217.52	18,046.19
Average Inventory	6,813.74	4,807.44
Ratio	**3.99**	**3.75**
% Change from previous year	6.41	

Reason for change more than 25%

h) Net Capital Turnover ratio= Sales divided by net working capital

	As at March 31,2025	As at March 31, 2024
Revenue from Operations	27,217.52	18,046.19
Average working capital	14,257.96	13,390.30
Ratio	**1.91**	**1.35**
% Change from previous year	41.01	

Reason for change more than 25%
The improvement in the ratio for the year ended March 31, 2025 is due to the increase in profits as a result of increase in sale but marginal increase in fixed expenses

i) Profit Ratio = Profit after tax divided by Revenue from Operations

	As at March 31,2025	As at March 31, 2024
Profit after tax	2,934.33	1,832.89
Revenue from Operations	27,217.52	18,046.19
Ratio	**10.78**	**10.16**
% change from previous year	6.15	

Reason for change more than 25%-

j) Return on Capital Employed= Adjusted EBIT / Total Capital Employed

	As at March 31,2025	As at March 31, 2024
Profit before tax	3,716.24	2,315.69
Add: Finance Costs	1,012.98	533.74
EBIT	4,729.22	2,849.43
Tangible Net worth	24,531.35	24,267.55
Non Current Borrowings	674.80	111.56
Short Term Borrowings	8,080.03	2,949.11
Total	**33,286.18**	**27,328.22**
ROCE	**14.21**	**10.43**
% change from previous year	36.26	

Reason for change more than 25%-
The increase in ratio is due to increase in Earnings Before Interest and Tax (EBIT).





44 Disclosure required under Section 186 (4) of the Companies Act, 2013

(i) Included in loans, the particulars of which are disclosed in below as required by Sec 186(4) of the Companies Act 2013:

(a) Given from Kaynes Technology India Limited :

Sl. No.	Name of the Borrower	Type	Rate of Interest	Secured/ Unsecured	Due Date	Purpose	As at March 31, 2025	As at March 31, 2024
1	Kemsys Technologies Private Limited	Loan	8%	Unsecured	On Demand	General business purpose	19.67	18.51
2	Digicom electronics Inc	Loan	7%	Unsecured	On Demand	General business purpose	41.50	49.79
3	Kaynes International Design & Manufacturing Private Limited	Loan	8%	Unsecured	On Demand	General business purpose	327.67	65.16
4	Kaynes Electronics Manufacturing Private Limited	Loan	8%	Unsecured	On Demand	General business purpose	3,504.92	2,236.69
5	Kaynes Semicon Private Limited	Loan	8%	Unsecured	On Demand	General business purpose	1,335.72	223.84
6	Kaynes Circuits India Private Limited	Loan	8%	Unsecured	On Demand	General business purpose	899.84	1.77
7	Kaynes Mechatronics Private Limited	Loan	8%	Unsecured	On Demand	General business purpose	604.47	64.69
8	Kaynes International Design & Manufacturing Private Limited	Corporate Guarantee	1%	Unsecured	30.03.2023	General business purpose	180.80	80.40
9	Kaynes Electronics Manufacturing Private Limited	Corporate Guarantee	1%	Unsecured	31.03.2025	General business purpose	525.00	-
10	Kaynes Electronics Manufacturing Private Limited	Corporate Guarantee	1%	Unsecured	31.03.2025	General business purpose	700.00	
11	Iskraemeco India Private Limited	Corporate Guarantee	1%	Unsecured	31.03.2025	General business purpose	700.00	
12	Kemsys Technologies Private Limited	Investment					229.00	229.00
13	Kaynes Technology Europe GmbH	Investment					9.24	9.24
14	Kaynes International Design & Manufacturing Private Limited	Investment					1.50	1.50
15	Kaynes Electronics Manufacturing Private Limited	Investment					0.10	0.10
16	Digicom Electronics Inc	Investment					199.63	199.63
17	Essakay Electronics LLC	Investment					100.18	-
18	Kaynes Semicon Private Limited	Investment					2.50	2.50
19	Kaynes Mechatronics Private Limited	Investment					0.10	0.10
20	Iskraemeco India Private Limited	Investment					429.86	-
21	Kaynes Holding Pte Ltd	Investment					650.77	-
22	Kaynes Circuits India Private Limited	Investment					2.50	2.50

(b) Given from Kaynes Electronics Manufacturing Private Limited :

Sl. No.	Name of the Borrower	Type	Rate of Interest	Secured/ Unsecured	Due Date	Purpose	As at March 31, 2025	As at March 31, 2024
1	Kaynes Semicon Private Limited	Loan	8%	Unsecured	On Demand	General business purpose	567.92	558.18

45 Other Statutory disclosures

1. Benami Property
The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

2. The Company does not have any transaction with companies struck off u/s 248 of Companies Act, 2013 or u/s 560 of Companies Act, 1956.

3. The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

4. The Company has not traded or invested in Crypto Currency or Virtual Currency during the financial year.

5.(i) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
(a)directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

6.(ii) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

7. The company has neither declared nor paid any interim dividend or final dividend during the year.

8. The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

9. The company has complied with the number of layers prescribed under clause (87) of Section 2 of the Act read with Companies (Restriction on number of layers) Rules, 2017.

10.The Company has not been declared as willful defaulter by any bank or financial institution or other lender.

11.The company does not have any transactions that are not recorded in books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

12. During the year, the Company made a political contribution of Rs. 110.00 Millions (2024 : Rs. Nil) in accordance with the provisions of Section 182 of the Companies Act, 2013.

13.The Company uses an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the accounting software. There is no instance of audit trail feature being tampered with was noted in respect of the accounting software.

Presently, the log has been activated at the application and the access to the database continues to be restricted to limited set of users who necessarily require this access for maintenance and administration of the database.

46 **Corporate social responsibility expenses:**

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Amount required to be spent by the company during the year	29.08	12.70
Amount of expenditure incurred.	30.88	12.87
Shortfall at the end of the year.	-	-
Total of previous years shortfall.	-	-

The company's CSR Activities primarily involve in the promotion of education, healthcare, art and cultural promotion, animal welfare, rural developement, natural calamities relief and skill developement for underprivileged people.

47 **Disclosure as required under Micro, Small and Medium Enterprises Development Act, 2006 (the Act):**

Particulars	As at March 31,2025	As at March 31, 2024
Principal amount due to micro & small enterprises	108.44	65.67
Interest due on above	-	-
Interest paid during the period beyond the appointed day	-	-
Amount of interest due and payable for the period of delay in making payment without adding the interest specified under the Act.	-	-
Amount of interest accrued and remaining unpaid at the end of the year	-	-
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 small enterprises for the purpose of disallowance as a deductible expenditure under Sec.23 of the Act	-	-

Note: The above information and that given in Note 17 (b)'Trade Payables' regarding Micro and Small Enterprises has been determined on the basis of information available with the company and has been relied upon by the auditors.

48 Previous year figures have been regrouped/ re-classified wherever necessary.

As per our report of even date
For K.P. Rao & Co
Chartered Accountants
Firm Registration Number: 0031355

Mohan R Lavi
Partner
Membership No.029340

Place: Mysuru
Date: May 15, 2025

For and on behalf of the Board of Directors of
Kaynes Technology India Limited

Ramesh Kunhikannan
Managing Director
(DIN: 02063167)

Jairam P Sampath
Whole Time Director & Chief Financial Officer
(DIN: 08064368)

Rajesh Sharma
Chief Executive Officer

Place: Mysuru
Date: May 15, 2025

Anuj Mehtha
Company Secretary
Membership No. A62542

Independent Auditor's Report

To the Members of
Kaynes Technology India Limited

Report on the Audit of the Consolidated Ind AS Financial Statements

OPINION

We have audited the accompanying Consolidated Ind AS Financial Statements of **Kaynes Technology India Limited** (hereinafter referred to as "the Holding Company") and **its subsidiaries** (Holding Company and its subsidiaries together referred to as "the Group") which comprise the Consolidated Balance Sheet as at 31 March, 2024, the Consolidated Statement of Profit and Loss (including other comprehensive income), Consolidated Statement of Changes in Equity and Consolidated Statement of Cash Flows for the year then ended and notes to the Consolidated Ind AS Financial Statements, including a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS 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 Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended, ("Ind AS)" and other accounting principles generally accepted in India, of the Consolidated State of Affairs of the Group as at 31 March, 2024, the Consolidated profit, the Consolidated total comprehensive income, Consolidated changes in equity and Consolidated cash flows for the year ended.

BASIS OF OPINION

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the Ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules there under, 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 consolidated financial statements.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matter described below to be the key audit matters to be communicated in our report of Holding company:

Key Audit Matter	Auditor's Response
Revenue Recognition: Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company has generally concluded that it is the principal in its revenue arrangements because it typically controls the goods or services before transferring them to the customer. Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts and schemes offered by the Company as part of the contract. This variable consideration is estimated based on the expected value of outflow. Revenue (net of variable consideration) is	**Audit procedures performed to address the key audit matter:** Our audit procedures included, among others, inquiries with management regarding significant new contracts and relevant changes in existing contracts. The procedures also included reading significant new contracts to understand the terms and conditions and their impact on revenue recognition. On a sample basis, we reconciled revenue to the supporting documentation, such as sales orders, invoices and other relevant documents. A specific emphasis was set on verifying that revenue transactions at the end of the financial year and at the beginning of the new financial year have been recognized in the proper accounting period by comparing revenues close to the balance sheet date with the respective contractual terms.

Key Audit Matter	Auditor's Response
recognized only to the extent that it is highly probable that the amount will not be subject to significant reversal when uncertainty relating to its recognition is resolved. The Company has ascertained that all performance obligations are performed at a point in time.	Our procedures also involved testing the performance obligations in the contract and the variable consideration, if any. We also test-checked instances for transfer of control to the customer with the necessary documentation.

INFORMATION OTHER THAN THE CONSOLIDATED IND AS FINANCIAL STATEMENTS AND AUDITORS' REPORT THEREON

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report and Shareholder's Information, but does not include the Financial Statements and our auditor's report thereon.

Our opinion on the Consolidated Ind AS Financial Statements does not cover the other Information and we do not express any form of assurance conclusion thereon.

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

RESPONSIBILITIES OF THE MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

The Holding Company's management and Board of Directors are responsible for the matters stated in section 134(5) of the Companies Act 2013, with respect to the preparation of these consolidated financial statements that give a true and fair view of the financial position and financial performance, of the group in accordance with the Accounting Principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. The respective Management and Board of Directors of the Companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Management and Board of Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective management and Board of Directors of the companies included in the group are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The respective Board of the companies included in the group are responsible for overseeing the financial reporting process of each company.

AUDITOR'S RESPONSIBILITY FOR THE AUDIT OF CONSOLIDATED IND AS FINANCIAL STATEMENTS

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on internal financial controls with reference to the consolidated financial statements and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management and Board of Directors.
- Conclude on the appropriateness of management and Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosure is inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of entities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the consolidated financial statements. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other Companies included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

OTHER MATTERS

The Consolidated Ind AS Financial Statements includes the unaudited financial results of two foreign subsidiaries and one domestic subsidiary, whose financial statements reflect total assets (before consolidation adjustments) of ₹ 265.79 Mn, total revenue (before consolidation adjustments) of ₹ 130.37 Mn, total net profit/(loss) after tax (before consolidation adjustments) of ₹ (1.67) Mn, total comprehensive income (net) of ₹ (1.67) Mn, and net cash inflows of ₹ 21.82 Mn for the year ended 31 March, 2024. This financial information is unaudited and has been furnished to us by the Management and our opinion and conclusion on the statements, in so far as it relates to the amounts and disclosures included in respect of these entities, are based solely on such unaudited financial information.

Our report on the Consolidated Ind AS Financial Statement and our report on Other Legal and Regulatory Requirements below, are not modified in respect of the above matter with respect to our reliance on the financial information certified by the Board of Directors.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

As required by the Companies (Independent Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of subsection (11) of Section 143 of the Act, we give in the **"Annexure A"**, a statement on the matter specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.

c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of Changes in Equity and the Consolidated Statement

of Cash Flows dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements.

d) In our opinion, the aforesaid Consolidated financial statements comply with the Ind AS specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended.

e) On the basis of the written representations received from the directors of the Holding Company as on 31 March, 2024 taken on record by the Board of Directors of the Holding Company and on the basis of written representations received by the management from directors of its subsidiaries which are incorporated in India, as on 31 March, 2024, none of the directors of the Group companies incorporated in India is disqualified as on 31 March, 2024 from being appointed as a director in terms of Section 164(2) of the Act.

f) With respect to the adequacy of the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiary companies incorporated in India and the operating effectiveness of such controls, refer to our separate report in **'Annexure B'**

g) In our opinion and according to the information and explanation given to us, the remuneration paid during the current year by the Holding Company and its subsidiaries which are incorporated in India to its directors is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director by the Holding Company and its subsidiaries which are incorporated in India, is not in excess of the limit laid down under Section 197 of the Act.

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The consolidated financial statements disclose the impact of pending litigations as at 31 March, 2024 on the consolidated financial position of the Group. Refer Note 28 to the consolidated financial statements.

ii. The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund.

iv. a) The Management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or its subsidiary companies incorporated in India 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")
- provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

b) The management has represented, that, to the best of its knowledge and belief, no funds have been received by the Holding Company or its subsidiary companies incorporated in India from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or its subsidiary companies incorporated in India shall:

- directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Parties or
- provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries.

c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) contain any material mis-statement.

v. The Group has neither declared nor paid interim dividend or final dividend during the year. Therefore, reporting under Rule 11(f) of Companies (Audit and Auditors) Rules, 2014 is not applicable.

vi. Based on our examination, which included test checks, the Holding Company and its Subsidiaries located in India have used an ERP accounting software for maintaining their books of accounts which has a feature of recording audit trail (edit log) facility. Out of three subsidiaries, in case of two Subsidiaries of the Holding Company that are located outside India, the consolidated financial statements have been drawn upon

the basis of the unaudited financial statements of those Subsidiaries. As a result, we have not been able to verify the existence of audit trails in the accounting package maintained by those subsidiaries. In case of one domestic subsidiary company, which is also drawn upon basis of the unaudited financial statements, audit trail for such company has not been verified.

One of the domestic subsidiary companies, apart from those mentioned above, has maintained manual books of accounts and hence the provision of rule is not applicable.

Further, during the course of our audit and on the basis of test checking of selected samples, we did not come across any instance of audit trail feature being tampered with.

For **K.P. Rao & Co.**
Chartered Accountants
Firm Reg. No. : 003135S

Mohan R Lavi
Partner
Membership No.: 029340
UDIN: 24029340BKBGCA2302

Place: Mysuru
Date: 16 May, 2024

Annexure-A to the Independent Auditors' Report

(Referred to in report on other legal and regulatory requirements Section of our report of even date)

There have been no qualifications or adverse remarks by the respective auditors in the Companies (Auditor's Report) Order (CARO) reports of the companies included in the consolidated financial statements.

For **K.P. Rao & Co.**
Chartered Accountants
Firm Reg. No. : 003135S

Mohan R Lavi
Partner
Membership No.: 029340
UDIN: 24029340BKBGCA2302

Place: Mysuru
Date: 16 May, 2024

Annexure-B to the Independent Auditors' Report

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

OPINION

In conjunction with our audit of the consolidated financial statements of Kaynes Technology India Limited (hereinafter referred to as "the Holding Company") as of and for the year ended 31 March, 2024, we have audited the internal financial controls with reference to the consolidated financial statements of the Holding Company and such companies incorporated in India under the Companies Act, 2013 which are its subsidiary companies, as of that date.

In our opinion, the holding company and such Companies incorporated in India which are its subsidiary companies, have, in all material respects, an adequate internal financial controls system with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at 31 March, 2024, based on the internal financial controls with reference to consolidated financial statements criteria established by such companies considering the essential components of such internal controls stated in the Guidance Note of Internal Financial Controls With reference to consolidated financial statements issued by the Institute of Chartered Accountants of India. However, the existing policies, systems, procedures and internal controls followed by the Holding Company have to be completely and appropriately documented and reconciled.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The respective Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls With reference to consolidated financial statements ('the Guidance Note') issued by the Institute of Chartered Accountants of India ('the ICAI')". These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective 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 the Companies Act, 2013 ('the Act').

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing ('the Standards'), issued by the ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and

plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated 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 judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO CONSOLIDATED FINANCIAL STATEMENTS

A Company's internal financial control with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting in the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles. This includes those policies and procedures that:

i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;

ii) 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 authorizations of management and directors of the Company; and

iii) provide reasonable assurance regarding prevention or timely detection of unauthorized 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 CONSOLIDATED FINANCIAL STATEMENTS

Because of the inherent limitations of internal financial controls with reference to consolidated 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 consolidated financial statements to future periods are subject to the risk that the internal financial control with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For **K.P. Rao & Co.**
Chartered Accountants
Firm Reg. No. : 003135S

Mohan R Lavi
Partner
Membership No.: 029340
UDIN: 24029340BKBGCA2302

Place: Mysuru
Date: 16 May, 2024

KAYNES TECHNOLOGY

Consolidated Balance Sheet

(All amounts are in ₹ Mn, unless otherwise stated)

Particulars	Note	As at 31 March, 2024	As at 31 March, 2023
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	3	2,593.80	901.76
Capital work-in-progress	3(b)	765.56	111.63
Intangible assets	3(c)	183.46	220.94
Intangible under development	3(d)	285.24	181.80
Rights-of-use Assets	3(e)	263.13	170.90
Goodwill		151.69	23.44
Financial assets			
i) Investments	4	1,317.56	32.76
ii) Loans and deposits	5(a)	88.82	69.64
iii) Other financial assets	5(b)	37.03	11.03
Other non-current assets	6	1,098.61	155.82
Total Non-Current Assets (A)		**6,784.90**	**1,879.72**
CURRENT ASSETS			
Inventories	7	5,483.24	4,131.64
Financial asset			
i) Trade receivables	8(a)	3,555.73	2,270.66
ii) Cash and cash equivalents	8(b)	194.11	259.31
iii) Bank balances other than cash and cash equivalents	8(c)	15,061.49	4,600.65
iv) Loans and deposits	8(d)	38.86	29.88
v) Other financial assets	8(e)	254.95	79.27
Current Tax Assets (Net)	9	58.81	36.07
Other current assets	10	1,219.68	893.72
Total Current Assets (B)		**25,866.87**	**12,301.20**
TOTAL ASSETS (A + B)		**32,651.77**	**14,180.92**
EQUITY AND LIABILITIES			
EQUITY			
Equity Share Capital	11(A)	639.18	581.42
Instruments entirely equity in nature	11(B)	-	-
Other Equity	12	24,229.71	9,009.00
Non-controlling Interest	13	15.79	13.07
Total Equity (A)		**24,884.68**	**9,603.49**
LIABILITIES			
NON-CURRENT LIABILITIES			
Financial Liabilities			
Borrowings	14	111.56	150.42
Lease liabilities	32	132.09	154.57
Deferred Tax Liabilities (Net)	15	101.60	76.91
Long Term Provisions	16	59.57	50.34
Total Non-current Liabilities (B)		**404.82**	**432.24**
CURRENT LIABILITIES			
Financial Liabilities			
Short-term borrowings	17(a)	2,949.11	1,208.57
Trade payables	17(b)		
- Total outstanding dues of micro enterprises and small enterprises		65.67	216.45
- Total outstanding dues to other than micro enterprises and small enterprises		3,544.47	2,012.29
Other financial liabilities	17(c)	246.90	105.75
Lease liabilities	32	32.70	33.86
Other current liabilities	18	508.59	556.83
Short-term provisions	19	14.83	11.44
Total Current Liabilities (C)		**7,362.27**	**4,145.19**
Total Liabilities (B+C)		**7,767.09**	**4,577.43**
TOTAL EQUITY AND LIABILITIES (A+B+C)		**32,651.77**	**14,180.92**

Significant accounting policies and notes to financial statements 1 to 2

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

As per our report of even date

For K.P. Rao & Co
Chartered Accountants
Firm Registration Number: 003135S

Mohan R Lavi
Partner
Membership No.029340

Place: Mysuru
Date: 16 May, 2024

For and on behalf of the Board of Directors of
Kaynes Technology India Limited

Ramesh Kunhikannan
Managing Director
(DIN: 02063167)

Rajesh Sharma
Chief Executive Officer

Place: Mysuru
Date: 16 May, 2024

Jairam P Sampath
Whole Time Director & Chief Financial Officer
(DIN: 08064368)

S M Adithya Jain
Company Secretary
Membership No. A49042

Consolidated Statement of Profit and Loss

(All amounts are in ₹ Mn, except per equity share data)

Particulars	Note	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Income			
Revenue from operations	20	18,046.19	11,261.14
Other Income	21	559.16	113.98
Total Income (A)		**18,605.35**	**11,375.12**
Expenses			
Cost of materials consumed	22	13,712.02	8,478.01
Changes in inventories of finished goods and work in progress	23	(412.64)	(677.24)
Employee benefit expenses	24	1,027.56	770.99
Finance cost	25	533.74	349.36
Depreciation and amortisation expense	26	251.41	187.41
Other expenses	27	1,177.57	1,006.20
Total Expenses (B)		**16,289.66**	**10,114.73**
Profit / (Loss) Before Tax (A-B)=C		**2,315.69**	**1,260.39**
Tax Expenses			
Income taxes			
- Current tax		458.39	292.43
- Earlier year tax adjustments		-	18.71
Deferred tax charge/ (Credit)		24.41	(2.71)
Total tax expense (D)		**482.80**	**308.43**
Profit / (Loss) for the year (C - D)=E		**1,832.89**	**951.96**
Other Comprehensive Income (Net)			
Other Comprehensive Income not to be reclassified to profit or loss in subsequent periods			
- Re-measurement gains/ (losses) on defined benefit plans		3.96	(2.77)
- Exchange differences in translating financial statements of foreign operations		0.66	5.03
- Income tax effect		1.00	0.70
Total Other Comprehensive Income for the year, net of tax (F)		**5.62**	**2.96**
Total Comprehensive Income for the year, net of tax (E+F)		**1,838.51**	**954.92**
Less: Share of Profit /(Loss) of minority interest		2.72	1.75
Total Comprehensive Income for the year, net of tax		**1,835.79**	**953.17**
Earnings per share (nominal value of ₹ 10 each)			
Basic		30.63	19.84
Diluted		30.24	19.61

Significant accounting policies and notes to financial statements 1 to 2

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

As per our report of even date

For K.P. Rao & Co
Chartered Accountants
Firm Registration Number: 003135S

Mohan R Lavi
Partner
Membership No.029340

Place: Mysuru
Date: 16 May, 2024

For and on behalf of the Board of Directors of
Kaynes Technology India Limited

Ramesh Kunhikannan
Managing Director
(DIN: 02063167)

Rajesh Sharma
Chief Executive Officer

Place: Mysuru
Date: 16 May, 2024

Jairam P Sampath
Whole Time Director & Chief Financial Officer
(DIN: 08064368)

S M Adithya Jain
Company Secretary
Membership No. A49042

KAYNES TECHNOLOGY

Consolidated Statement of Cash Flows

(All amounts are in ₹ Mn, except per equity share data)

Particulars			For the year ended 31 March, 2024	For the year ended 31 March, 2023
A.	**Cash Flow from Operating Activities**			
	Net profit before extraordinary items and tax		2,315.69	1,260.39
	Adjustments for :			
	Depreciation and amortisation expense		251.41	187.41
	Provision for doubtful debts		135.19	14.99
	Unrealised foreign exchange gain (Net)		-	0.48
	Interest expense		533.74	349.36
	Interest income		(519.52)	(98.16)
	Miscellaneous income (Liabilities written back)		-	(1.68)
	Operating profit before working capital changes, extraordinary items		**2,716.51**	**1,712.79**
	Adjustments for:			
	(Increase)/ Decrease in Inventories		(1,351.60)	(1,867.86)
	(Increase)/Decrease in Trade receivables		(1,420.26)	(293.40)
	(Increase)/Decrease in Loans and Advances and other assets		(225.40)	(344.85)
	Increase/(Decrease) in Trade payable and other liabilities		1,450.67	870.18
	Increase/(Decrease) in Provisions		12.62	9.94
	Cash Generated (used in) / From Operations		**1,182.54**	**86.80**
	Income tax received / (paid)		(481.13)	(502.82)
	Net Cash from Operating Activities	**(A)**	**701.41**	**(416.02)**
B.	**Cash Flow from Investing Activities**			
	Purchase of fixed assets		(3,825.99)	(581.22)
	Interest received		519.52	98.16
	Investment in fixed deposits		(10,460.84)	(4,453.45)
	Investment in mutual fund		(1,026.86)	-
	Investment in subsidiary and others		(257.94)	-
	Net Cash used in Investing activities	**(B)**	**(15,052.11)**	**(4,936.51)**
C.	**Net Cash from/(used) in Financing Activities**			
	Proceeds from issue of Share Capital :			
	- Equity		57.76	113.68
	- Preference		-	-
	Share Premium received :			
	- Equity		13,377.83	6,486.32
	- Preference		-	-
	Share issue expenses		(318.03)	(371.07)
	Repayment of long term borrowings		(38.86)	(142.37)
	Proceeds from short term borrowings		1,740.54	(194.10)
	Interest expense		(533.74)	(349.36)
	Net Cash from/(used) in Financing Activities	**(C)**	**14,285.50**	**5,543.10**
	Net Increase in Cash and Cash Equivalents	**(A)+(B)+(C)**	**(65.20)**	**190.57**

Consolidated Statement of Cash Flows (Contd.)

(All amounts are in ₹ Mn, except per equity share data)

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Cash and cash equivalents as on 01 April	259.31	68.74
Cash and cash equivalents as on 31 March	**194.11**	**259.31**
Components of cash and cash equivalents		
Balance with scheduled banks on:		
- Current Account	193.62	259.22
- Cash on Hand	0.49	0.09
Total	**194.11**	**259.31**

The accompanying notes are an integral part of the consolidated financial statements.
As per our report of even date

For K.P. Rao & Co
Chartered Accountants
Firm Registration Number: 003135S

Mohan R Lavi
Partner
Membership No.029340

Place: Mysuru
Date: 16 May, 2024

For and on behalf of the Board of Directors of
Kaynes Technology India Limited

Ramesh Kunhikannan
Managing Director
(DIN: 02063167)

Rajesh Sharma
Chief Executive Officer

Place: Mysuru
Date: 16 May, 2024

Jairam P Sampath
Whole Time Director & Chief Financial Officer
(DIN: 08064368)

S M Adithya Jain
Company Secretary
Membership No. A49042

KAYNES TECHNOLOGY

Consolidated Statement of Changes in Equity

(All amounts are in ₹ Mn, except per equity share data)

A. EQUITY SHARE CAPITAL

Particulars	No. of Shares	Amount
As at 01 April, 2022	**46,158,006**	**461.58**
Change during the year	11,984,490	119.84
As at 31 March, 2023	**58,142,496**	**581.42**
Change during the year	5,775,577	57.76
As at 31 March, 2024	**63,918,073**	**639.18**

B. INSTRUMENTS ENTIRELY OF EQUITY NATURE

Particulars	CCPS Series A		CCPS Series B		CCPS Series C	
	No. of Shares	Amount	No. of Shares	Amount	No. of Shares	Amount
As at 01 April, 2022	**-**	**-**	**333,323**	**3.33**	**45,823**	**0.46**
Change during the year	-	-	(333,323)	**(3.33)**	(45,823)	**(0.46)**
As at 31 March, 2023	**-**	**-**	**-**	**-**	**-**	**-**
Change during the year	-	-	-	-	-	-
As at 31 March, 2024	**-**	**-**	**-**	**-**	**-**	**-**

C. OTHER EQUITY

For the year ended 31 March, 2024

Particulars	Reserves & Surplus					Other Comprehensive Income		Total Other Equity	Non Controlling Interest	Total
	Securities premium	General Reserve	Retained earnings	Debenture Redemption Reserve (DRR)	Employee stock options outstanding account (ESOP Reserve)	Foreign Currency Translation Reserve	Remeasurement of defined benefit obligations			
As at 01 April, 2023	**6,591.58**	**130.00**	**2,260.81**	**-**	**6.31**	**7.46**	**12.84**	**9,009.00**	**13.07**	**9,022.07**
Profit for the period	-	-	1,835.79	-	-	0.66	-	1,836.45	2.72	1,839.17
On issue of Equity shares	13,942.24	-	-	-	-	-	-	13,942.24	-	13,942.24
Share based payment expenses					6.43			6.43	-	6.43
Re-measurement of the net defined benefit liability/asset, net of tax effect			(5.62)				5.62	-	-	-
As at 31 March, 2024	**19,969.41**	**130.00**	**4,090.98**	**-**	**12.74**	**8.12**	**18.46**	**24,794.12**	**15.79**	**24,809.91**

Consolidated Statement of Changes in Equity (Contd.)

(All amounts are in ₹ Mn, except per equity share data)

For the year ended 31 March, 2023

Particulars	Reserves & Surplus					Other Comprehensive Income		Total Other Equity	Non Controlling Interest	Total
	Securities premium	General Reserve	Retained earnings	Debenture Redemption Reserve (DRR)	Employee stock options outstanding account (ESOP Reserve)	Foreign Currency Translation Reserve	Remeasurement of defined benefit obligations			
As at 01 April, 2022	**107.64**	**124.69**	**1,310.60**	**5.31**	**-**	**2.36**	**9.88**	**1,560.48**	**11.32**	**1,571.80**
Profit for the period	-	-	953.17	-	-	5.10	-	958.27	1.75	960.02
On issue of Equity shares	6,486.33	-	-	-	-	-	-	6,486.33	-	6,486.33
On conversion of Preference shares into equity	(2.39)	-	-	-	-	-	-	(2.39)	-	(2.39)
Utilised towards redemption of debentures	-	-	-	(5.31)	-	-	-	(5.31)	-	(5.31)
Transfer from Debenture redemption reserve	-	5.31	-	-	-	-	-	5.31	-	5.31
Share based payment expenses					6.31			6.31		6.31
Re-measurement of the net defined benefit liability/asset, net of tax effect			(2.96)				2.96	-	-	-
As at 31 March, 2023	**6,591.58**	**130.00**	**2,260.81**	**-**	**6.31**	**7.46**	**12.84**	**9,009.00**	**13.07**	**9,022.07**

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

As per our report of even date

For K.P. Rao & Co
Chartered Accountants
Firm Registration Number: 003135S

Mohan R Lavi
Partner
Membership No.029340

Place: Mysuru
Date: 16 May, 2024

For and on behalf of the Board of Directors of
Kaynes Technology India Limited

Ramesh Kunhikannan
Managing Director
(DIN: 02063167)

Rajesh Sharma
Chief Executive Officer

Place: Mysuru
Date: 16 May, 2024

Jairam P Sampath
Whole Time Director & Chief Financial Officer
(DIN: 08064368)

S M Adithya Jain
Company Secretary
Membership No. A49042

Overview and Notes to the Consolidated Financial Statements

1 GENERAL INFORMATION

Kaynes Technology India Limited (Formerly known as Kaynes Technology India Private Limited) ("the Company" / "Parent Company"/ "Holding Company") is a Company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The Company and its subsidiaries' (Collectively, "the Group") are primarily engaged in Design and Manufacturing of advanced electronic modules and solutions catering to a wide range of industries.

The Holding company has converted itself from Private Limited to Public Limited, pursuant to a special resolution passed in the extraordinary general meeting of the shareholders of the Company held on 24 March, 2022 and consequently the name of the Company has changed to "Kaynes Technology India Limited" pursuant to a fresh certificate of incorporation by the Registrar of Companies on 31 March, 2022.

The following entities are considered in these Consolidated financial information

Name of Entity	Relationship	Country of Incorporation	Ownership Interest in %	
			As at 31 March, 2024	As at 31 March, 2023
Kaynes Technology India Limited	Holding	India	100.00	100.00
Kaynes International Design & Manufacturing Private Limited	Subsidiary	India	95.21	95.21
Kemsys Technologies Private Limited	Subsidiary	India	100.00	100.00
Kaynes Embedded Systems Private Limited	Subsidiary	India	60.00	60.00
Kaynes Electronics Manufacturing Private Limited	Subsidiary	India	100.00	100.00
Kaynes Technology Europe GmbH	Subsidiary	Switzerland	60.00	60.00
Kaynes Semicon Private Limited	Subsidiary	India	100.00	NA
Kaynes Circuits India Private Limited	Subsidiary	India	100.00	NA
Kaynes Mechatronics Private Limited	Subsidiary	India	100.00	NA
Digicom Electronics Inc	Subsidiary	USA	100.00	NA

2 BASIS OF PREPARATION

A. Statement of compliance

These Consolidated Ind AS financial statements ("Ind AS financial statements") have been prepared in accordance with Indian Accounting Standards ('Ind AS') notified under Section 133 of the Companies Act, 2013 ('the Act') read with the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) Rules, 2016 and other relevant provisions of the Act, to the extent applicable.

The Consolidated Financial Information, which have been approved by the Board of Directors of the Company, have been prepared in accordance with the requirements of:

- Section 26 of part I of Chapter III of the Act;
- relevant provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, issued by the Securities and Exchange Board of India ('SEBI') as amended in pursuance of the Securities and Exchange Board of India Act, 1992; and
- Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India ("ICAI").

Functional and presentation currency

Items included in the Consolidated Financial Information of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The Consolidated Financial Information are presented in Indian rupee (₹), which is also the Group's functional currency. All amounts have been rounded-off to the nearest Mn, up to two places of decimal, unless otherwise indicated. Amounts having absolute value of less than ₹ 100,000 have been rounded and are presented as ₹ 0.00 Mn in the Consolidated Financial Information.

Basis of measurement

The Consolidated financial information has been prepared on the historical cost basis except for the following items:

Items	Measurement Basis
Certain financial assets (except trade receivables and contract assets which are measured at transaction cost) and liabilities	Fair Value
Defined benefits liability	Fair value of plan assets less present value of defined benefit obligations

2.1 Current versus non-current classification

The Company presents assets and liabilities in the consolidated balance sheet based on current/ non-current classification. An asset is treated as current when it is:

(a) Expected to be realised or intended to be sold or consumed in normal operating cycle,

(b) Held primarily for the purpose of trading,

(c) Expected to be realised within twelve months after the reporting period, or

(d) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

(a) It is expected to be settled in normal operating cycle,

(b) It is held primarily for the purpose of trading,

(c) It is due to be settled within twelve months after the reporting period, or

(d) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities. Advance tax paid is classified as non-current assets.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents.

2.2 Fair value measurement

The Company measures financial instruments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

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

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

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

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

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

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

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

Level 2 — inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).;

Level 3 - inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement. The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

2.3 Use of estimates and judgements

The preparation of the consolidated financial statements in conformity with Ind AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities. Estimates include provision for employee benefits, allowances for uncollectible trade receivables / advances / contingencies, useful life of fixed assets, provision for taxation, etc., during and at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next financial year are included in the following notes:

Note 34 – measurement of defined benefit obligations: key actuarial assumptions;

Notes 28 – recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources;

Note 36 – impairment of financial assets;

2.4 Foreign currency translation

The Company's financial statements are presented in ₹, which is also the parent company's functional currency. For each foreign opertaion, the Company determines the functional currency and items included in the financial statements of each entity are measured using that functional currency. The Company uses the direct method of consolidation and on disposal of a foreign operation the gain or loss that is reclassified to profit or loss reflects the amount that arises from using this method.

Initial recognition

Transactions in foreign currencies entered into by the Company are accounted at the exchange rates prevailing on the date of the transaction or at the average rates that closely approximate the rate at the date of the transaction.

Conversion

Monetary assets and liabilities denominated in foreign currencies are translated at the foreign currency exchange rates at the reporting date. Non-monetary assets and liabilities that are carried at historical cost are translated using the exchange rates at the dates of initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined.

Treatment of Exchange Differences

Exchange differences are recognised in profit or loss, except exchange differences arising from the translation of the qualifying cash flow hedges, to the extent the hedges are effective, which are recognised in other comprehensive income (OCI).

2.5 Principles of consolidation

a. Subsidaries

Subsidiaries are entities controlled by the Group. Control is achieved when the Group 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 Group controls an investee if, and only if, the Group has:

(i) Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee);

(ii) Exposure, or rights, to variable returns from its involvement with the investee; and the ability to use its power over the investee to affect its returns.

(iii) The ability to use its power over the investee to affect its returns.

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has

power over an investee, including:

(i) The contractual arrangement with the other vote holders of the investee;

(ii) Rights arising from other contractual arrangements;

(iii) The Group's voting rights and potential voting rights;

(iv) The size of the group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the Consolidated Financial Statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Consolidated Financial Statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the Consolidated Financial Statements for like transactions and events in similar circumstances, appropriate adjustments are made to that Group member's financial statements in preparing the consolidated financial statements to ensure conformity with the Group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the Parent Company, i.e. year ended on 31 March.

b. Consolidation Procedures:

a. Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the Consolidated Financial Statements at the acquisition date.

b. Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.

c. Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the Group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and property, plant and equipment and intangible assets, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the Consolidated Financial Statements. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profit and losses resulting from intragroup transactions.

c. Non-controlling interests (NCI)

NCI are measured at their proportionate share of the acquiree's net identifiable assets at the date of acquisition.

Changes in the Group's equity interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

d. Loss of control

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it:

(i) Derecognises the assets (including goodwill) and liabilities of the subsidiary.

(ii) Derecognises the carrying amount of any non-controlling interests.

(iii) Derecognises the cumulative translation differences recorded in equity.

(iv) Recognises the fair value of the consideration received.

(v) Recognises the fair value of any investment retained.

(vi) Recognises any surplus or deficit in profit or loss.

(vii) Reclassifies the parent's share of components previously recognised in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities.

e. Subsidiaries considered in the Consolidated Financial Statements:

Name of Entity	Relationship	Country of Incorporation	Ownership Interest in %	
			As at 31 March, 2024	As at 31 March, 2023
Kaynes Technology India Limited	Holding	India	100.00	100.00
Kaynes International Design & Manufacturing Private Limited	Subsidiary	India	95.21	95.21
Kemsys Technologies Private Limited	Subsidiary	India	100.00	100.00
Kaynes Embedded Systems Private Limited	Subsidiary	India	60.00	60.00
Kaynes Electronics Manufacturing Private Limited	Subsidiary	India	100.00	100.00
Kaynes Technology Europe GmbH	Subsidiary	Switzerland	60.00	60.00
Kaynes Mechatronics Private Limited	Subsidiary	India	100.00	NA
Digicom Electronics Inc	Subsidiary	USA	100.00	NA
Kaynes Semicon Private Limited	Subsidiary	India	100.00	NA
Kaynes Circuits India Private Limited	Subsidiary	India	100.00	NA

2.6 Revenue recognition

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company has generally concluded that it is the principal in its revenue arrangements because it typically controls the goods or services before transferring them to the customer.

The specific recognition criteria described below must also be met before revenue is recognised.

Sale of products and services:

Revenue from sale of products is recognised at the point in time when control of the asset is transferred to the customer, generally on delivery of the products. Revenue from sale of services is recognised as the service is performed and there are no unfulfilled obligations.

The Company considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated if any. In determining the transaction price for the sale of goods, the Company considers the effects of variable consideration, the existence of significant financing components, noncash consideration, and consideration payable to the customer (if any).

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts and schemes offered by the Company as part of the contract. This variable consideration is estimated based on the expected value of outflow. Revenue (net of variable consideration) is recognised only to the extent that it is highly probable that the amount will not be subject to significant reversal when uncertainty relating to its recognition is resolved.

The Company has ascertained that all performance obligations are performed at a point in time.

Contract balances

Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional. Contract assets are transferred to receivables when the rights become unconditional and contract liabilities are recognised as and when the performance obligation is satisfied. Contract assets are subject to impairment assessment. Refer to accounting policies on impairment of financial assets in section (2.11) Financial instruments below.

A receivable is recognised if an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in section (2.11) Financial instruments below.

Contract Liability

A contract liability is recognised if a payment is received or a payment is due (whichever is earlier) from a customer before the Company transfers the related goods or services. Contract liabilities are

recognised as revenue when the Company performs under the contract (i.e., transfers control of the related goods or services to the customer).

The Company presents revenues net off indirect taxes in the statement of profit and loss.

2.7 Other Income

Interest income is recognised on time proportion basis and other income, if any, recognised on the basis of certainty of receipts and on accrual basis and this is included in the finance income in the statement of profit and loss.

For all financial instruments measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability.

When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses. Interest income is included in finance income in the statement of profit and loss.

Government Grant:

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. 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 is recognised as income in equal amounts over the expected useful life of the related asset.

2.8 Employee Benefits

a) Short-term benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are recorded as expense as the related service is provided. A liability is recognised for the amount expected to be paid, if the Company has a present obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

b) Provident Fund

This is a defined benefit plan. Aggregate contributions along with interest thereon are paid at retirement, death, incapacitation or termination of employment. Both the employee and the Company make monthly contributions equal to a specified percentage of the employee's salary to the provident fund. The Company contributes to the government administered pension fund.

c) Gratuity

This is a defined benefit plan. The Company provides for Gratuity covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment.

d) Leave Encashment

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 reporting date. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred. The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer the settlement for at least twelve months after the reporting date.

The Company's liability for Gratuity and Leave encashment are actuarially determined using the Projected Unit Credit method at the end of each year.

Actuarial gains and losses are recognised immediately in the retained earnings through Other Comprehensive Income (OCI) in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods. The defined benefit obligation recognised in the balance sheet represents the present value of the defined benefit obligation less the fair value of plan assets out of which the obligations are expected to be settled.

e) Employees' Stock Option Plans (ESOP)

The Group recognises compensation expense relating to share-based payments in net profit based on estimated fair-values of the awards on the grant date. The estimated fair value of awards is recognised as an expense in the Statement of Profit and Loss on a straight-line basis over the requisite service period for each separately vesting portion of the award as if the award was in-substance, multiple awards with a corresponding increase to share options outstanding account.

f) Social Security 2020

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 entity believes the impact of the change will not be significant.

2.9 Borrowing cost

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset until such time as the assets are substantially ready for the intended use or sale. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

2.10 Financial instruments

2.11 Financial assets

Initial recognition and measurement

A financial asset (except trade receivable and contract asset) is recognised initially at fair value plus or minus transaction cost that are directly attributable to the acquisition or issue of financial assets (other than financial assets at fair value through profit and loss). Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss ('FVTPL') are recognised immediately in the Consolidated Statement of Profit and Loss.

Subsequent measurement

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

Amortised cost;

Fair Value through Other Comprehensive Income (FVOCI) – equity investment;

Fair Value through Profit or Loss (FVTPL)

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Group changes its business model for managing financial assets.

Where assets are measured at fair value, gains and losses are either recognised entirely in the statement of profit and loss (i.e. fair value through profit or loss), or recognised in other comprehensive income (i.e. fair value through other comprehensive income).

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

a) the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and

b) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at FVTPL: These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.

Financial assets at FVOCI: These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in Other Comprehensive Income.

Financial assets at amortised cost: These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

2.12 Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Group of similar financial

assets) is primarily derecognised (i.e. removed from the Group's statement of financial position) when:

The rights to receive cash flows from the asset have expired, or the Group 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 group has transferred substantially all the risks and rewards of the asset, or

b. the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group 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 the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group 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 Group has retained.

2.13 Impairment of financial assets

The Group assesses impairment based on expected credit losses (ECL) model to the following:

(i) Financial assets measured at amortised cost;

(ii) Financial assets measured at fair value through other comprehensive income (FVOCI);

Expected credit losses are measured through a loss allowance at an amount equal to:

The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or

Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument).

The Group follows 'simplified approach' for recognition of impairment loss allowance on trade receivables or contract revenue receivables.

Under the simplified approach, the Group does not track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

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

For recognition of impairment loss on other financial assets and risk exposure, the Group determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-months 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 Group reverts to recognising impairment loss allowance based on 12-months ECL.

For assessing increase in credit risk and impairment loss, the Group combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

For investments in subsidiary companies, the Company does not provide for impairment losses till indicators of impairment are confirmed.

2.14 Financial liabilities:

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 Group's financial liabilities include trade and other payables, loans and borrowings.

Subsequent measurement

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

Financial liabilities at fair value through profit or loss.

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.

Gains or losses on liabilities held for trading are recognised in the statement of profit and loss. Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied.

2.15 Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate (EIR) method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

Offsetting of financial instruments:

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

2.16 Property, plant and equipment and intangible assets

Capital work in progress includes cost of property, plant and equipment under installation / under development, net of accumulated impairment loss, if any, as at the balance sheet date. Plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognised in profit or loss as incurred.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate assets are derecognised when replaced. All other repairs and maintenance are charged to profit and loss during the reporting period in which they are incurred.

The Company identifies and determines cost of each component/ part of the asset separately, if the component / part has a cost which is significant to the total cost of the asset having useful life that is materially different from that of the remaining asset. These components are depreciated over their useful lives; the remaining asset is depreciated over the life of the principal asset.

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any.

Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period with the affect of any change in the estimate being accounted for on a prospective basis. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss

unless such expenditure forms part of carrying value of another asset.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

An intangible asset is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised.

2.17 Depreciation and amortisation

Depreciation is provided using the straight-line method as per the useful lives of the assets estimated by the management in line with schedule II of the Companies Act, 2013 except in the case of moulds in respect of which the estimated useful life is ascertained as 6 years based on the independent technical evaluation carried out by the internal technical team which is different from the estimated useful life prescribed under Part C of Schedule II of the Companies Act 2013. Building in leasehold land will be depreciated over the remaining usefull life of the building as ascertained by an independent valuer over the remaining lease period or life specified in the Companies Act for such building whichever is lower.

Asset Category	Management estimate of useful life & Useful life as per Schedule II
Land	Unlimited
Buildings other than factory	60
Buildings Factory	30
Plant & Equipment	15
Furniture & Fittings	10
Office Equipments	5
Electrical Fittings	10
Computers	3
Vehicles	8
Airconditioners	5
Leasehold Improvement	3
Software	5
Technical know-how	5

The amortisation of software development and intellectual property costs is allocated on a straight-line basis over the best estimate of its useful life of the product. The factors considered for identifying the basis include obsolescence, product life cycle and actions of competitors. The amortisation period and the amortisation method are reviewed at each year end.

2.18 Impairment of tangible and intangible assets

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal / external factors. An impairment loss is recognised wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the assets net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset. After impairment, depreciation is provided on the revised carrying amount of the assets over its remaining useful life.

2.19 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. 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 is recognised as income in equal amounts over the expected useful life of the related asset.

2.20 Inventories

Inventories are valued at lower of cost and net realisable value. 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.

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

a) Raw materials and stores and spares: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition.

b) Finished goods and work in progress: cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity, but excluding borrowing costs.

Cost of raw materials, stores and spares,work-in-progress and finished goods is determined on first in first out basis.

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

2.21 Leases

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

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

As lessee

i) Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets. If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment. Refer to the accounting policies in section (2.18) Impairment of non-financial assets.

ii) Lease liabilities

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

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

2.22 Cash and cash equivalents

Cash and cash equivalent in the consolidated balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less that are readily convertible to a known amount of cash and which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, as they are considered an integral part of the Company's cash management.

2.23 Taxes on Income

Current income tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Parent Company and its subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred tax

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying values of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of the taxable profit and is accounted for using the balance sheet liability model. Deferred tax liabilities are generally recognised for all the taxable temporary differences. In contrast, deferred tax assets are only recognised to the extent that is probable that future taxable profits will be available against which the temporary differences can be utilised.

Deferred tax assets are recognised for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Minimum Alternate Tax

Minimum Alternative Tax ('MAT') under the provisions of the Income-tax Act, 1961 ("the IT Act") is recognised as current tax in the statement of Profit and Loss. The credit availed under the IT Act in respect of MAT paid is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the period for which the MAT credit can be carried forward for set-off against normal tax liability. MAT credit recognised as an asset is reviewed at each balance sheet date and written down to the extent the aforesaid convincing evidence no longer exists.

2.24 Provisions

General

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Provisions are reviewed at each balance sheet.

2.25 Contingent liabilities and contingent assets:

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

Contingent Asset

Contingent assets has to be recognised in the financial statements in the period in which if it is virtually certain that an inflow of economic benefits will arise. Contingent assets are assessed continually and no such benefits were found for the current financial year.

2.26 Earnings per share (EPS)

Basic earnings per share is calculated by dividing the net profit or loss attributable to equity holder of the Group by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders of the parent company and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares. The conversion rate considered for computing dilutive potential equity shares is based on the terms and basis of the instrument as agreed under the shareholders agreement signed between the parties.

2.27 Cash flow statement

Cash flows are reported using the indirect method, whereby net profit/ (loss) before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from regular revenue generating (operating activities), investing and financing activities of the Group are segregated.

2.28 Events after reporting date

Where events occurring after the balance sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the financial statements. Otherwise, events after the balance sheet date of material size or nature are only disclosed.

2.29 Standards issued but not yet effective:

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

3. PROPERTY, PLANT AND EQUIPMENT

Particulars			Tangible Assets										Total
			Land	Buildings	Plant & Equipment	Furniture & Fittings	Office Equipments	Electrical Fittings	Computers	Vehicles	Air conditioners	Leasehold Improvement	
Gross Block	FY 2022-23	**As at 01 April, 2022**	**32.47**	**171.38**	**684.56**	**54.63**	**18.17**	**21.23**	**34.18**	**66.00**	**12.35**	**17.21**	**1,112.19**
		Additions during the year	57.59	-	249.97	4.42	1.86	0.80	7.47	15.04	1.27	-	**338.42**
		Deletions during the year	-	-	-	-	-	-	-	-	-	-	**-**
		As at 31 March, 2023	**90.06**	**171.38**	**934.53**	**59.05**	**20.03**	**22.03**	**41.65**	**81.04**	**13.62**	**17.21**	**1,450.61**
	FY 2023-24	Additions during the year	5.10	548.54	1,075.14	62.20	10.61	33.29	15.40	29.99	39.52	10.53	**1,830.32**
		Adjustments	(7.60)	-	3.89	(1.15)	0.06	-	-	-	-	-	**(4.80)**
		As at 31 March, 2024	**87.56**	**719.92**	**2,013.56**	**120.10**	**30.70**	**55.32**	**57.05**	**111.03**	**53.14**	**27.74**	**3,276.13**

Particulars			Tangible Assets										Total
			Land	Buildings	Plant & Equipment	Furniture & Fittings	Office Equipments	Electrical Fittings	Computers	Vehicles	Air conditioners	Leasehold Improvement	
Accumulated Depreciation		**As at 01 April, 2022**	**-**	**25.72**	**294.62**	**31.21**	**14.85**	**13.00**	**29.22**	**38.88**	**9.33**	**15.78**	**472.61**
	FY 2022-23	Charge for the year	-	5.76	50.90	4.04	1.27	1.29	3.94	6.75	1.14	1.15	76.24
		Deletions during the year / written off	-	-	-	-	-	-	-	-	-	-	-
		As at 31 March, 2023	**-**	**31.48**	**345.52**	**35.25**	**16.12**	**14.29**	**33.16**	**45.63**	**10.47**	**16.93**	**548.85**
	FY 2023-24	Charge for the year	-	16.83	87.33	5.49	2.05	2.00	7.60	8.93	2.90	2.59	135.72
		Deletions during the year / written off	-	-	(0.55)	-	(0.02)	-	(1.67)	-	-	-	(2.24)
		As at 31 March, 2024	**-**	**48.31**	**432.30**	**40.74**	**18.15**	**16.29**	**39.09**	**54.56**	**13.37**	**19.52**	**682.33**
Net Block		**As at 31 March, 2024**	**87.56**	**671.61**	**1,581.26**	**79.36**	**12.55**	**39.03**	**17.96**	**56.47**	**39.77**	**8.22**	**2,593.80**
		As at 31 March, 2023	**90.06**	**139.90**	**589.01**	**23.80**	**3.91**	**7.74**	**8.49**	**35.41**	**3.15**	**0.28**	**901.76**

Notes to the Consolidated Financial Statements (Contd.)

(All amounts are in ₹ Mn, unless otherwise stated)

3 (a) Capitalised Expenditure

Borrowing cost:

Particulars	As at 31 March, 2024	As at 31 March, 2023
Balance brought down	7.74	0.44
Interest expenses	65.98	7.30
Sub Total	**73.72**	**7.74**
Less: Allocated to property, plant and equipment	(4.54)	-
Balance carried over (included in capital work in progress)	**69.18**	**7.74**

3 (b) Capital Work in Progress

Particulars	Tangible Assets under Construction or Installation	Total
As at 01 April, 2022	**44.20**	**44.20**
Additions/Adjustment	64.23	64.23
Capitalisation of Interest	3.20	3.20
Capitalised in FY 2022-23	-	-
As at 31 March, 2023	**111.63**	**111.63**
Additions/Adjustment	1,238.39	1,238.39
Capitalisation of Interest	52.72	52.72
Capitalised in FY 2023-24	(637.18)	(637.18)
As at 31 March, 2024	**765.56**	**765.56**

Capital work in progress ageing schedule

As at 31 March, 2024

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Project in Progress	653.93	111.63	-	-	765.56
Total	**653.93**	**111.63**	**-**	**-**	**765.56**

As at 31 March, 2023

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Project in Progress	67.43	44.20	-	-	111.63
Total	**67.43**	**44.20**	**-**	**-**	**111.63**

3 (c) Intangible Assets

Particulars			Intangible Assets		Total
			Software	Technical know-how	
Gross Block		**As at 01 April, 2022**	**38.13**	**322.78**	**360.91**
	FY 2022-23	Additions during the year	-	-	**-**
		Deletions during the year / Written off	-	-	**-**
		As at 31 March, 2023	**38.13**	**322.78**	**360.91**
	FY 2023-24	Additions during the year	3.83	39.08	**42.91**
		Deletions during the year / Written off	-	-	**-**
		Capitalised	-	-	**-**
		As at 31 March, 2024	**41.96**	**361.86**	**403.82**

Particulars			Intangible Assets		Total
			Software	Technical know-how	
Accumulated Depreciation		**As at 01 April, 2022**	**16.27**	**54.91**	**71.18**
	FY 2022-23	Charge for the year	5.89	62.90	68.79
		Deletions during the year / written off	-	-	-
		As at 31 March, 2023	**22.16**	**117.81**	**139.97**
	FY 2023-24	Charge for the year	4.19	70.91	75.10
		Deletions / Adjustments during the year	-	(5.29)	(5.29)
		As at 31 March, 2024	**26.35**	**194.01**	**220.36**
Net Block		**As at 31 March, 2024**	**15.61**	**167.85**	**183.46**
		As at 31 March, 2023	**15.97**	**204.97**	**220.94**

3 (d) Intangible Assets under development

Particulars	Computer Software Under Development	Technical Knowhow (including Designs & Prototypes) Under Development	Total
As at 01 April, 2022	**-**	**39.09**	**39.09**
Additions/Adjustment	-	138.61	138.61
Capitalisation of Interest	-	4.10	4.10
Capitalised in FY 2022-23	-	(39.09)	(39.09)
As at 31 March, 2023	**-**	**142.71**	**142.71**
Additions/Adjustment	30.00	99.28	129.28
Capitalisation of Interest	-	13.25	13.25
Capitalised in FY 2023-24	-	-	-
As at 31 March, 2024	**30.00**	**255.24**	**285.24**

Intangible Assets under Development Ageing Schedule

As at 31 March, 2024

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Project in Progress	142.53	142.71	-	-	285.24
Total	**142.53**	**142.71**	**-**	**-**	**285.24**

As at 31 March, 2023

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Project in Progress	103.62	10.49	28.60	-	142.71
Total	**103.62**	**10.49**	**28.60**	**-**	**142.71**

Notes to the Consolidated Financial Statements (Contd.)

(All amounts are in ₹ Mn, unless otherwise stated)

Relevant line item in the Balance sheet	Description of item of property	Gross carrying value	Title deeds held in the name of	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** **also indicate if in dispute
PPE	Land	1.183	P.K. Bansal	NA	12 April, 2012	To be registered

3 (e) Right of Use Assets

Particulars	As at 31 March, 2024	As at 31 March, 2023
Balance at the beginning	170.90	180.62
Additions during the year	132.82	29.11
Deletions/ adjustments during the year	-	3.55
Depreciation during the year	(40.59)	(42.38)
Closing Balance	**263.13**	**170.90**

NON-CURRENT ASSETS

4 NON-CURRENT FINANCIAL ASSETS - INVESTMENTS

Non-Current Assets	As at 31 March, 2024	As at 31 March, 2023
FINANCIAL ASSET		
Unquoted		
Investments - Non-Trade		
Investments in Equity instruments	271.38	13.44
Investments in Others	1,046.18	19.32
Total	**1,317.56**	**32.76**

4.1 Detail of Non-Current Investments

Particulars	As at 31 March, 2024	As at 31 March, 2023
(i) Financial assets measured at amortised cost		
(a) Other than Subsidiary Company		
Winfoware Technologies Limited	10.80	10.80
Mysuru ESDM Cluster	2.64	2.64
Mixx Technologies Inc	249.60	-
Essnkay	8.34	-
(ii) Financial assets measured at FVTPL		
Investments in Mutual Funds (Quoted)	1,046.18	19.32
Ind AS adjustments	24.54	0.59

Investments in equity instruments- Others

a) Investment in Winfoware Technologies Limited 1,487,120 equity shares (2023: 1,487,120) face value of ₹5/- each purchased at a premium, constitutes 18.98% of the capital of that company.

b) Investment in Mysuru ESDM Cluster (Company constituted under section 8 of the Companies Act 2013), 2,500 equity shares of ₹ 10/- each constitutes 0.18% (2023: 0.18%) of the capital of that company.

c) Investment in Mixx Technologies Inc., 4,444,444 equity shares(2023: Nil equity shares), constitutes 13.16% (2023: 0%) of the capital of that company

d) Investment in Essnkay constitutes 100% (2023: Nil) of the captital of entity.

Investments in Mutual Funds

Particulars	As at 31 March, 2024		As at 31 March, 2023	
	Units	Total NAV	Units	Total NAV
Canara Robeco Emerging Equities - Regular Growth Fund	2,273.13	0.48	2,273.13	0.36
Canara Robeco Emerging Equities - Regular Growth Fund	315.66	0.07	315.66	0.05
Canara Robeco Equity Hybrid Fund - Regular Growth Fund	976.67	0.30	976.67	0.24
Canara Robeco Equity Hybrid Fund - Regular Growth Fund	135.30	0.04	135.30	0.03
Canara Robeco Infrastructure - Regular Growth Fund	1,711.00	0.22	1,711.00	0.14
Canara Robeco Blue Chip Equity Fund	6,474.13	0.35	6,474.13	0.26
Canara Robeco Large Capital Fund - Regular Growth Fund	1,320.41	0.07	1,320.41	0.05
Canara Robeco Consumer Trends Fund - Regular Growth	1,083.76	0.10	1,083.76	0.07
Canara Robeco Flexi Cap Fund - Regular Growth	404.53	0.12	404.53	0.09
Canara Robeco Mid Cap Fund - Regular Growth(MDGP)	999,950.00	13.76	999,950.00	9.57
Canara Robeco Multi cap fund-MF-DG	8,395.89	0.10	-	-
Canara Robeco Savings Fund-FR- DG	6,440,188.29	253.59	-	-
Equity Arbitrage Fund -Direct Growth 8178	3,941,418.51	131.98	-	-
Bandhan Arbitrage Fund - Growth Direct Plan	3,814,722.40	121.79	-	-
Bandhan Low Duration Fund - Growth Direct Plan	7,200,909.68	253.46	-	-
Adity Birla Sun Life Balanced Advantage Fund - Growth Direct	2,536,656.53	258.08	-	-
SBI Magnum low duration Fund	890.56	2.84	890.56	2.66
SBI Balanced Advantage Fund	49,997.50	0.68	49,997.50	0.54
SBI Magnum Medium Duration Fund	119,604.51	5.53	-	-
SBI Corporate Bond Fund	186,734.82	2.62	-	-
SBI Fixed Maturity Plan	-	-	499,975.01	5.26
Total		**1,046.18**		**19.32**

5 FINANCIAL ASSET

5(a) Loans and deposits, carried at amortised cost

NON-CURRENT	As at 31 March, 2024	As at 31 March, 2023
Unsecured considered good (Unless Otherwise stated)		
Rental Deposits	36.26	24.00
Utility Deposits	12.14	5.03
EMD Deposits	10.42	10.61
NSE Deposits	30.00	30.00
Total	**88.82**	**69.64**

5(b) Other non current financial assets (At Amortised Cost)

Particulars	As at 31 March, 2024	As at 31 March, 2023
Unsecured considered good (Unless Otherwise stated)		
Advances recoverable in cash, kind or to value to be received	37.03	11.03
Total	**37.03**	**11.03**

Notes to the Consolidated Financial Statements (Contd.)

(All amounts are in ₹ Mn, unless otherwise stated)

6 OTHER NON-CURRENT ASSETS

Particulars	As at 31 March, 2024	As at 31 March, 2023
Unsecured, considered good		
Capital Advances	1,092.48	150.31
Prepaid Rent	6.13	5.51
Total	**1,098.61**	**155.82**

CURRENT ASSETS

7 INVENTORIES (AT COST OR NET REALISABLE VALUE WHICHEVER IS LOWER)*

Particulars	As at 31 March, 2024	As at 31 March, 2023
Raw materials	3,710.36	2,820.80
Work-in-progress	1,220.02	858.61
Finished Goods	261.26	210.03
Goods-in-transit	212.61	173.14
Consumables, stores and spares	78.99	69.06
Total	**5,483.24**	**4,131.64**

8 CURRENT FINANCIAL ASSETS

(a) Trade receivables

Particulars	As at 31 March, 2024	As at 31 March, 2023
Unsecured, Considered Good(Unless otherwise stated)	3,555.73	2,270.66
Unsecured, Considered Doubtful	226.89	91.70
Less - expected credit loss allowance	(226.89)	(91.70)
Total	**3,555.73**	**2,270.66**
Movement in the expected credit loss allowance of trade receivables are as follows:		
Balance at the Beginning of the year / period	91.70	76.71
Add: Provided during the year / period	135.19	14.99
Balance at the end of the year / period	**226.89**	**91.70**
Trade Receivables Ageing Schedule:		
Undisputed Trade receivables – considered good		
- Less than 6 months	2,857.17	1,657.74
- 6 months - 1 year	263.67	241.43
- 1-2 years	258.93	273.59
- 2-3 years	175.95	22.73
- More than 3 years	0	75.17
Total	**3,555.72**	**2,270.66**

(b) Cash and cash equivalents

Particulars	As at 31 March, 2024	As at 31 March, 2023
Balance with banks		
- In Current accounts	193.62	259.22
- Cash on hand	0.49	0.09
Total	**194.11**	**259.31**

(c) Other Bank Balances

Particulars	As at 31 March, 2024	As at 31 March, 2023
Deposits with original maturity for less than 12 months	14,999.98	4,559.81
Margin Money and Other Deposits	61.51	40.84
Total	**15,061.49**	**4,600.65**

(d) Loans and deposits, carried at amortised cost

Particulars	As at 31 March, 2024	As at 31 March, 2023
Unsecured, Considered Good(Unless otherwise stated)		
Loans to related party		
Loans to employees	38.86	29.88
Total	**38.86**	**29.88**

(e) Other current financial assets (At Amortised Cost)

Particulars	As at 31 March, 2024	As at 31 March, 2023
Interest accrued	254.95	78.82
Insurance claim receivable	-	0.45
Total	**254.95**	**79.27**

9 INCOME TAX ASSETS (NET)

Particulars	As at 31 March, 2024	As at 31 March, 2023
Advance income tax	734.50	308.60
Less: Provision for income taxes	(675.69)	(272.53)
Total	**58.81**	**36.07**

10 OTHER CURRENT ASSETS

Particulars	As at 31 March, 2024	As at 31 March, 2023
Unsecured, considered good		
Advances for supply of goods	473.03	303.20
MAT Credit Entitlement	0.96	0.96
Prepaid Expenses	284.84	449.94
Balance with government authorities	448.00	124.61
Contract Asset- Unbilled revenue	5.20	10.93
Other Advances	7.65	4.08
Total	**1,219.68**	**893.72**

11 SHARE CAPITAL

(a) Equity Share Capital

i) Authorised

Particulars	Equity Share Capital	
	No of Shares	Amount
Balance as at 31 March, 2022	**63,000,000**	**630.00**
Increase during the year	7,000,000	70.00
Balance as at 31 March, 2023	**70,000,000**	**700.00**
Increase during the year	-	-
Balance as at 31 March, 2024	**70,000,000**	**700.00**

Notes to the Consolidated Financial Statements (Contd.)

(All amounts are in ₹ Mn, unless otherwise stated)

ii) Shares issued, subscribed and fully paid-up

Particulars	Equity Share Capital	
	No of Shares	Amount
Balance as at 31 March, 2022	**46,158,006**	**461.58**
Add: Shares issued during the year	11,367,720	113.68
Add: Conversion of Preference shares into equity	616,770	6.17
Balance as at 31 March, 2023	**58,142,496**	**581.42**
Add: Shares issued during the year	5,775,577	57.76
Add: Conversion of Preference shares into equity	-	-
Balance as at 31 March, 2024	**63,918,073**	**639.18**

iii) Terms/rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹10 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

iv) Shareholders holding more than 5% of Equity Shares

Name of Share holder	As at 31 March, 2024	As at 31 March, 2023
Mr. Ramesh Kunhikannan	36,943,633	36,943,633
% of Share holding	57.80%	63.54%

Note: For the period of five years immediately preceding 31 March, 2024

(a) No shares were allotted as fully paid-up pursuant to contract(s) without payment being received in cash.

(b) Aggregate Number and class of shares allotted as fully paid up by way of bonus shares.

		No. of shares	Amount (₹)
(c)	**Financial Year Ended 31 March, 2024**		
	i) The Company has issued 5,775,577 fully paid up equity shares of ₹10 each during the financial year by way of Qualified Institutional placement ("QIP") on approval accorded by the Fund raising committee of the Board of Directors of the Company held on 21 December, 2023. **Equity share of ₹ 10/- each**	5,775,577	57,755,770
(d)	**Financial Year Ended 31 March, 2023**		
	i) The Company has issued 1,439,237 and 899,523 fully paid up equity shares of ₹10 each during the financial year by way of Pre-IPO placement on approval accorded by the EGM held on 10 October, 2022 and 14 October, 2023 respectively.	2,338,760	23,387,600
	ii) The Company has issued 9,028,960 fully paid up equity shares of ₹10 each during the financial year through Initial Public Offer (IPO) on approval accorded by the EGM held on 01 April, 2022.	9,028,960	90,289,600
	iii) The Company has issued 616,770 fully paid up equity shares of ₹10 each during the financial year on conversion of Compulsory Converible Preference Share on approval accorded by the EGM held on 22 October, 2022.	616,770	6,167,700

(e) No shares were bought back in any of the years.

(f) No calls are unpaid by any director or officer of the Company during the year.

v) Shareholding of Promoters

Promoter Name	As at 31 March, 2024	As at 31 March, 2023
Mr. Ramesh Kunhikannan		
- No. of Shares held	36,943,633	36,943,633
- Percentage of holding	57.80%	63.54%
- Changes during the year	(24.81%)	
Mrs. Savitha Ramesh		
- No. of Shares held	19,800	19,800
- Percentage of holding	0.03%	0.04%
- Changes during the year	(0.01%)	
RK Family Trust (Ramesh Kunhikannan)		
- No. of Shares held	100	100
- Percentage of holding	0.00%	0.00%
- Changes during the year	0.00%	0.00%

(b) Instruments entirely equity in nature

Compulsorily Convertible Preference Share Capital

i) Authorised

Particulars	No of Shares	Amount
Balance as at 31 March, 2022	**2,000,000**	**20.00**
Increase during the year	**-**	-
Balance as at 31 March, 2023	**2,000,000**	**20.00**
Increase during the year	**-**	
As at 31 March, 2024	**2,000,000**	**20.00**

ii) Shares issued, subscribed and fully paid-up

Particulars	No of Shares	Amount
As at 31 March, 2022	**379,146**	**3.79**
Add: Shares issued during the year	-	-
Add: Bonus shares issued during the year	-	-
Less: Share converted into equity during the year	(379,146)	(3.79)
Balance as at 31 March, 2023	**-**	**-**
Add: Shares issued during the year	-	-
Add: Bonus shares issued during the year	-	-
Less: Share converted into equity during the year	-	-
As at 31 March, 2024	**-**	**-**

iii) Terms/rights attached to Preference shares:

The Preference Shareholders shall carry such voting rights as are exercisable by persons holding Equity Shares in the Company and shall be treated pari passu with the Equity Shares on all voting matters. In the event of liquidation, the Preference Shareholders will carry a preferential right over the holder of equity shares for payment of dividend and for payment of capital, in proportion to their shareholding and are also eligible to participate in surplus funds.

Note: For the period of five years immediately preceding 31 March, 2024

During the financial year ended 31 March, 2023;

The Company has issued 616,770 fully paid up equity shares of ₹10 each during the financial year on conversion of Compulsory Converible Preference Share on approval accorded by the EGM held on 22 October, 2022.

During the financial year ended 31 March, 2022, the Company has issued;

(a) 83,323 0.01% Compulsorily Convertible Cumulative Participating Preference Shares (CCPS) of ₹ 10 each at a premium of ₹ 590 per share to a Resident Indian Mr. Ganesh Cherapuram Balasubramanian which carries cumulative dividend of 0.01% per annum on 22 October, 2021.

(b) 250,000 0.01% Compulsorily Convertible Cumulative Participating Preference Shares (CCPS) of ₹ 10 each at a premium of ₹ 590 per share to a Non-Resident Indian Mrs. Freny Firoze Irani which carries cumulative dividend of 0.01% per annum on 01 November, 2021.

(iii) 45,823 0.01% Compulsorily Convertible Cumulative Participating Preference Shares (CCPS) of ₹ 10 each at a premium of ₹ 590 per share to a Resident Indian Mr. Bharadwaj Turlapati which carries cumulative dividend of 0.01% per annum on 25 December, 2021.

12 OTHER EQUITY

Particulars	As at 31 March, 2024	As at 31 March, 2023
Securities premium (refer note i)	19,969.41	6,591.58
General Reserve (refer note ii)	130.00	130.00
Surplus in the profit and loss statement (refer note iii)	4,090.98	2,260.81
Debenture redemption reserve (refer note iv)	-	-
Foreign currency translation reserve (refer note v)	8.12	7.46
Other Comprehensive income (refer note vi)	18.46	12.84
Employee stock options outstanding account (ESOP Reserve) (refer note vii)	12.74	6.31
Total	**24,229.71**	**9,009.00**

i) Securities Premium	As at 31 March, 2024	As at 31 March, 2023
At beginning of the year	6,591.58	107.64
Changes during the year	13,377.83	6,483.94
As at end of the year	**19,969.41**	**6,591.58**

ii) General Reserve	As at 31 March, 2024	As at 31 March, 2023
At beginning of the year	**130.00**	**124.69**
Add: Transfer from Debenture redemption reserve	-	5.31
As at end of the year	**130.00**	**130.00**

iii) Surplus in the profit and loss statement	As at 31 March, 2024	As at 31 March, 2023
At beginning of the year	**2,260.81**	**1,310.60**
Add: Profit for the year	1,835.79	953.17
Less: Other Comprehensive Loss	(5.62)	(2.96)
As at end of the year	**4,090.98**	**2,260.81**

iv)	Debenture Redemption Reserve	As at 31 March, 2024	As at 31 March, 2023
	At beginning of the year	**-**	**5.31**
	Less : Transferred to General Reserve on utilisation for redemption of debentures	-	(5.31)
	As at end of the year	**-**	**-**

v)	Foreign currency translation reserve	As at 31 March, 2024	As at 31 March, 2023
	At beginning of the year	**7.46**	**2.36**
	Translation as per Non Integral Foreign Operations	0.66	5.10
	As at end of the year	**8.12**	**7.46**

vi)	Remeasurement of defined benefit obligations	As at 31 March, 2024	As at 31 March, 2023
	At beginning of the year	**12.84**	**9.88**
	Add: Changes during the year	5.62	2.96
	As at end of the year	**18.46**	**12.84**

vii)	Employee stock options outstanding account (ESOP Reserve)	As at 31 March, 2024	As at 31 March, 2023
	At beginning of the year	**6.31**	**-**
	Add: Share based payment expenses	7.98	6.37
	Less: Adjustment on forfeiture of ESOP	(1.55)	(0.06)
	As at end of the year	**12.74**	**6.31**

13 NON CONTROLLING INTEREST

Particulars	As at 31 March, 2024	As at 31 March, 2023
Non Controlling Interest	15.79	13.07
Total	**15.79**	**13.07**

NON-CURRENT LIABILITIES

14 FINANCIAL LIABILITIES

Particulars	As at 31 March, 2024	As at 31 March, 2023
Borrowings		
Term loans from banks & financial institutions - Secured	130.23	146.59
Vehicle loan - Secured	24.02	18.75
Less: Current maturities of Long term borrowings		
Term loans from banks & financial institutions - Secured	(35.39)	(7.61)
Vehicle loan - Secured	(7.30)	(7.31)
Total	**111.56**	**150.42**

Notes to the Consolidated Financial Statements (Contd.)

(All amounts are in ₹ Mn, unless otherwise stated)

Term Loans from Banks

Term Loans have been availed from various banks. The Company has given primary hypothecation of inventory and Trade Receivables as security for these loans. In addition, the Company has given collateral security of Factory Land and Building situated at Belagola Food Industrial Estate, Mysuru. Interest rates on these loans vary from 8% to 18%. Repayment schedule of these loans vary from 24 months to 72 months.

Term Loans from Financial Institutions-Secured

Term Loans have been availed from various financial institutions. The Company has given primary hypothecation of inventory and Trade Receivables as security for these loans. In addition, the Company has hypothecated plant and machinery. Interest rates on these loans vary from 8% to 18%. Repayment schedule of these loans vary from 24 months to 72 months.

Vehicle Loans

Vehicle loan from banks are repayable in 48 to 72 monthly instalments along with the interest.

A break-up of the above loans is tabulated below:

Loan Type	Loan Name	Repayment Terms	Amount outstanding	
			As at 31 March, 2024	As at 31 March, 2023
Term loans from Bank - Secured	State bank of India	Repayable in 60 months in 48 equal monthly instalments after a moratorium of 12 months from date of disbursement.	0.40	1.85
	HDFC Bank Term Loan (Covid)	Repayable in 72 months in 48 equal monthly instalments after a moratorium of 24 months from date of disbursement.	102.67	112.00
Term loans - From Financial Institutions - Secured	Sundaram Finance Machinery Loan -1	Repayable in 47 monthly instalments from the date of loan.	-	4.45
	Sundaram Finance Machinery Loan - 3	Repayable in 60 monthly instalments from the date of loan.	3.72	4.95
	Sundaram Finance Machinery Loan - 4		2.44	3.19
	Sundaram Finance Machinery Loan - 5		21.00	20.15
	Hdfc Car Loan - Tata Nexon		-	0.14
	Hdfc Car Loan - Jeep Compas		-	0.44
	Hdfc Car Loan - Innova		-	0.41
	Hdfc Car Loan - Benz		-	1.33
	SBI Loan - Mini Cooper		0.05	0.87
	Canara Car Loan-Skoda Octavia		0.77	1.20
	Saraswat Car Loan-Seltos		0.34	0.60
	Saraswat Car Loan-Nex		0.29	0.56
	Saraswat Car Loan - Bmw		1.73	2.54
	Saraswat Car Loan - Ertiga		0.38	0.60
	Saraswat Car Loan - Santro		0.22	0.37
	Car Loan		-	2.50
	Saraswat Bus Loan		0.94	1.33
	Saraswat Car Loan - Harrier		1.55	1.96
	Saraswat Car Loan - Skoda Kushaq		1.21	1.49
	Saraswat Car Loan - Fortuner		3.51	-
	Saraswat Car Loan - Hyundai Tucson		3.21	-
	Saraswat Car Loan - Urban Cruiser		2.00	-
	Saraswat Car Loan - Innova Crysta		2.06	2.41
	Saraswat Car Loan - Black Fortuner		3.91	-
	Sarawat Car Loan - Jeep Compass		1.85	
Total			**24.02**	**18.75**

15 DEFERRED TAX LIABILITIES (NET)

Particulars	As at 31 March, 2024	As at 31 March, 2023
Deferred Tax Liability		
Property plant and equipment: timing differences on account of depreciation allowance	138.20	95.16
Actuarial Gain/Loss	0.14	1.48
Lease Asset	63.76	-
Prepaid rent	1.48	-
Fair Valuation of Mutual Funds	5.87	0.14
Gross deferred tax liability	**209.45**	**96.78**
Deferred Tax Asset		
Security Deposits	(1.53)	(0.08)
Actuarial Gain/Loss	-	-
Provision for ECL	(44.27)	-
Lease Liability	(38.68)	(0.13)
Expenses: timing differences on expenses allowable on payment basis.	(23.37)	(20.23)
Gross deferred tax asset	**(107.85)**	**(20.44)**
Net deferred tax liability	**101.60**	**76.91**

16 LONG TERM PROVISIONS

Particulars	As at 31 March, 2024	As at 31 March, 2023
Provision for Gratuity	41.29	34.52
Provision for compensated absences	18.28	15.82
Total	**59.57**	**50.34**

CURRENT LIABILITIES

17 FINANCIAL LIABILITIES

(a) Current borrowings (At Amortised Cost)

Particulars	As at 31 March, 2024	As at 31 March, 2023
Credit Balance - Cash credit from banks (Secured)	2,388.93	705.19
Loans from Others (Unsecured)	0.58	0.56
Rupee Packing Credit (Secured)	439.12	389.51
Foreign Currency Packing Credit (Secured)	77.79	98.39
Current maturities of Long term borrowings		
Term loans from banks & financial institutions		
- Secured	35.39	7.61
- Vehicle loan	7.30	7.31
Total	**2,949.11**	**1,208.57**

Cash credit/Packing Credit from banks (Secured)

Secured Cash credit and Packing credit from Banks are secured against the hypothecation of stock of raw materials, work-in-progress, finished goods, book debts outstanding and common collateral security of factory land and building, canteen building and plant and machinery. Canara Bank which has approved a cash credit, packing credit and bill discounting facility holds a paripassu charge along with HDFC Bank, Indusind Bank and State Bank of India.

Notes to the Consolidated Financial Statements (Contd.)

(All amounts are in ₹ Mn, unless otherwise stated)

The Break up of above loans is tabulated below

Loan Type	Loan Name	Repayment Terms	Amount outstanding	
			As at 31 March, 2024	As at 31 March, 2023
Cash credit from banks (secured)	Canara Bank	Repayable on Demand	503.19	206.27
	Canara Bank ST		(0.32)	3.06
	State Bank of India		-	(100.75)
	SBI Parwanoo		-	(2.98)
	HDFC Bank		-	2.39
	Indusind Bank		-	(53.41)
	Indusind Bank ST		(0.74)	(2.00)
	Axis Bank		2.43	(127.39)
Term Loans from others - Unsecured	Loans from Others	12M or 10M Months differs by Party	-	0.56
Working Capital Loan	HDFC Bank	Repayable within 180 days from the date of disbursement.	-	780.00
Rupee Packing Credit - Secured	Canara Bank - Packing Credit FBE	Repayable on Demand	-	98.73
	Indusind Bank - EPC		-	52.03
	SBI Packing Credit		-	159.48
	State Bank of India - EPC		-	79.27
Foreign Currency Packing Credit - Secured	Indusind Bank - PCFC		-	98.39

(b) Trade payables (At Amortised Cost)

Particulars	As at 31 March, 2024	As at 31 March, 2023
Dues to micro enterprises and small enterprises (refer note 46)	65.67	216.45
Dues to other than micro enterprises and small enterprises	3,544.47	2,012.29
Total	**3,610.14**	**2,228.74**

(c) Other current financial liabilities carried at amortised cost

Particulars	As at 31 March, 2024	As at 31 March, 2023
Payables - Capital Goods	69.39	0.02
Employee benefits payable	115.73	86.51
Deferred consideration payable	45.24	
Interest accrued and due on borrowings	16.54	19.22
Total	**246.90**	**105.75**

18 OTHER CURRENT LIABILITIES

Particulars	As at 31 March, 2024	As at 31 March, 2023
Advance from customers	83.07	203.32
Advance from customers - Related Parties	-	-
Statutory dues and related liabilities	16.95	41.12
Other payables	408.57	312.39
Total	**508.59**	**556.83**

19 SHORT-TERM PROVISIONS

Particulars	As at 31 March, 2024	As at 31 March, 2023
Provision for employee benefits		
Provision for Gratuity	10.90	8.66
Provision for Compensated absence	3.19	1.81
Other Provisions	0.74	0.97
Total	**14.83**	**11.44**

20 REVENUE FROM OPERATIONS

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Sale of Goods	17,352.91	10,911.56
Sale of services	693.28	349.58
Total	**18,046.19**	**11,261.14**
The Company derives revenue from the transfer of goods & services in the following geographical regions		
India	16,373.72	9,599.64
Outside India	1,672.47	1,661.50
Total	**18,046.19**	**11,261.14**
Timing of Revenue Recognition		
Goods transferred at a point in time	17,352.91	10,911.56
Service transferred at a point in time	693.28	349.58
Total	**18,046.19**	**11,261.14**

21 OTHER INCOME

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Interest Income :		
Interest received on deposits with banks	519.52	98.16
Interest received on Advances with others	-	0.15
Interest on Income Tax refund	0.16	0.03
Interest on Security Deposit	2.01	1.39
Gain On Fair Valuation of Mutual Funds	23.95	-
Other non-operating income	0.51	4.16
Exchange Differences (Net)	13.01	6.44
Total	**559.16**	**113.98**

Notes to the Consolidated Financial Statements (Contd.)

(All amounts are in ₹ Mn, unless otherwise stated)

22 COST OF MATERIALS CONSUMED

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Inventory at the beginning of the year	2,820.80	1,748.30
Add: Purchase / Cost of materials consumed	14,616.69	9,642.13
Less : Inventory at the end of the year	(3,710.36)	(2,820.80)
Less: R&D exp - considered separately	(15.11)	(91.62)
Cost of materials consumed	**13,712.02**	**8,478.01**

23 CHANGES IN INVENTORIES OF FINISHED GOODS AND TRADED GOODS

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Inventories at the end of the year		
Finished goods		
Closing stock	261.26	210.03
Opening stock	210.03	236.73
Sub Total (A)	**(51.23)**	**26.70**
Work-in-progress		
Closing stock	1,220.02	858.61
Opening stock	858.61	154.67
Sub Total (B)	**(361.41)**	**(703.94)**
Total Changes in Inventories	**(412.64)**	**(677.24)**

24 EMPLOYEE BENEFITS EXPENSES

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Salaries and incentive	939.10	717.98
Contribution to provident fund	30.40	26.51
Share based payment expenses	6.43	6.31
Gratuity contribution scheme (Refer note 34)	16.11	5.40
Staff welfare expenses	88.94	67.88
Less: R&D exp - considered separately	(53.42)	(53.09)
Total	**1,027.56**	**770.99**

25 FINANCE COSTS

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Interest on borrowings	559.13	283.50
Interest to Vendors	-	13.15
Interest on others	-	18.79
Unwinding of interest	1.22	-
Other borrowing costs	19.58	18.13
Interest on lease liabilities (Refer Note 32)	19.79	23.09
Less: Capitalised	(65.98)	(7.30)
Total	**533.74**	**349.36**

26 DEPRECIATION AND AMORTISATION EXPENSE

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Depreciation of property, plant & equipment (Refer Note 3)	135.72	76.24
Amortisation of Intangible Assets (Refer Note 3)	75.10	68.79
Depreciation of Right To Use Assets (Refer Note 3)	40.59	42.38
Total	**251.41**	**187.41**

27 OTHER EXPENSES

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Rent	6.28	7.69
Rates and taxes	28.58	15.33
Printing and stationery	4.82	2.45
Insurance	23.92	13.99
Discount Allowed	0.98	2.04
Donation	0.52	3.65
Power and fuel	87.98	52.31
Labour and Processing Charges	221.77	165.42
Consumption of stores and spares	189.59	363.94
Repairs and maintenance - Plant & Machinery	19.10	15.17
Repairs and maintenance - Buildings	10.80	8.30
Repairs and maintenance - Others	26.84	30.38
Security maintenance expenses	15.31	9.94
Research and Development Expenses	8.32	6.24
Legal and professional fees	88.94	43.75
Audit Fees	5.65	4.20
Commission Expenses	9.51	0.07
LD/Claim Settled	1.99	2.90
Bank charges	24.96	15.44
Communication expenses	6.24	4.20
Travelling and conveyance	78.12	44.46
Business Promotion	21.53	20.62
Freight and forwarding charges	111.92	132.48
CSR expenditure	12.87	5.29
Provision for ECL	135.19	14.99
Loss on sale of tangible assets	1.14	-
Software Expense	0.69	1.22
Hire charges	15.96	12.36
Director sitting fees	3.42	2.38
Miscellaneous expenses	14.63	4.99
Total	**1,177.57**	**1,006.20**

Notes to the Consolidated Financial Statements (Contd.)

(All amounts are in ₹ Mn, unless otherwise stated)

Research and Development Expenditure	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Raw Materials, Components and Consumables	15.11	91.62
Salaries and Wages	53.42	53.09
Legal and professional fees	6.49	-
Communication expenses	0.26	0.55
Travelling and Conveyance	1.45	1.05
Sub Total	**76.73**	**146.31**
Less: Capitalised	(68.41)	(140.07)
Total	**8.32**	**6.24**

Payment to Auditors (After Other expenses)	For the year ended 31 March, 2024	For the year ended 31 March, 2023
As statutory auditors		
Audit fees	4.15	3.40
Tax audit fee	0.90	0.60
Limited review fees	0.60	0.20
In other capacity		
Other services (includes certification fees)	-	-
Reimbursement of expenses	-	-
Total	**5.65**	**4.20**

28 CONTINGENT LIABILITIES AND COMMITMENTS

Particulars		As at 31 March, 2024	As at 31 March, 2023
Contingent Liabilities:			
a)	**Claims against the Company not acknowledged as debt**		
	Disputed Income Tax Demand [refer note 28.1]	1.74	1.74
	Disputed Income Tax Demand - CPC Demand [refer note 28.2]	6.05	6.05
	Disputed Income Tax Demand - CPC Demand [refer note 28.3]	31.81	3.32
	Disputed Income Tax Demand - CPC demand [refer note 28.4]	1.62	62.69
	Disputed Indirect taxes Demand [refer note 28.5]	23.95	51.93
	Disputed Income Tax Demand - CPC demand [refer note 28.6]	19.82	-
	Disputed Income Tax Demand - CPC demand [refer note 28.7]	0.70	0.70
b)	Bank Guarantees for contractual performance	66.71	68.74
c)	Letter of Credit issued by bank	6.92	6.19
d)	Bond Executed for Customs/Central Excise. (Covered by Bank guarantee to the extent of ₹ 8.16 Mn)	625.00	450.00
e)	On account of Bills Discounted with Banks set off against Trade Receivable	1,160.71	520.78
f)	Corporate Guarantee to Subsidiary Company	784.00	84.00
g)	Other sums for which company is contingently liable	-	-
Commitments:			
(i)	Estimated amount of contracts remaining to be executed on capital account and not provided for, net of advances.	-	20.12
(ii)	Approval for Land Conversion from Lease to Sale of Plot no 20 & Plot no 119 from Karnataka Industrial Area Development Board (KIADB) is in progress. Estimated Conversion cost is considered as a Capital commitment remaining unexecuted.	12.14	12.14

1 CPC demand of ₹ 1,737,670/- against the disallowance made by ITO against under 35(2AB) for A.Y. 2016-17 and thereby reducing the MAT credit availed by the Company which was disputed in appeal before CIT(A) and the matter is resolved in FY 2021-22.

2 Income tax authorities Disallowed R& D expenditure and raised a demand for non submission of certificate from DSIR , Delhi. We requested for extension of time and in the process of obtaining the certificate to substantiate the claim.

3 The disallowance on account of delay in payment of employer's contribution to EPF & ESI . Filed appeal against the order and submitted the relevant documentation. Assessing officer is in the process of reviewing supportings provided by us to substantiate our claim.

4 Commissioner of Income tax, Bengaluru has issued a notice on Short deduction of TDS for various years commencing from FY 2009-10 to FY 2023-24 and imposed a Interest and penalty .Demand appearing in the TDS Portal amounts to ₹ 1.62 Mn . We are in the process of adjusting the demand against the unconsumed challans available . We have already submitted a request to the commissioner for extension of time for reconciliation of TDS.

5 There are 16 cases relating to excise, VAT, Customs and CST amounting to ₹ 23.95 Mn covering a period commencing from FY 2012-13 to FY 2018-19 pertaining to units located in various states in Uttarakand and Maharashtra. Many of the cases required Information provided to the Concerned authorities and are in progress.

6 The disallowance / add back on account TDS non deduction wrongly considered by AO in Assessment order. Filed appeal against the order and submitted the relevant documentation. Assessing officer is in the process of reviewing supportings provided by us to substantiate our claim.

7 Commissioner of Income tax, Bengaluru has issued a notice on Short deduction of TDS for various years commencing from FY 2012-13 to FY 2021-22 and imposed a Interest and penalty .

29 RELATED PARTY DISCLOSURES

Disclosure in respect of material transactions with associated parties as required by Indian Accounting Standard (IND AS) 24 "Related Party Disclosures".

[A.] Related Parties and their Relationship with the Company

Ref.	Description of relationship	Names of Related parties
[1.]	***Subsidiary Companies:***	Kemsys Technologies Private Limited
		Kaynes Technology Europe GmbH
		Kaynes International Design & Manufacturing Private Limited
		Kaynes Embedded Systems Private Limited
		Kaynes Semicon Private Limited
		Kaynes Circuits India Private Limited
		Digicom Electronics Inc.
		Kaynes Mechatronics Private Limited
		Kaynes Electronics Manufacturing Private Limited
[2.]	***Entity Controlled by Directors:***	Kaynes Technology Inc.
		Kemsys Technologies Inc.
		Kaynes Circuits Private Limited
		Mysuru ESDM Cluster
		Cheyyur Real Estates Private Limited
		Cheyyur Properties Private Limited
		Nambi Reality Private Limited
[3.]	***Entity where relative of Directors have substantial interest***	A ID Systems (India) Private Limited

Notes to the Consolidated Financial Statements (Contd.)

(All amounts are in ₹ Mn, unless otherwise stated)

Ref.	Description of relationship	Names of Related parties
[4.]	***Key Management Personnel:***	
	Ms. Savitha Ramesh	Chairperson
	Mr. Ramesh Kunhikannan	Managing Director
	Mr. Jairam Paravasthu Sampath	Whole Time Director & Chief Financial Officer
	Mr. Satheesh Kumar Gopa Kumar	Whole Time Director (From 03 March, 2021 to 02 October, 2021)
	Mr. Rajesh Sharma	Chief Executive Officer
	Mr. Anup Kumar Bhat	Independent Director
	Mr. Vivekandh Ramaswamy	Independent Director (from 12 January, 2022 to 01 November, 2023)
	Mr. Lakshmi Narayana Nutheti	Independent Director (From 12 January, 2022 to 01 February, 2022)
	Mr. Seeplaputhur Ganapathiramaswamy Murali	Independent Director
	Mr. Alexander Koshy	Independent Director
	Ms. Poornima Ranganath	Independent Director
	Mr. Venkata Ramana Mannapragada	Independent Director
	Ms. Narayanan Srividhya	Independent Director
	Mr. Heinz Franz Moitzi	Independent Director(w.e.f 16 June, 2023)
	Mr. Ramachandran Kunnath	Company Secretary & Compliance Officer (from 01 April, 2023 to 14 July, 2023)
	Mr. Adithya Jain SM	Company Secretary & Compliance Officer (w.e.f 15 September, 2023)
	Ms. Premita Ramesh	Director in subsidiary company
	Mr. Sajan Anandaraman	Director in subsidiary company
[5.]	***Relatives of KMP's:***	Mr. Govind Shasiprasad Menokee

[B.] Transactions with KMPs

Transactions / Balances		For the year ended 31 March, 2024	For the year ended 31 March, 2023
[i.]	***Remuneration and Commission:***		
	Mr. Ramesh Kunhikannan	18.00	18.00
	Ms. Savitha Ramesh	18.00	18.00
	Mr. Jairam Paravasthu Sampath	8.00	6.40
	Ms. Premita Ramesh	5.40	5.40
	Mr. Govind Shasiprasad Menokee	6.60	6.60
	Mr. Manoj Rajnarain Pandey	1.98	9.53
	Mr. Venkata Ramana Mannapragada	-	0.56
	Ms. Narayanan Srividhya	-	1.52
	Mr. Rajesh Sharma	8.00	8.00
	Mr. Sajan Anandraman	2.12	2.12
	Mr. Adithya Jain. S.M	2.40	-
[ii.]	***Reimbursement of expenses***		
	Mr. Ramesh Kunhikannan	3.60	-
	Ms. Savitha Ramesh	1.45	-
	Mr. Jairam Paravasthu Sampath	0.12	-
	Mr Rajesh Sharma	0.11	0.14

Transactions / Balances	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Mr. Govind Shasiprasad Menokee	0.42	-
Mr. Adithya Jain. S.M	0.01	-
Mr. Manoj Rajnarain Pandey	0.05	0.07
[iii.] Transaction in current account (Net)		
Mr. Ramesh Kunhikannan	-	3.56
Ms. Savitha Ramesh	-	4.18
Ms. Premita Ramesh	-	-

[C.] Balances with KMPs and relatives of KMPs

	As at 31 March, 2024	As at 31 March, 2023
[i.] Amount Receivable from/ Due to directors:		
Mr. Jairam P Sampath (Dr. Balance)	-	0.44
[ii.] Amount Receivable from / Due to KMP.		
Mr Rajesh Sharma (Dr. Balance)	-	1.60
[ii.] Salaries payable		
Mr. Ramesh Kunhikannan	1.00	0.98
Ms. Savitha Ramesh	0.99	0.99
Mr. Jairam Paravasthu Sampath	0.46	0.42
Mr. Manoj Rajnarain Pandey	0.32	0.32
Ms. Premita Ramesh	0.33	0.32
Mr. Govind Shasiprasad Menokee	0.40	0.40
Mr. Rajesh Sharma	0.50	0.06
Mr. Adithya Jain.S.M	0.18	-
Mr. Sajan Anandaraman	0.14	-
Ms. Narayanan Srividhya	-	0.19

[D.] Transactions with Related Parties other than subsidiaries & Associates

Name of the related party	Nature of the transaction	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Kaynes Interconnection Systems India Private Limited	Sale of material	-	15.12
	Services Received	-	-
	Purchase of Material	-	41.28
Kaynes Technology Inc.	Services Rendered	53.33	48.06
	Services Received	-	0.11
Kemsys Technologies Inc.	Services provided	-	1.37
	Services received	-	6.76

[E.] Balances with Related Parties other than subsidiaries & Associates

Name of the related party	Nature of the transaction	As at 31 March, 2024	As at 31 March, 2023
Kaynes Interconnection Systems India Private Limited	Loans and Advances	-	-
	Trade Payables	-	4.23
Mysuru ESDM Cluster	Investments / Loans and Advances	3.32	2.64
Kaynes Technology Inc.	Services Rendered Receivable	12.48	8.87
Kemsys Technologies Inc.	Services Rendered Receivable	-	1.37

Notes to the Consolidated Financial Statements (Contd.)

(All amounts are in ₹ Mn, unless otherwise stated)

[F.] Disclosure as per Schedule VI (Para 11(1)(A)(i)(g) of ICDR Regulation

The following are the transactions eliminated during the years 31 March, 2024 and 31 March, 2023

Name of the related party	Nature of the transaction	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Kaynes International Design & Manufacturing Private Limited	Loans and Advances given to	189.68	-
	Loans and Advances repaid by	49.80	-
	Sale of material	4.36	5.03
	Purchases	-	0.05
Kemsys Technologies Private Limited	Loans and Advances given to	64.50	30.05
	Loans and Advances repaid by	224.00	3.10
	Interest on loan advanced	7.60	13.48
	Purchases	2.96	1.05
	Investments	224.00	5.00
Kaynes Electronics Manufacturing Private Limited	Investments	-	0.10
	Loans and Advances given to	1,749.95	99.70
	Sale of material	390.58	-
	Purchases	3.54	-
	Interest on loan advanced	107.93	-
	Management services	11.28	-
Kaynes Technology Inc.	Services Rendered	53.33	48.06
	Services Received	-	0.11
Kaynes Semicon Private Limited	Loans and Advances given to	240.49	-
	Loans and Advances repaid by	16.65	-
	Investments	2.50	-
	Interest on loan advanced	3.19	-
Kaynes Circuits India Private Limited	Loans and Advances given to	1.77	-
	Investments	2.50	-
Kaynes Mechatronics Private Limited	Investments	0.10	-
	Loans and Advances	64.69	-
Digicom Electronics Inc	Investments	199.63	-
	Loans and Advances	49.79	-
Kaynes Technology Europe GmbH	Commission Paid	2.68	15.24

[G.] The following are the details of the balances that were eliminated during the years ended 31 March, 2024 and 31 March, 2023

Name of the related party	Nature of the transaction	As at 31 March, 2024	As at 31 March, 2023
Kaynes International Design & Manufacturing Private Limited	Loans and Advances received	65.16	78.66
	Investments	1.50	1.50
Kemsys Technologies Private Limited	Loans and Advances	18.51	180.96
	Investments	229.00	5.00
	Interest on loan advanced	7.60	13.48
Kaynes Embedded Systems Private Limited	Loans and Advances given	-	-
	Investments	3.00	3.00

Name of the related party	Nature of the transaction	As at 31 March, 2024	As at 31 March, 2023
Kaynes Technology Europe GmbH	Investments	9.24	9.24
	Trade payable	0.50	1.34
Mysuru ESDM Cluster	Investments	2.64	2.64
	Loans and Advances	0.68	0.68
Kaynes Technology Inc.	Services Rendered Receivable	12.48	8.87
Kaynes Electronics Manufacturing Private Limited	Investments	0.10	0.10
	Loans and Advances given	2,236.69	99.70
	Interest on loan advanced	107.93	-
	Management services	11.28	-
Kaynes Semicon Private Limited	Loans and Advances given to	223.84	-
	Investments	2.50	-
	Interest on loan advanced	3.19	-
Kaynes Circuits India Private Limited	Loans and Advances given to	1.77	-
	Investments	2.50	-
Kaynes Mechatronics Private Limited	Investments	0.10	-
	Loans and Advances	64.69	-
Digicom Electronics Inc	Investments	199.63	-
	Loans and Advances	49.79	-

[H.] The following are the intra-group company transactions eliminated during the years 31 March, 2024 and 31 March, 2023

Name of the Group company	Name of the related party	Nature of the transaction	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Kaynes Electronics Manufacturing Private Limited	***Kaynes Semicon Private Limited***	Transaction in current account (Net)	558.18	-
		Interest on loan	19.96	-
Kaynes International Design & Manufacturing Private Limited	***Kaynes Tech Europe GmbH***	Commission Paid	2.68	15.24
Kaynes Electronics Manufacturing Private Limited	***Kaynes Technologies Inc.***	Advances for Services	-	0.13
Kemsys Technologies Private Limited	***Kemsys Technologies Inc.***	Services provided	-	1.37
		Services received	18.11	6.76
		Sale of Material	0.07	-

[I.] The following are the intra-group company balance eliminated during the years 31 March, 2024 and 31 March, 2023

Name of the Group company	Name of the related party	Nature of the transaction	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Kaynes Electronics Manufacturing Private Limited	***Kaynes Semicon Private Limited***	Loans and Advances received	558.18	-
Kaynes International Design & Manufacturing Private Limited	***Kaynes Tech Europe GmbH***	Trade Payables	1.33	1.34
Kemsys Technologies Private Limited	***Kaynes Tech Europe GmbH***	Trade Receivable	1.39	1.37

30 SEGMENT INFORMATION

Based on the management approach as defined in IND AS 108 – Operating Segments, the Chief Operating Decision Maker (CODM) evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by geographical segments. Accordingly, the Company has identified India and Outside India as its reportable segment.

As expenses, assets and liabilities are not separately identified for the individual segments, these are considered as common cost and unallocated. Hence, information with respect to revenue alone is provided by the Company for the geographical segments identified.

A) Revenue from Customers

Geographic Segment	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Outside India	1,672.47	1,661.50
In India	16,373.72	9,599.64
Total	**18,046.19**	**11,261.14**

All material assets are located in India as export proceeds are also realisable in India. Hence no disclosure of segment assets/cost to acquire tangible and intangible asset is given.

Customers constituting more than 10% of revenue are as below:

Particulars	For the year ended 31 March, 2024		For the year ended 31 March, 2023	
	Revenue contribution more than 10% (in Mn)	Percentage of Revenue Contribution (in%)	Revenue contribution more than 10% (in Mn)	Percentage of Revenue Contribution (in%)
Sale of Goods:				
Customer A	4,612.77	26.58%	-	-
Customer B			1,597.86	14.64%
Sale of Services:				
Customer A	102.31	14.76%	59.63	17.06%
Customer B	-	-	136.44	39.03%
Customer C	-	-	59.43	17.00%

31 EARNINGS PER SHARE (EPS)

Particulars	As at 31 March, 2024	As at 31 March, 2023
Earnings		
Profit after tax for the year	1,832.89	951.96
Less: Profit attributable to the minority shareholders	(2.72)	(1.75)
Profit after tax for the year attributable to equity shareholders	**1,830.17**	**950.21**
Weighted average number of equity shares used as the denominator in calculating basic and diluted earnings per share (number) :		
Basic :		
Number of Shares outstanding at the beginning of the year	58,142,496	46,158,006
Add : Shares Issued during the year	5,775,577	11,367,720
Add : Shares Issued during the year on conversion of CCPS	-	616,770
Number of Shares outstanding at the end of the year	63,918,073	58,142,496
Weighted average number of equity shares For calculating Basic EPS	59,756,493	47,894,922
Profit after tax for the year attributable to equity shareholders	1,830.17	950.21
Basic EPS (₹ per share)	**30.63**	**19.84**
Diluted :		
Number of shares considered as basic weighted average shares outstanding	59,756,493	47,894,922
Add: Effect of diluted equity shares relating to CCPS/ESOP issued during the year	771,661	568,443
Number of shares considered as diluted weighted average shares outstanding	60,528,154	48,463,365
Total shares outstanding including dilution	60,528,154	48,463,365
Diluted EPS (₹ per share)	30.24	19.61
Restated Earnings per equity share (Face Value ₹ 10/- per share)		
- Basic	30.63	19.84
- Diluted	30.24	19.61

32 DISCLOSURE WITH RESPECT TO IND AS 116 - LEASES

Information about Leases Assets for which the Company is a lessee is presented below

Particulars	As at 31 March, 2024	As at 31 March, 2023
Balance as at beginning of the year	170.90	180.62
Additions	132.82	29.11
Deletions	-	3.55
Depreciation*	(40.59)	(42.38)
Balance as at end of the year	**263.13**	**170.90**

*The aggregate depreciation expense on Right-of-use assets is included under depreciation expense in the Consolidated Statement of Profit and Loss.

The changes / movement in Lease Liabilities of the Company are as follows:

Particulars	As at 31 March, 2024	As at 31 March, 2023
Balance as at beginning of the year	188.44	180.93
Additions	14.38	29.11
Deletions	(0.52)	3.55
Payment of lease liabilities	(57.30)	(48.25)
Accreditation of interest	19.79	23.10
Balance as at end of the year	**164.79**	**188.44**
Current Liabilities	32.70	33.86
Non-Current Liabilities	132.09	154.57
Total cash outflow for leases	**57.30**	**30.40**

The table below provides details regarding amounts recognised in the consolidated Statement of Profit and Loss:

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Expenses relating to short-term leases and/or leases of low-value items	6.28	7.69
Interest on lease liabilities	19.79	23.09
Depreciation expense	40.59	42.38
Total	**66.66**	**73.16**

Contractual maturities of lease liabilities on undiscounted basis

Particulars	As at 31 March, 2024	As at 31 March, 2023
Less than one year	48.11	30.04
One to five years	160.38	119.89
More than five years	-	38.50
Total	**208.49**	**188.43**

33 TAXES

(a) Income tax expense:

Components of Income Tax Expense

(i) Income tax recognised in Profit or Loss:

	Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
	Tax expense recognised in the Statement of Profit and Loss		
A.	Net current tax expense	458.39	311.14
B.	Deferred tax (credit)/charge	24.41	(2.71)
	Net deferred tax	**24.41**	**(2.71)**
	Total income tax expense recognised in statement of Profit & Loss	**482.80**	**308.43**

C. Tax recognised in Other Comprehensive Income:

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Origination and reversal of temporary differences - OCI	-	-
Remeasurement of Defined Benefiy Obligation	1.00	0.70
Total	**1.00**	**0.70**

	Current tax assets / liabilities (Net)	As at 31 March, 2024	As at 31 March, 2023
D.	Advance tax (net of provision for tax)	58.81	36.07
E.	Provision for tax (net of advance payment of taxes)	-	-

	Deferred tax assets / liabilities (Net)	As at 31 March, 2024	As at 31 March, 2023
F.	Deferred tax asset	(107.85)	(20.44)
G.	Deferred tax liability	(209.45)	96.78
	Deferred tax Liability (Net)	**(317.30)**	**76.34**

H. Reconciliation of tax expense and the Accounting Profit

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Profit Before Tax	2,315.69	1,260.39
Enacted tax rate in India (B)	25.17%	25.17%
Expected tax expense using the Company's applicable rate	582.81	317.21
Deferred tax effect	24.41	(2.71)
Deferred tax effect on all amounts debited to other comprehensive income (OCI) in the statement of profit and loss that will not be re-classified to profit or loss;	-	-
Lower tax rate due loss at subsidiaries	-	-
Impact of earlier period tax provision reversal	-	-
Impact of Difference Between Depreciation as per books of accounts & Income Tax Act, 1961	-	-
Impact of expenditure charged to the statement of profit and loss in the current year but allowed for tax purposes on payment basis	-	-
Tax effect on account of Ind AS adjustment	-	-
Income tax expense recognised in statement of profit or loss	24.41	(2.71)

Note: The tax rate used for the period ended 31 March, 2024 and 31 March, 2023 reconciliations above is the corporate tax rate of 25.17% and 25.17% respectively, payable by corporate entities in India on book profits under Indian Income Tax Laws.

33 EMPLOYEE BENEFIT PLANS

(a) Defined Contribution Plans

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Employers' contribution to Provident Fund	9.48	7.35
Employers' contribution to Employee State Insurance	5.40	5.34
Employers' contribution to Employee's Pension Scheme 1995	15.15	12.21

[b.] Defined Benefit Plan

Gratuity -Funded obligation

The liability towards gratuity is provided for on the basis of independent actuarial valuation using projected unit credit method. The liability for gratuity is administered through Life Insurance Corporation of India (LIC).

Compensated Absences- Unfunded obligation

Company provided for unavailed accumulated leave of employees on the basis of actuarial valuation using projected unit credit method.

Gratuity -Funded obligation

i. Actuarial Assumptions

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Discount Rate (per annum)	7.25%	7.50%
Expected return on plan assets	7.67%	7.01%
Salary escalation rate*	5.00%	5.00%
Mortality rate	IALM (2012-14) Ultimate	IALM (2012-14) Ultimate

*The assumption of future salary escalation in actuarial valuation, takes into account inflation, seniority.

ii. Reconciliation of Obligation

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Present value of obligation at the beginning of the year	**48.93**	**38.82**
Current Service Cost	11.37	7.66
Past Service cost	-	-
Interest Cost	3.87	2.80
Actuarial (gain)/ loss	1.75	(0.24)
Benefits Paid	(2.78)	(4.18)
Present value of obligation at the end of the year	**63.44**	**44.86**

iii. Reconciliation of fair value of plan assets

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Fair value of plan assets at the beginning of the year	**5.75**	**3.53**
Actual return of plan assets	0.39	0.23
Actuarial gain/ (loss)	-	-
Contributions	7.88	5.40
Benefits paid	(2.78)	(3.41)
Assets distributed on settlement	-	-
Charges Deducted	-	-
Fair value of plan assets at the end of the year	**11.24**	**5.75**

iv. Description of Plan Assets

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Insured Managed Funds(LIC India)	11.24	5.75

v. Net (Asset)/ Liability recognised in Consolidated statement of assets and liabilities

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Present value of obligation at the end of the year	63.44	43.55
Fair value of plan assets at the end of the year	11.29	3.55
Net (asset)/ liability recognised in consolidated statement of assets and liabilities	52.20	40.00

vi. (Income)/ Expense recognised in consolidated statement of profit and loss

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Current Service Cost	11.37	5.55
Interest Cost	3.87	1.98
Actuarial (gain)/ loss recognised for the period	1.72	-
Expected return on plan assets	(0.39)	(0.32)
(Income)/ Expenses recognised in consolidated statement of profit and loss	16.58	7.21

vii. Sensitivity analysis of the defined benefit obligation:

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Impact of the change in Discount Rate		
Present Value of Obligation at the end of the period	63.44	43.55
Impact due to increase of 1%	58.62	40.16
Impact due to decrease of 1%	69.09	47.56
Impact of the change in salary increase		
Present Value of Obligation at the end of the period	63.44	43.55
Impact due to increase of 1%	69.07	47.60
Impact due to decrease of 1%	58.58	40.07
Impact of the change in Withdrawal Rate		
Present Value of Obligation at the end of the period	63.44	43.55
Impact due to increase of 1%	64.14	44.02
Impact due to decrease of 1%	62.54	42.99

Sensitivities due to mortality is insignificant & hence ignored.

viii. Maturity profile of defined benefit obligation:

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Year 1	10.88	7.50
Year 2	2.50	1.64
Year 3	3.85	2.00
Year 4	2.04	1.53
Year 5	1.89	2.66
Years 6 to 10	42.80	29.25

The above disclosures are based on information certified by the independent actuary and relied upon by auditors.

ix) Other comprehensive (income) / expenses (Remeasurement)

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Cumulative unrecognised actuarial (gain)/loss opening. B/F	(4.34)	(6.47)
Actuarial (gain)/loss - obligation	1.75	2.14
Actuarial (gain)/loss - plan assets	0.02	0.32
Total Actuarial (gain)/loss	1.74	2.46
Cumulative total actuarial (gain)/loss. C/F	(2.57)	(4.01)

Notes to the Consolidated Financial Statements (Contd.)

(All amounts are in ₹ Mn, unless otherwise stated)

Compensated Absences- Unfunded obligation

i. Actuarial Assumptions

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Discount Rate (per annum)	7.25%	7.50%
Expected return on plan assets	NA	NA
Salary escalation rate*	5.00%	5.00%

ii. Reconciliation of Obligation

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Present value of obligation at the beginning of the year	**17.62**	**5.64**
Current Service Cost	7.73	4.01
Past Service cost	-	-
Interest Cost	1.34	0.27
Actuarial (gain)/ loss	(5.49)	6.32
Benefits Paid	(0.01)	-
Present value of obligation at the end of the year	**21.47**	**16.24**

iii. Net (Asset)/ Liability recognised in consolidated statement of assets and liabilities

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Present value of obligation at the end of the year	21.47	16.24
Fair value of plan assets at the end of the year	-	-
Net (asset)/ liability recognised in consolidated statement of assets and liabilities	21.47	16.24

iv. (Income)/ Expense recognised in consolidated statement of profit and loss

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Current Service Cost	7.73	4.01
Interest Cost	1.34	0.27
Actuarial (gain)/ loss recognised for the period	(5.49)	6.32
Expected return on plan assets	-	-
(Income)/ Expenses recognised in consolidated statement of profit and loss	3.58	10.60

v. Sensitivity analysis of the defined benefit obligation:

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Impact of the change in Discount Rate		
Present Value of Obligation at the end of the period	21.48	15.70
Impact due to increase of 1%	19.78	14.36
Impact due to decrease of 1%	23.45	17.29
Impact of the change in salary increase	-	-
Present Value of Obligation at the end of the period	21.48	15.70
Impact due to increase of 1%	23.48	17.31
Impact due to decrease of 1%	19.73	14.32
Impact of the change in Withdrawal Rate	-	-
Present Value of Obligation at the end of the period	21.48	15.70
Impact due to increase of 1%	21.82	15.97
Impact due to decrease of 1%	21.04	15.38

Sensitivities due to mortality is insignificant & hence ignored.

34 EMPLOYEES' STOCK OPTION PLANS (ESOP)

(i) Kaynes Employees Stock Option Scheme 2022

The members of the Company at its Extraordinary General Meeting held on January 12, 2022 had approved the issue of Stock Options to eligible employees/directors of the Company and its subsidiaries. Accordingly, the Board a their meeting held on 12 January, 2022 approved the "Kaynes ESOP Scheme 2022". A Compensation Committee was formed to govern the "Kaynes ESOP Scheme 2022" which has approved Details are as follows:

Particulars	Year 1	Year 2	Year 3	Year 4
Grant Date	04 July, 2022	04 July, 2022	04 July, 2022	04 July, 2022
Vesting date	04 July, 2023	04 July, 2024	04 July, 2025	04 July, 2026
Option Granted (Nos)	923,160	923,160	923,160	923,160
Exercise price (Amount in ₹ per share)	138.00	138.00	138.00	138.00

(ii) Fair value of share options granted during the year

The fair value of options granted is estimated using the Black Scholes Option Pricing Model after applying the key assumption which are tabulated below. The expected volatility has been calculated using the daily stock returns on NSE, based on expected life options of each vest. The expected life of share option is based on historical data and current expectation and not necessarily indicative of exercise pattern that may occur.

(iii) Inputs in the pricing model

Particulars	Year 1	Year 2	Year 3	Year 4
Weighted average fair Value of options	18.07	22.66	32.26	35.32
Exercise price (Amount in ₹ per share)	138.00	138.00	138.00	138.00
Expected Volatility	16.96%	17.28%	25.02%	23.42%
Options Life (Number of Years)	1.50	2.00	2.50	3.00
Dividend Yield	0.00%	0.00%	0.00%	0.00%
Risk Free Rate	6.13%	6.41%	6.62%	6.77%

(iv) Movement in stock options

For the year ended 31 March, 2024

Particulars	No of Options
Options outstanding as at 31 March, 2022	**-**
New options issued during the year	923,160
Options exercised during the year	-
Lapsed/ forfeited during the year	(27,260)
Expired during the year	-
Options outstanding as at 31 March, 2023	**895,900**
Options exerciseable as at 31 March, 2023	-
New options issued during the year	-
Options exercised during the year	-
Lapsed/ forfeited during the year	(124,239)
Expired during the year	-
Options outstanding as at 31 March, 2024	**771,661**
Options exerciseable as at 31 March, 2024	-

During the year ended 31 March, 2024, the Company recorded an employee share based payment expense of ₹ 6.43 Mn (31 March, 2023 : ₹ 6.31 Mn) in the Statement of Profit and Loss.

36 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company's principal financial liabilities comprise of short tenured borrowings, trade and other payables. Most of these liabilities relate to financing for working capital requirements. The Company has trade and other receivables, loans and advances that arise directly from its operations.

The Company is accordingly exposed to market risk, credit risk and liquidity risk.

The Company's senior management oversees management of these risks. The senior professionals working to manage the financial risks and the appropriate financial risk governance framework for the Company are accountable to the Board of Directors and the Audit Committee. This process provides assurance that the Company's financial risk-taking activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with Group's policies and overall risk appetite.

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 two types of risk: interest rate risk and currency rate risk. Financial instruments affected by market risk include loans and borrowings, deposits and advances.

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 with floating interest rates.

The Company has no exposure to financial instruments with an interest rate risk as on 31 March, 2024 and 31 March, 2023.

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) and the Company's net investments in foreign subsidiaries.

Foreign currency sensitivity

The sensitivity analysis has been based on the composition of the Company's financial assets and liabilities at the end of the respective reporting periods. The period end balances are not necessarily representative of the average debt outstanding during the period.

Particulars	Currency	As at 31 March, 2024		As at 31 March, 2023	
		Foreign Currency	₹ (Mn)	Foreign Currency	₹ (Mn)
Financial assets					
Trade receivable	EURO	4.48	404.35	1.14	101.29
Trade receivable	GBP	0.67	70.18	1.27	128.39
Trade receivable	JPY	2.56	1.41	1.00	0.63
Trade receivable	US$	5.21	488.00	4.38	357.95
Trade receivable	AUD	-	0.04	-	-
Trade receivable	AED	0.90	20.37	-	-
Advance to suppliers	EURO	0.34	30.98	0.18	16.06
Advance to suppliers	CNY	0.85	9.81		
Advance to suppliers	GBP	0.04	4.58	0.05	4.61
Advance to suppliers	JPY	1.60	0.88	27.67	17.37
Advance to suppliers	US$	3.08	256.37	2.04	166.97
Financial Liabilities					
Trade payables	EURO	2.07	149.49	0.43	37.97
Trade payables	GBP	0.72	20.30	0.54	54.18
Trade payables	JPY	240.12	91.12	74.79	46.95
Trade payables	CHF	-	-	-	-
Trade payables	US$	31.13	2,622.22	15.44	1,216.70
Trade payables	CNY	0.02	0.24	-	-
Net Exposure in financial asset			**(1,596.39)**		**(562.53)**

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 investing activities, deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

A. Trade Receivables

Customer credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive credit rating scorecard and individual credit limits are defined in accordance with this assessment. Outstanding customer receivables are regularly monitored.

An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The calculation is based on exchange losses historical data.

The Company does not hold collateral as security. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers (which are in the nature of reputed banking and financial institutions) are located in several jurisdictions and industries and operate in largely independent markets.

The Company creates allowance for all unsecured receivables based on lifetime expected credit loss based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The management makes estimates of the expected losses on receivables taking into account past history and their assumptions. Expected credit loss allowance is calculated by comparing the management estimates with the provision matrix.

Details of allowances for expected credit losses are provided hereunder

Particulars	As at 31 March, 2024	As at 31 March, 2023
At the beginning of the year	91.70	67.76
Provisions created	135.19	8.95
Closing at the end of the year	**226.89**	**76.71**

B. Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the treasury department in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the management on an annual basis, and may be updated throughout the year subject to approval of the Company's Finance Committee. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

Liquidity risk

Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. The Company's objective is to, at all times maintain optimum levels of liquidity to meet it cash and collateral requirements. The Company closely monitors its liquidity position and deploys a robust cash management system. It maintains adequate sources of financing including loans, debt, and overdraft from both domestic and international banks at an optimised cost.

The table below provides details regarding the undiscounted contractual maturities of significant financial liabilities as of 31 March, 2024:

Particulars	Less than 1 year	More than 1 year	Total
Interest bearing borrowings	2,949.11	111.56	3,060.67
Trade Payables	3,610.14	-	3,610.14
Other financial liabilities	246.90	-	246.90
Lease liabilities	32.70	132.09	164.79
Total	**6,838.85**	**243.65**	**7,082.50**

The table below provides details regarding the undiscounted contractual maturities of significant financial liabilities as of 31 March, 2023:

Particulars	Less than 1 year	More than 1 year	Total
Interest bearing borrowings	1,208.57	150.42	1,358.99
Trade Payables	2,228.74	-	2,228.74
Other financial liabilities	105.75	-	105.75
Lease liabilities	33.86	154.57	188.43
Total	**3,576.92**	**304.99**	**3,881.91**

37 CAPITAL MANAGEMENT

For the purpose of the Company's capital management, capital includes issued equity capital, convertible preference shares, share premium and all other equity reserves attributable to the equity holders. The primary objective of the Company's capital management is to maximise the shareholders value.

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 Company monitors capital using a gearing ratio, which is net debt divided by total capital. The Company includes within net debt, interest bearing loans and borrowings less cash and cash equivalents.

Particulars	As at 31 March, 2024	As at 31 March, 2023
Gross debt	3,060.67	1,358.99
Less: Cash and Cash equivalents	(194.11)	(259.31)
Net debt	**2,866.56**	**1,099.68**
Equity	24,868.89	2,022.06
Total capital	**24,868.89**	**2,022.06**
Gearing ratio	**11.53%**	**54.38%**

38 FINANCIAL INSTRUMENTS: FAIR VALUES

Particulars	As at 31 March, 2024				As at 31 March, 2023			
	FVTPL	FVOCI	Amortised cost	Total Carrying Amount	FVTPL	FVOCI	Amortised cost	Total Carrying Amount
Financial assets								
At Fair value								
Investments - Equity	-	271.38	-	271.38	-	13.44	-	13.44
Investments - Mutual Funds	1,046.18	-	-	1,046.18	19.32	-	-	19.32
At amortised cost:								
a) Trade receivables	-	-	3,555.73	3,555.73	-	-	2,270.66	2,270.66
b) Cash and cash equivalents	-	-	194.11	194.11	-	-	259.31	259.31
c) Bank balances other than cash and cash equivalents	-	-	15,061.49	15,061.49	-	-	4,600.65	4,600.65
d) Loans and deposits	-	-	127.68	127.68	-	-	99.52	99.52
e) Other financial assets	-	-	291.98	291.98	-	-	90.30	90.30
Total Financial Assets	**1,046.18**	**271.38**	**19,230.99**	**20,548.55**	**19.32**	**13.44**	**7,320.44**	**7,353.20**

Particulars	As at 31 March, 2024				As at 31 March, 2023			
	FVTPL	FVOCI	Amortised cost	Total Carrying Amount	FVTPL	FVOCI	Amortised cost	Total Carrying Amount
Financial liabilities								
At amortised cost:								
a) Borrowings (Long term)	-	-	111.56	111.56	-	-	150.42	150.42
b) Borrowings (Short term)	-	-	2,949.11	2,949.11	-	-	1,208.57	1,208.57
c) Trade payables	-	-	3,610.14	3,610.14	-	-	2,228.74	2,228.74
d) Other Financial Liabilities	-	-	246.90	246.90	-	-	105.75	105.75
e) Lease Liabilities			164.79	164.79			188.43	188.43
Total Financial Liabilities	**-**	**-**	**7,082.50**	**7,082.50**	**-**	**-**	**3,881.91**	**3,881.91**

The Company has assessed that trade receivables, cash and cash equivalents, bank balances, other assets, borrowings, trade payables and other liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

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.

39 FAIR VALUE HIERARCHY

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

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

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

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

Particulars	Date of valuation	Fair value measurement			
		Fair Value as at 31 March, 2024	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Financial assets					
Investments	31 March, 2024	1,317.56	1,046.18	-	271.38

There are no transfers between levels 1 and 2 during the year.

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

Particulars	Date of valuation	Fair value measurement			
		Fair Value as at 31 March, 2023	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Financial assets					
Investments	31 March, 2023	32.76	19.32	-	13.44

40 BUSINESS COMBINATION

Business combinations have been accounted for using the acquisition method under the provisions of Ind AS 103- (Revised), Business Combinations.

The purchase price in an acquisition is measured at the fair value of the assets transferred, equity instruments issued and liabilities incurred or assumed at the date of acquisition, which is the date on which control is transferred to the Group. The purchase price also includes the fair value of any contingent consideration. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair value on the date of acquisition. Contingent consideration is remeasured at fair value at each reporting date and changes in the fair value of the contingent consideration are recognised in the Consolidated Statement of Comprehensive Income.

The interest of non-controlling shareholders if any is initially measured either at fair value or at the non-controlling interests' proportionate share of the acquiree's identifiable net assets. The choice of measurement basis is made on an acquisition-by-acquisition basis. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity of subsidiaries.

Acquisitions during the year ended 31 March, 2024

During the year ended 31 March, 2024 the Group, completed one business combination to complement its business model by acquiring 100% voting interest in Digicom Electronics Inc, Oakland, California which is engaged in the business of electronic manufacturing services. A Share purchase agreement was entered into on 31 December, 2023 with Digicom Electronics and the business combination has been accounted for with effect from 01 January, 2024.

This acquisition is expected to strengthen the Group's core business and expand its presence across the Americas.

The purchase price is allocated to assets acquired and liabilities assumed based upon determination of fair values at the dates of acquisition as follows:

Component	Acquirees Carrying Amount	Fair Value Adjustments	Purchase Price Allocated
Net Assets	71.38	-	71.38
Total	**71.38**	**-**	**71.38**
Goodwill	-	-	128.25
Consideration	-	-	199.63

The Purchase consideration includes a deferred consideration of US$ 625,000 payable upon the expiration of 18 months from the closing date subject to compliance by the seller with the terms of the Share Purchase Agreement.

41 ADDITIONAL INFORMATION AS REQUIRED UNDER SCHEDULE III OF COMPANIES ACT, 2013 OF ENTITIES CONSOLIDATED AS SUBSIDIARIES

Name of the entity in the Company	As at 31 March, 2024		As at 31 March, 2023	
	Net Assets, i.e. total assets minus total liabilities		Net Assets, i.e. total assets minus total liabilities	
	As % of consolidated net assets	Amount in ₹ Mn	As % of consolidated net assets	Amount in ₹ Mn
A. Parent company				
Kaynes Technology India Limited	97.60%	24,287.78	99.80%	9,583.86
B. Indian Subsidiaries				
Kaynes International Design and Manufacturing Private Limited	0.57%	142.73	0.90%	86.20
Kemsys Technologies Private Limited	0.56%	138.37	(0.86%)	(82.11)
Kanyes Embedded Systems Private Limited			-	-
Kaynes Electronics Manufacturing Privatelimited	2.08%	516.95	(0.03%)	(3.02)
Kaynes Semicon Private Limited	(0.00%)	(0.45)	-	-
Kaynes Circuits India Private Limited	0.01%	2.41	-	-
Kaynes Mechatronics Private Limited	0.01%	2.65	-	-
C. Foreign Subsidiary				
Kaynes Technology Europe GmbH	0.09%	23.24	0.26%	24.67
Digicom Electronics Inc.	0.22%	54.34	-	-
D.Consolidated adjustments	(0.14%)	(288.34)	(0.06%)	(6.11)
Total	**100.00%**	**24,884.68**	**100.00%**	**9,603.49**

Since Minority Interest is immeterial it is not disclosed seperately.

Name of the entity in the Company	For the year ended 31 March, 2024		For the year ended 31 March, 2023	
	Share in Profit/(Loss)		Share in Profit/(Loss)	
	As % of consolidated net assets	Amount in ₹ Mn	As % of consolidated net assets	Amount in ₹ Mn
A. Parent company				
Kaynes Technology India Limited	68.80%	1,260.98	99.42%	947.61
B. Indian Subsidiaries				
Kaynes International Design and Manufacturing Private Limited	2.94%	53.87	2.41%	22.93
Kemsys Technologies Private Limited	(0.19%)	(3.55)	(1.36%)	(12.97)
Kanyes Embedded Systems Private Limited	-	-	-	-
Kaynes Electronics Manufacturing Private Limited	28.37%	519.97	(0.33%)	(3.12)
Kaynes Semicon Private Limited	(0.16%)	(2.95)	-	-
Kaynes Circuits India Private Limited	(0.00%)	(0.09)	-	-
Kaynes Mechatronics Private Limited	0.14%	2.55	-	-
C. Foreign Subsidiary				
Kaynes Technology Europe GmbH	(0.08%)	(1.44)	0.39%	3.73
Digicom Electronics Inc.			-	-
D. Consolidated adjustments	(0.36%)	(3.55)	(0.53%)	(5.01)
Total	**100.00%**	**1,832.89**	**100.00%**	**953.17**

42 RATIOS AS PER SCHEDULE III REQUIREMENTS

a) Current Ratio = Current Assets divided by Current Liabilities

Particulars	As at 31 March, 2024	As at 31 March, 2023
Current Assets	25,866.87	12,301.20
Current Liabilities	7,362.27	4,145.19
Ratio	**3.51**	**2.97**
% Change from previous year	18.39	

b) Debt Equity Ratio = Total Debt divided by total equity

Particulars	As at 31 March, 2024	As at 31 March, 2023
Total Debt	3,060.67	1,358.99
Total Equity	24,884.68	9,603.49
Less : Non-controlling Interest	(15.79)	(13.07)
Less: Non free reserves	(20.86)	(13.77)
Equity attributable to the owners of the Company	**24,848.03**	**9,576.65**
Ratio	**0.12**	**0.14**
% Change from previous year	(13.20)	

c) Debt Service Coverage Ratio = Earnings available for servicing debt divided by total interest and principal payments

Particulars	As at 31 March, 2024	As at 31 March, 2023
Profit before tax	2,315.69	1,260.39
Add: Depreciation	251.41	187.41
Add: Finance Cost	533.74	349.36
Adjusted Profit	**3,100.84**	**1,797.16**
Interest cost on borrowings	533.74	349.36
Principal repayments	28.45	234.55
Total of Interest and Principal repayments	**562.19**	**583.91**
DSCR	**5.52**	**3.08**
% Change from previous year	79.21	

The improvement in the ratio for the year ended 31 March, 2024 is due to a significant increase in Profit Before Tax.

d) Return on Equity Ratio = Profit after Tax divided by Equity

Particulars	As at 31 March, 2024	As at 31 March, 2023
Profit after tax	1,832.89	951.96
Less : Share of Profit /(Loss) of minority interest	(2.72)	(1.75)
Consolidated Net Profit after tax, for the year attributable to equity shareholders	**1,830.17**	**950.21**
Total Equity	24,884.68	9,603.49
Less : Non-controlling Interest	(15.79)	(13.07)
Less: Non free reserves	(20.86)	(13.77)
Equity attributable to the owners of the Company	**24,848.03**	**9,576.65**
Average Shareholder's equity *	17,212.34	5,797.42
Ratio	**10.63**	**16.39**
% Change from previous year	(35.13)	

The decline in Ratio is due to increase in Total Equity due to share premium and profit for the year.

e) Trade Receivables Turnover Ratio = Credit Sales divided by Closing Trade Receivables

Particulars	As at 31 March, 2024	As at 31 March, 2023
Revenue from Operations	18,046.19	11,261.14
Average Trade Receivables *	2,913.19	2,123.96
Ratio	**6.19**	**5.30**
% Change from previous year	16.84	

f) Trade Payables Turnover Ratio = Credit Purchases divided by closing trade payables

Particulars	As at 31 March, 2024	As at 31 March, 2023
Credit Purchases	14,616.69	9,642.13
Average Trade payables	2,919.44	1,934.65
Ratio	**5.01**	**4.98**
% Change from previous year	0.46	

g) Inventory Turnover Ratio = Revenue from operations divided by Closing Inventory

Particulars	As at 31 March, 2024	As at 31 March, 2023
Revenue from Operations	18,046.19	11,261.14
Average Inventory	4,807.44	3,197.71
Ratio	**3.75**	**3.52**
% Change from previous year	6.59	

h) Net Capital Turnover ratio= Sales divided by net working capital

Particulars	As at 31 March, 2024	As at 31 March, 2023
Revenue from Operations	18,046.19	11,261.14
Average working capital	13,330.30	4,699.14
Ratio	**1.35**	**2.40**
% Change from previous year	(43.51)	

Reason for change more than 25%

The improvement in the ratio for the year ended 31 March, 2024 is due to the increase in average working capital

i) Profit Ratio = Profit after tax divided by Revenue from Operations

Particulars	As at 31 March, 2024	As at 31 March, 2023
Profit after tax	1,832.89	951.96
Revenue from Operations	18,046.19	11,261.14
Ratio	**10.16**	**8.45**
% change from previous year	20.15	

j) Return on Capital Employed= Adjusted EBIT / Total Capital Employed

Particulars	As at 31 March, 2024	As at 31 March, 2023
Profit before tax	2,315.69	1,260.39
Add: Finance Costs	533.74	349.36
EBIT	**2,849.43**	**1,609.75**
Tangible Net worth	24,267.55	9,271.75
Non Current Borrowings	111.56	150.42
Short Term Borrowings	2,949.11	1,208.57
Total	**27,328.21**	**10,630.74**
ROCE	**10.43**	**15.14**
% change from previous year	(31.14)	

The decrease in ratio is due to increase in net worth as a result of high retined earnings and money received from Initial Public Offer (IPO) and Qualified Institutional placement (QIP).

43 DISCLOSURE REQUIRED UNDER SECTION 186 (4) OF THE COMPANIES ACT, 2013

(i) Included in loans, the particulars of which are disclosed in below as required by Sec 186(4) of the Companies Act 2013:

Sl. No.	Name of the Borrower	Type	Rate of Interest	Secured/ Unsecured	Due Date	Purpose	As at 31 March, 2024	As at 31 March, 2023
1	Kemsys Technologies Private Limited	Loan	8%	Unsecured	On Demand	General business purpose	18.51	180.96
2	Digicom electronics Inc	Loan	7%	Unsecured	On Demand	General business purpose	49.79	-
3	Kaynes International Design & Manufacturing Private Limited	Corporate Guarantee	-	Unsecured	30.03.2023	General business purpose	784.00	84.00

44 OTHER STATUTORY DISCLOSURES

1. Benami Property

   The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

2. The Company does not have any transaction with companies struck off u/s 248 of Companies Act, 2013 or u/s 560 of Companies Act, 1956.

3. Following are the Loans and Advances granted to Related Parties and are repayable on demand:

   i. Kaynes Technology India Ltd.

S. No	Particulars	Amount of Loans and advances	Percentage to the total Loans & Advances in the nature of Loans
1	Kemsys Technologies Private Limited	18.51	0.69%
2	Kaynes International Design & Manufacturing Pvt Ltd	65.16	2.44%
3	Kaynes Electronics Manufacturing Pvt Ltd	2,247.92	84.14%
4	Kaynes Semicon Private Limited	223.84	8.38%
5	Kaynes Circuits India Pvt Ltd	1.77	0.07%
6	Kaynes Mechatronics Private Limited	64.69	2.42%
7	Digicom Electronics Inc	49.79	1.86%

   ii. Kaynes Electronics Manufacturing Pvt Ltd.

S. No	Particulars	Amount of Loans and advances	Percentage to the total Loans & Advances in the nature of Loans
1	Kaynes Semicon Private Limited	558.18	100%

4. The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

5. The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

6. (i) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

   (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or

   (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

   (ii) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

   (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

   (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

7. The company has neither declared nor paid any interim dividend or final dividend during the year.

8. The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

9. The company has complied with the number of layers prescribed under clause (87) of Section 2 of the Act read with Companies (Restriction on number of layers) Rules, 2017.

10. The Company has not been declared as willful defaulter by any bank or financial institution or other lender.

11. The company does not have any transactions that are not recorded in books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

12. The Company uses an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the accounting software. There is no instance of audit trail feature being tampered with was noted in respect of the accounting software.

    Presently, the log has been activated at the application and the access to the database continues to be restricted to limited set of users who necessarily require this access for maintenance and administration of the database.

45 CORPORATE SOCIAL RESPONSIBILITY EXPENSES

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Amount required to be spent by the Company during the year *	12.70	8.06
Amount of expenditure incurred.	12.87	8.06
Shortfall at the end of the year.	-	-
Total of previous years shortfall.	-	-

* Figure for the year ended 31 March, 2023 includes previous year's shortfall.

The Company's CSR Activities primarily involve in the promotion of education, healthcare, art and cultural promotion, animal welfare, rural developement, natural calamities relief and skill developement for underprivileged people.
The shortfall has arisen due to the lack of eligible projects due to the impact of the pandemic.

46 DISCLOSURE AS REQUIRED UNDER MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006 (THE ACT)

Particulars	As at 31 March, 2024	As at 31 March, 2023
Principal amount due to micro & small enterprises	65.67	216.45
Interest due on above	-	1.65
Interest paid during the period beyond the appointed day	-	-
Amount of interest due and payable for the period of delay in making payment without adding the interest specified under the Act.	-	-
Amount of interest accrued and remaining unpaid at the end of the year	-	-
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 small enterprises for the purpose of disallowance as a deductible expenditure under Sec.23 of the Act	-	-

Note: The above information and that given in Note 16(b)'Trade Payables' regarding Micro and Small Enterprises has been determined on the basis of information available with the Company and has been relied upon by the auditors.

47 Previous year figures have been regrouped/ re-classified wherever necessary.

The accompanying notes form an integral part of the consolidated financial statements.
As per our report of even date

For K.P. Rao & Co
Chartered Accountants
Firm Registration Number: 003135S

Mohan R Lavi
Partner
Membership No.029340

Place: Mysuru
Date: 16 May, 2024

For and on behalf of the Board of Directors of
Kaynes Technology India Limited

Ramesh Kunhikannan
Managing Director
(DIN: 02063167)

Rajesh Sharma
Chief Executive Officer

Place: Mysuru
Date: 16 May, 2024

Jairam P Sampath
Whole Time Director & Chief Financial Officer
(DIN: 08064368)

S M Adithya Jain
Company Secretary
Membership No. A49042

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF

KAYNES TECHNOLOGY INDIA LIMITED

Report on the Audit of the Consolidated Financial Statements

OPINION

We have audited the accompanying Consolidated Ind AS financial statements of **Kaynes Technology India Limited** (hereinafter referred to as "the Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group") which comprise the Consolidated Balance Sheet as at 31 March, 2023, the Consolidated Statement of Profit and Loss (including other comprehensive income), Consolidated Statement of Changes in Equity and Consolidated Statement of Cash Flows for the year then ended and notes to the Consolidated Financial Statements, including a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended, ("Ind AS") and other accounting principles generally accepted in India, of the Consolidated State of Affairs of the Group as at 31 March, 2023, the Consolidated profit, the Consolidated total comprehensive income, Consolidated changes in equity and Consolidated cash flows for the year ended.

BASIS OF OPINION

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the Ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules there under 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 consolidated financial statements.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole and in forming our opinion thereon and we do not provide a separate opinion on these matters. We have determined the matter described below to be the key audit matters to be communicated in our report of Holding company:

REVENUE RECOGNITION:

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company has generally concluded that it is the principal in its revenue arrangements because it typically controls the goods or services before transferring them to the customer.

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts and schemes offered by the Company as part of the contract. This variable consideration is estimated based on the expected value of outflow. Revenue (net of variable consideration) is recognised only to the extent that it is highly probable that the amount will not be subject to significant reversal when uncertainty relating to its recognition is resolved.

The company has ascertained that all performance obligations are performed at a point in time.

AUDITOR'S RESPONSE:

Audit procedures performed to address the key audit matter:

Our audit procedures included, among others, inquiries with management regarding significant new contracts and relevant changes in existing contracts.

The procedures also included reading significant new contracts to understand the terms and conditions and their impact on revenue recognition.

On a sample basis, we reconciled revenue to the supporting documentation, such as sales orders, invoices and other relevant documents.

A specific emphasis was set on verifying that revenue transactions at the end of the financial year and at the beginning of the new financial year have been recognised in the proper accounting period by comparing revenues close to the balance sheet date with the respective contractual terms.

Our procedures also involved testing the performance obligations in the contract and the variable consideration, if any. We also test-checked instances for transfer of control to the customer with the necessary documentation.

MANAGEMENT'S AND BOARD OF DIRECTORS' RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Holding Company's management and Board of Directors are responsible for the matters stated in section 134(5) of the Companies Act 2013, with respect to the preparation of these consolidated financial statements that give a true and fair view of the financial position and financial performance, of the group in accordance with the Accounting Principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. The respective Management and Board of Directors of the Companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Management and Board of Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective management and Board of Directors of the companies included in the group are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

The respective Board of the companies included in the group are responsible for overseeing the financial reporting process of each company.

AUDITOR'S RESPONSIBILITY

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

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

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

- Conclude on the appropriateness of management and Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosure are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of entities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the consolidated financial statements. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other Companies included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

As required by the Companies (Independent Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of subsection (11) of Section 143 of the Act, we give in the **"Annexure A"**, a statement on the matter specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.

c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements.

d) In our opinion, the aforesaid Consolidated financial statements comply with the Ind AS specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended.

e) On the basis of the written representations received from the directors of the Holding Company as on 31 March, 2023 taken on record by the Board of Directors of the Holding Company and on the basis of written representations received by the management from directors of its subsidiaries which are incorporated in India, as on 31 March, 2023, none of the directors of the Group companies incorporated in India is disqualified as on 31 March, 2023 from being appointed as a director in terms of Section 164(2) of the Act.

f) With respect to the adequacy of the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiary companies incorporated in India and the operating effectiveness of such controls, refer to our separate report in **"Annexure B"**

Independent Auditor's Report (Contd.)

g) In our opinion and according to the information and explanation given to us, the remuneration paid during the current year by the Holding Company and its subsidiaries which are incorporated in India to its directors is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director by the Holding Company and its subsidiaries which are incorporated in India, is not in excess of the limit laid down under Section 197 of the Act.

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The consolidated financial statements disclose the impact of pending litigations as at 31 March, 2023 on the consolidated financial position of the Group. Refer Note 29 to the consolidated financial statements.

ii. The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund.

iv. a. The management has represented, that, to the best of its knowledge and belief, no funds have been received by the Holding Company or its subsidiary companies incorporated in India from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or its subsidiary companies incorporated in India shall:

- directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Parties or
- provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries.

b. Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) contain any material mis-statement.

v. The Group has neither declared nor paid interim dividend or final dividend during the year. Therefore, reporting under Rule 11(f) of Companies (Audit and Auditors) Rules, 2014 is not applicable.

vi. As Proviso to rule 3(1) of Companies (Accounts) Rules 2014 is applicable for the company w.e.f 01 April 2023, the reporting under this clause is not applicable.

For **K.P. Rao & Co.**
Chartered Accountants
Firm Reg. No. 003135S

Mohan R Lavi
Partner
Membership No.: 029340
UDIN: 23029340BGWHWT8925

Place: Mysuru
Date: 16 May, 2023

ANNEXURE - A *TO THE INDEPENDENT AUDITOR'S REPORT*

(Referred to in report on other legal and regulatory requirements Section of our report of even date)

There have been no qualifications or adverse remarks by the respective auditors in the Companies (Auditor's Report) Order (CARO) reports of the companies included in the consolidated financial statements.

For **K.P. Rao & Co.**
Chartered Accountants
Firm Reg. No. 003135S

Mohan R Lavi
Partner
Membership No.: 029340
UDIN: 23029340BGWHWT8925

Place: Mysuru
Date: 16 May, 2023

ANNEXURE - B TO INDEPENDENT AUDITOR'S REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

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

OPINION

In conjunction with our audit of the consolidated financial statements of Kaynes Technology India Limited (hereinafter referred to as "the Holding Company") as of and for the year ended 31 March, 2023, we have audited the internal financial controls with reference to the consolidated financial statements of the Holding Company and such companies incorporated in India under the Companies Act, 2013 which are its subsidiary companies, as of that date.

In our opinion, the holding company and such Companies incorporated in India which are its subsidiary companies, have, in all material respects, an adequate internal financial controls system with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at 31 March, 2023, based on the internal financial controls with reference to consolidated financial statements criteria established by such companies considering the essential components of such internal controls stated in the Guidance Note of Internal Financial Controls With reference to consolidated financial statements issued by the Institute of Chartered Accountants of India. However, the existing policies, systems, procedures and internal controls followed by the Holding Company have to be completely and appropriately documented.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The respective Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls With reference to consolidated financial statements ('the Guidance Note') issued by the Institute of Chartered Accountants of India ('the ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective 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 by the Companies Act, 2013 ('the Act').

AUDITOR'S RESPONSIBILITY

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated 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 judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO CONSOLIDATED FINANCIAL STATEMENTS

A Company's internal financial control with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting in the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles. This includes those policies and procedures that:

i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;

ii) 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 authorizations of management and directors of the company; and

iii) provide reasonable assurance regarding prevention or timely detection of unauthorized 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 CONSOLIDATED FINANCIAL STATEMENTS

Because of the inherent limitations of internal financial controls with reference to consolidated 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 consolidated financial statements to future periods are subject to the risk that the internal financial control with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For **K.P. Rao & Co.**
Chartered Accountants
Firm Reg. No. 003135S

Mohan R Lavi
Partner
Membership No.: 029340
UDIN: 23029340BGWHWT8925

Place: Mysuru
Date: 16 May, 2023

Consolidated Balance Sheet

(All amounts are in ₹ mn, unless otherwise stated)

Particulars	Note	As at 31 March, 2023	As at 31 March, 2022
ASSETS			
Non-Current Assets			
Property, plant and equipment	3	901.76	639.58
Capital work-in-progress	3(b)	111.63	44.20
Intangible assets	3(c)	220.94	289.73
Intangible under development	3(d)	181.80	39.09
Rights-of-Use Assets	3(e)	170.90	180.62
Goodwill		23.44	23.44
Financial assets			
i) Investments	4	32.76	15.16
ii) Loans and deposits	5(a)	69.64	58.28
iii) Other financial assets	5(b)	11.03	14.28
Other non-current assets	6	155.82	56.17
Total Non-Current Assets (A)		**1,879.72**	**1,360.55**
Current Assets			
Inventories	7	4,131.64	2,263.78
Financial asset			
i) Trade receivables	8(a)	2,270.66	1,977.26
ii) Cash and cash equivalents	8(b)	259.31	68.74
iii) Bank balances other than cash and cash equivalents	8(c)	4,600.65	147.20
iv) Loans and deposits	8(d)	29.88	16.91
v) Other financial assets	8(e)	79.27	2.74
Current Tax Assets (Net)	9	36.07	-
Other current assets	10	900.12	387.02
Total Current Assets (B)		**12,307.60**	**4,863.65**
Total Assets (A + B)		**14,187.32**	**6,224.20**
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	11(A)	581.42	461.58
Instruments entirely equity in nature	11(B)	-	3.79
Other Equity	12	9,009.00	1,560.48
Non-controlling Interest	13	13.07	11.32
Total Equity (A)		**9,603.49**	**2,037.17**
Liabilities			
Non-Current Liabilities			
Financial Liabilities			
- Borrowings	14	150.42	292.79
- Lease liabilities	33	154.57	163.35
Deferred Tax Liabilities (Net)	15	76.91	67.75
Long Term Provisions	16	50.34	41.75
Total Non-current Liabilities (B)		**432.24**	**565.64**
Current Liabilities			
Financial Liabilities			
- Short-term borrowings	17(a)	1,208.57	1,402.67
- Trade payables	17(b)		
- Total outstanding dues of micro enterprises and small enterprises		216.45	47.92
- Total outstanding dues to other than micro enterprises and small enterprises		2,012.29	1,592.64
- Other financial liabilities	17(c)	105.75	77.29
- Lease liabilities	33	33.86	31.96
Current tax liabilities (net)	18	-	155.53
Other current liabilities	19	563.23	303.29
Short-term provisions	20	11.44	10.09
Total Current Liabilities (C)		**4,151.59**	**3,621.39**
Total Liabilities (B+C)		**4,583.83**	**4,187.03**
Total Equity and Liabilities (A+B+C)		**14,187.32**	**6,224.20**
Significant accounting policies and notes to financial statements	1 to 2		

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

As per our report of even date

For K.P. Rao & Co
Chartered Accountants
Firm Registration Number: 003135S

Mohan R Lavi
Partner
Membership No.029340

Place: Mysuru
Date: 16 May, 2023

For and on behalf of the Board of Directors of
Kaynes Technology India Limited
(Formerly Kaynes Technology India Private Limited)

Ramesh Kunhikannan
Managing Director
(DIN: 02063167)

Rajesh Sharma
Chief Executive Officer

Place: Mysuru
Date: 16 May, 2023

Jairam P Sampath
Whole Time Director & Chief Financial Officer
(DIN: 08064368)

Ramachandran Kunnath
Company Secretary
Membership No. A57817

Consolidated Statement of Profit and Loss

(All amounts are in ₹ mn, except per equity share value)

Particulars	Note	For the year ended 31 March, 2023	For the year ended 31 March, 2022
INCOME			
Revenue from operations	21	11,261.14	7,062.49
Other Income	22	113.98	41.05
Total Income (A)		**11,375.12**	**7,103.54**
EXPENSES			
Cost of materials consumed	23	8,478.01	4,931.07
Changes in inventories of Finished goods and traded goods	24	(677.24)	(36.77)
Employee Benefit Expenses	25	770.99	602.35
Finance Cost	26	349.36	255.87
Depreciation and amortization expense	27	187.41	131.62
Other Expenses	28	1,006.20	629.13
Total Expenses (B)		**10,114.73**	**6,513.27**
Profit / (Loss) before tax (A-B)=C		**1,260.39**	**590.27**
Tax Expenses			
Income taxes - Current tax		292.43	153.07
- Earlier year tax adjustments		18.71	-
Deferred tax Charge/ (Credit)		(2.71)	20.45
Total tax expense (D)		**308.43**	**173.52**
Profit / (Loss) for the year (C - D)=E		**951.96**	**416.75**
Other comprehensive income (net)			
(i) Other comprehensive income not to be reclassified to profit or loss in subsequent periods			
- Re-measurement gains/ (losses) on defined benefit plans		(2.77)	(1.68)
- Exchange differences in translating financial statements of foreign operations		5.03	-
Income tax effect		0.70	(0.15)
Total other comprehensive income for the year, net of tax (F)		**2.96**	**(1.83)**
Total comprehensive income for the year, net of tax (E+F)		**954.92**	**414.92**
Less: Share of Profit /(Loss) of minority interest		1.75	2.27
Total comprehensive income for the year, net of tax		**953.17**	**412.65**
Earnings per share ₹ (nominal value of ₹ 10 each)			
Basic		19.84	9.96
Diluted		19.61	8.95
Significant accounting policies and notes to financial statement	1 to 2		

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

As per our report of even date

For K.P. Rao & Co
Chartered Accountants
Firm Registration Number: 003135S

Mohan R Lavi
Partner
Membership No.029340

Place: Mysuru
Date: 16 May, 2023

For and on behalf of the Board of Directors of
Kaynes Technology India Limited
(Formerly Kaynes Technology India Private Limited)

Ramesh Kunhikannan
Managing Director
(DIN: 02063167)

Rajesh Sharma
Chief Executive Officer

Place: Mysuru
Date: 16 May, 2023

Jairam P Sampath
Whole Time Director & Chief Financial Officer
(DIN: 08064368)

Ramachandran Kunnath
Company Secretary
Membership No. A57817

Consolidated Statement of Cash Flows

(All amounts are in ₹ mn, unless otherwise stated)

Particulars			For the year ended 31 March, 2023	For the year ended 31 March, 2022
A.	**CASH FLOW FROM OPERATING ACTIVITIES**			
	Net profit before extraordinary items and tax		1,260.39	590.27
	Adjustments for :			
	Depreciation and Amortisation Expense		187.41	131.62
	Provision for doubtful debts		14.99	8.95
	Unrealised foreign exchange gain (net)		0.48	(0.25)
	Interest expense		349.36	255.87
	Interest income		(98.16)	(10.59)
	Miscellaneous income (Liabilities written back)		(1.68)	(0.08)
	Operating profit before working capital changes, extraordinary items		**1,712.79**	**975.79**
	Adjustments for :			
	(Increase)/ decrease in Inventories		(1,867.86)	(625.13)
	(Increase)/Decrease in Trade receivables		(293.40)	(759.78)
	(Increase)/Decrease in Loans and Advances and other assets		(344.85)	(291.73)
	Increase/(Decrease) in Trade payable and other liabilities		870.18	920.37
	Increase/(Decrease) in Provisions		9.94	13.16
	Cash Generated (used in) / From Operations		**86.80**	**232.68**
	Income tax Received / (Paid)		(502.82)	(21.59)
	Net Cash from Operating Activities	**(A)**	**(416.02)**	**211.09**
B.	**CASH FLOW FROM INVESTING ACTIVITIES**			
	Purchase of fixed assets		(581.22)	(422.43)
	Interest received		98.16	10.59
	Investment in fixed deposits		(4,453.45)	(33.42)
	Net Cash used in Investing activities	**(B)**	**(4,936.51)**	**(445.26)**
C.	**NET CASH FROM/(USED) IN FINANCING ACTIVITIES**			
	Proceeds from issue of Share Capital :			
	- Equity		113.68	-
	- Preference		-	3.79
	Share Premium received :			
	- Equity		6,486.32	0.01
	- Preference		-	223.70
	Share issue expenses		(371.07)	-
	Repayment of long term borrowings		(142.37)	121.92
	Proceeds from short term borrowings		(194.10)	178.86
	Interest expense		(349.36)	(255.87)
	Net Cash from/(used) in Financing Activities	**(C)**	**5,543.10**	**272.41**
	Net Increase in Cash and Cash Equivalents	**(A)+(B)+(C)**	**190.57**	**38.24**
	Cash and cash equivalents as on April 01		68.74	30.50
	Cash and cash equivalents as on March 31		**259.31**	**68.74**

Consolidated Statement of Cash Flows (Contd.)

(All amounts are in ₹ mn, unless otherwise stated)

Particulars			For the year ended 31 March, 2023	For the year ended 31 March, 2022
	Components of cash and cash equivalents			
	Balance with scheduled banks on:			
	- on Current Account		259.22	68.04
	- on deposit accounts		-	-
	Cash on Hand		0.09	0.70
			259.31	**68.74**

Notes

a) The Cash Flow Statement has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS) 7 "Statement of Cash flows" specified under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015 (as amended).

b) Figures have been regrouped/ rearranged wherever necessary.

Significant accounting policies and notes to financial statement 1 to 2

As per our report of even date

For K.P. Rao & Co
Chartered Accountants
Firm Registration Number: 003135S

Mohan R Lavi
Partner
Membership No.029340

Place: Mysuru
Date: 16 May, 2023

For and on behalf of the Board of Directors of
Kaynes Technology India Limited
(Formerly Kaynes Technology India Private Limited)

Ramesh Kunhikannan
Managing Director
(DIN: 02063167)

Jairam P Sampath
Whole Time Director & Chief Financial Officer
(DIN: 08064368)

Rajesh Sharma
Chief Executive Officer

Ramachandran Kunnath
Company Secretary
Membership No. A57817

Place: Mysuru
Date: 16 May, 2023

Consolidated Statement of changes in equity

(All amounts are in ₹ mn, unless otherwise stated)

A. EQUITY SHARE CAPITAL

Particulars	No. of Shares	Amount
As at April 01, 2021	**6,800,002**	**68.00**
Change during the year	39,358,004	393.58
As at March 31, 2022	**46,158,006**	**461.58**
Change during the year	11,984,490	119.84
As at 31 March, 2023	**58,142,496**	**581.42**

B. INSTRUMENTS ENTIRELY OF EQUITY NATURE

Particulars	CCPS Series A		CCPS Series B		CCPS Series C	
	No. of Shares	Amount	No. of Shares	Amount	No. of Shares	Amount
As at April 01, 2021	**1,079,990**	**10.80**	**-**	**-**	**-**	**-**
Change during the year	(1,079,990)	(10.80)	333,323	3.33	45,823	0.46
As at March 31, 2022	**-**	**-**	**333,323**	**3.33**	**45,823**	**0.46**
Change during the year	-	-	(333,323)	(3.33)	(45,823)	(0.46)
As at 31 March, 2023	**-**	**-**	**-**	**-**	**-**	**-**

C. OTHER EQUITY

For the year ended 31 March, 2023

Particulars	Reserves & Surplus					Other Comprehensive Income		Total Other Equity	Non Controlling Interest	Total
	Securities premium	General Reserve	Retained earnings	Debenture Redemption Reserve (DRR)	Employee stock options outstanding account (ESOP Reserve)	Foreign Currency Translation Reserve	Remeasurement of defined benefit obligations			
As at April 01, 2022	**107.64**	**124.69**	**1,310.60**	**5.31**	**-**	**2.36**	**9.88**	**1,560.48**	**11.32**	**1,571.80**
Profit for the period	-	-	953.17	-	-	5.10	-	958.27	1.75	960.02
On issue of Equity shares	6,486.33	-	-	-	-	-	-	6,486.33	-	6,486.33
On conversion of Preference shares into equity	(2.39)	-	-	-	-	-	-	(2.39)	-	(2.39)
Utilised towards redemption of debentures	-	-	-	(5.31)	-	-	-	(5.31)	-	(5.31)
Transfer from Debenture redemption reserve	-	5.31	-	-	-	-	-	5.31	-	5.31
Share based payment expenses					6.31			6.31		6.31
Re-measurement of the net defined benefit liability/ asset, net of tax effect			(2.96)				2.96	-	-	-
Fair value adjustments of investments	-	-	-	-	-	-	-	-	-	-
As at 31 March, 2023	**6,591.58**	**130.00**	**2,260.81**	**-**	**6.31**	**7.46**	**12.84**	**9,009.00**	**13.07**	**9,022.07**

Consolidated Statement of changes in equity (Contd.)

(All amounts are in ₹ mn, unless otherwise stated)

For the year ended March 31, 2022

Particulars	Reserves & Surplus					Other Comprehensive Income		Total Other Equity	Non Contr-olling Interest	Total
	Securities premium	General Reserve	Retained earnings	Debenture Redem-ption Reserve (DRR)	Employee stock options outstan-ding account (ESOP Reserve)	Foreign Currency Translation Reserve	Remeasu-rement of defined benefit obligations			
As at April 01, 2021	**266.71**	**110.88**	**897.00**	**19.12**	**-**	**2.36**	**11.71**	**1,307.78**	**9.05**	**1,316.83**
Profit for the period	-	-	412.65	-	-	-	-	412.65	2.27	414.92
On issue of New Preference shares	223.70	-	-	-	-	-	-	223.70	-	223.70
On issue of Equity shares	0.01	-	-	-	-	-	-	0.01	-	0.01
On issue of Bonus shares	(385.90)	-	-	-	-	-	-	(385.90)	-	(385.90)
On conversion of Preference shares into equity	3.12	-	-	-	-	-	-	3.12	-	3.12
Utilised towards redemption of debentures	-	-	-	(13.81)	-	-	-	(13.81)	-	(13.81)
Transfer from Debenture redemption reserve	-	13.81	-	-	-	-	-	13.81	-	13.81
Ind AS adjustments			0.10					0.10	-	0.10
Re-measurement of the net defined benefit liability/asset, net of tax effect			1.83				(1.83)	-	-	-
Fair value adjustments of investments	-	-	(0.98)	-	-	-	-	(0.98)	-	(0.98)
As at March 31, 2022	**107.64**	**124.69**	**1,310.60**	**5.31**	**-**	**2.36**	**9.88**	**1,560.48**	**11.32**	**1,571.80**

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

As per our report of even date

For K.P. Rao & Co
Chartered Accountants
Firm Registration Number: 003135S

Mohan R Lavi
Partner
Membership No.029340

Place: Mysuru
Date: 16 May, 2023

For and on behalf of the Board of Directors of
Kaynes Technology India Limited
(Formerly Kaynes Technology India Private Limited)

Ramesh Kunhikannan
Managing Director
(DIN: 02063167)

Rajesh Sharma
Chief Executive Officer

Place: Mysuru
Date: 16 May, 2023

Jairam P Sampath
Whole Time Director & Chief Financial Officer
(DIN: 08064368)

Ramachandran Kunnath
Company Secretary
Membership No. A57817

Notes to the Consolidated Financial Statements

1 GENERAL INFORMATION

Kaynes Technology India Limited (Formerly known as Kaynes Technology India Private Limited) ("the Company" / "Parent Company"/ Holding Company") is a company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The Company and its subsidiaries' (Collectively, "the Group") are primarily engaged in Design and Manufacturing of advanced electronic modules and solutions catering to a wide range of industries.

The Holding company has converted itself from Private Limited to Public Limited, pursuant to a special resolution passed in the extraordinary general meeting of the shareholders of the Company held on 24 March, 2022 and consequently the name of the Company has changed to "Kaynes Technology India Limited" pursuant to a fresh certificate of incorporation by the Registrar of Companies on 31 March, 2022.

The following entities are considered in these Consolidated financial information

Name of Entity	Relationship	Country of Incorporation	Ownership Interest in %	
			As at 31 March, 2023	As at 31 March, 2022
Kaynes Technology India Limited	Holding	India	100.00	100.00
Kaynes International Design & Manufacturing Private Limited	Subsidiary	India	95.21	95.21
Kemsys Technologies Private Limited	Subsidiary	India	100.00	100.00
Kaynes Embedded Systems Private Limited	Subsidiary	India	60.00	60.00
Kaynes Electronics Manufacturing Private Limited	Subsidiary	India	100.00	-
Kaynes Technology Europe GmbH	Subsidiary	Switzerland	60.00	60.00

2 BASIS OF PREPARATION

A. Statement of compliance

These Consolidated Ind AS financial statements ("Ind AS financial statements") have been prepared in accordance with Indian Accounting Standards ('Ind AS') notified under Section 133 of the Companies Act, 2013 ('the Act') read with the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) Rules, 2016 and other relevant provisions of the Act, to the extent applicable.

The Consolidated Financial Information, which have been approved by the Board of Directors of the Company, have been prepared in accordance with the requirements of:

- Section 26 of part I of Chapter III of the Act;
- relevant provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, issued by the Securities and Exchange Board of India ('SEBI') as amended in pursuance of the Securities and Exchange Board of India Act, 1992; and
- Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India ("ICAI").

Functional and presentation currency

Items included in the Consolidated Financial Information of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The Consolidated Financial Information are presented in Indian rupee (₹), which is also the Group's functional currency. All amounts have been rounded-off to the nearest million, up to two places of decimal, unless otherwise indicated. Amounts having absolute value of less than ₹ 100,000 have been rounded and are presented as ₹ 0.00 Millions in the Consolidated Financial Information.

Basis of measurement

The Consolidated financial information has been prepared on the historical cost basis except for the following items:

Items	Measurement Basis
Certain financial assets (except trade receivables and contract assets which are measured at transaction cost) and liabilities	Fair Value
Defined benefits liability	Fair value of plan assets less present value of defined benefit obligations

2.1 Current versus non-current classification

The Company presents assets and liabilities in the standalone balance sheet based on current/ non-current classification. An asset is treated as current when it is:

(a) Expected to be realised or intended to be sold or consumed in normal operating cycle,

(b) Held primarily for the purpose of trading,

(c) Expected to be realised within twelve months after the reporting period, or

(d) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

(a) It is expected to be settled in normal operating cycle,

(b) It is held primarily for the purpose of trading,

(c) It is due to be settled within twelve months after the reporting period, or

(d) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities. Advance tax paid is classified as non-current assets.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents.

2.2 Fair value measurement

The Company measures financial instruments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

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

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

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

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

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

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

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

Level 2 - Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 - Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement. The Group recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

2.3 Use of estimates and judgements

The preparation of the consolidated financial statements in conformity with Ind AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities. Estimates include provision for employee benefits, allowances for uncollectible trade receivables / advances / contingencies, useful life of fixed assets, provision for taxation, etc., during and at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next financial year are included in the following notes:

Note 37 – measurement of defined benefit obligations: key actuarial assumptions;

Notes 29 – recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources;

Note 39 – impairment of financial assets;

2.4 Foreign currency translation

The Company's financial statements are presented in ₹, which is also the parent company's functional currency. For each foreign operation, the Company determines the functional currency and items included in the financial statements of each entity are measured using that functional currency. The Company uses the direct method of consolidation and on disposal of a foreign operation the gain or loss that is reclassified to profit or loss reflects the amount that arises from using this method.

Initial recognition

Transactions in foreign currencies entered into by the Company are accounted at the exchange rates prevailing on the date of the transaction or at the average rates that closely approximate the rate at the date of the transaction.

Conversion

Monetary assets and liabilities denominated in foreign currencies are translated at the foreign currency exchange rates at the reporting date. Non-monetary assets and liabilities that are carried at historical cost are translated using the exchange rates at the dates of initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined.

Treatment of Exchange Differences

Exchange differences are recognised in profit or loss, except exchange differences arising from the translation of the qualifying cash flow hedges, to the extent the hedges are effective, which are recognised in other comprehensive income (OCI).

2.5 Principles of consolidation

a. Subsidiaries

Subsidiaries are entities controlled by the Group. Control is achieved when the Group 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 Group controls an investee if and only if, the Group has:

(i) Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee);

(ii) Exposure, or rights, to variable returns from its involvement with the investee; and the ability to use its power over the investee to affect its returns.

(iii) The ability to use its power over the investee to affect its returns.

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

(i) The contractual arrangement with the other vote holders of the investee;

(ii) Rights arising from other contractual arrangements;

(iii) The Group's voting rights and potential voting rights;

(iv) The size of the group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the Consolidated Financial Statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Consolidated Financial Statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the Consolidated Financial Statements for like transactions and events in similar circumstances, appropriate adjustments are made to that Group member's financial statements in preparing the consolidated financial statements to ensure conformity with the Group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the Parent Company, i.e. year ended on 31 March.

b. Consolidation Procedures:

a. Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the Consolidated Financial Statements at the acquisition date.

b. Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.

c. Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the Group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and property, plant and equipment and intangible assets, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the Consolidated Financial Statements. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profit and losses resulting from intragroup transactions.

c. Non-controlling interests (NCI)

NCI are measured at their proportionate share of the acquiree's net identifiable assets at the date of acquisition.

Changes in the Group's equity interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

d. Loss of control

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it:

(i) Derecognises the assets (including goodwill) and liabilities of the subsidiary.

(ii) Derecognises the carrying amount of any non-controlling interests.

(iii) Derecognises the cumulative translation differences recorded in equity.

(iv) Recognises the fair value of the consideration received.

(v) Recognises the fair value of any investment retained.

(vi) Recognises any surplus or deficit in profit or loss.

(vii) Reclassifies the parent's share of components previously recognised in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities.

e. Subsidiaries considered in the Consolidated Financial Statements:

Name of Entity	Relationship	Country of Incorporation	Ownership Interest in %	
			As at 31 March, 2023	As at 31 March, 2022
Kaynes Technology India Limited	Holding	India	100.00	100.00
Kaynes International Design & Manufacturing Private Limited	Subsidiary	India	95.21	95.21
Kemsys Technologies Private Limited	Subsidiary	India	100.00	100.00
Kaynes Embedded Systems Private Limited	Subsidiary	India	60.00	60.00
Kaynes Electronics Manufacturing Private Limited	Subsidiary	India	100.00	-
Kaynes Technology Europe GmbH	Subsidiary	Switzerland	60.00	60.00

2.6 Revenue recognition

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company has generally concluded that it is the principal in its revenue arrangements because it typically controls the goods or services before transferring them to the customer.

The specific recognition criteria described below must also be met before revenue is recognised.

Sale of products and services:

Revenue from sale of products is recognised at the point in time when control of the asset is transferred to the customer, generally on delivery of the products. Revenue from sale of services is recognised as the service is performed and there are no unfulfilled obligations.

The Company considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated if any. In determining the transaction price for the sale of goods, the Company considers the effects of variable consideration, the existence of significant financing components, non-cash consideration and consideration payable to the customer (if any).

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts and schemes offered by the Company as part of the contract. This variable consideration is estimated based on the expected value of outflow. Revenue (net of variable consideration) is recognised only to the extent that it is highly probable that the amount will not be subject to significant reversal when uncertainty relating to its recognition is resolved.

The company has ascertained that all performance obligations are performed at a point in time.

Contract balances:

Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional. Contract assets are transferred to receivables when the rights become unconditional and contract liabilities are recognised as and when the performance obligation is satisfied. Contract assets are subject to impairment assessment. Refer to accounting policies on impairment of financial assets.

A receivable is recognised if an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets.

Contract Liability

A contract liability is recognised if a payment is received or a payment is due (whichever is earlier) from a customer before the Company transfers the related goods or services. Contract liabilities are recognised as revenue when the Company performs under the contract (i.e., transfers control of the related goods or services to the customer).

The company presents revenues net off indirect taxes in the statement of profit and loss.

2.7 Other Income

Interest income is recognised on time proportion basis and other income, if any, recognised on the basis of certainty of receipts and on accrual basis and this is included in the finance income in the statement of profit and loss.

For all financial instruments measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability.

When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses. Interest income is included in finance income in the statement of profit and loss.

Government Grant:

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. 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 is recognised as income in equal amounts over the expected useful life of the related asset.

2.8 Employee Benefits

a) Short-term benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are recorded as expense as the related service is provided. A liability is recognised for the amount expected to be paid, if the Company has a present obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

b) Provident Fund

This is a defined benefit plan. Aggregate contributions along with interest thereon are paid at retirement, death, incapacitation or termination of employment. Both the employee and the Company make monthly contributions equal to a specified percentage of the employee's salary to the provident fund. The Company contributes to the government administered pension fund.

c) Gratuity

This is a defined benefit plan. The Company provides for Gratuity covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment.

d) Leave Encashment

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 reporting date. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred. The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer the settlement for at least twelve months after the reporting date.

The Company's liability for Gratuity and Leave encashment are actuarially determined using the Projected Unit Credit method at the end of each year.

Actuarial gains and losses are recognised immediately in the retained earnings through Other Comprehensive Income (OCI) in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods. The defined benefit obligation recognised in the balance sheet represents the present value of the defined benefit obligation less the fair value of plan assets out of which the obligations are expected to be settled.

e) Employees' Stock Option Plans (ESOP)

The Group recognizes compensation expense relating to share-based payments in net profit based on estimated fair-values of the awards on the grant date. The estimated fair value of awards is recognised as an expense in the Statement of Profit and Loss on a straight-line basis over the requisite service period for each separately vesting portion of the award as if the award was in-substance, multiple awards with a corresponding increase to share options outstanding account.

f) Social Security 2020

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 entity believes the impact of the change will not be significant.

2.9 Borrowing cost

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset until such time as the assets are substantially ready for the intended use or sale. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

2.10 Financial instruments

2.11 Financial assets

Initial recognition and measurement

A financial asset (except trade receivable and contract asset) is recognised initially at fair value plus or minus transaction cost that are directly attributable to the acquisition or issue of financial assets (other than financial assets at fair value through profit and loss). Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss ('FVTPL') are recognised immediately in the Consolidated Statement of Profit and Loss.

Subsequent measurement

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

Amortised cost;

Fair Value through Other Comprehensive Income (FVOCI) – equity investment; or

Fair Value through Profit or Loss (FVTPL)

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Group changes its business model for managing financial assets.

Where assets are measured at fair value, gains and losses are either recognised entirely in the statement of profit and loss (i.e. fair value through profit or loss), or recognised in other comprehensive income (i.e. fair value through other comprehensive income).

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

a) the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and

b) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at FVTPL: These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.

Financial assets at FVOCI: These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in Other Comprehensive Income.

Financial assets at amortised cost: These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

2.12 Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Group of similar financial assets) is primarily derecognised (i.e. removed from the Group's statement of financial position) when:

The rights to receive cash flows from the asset have expired, or the Group 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 group has transferred substantially all the risks and rewards of the asset, or

b. the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group 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 the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group 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 Group has retained.

2.13 Impairment of financial assets

The Group assesses impairment based on expected credit losses (ECL) model to the following:

(i) Financial assets measured at amortised cost;

(ii) Financial assets measured at fair value through other comprehensive income (FVTOCI);

Expected credit losses are measured through a loss allowance at an amount equal to:

The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or

Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument).

The Group follows 'simplified approach' for recognition of impairment loss allowance on trade receivables or contract revenue receivables.

Under the simplified approach, the Group does not track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

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

For recognition of impairment loss on other financial assets and risk exposure, the Group determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-months 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 Group reverts to recognising impairment loss allowance based on 12-months ECL.

For assessing increase in credit risk and impairment loss, the Group combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

For investments in subsidiary companies, the company does not provide for impairment losses till indicators of impairment are confirmed.

2.14 Financial liabilities:

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 Group's financial liabilities include trade and other payables, loans and borrowings.

Subsequent measurement

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

Financial liabilities at fair value through profit or loss.

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.

Gains or losses on liabilities held for trading are recognised in the statement of profit and loss. Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition and only if the criteria in Ind AS 109 are satisfied.

2.15 Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate (EIR) method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

Offsetting of financial instruments:

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

2.16 Property, plant and equipment and intangible assets

Capital work in progress includes cost of property, plant and equipment under installation / under development, net of accumulated impairment loss, if any, as at the balance sheet date. Plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognised in profit or loss as incurred.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate assets are derecognised when replaced. All other repairs and maintenance are charged to profit and loss during the reporting period in which they are incurred.

The Company identifies and determines cost of each component/ part of the asset separately, if the component / part has a cost which is significant to the total cost of the asset having useful life that is materially different from that of the remaining asset. These components are depreciated over their useful lives; the remaining asset is depreciated over the life of the principal asset.

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period with the affect of any change in the estimate being accounted for on a prospective basis. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable.

If not, the change in useful life from indefinite to finite is made on a prospective basis.

An intangible asset is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised.

2.17 Depreciation and amortisation

Depreciation is provided using the straight-line method as per the useful lives of the assets estimated by the management in line with schedule II of the Companies Act, 2013 except in the case of moulds in respect of which the estimated useful life is ascertained as 6 years based on the independent technical evaluation carried out by the internal technical team which is different from the estimated useful life prescribed under Part C of Schedule II of the Companies Act 2013. Building in leasehold land will be depreciated over the remaining usefull life of the building as ascertained by an independent valuer over the remaining lease period or life specified in the Companies Act for such building whichever is lower.

Asset Category	Management estimate of useful life & Useful life as per Schedule II
Land	Unlimited
Buildings	60
Plant & Equipment	15
Furniture & Fittings	10
Office Equipments	5
Electrical Fittings	10
Computers	3
Vehicles	8
Airconditioners	5
Leasehold Improvement	3
Software	5
Technical know-how	5

The amortisation of software development and intellectual property costs is allocated on a straight-line basis over the best estimate of its useful life of the product. The factors considered for identifying the basis include obsolescence, product life cycle and actions of competitors. The amortization period and the amortization method are reviewed at each year end.

2.18 Impairment of tangible and intangible assets

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal / external factors. An impairment loss is recognised wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the assets' net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset. After impairment, depreciation is provided on the revised carrying amount of the assets over its remaining useful life.

2.19 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. 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 is recognised as income in equal amounts over the expected useful life of the related asset.

2.20 Inventories

Inventories are valued at lower of cost and net realisable value. 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.

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

a) Raw materials and stores and spares: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition.

b) Finished goods and work in progress: cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity, but excluding borrowing costs.

Cost of raw materials, stores and spares,work-in-progress and finished goods is determined on a weighted average basis.

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

2.21 Leases

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

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

As lessee

i) Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets. If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment.

ii) Lease liabilities

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

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

2.22 Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less that are readily convertible to a known amount of cash and which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, as they are considered an integral part of the Company's cash management.

2.23 Taxes on Income

Current income tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Parent Company and its subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred tax

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying values of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of the taxable profit and is accounted for using the balance sheet liability model. Deferred tax liabilities are generally recognised for all the taxable temporary differences. In contrast, deferred tax assets are only recognised to the extent that is probable that future taxable profits will be available against which the temporary differences can be utilised

Deferred tax assets are recognised for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets

against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Minimum Alternate Tax

Minimum Alternative Tax ('MAT') under the provisions of the Income-tax Act, 1961 ("the IT Act") is recognised as current tax in the statement of Profit and Loss. The credit availed under the IT Act in respect of MAT paid is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the period for which the MAT credit can be carried forward for set-off against normal tax liability. MAT credit recognised as an asset is reviewed at each balance sheet date and written down to the extent the aforesaid convincing evidence no longer exists.

2.24 Provisions

General

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Provisions are reviewed at each balance sheet.

2.25 Contingent liabilities and contingent assets:

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

Contingent Asset

Contingent assets has to be recognised in the financial statements in the period in which if it is virtually certain that an inflow of economic benefits will arise. Contingent assets are assessed continually and no such benefits were found for the current financial year.

2.26 Earnings per share (EPS)

Basic earnings per share is calculated by dividing the net profit or loss attributable to equity holder of the Group by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders of the parent company and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares. The conversion rate considered for computing dilutive potential equity shares is based on the terms and basis of the instrument as agreed under the shareholders agreement signed between the parties.

2.27 Cash flow statement

Cash flows are reported using the indirect method, whereby net profit/ (loss) before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from regular revenue generating (operating activities), investing and financing activities of the Group are segregated.

2.28 Events after reporting date

Where events occurring after the balance sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the financial statements. Otherwise, events after the balance sheet date of material size or nature are only disclosed.

2.29 Standards issued but not yet effective:

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On 31 March, 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023, as below:

Ind AS 1 - Presentation of Financial Statements - This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies.

Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors - This amendment has introduced a definition of 'accounting estimates' and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates.

Ind AS 12 - Income Taxes - This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences.

Since the effective date for adoption of the above amendments is annual periods beginning on or after 01 April, 2023, there is no impact on the financial statements for the year ended 31 March, 2023.

3 PROPERTY, PLANT AND EQUIPMENT

Particulars			Tangible Assets										Total
			Land	Buildings	Plant & Equipment	Furniture & Fittings	Office Equipments	Electrical Fittings	Computers	Vehicles	Air conditioners	Leasehold Improvement	
Gross Block		As at 01 April, 2021	24.87	170.63	581.86	46.13	17.12	18.58	28.77	63.12	10.73	17.03	978.85
	2021-22	Additions during the year	7.60	0.75	102.70	8.50	1.05	2.65	5.41	4.10	1.62	0.18	134.56
		Deletions during the year	-	-	-	-	-	-	-	(1.22)	-	-	(1.22)
		As at 31 March, 2022	32.47	171.38	684.56	54.63	18.17	21.23	34.18	66.00	12.35	17.21	1,112.19
	2022-23	Additions during the year	57.59	-	249.97	4.42	1.86	0.80	7.47	15.04	1.27	-	338.42
		Deletions during the year	-	-	-	-	-	-	-	-	-	-	-
		As at 31 March, 2023	90.06	171.38	934.53	59.05	20.03	22.03	41.65	81.04	13.62	17.21	1,450.61

Particulars			Tangible Assets										Total
			Land	Buildings	Plant & Equipment	Furniture & Fittings	Office Equipments	Electrical Fittings	Computers	Vehicles	Air conditioners	Leasehold Improvement	
Accumulated Depreciation		As at 01 April, 2021	-	19.93	254.35	27.39	13.70	11.83	26.10	32.94	8.37	13.59	408.20
	2021-22	Charge for the year	-	5.79	40.27	3.82	1.15	1.17	3.12	6.44	0.96	2.19	64.91
		Deletions during the year/ written off	-	-	-	-	-	-	-	(0.50)	-	-	(0.50)
		As at 31 March, 2022	-	25.72	294.62	31.21	14.85	13.00	29.22	38.88	9.33	15.78	472.61
	2022-23	Charge for the year	-	5.76	50.90	4.04	1.27	1.29	3.94	6.75	1.14	1.15	76.24
		Deletions during the year / written off	-	-	-	-	-	-	-	-	-	-	-
		As at 31 March, 2023	-	31.48	345.52	35.25	16.12	14.29	33.16	45.63	10.47	16.93	548.85
Net Block		Net Block											
		As at 31 March, 2023	90.06	139.90	589.01	23.80	3.91	7.74	8.49	35.41	3.15	0.28	901.76
		As at 31 March, 2022	32.47	145.66	389.94	23.42	3.32	8.23	4.96	27.12	3.02	1.43	639.58

3 (a) Capitalised Expenditure

Borrowing cost:

Particulars	As at 31 March, 2023	As at 31 March, 2022
Balance brought down	0.44	1.38
Interest expenses	7.30	6.26
Sub-Total	**7.74**	**7.64**
Less: Allocated to property, plant and equipment	-	(7.20)
Balance carried over (included in capital work in progress)	**7.74**	**0.44**

3 (b) Capital Work in Progress

Particulars	Tangible Assets under Construction or Installation	Total
As at 01 April, 2021	**10.06**	**10.06**
Additions/Adjustment	33.70	33.70
Capitalization of Interest	0.44	0.44
Capitalized in 2021-22	-	-
As at 31 March, 2022	**44.20**	**44.20**
Additions/Adjustment	64.23	64.23
Capitalization of Interest	3.20	3.20
Capitalized in 2022-23	-	-
As at 31 March, 2023	**111.63**	**111.63**

Capital work in progress ageing schedule

As at 31 March, 2023

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Project in Progress	67.43	44.20	-	-	111.63
Project temporarily suspend	-	-	-	-	-
Total	**67.43**	**44.20**	**-**	**-**	**111.63**

As at 31 March, 2022

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Project in Progress	34.14	10.06	-	-	44.20
Project temporarily suspend	-	-	-	-	-
Total	**34.14**	**10.06**	**-**	**-**	**44.20**

Notes to the Consolidated Financial Statements (Contd.)

(All amounts are in ₹ mn, unless otherwise stated)

3 (c) Intangible Assets

Particulars			Intangible Assets		Total
			Software	Technical know-how	
Gross Block		**As at 01 April, 2021**	**18.26**	**144.80**	**163.06**
	2021-22	Additions during the year	19.87	177.98	197.85
		Deletions during the year	-	-	-
		As at 31 March, 2022	**38.13**	**322.78**	**360.91**
	2022-23	Additions during the year	-	-	-
		Deletions during the year	-	-	-
		As at 31 March, 2023	**38.13**	**322.78**	**360.91**

Particulars			Intangible Assets		Total
			Software	Technical know-how	
Accumulated Depreciation		**As at 01 April, 2021**	**13.90**	**22.21**	**36.11**
	2021-22	Charge for the year	2.37	32.70	35.07
		Deletions during the year/ written off	-	-	-
		As at 31 March, 2022	**16.27**	**54.91**	**71.18**
	2022-23	Charge for the year	5.89	62.90	68.79
		Deletions during the year / written off	-	-	-
		As at 31 March, 2023	**22.16**	**117.81**	**139.97**
Net Block					
		As at 31 March, 2023	**15.97**	**204.97**	**220.94**
		As at 31 March, 2022	**21.86**	**267.87**	**289.73**

3 (d) Intangible Assets under development

Particulars	Computer Software Under Development	Technical Knowhow (including Designs & Prototypes) Under Development	Total
As at 01 April, 2021	**15.70**	**100.48**	**116.18**
Additions/Adjustment	4.17	110.77	114.94
Capitalisation of Interest	-	5.82	5.82
Capitalised in 2020-21	(19.87)	(177.98)	(197.85)
As at 31 March, 2022	**-**	**39.09**	**39.09**
Additions/Adjustment	-	138.61	138.61
Capitalisation of Interest	-	4.10	4.10
Capitalised in 2022-23	-	-	-
As at 31 March, 2023	**-**	**181.80**	**181.80**

Intangible Assets under Development Ageing Schedule

As at 31 March, 2023

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Project in Progress	142.71	10.49	28.60	-	181.80
Project temporarily suspend	-	-	-	-	-
Total	**142.71**	**10.49**	**28.60**	**-**	**181.80**

As at 31 March, 2022

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Project in Progress	10.49	28.60	-	-	39.09
Project temporarily suspend	-	-	-	-	-
Total	**10.49**	**28.60**	**-**	**-**	**39.09**

Relevant line item in the Balance sheet	Description of item of property	Gross carrying value	Title deeds held in the name of	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** **also indicate if in dispute
PPE	Land	1.183	P.K. Bansal	NA	12 April, 2012	To be registered

3 (e) Right of Use Assets

Particulars	As at 31 March, 2023	As at 31 March, 2022
Balance at the beginning	180.62	78.57
Additions during the year	29.11	134.22
Deletions during the year	3.55	(0.54)
Depreciation during the year	(42.38)	(31.63)
Closing Balance	**170.90**	**180.62**

NON-CURRENT ASSETS

FINANCIAL ASSET

4 NON-CURRENT FINANCIAL ASSETS - INVESTMENTS

Particulars	As at 31 March, 2023	As at 31 March, 2022
Unquoted		
Investments - Non-Trade		
Investments in Equity instruments	13.44	10.83
Investments in Others	19.32	4.33
Total	**32.76**	**15.16**

4.1 Detail of Non-Current Investments

Particulars	As at 31 March, 2023	As at 31 March, 2022
Financial assets measured at FVTOCI		
(i) Investment in equity instruments -Equity Shares		
(a) Other than Subsidiary Company		
Winfoware Technologies Limited	10.80	10.80
Mysuru ESDM Cluster	2.64	0.03
(ii) Financial assets measured at FVTPL		
Investments in Mutual Funds (Quoted)	19.32	4.33

4.2 Additional disclosure

Investments in equity instruments- Others

a) Investment in Winfoware Technologies Limited 1,487,120 equity shares (2022: 1,487,120) face value of ₹ 5/- each purchased at a premium, constitutes 18.98% of the capital of that company.

b) Investment in Mysuru ESDM Cluster (Company constituted under section 8 of the Companies Act 2013), 2,500 equity shares of ₹ 10/- each constitutes 0.18% (2022: 0.18%) of the capital of that company.

Investments in Mutual Funds

Particulars	As at 31 March, 2023		As at 31 March, 2022	
	Units	Total NAV	Units	Total NAV
Canara Robeco Capital Protection Oriented Regular Growth Fund			-	-
Canara Robeco Capital Protection Oriented Regular Growth Fund			-	-
Canara Robeco Emerging Equities - Regular Growth Fund	2,273.13	0.36	2,273.13	0.36
Canara Robeco Emerging Equities - Regular Growth Fund	315.66	0.05	315.66	0.05
Canara Robeco Equity Hybrid Fund - Regular Growth Fund	976.67	0.24	976.67	0.24
Canara Robeco Equity Hybrid Fund - Regular Growth Fund	135.30	0.03	135.30	0.03
Canara Robeco Infrastructure - Regular Growth Fund	1,711.00	0.14	1,711.00	0.13
Canara Robeco Blue Chip Equity Fund	6,474.13	0.26	6,474.13	0.27
Canara Robeco Large Capital Fund - Regular Growth Fund	1,320.41	0.05	1,320.41	0.05
Canara Robeco Consumer Trends Fund - Regular Growth	1,083.76	0.07	1,083.76	0.07
Canara Robeco Flexi Cap Fund - Regular Growth	404.53	0.09	404.53	0.09
Canara Robeco Mid Cap Fund - Regular Growth(MDGP)	999,950.00	9.67	-	-
SBI Magnum low duration Fund	890.56	2.66	890.56	2.53
SBI Balanced Advantage Fund	49,997.50	0.54	49,997.50	0.51
SBI Fixed Maturity Plan	499,975.01	5.16	-	-
Total		**19.32**		**4.33**

5 FINANCIAL ASSET

NON-CURRENT

5 (a) Loans and deposits, carried at amortised cost Unsecured considered good (Unless Otherwise stated)

Particulars	As at 31 March, 2023	As at 31 March, 2022
Rental Deposits	24.00	21.82
Loans to related party	-	23.63
Utility Deposits	5.03	3.58
EMD Deposits	10.61	9.25
NSE Deposits	30.00	-
Total	**69.64**	**58.28**

5 (b) Other non current financial assets (At Amortised Cost) Unsecured considered good (Unless Otherwise stated)

Particulars	As at 31 March, 2023	As at 31 March, 2022
Advances recoverable in cash, kind or to value to be received	11.03	14.28
Total	**11.03**	**14.28**

6 OTHER NON-CURRENT ASSETS

Particulars	As at 31 March, 2023	As at 31 March, 2022
Unsecured, considered good		
Capital Advances	150.31	48.17
Prepaid Rent	5.51	8.00
Total	**155.82**	**56.17**

CURRENT ASSETS

7 INVENTORIES (AT COST OR NET REALISABLE VALUE WHICHEVER IS LOWER)

Particulars	As at 31 March, 2023	As at 31 March, 2022
Raw materials	2,820.80	1,748.30
Work-in-progress	858.61	154.67
Finished Goods	210.03	236.73
Goods-in-transit	173.14	61.52
Consumables, stores and spares	69.06	62.56
Total	**4,131.64**	**2,263.78**

8 CURRENT FINANCIAL ASSETS

8 (a) Trade receivables

Particulars	As at 31 March, 2023	As at 31 March, 2022
Unsecured, Considered Good(Unless otherwise stated)	2,270.66	1,977.26
Unsecured, Considered Doubtful	91.70	76.71
Less - expected credit loss allowance	(91.70)	(76.71)
Total	**2,270.66**	**1,977.26**

Movement in the expected credit loss allowance of trade receivables are as follows:

Particulars	As at 31 March, 2023	As at 31 March, 2022
Balance at the Beginning of the year / period	76.71	67.76
Add: Provided during the year / period	14.99	8.95
Less: Amount written off		
Balance at the end of the year / period	**91.70**	**76.71**

(i) Trade Receivables Ageing Schedule:

Undisputed Trade receivables – considered good	As at 31 March, 2023	As at 31 March, 2022
Less than 6 months	1,657.74	1,698.71
6 months - 1 year	241.43	150.51
1 -2 years	273.59	42.82
2 -3 years	22.73	21.98
More than 3 years	75.17	63.24
Total	**2,270.66**	**1,977.26**

Note:

a. No trade or other receivable are due from directors or other officers of the Company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member. Trade receivables are non-interest bearing.

b. The trade receivables of the Company has been pledged with banks for availing working capital and other facilities.

8 (b) Cash and cash equivalents

Particulars	As at 31 March, 2023	As at 31 March, 2022
Balance with banks		
- In Current accounts	259.22	68.04
- Deposits with Bank	-	-
Cash on hand	0.09	0.70
Total	**259.31**	**68.74**

8 (c) Other Bank Balances

Particulars	As at 31 March, 2023	As at 31 March, 2022
Debit Balance in Cash Credit	-	0.01
Deposits with original maturity for less than 12 months	4,559.81	95.26
Margin Money and Other Deposits *	40.84	51.93
Total	**4,600.65**	**147.20**

*Deposits held with banks for issue of bank guarantees, letters of credit and guarantees to customs authorities.

8 (d) Loans and deposits, carried at amortised cost

Particulars	As at 31 March, 2023	As at 31 March, 2022
Unsecured, Considered Good(Unless otherwise stated)		
Loans to related party		
Loans to employees	29.88	16.91
Total	**29.88**	**16.91**

8 (e) Other current financial assets (At Amortised Cost)

Particulars	As at 31 March, 2023	As at 31 March, 2022
Interest accrued	78.82	2.29
Insurance claim receivable	0.45	0.45
Total	**79.27**	**2.74**

9 INCOME TAX ASSETS (NET)

Particulars	As at 31 March, 2023	As at 31 March, 2022
Advance income tax	308.60	-
Less: Provision for income taxes	(272.53)	-
Total	**36.07**	**-**

10 OTHER CURRENT ASSETS

Particulars	As at 31 March, 2023	As at 31 March, 2022
Unsecured, considered good		
Advances for supply of goods	303.20	294.51
MAT Credit Entitlement	0.96	0.96
Prepaid Expenses	449.94	35.70
Balance with government authorities	124.61	52.16
Contract Asset- Unbilled revenue	10.93	3.69
Other Advances	10.48	-
Total	**900.12**	**387.02**

11 SHARE CAPITAL

(A) Equity Share Capital

i) Authorised

Particulars	Equity Share Capital	
	No of Shares	Amount
Balance as at 01 April, 2021	8,000,000	80.00
Increase during the year	55,000,000	550.00
Balance as at 31 March, 2022	**63,000,000**	**630.00**
Increase during the year	7,000,000	70.00
Balance as at 31 March, 2023	**70,000,000**	**700.00**

Pursuant to a resolution of Board of Directors dated 08 April, 2022 and the shareholders meeting dated 08 April, 2022, the Authorised Share Capital of the Company has been increased from ₹ 630 mn consisting of 63,000,000 Equity Shares of ₹ 10/- (Rupees Ten only) each to ₹ 700 mn consisting of 70,000,000 Equity Shares of ₹ 10/- each (Rupees Ten only).

ii) Shares issued, subscribed and fully paid-up

Particulars	Equity Share Capital	
	No of Shares	Amount
Balance as at 01 April, 2021	6,800,002	68.00
Add: Shares issued during the year	20	-
Add: Conversion of Preference shares into equity	767,866	7.68
Add: Bonus shares issued during the year	38,590,118	385.90
Balance as at 31 March, 2022	**46,158,006**	**461.58**
Add: Shares issued during the year	11,367,720	113.68
Add: Conversion of Preference shares into equity	616,770	6.17
Balance as at 31 March, 2023	**58,142,496**	**581.42**

iii) Terms/rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

iv) Shareholders holding more than 5% of Equity Shares

Name of Share holder	As at 31 March, 2023	As at 31 March, 2022
Mr. Ramesh Kunhikannan	36,943,633	40,780,042
% of Share holding	63.54%	88.35%
Ms. Freny Firoz Irani	1,798,924.00	4,967,369.00
% of Share holding	3.09%	10.76%

Note: For the period of five years immediately preceding 31 March, 2023

(a) No shares were allotted as fully paid-up pursuant to contract(s) without payment being received in cash

(b) Aggregate Number and class of shares allotted as fully paid up by way of bonus shares.

Equity share of ₹ 10/- each	No. of shares	Amount (₹)
(c) Financial Year Ended 31 March, 2023		
i) The Company has issued 1,439,237 and 899,523 fully paid up equity shares of ₹ 10 each during the financial year by way of Pre-IPO placement on approval accorded by the EGM held on 10 October, 2022 and 14 October, 2023 respectively.	2,338,760	23.39
ii) The Company has issued 9,028,960 fully paid up equity shares of ₹ 10 each during the financial year through Initial Public Offer (IPO) on approval accorded by the EGM held on 01 April, 2022.	9,028,960	90.29
iii) The Company has issued 616,770 fully paid up equity shares of ₹ 10 each during the financial year on conversion of Compulsory Converible Preference Share on approval accorded by the EGM held on 22 October, 2022.	616,770	6.17
(d) Financial Year Ended 31 March, 2022		
i) The Company has issued 38,465,005 fully paid up equity shares of ₹ 10 each during the financial year as bonus shares on approval accorded by the shareholders at the EGM held on 25 February, 2022. 5 shares of ₹ 10 each were allotted for every one equity shares held in the Company.	38,465,005	384.65

Equity share of ₹ 10/- each	No. of shares	Amount (₹)
ii) The Company has issued 55,605 fully paid up equity shares of ₹ 10 each during the financial year as bonus shares on approval accorded by the shareholders at the EGM held on 24 December, 2021. 11,121 Bonus shares of ₹ 10 each were allotted for every 95,998 Compulsory convertible preference shares held in the Company.	55,605	0.56
iii) The Company has issued 69,508 fully paid up equity shares of ₹ 10 each during the financial year as bonus shares on approval accorded by the shareholders at the EGM held on 24 December, 2021. 17,377 Bonus shares of ₹ 10 each was allotted for every 150,000 Compulsory convertible preference shares held in the Company.	69,508	0.70

(e) No shares were bought back in any of the years.

(f) No calls are unpaid by any director or officer of the Company during the year.

v) Shareholding of Promoters

Promoter Name	As at 31 March, 2023	As at 31 March, 2022
Mr. Ramesh Kunhikannan		
- No. of Shares held	36,943,633	40,780,042
- Percentage of holding	63.54%	88.35%
- Changes during the year	(24.81%)	(11.60%)
Mrs. Savitha Ramesh		
- No. of Shares held	19,800	19,800
- Percentage of holding	0.03%	0.04%
- Changes during the year	(0.01%)	(0.01%)
RK Family Trust (Ramesh Kunhikannan)		
- No. of Shares held	100	-
- Percentage of holding	0.00%	-
- Changes during the year	0.00%	-

(B) Instruments entirely equity in nature

Compulsorily Convertible Preference Share Capital

i) Authorised

Particulars	No of Shares	Amount
Balance as at 01 April, 2021	**2,000,000**	**20.00**
Increase during the year	-	-
Balance as at 31 March, 2022	**2,000,000**	**20.00**
Increase during the year	-	-
Balance as at 31 March, 2023	**2,000,000**	**20.00**

Pursuant to a resolution of the Board of Directors dated 05 June, 2020 and the shareholders meeting dated 05 June, 2020, the Authorised Share Capital of the Company has been reclassified to ₹ 10 mn consisting of 1,000,000 Preference Shares of ₹ 10/- (Rupees Ten only) and a resolution of Board of Directors dated 11 October, 2020 and the shareholders meeting dated 11 October, 2020, the Authorised Share Capital of the Company has been increased from ₹ 10 mn consisting of 1,000,000 Preference Shares of ₹ 10/- (Rupees Ten only) each to ₹ 20 mn consisting of 2,000,000 Preference Shares of ₹ 10/- each (Rupees Ten only).

ii) Shares issued, subscribed and fully paid-up

Particulars	No of Shares	Amount
Balance as at 01 April, 2021	**1,079,990**	**10.80**
Add: Shares issued during the year	379,146	3.79
Add: Bonus shares issued during the year	-	-
Less: Share converted into equity during the year	(1,079,990)	(10.80)
As at 31 March, 2022	**379,146**	**3.79**
Add: Shares issued during the year	-	-
Add: Bonus shares issued during the year	-	-
Less: Share converted into equity during the year	(379,146)	(3.79)
Balance as at 31 March, 2023	**-**	**-**

iii) Terms/rights attached to Preference shares:

The Preference Shareholders shall carry such voting rights as are exercisable by persons holding Equity Shares in the Company and shall be treated pari passu with the Equity Shares on all voting matters. In the event of liquidation, the Preference Shareholders will carry a preferential right over the holder of equity shares for payment of dividend and for payment of capital, in proportion to their shareholding and are also eligible to participate in surplus funds.

iv) Shareholders holding more than 5 % of Preference Shares

Name of Share holder	As at 31 March, 2023	As at 31 March, 2022
Mrs. Freny Firoze Irani		
- No. of shares held	-	250,000
- % of share holding	-	65.94%
Mr. Ganesh Cherapuram Balasubramanian		
- No. of shares held	-	83,323
- % of share holding	-	21.98%
Mr. Bharadwaj Turlapati		
- No. of shares held	-	45,823
- % of share holding	-	12.09%

Note: For the period of five years immediately preceding 31 March, 2023

During the financial year ended 31 March, 2023;

The Company has issued 616,770 fully paid up equity shares of ₹ 10 each during the financial year on conversion of Compulsory Converible Preference Share on approval accorded by the EGM held on 22 October, 2022.

During the financial year ended 31 March, 2022, the Company has issued;

(a) 83,323 0.01% Compulsorily Convertible Cumulative Participating Preference Shares (CCPS) of ₹ 10 each at a premium of ₹ 590 per share to a Resident Indian Mr. Ganesh Cherapuram Balasubramanian which carries cumulative dividend of 0.01% per annum on 22 October, 2021.

(b) 250,000 0.01% Compulsorily Convertible Cumulative Participating Preference Shares (CCPS) of ₹ 10 each at a premium of ₹ 590 per share to a Non-Resident Indian Mrs. Freny Firoze Irani which carries cumulative dividend of 0.01% per annum on 01 November, 2021. (iii) 45,823 0.01% Compulsorily Convertible Cumulative Participating Preference Shares (CCPS) of ₹ 10 each at a premium of ₹ 590 per share to a Resident Indian Mr. Bharadwaj Turlapati which carries cumulative dividend of 0.01% per annum on 25 December, 2021.

Note on CCPS Conversion

Conversion Option as at 31 March, 2022:

CCPS shall compulsorily convert into Equity shares of the Company, at the conversion valuation, upon occurrence of any of the following events:

a. At the latest time permitted under applicable laws, when considering the listing of the Equity shares of the Company pursuant to an IPO;

b. Expiry of 120 months from the Execution Date ("Investment period") or

c. Any time prior to the expiry of the Investment period at the option of the Investor.

12 OTHER EQUITY

Particulars	As at 31 March, 2023	As at 31 March, 2022
Securities premium (refer note i)	6,591.58	107.64
General Reserve (refer note ii)	130.00	124.69
Surplus in the profit and loss statement (refer note iii)	2,260.81	1,310.60
Debenture redemption reserve (refer note iv)	-	5.31
Foreign currency translation reserve (refer note v)	7.46	2.36
Remeasurement of defined benefit obligations (refer note vi)	12.84	9.88
Employee stock options outstanding account (ESOP Reserve)	6.31	-
	9,009.00	**1,560.48**

i) Securities Premium

Particulars	As at 31 March, 2023	As at 31 March, 2022
At beginning of the year	**107.64**	**266.71**
Changes during the year	6,483.94	(159.07)
As at end of the year	**6,591.58**	**107.64**

ii) General Reserve

Particulars	As at 31 March, 2023	As at 31 March, 2022
At beginning of the year	**124.69**	**110.88**
Add: Transfer from Debenture redemption reserve	5.31	13.81
As at end of the year	**130.00**	**124.69**

iii) Surplus in the profit and loss statement

Particulars	As at 31 March, 2023	As at 31 March, 2022
At beginning of the year	**1,310.60**	**897.00**
Add: Profit for the year	953.17	412.65
Less: Other Comprehensive Loss	(2.96)	1.83
Ind AS 116	-	0.10
Fair Value adjustment of Investment	-	(0.98)
As at end of the year	**2,260.81**	**1,310.60**

iv) Debenture Redemption Reserve

Particulars	As at 31 March, 2023	As at 31 March, 2022
At beginning of the year	**5.31**	**19.12**
Less : Transferred to General Reserve on utilisation for redemption of debentures	(5.31)	(13.81)
As at end of the year	**-**	**5.31**

v) Foreign currency translation reserve

Particulars	As at 31 March, 2023	As at 31 March, 2022
At beginning of the year	**2.36**	**2.36**
Translation as per Non Integral Foreign Operations	5.10	-
As at end of the year	**7.46**	**2.36**

vi) Remeasurement of defined benefit obligations

Particulars	As at 31 March, 2023	As at 31 March, 2022
At beginning of the year	**9.88**	**11.71**
Add: Changes during the year	2.96	(1.83)
As at end of the year	**12.84**	**9.88**

vii) Employee stock options outstanding account (ESOP Reserve)

Particulars	As at 31 March, 2023	As at 31 March, 2022
At beginning of the year	**-**	**-**
Add: Share based payment expenses	6.37	-
Less: Adjustment on forfeiture of ESOP	(0.06)	-
As at end of the year	**6.31**	**-**

Note

1. Securities premium account is used to record the premium received on issue of share. It is utilised in accordance with the provisions of the Companies Act, 2013.
2. General reserve is the free reserve created out of the retained earnings of the Company. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.
3. The debenture redemption reserve is created as per Section 71 of the Companies Act-2013 read with rule 18(7) of the Companies (Share Capital and Debentures) Rules 2014.
4. The adequacy of Debenture Redemption Reserve has been reduced from 25% to 10% as per notification dated 16 August, 2019. However the Company has adopted the same during the current period and transferred the differential amount to General reserves.

13 NON CONTROLLING INTEREST

Particulars	As at 31 March, 2023	As at 31 March, 2022
Non Controlling Interest	13.07	11.32
	13.07	**11.32**

NON CURRENT LIABILITIES

14 FINANCIAL LIABILITIES

Particulars	As at 31 March, 2023	As at 31March, 2022
Borrowings		
Term loans from banks & financial institutions		
- Secured	146.59	326.50
Non-Convertible Debenture		
- Secured	-	29.75
Vehicle loan - Secured	18.75	20.14
Less: Current maturities of Long term borrowings		
Term loans from banks & financial institutions		
- Secured	(7.61)	(43.00)
Non-Convertible Debenture		
- Secured	-	(34.00)
Vehicle loan - Secured	(7.31)	(6.60)
	150.42	**292.79**

Term Loans from Banks

Term Loans have been availed from various banks. The Company has given primary hypothecation of inventory and Trade Receivables as security for these loans. In addition, the Company has given collateral security of Factory Land and Building situated at Belagola. (Food) Industrial Area, Mysuru, Interest rates on these loans vary from 8% to 18%. Repayment schedule of these loans vary from 24 months to 72 months .

Term Loans from Financial Institutions-Secured

Term Loans have been availed from various financial institutions. The Company has given primary hypothecation of inventory and Trade Receivables as security for these loans. In addition, the Company has hypothecated plant and machinery. Interest rates on these loans vary from 8% to 18%. Repayment schedule of these loans vary from 24 months to 72 months.

Non-Convertible Debentures- Secured

NCDs have been secured by specific plant and machinery and specific receivables. These are guaranteed by personal guarantee of promoter director of the Company. 33% shares of the Company held by one of the promoter/director has been pledged. These Debentures are repayable in 16 quarterly instalments. This NCDs was redeemed during 2022-23.

Vehicle Loans

Vehicle loan from banks are repayable in 48 to 72 monthly instalments along with the interest.

A break-up of the above loans is tabulated below:

Loan Type	Loan Name	Repayment Terms	Amount outstanding	
			As at 31 March, 2023	As at 31 March, 2022
Term Loans from banks - Secured	Saraswat Bank	Repayable in 12 months in 6 equal monthly instalments after a moratorium of 6 months from date of disbursement.	-	112.00
Term loans from Bank - Secured	Canara Bank	Repayable in 24 months in 18 equal monthly instalments after a moratorium of 6 months from date of disbursement.	-	3.12
	Canara Bank - GECL - 3	Repayable in 72 months in 48 equal monthly instalments after a moratorium of 24 months from date of disbursement.	-	45.00
	HDFC Bank Term Loan (Covid)		112.00	-
	Saraswat Bank	Repayable in 60 months in 48 equal monthly instalments after a moratorium of 12 months from date of disbursement.	-	109.67
	State Bank of India		-	30.36
	State Bank of India		-	16.91
	State Bank of India		1.85	3.19

Notes to the Consolidated Financial Statements (Contd.)

(All amounts are in ₹ mn, unless otherwise stated)

Loan Type	Loan Name	Repayment Terms	Amount outstanding	
			As at 31 March, 2023	As at 31 March, 2022
Term loans - From Financial Institutions - Secured	Sundaram Finance Machinery Loan -1	Repayable in 47 monthly instalments from the date of loan.	4.45	-
	Sundaram Finance Machinery Loan - 3	Repayable in 60 monthly instalments from the date of loan.	4.95	6.25
	Sundaram Finance Machinery Loan - 4		3.19	-
	Sundaram Finance Machinery Loan - 5		20.15	-
Non-Convertible Debenture - Secured	IL & FS - 15% Secured Non-Convertible Debentures	Repayable in 16 quarterly instalments with the first repayment starting from 30 June, 2019 onwards.	-	29.75
Vehicle Loan - From Bank - Secured	Jeep Loan	Repayable in 60 monthly instalments from date of Loan.	-	0.17
	Hdfc Car Loan - Tata Nexon		0.14	0.39
	Hdfc Car Loan - Jeep Compas		0.44	0.97
	Hdfc Car Loan - Innova		0.41	0.94
	Hdfc Car Loan - Benz		1.33	3.31
	SBI Loan - Mini Cooper		0.87	1.55
	Canara Car Loan-Skoda Octavia		1.20	-
	Saraswat Car Loan-Seltos		0.60	0.85
	Saraswat Car Loan-Nex		0.56	0.81
	Saraswat Car Loan - Bmw		2.54	3.37
	Saraswat Car Loan - Ertiga		0.60	0.81
	Saraswat Car Loan - Santro		0.37	0.50
	Car Loan		2.50	3.17
	Saraswat Bus Loan		1.33	1.69
	Saraswat Car Loan - Harrier		1.96	-
	Saraswat Car Loan - Skoda Kushaq		1.49	-
	Saraswat Car Loan - Innova Crysta		2.41	-
	Canara Car Loan-Skoda Octavia	Repayable in 72 monthly instalments from date of loan.	-	1.61

15 DEFERRED TAX LIABILITIES (NET)

Particulars	As at 31 March, 2023	As at 31 March, 2022
Deferred Tax Liability		
Property plant and equipment: timing differences on account of depreciation allowance.	95.16	71.57
Actuarial Gain/Loss	1.48	1.87
Fair Valuation of Mutual Funds	0.14	0.54
Gross deferred tax liability	**96.78**	**73.98**
Deferred Tax Asset		
Security Deposits	(0.08)	(0.09)
Actuarial Gain/Loss	-	(0.59)
Leases	(0.13)	(4.40)
Expenses: timing differences on expenses allowable on payment basis.	(20.23)	(1.16)
Gross deferred tax asset	**(20.44)**	**(6.23)**
Net deferred tax liability	**76.91**	**67.75**

16 LONG TERM PROVISIONS

Particulars	As at 31 March, 2023	As at 31 March, 2022
Provision for Gratuity	34.52	34.53
Provision for compensated absences	15.82	7.22
	50.34	**41.75**

CURRENT LIABILITIES

17 FINANCIAL LIABILITIES

(a) Current borrowings (At Amortised Cost)

Particulars	As at 31 March, 2023	As at 31 March, 2022
Credit Balance - Cash credit from banks (Secured)	705.19	1,158.19
Loans from Others (Unsecured)	0.56	21.55
Rupee Packing Credit (Secured)	389.51	139.33
Foreign Currency Packing Credit (Secured)	98.39	-
Current maturities of Long term borrowings		
- Term loans from banks & financial institutions		
- Secured	7.61	43.00
- Non-Convertible Debenture_Secured	-	34.00
- Vehicle loan	7.31	6.60
Total	**1,208.57**	**1,402.67**

Cash credit/Packing Credit from banks (Secured)

Secured Cash credit and Packing credit from Banks are secured against the hypothecation of stock of raw materials, work-in-progress, finished goods, book debts outstanding and common collateral security of factory land and building, canteen building and plant and machinery. Canara Bank which has approved a cash credit, packing credit and bill discounting facility holds a paripassu charge along with HDFC Bank, Indusind Bank and State Bank of India.

Loans from Others (Unsecured)

Short term loans from shareholders are repaid in FY 23 and closed.

The Break up of above loans is tabulated below

Loan Type	Loan Name	Repayment Terms	Amount outstanding	
			As at 31 March, 2023	As at 31 March, 2022
Cash credit from banks (secured)	Canara Bank	Repayable on Demand	206.27	354.64
	Canara Bank ST		3.06	
	Saraswat Bank		-	388.01
	State Bank of India		(100.75)	167.19
	SBI Parwanoo		(2.98)	(1.65)
	HDFC Bank		2.39	-
	Indusind Bank		(53.41)	-
	Indusind Bank ST		(2.00)	-
	Axis Bank		(127.39)	-
Term Loans from others - Unsecured	Loans from Others	12M or 10M Months differs by Party	0.56	21.51
Working Capital Loan	HDFC Bank	Repayable within 180 days from the date of disbursement.	780.00	250.00
Rupee Packing Credit - Secured	Canara Bank - Packing Credit FBE	Repayable on Demand	98.73	99.12
	Indusind Bank - EPC		52.03	-
	SBI Packing Credit		159.48	-
	State Bank of India - EPC		79.27	40.21
Foreign Currency Packing Credit - Secured	Indusind Bank - PCFC		98.39	-

(b) Trade payables (At Amortised Cost)

Particulars	As at 31 March, 2023	As at 31 March, 2022
Dues to micro enterprises and small enterprises (refer note 46)	216.45	47.92
Dues to other than micro enterprises and small enterprises	2,012.29	1,592.64
Total trade payables	**2,228.74**	**1,640.56**

Ageing Schedule

As at 31 March, 2023

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
MSME	216.10	0.35	-	-	216.45
Others	1,929.73	73.78	9.24	(0.45)	2,012.29

As at 31 March, 2022

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
MSME	47.20	0.72	-	-	47.92
Others	1,951.75	84.73	12.23	17.34	2,066.04

(c) Other current financial liabilities carried at amortised cost

Particulars	As at 31 March, 2023	As at 31 March, 2022
Payables - Capital Goods	0.02	-
Employee benefits payable	86.51	70.44
Interest accrued and due on borrowings	19.22	6.85
	105.75	**77.29**

18 CURRENT TAX LIABILITIES (NET)

Particulars	As at 31 March, 2023	As at 31 March, 2022
Provision for income taxes (net of advance income taxes)	-	155.53
	-	**155.53**

19 OTHER CURRENT LIABILITIES

Particulars	As at 31 March, 2023	As at 31 March, 2022
Advance from customers	203.32	139.17
Statutory dues and related liabilities	47.52	22.45
Other payables	312.39	141.67
	563.23	**303.29**

20 SHORT-TERM PROVISIONS

Particulars	As at 31 March, 2023	As at 31 March, 2022
Provision for employee benefits		
Provision for Gratuity	8.66	7.70
Provision for Compensated absence	1.81	1.25
Other Provisions	0.97	1.14
	11.44	**10.09**

21 REVENUE FROM OPERATIONS

Particulars	As at 31 March, 2023	As at 31 March, 2022
Sale of Goods	10,911.56	6,833.00
Sale of services	349.58	229.49
	11,261.14	**7,062.49**

The Company derives revenue from the transfer of goods & services in the following geographical regions

Particulars	As at 31 March, 2023	As at 31 March, 2022
India	9,599.64	5,650.72
Outside India	1,661.50	1,411.77
	11,261.14	**7,062.49**

Timing of Revenue Recognition

Particulars	As at 31 March, 2023	As at 31 March, 2022
Goods transferred at a point in time	10,911.56	6,833.00
Service transferred at a point in time	349.58	229.49
	11,261.14	**7,062.49**

22 OTHER INCOME

Particulars	For the year ended 31 March, 2023	For the year ended 31 March, 2022
Interest Income :		
Interest received on deposits with banks	98.16	10.59
Interest received on Advances with others	0.15	-
Interest on Income Tax refund	0.03	0.01
Interest on Security Deposit	1.39	1.57
Gain On Fair Valuation of Mutual Funds	-	0.26
Profit on sale of property, plant & equipment (net)	1.40	0.08
Liabilities no longer required, written back	1.68	0.08
Export Incentives	0.57	0.28
Other non-operating income	4.16	0.03
Exchange Differences (net)	6.44	28.15
	113.98	**41.05**

23 COST OF MATERIALS CONSUMED

Particulars	For the year ended 31 March, 2023	For the year ended 31 March, 2022
Inventory at the beginning of the year	1,748.30	1,208.90
Add: Purchase / Cost of materials consumed	9,642.13	5,517.71
Less : Inventory at the end of the year	(2,820.80)	(1,748.30)
Less: R&D exp - considered separately	(91.62)	(47.24)
Cost of materials consumed	**8,478.01**	**4,931.07**

24 CHANGES IN INVENTORIES OF FINISHED GOODS AND TRADED GOODS

Particulars	For the year ended 31 March, 2023	For the year ended 31 March, 2022
Inventories at the end of the year		
Finished goods		
Closing stock	210.03	236.73
Opening stock	236.73	141.90
Sub total (A)	**26.70**	**(94.83)**
Work-in-progress		
Closing stock	858.61	154.67
Opening stock	154.67	212.73
Sub total (B)	**(703.94)**	**58.06**
Total Changes in Inventories	**(677.24)**	**(36.77)**

25 EMPLOYEE BENEFITS EXPENSES

Particulars	For the year ended 31 March, 2023	For the year ended 31 March, 2022
Salaries and incentive	717.98	582.33
Contribution to provident fund	26.51	25.77
Share based payment expenses	6.31	-
Gratuity contribution scheme (Refer note 35)	5.40	9.13
Staff welfare expenses	67.88	49.82
Less: R&D exp - considered separately	(53.09)	(64.70)
	770.99	**602.35**

26 FINANCE COSTS

Particulars	For the year ended 31 March, 2023	For the year ended 31 March, 2022
Interest on borrowings	283.50	224.05
Interest to Vendors	13.15	9.30
Interest on others	18.79	7.61
Other borrowing costs	18.13	8.61
Interest on lease liabilities (Refer Note 34)	23.09	12.56
Less: Capitalised	(7.30)	(6.26)
	349.36	**255.87**

27 DEPRECIATION AND AMORTIZATION EXPENSE

Particulars	For the year ended 31 March, 2023	For the year ended 31 March, 2022
Depreciation of property, plant & equipment (Refer Note 3)	76.24	64.92
Amortisation of Intangible Assets (Refer Note 3)	68.79	35.08
Depreciation of Right To Use Assets (Refer Note 3)	42.38	31.62
	187.41	**131.62**

28 OTHER EXPENSES

Particulars	For the year ended 31 March, 2023	For the year ended 31 March, 2022
Rent	7.69	4.03
Rates and taxes	15.33	15.06
Printing and stationery	2.45	3.74
Insurance	13.99	8.90
Discount Allowed	2.04	2.60
Donation	3.65	0.31
Power and fuel	52.31	37.58
Contract Labour	165.42	163.40
Consumption of stores and spares	363.94	135.19
Repairs and maintenance - Plant & Machinery	15.17	10.89
Repairs and maintenance - Buildings	8.30	6.59

Notes to the Consolidated Financial Statements (Contd.)

(All amounts are in ₹ mn, unless otherwise stated)

Particulars	For the year ended 31 March, 2023	For the year ended 31 March, 2022
Repairs and maintenance - Others	30.38	20.17
Security maintenance expenses	9.94	9.17
Research and Development Expenses	6.24	11.76
Legal and professional fees	43.75	29.10
Audit Fees	4.20	3.40
Commission Expenses	0.07	-
LD/Claim Settled	2.90	2.25
Bank charges	15.44	15.07
Communication expenses	4.20	4.41
Travelling and conveyance	44.46	23.95
Business Promotion	20.62	7.39
Freight and forwarding charges	132.48	98.46
CSR expenditure	5.29	2.38
Provision for ECL	14.99	8.95
Software Expense	1.22	0.89
Hire charges	12.36	2.78
Director sitting fees	2.38	-
Miscellaneous expenses	4.99	0.71
	1,006.20	**629.13**

Research and Development Expenditure

Particulars	For the year ended 31 March, 2023	For the year ended 31 March, 2022
Raw Materials, Components and Consumables	91.62	47.24
Salaries and Wages	53.09	64.70
Professional Charges	-	-
Communication expenses	0.55	0.09
Travelling and Conveyance	1.05	-
	146.31	**112.03**
Less: Capitalised	(140.07)	(100.27)
	6.24	**11.76**

Payment to Auditors (After Other expenses)

Particulars	For the year ended 31 March, 2023	For the year ended 31 March, 2022
As statutory auditors		
Audit fees	3.40	2.90
Tax audit fee	0.60	0.50
Limited review fees	0.20	-
In other capacity		
Other services (includes certification fees)	-	-
Reimbursement of expenses	-	-
	4.20	**3.40**

29 CONTINGENT LIABILITIES AND COMMITMENTS

	Particulars	As at 31 March, 2023	As at 31 March, 2022
	Contingent Liabilities:		
a)	**Claims against the Company not acknowledged as debt**		
	Disputed Income Tax Demand [refer note 29.1]	1.74	1.74
	Disputed Income Tax Demand - CPC Demand (refer note 29.2)	6.05	6.05
	Disputed Income Tax Demand - CPC Demand (refer note 29.3)	3.32	3.32
	Disputed Income Tax Demand - CPC demand (refer note 29.4)	62.69	4.00
	Disputed Indirect taxes Demand (Refer note 29.5)	51.93	56.92
b)	Bank Guarantees for contractual performance	68.74	68.74
c)	Letter of Credit issued by bank	6.19	3.27
d)	Bond Executed for Customs/Central Excise. (Covered by Bank guarantee to the extent of ₹ 8.16 mn)	450.00	323.21
e)	On account of Bills Discounted with Banks set off against Trade Receivable	520.78	471.00
f)	Corporate Guarantee to Subsidiary Company	84.00	44.00
g)	Other sums for which company is contingently liable	-	**11.24**
	Commitments:		
(i)	Estimated amount of contracts remaining to be executed on capital account and not provided for, net of advances.	20.12	9.18
(iii)	Approval for Land Conversion from Lease to Sale of Plot no 20 & Plot no 119 from Karnataka Industrial Area Development Board (KIADB) is in progress. Estimated Conversion cost is considered as a Capital commitment remaining unexecuted.	12.14	12.14

1 CPC demand of ₹ 1,737,670/- against the disallowance made by ITO against under 35(2AB) for A.Y. 2016-17 and thereby reducing the MAT credit availed by the Company which was disputed in appeal before CIT(A) and the matter is resolved in 2021-22.

2 Income tax authorities Disallowed R& D expenditure and raised a demand for non submission of certificate from DSIR, Delhi. We requested for extension of time and in the process of obtaining the certificate to substantiate the claim.

3 The disallowance on account of delay in payment of employer's contribution to EPF & ESI . Filed appeal against the order and submitted the relevant documentation. Assessing officer is in the process of reviewing supportings provided by us to substantiate our claim.

4 Commissioner of Income tax, Bengaluru has issued a notice on Short deduction of TDS for various years commencing from 2009-10 to 2021-22 and imposed a Interest and penalty .Demand appearing in the TDS Portal amounts to ₹ 4.0 mn . We are in the process of adjusting the demand against the unconsumed challans available. We have already submitted a request to the commissioner for extension of time for reconciliation of TDS.

5 There are 16 cases relating to excise, VAT, Customs and CST amounting to ₹ 56.9 mn covering a period commencing from 2012-13 to 2018-19 pertaining to units located in various states in Karnataka, Uttarakand, Haryana, Tamilnadu and Maharashtra. Many of the cases required Information provided to the Concerned authorities and are in progress.

30 RELATED PARTY DISCLOSURES

Disclosure in respect of material transactions with associated parties as required by Accounting Standard (AS) 18 "Related Party Transactions".

[A.] Related Parties and their Relationship with the Company

Ref.	Description of relationship	Names of Related parties
[1.]	Subsidiary Companies:	Kaynes Embedded Systems Private Limited
		Kemsys Technologies Private Limited
		Kaynes Technology Europe Gmbh
		Kaynes International Design & Manufacturing Private Limited
		Kaynes Electronics Manufacturing Private Limited
[2.]	Entity Controlled by Directors:	Aaviza Electronics Private Limited (Formerly Kaynes Interconnection Systems India Private Limited) (unrelated w.e.f 10 July, 2022)
		Kaynes Technology Inc.
		Kemsys Technologies Inc.
		Kaynes Circuits Private Limited
		Kaynes Electro-Plast Private Limited
		Mysuru ESDM Cluster
		Wendorhub Solutions Private Limited
		Cheyyur Real Estates Private Limited
		Cheyyur Properties Private Limited
		Nambi Reality Private Limited
[3.]	Entity where relative of Directors have substantial interest	A ID Systems (India) Private Limited
[4.]	Key Management Personnel:	
	Ms. Savitha Ramesh	Chairperson
	Mr. Ramesh Kunhikannan	Managing Director
	Mr. Jairam Paravasthu Sampath	Whole Time Director & Chief Financial Officer (w.e.f 08 April, 2022)
	Mr. Satheesh Kumar Gopa Kumar	Whole Time Director (From 03 March, 2021 to 02 October, 2021)
	Mr. Rajesh Sharma	Chief Executive Officer (w.e.f 20 December, 2021)
	Mr. Anup Kumar Bhat	Independent Director (w.e.f 12 January, 2022)
	Mr. Vivekandh Ramaswamy	Independent Director (w.e.f 12 January, 2022)
	Mr. Lakshmi Narayana Nutheti	Independent Director (From 12 January, 2022 to 01 February, 2022)
	Mr. Seeplaputhur Ganapathiramaswamy Murali	Independent Director (w.e.f 21 february, 2022)
	Mr. Alexander Koshy	Independent Director (w.e.f 21 February, 2022)
	Ms. Poornima Ranganath	Independent Director (w.e.f 31 March, 2022)
	Mr. Venkata Ramana Mannapragada	Chief Financial Officer (From 20 December, 2021 to 08 April, 2022)
	Ms. Narayanan Srividhya	Company Secretary (Till 31 March, 2023)
	Mr. Ramachandran Kunnath	Company Secretary & Compliance Officer (w.e.f 01 April, 2023)
	Mr. Manoj Rajnarain Pandey	Managing Director in subsidiary company
	Ms. Premita Ramesh	Director in subsidiary company
	Mr. Sajan Anandaraman	Director in subsidiary company
[5.]	Relatives of KMP's:	Mr. Govind Shasiprasad Menokee

[B.] Transactions with KMPs

Transactions / Balances	For the year ended 31 March, 2023	For the year ended 31 March, 2022
[i.] Remuneration and Commission:		
Mr. Ramesh Kunhikannan	18.00	13.14
Ms. Savitha Ramesh	18.00	11.54
Mr. Jairam Paravasthu Sampath	6.40	4.80
Mr. Satheesh Kumar Gopa Kumar	-	2.00
Ms. Premita Ramesh	5.40	3.55
Mr. Govind Shasiprasad Menokee	6.60	4.95
Mr. Manoj Rajnarain Pandey	9.53	8.61
Mr. Venkata Ramana Mannapragada	0.56	2.24
Ms. Narayanan Srividhya	1.52	0.85
Mr. Rajesh Sharma	8.00	3.35
Mr. Sajan Anandraman	2.12	2.00
[ii.] Reimbursement of expenses		
Mr. Manoj Rajnarain Pandey	0.07	0.15
Mr Venkata Ramana Mannapragada	-	0.00
Mr. Rajesh Sharma	0.14	0.04
Ms. Narayanan Srividhya	-	0.00
[iii.] Transaction in current account (net)		
Mr. Ramesh Kunhikannan	3.56	3.56
Ms. Savitha Ramesh	4.18	4.18
Ms. Premita Ramesh	-	(1.13)
Mr. Jairam Paravasthu Sampath	-	(1.29)
Mr. Govind Shasiprasad Menokee	-	0.08

[C.] Balances with KMPs and relatives of KMPs

	As at 31 March, 2023	As at 31 March, 2022
[i.] Amount Receivable from/ Due to directors:		
Mr. Ramesh Kannan (Dr. Balance)	-	3.56
Ms. Savitha Ramesh (Dr. Balance)	-	4.17
Mr. Jairam P Sampath (Dr. Balance)	0.44	1.18
Mr. Govind Shasiprasad Menokee	-	0.08
Ms. Premita Ramesh (Dr. Balance)	-	1.13
[ii.] Salaries payable		
Mr. Ramesh Kunhikannan	0.98	0.94
Ms. Savitha Ramesh	0.99	0.96
Mr. Jairam Paravasthu Sampath	0.42	0.30
Mr. Manoj Rajnarain Pandey	-	0.50
Ms. Premita Ramesh	0.32	0.33
Mr. Govind Shasiprasad Menokee	0.40	0.42
Mr. Rajesh Sharma	0.06	0.51
Mr. Venkata Ramana Mannapragada	-	0.38
Ms. Narayanan Srividhya	0.19	0.11

Notes to the Consolidated Financial Statements (Contd.)
(All amounts are in ₹ mn, unless otherwise stated)

[D.] Transactions with Related Parties other than subsidiaries & Associates

Name of the related party	Nature of the transaction	For the year ended 31 March, 2023	For the year ended 31 March, 2022
Kaynes Interconnection Systems India Private Limited	Sale of material	15.12	9.33
	Services Received	-	0.07
	Purchase of Material	41.28	18.89
Kaynes Technology Inc.	Services Rendered	48.06	26.72
	Services Received	0.11	-
Kemsys Technologies Inc.	Services provided	1.37	2.98
	Services received	6.76	-

[E.] Balances with Related Parties other than subsidiaries & Associates

Name of the related party	Nature of the transaction	As at 31 March, 2023	As at 31 March, 2022
Kaynes Interconnection Systems India Private Limited	Loans and Advances	-	3.20
	Trade Payables	4.23	-
Mysuru ESDM Cluster	Investments / Loans and Advances	2.64	2.64
Kaynes Technology Inc.	Services Rendered Receivable	8.87	7.95
Kemsys Technologies Inc.	Services Rendered Receivable	1.37	2.98

[F.] Disclosure as per Schedule VI (Para 11(1)(A)(i)(g) of ICDR Regulation

The following are the transactions eliminated during the years 31 March, 2023 and 31 March, 2022

Name of the related party	Nature of the transaction	For the year ended 31 March, 2023	For the year ended 31 March, 2022
Kaynes International Design & Manufacturing Private Limited	Received towards Marketing, Distribution, Administration,	-	19.03
	Management & Other Support Services	-	1.37
	Sale of material	5.03	2.22
	Purchases	0.05	2.62
Kemsys Technologies Private Limited	Loans and Advances given to	30.05	90.47
	Loans and Advances repaid by	3.10	27.72
	Services Received from	-	3.73
	Interest on loan advanced	13.48	8.50
	Purchases	1.05	0.03
	Sale of material	-	8.89
Kaynes Technology Europe GMBH	Loans and Advances repaid by	-	6.59
	Commission paid	15.24	17.11

[G.] The following are the details of the balances that were eliminated during the years ended 31 March, 2023 and 31 March, 2022

Name of the related party	Nature of the transaction	As at 31 March, 2023	As at 31 March, 2022
Kaynes International Design & Manufacturing Private Limited	Loans and Advances received	78.66	67.13
	Investments	1.50	1.50
Kemsys Technologies Private Limited	Loans and Advances	180.96	177.98
	Investments	5.00	5.00
Kaynes Embedded Systems Private Limited	Loans and Advances given	-	-
	Investments	3.00	3.00
Kaynes Technology Europe GMBH	Investments	9.24	9.24
	Trade payable	1.34	1.28
Kaynes Electronics Manufacturing Private Limited	Investments	0.10	-
	Loans and Advances given	99.70	-

31 SEGMENT INFORMATION

Based on the management approach as defined in IND AS 108 – Operating Segments, the Chief Operating Decision Maker (CODM) evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by geographical segments. Accordingly, the Company has identified India and Outside India as its reportable segment.

As expenses, assets and liabilities are not separately identified for the individual segments, these are considered as common cost and unallocated. Hence, information with respect to revenue alone is provided by the Company for the geographical segments identified.

A) Revenue from Customers

Particulars	For the year ended 31 March, 2023	For the year ended 31 March, 2022
Geographic Segment		
Outside India	1,661.50	1,411.77
In India	9,599.64	5,650.72
	11,261.14	**7,062.49**

All material assets are located in India as export proceeds are also realisable in India. Hence no disclosure of segment assets/cost to acquire tangible and intangible asset is given.

32 EARNINGS PER SHARE (EPS)

Particulars	As at 31 March, 2023	As at 31 March, 2022
Earnings		
Profit after tax for the year	951.96	416.75
Less: Profit attributable to the minority shareholders	(1.75)	(2.27)
Profit after tax for the year attributable to equity shareholders	**950.21**	**414.48**
Weighted average number of equity shares used as the denominator in calculating basic and diluted earnings per share (number) :		
Basic :		
Number of Shares outstanding at the beginning of the year	46,158,006	6,799,992
Add : Shares Issued during the year	11,367,720	10
Add : Shares Issued during the year on conversion of CCPS	616,770	767,866
Add : Bonus Shares Issued during the year *	-	125,113
Number of Shares outstanding at the end of the year	**58,142,496**	**7,692,981**
Add : Post Bonus issue #	-	38,464,905
Number of Shares outstanding at the end of the year (Post bonus issue #)	**58,142,496**	**46,157,886**

Particulars	As at 31 March, 2023	As at 31 March, 2022
Weighted average number of equity shares For calculating Basic EPS	47,894,922	41,634,474
Profit after tax for the year attributable to equity shareholders	950.21	414.48
Cumulative Preference Dividend	-	-
Profit after tax for the year attributable to equity shareholders	**-**	**-**
Basic EPS (₹ per share)	**19.84**	**9.96**
EPS after preference dividend (₹ per share)	-	-
Diluted :		
Number of shares considered as basic weighted average shares outstanding	47,894,922	41,634,474
Add: Effect of diluted equity shares relating to CCPS issued during the year	568,443	4,673,516
Number of shares considered as diluted weighted average shares outstanding	48,463,365	46,307,990
No. of equity shares on conversion of preference shares		-
Total shares outstanding including dilution	48,463,365	46,307,990
Diluted EPS (₹ per share)	19.61	8.95
Restated Earnings per equity share ₹ (Face Value ₹ 10/- per share)		
- Basic	19.84	9.96
- Diluted	19.61	8.95

* The Company has issued bonus shares during the period ended 31 March, 2022. In line with the requirements of Para 28 of Ind AS 33, for the purpose of EPS calculations, bonus shares issued have been considered as if the event of bonus issue had occurred at the beginning of the earliest period presented.

Pursuant to the resolutions passed on EGM on 21 February, 2022 and Board of Directors on 25 February, 2022, company had issued bonus shares in the ratio of Five Bonus shares of One Equity share held post the reporting date 31 March, 2022. In line with the requirements of Para 64 of Ind AS 33, retrospective adjustments of the same has been considered in computation of the EPS and Diluted EPS.

33 DISCLOSURE WITH RESPECT TO IND AS 116 - LEASES

Information about Leases Assets for which the Company is a lessee is presented below

Particulars	As at 31 March, 2023	As at 31 March, 2022
Balance as at beginning of the year	180.62	78.57
Additions	29.11	134.22
Deletions	3.55	(0.54)
Depreciation*	(42.38)	(31.63)
Balance as at end of the year	**170.90**	**180.62**

*The aggregate depreciation expense on Right-of-use assets is included under depreciation expense in the Standalone Statement of Profit and Loss.

The changes / movement in Lease Liabilities of the Company are as follows:

Particulars	As at 31 March, 2023	As at 31 March, 2022
Balance as at beginning of the year	180.62	78.57
Additions	29.11	134.22
Deletions	3.55	(0.54)
Payment of lease liabilities	(39.34)	(39.34)
Accreditation of interest	12.19	12.19
Balance as at end of the year	**186.13**	**78.92**
Current Liabilities	33.86	31.96
Non-Current Liabilities	154.57	163.35
Total cash outflow for leases	**39.34**	**30.40**

The table below provides details regarding amounts recognised in the Standalone Statement of Profit and Loss:

Particulars	For the year ended 31 March, 2023	For the year ended 31 March, 2022
Expenses relating to short-term leases and/or leases of low-value items	7.69	4.03
Interest on lease liabilities	23.09	12.56
Depreciation expense	42.38	31.62
Total	**73.16**	**48.21**

Contractual maturities of lease liabilities on undiscounted basis

Particulars	As at 31 March, 2023	As at 31 March, 2022
Less than one year	30.04	34.54
One to five years	119.89	69.20
More than five years	38.50	12.07
	188.43	**115.81**

34 TAXES

(a) Income tax expense:

Components of Income Tax Expense

(i) Income tax recognised in Profit or Loss:

Particulars	For the year ended 31 March, 2023	For the year ended 31 March, 2022
Tax expense recognised in the Statement of Profit and Loss		
A. Net current tax expense	311.14	153.07
B. Deferred tax (credit)/charge	(2.71)	20.45
Net deferred tax	**(2.71)**	**20.45**
Total income tax expense recognised in statement of Profit & Loss	**308.43**	**173.52**

C. Tax recognised in Other Comprehensive Income:

Particulars	For the year ended 31 March, 2023	For the year ended 31 March, 2022
Origination and reversal of temporary differences - OCI	0.70	(0.15)
Remeasurement of Defined Benefiy Obligation	-	-
Total	**0.70**	**(0.15)**

Current tax assets / liabilities (net)

Particulars	As at 31 March, 2023	As at 31 March, 2022
D. Advance tax (net of provision for tax)	36.07	-
E. Provision for tax (net of advance payment of taxes)	-	155.53

Deferred tax assets / liabilities (net)

Particulars	As at 31 March, 2023	As at 31 March, 2022
F. Deferred tax asset	(20.44)	(6.23)
G. Deferred tax liability	(96.78)	(73.98)
Deferred tax Liability (net)	**(117.22)**	**(80.21)**

H. Reconciliation of tax expense and the Accounting Profit

Particulars	For the year ended 31 March, 2023	For the year ended 31 March, 2022
Profit Before Tax	1,260.39	590.27
Enacted tax rate in India (B)	25.17%	25.17%
Expected tax expense using the Company's applicable rate	317.21	148.56
Deferred tax effect	(2.71)	20.45
Deferred tax effect on all amounts debited to other comprehensive income (OCI) in the statement of profit and loss that will not be re-classified to profit or loss;	0.70	(0.15)
Income tax expense recognised in statement of profit or loss	(2.71)	20.45

Note: The tax rate used for the period ended 31 March, 2023 and 31 March, 2022 reconciliations above is the corporate tax rate of 25.17% and 25.17% respectively, payable by corporate entities in India on book profits under Indian Income Tax Laws.

35 EMPLOYEE BENEFIT PLANS

[a.] Defined Contribution Plans

Particulars	For the year ended 31 March, 2023	For the year ended 31 March, 2022
Employers' contribution to Provident Fund	7.35	7.37
Employers' contribution to Employee State Insurance	5.34	4.67
Employers' contribution to Employee's Pension Scheme 1995	12.21	11.90

[b.] Defined Benefit Plan

Gratuity -Funded obligation

The liability towards gratuity is provided for on the basis of independent actuarial valuation using projected unit credit method. The liability for gratuity is administered through Life Insurance Corporation of India (LIC).

Compensated Absences- Unfunded obligation

Company provided for unavailed accumulated leave of employees on the basis of actuarial valuation using projected unit credit method.

Gratuity -Funded obligation

i. Actuarial Assumptions

Particulars	For the year ended 31 March, 2023	For the year ended 31 March, 2022
Discount Rate (per annum)	7.50%	7.25%
Expected return on plan assets	5.00%	6.75%
Salary escalation rate*	5.00%	5.00%
Mortality rate	IALM (2012-14) Ultimate	IALM (2012-14) Ultimate

*The assumption of future salary escalation in actuarial valuation, takes into account inflation, seniority, promotions and other relevant factors such as supply and demand in the employment market.

ii. Reconciliation of Obligation

Particulars	For the year ended 31 March, 2023	For the year ended 31 March, 2022
Present value of obligation at the beginning of the year	**44.86**	**38.82**
Current Service Cost	8.96	7.66
Past Service cost	-	
Interest Cost	3.26	2.80
Actuarial (gain)/ loss	(4.48)	(0.24)
Benefits Paid	(3.67)	(4.18)
Present value of obligation at the end of the year	**48.93**	**44.86**

iii. Reconciliation of fair value of plan assets

Particulars	For the year ended 31 March, 2023	For the year ended 31 March, 2022
Fair value of plan assets at the beginning of the year	**3.53**	**6.07**
Actual return of plan assets	0.23	0.44
Actuarial gain/ (loss)	0.03	(0.11)
Contributions	5.40	1.23
Benefits paid	(3.41)	(4.10)
Assets distributed on settlement	-	-
Charges Deducted	-	-
Fair value of plan assets at the end of the year	**5.78**	**3.53**

iv. Description of Plan Assets

Particulars	For the year ended 31 March, 2023	For the year ended 31 March, 2022
Insured Managed Funds(LIC India)	0.00	0.00

v. Net (Asset)/ Liability recognised in Consolidated statement of assets and liabilities

Particulars	For the year ended 31 March, 2023	For the year ended 31 March, 2022
Present value of obligation at the end of the year	48.93	43.55
Fair value of plan assets at the end of the year	5.78	3.55
Net (asset)/ liability recognised in consolidated statement of assets and liabilities	43.15	40.00

vi) (Income)/ Expense recognised in Consolidated statement of profit and loss

Particulars	For the year ended 31 March, 2023	For the year ended 31 March, 2022
Current Service Cost	8.96	5.55
Interest Cost	3.26	1.98
Expected return on plan assets	(4.22)	(0.32)
(Income)/ Expenses recognised in consolidated statement of profit and loss	0.79	7.21

vii) Sensitivity analysis of the defined benefit obligation:

Particulars	For the year ended 31 March, 2023	For the year ended 31 March, 2022
Impact of the change in Discount Rate		
Present Value of Obligation at the end of the period	48.92	43.55
Impact due to increase of 1%	45.38	40.16
Impact due to decrease of 1%	53.08	47.56
Impact of the change in salary increase	-	
Present Value of Obligation at the end of the period	48.92	43.55
Impact due to increase of 1%	53.13	47.60
Impact due to decrease of 1%	45.28	40.07
Impact of the change in Withdrawal Rate	-	
Present Value of Obligation at the end of the period	48.92	43.55
Impact due to increase of 1%	49.53	44.02
Impact due to decrease of 1%	48.17	42.99

Sensitivities due to mortality is insignificant & hence ignored.

viii) Maturity profile of defined benefit obligation:

Particulars	For the year ended 31 March, 2023	For the year ended 31 March, 2022
Year 1	8.88	7.50
Year 2	2.15	1.64
Year 3	2.02	2.00
Year 4	3.09	1.53
Year 5	1.45	2.66
Years 6 to 10	31.19	29.25

The above disclosures are based on information certified by the independent actuary and relied upon by auditors.

ix) Other comprehensive (income) / expenses (Remeasurement)

Particulars	For the year ended 31 March, 2023	For the year ended 31 March, 2022
Cumulative unrecognised actuarial (gain)/loss opening. B/F	(6.05)	(6.47)
Actuarial (gain)/loss - obligation	(4.42)	2.14
Actuarial (gain)/loss - plan assets	0.03	0.32
Total Actuarial (gain)/loss	(4.16)	2.46
Cumulative total actuarial (gain)/loss. C/F	(10.44)	(4.01)

Compensated Absences- Unfunded obligation

i. Actuarial Assumptions

Particulars	For the year ended 31 March, 2023	For the year ended 31 March, 2022
Discount Rate (per annum)	7.00%	7.00%
Expected return on plan assets	NA	NA
Salary escalation rate*	5.00%	5.00%

ii. Reconciliation of Obligation

Particulars	For the year ended 31 March, 2023	For the year ended 31 March, 2022
Present value of obligation at the beginning of the year	**12.12**	**5.64**
Current Service Cost	6.58	4.01
Past Service cost	-	-
Interest Cost	0.92	0.27
Actuarial (gain)/ loss	(1.58)	6.32
Benefits Paid	(0.41)	-
Present value of obligation at the end of the year	**17.62**	**16.24**

iii. Reconciliation of fair value of plan assets

Particulars	For the year ended 31 March, 2023	For the year ended 31 March, 2022
Fair value of plan assets at the beginning of the year	**-**	**-**
Actual return of plan assets	-	-
Actuarial gain/ (loss)	-	-
Contributions	-	-
Benefits paid	-	-
Assets distributed on settlement	-	-
Charges Deducted	-	-
Fair value of plan assets at the end of the year	**-**	**-**

iv. Description of Plan Assets

Particulars	For the year ended 31 March, 2023	For the year ended 31 March, 2022
Insured Managed Funds (LIC India)	-	-

v. Net (Asset)/ Liability recognised in consolidated statement of assets and liabilities

Particulars	For the year ended 31 March, 2023	For the year ended 31 March, 2022
Present value of obligation at the end of the year	17.62	16.24
Fair value of plan assets at the end of the year	-	-
Net (asset)/ liability recognised in consolidated statement of assets and liabilities	17.62	16.24

vi (Income)/ Expense recognised in consolidated statement of profit and loss

Particulars	For the year ended 31 March, 2023	For the year ended 31 March, 2022
Current Service Cost	6.58	4.01
Interest Cost	0.92	0.27
Actuarial (gain)/ loss recognised for the period	(1.58)	6.32
Expected return on plan assets	-	-
(Income)/ Expenses recognised in consolidated statement of profit and loss	5.92	10.60

vii) Sensitivity analysis of the defined benefit obligation:

Particulars	For the year ended 31 March, 2023	For the year ended 31 March, 2022
Impact of the change in Discount Rate		
Present Value of Obligation at the end of the period	17.63	15.70
Impact due to increase of 1%	16.26	14.36
Impact due to decrease of 1%	19.20	17.29
Impact of the change in salary increase	-	-
Present Value of Obligation at the end of the period	17.63	15.70
Impact due to increase of 1%	19.23	17.31
Impact due to decrease of 1%	16.22	14.32
Impact of the change in Withdrawal Rate	-	-
Present Value of Obligation at the end of the period	17.63	15.70
Impact due to increase of 1%	17.94	15.97
Impact due to decrease of 1%	17.23	15.38

Sensitivities due to mortality is insignificant & hence ignored.

36 EMPLOYEES' STOCK OPTION PLANS (ESOP)

(i) Kaynes Employees Stock Option Scheme 2022

The members of the Company at its Extraordinary General Meeting held on January 12, 2022 had approved the issue of Stock Options to eligible employees/directors of the Company and its subsidiaries. Accordingly, the Board a their meeting held on 12 January, 2022 approved the "Kaynes ESOP Scheme 2022". A Compensation Committee was formed to govern the "Kaynes ESOP Scheme 2022" which has approved Details are as follows:

Particulars	Year 1	Year 2	Year 3	Year 4
Grant Date	04 July, 2022	04 July, 2022	04 July, 2022	04 July, 2022
Vesting date	04 July, 2023	04 July, 2024	04 July, 2025	04 July, 2026
Option Granted (Nos)	923,160	923,160	923,160	923,160
Exercise price (Amount in ₹ per share)	138.00	138.00	138.00	138.00

(ii) Fair value of share options granted during the year

The fair value of options granted is estimated using the Black Scholes Option Pricing Model after applying the key assumption which are tabulated below. The expected volatility has been calculated using the daily stock returns on NSE, based on expected life options of each vest. The expected life of share option is based on historical data and current expectation and not necessarily indicative of exercise pattern that may occur.

(iii) Inputs in the pricing model

Particulars	Year 1	Year 2	Year 3	Year 4
Weighted average fair Value of options	18.07	22.66	32.26	35.32
Exercise price (Amount in ₹ per share)	138.00	138.00	138.00	138.00
Expected Volatility	16.96%	17.28%	25.02%	23.42%
Options Life (Number of Years)	1.50	2.00	2.50	3.00
Dividend Yield	0.00%	0.00%	0.00%	0.00%
Risk Free Rate	6.13%	6.41%	6.62%	6.77%

(iv) Movement in stock options

For the year ended 31 March, 2023

Particulars	No of Options
Options outstanding as at 31 March, 2022	**-**
New options issued during the year	923,160
Options exercised during the year	-
Lapsed/ forfeited during the year	(27,260)
Expired during the year	-
Options outstanding as at 31 March, 2023	**895,900**
Options exerciseable as at 31 March, 2023	**-**

During the year ended 31 March, 2023, the Company recorded an employee share based payment expense of ₹ 6.31 mn in the Statement of Profit and Loss.

37 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company's principal financial liabilities comprise of short tenured borrowings, trade and other payables. Most of these liabilities relate to financing for working capital requirements. The Company has trade and other receivables, loans and advances that arise directly from its operations.

The Company is accordingly exposed to market risk, credit risk and liquidity risk.

The Company's senior management oversees management of these risks. The senior professionals working to manage the financial risks and the appropriate financial risk governance framework for the Company are accountable to the Board of Directors and the Audit Committee. This process provides assurance that the Company's financial risk-taking activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with Group's policies and overall risk appetite.

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 two types of risk: interest rate risk and currency rate risk. Financial instruments affected by market risk include loans and borrowings, deposits and advances.

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 with floating interest rates.

The Company has no exposure to financial instruments with an interest rate risk as on 31 March, 2023 and 31 March, 2022.

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) and the Company's net investments in foreign subsidiaries.

Foreign currency sensitivity

The sensitivity analysis has been based on the composition of the Company's financial assets and liabilities at the end of the respective reporting periods. The period end balances are not necessarily representative of the average debt outstanding during the period.

Notes to the Consolidated Financial Statements (Contd.)

(All amounts are in ₹ mn, unless otherwise stated)

Particulars	Currency	As at 31 March, 2023		As at 31 March, 2022	
		Foreign Currency	₹ (mn)	Foreign Currency	₹ (mn)
Financial assets					
Trade receivable	EURO	1.14	101.29	1.12	93.70
Trade receivable	GBP	1.27	128.39	0.73	72.17
Trade receivable	JPY	1.00	0.63	1.09	0.67
Trade receivable	CHF	4.38	357.95	4.04	304.22
Trade receivable	US$	-		-	-
Advance to suppliers	EURO	0.18	16.06	0.13	11.45
Advance to suppliers	GBP	0.05	4.61	0.03	3.43
Advance to suppliers	JPY	27.67	17.37	0.04	2.24
Advance to suppliers	US$	2.04	166.97	2.95	224.08

Particulars	Currency	As at 31 March, 2023		As at 31 March, 2022	
		Foreign Currency	₹ (mn)	Foreign Currency	₹ (mn)
Financial Liabilities					
Trade payables	EURO	0.43	37.97	0.34	28.95
Trade payables	GBP	0.54	54.18	0.01	0.79
Trade payables	JPY	74.79	46.95	59.10	36.98
Trade payables	CHF	15.44	1,261.70	10.22	779.57
Trade payables	US$	-	-	-	-
Net Exposure in financial asset			**(607.53)**		**(134.33)**

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 investing activities, deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

A. Trade Receivables

Customer credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive credit rating scorecard and individual credit limits are defined in accordance with this assessment. Outstanding customer receivables are regularly monitored.

An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The calculation is based on exchange losses historical data.

The Company does not hold collateral as security. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers (which are in the nature of reputed banking and financial institutions) are located in several jurisdictions and industries and operate in largely independent markets.

The Company creates allowance for all unsecured receivables based on lifetime expected credit loss based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The management makes estimates of the expected losses on receivables taking into account past history and their assumptions. Expected credit loss allowance is calculated by comparing the management estimates with the provision matrix.

Details of allowances for expected credit losses are provided hereunder

Particulars	As at 31 March, 2023	As at 31 March, 2022
At the beginning of the year	76.71	67.76
Provisions created	2.85	8.95
Closing at the end of the year	**79.56**	**76.71**

B. Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the treasury department in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the management on an annual basis and may be updated throughout the year subject to approval of the Company's Finance Committee. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

Liquidity risk

Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. The Company's objective is to, at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The Company closely monitors its liquidity position and deploys a robust cash management system. It maintains adequate sources of financing including loans, debt and overdraft from both domestic and international banks at an optimised cost.

The table below provides details regarding the undiscounted contractual maturities of significant financial liabilities as of 31 March, 2023:

Particulars	Less than 1 year	More than 1 year	Total
Interest bearing borrowings	1,208.57	150.42	1,358.99
Trade Payables	2,228.74	-	2,228.74
Other financial liabilities	105.75	-	105.75
Lease liabilities	33.86	154.57	188.43
Total	**3,576.92**	**304.99**	**3,881.91**

The table below provides details regarding the undiscounted contractual maturities of significant financial liabilities as of 31 March, 2022:

Particulars	Less than 1 year	More than 1 year	Total
Interest bearing borrowings	1,402.67	292.79	1,695.46
Trade Payables	1,640.56	-	1,640.56
Other financial liabilities	77.29	-	77.29
Lease liabilities	31.96	163.35	195.31
Total	**3,152.48**	**456.14**	**3,608.62**

38 CAPITAL MANAGEMENT

For the purpose of the Company's capital management, capital includes issued equity capital, convertible preference shares, share premium and all other equity reserves attributable to the equity holders. The primary objective of the Company's capital management is to maximise the shareholders value.

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 Company monitors capital using a gearing ratio, which is net debt divided by total capital. The Company includes within net debt, interest bearing loans and borrowings less cash and cash equivalents.

Notes to the Consolidated Financial Statements (Contd.)

(All amounts are in ₹ mn, unless otherwise stated)

Particulars	As at 31 March, 2023	As at 31 March, 2022
Gross debt	1,358.99	1,695.46
Less: Cash and Cash equivalents	(259.31)	(68.74)
Net debt	**1,099.68**	**1,626.72**
Equity	9,590.42	2,022.06
Total capital	**9,590.42**	**2,022.06**
Gearing ratio	**11.47%**	**80.45%**

39 FINANCIAL INSTRUMENTS: FAIR VALUES

Particulars	As at 31 March, 2023				As at 31 March, 2022			
	FVTPL	FVOCI	Amortised cost	Total Carrying Amount	FVTPL	FVOCI	Amortised cost	Total Carrying Amount
Financial assets								
At Fair value								
Investments - Equity	-	13.44	-	13.44	-	10.83	-	10.83
Investments - Mutual Funds	19.32	-	-	19.32	4.33	-	-	4.33
At amortised cost:								-
a) Trade receivables	-	-	2,270.66	2,270.66	-	-	1,977.26	1,977.26
b) Cash and cash equivalents	-	-	259.31	259.31	-	-	68.74	68.74
c) Bank balances other than cash and cash equivalents	-	-	4,600.65	4,600.65	-	-	147.20	147.20
d) Loans and deposits	-	-	99.52	99.52	-	-	75.19	75.19
e) Other financial assets	-	-	90.30	90.30	-	-	17.02	17.02
Total Financial Assets	**19.32**	**13.44**	**7,320.44**	**7,353.20**	**4.33**	**10.83**	**2,285.41**	**2,300.57**
Financial liabilities								
At amortised cost:								
a) Borrowings (Long term)	-	-	150.42	150.42	-	-	292.79	292.79
b) Borrowings (Short term)	-	-	1,208.57	1,208.57	-	-	1,402.67	1,402.67
c) Trade payables	-	-	2,228.74	2,228.74	-	-	1,640.56	1,640.56
d) Other Financial Liabilities	-	-	105.75	105.75	-	-	77.29	77.29
e) Lease Liabilities			188.43	188.43			195.31	195.31
Total Financial Liabilities	**-**	**-**	**3,881.91**	**3,881.91**	**-**	**-**	**3,608.62**	**3,608.62**

The Company has assessed that trade receivables, cash and cash equivalents, bank balances, other assets, borrowings, trade payables and other liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

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.

40 FAIR VALUE HIERARCHY

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

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

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

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

Particulars	Date of valuation	Fair value measurement			
		Fair Value as at 31 March, 2023	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Financial assets					
Investments	31 March, 2023	32.76	19.32	-	13.44

There are no transfers between levels 1 and 2 during the year.

ii. Quantitative disclosures fair value measurement hierarchy for assets and liabilities as at 31 March, 2022:

Particulars	Date of valuation	Fair value measurement			
		Fair Value as at 31 March, 2022	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Financial assets					
Investments	31 March, 2022	15.16	4.33	-	10.83

41 ADDITIONAL INFORMATION AS REQUIRED UNDER SCHEDULE III OF COMPANIES ACT, 2013 OF ENTITIES CONSOLIDATED AS SUBSIDIARIES

Name of the entity in the Company		As at 31 March, 2023		As at 31 March, 2022	
		Net Assets, i.e. total assets minus total liabilities		Net Assets, i.e. total assets minus total liabilities	
		As % of consolidated net assets	Amount in ₹ mn	As % of consolidated net assets	Amount in ₹ mn
A.	Parent company				
	Kaynes Technology India Limited	99.80%	9,583.86	99.54%	2,027.85
B.	Indian Subsidiaries				
	Kaynes International Design and Manufacturing Private Limited	0.90%	86.20	3.05%	62.13
	Kemsys Technologies Private Limited	(0.86%)	(82.11)	(3.37%)	(68.59)
	Kanyes Embedded Systems Private Limited	-	-	-	-
	Kaynes Electronics Manufacturing Private limited	(0.03%)	(3.02)	-	-
C.	Foreign Subsidiary				
	Kaynes Technology Europe GmbH	0.26%	24.67	0.99%	20.11
D.	Consolidated adjustments	(0.06%)	(6.11)	(0.21%)	(4.33)
		100.00%	**9,603.49**	**100.00%**	**2,037.17**

Notes to the Consolidated Financial Statements (Contd.)

(All amounts are in ₹ mn, unless otherwise stated)

Name of the entity in the Company		For the year ended 31 March, 2023		For the year ended 31 March, 2022	
		Share in Profit/(Loss)		Share in Profit/(Loss)	
		As % of consolidated net assets	Amount in ₹ mn	As % of consolidated net assets	Amount in ₹ mn
A.	Parent company				
	Kaynes Technology India Limited	99.42%	947.61	99.32%	409.85
B.	Indian Subsidiaries				
	Kaynes International Design and Manufacturing Private Limited	2.41%	22.93	4.89%	20.18
	Kemsys Technologies Private Limited	(1.36%)	(12.97)	(5.76%)	(23.77)
	Kanyes Embedded Systems Private Limited	-	-	-	-
	Kaynes Electronics Manufacturing Private Limited	(0.33%)	(3.12)	-	-
C.	Foreign Subsidiary				
	Kaynes Technology Europe GmbH	0.39%	3.73	0.00%	0.02
D.	Consolidated adjustments	(0.53%)	(5.01)	1.54%	6.37
		100.00%	**953.17**	**100.00%**	**412.65**

42 RATIOS AS PER SCHEDULE III REQUIREMENTS

a) Current Ratio = Current Assets divided by Current Liabilities

Particulars	As at 31 March, 2023	As at 31 March, 2022
Current Assets	12,307.60	4,863.65
Current Liabilities	4,151.59	3,621.39
Ratio	**2.96**	**1.34**
% Change from previous year	120.74	

Ratio increase is due to increase in inventory, trade receivable, bank balance and other asset as Initial Public Offer (IPO) money was invested in Current Assets.

b) Debt Equity Ratio = Total Debt divided by total equity

Particulars	As at 31 March, 2023	As at 31 March, 2022
Total Debt	1,358.99	1,695.46
Total Equity	9,603.49	2,037.17
Less : Non-controlling Interest	(13.07)	(11.32)
Less: Non free reserves	(13.77)	(7.67)
Equity attributable to the owners of the Company	**9,576.65**	**2,018.18**
Ratio	**0.14**	**0.84**
% Change from previous year	(83.11)	

Ratio change is due to receipt of Share Premium on issue of Equity share and due to addition of profit for the year.

c) Debt Service Coverage Ratio = Earnings available for servicing debt divided by total interest and principal payments

Particulars	As at 31 March, 2023	As at 31 March, 2022
Profit before tax	1,260.39	590.27
Add: Depreciation	187.41	131.62
Add: Finance Cost	349.36	255.87
Adjusted Profit	**1,797.16**	**977.76**
Interest cost on borrowings	349.36	255.87
Principal repayments	234.55	194.31
Total of Interest and Principal repayments	**583.91**	**450.18**
DSCR	**3.08**	**2.17**
% Change from previous year	41.71	

The improvement in the ratio for the year ended 31 March, 2023 is due to a significant increase in Profit Before Tax.

d) Return on Equity Ratio = Profit after Tax divided by Equity

Particulars	As at 31 March, 2023	As at 31 March, 2022
Profit after tax	951.96	416.75
Less : Share of Profit /(Loss) of minority interest	(1.75)	(2.27)
Consolidated Net Profit after tax, for the year attributable to equity shareholders	950.21	414.48
Total Equity	9,603.49	2,037.17
Less : Non-controlling Interest	(13.07)	(11.32)
Less: Non free reserves	(13.77)	(7.67)
Equity attributable to the owners of the Company	**9,576.65**	**2,018.18**
Average Shareholder's equity *	5,797.42	1,691.64
Ratio	**16.39**	**24.50**
% Change from previous year	(33.11)	

The improvement in Ratio is due to increase in Total Equity due to share premium and profit for the year.

e) Trade Receivables Turnover Ratio = Credit Sales divided by Closing Trade Receivables

Particulars	As at 31 March, 2023	As at 31 March, 2022
Revenue from Operations	11,261.14	7,062.49
Average Trade Receivables *	2,123.96	1,597.37
Ratio	**5.30**	**4.42**
% Change from previous year	19.92	

The improvement in the ratio for 31 March, 2023 is due to better collections.

f) Trade Payables Turnover Ratio = Credit Purchases divided by closing trade payables

Particulars	As at 31 March, 2023	As at 31 March, 2022
Credit Purchases	9,642.13	5,517.71
Average Trade payables	1,934.65	1,297.44
Ratio	**4.98**	**4.25**
% Change from previous year	17.19	

g) Inventory Turnover Ratio = Revenue from operations divided by Closing Inventory

Particulars	As at 31 March, 2023	As at 31 March, 2022
Revenue from Operations	11,261.14	7,062.49
Average Inventory	3,197.71	1,951.22
Ratio	**3.52**	**3.62**
% Change from previous year	(2.70)	

h) Net Capital Turnover ratio= Sales divided by net working capital

Particulars	As at 31 March, 2023	As at 31 March, 2022
Revenue from Operations	11,261.14	7,062.49
Average working capital	4,699.14	977.91
Ratio	**2.40**	**7.22**
% Change from previous year	(66.82)	

The improvement in the ratio for the year ended 31 March, 2023 is due to the increase in profits as a result of increase in sale but marginal increase in fixed expenses

i) Profit Ratio = Profit after tax divided by Revenue from Operations

Particulars	As at 31 March, 2023	As at 31 March, 2022
Profit after tax	951.96	416.75
Revenue from Operations	11,261.14	7,062.49
Ratio	**8.45**	**5.90**
% change from previous year	43.26	

The improvement in the ratio for the year ended 31 March, 2023 is due to the increase in profits.

j) Return on Capital Employed= Adjusted EBIT / Total Capital Employed

Particulars	As at 31 March, 2023	As at 31 March, 2022
Profit before tax	1,260.39	590.27
Add: Finance Costs	349.36	255.87
EBIT	**1,609.75**	**846.14**
Tangible Net worth	9,271.75	1,767.35
Non Current Borrowings	150.42	292.79
Short Term Borrowings	1,208.57	1,402.67
Total	**10,630.74**	**3,462.81**
ROCE %	**15.14**	**24.44**
% change from previous year	(38.03)	

The decrease in ratio is due to increase in net worth as a result of high retained earnings and money received from Initial Public Offer (IPO).

43 DISCLOSURE REQUIRED UNDER SECTION 186 (4) OF THE COMPANIES ACT, 2013

(i) Included in loans, the particulars of which are disclosed in below as required by Sec 186(4) of the Companies Act 2013:

Sl. No.	Name of the Borrower	Type	Rate of Interest	Secured/ Unsecured	Due Date	Purpose	As at 31 March, 2023	As at 31 March, 2022
1	Kemsys Technologies Private Limited	Loan	8%	Unsecured	On Demand	General business purpose	180.96	177.98
2	Kaynes International Design & Manufacturing Private Limited	Corporate Guarentee	-	Unsecured	30 March, 2023	General business purpose	84.00	44.00
3	Mr. Ramesh Kunhikannan	Loan	8%	Unsecured	30 March, 2023	As per scheme u/s 185	-	3.56
4	Ms. Savitha Ramesh	Loan	8%	Unsecured	30 March, 2023	As per scheme u/s 185	-	4.18

44 OTHER STATUTORY DISCLOSURES

1. Benami Property

The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

2. The Struck off Company details

S. No.	Name of the Struck off Company	Nature of transactions with struck off company	As at 31 March, 2023	As at 31 March, 2022
1	Kaynes Electro-Plast Private Limited	No Transactions	-	-
2	Wendorhub Solutions Private Limited	No Transactions	-	-

3. The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

4. The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

5. (i) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(ii) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

6. The Company has neither declared nor paid any interim dividend or final dividend during the year.

7. The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

8. The Company has complied with the number of layers prescribed under clause (87) of Section 2 of the Act read with Companies (Restriction on number of layers) Rules, 2017.

45 CORPORATE SOCIAL RESPONSIBILITY EXPENSES:

Particulars	For the year ended 31 March, 2023	For the year ended 31 March, 2022
Amount required to be spent by the Company during the year *	8.06	3.32
Amount of expenditure incurred.	8.06	2.92
Shortfall at the end of the year.	-	0.40
Total of previous years shortfall.	-	0.40

* Including previous year's shortfall

The Company's CSR Activities primarily involve in the promotion of education, healthcare, art and cultural promotion, animal welfare, rural developement, natural calamities relief and skill developement for underprivileged people.

The shortfall has arisen due to the lack of eligible projects due to the impact of the pandemic.

46 DISCLOSURE AS REQUIRED UNDER MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006 (THE ACT):

Particulars	As at 31 March, 2023	As at 31 March, 2022
Principal amount due to micro & small enterprises	216.45	45.00
Interest due on above	1.65	2.92
Interest paid during the period beyond the appointed day	-	-
Amount of interest due and payable for the period of delay in making payment without adding the interest specified under the Act.	-	-
Amount of interest accrued and remaining unpaid at the end of the year	-	-
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 small enterprises for the purpose of disallowance as a deductible expenditure under Sec.23 of the Act	-	-

Note: The above information and that given in Note 16(b)'Trade Payables' regarding Micro and Small Enterprises has been determined on the basis of information available with the Company and has been relied upon by the auditors.

47 Previous year figures have been regrouped/ re-classified wherever necessary.

As per our report of even date

For K.P. Rao & Co
Chartered Accountants
Firm Registration Number: 003135S

Mohan R Lavi
Partner
Membership No.029340

Place: Mysuru
Date: 16 May, 2023

For and on behalf of the Board of Directors of
Kaynes Technology India Limited
(Formerly Kaynes Technology India Private Limited)

Ramesh Kunhikannan
Managing Director
(DIN: 02063167)

Rajesh Sharma
Chief Executive Officer

Place: Mysuru
Date: 16 May, 2023

Jairam P Sampath
Whole Time Director & Chief Financial Officer
(DIN: 08064368)

Ramachandran Kunnath
Company Secretary
Membership No. A57817

GENERAL INFORMATION

Our Company was incorporated as 'Kaynes Technology India Private Limited', a private limited company under the Companies Act, 1956 pursuant to a certificate of incorporation granted by the RoC on March 28, 2008 at Mysuru, Karnataka. Subsequently, the name of our Company was changed to 'Kaynes Technology India Limited' upon conversion of our Company into a public limited company pursuant to a special resolution passed by our Shareholders on March 24, 2022 and a fresh certificate of incorporation was issued by the RoC consequent upon change of name on conversion to public limited company on March 31, 2022. For further details, see, "*Organisational Structure of our Company*" on page 182.

1. The Equity Shares of our Company have been listed on BSE and NSE since November 22, 2023.

2. Our Company has received in-principle approvals to list the Equity Shares to be issued pursuant to the Issue from each BSE and NSE on June 19, 2025, under Regulation 28(1) of the SEBI Listing Regulations.

3. Our Registered and Corporate Office is located at 23-25, Belagola, Food Industrial Estate, Metagalli P.O., Mysuru – 570 016, Karnataka, India.

4. The CIN of our Company is L29128KA2008PLC045825.

5. The website of our Company is www.kaynestechnology.co.in.

6. The authorised equity share capital of our Company is ₹700,000,000 divided into 70,000,000 million Equity Shares of ₹10 each. The authorised preference share capital of our Company is ₹20,000,000 divided into 2,000,000 million Equity Shares of ₹10 each.

7. The Issue was authorised and approved by the Board pursuant to the resolution dated January 22, 2025 and by our Shareholders pursuant to the special resolution dated February 14, 2025.

8. In compliance with Regulation 173A of the SEBI ICDR Regulations, our Company has appointed Crisil Ratings Limited as the Monitoring Agency, for monitoring the utilisation of the proceeds in relation to the Issue. The Monitoring Agency will submit its report to us on a quarterly basis in accordance with the SEBI ICDR Regulations.

9. Copies of our Memorandum of Association and Articles of Association will be available for inspection between 9:30 am to 5:30 pm on any weekday (except Saturdays and public holidays) during the Issue Period at our Registered Office as well as our Corporate Office.

10. Except as disclosed in this Placement Document, our Company has obtained all necessary consents, approvals and authorisations as may be required in connection with the Issue.

11. Except as disclosed in "*Management's Discussion and Analysis of Financial Condition and Results of Operation*" on page 92, there has been no material change in the financial position of our Company since March 31, 2025, the last date of the Audited Consolidated Financial Statements prepared in accordance with applicable accounting standards included in this Placement Document.

12. Except as disclosed in this Placement Document, there are no material litigation or arbitration proceedings against or affecting us, or our assets or revenues, nor are we aware of any pending or threatened litigation or arbitration proceedings, which are or might be material in the context of this Issue. For further details, see "*Legal Proceedings*" on page 227.

13. The Issue will not result in a change in control of our Company.

14. Our Company is in compliance with the minimum public shareholding requirements as required under the SEBI Listing Regulations and Rule 19A of the SCRR.

15. The Floor Price is ₹5,625.75 per Equity Share, calculated in accordance with the provisions of Chapter VI of the SEBI ICDR Regulations, as certified by the Statutory Auditors. Our Company has offered a discount of 56.25 per Equity Share, being equivalent to a discount of 1% on the Floor Price not more than 5% on the Floor Price in accordance with the approval of our Board vide resolution dated January 22, 2025 and the shareholders of our Company accorded through a special resolution dated February 14, 2025 and Regulation 176(1) of the SEBI ICDR Regulations.

16. Our Company and the BRLMs accept no responsibility for statements made otherwise than in this Placement Document and anyone placing reliance on any other source of information, including websites of our Company and our Subsidiaries, would be doing so at their own risk.

17. Anuj Mehtha is the Company Secretary and Compliance Officer of our Company. His details are as follows:

Anuj Mehtha

23-25, Belagola,
Food Industrial Estate Metagalli P.O.
Mysuru – 570 016 Karnataka, India
Telephone: +91 82125 82595
E-mail: kaynestechcs@kaynestechnology.net

DETAILS OF PROPOSED ALLOTTEES

In compliance with the requirements of Chapter VI of the SEBI ICDR Regulations, Allotment shall be made at the sole and absolute discretion of our Company, in consultation with the BRLMs, to Eligible QIBs.

The names of the proposed Allottees and the percentage of post-Issue capital is set forth below:

S. No.	Name of the proposed Allottees	Percentage of the post-Issue share capital held (%)[(1)(2)]
1.	ADITYA BIRLA SUN LIFE TRUSTEE PRIVATE LIMITED A/C ADITYA BIRLA SUN LIFE MULTI-CAP FUND	0.17
2.	ADITYA BIRLA SUN LIFE TRUSTEE PRIVATE LIMITED A/C ADITYA BIRLA SUN LIFE REGULAR SAVINGS FUND	0.01
3.	ADITYA BIRLA SUN LIFE TRUSTEE PRIVATE LIMITED A/C ADITYA BIRLA SUN LIFE SPECIAL OPPORTUNITIES FUND	0.02
4.	AXIS MUTUAL FUND TRUSTEE LIMITED A/C AXIS MUTUAL FUND A/C AXIS AGGRESSIVE HYBRID FUND	0.02
5.	AXIS MUTUAL FUND TRUSTEE LIMITED A/C AXIS MUTUAL FUND A/C AXIS CHILDREN'S FUND	0.00
6.	AXIS MUTUAL FUND TRUSTEE LIMITED A/C AXIS MUTUAL FUND A/C AXIS INDIA MANUFACTURING FUND	0.03
7.	AXIS MUTUAL FUND TRUSTEE LIMITED A/C AXIS MUTUAL FUND A/C AXIS LARGE & MID CAP FUND	0.12
8.	AXIS MUTUAL FUND TRUSTEE LIMITED A/C AXIS MUTUAL FUND A/C AXIS MULTICAP FUND	0.03
9.	AXIS MUTUAL FUND TRUSTEE LIMITED A/C AXIS MUTUAL FUND A/C AXIS RETIREMENT FUND - AGGRESSIVE PLAN	0.00
10.	AXIS MUTUAL FUND TRUSTEE LIMITED A/C AXIS MUTUAL FUND A/C AXIS VALUE FUND	0.01
11.	AXIS MUTUAL FUND TRUSTEE LTD A/C AXIS MUTUAL FUND A/C AXIS FLEXI CAP FUND	0.05
12.	AXIS MUTUAL FUND TRUSTEE LTD. A/C AXIS MUTUAL FUND A/C AXIS BALANCED ADVANTAGE FUND	0.01
13.	BANDHAN MIDCAP FUND	0.07
14.	CANARA HSBC LIFE INSURANCE CO LTD	0.03
15.	EDELWEISS LIFE INSURANCE COMPANY LIMITED	0.03
16.	EDELWEISS TRUSTEESHIP CO LTD AC- EDELWEISS MF AC-EDELWEISS BALANCED ADVANTAGE FUND	0.26
17.	FRANKLIN INDIA EQUITY ADVANTAGE FUND	0.07
18.	GOVERNMENT PENSION FUND GLOBAL	0.68
19.	HDFC LIFE INSURANCE COMPANY LIMITED	0.24
20.	HDFC MUTUAL FUND - HDFC MANUFACTURING FUND	0.27
21.	HSBC LARGE & MID CAP FUND	0.04
22.	HSBC MIDCAP FUND	0.13
23.	HSBC SMALL CAP FUND	0.11
24.	ICICI PRUDENTIAL FLEXICAP FUND	0.27
25.	ICICI PRUDENTIAL LIFE INSURANCE COMPANY LIMITED	0.28
26.	INEVSCO INDIA SMALLCAP FUND .	0.07
27.	INVESCO INDIA FLEXI CAP FUND	0.02
28.	ITI FLEXI CAP FUND	0.03
29.	KOTAK BALANCED ADVANTAGE FUND	0.08
30.	KOTAK FLEXICAP FUND	0.20
31.	KOTAK MAHINDRA LIFE INSURANCE COMPANY LTD.	0.08
32.	KOTAK MAHINDRA TRUSTEE CO LTD A/C KOTAK TECHNOLOGY FUND	0.00
33.	KUWAIT INVESTMENT AUTHORITY FUND F238	1.04
34.	MOTILAL OSWAL MIDCAP FUND	0.44
35.	NEO ALTERNATIVES INVESTMENT TRUST-NEO DYNAMIC STRATEGY FUND	0.01
36.	NEO ALTERNATIVES INVESTMENT TRUST-NEO TREASURY PLUS FUND	0.01
37.	NIPPON INDIA INVESTMENT UNIT TRUST - NIPPON INDIA EQUITY FUND	0.23
38.	NIPPON LIFE INDIA TRUSTEE LTD-A/C NIPPON INDIA EQUITY HYBRID FUND	0.04
39.	NIPPON LIFE INDIA TRUSTEE LTD-A/c NIPPON INDIA FLEXI CAP FUND	0.04
40.	NIPPON LIFE INDIA TRUSTEE LTD-A/C NIPPON INDIA MULTI ASSET ALLOCATION FUND	0.07
41.	NIPPON LIFE INDIA TRUSTEE LTD-A/C NIPPON INDIA RETIREMENT FUND - WEALTH CREATION SCHEME	0.03

S. No.	Name of the proposed Allottees	Percentage of the post-Issue share capital held (%)[1][2]
42.	NIPPON LIFE INDIA TRUSTEE LTD-A/C NIPPON INDIA VALUE FUND	0.11
43.	NOMURA FUNDS IRELAND PUBLIC LIMITED COMPANY- NOMURA FUNDS IRELAND - INDIA EQUITY FUND	0.75
44.	RELIANCE NIPPON LIFE INSURANCE CO LIMITED	0.03
45.	TATA ALTERNATIVE INVESTMENT FUND-TATA EQUITY PLUS ABSOLUTE RETURNS FUND	0.03
46.	WHITEOAK CAPITAL LARGE AND MID CAP FUND	0.03
47.	WHITEOAK CAPITAL MID CAP FUND	0.12
48.	WHITEOAK CAPITAL MULTI CAP FUND	0.04

(1) Based on beneficiary position as on June 24, 2025. The post-Issue shareholding pattern (in percentage terms) of the proposed Allottees has been disclosed on the basis of their respective PAN, except in case of Mutual Funds, Insurance Companies, and FPIs (investing through different sub accounts having common PAN across such sub accounts) wherein their respective DP ID and Client ID has been considered.

(2) Subject to receipt of funds and allotment in the Issue. The details of the proposed Allottees, assuming that the Equity Shares are Allotted to them pursuant to this Issue, have been included in this Placement Document.

DECLARATION

Our Company certifies that all relevant provisions of Chapter VI read with Schedule VII of the SEBI ICDR Regulations have been complied with and no statement made in this Placement Document is contrary to the provisions of Chapter VI and Schedule VII of the SEBI ICDR Regulations and that all approvals and permissions required to carry on our Company's business have been obtained, are currently valid and have been complied with. Our Company further certifies that all the statements in this Placement Document are true and correct.

Signed by:

_____

Jairam Paravastu Sampath
Whole-Time Director and Chief Financial Officer
Date: June 24, 2025
Place: Mysuru, Karnataka, India

DECLARATION

We, the Board of Directors of the Company, certify that:

1. the Company has complied with the provisions of the Companies Act, 2013 and the rules made thereunder;
2. the compliance with the Companies Act, 2013 and the rules thereunder does not imply that payment of dividend or interest or repayment of preference shares or debentures, if applicable, is guaranteed by the Central Government; and
3. the monies received under the Issue shall be used only for the purposes and objects indicated in this Placement Document (which includes disclosures prescribed under Form PAS-4).

SIGNED ON BEHALF OF THE BOARD OF DIRECTORS

Signed by:

_____
Jairam Paravastu Sampath
Whole-Time Director and Chief Financial Officer

I am authorized by the Board of Directors, *vide* resolution dated June 24, 2025 to sign this form and declare that all the requirements of Companies Act, 2013 and the rules made thereunder in respect of the subject matter of this form and matters incidental thereto have been complied with. Whatever is stated in this form and in the attachments thereto is true, correct and complete and no information material to the subject matter of this form has been suppressed or concealed and is as per the original records maintained by the promoters subscribing to the Memorandum of Association and the Articles of Association.

It is further declared and verified that all the required attachments have been completely, correctly and legibly attached to this form.

Signed by:

_____
Jairam Paravastu Sampath
Whole-Time Director and Chief Financial Officer
Date: June 24, 2025
Place: Mysuru, Karnataka, India

KAYNES TECHNOLOGY INDIA LIMITED

CIN: L29128KA2008PLC045825
Registered and Corporate Office
23-25, Belagola, Food Industrial Estate, Metagalli P.O. Mysuru – 570 016, Karnataka, India
Tel: +91 82125 82595
Email: kaynestechcs@kaynestechnology.net
Website: www.kaynestechnology.co.in

Contact Person: Anuj Mehtha
Designation: Company Secretary and Compliance Officer
Address: Kaynes Technology India Limited, 23-25, Belagola, Food Industrial Estate, Metagalli P.O., Mysuru – 570 016, Karnataka, India
Telephone: +91 82125 82595
E-mail: kaynestechcs@kaynestechnology.net

BOOK RUNNING LEAD MANAGERS

Motilal Oswal Investment Advisors Limited
Motilal Oswal Tower, Rahimtullah Sayani Road, Prabhadevi, Mumbai 400025
E-mail: mocorpfin@motilaloswal.com
Website: www.motilaloswalgroup.com
Tel: +91 22 7193 4380

Axis Capital Limited
Axis House, 1st Floor, Pandurang Budhkar Marg, Worli, Mumbai 400 025, Maharashtra, India
Email: kaynes.qip@axiscap.in
Website: www.axiscapital.co.in/
Tel: +91 22 4325 2183

Nomura Financial Advisory and Securities (India) Private Limited
Ceejay House, Level 11 Plot F, Shivsagar Estate, Dr. Annie Besant Road, Worli, Mumbai 400 018, Maharashtra, India
Email: kaynesqip2025@nomura.com
Website: www.nomuraholdings.com/company/group/asia/india/index.html
Tel: +91 22 4037 4037

MONITORING AGENCY

Crisil Ratings Limited
Crisil Limited Lightbridge IT Park, Saki Vihar Road, Andheri East, Mumbai - 400 072, Maharashtra, India

STATUTORY AUDITORS OF OUR COMPANY

K. P. Rao & Co, Chartered Accountants
2nd Floor, Poornima, 25, State Bank Road Bengaluru – 560 001, Karnataka, India

LEGAL COUNSEL TO THE COMPANY
As to Indian law

Khaitan & Co
One World Centre
10th, 13th & 14th Floors, Tower 1C,
841 Senapati Bapat Marg
Mumbai – 400 013 Maharashtra, India

LEGAL COUNSEL TO THE BOOK RUNNING LEAD MANAGERS

As to Indian law
Crawford Bayley & Co
State Bank Building,
4th floor NGN Vaidya Marg, Fort
Mumbai – 400 023, Maharashtra, India

As to International Law
Hogan Lovells (Middle East) LLP
19th Floor, Al Fattan Currency Tower
Dubai International Financial Centre
PO Box 506602
Dubai, UAE

SAMPLE APPLICATION FORM

"An indicative form of the Application Form is set forth below:"

KAYNES TECHNOLOGY INDIA LIMITED
(*Incorporated in the Republic of India under the provisions of the Companies Act, 1956*)
Registered and Corporate Office: 23-25, Belagola, Food Industrial Estate, Metagalli P.O., Mysuru – 570 016, Karnataka, India;

Contact Person: Anuj Mehtha, Company Secretary and Compliance Officer;
Tel: +91 82125 82595;
E-mail:kaynestechcs@kaynestechnology.net;
Website: www.kaynestechnology.co.in;
CIN: L29128KA2008PLC045825
LEI NUMBER: 335800BMPIF3PQ2IPI37
ISIN: INE918Z01012

APPLICATION FORM

Form No.:

Date:

Name of the Bidder: _____

QUALIFIED INSTITUTIONS PLACEMENT OF [●] EQUITY SHARES OF FACE VALUE ₹ 10 EACH (THE "EQUITY SHARES") FOR CASH AT A PRICE OF ₹ [●]PER EQUITY SHARE INCLUDING A PREMIUM OF ₹ [●]PER EQUITY SHARE ("ISSUE PRICE") AGGREGATING TO APPROXIMATELY ₹ [●]MILLION UNDERTAKEN IN ACCORDANCE WITH CHAPTER VI OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED (THE "SEBI ICDR REGULATIONS") AND IN RELIANCE UPON SECTION 42 OF THE COMPANIES ACT, 2013, AS AMENDED (THE "COMPANIES ACT"), READ WITH RULE 14 OF THE COMPANIES (PROSPECTUS AND ALLOTMENT OF SECURITIES) RULES, 2014, AS AMENDED (THE "PAS RULES"), AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT AND THE RULES MADE THEREUNDER BY KAYNES TECHNOLOGY INDIA LIMITED (THE "COMPANY") (HEREINAFTER REFERRED TO AS THE "ISSUE"). THE APPLICABLE FLOOR PRICE OF THE EQUITY SHARES IS ₹[●]AND OUR COMPANY MAY OFFER A DISCOUNT OF UP TO 5% ON THE FLOOR PRICE, AS APPROVED BY THE SHAREHOLDERS.

Only Qualified Institutional Buyers ("QIBs") as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations and which (i) are not, (a) excluded pursuant to Regulation 179(2)(b) of the SEBI ICDR Regulations; (b) which are not prohibited or debarred by any regulatory authority for buying or selling or dealing in securities or restricted from participating in the Issue under the SEBI ICDR Regulations and other applicable laws; (c) hold a valid and existing registration under the applicable laws in India (as applicable); and (d) are eligible to invest in the Issue and submit this Application Form, and (ii) are residents in India or Eligible FPIs (as defined herein below) participating through Schedule II of the Foreign Exchange Management (Non-Debt Instruments) Rules, 2019 ("FEMA Rules"), defined hereinafter or a multilateral or bilateral development financial institution eligible to invest in India under applicable law including the FEMA Rules; can submit this Application Form. In terms of the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000, as amended, foreign venture capital investors ("FVCIs") are not permitted to participate in the Issue. The Equity Shares have not been and will not be registered under the United States Securities Act of 1933, as amended ("U.S. Securities Act") or the securities laws of any state of the United States, and may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. Accordingly, the Equity Shares are being offered and sold only outside the United States in "offshore transactions" as defined in, and in reliance on, Regulation S under the U.S. Securities Act ("Regulation S") and the applicable laws of the jurisdictions where those offers and sales are made.

For the selling restrictions in certain other jurisdictions, see "*Selling Restrictions*" in the accompanying preliminary placement document dated June 19, 2025 (the "PPD"). See "*Transfer Restrictions and Purchaser Representations*" in the PPD for information about transfer restrictions that apply to the Equity Shares sold in the Issue.

ELIGIBLE FPIS ARE PERMITTED TO PARTICIPATE IN THIS ISSUE, THROUGH THE PORTFOLIO INVESTMENT SCHEME UNDER SCHEDULE II OF THE FEMA RULES, SUBJECT TO COMPLIANCE WITH ALL APPLICABLE LAWS AND SUCH THAT THE SHAREHOLDING OF ELIGIBLE FPIS DO NOT EXCEED SPECIFIED LIMITS AS PRESCRIBED UNDER APPLICABLE LAWS IN THIS REGARD. PURSUANT TO PRESS NOTE NO. 3 (2020 SERIES), DATED APRIL 17, 2020, ISSUED BY THE DEPARTMENT FOR PROMOTION OF INDUSTRY AND INTERNAL TRADE, GOVERNMENT OF INDIA, AND RULE 6 OF THE FEMA RULES, INVESTMENTS BY AN ENTITY OF A COUNTRY WHICH SHARES LAND BORDER WITH INDIA OR WHERE THE BENEFICIAL OWNER OF SUCH INVESTMENT IS SITUATED IN OR IS A CITIZEN OF SUCH COUNTRY, MAY ONLY BE MADE THROUGH THE GOVERNMENT APPROVAL ROUTE. ALLOTMENTS MADE TO AIFS AND VCFs IN THE ISSUE SHALL REMAIN SUBJECT TO THE RULES AND REGULATIONS APPLICABLE TO EACH OF THEM RESPECTIVELY, INCLUDING THE FEMA RULES. OTHER ELIGIBLE NON-RESIDENT QIBS SHALL PARTICIPATE IN THE ISSUE UNDER SCHEDULE I OF FEMA RULES. FVCIs ARE NOT PERMITTED TO PARTICIPATE IN THE ISSUE.

To,

The Board of Directors
KAYNES TECHNOLOGY INDIA LIMITED
Registered and Corporate Office: 23-25, Belagola, Food Industrial Estate, Metagalli P.O., Mysuru – 570 016, Karnataka, India

Dear Sirs,

STATUS (Please ✓ for applicable category)			
FI	Scheduled Commercial Banks and Financial Institutions	**AIF**	Alternative Investment Funds**
MF	Mutual Funds	**NIF**	National Investment Fund
FPI	Eligible Foreign Portfolio Investors*		
VCF	Venture Capital Funds**	**SI-NBFC**	Systemically Important NBFC
IC	Insurance Companies	**IF**	Insurance Funds
OTH	Others (Please Specify)		
Foreign portfolio investors as defined under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019, other than individuals, corporate bodies and family offices who are not allowed to participate in the Issue.* * Sponsor and Manager should be Indian owned and controlled.*			

On the basis of the serially numbered PPD and subject to the terms and conditions contained therein, and in this Application Form, we hereby submit our Application Form for the Allotment of the Equity Shares in the Issue, on the terms and price indicated below. We confirm that we have a valid and existing registration under applicable laws and regulations of India, and undertake to acquire, hold, manage or dispose of any Equity Shares that are Allotted to us in accordance with Chapter VI of the SEBI ICDR Regulations and undertake to comply with the SEBI ICDR Regulations, and all other applicable laws, including any reporting obligations and the terms and conditions mentioned in the PPD and this Application Form.

We confirm that we are an Eligible QIB as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations and are not: (a) excluded pursuant to Regulation 179(2)(b) of the SEBI ICDR Regulations; and (b) restricted from participating in the Issue under the applicable laws, including SEBI ICDR Regulations. We are not a Promoter of the Company (as defined in the SEBI ICDR Regulations), or any person related to the Promoters of the Company, directly or indirectly and this Application Form does not directly or indirectly represent the Promoters or Promoter Group or persons related to the Promoters. Further, we confirm that we do not have any right under a shareholders' agreement or voting agreement entered into with Promoters or persons related to Promoters of the Company, veto rights or right to appoint any nominee director on the board of directors of the Company. We confirm that we are either a QIB which is resident in India, or an Eligible FPI, participating through Schedule II of the FEMA Rules or a multilateral or bilateral development financial institution eligible to invest in India under applicable law. We specifically confirm that our Bid for the Allotment of the Equity Shares is not in violation to the amendment made to Rule 6(a) of the FEMA Rules by the Central Government on April 22, 2020. We confirm that we are neither an AIF or VCF whose sponsor and manager is not Indian owned and controlled in terms of the FEMA Rules, nor an FVCI. We confirm that the signatory is authorized to apply on behalf of the Bidder and the Bidder has all the relevant approvals for applying in the Issue.
We confirm that the Bid size / aggregate number of the Equity Shares applied for by us, and which may be Allocated to us thereon will not exceed the relevant regulatory or approved limits and further confirm that our Bid will not result in triggering an open offer under the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended (the "**Takeover Regulations**"). We confirm that, in relation to our application, each foreign portfolio investor ("**FPI**") as

defined under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019, as amended (other than individuals, corporate bodies and family offices), and including persons who have been registered under these regulations (such FPIs, "**Eligible FPIs**"), have submitted a separate Application Form, and asset management companies of mutual funds have specified the details of each scheme for which the application is being made along with the Bid Amount and number of shares to be Allotted under each scheme. We undertake that we will sign all such documents, provide such documents and do all such acts, if any, necessary on our part to enable us to be registered as the holder(s) of the Equity Shares that may be Allotted to us. We note that the Company is entitled, in consultation with DAM Capital Advisors Limited, Axis Capital Limited, IIFL Securities Limited and Nomura Financial Advisory and Securities (India) Private Limited (the "**BRLMs**"), in its sole discretion, to accept or reject this Application Form without assigning any reason thereof.

We hereby agree to accept the Equity Shares applied for, or such lesser number of Equity Shares as may be Allocated to us, subject to the provisions of the memorandum of association and articles of association of the Company, applicable laws and regulations, the terms of the PPD, Placement Document and the confirmation of allocation note ("**CAN**"), when issued and the terms, conditions and agreements mentioned therein and request you to credit the same to our beneficiary account with the Depository Participant as per the details given below, subject to receipt of Application Form and the Bid Amount towards the Equity Shares that may be allocated to us. The amount payable by us as Bid Amount for the Equity Shares applied for has been/will be remitted to the designated bank account set out in this Application Form through electronic mode, along with this Application Form prior to the Issue Closing Date and such Bid Amount has been /will be transferred from a bank account maintained in our name. We acknowledge and agree that we shall not make any payment in cash or cheque. We are aware that (i) Allocation and Allotment in the Issue shall be at the sole discretion of the Company, in consultation with the BRLMs; and (ii) in the event that Equity Shares that we have applied for are not Allotted to us in full or at all, and/or the Bid Amount is in excess of the amount equivalent to the product of the Equity Shares that will be Allocated to us and the Issue Price, or the Company is unable to issue and Allot the Equity Shares offered in the Issue or if there is a cancellation of the Issue, or in case of rejection of Bids or non-allocation of Equity Shares or the listing of the Equity Shares does not occur in the manner described in the PPD, the Placement Document, the SEBI ICDR Regulations and other applicable laws, the Bid Amount or a portion thereof, as applicable, will be refunded to the same bank account from which the Bid Amount was paid by us. Further, we agree to comply with the rules and regulations that are applicable to us, including in relation to the lock-in and transferability requirements. In this regard, we authorize the Company to issue instructions to the depositories for such lock-in and transferability requirements, as may be applicable to us.

We acknowledge and agree that (i) our names, addresses, nationalities, contact details, email IDs, PAN, bank account details and the number of Equity Shares Allotted, along with other relevant information as may be required, will be recorded by the Company in the format prescribed in terms of the PAS Rules; (ii) in the event that any Equity Shares are Allocated to us in the Issue, we are aware pursuant to the requirements under Form PAS-4 of the PAS Rules that our names (as proposed Allottees) and the percentage of our post-Issue shareholding in the Company will be disclosed in the Placement Document, and we are further aware that disclosure of such details in relation to us in the Placement Document will not guarantee Allotment to us, as Allotment in the Issue shall continue to be at the sole discretion of the Company, in consultation with the BRLMs; and (iii) in the event that Equity Shares are Allotted to us in the Issue, the Company will place our name in the register of members of the Company as a holder of such Equity Shares that may be Allotted to us and in the Form PAS-3 filed by the Company with the Registrar of Companies, Karnataka at Bengaluru (the "**RoC**") as required in terms of the PAS Rules. Further, we are aware and agree that if we, together with any other QIBs belonging to the same group or under common control, are Allotted more than 5% of the Equity Shares in the Issue, the Company shall be required to disclose our name, along with the names of such other Allottees and the number of Equity Shares Allotted to us and to such other Allottees, on the websites of BSE Limited and the National Stock Exchange of India Limited (the "**Stock Exchanges**") and we consent to such disclosures. In addition, we confirm that we are eligible to invest in Equity Shares under the SEBI ICDR Regulations, circulars issued by the Reserve Bank of India ("**RBI**") and other applicable laws.

By signing and/or submitting this Application Form, we hereby confirm and agree (i) that the representations, warranties, acknowledgements and agreements as provided in the sections entitled *"Notice to Investors"*, *"Representations by Investors"*, *"Issue Procedure"*, *"Selling Restrictions"* and "*Transfer Restrictions and Purchaser Representations*" of the PPD and (ii) the terms, conditions and agreements mentioned herein are true and correct and acknowledge and agree that these representations and warranties are given by us for the benefit of the Company and the BRLMs, each of whom is entitled to rely on, and is relying on, these representations and warranties in consummating the Issue.

By signing and/or submitting this Application Form, we hereby represent, warrant, acknowledge and agree as follows: (1) we have been provided with a serially numbered copy of the PPD along with the Application Form, have read it in its entirety including in particular, the section entitled "*Risk Factors*" therein and we have relied only on the information contained in the PPD and not on any other information obtained by us either from the Company, the BRLMs or from any other source, including publicly available information; (2) we will abide by the PPD and the Placement Document, this Application Form, the CAN, when issued, and the terms, conditions and agreements contained therein; (3) that if Equity Shares are Allotted to us pursuant to the Issue, we shall not sell such Equity Shares otherwise than on the floor of a recognised stock exchange in India for a period of one year from the date of Allotment; (4) we will not have the right to withdraw our Bid or revise our Bid downwards after the Issue Closing Date; (5) we will not trade in the Equity Shares credited to our beneficiary account maintained with the Depository Participant until such time that the final listing and trading approvals for the Equity Shares are issued by the Stock Exchange; (6) Equity Shares shall be Allocated and Allotted at the sole and absolute discretion of the Company, in consultation with the BRLMs, and the submission of this Application Form and payment of the corresponding Bid Amount by us does not guarantee any Allocation or Allotment of Equity Shares to us in full or in part; (7) in terms of the requirements of the Companies Act, upon Allocation, the Company will be required to disclose names and percentage of our post-Issue shareholding of the proposed Allottees in the Placement Document; however, disclosure of such details in relation to us in the Placement Document will not guarantee Allotment to us, as Allotment in the Issue shall continue to be at the sole discretion of the Company, in consultation with the BRLMs; (8) the number of Equity Shares Allotted to us pursuant to the Issue, together with other Allottees that belong to the same group or are under common control as us, shall not exceed 50% of the Issue and we shall provide all necessary information in this regard to the Company and the BRLMs. For the purposes of this representation: The expression 'belong to the same group' shall derive meaning from Regulation 180(2) of the SEBI ICDR Regulations, i.e., entities where (i) any of them controls, directly or indirectly, through its subsidiary or holding company, not less than 15% of the voting rights in the other; (ii) any of them, directly or indirectly, by itself, or in combination with other persons, exercise control over the others; or (iii) there is a common director, excluding nominee and independent directors, among the Eligible QIBs, its subsidiary or holding company and any other QIB; and 'control' shall have the same meaning as is assigned to it under Regulation 2(1)(e) of the Takeover Regulations; (9) if we are participating in the Issue as an Eligible FPI, we are not an individual, corporate body, or family office; and (10) We agree to accept the Equity Shares applied for, or such lesser number of Equity Shares as may be Allocated to us, subject to the provisions of the memorandum of association and articles of association of the Company, applicable laws and regulations, the terms of the PPD and the Placement Document, this Application Form, the CAN upon its issuance and the terms, conditions and agreements mentioned therein and request you to credit the same to our beneficiary account with the Depository Participant as per the details given below.

By signing and/or submitting this Application Form, we further represent, warrant and agree that we have such knowledge and experience in financial and business matters that we are capable of evaluating the merits and risks of the prospective investment in the Equity Shares and we understand the risks involved in making an investment in the Equity Shares. No action has been taken by us or any of our affiliates or representatives to permit a public offering of the Equity Shares in any jurisdiction. We satisfy any and all relevant suitability standards for investors in Equity Shares, have the ability to bear the economic risk of our investment in the Equity Shares, have adequate means of providing for our current and contingent needs, have no need for liquidity with respect to our investment in Equity Shares and are able to sustain a complete loss of our investment in the Equity Shares. We acknowledge that once a duly filled Application Form is submitted by an Eligible QIB, whether signed or not, and the Bid Amount has been transferred to the Escrow Account (as detailed below), such Application Form constitutes an irrevocable offer and cannot be withdrawn or revised downwards after the Issue Closing Date. In case Bids are being made on behalf of the Eligible QIB and this Application Form is unsigned, we confirm that we are authorized to submit this Application Form and provide necessary instructions for transfer of the Bid Amount to the Escrow Account, on behalf of the Eligible QIB.

We acknowledge that the Equity Shares have not been and will not be registered under the U.S. Securities Act, and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. By signing this Application Form and checking the applicable box above, we hereby represent that we are located outside the United States (as defined under Regulation S) and are purchasing Equity Shares in an "offshore transaction" as defined in, and in reliance on Regulation S and the applicable laws of the jurisdictions where those offers and sales are made. We confirm that we have read the representations, warranties and agreements contained in the sections entitled "*Selling Restrictions*" and "*Transfer Restrictions and Purchaser Representations*" in the PPD.

BIDDER DETAILS (In Block Letters)	
NAME OF BIDDER*	
NATIONALITY	
REGISTERED ADDRESS	
CITY AND CODE	
COUNTRY	

BIDDER DETAILS (In Block Letters)			
PHONE NO.		**FAX NO.**	
MOBILE NO.			
EMAIL ID			
LEI NO.			
FOR ELIGIBLE FPIs**	SEBI FPI REGISTRATION NO.		
FOR MF	SEBI MF REGISTRATION NO.		
FOR AIFs**	SEBI AIF REGISTRATION NO.		
FOR VCFs**	SEBI VCF REGISTRATION NO.		
FOR SI-NBFC	RBI REGISTRATION DETAILS		
FOR INSURANCE COMPANIES	IRDAI REGISTRATION DETAILS.		
FOR PENSION FUNDS	PFRDA REGISTRATION DETAILS.		

*Name should exactly match with the name in which the beneficiary account is held. Application Amount payable on Equity Shares applied for by joint holders shall be paid from the bank account of the person whose name appears first in the application. Mutual Fund Bidders are requested to provide details of the bids made by each scheme of the Mutual Fund. Each Eligible FPI is required to fill a separate Application Form. Further, any discrepancy in the name as mentioned in this Application Form with the depository records would render the application invalid and liable to be rejected at the sole discretion of the Company and the BRLM.
** In case you are an Eligible FPI holding a valid certificate of registration and eligible to invest in the Issue, please mention your SEBI FPI Registration Number.
*** Allotments made to AIFs and VCFs in the Issue are subject to the rules and regulations that are applicable to each of them respectively, including in relation to lock-in requirement. AIFs and VCFs should independently consult their own counsel and advisors as to investment in and related matters concerning the Issue.

BID DETAILS					
Number of Shares Bid		**Price per Equity Share**		**Bid Amount**	
(in figures)	(In words)	(in figures)	(In words)	(in figures)	(In words)

We are aware that the number of Equity Shares in the Company held by us, together with the number of Equity Shares, if any, Allocated to us in the Issue will be aggregated to disclose the percentage of our post-Issue shareholding in the Company in the Placement Document in line with the requirements under Form PAS-4 of the PAS Rules. For such information, the BRLMs will rely on the information provided by the Registrar for obtaining details of our shareholding and we consent and authorize such disclosure in the Placement Document.

ESCROW ACCOUNT – BANK ACCOUNT DETAILS FOR PAYMENT OF AMOUNT THROUGH ELECTRONIC FUND TRANSFER | REMITTANCE BY WAY OF ELECTRONIC FUND TRANSFER	
BY 3:00 P.M. (IST), June 24, 2025	
Name of the Account	KAYNES TECHNOLOGY INDIA LIMITED-QIP ESCROW A/C
Name of the Bank	AXIS BANK LIMITED
Address of the Branch of the Bank	Mega Wholesale Banking Centre, Axis Bank Limited, Nitesh Timesquare, Level 3, No.8,MG Road, Bangalore-560 001
Account Type	Current Account
Account Number	925020028029014
IFSC	UTIB0001541
LEI Number of Company	335800BMPIF3PQ2IPI37
Email and telephone no.	cbbbangalore.operationshead@axisbank.com | +91 98861 66877

The Bid Amount should be transferred pursuant to the Application Form. All payments must be made only by way of electronic funds transfer, in favour of "**KAYNES TECHNOLOGY INDIA LIMITED-QIP ESCROW A/C**". Payment of the entire Bid Amount should be made along with the Application Form on or before the closure of the Issue Period, i.e., prior to the Bid/Issue Closing Date. **The payment for subscription to the Equity Shares Allotted in the Issue shall be made only from the bank account of the person subscribing to the Equity Shares and in case of joint holders, from the bank account of the person whose name appears first in the Application Form.**

| DEPOSITORY ACCOUNT DETAILS | | | | |

Bank Name		Bank Branch Address	

DETAILS OF CONTACT PERSON			
Name:			
Address:			
Tel. No:		Fax No:	
Mobile No.	_____ Email: _____		

OTHER DETAILS	
PAN	
Date of Application	
Signature of Authorised Signatory (may be signed either physically of digitally)	

ENCLOSURES ATTACHED

- ☐ Copy of PAN Card or PAN allotment letter**
- ☐ FIRC
- ☐ Copy of the SEBI registration certificate as a Mutual Fund
- ☐ Copy of the SEBI registration certificate as an Eligible FPI
- ☐ Copy of the SEBI registration certificate as an AIF
- ☐ Copy of the SEBI registration certificate as a VCF
- ☐ Certified copy of certificate of registration issued by the RBI as an SI-NBFC/ a scheduled commercial bank
- ☐ Copy of the IRDAI registration certificate
- ☐ Intimation of being part of the same group
- ☐ Certified true copy of the power of attorney
- ☐ Other, please specify _____

**It is to be specifically noted that the Bidder should not submit the GIR Number or any other identification number instead of the PAN as the applications are liable to be rejected on this ground, unless the Bidder is exempted from the requirement of obtaining a PAN number under the Income-tax Act, 1961.*

***A physical copy of the Application Form and relevant documents as required to be provided along with the Application Form shall be submitted as soon as practical.*

Note:

(1) Capitalized terms used but not defined herein shall have the same meaning as ascribed to them in the PPD, unless specifically defined herein.

(2) The Application Form is liable to be rejected if any information provided is incomplete or inadequate at the discretion of the Company, in consultation with the Lead Managers.

(3) The duly filed Application Form along with all enclosures shall be submitted to the Lead Managers either through electronic form at the email mentioned in the PPD or through physical delivery at the address mentioned in the PPD.

This Application Form, the PPD sent to you and the Placement Document which will be sent to you, either in physical form or both, are specific to you and you may not distribute or forward the same and are subject to disclaimer and restrictions contained in or accompanying these documents.