Independent Auditor's Report

TO THE MEMBERS OF POLYCAB USA LLC

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Polycab USA LLC ("the Company"), which comprise the Balance Sheet as at 31 March 2024, the Statement of Profit and Loss, including Other Comprehensive Income, Statement of Cash Flow and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of material accounting policy information and other explanatory information (herein after referred to as "financial statements"). The Financial Statements have been prepared by the management of Company, solely for the purpose of preparation of the consolidated financial statements of its holding company, Polycab India Limited.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Companies Act, 2013 ("the Act") read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ('Ind AS') and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2024, and its loss, total comprehensive loss, its cash flows and the changes in equity for the year ended on that date.

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

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's directors report, but does not include the financial statements and our auditors' report thereon.

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

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In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with Companies (Indian Accounting Standard) Rules, 2015, as amended.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring 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 free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibility for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the 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 but not for the purpose of expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

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

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

  Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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

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

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Other Reporting Requirements

We further 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 financial statements.

b) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and Statement of Changes in Equity, and dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the financial statements.

For **PRASHANT SHAH & CO**
Chartered Accountants
Firm Registration No. 146854W

PRASHANT SHAH
Proprietor
Membership No. 303286
Place: Mumbai
Date: 26 April 2024
UDIN: 24303286BKAJQR5322

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Polycab USA LLC
Balance Sheet as at 31 March 2024

(In INR'000)

	Notes	As at 31 Mar 24	As at 31 Mar 23
ASSETS			
Non-current assets			
Property, plant and equipment	3	146.87	-
Capital work-in-progress	3	20,209.27	-
Right of use assets	4	189,636.43	-
Non-current tax assets (net)	5	32,349.08	-
Other non-current assets	6	7,979.12	-
		250,320.77	**-**
Current assets			
Inventories	7	3,653,202.71	-
Financial assets			
(a) Trade receivables	8	199,457.66	-
(b) Cash and cash equivalents	9	281,099.53	90,438.59
(c) Bank balances other than cash and cash equivalent	10	25,012.17	-
Other current assets	11	1,566.95	-
		4,160,339.02	**90,438.59**
Total assets		**4,410,659.79**	**90,438.59**
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	12	-	-
(b) Other equity	13	(20,241.18)	(164.43)
		(20,241.18)	**(164.43)**
Liabilities			
Non-current liabilities			
Financial liabilities			
(a) Lease liabilities	14A	42,013.37	-
(b) Other financial liabilities	15	390,424.08	-
Other liabilities	16	16,406.62	-
		448,844.07	**-**
Current liabilities			
Financial liabilities			
(a) Trade payables	17	3,808,289.37	164.43
(b) Lease liabilities	14B	155,865.58	-
Other current liabilities	18	17,901.95	90,438.59
		3,982,056.90	**90,603.02**
Total equity and liabilities		**4,410,659.79**	**90,438.59**
Corporate information and summary of material accounting policy information	1-2		
Other notes to accounts	27-34		

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

As per our report of even date
For PRASHANT SHAH & CO
Chartered Accountants
ICAI Firm Registration No. 146854W

PRASHANT SHAH & CO. MUMBAI CHARTERED ACCOUNTANTS

Prashant Shah
Proprietor
Membership No. 303286

Place: Mumbai
Date: 26 April 2024

For and on behalf of the Board of Directors of
Polycab USA LLC

Shikha Jaisinghani
Manager

Place: Pennsylvania, United States
Date: 22 April 2024

Polycab USA LLC
Statement of Profit & Loss for the year ended 31 March 2024

(In INR'000)

	Notes	Year ended 31-Mar-24	Year ended 31-Mar-23
INCOME			
Revenue from operations	19	336,726.68	-
Other income	20	20,548.72	-
Total income		**357,275.40**	**-**
EXPENSES			
Purchases of stock-in-trade	21	3,919,100.58	-
Changes in inventories of stock-in-trade	22	(3,653,202.71)	-
Employee benefits expense	23	2,899.72	-
Depreciation and amortisation expense	24	37,969.32	-
Finance costs	25	23,187.83	-
Other expenses	26	24,279.96	160.78
Total expenses		**354,234.70**	**160.78**
Profit/(Loss) before tax		**3,040.70**	**(160.78)**
Tax expenses			
Current tax		-	-
Adjustment of tax relating to earlier periods		-	-
Deferred tax (credit)/charge		-	-
Total tax expenses		**-**	**-**
Profit/(Loss) for the period		**3,040.70**	**(160.78)**
Items that will be reclassified to profit or loss			
Exchange difference on translation of foreign operations		(23,117.45)	-
Income tax relating to items that will be reclassified to Profit or Loss		-	-
Other comprehensive income for the period, net of tax		**(23,117.45)**	**-**
Total comprehensive income for the period, net of tax		**(20,076.74)**	**(160.78)**
Corporate information and summary of material accounting policy information	1-2		
Other notes to accounts	27-34		

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As per our report of even date
For PRASHANT SHAH & CO
Chartered Accountants
ICAI Firm Registration No. 146854W

Prashant Shah
Proprietor
Membership No. 303286

Place: Mumbai
Date: 26 April 2024

For and on behalf of the Board of Directors of
Polycab USA LLC

Shikha Jaisinghani
Manager

Place: Pennsylvania, United States
Date: 22 April 2024

Polycab USA LLC
Statement of Cash Flows for the year ended 31 March 2024

Accounting policy

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

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

For the purposes of cash flow, statement cash and cash equivalents consist of cash and short-term deposits as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

(In INR'000)

		Year ended 31 Mar 24	Year ended 31 Mar 23
A. CASH FLOWS FROM OPERATING ACTIVITIES			
Profit/(Loss) before tax		**3,040.69**	**(160.78)**
Adjustments for:			
Depreciation and amortisation expenses		37,969.32	-
Finance cost		23,187.83	-
Operating loss before working capital changes		**64,197.84**	**(160.78)**
Movements in working capital:			
(Increase)/ Decrease in inventories		(3,653,202.71)	-
(Increase)/ Decrease in other current assets		(1,566.95)	-
(Increase)/ Decrease in trade receivable		(199,457.66)	-
Increase/ (Decrease) in trade payables		3,808,124.94	164.43
Increase/ (Decrease) in other current liabilities		(72,536.64)	90,438.59
Cash generated from operations		**(54,441.18)**	**90,442.24**
Less: Income tax paid (net of refunds)		(32,349.08)	-
Net cash generated/(used) from operating activities (A)		**(86,790.26)**	**90,442.24**
B. CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment (including CWIP)		(20,359.24)	-
(Increase)/ Decrease in other non-current assets		(7,979.12)	-
Bank deposits placed		(25,012.17)	-
Net cash used in investing activities (B)		**(53,350.53)**	**-**
C. CASH FLOWS FROM FINANCING ACTIVITIES			
Increase/ (Decrease) in other financial liabilities		390,424.08	-
Increase/ (Decrease) in other liabilities		16,406.62	-
Payment of principal portion of lease liabilities		(29,723.69)	-
Payment of interest on lease liabilities		(6,986.51)	-
Interest and other finance cost paid		(16,201.31)	-
Net cash used in financing activities (C)		**353,919.18**	**-**
Net increase / (decrease) in cash and cash equivalents (A+B+C)		**213,778.39**	**90,442.24**
Exchange difference on translation of foreign operations		(23,117.45)	(3.65)
Cash and cash equivalents at the beginning of the year		90,438.59	-
Cash and cash equivalents at end of the year		**281,099.53**	**90,438.59**
(i) Cash and cash equivalents comprises of			
Balances with banks			
In current accounts		281,099.53	90,438.59
Cash and cash equivalents in Cash Flow Statement		**281,099.53**	**90,438.59**
Corporate information and summary of material accounting policy information	1-2		
Other notes to accounts	27-34		

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

As per our report of even date
Date: 26 April 2024
Chartered Accountants
ICAI Firm Registration No. 146854W

PRASHANT SHAH & CO. * MUMBAI * CHARTERED ACCOUNTANTS

Prashant Shah
Proprietor
Membership No. 303286

Place: Mumbai
Date: 26 April 2024

For and on behalf of the Board of Directors of
Polycab USA LLC

Shikha Jaisinghani
Manager

Place: Pennsylvania, United States
Date: 22 April 2024

Polycab USA LLC
Statement of Changes in Equity for the year ended 31 March 2024

A) Equity Share Capital (In INR'000)

	31-Mar-24	31-Mar-23
Balance at the beginning of the period	-	-
Balance at the end of the period	**-**	**-**

B) Other Equity (In INR'000)

	Reserves & Surplus Retained Earnings	Foreign Currency Translation Reserve	Total other equity
As at 1 Apr 2022	**-**	**-**	**-**
Loss after tax for the period	(160.78)	(3.65)	(164.43)
As at 31 Mar 2023	**(160.78)**	**(3.65)**	**(164.43)**
Loss after tax for the period	3,040.70	(23,117.45)	(20,076.74)
As at 31 March 2024	**2,879.92**	**(23,121.10)**	**(20,241.17)**
Corporate information and summary of significant accounting policies	1-2		
Other notes to accounts	27-34		

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

As per our report of even date
For PRASHANT SHAH & CO
Chartered Accountants
ICAI Firm Registration No. 146854W

PRASHANT SHAH & CO. MUMBAI CHARTERED ACCOUNTANTS

Prashant Shah
Proprietor
Membership No. 303286

Place: Mumbai
Date: 26 April 2024

For and on behalf of the Board of Directors of
Polycab USA LLC

Shikha Jaisinghani
Manager

Place: Pennsylvania, United States
Date: 22 April 2024

Polycab USA LLC

Notes to Financial Statements for the year ended 31 March 2024

1. Corporate information

Polycab USA LLC, ("the Company) a limited liability company , is incorporated in the state of Delware, United States of America. The Company was incorporated on January 28, 2020.The registered address of the Company is c/o 600 Eagle view Blvd, Suite 300, Exton, PA 19341USA. The Employer Identification Number is 84-4532558. The Company is incorporated for trading business of electrical cables and wires, Optical fibre Cables and consumer electrical goods.

The Board of Directors approved the Financial Statements for the period ended 31 March 2024 and authorised for issue on 22 April 2024.

2. Summary of significant accounting policies

A) Basis of preparation

i Statement of Compliance:

The Company prepares its Financial Statements to comply with the Indian Accounting Standards ("Ind AS") specified under section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time and the presentation requirements of Division II of Schedule III of Companies Act, 2013, (Ind AS compliant Schedule III). These financial statements includes Balance Sheet as at 31 March 2024, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Cash flows and Statement of changes in equity for the period ended 31 March 2024, and a summary of significant accounting policies and other explanatory information (together hereinafter referred to as “Financial Statements”).

ii Basis of Measurement:

The financial statements for the period ended 31 March 2024 have been prepared on an accrual basis and under a historical cost convention Historical cost and methods of computation followed in the financial statements are same as compared with the annual financial statements for the year ended 31 March 2023, except for adoption of new standard or any pronouncements effective from 1 April 2022.

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

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

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

Operating Cycle:

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle for the purpose of current/ non-current classification of assets and liabilities.

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 treated as 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.

iv Functional and Presentation Currency:

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operate (i.e. the “functional currency”). The functional currency of the company is USD and the financial statements are presented in INR.

B) Use of estimates and judgements

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

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur. The Company uses the following critical accounting estimates in preparation of its financial statements:

i Revenue Recognition:

The Company applied judgements that significantly affect the determination of the amount and timing of revenue from contracts at a point in time with customers, such as identifying performance obligations in a sales transactions.

(a) Determining the revenue to be recognised in case of performance obligation satisfied over a period of time; revenue recognition is done by measuring the progress towards complete satisfaction of performance obligation. The progress is measured in terms of a proportion of actual cost incurred to-date, to the total estimated cost attributable to the performance obligation.

(b) Determining the expected losses, which are recognised in the period in which such losses become probable based on the expected total contract cost as at the reporting date.

ii Provisions

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

iii Contingencies

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

iv Trade Receivables

Trade receivables are recognised initially at the transaction price, less the expected lifetime credit losses to be recognised from initial recognition of the receivables. The expected credit losses on these financial assets are estimated using a provision matrix based on the Company historical credit loss experience, as well as the credit losses that are expected in the foreseeable future.

v Provision for income tax and deferred tax assets

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

vi Fair value measurement of financial instruments

When the fair value of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

C) Changes in significant accounting policies

The Company has not been required to apply any new standard, interpretation or amendment that has been issued and therefore there were no significant changes in the accounting policies.

D) New and amended standards

'The Company applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after 1 April 2022.

The Ministry of Corporate Affairs has notified Companies (Indian Accounting Standard) Amendment Rules 2022 dated 23 March 2022, to amend the following Ind AS which are effective from 01 April 2022.

(i) Onerous Contracts – Costs of Fulfilling a Contract – Amendments to Ind AS 37

An onerous contract is a contract under which the unavoidable of meeting the obligations under the contract costs (i.e., the costs that the Company cannot avoid because it has the contract) exceed the economic benefits expected to be received under it.
The amendments specify that when assessing whether a contract is onerous or loss-making, an entity needs to include costs that relate directly to a contract to provide goods or services including both incremental costs (e.g., the costs of direct labour and materials) and an allocation of costs directly related to contract activities (e.g., depreciation of equipment used to fulfil the contract and costs of contract management and supervision). General and administrative costs do not relate directly to a contract and are excluded unless they are explicitly chargeable to the counterparty under the contract.

The Company applied the amendments to the contracts for which it had not fulfilled all of its obligations at the beginning of the reporting period. The Company did not have any significant impact on the financial statements due to this amendment.

(ii) Reference to the Conceptual Framework – Amendments to Ind AS 103

The amendments replaced the reference to the ICAI's "Framework for the Preparation and Presentation of Financial Statements under Indian Accounting Standards" with the reference to the "Conceptual Framework for Financial Reporting under Indian Accounting Standard" without significantly changing its requirements.
The amendments also added an exception to the recognition principle of Ind AS 103 Business Combinations to avoid the issue of potential 'day 2' gains or losses arising for liabilities and contingent liabilities that would be within the scope of Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets or Appendix C, Levies, of Ind AS 37, if incurred separately. The exception requires entities to apply the criteria in Ind AS 37 or Appendix C, Levies, of Ind AS 37, respectively, instead of the Conceptual Framework, to determine whether a present obligation exists at the acquisition date.
The amendments also add a new paragraph to Ind AS 103 to clarify that contingent assets do not qualify for recognition at the acquisition date.

In accordance with the transitional provisions, the Company applies the amendments prospectively, i.e., to business combinations occurring after the beginning of the annual reporting period in which it first applies the amendments (the date of initial application).
These amendments had no impact on the standalone financial statements of the Company as there were no contingent assets, liabilities or contingent liabilities within the scope of these amendments that arose during the period.

(iii) Property, Plant and Equipment: Proceeds before Intended Use – Amendments to Ind AS 16

The amendments modified paragraph 17(e) of Ind AS 16 to clarify that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment.

The amendments are effective for annual reporting periods beginning on or after 1 April 2022. These amendments had no impact on the standalone financial statements of the Company as there were no sales of such items produced by property, plant and equipment made available for use on or after the beginning of the earliest period presented.

(iv) Ind AS 109 Financial Instruments – Fees in the '10 per cent' test for derecognition of financial liabilities

The amendment clarifies the fees that an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability. These fees include only those paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other's behalf.

In accordance with the transitional provisions, the Company applies the amendment to financial liabilities that are modified or exchanged on or after the beginning of the annual reporting period in which the entity first applies the amendment (the date of initial application). These amendments had no impact on the standalone financial statements of the Company as there were no modifications of the Company's financial instruments during the period.

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

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On 31 March 2023, MCA amended the Companies (Indian Accounting Standards) Rules, 2015 by issuing the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from 1 April 2023, as below:

Ind AS 1 – Presentation of Financial Statements

The amendments require companies to disclose their material accounting policies rather than their significant accounting policies. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general purpose financial statements. The Company does not expect this amendment to have any significant impact in its financial statements.

Ind AS 12 – Income Taxes

The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12 (recognition exemption) so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. The Company does not expect this amendment to have any significant impact in its financial statements.

Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors

The amendments will help entities to distinguish between accounting policies and accounting estimates. The definition of a change in accounting estimates has been replaced with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty. The Company does not expect this amendment to have any significant impact in its financial statements.

F) The significant accounting policies used in preparation of the financial statements have been disclosed in the respective notes.

3. Property, plant and equipment

Accounting policy

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

Subsequent expenditure related to an item of property, plant and equipment is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. Incomes and expenses related to the incidental operations not necessary to bring the item to the location and the condition necessary for it to be capable of operating in the manner intended by the Company are recognized in the Statement of profit and loss. All other expenses on existing property, plant and equipment, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the Statement of Profit & Loss for the year in which such expenses are incurred.

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

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

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

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

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

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively. Depreciation is not recorded on capital work-in-progress until construction and installation is complete and the asset is ready for its intended use.

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

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

(In INR'000)

	Office equipments	Total	Capital Work in progress
Gross carrying value (at cost)			
As at 01 April 2023 (Restated)	-	-	-
Additions	149.99	149.99	20,359.26
Transfer	-	-	(149.99)
Disposals/Adjustments	-	-	-
As at 31 March 2024	**149.99**	**149.99**	**20,209.27**
Accumulated depreciation			
As at 01 April 2023 (Restated)	-	-	-
Depreciation charge for the year	3.10	**3.10**	-
Translation reserve	0.02	**0.02**	
Disposals/Adjustment			-
As at 31 March 2024	**3.11**	**3.11**	**-**
Net carrying value			
As at 31 March 2024	**146.87**	**146.87**	**20,209.27**

(a) CWIP aging schedule as at 31 March 2024 (In INR'000)

	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress					
Other Projects	20,209.27	-	-	-	20,209.27
	20,209.27	**-**	**-**	**-**	**20,209.27**

CWIP aging schedule as at 31 March 2023 (In INR'000)

	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress					
Other Projects	-	-	-	-	-
	-	**-**	**-**	**-**	**-**

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

4. Right of use assets

Accounting policy

i. The Company as a lessee

The Company's lease asset classes primarily consist of leases for rental warehouse. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases), variable lease and leases with low value assets. For these short-term, variable lease and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

The estimated useful life of the right-of-use assets are determined on the same basis as those of property, plant and equipment. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying value may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Lease liability and ROU assets have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows. The Company has used a single discount rate to a portfolio of leases with similar characteristics.

ii. The Company as a lessor

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases. For operating leases, rental income is recognized on a straight line basis over the term of the relevant lease.

iii. Others

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

(a) Applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date.
(b) Applied the exemption not to recognize right-of-use assets and liabilities for short term leases, variable lease and leases of low value
(c) Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application.
(d) The effective interest rate for lease liabilities is 4.05% p.a., with maturity between financial year 2022-2030.

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

	Warehouse
Gross carrying value	
As at 01 April 2023	-
Additions	2,27,843.08
Disposals	-
As at 31 March 2024	**2,27,843.08**
Accumulated depreciation	
As at 01 April 2023	-
Depreciation charge for the period	37,966.22
Translation reserve	240.43
Disposals	-
As at 31 March 2024	**38,206.65**
Net carrying value	
As at 31 March 2024	**1,89,636.43**

The aggregate depreciation expense on ROU assets is included under depreciation and amortisation expense in the statement of Profit and Loss.

5. Non-current tax assets (net)

Accounting policy

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

Current and deferred taxes are recognised in statement of profit and loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively. Income tax received / receivable pertains to prior period recognised when reasonable certainty arise for refund acknowledged by the Income-tax department. Company periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

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

Deferred income tax is recognised using the balance sheet approach. Deferred income tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount for financial reporting purposes at the reporting date. Deferred tax is measured using the tax rates and the tax laws enacted or substantially enacted at the reporting date. The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the period that includes the enactment or the substantive enactment date.

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

At each reporting date, the Company re-assesses unrecognised deferred tax assets. It recognises unrecognized deferred tax asset to the extent that it has become reasonably certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized.

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

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis. Advance taxes and provisions for current income taxes are presented in the Balance Sheet after off-setting advance tax paid and income tax provision arising in the same tax jurisdiction and where the relevant tax paying unit intends to settle the asset and liability on a net basis.

(In INR'000)

	31 Mar 24	31 Mar 23
Non-current tax assets (advance tax paid)	32,349.08	-
	32,349.08	**-**

6. Other non-current assets

(In INR'000)

	31 Mar 24	31 Mar 23
Security deposits (Unsecured, considered good)		
Rental deposits (Unsecured, considered good)	7,979.12	-
	7,979.12	**-**

7. Inventories

Accounting policy

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

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

(In INR'000)

	31 Mar 24	31 Mar 23
Traded Goods	36,30,213.92	-
Effect of Foreign exchange transaction reserve	22,988.79	-
	36,53,202.71	**-**

8. Trade receivables

(In INR'000)

	31 Mar 24	31 Mar 23
Current		
Trade receivables - Considered Good	1,99,457.66	-
Current trade receivables	**1,99,457.66**	**-**

Notes:

(a) Trade receivables are usually non-interest bearing and are generally on credit terms up to 120 days.The Company's term includes charging of interest for delayed payment beyond agreed credit days. Company entitled to charge interest for delayed payments in certain cases depending on factors, such as, market conditions and past realisation trend.

(b) The Company follows life time expected credit loss model. Accordingly, deterioration in credit risk is not required to be evaluated annually.

(c) No trade or other receivables are due from directors or other officers of the Company either severally or jointly with any other person. Further, no trade or other receivables are due from firms or private companies respectively in which any director is a partner, a director or a member.

(d) Trade receivables ageing schedule

As at 31 March 24 (In INR'000)

		Outstanding for following periods from due date of payment					
	Not due	Less than 6 months	More than 6 months to 12 months	1-2 years	2-3 years	More than 3 years	TOTAL
(i) Undisputed Trade Receivables - considered good	46,803.14	1,52,654.52	-	-	-	-	1,99,457.66
	46,803.14	**1,52,654.52**	**-**	**-**	**-**	**-**	**1,99,457.66**

As at 31 March 23 (In INR'000)

		Outstanding for following periods from due date of payment					
	Not Due	Less than 6 months	More than 6 months to 12 months	1-2 years	2-3 years	More than 3 years	TOTAL
(i) Undisputed Trade Receivables - considered good	-	-	-	-	-	-	-
	-	**-**	**-**	**-**	**-**	**-**	**-**

9. Cash and cash equivalents

(In INR'000)

	31 Mar 24	31 Mar 23
Cash and cash equivalents (at amortised cost)		
Balances with banks		
In current accounts	2,81,099.53	90,438.59
	2,81,099.53	**90,438.59**

There is no repatriation restriction with regard to cash and cash equivalents at the end of reporting period and prior periods.

10. Bank balances other than cash and cash equivalents

(In INR'000)

	31 Mar 24	31 Mar 23
At amortised cost		
Earmarked balance	25,012.17	-
	25,012.17	**-**

11. Other current assets

(In INR'000)

	31 Mar 24	31 Mar 23
Advances other than capital advances (Unsecured, considered good)		
Capital advances	1,566.95	-
	1,566.95	**-**

12. Equity Share Capital

(In INR'000)

	31 Mar 24	31 Mar 23
Authorised share capital		
Equity shares, USD 1 per value	-	-
Issued, subscribed and fully paid-up shares		
Equity shares, USD 1 per value	-	-
Total Issued, subscribed and fully paid-up shares	**-**	**-**

Note:

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

(In INR'000)

	31 Mar 24		31-Mar-23	
	Number of Shares	Amount	Number of Shares	Amount
At the beginning of the year	-	-	-	-
At the end of the year	**-**	**-**	**-**	**-**

13. Other equity

Other equity

(In INR'000)

	31 Mar 24	31 Mar 23
Retained earnings	2,879.92	(160.78)
Foreign currency translation adjustment reserve	(23,121.10)	(3.65)
	(20,241.18)	**(164.43)**

(a) Retained earnings

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

(In INR'000)

	31 Mar 24	31 Mar 23
Opening balance	(160.78)	-
Less: Profit/(Loss) during the period	3,040.70	(160.78)
	2,879.92	**(160.78)**

(b) Foreign currency transiation adjustment reserve

(In INR'000)

	31 Mar 24	31 Mar 23
Opening balance	(3.65)	-
Add: Profit/(Loss) during the period	(23,117.45)	(3.65)
	(23,121.10)	**(3.65)**

14. Lease liabilities

A Lease liabilities - Non-current

(In INR'000)

	31 Mar 24	31 Mar 23
At amortised cost	42,013.37	-
	42,013.37	**-**

B Lease liabilities - Current

(In INR'000)

	31 Mar 24	31 Mar 23
At amortised cost	1,55,865.58	-
	1,55,865.58	**-**

15. Other financial liabilities

(In INR'000)

	31 Mar 24	31 Mar 23
Security deposit at amortized cost	3,90,424.08	-
	3,90,424.08	**-**

16. Other liabilities - Non-current

(In INR'000)

	31 Mar 24	31 Mar 23
Deferred liability	16,406.62	-
	16,406.62	**-**

17. Trade payables

Accounting policy

These amounts represents liabilities for goods and services provided to the Company prior to the end of period which are unpaid. The amounts are unsecured and are paid within 0 to 90 days of recognition other than usance letter of credit. Trade payables are presented as current financial liabilities.

(In INR'000)

	31 Mar 24	31 Mar 23
At amortised cost		
(i) Trade Payables to others	3,089.34	164.43
(ii) Trade Payables to related party	38,05,200.03	-
	38,08,289.37	**164.43**

(a) Trade Payables ageing schedule

As at 31 March 24

(In INR'000)

	Not due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Others	8,99,572.53	29,05,627.23	-	-	-	38,05,199.76
(ii) Related party	-	3,089.61	-	-	-	3,089.61
	8,99,572.53	**29,08,716.84**	**-**	**-**	**-**	**38,08,289.37**

As at 31 March 23

(In INR'000)

	Not Due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Others	164.43	-	-	-	-	164.43
	164.43	**-**	**-**	**-**	**-**	**164.43**

18. Other current liabilities

(In INR'000)

	31 Mar 24	31 Mar 23
At Amortised Cost		
Advance received from customers	-	90,438.59
Payable to statutory authorities	3.83	-
Deferred liability	17,898.12	-
	17,901.95	**90,438.59**

19. Revenue from operations

Accounting Policy

Ind AS 115 was made effective from 1 April 2018 and establishes a five-step model to account for revenue arising from contracts with customers. The new revenue standard replaced Ind AS 18 & Ind AS 11 and interpretations on revenue recognition related to sale of goods and services. The Company has applied the modified retrospective approach and accordingly has included the impact of Ind AS 115.

(i) Measurement of Revenue

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

(ii) Performance obligations:

(a) Sale of goods

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

(iii) Variable consideration

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

(iv) Significant Financing Components

In respect of advances from its customers, using the practical expedient. The Company does not adjust the promised amount of consideration for the effects of a significant financing component if it expects, at contract inception, that the period between the transfer of the promised good or service to the customer and when the customer pays for that good or service will be within normal operating cycle.

Polycab USA LLC

Notes to Financial Statements for the year ended 31 March 2024

19. Revenue from operations

(In INR'000)

	31-Mar-24	31-Mar-23
Revenue on Sale of Products		
Traded goods	3,36,726.68	-
Total Revenue from operations	**3,36,726.68**	**-**

20. Other income

Accounting Policy:

Other income is comprised primarily of interest income.

(In INR'000)

	31-Mar-24	31-Mar-23
Interest income on financial assets		
Carried at amortised cost		
Bank interest	4,029.71	-
Carried at FVTPL		
Deferred income	16,303.37	-
Others	215.64	-
	20,548.72	**-**

21. Purchases of stock-in-trade

(In INR'000)

	31-Mar-24	31-Mar-23
Wires and Cables	39,19,100.58	-
	39,19,100.58	**-**

22. Changes in inventories of stock-in-trade

(In INR'000)

	31-Mar-24	31-Mar-23
Inventory at the beginning of the period		
Traded goods	-	-
	-	**-**
Inventory at the end of the period		
Traded goods	36,30,213.92	-
	36,30,213.92	**-**
Effect of Foreign exchange transaction reserve	22,988.79	
Changes in Inventories	**(36,53,202.71)**	**-**

23. Employee benefits expense

Accounting Policy

(i) Short-term employee benefits

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

(ii) Compensated absences

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

(In INR'000)

	31-Mar-24	31-Mar-23
Salaries, wages and bonus	2,899.72	
	2,899.72	**-**

Polycab USA LLC

24. Depreciation and amortisation expenses

(In INR'000)

	31-Mar-24	31-Mar-23
Depreciation of property, plant and equipment (Refer note 3)	3.10	-
Depreciation of right-of-use assets (Refer note 4)	37,966.22	-
	37,969.32	**-**

25. Finance cost

Accounting Policy

Finance cost includes interest on loan,bank charges, exchange differences arising from the foreign currency borrowings, etc.

(In INR'000)

	31-Mar-24	31-Mar-23
Interest expense on financial liabilities at amortised cost	15,828.31	-
Other borrowing costs	6,986.51	-
Interest expense on financial liabilities at FVTPL	373.01	-
	23,187.83	**-**

26. Other expenses

(In INR'000)

	Year ended 31-Mar-24	Year ended 31-Mar-23
Rent	9,307.04	-
Insurance	8,735.50	-
Repairs & maintenance exp	4,159.32	-
Legal and professional fees	516.40	160.78
Electricity charges	205.72	-
Travelling and conveyance	152.45	-
Miscellaneous expenses	1,096.90	-
Payment to auditor (Refer note (a) below)	106.63	-
	24,279.96	**160.78**

Note:

(a) Payments to auditor:

(In INR'000)

	Year ended 31-Mar-24	Year ended 31-Mar-23
As auditor		
(i) Audit fee	101.66	-
(ii) Out of pocket expenses	4.97	-
	106.63	**-**

Polycab USA LLC

Notes to Financial Statements for the year ended 31 March 2024

27. Earnings per share

Accounting Policy

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

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

(In INR'000)

		Year ended 31-Mar-24	Year ended 31-Mar-23
(a)	**Basic Earnings per share**		
	Profit/(Loss) after taxation	3,040.70	(160.78)
	Weighted average number of equity shares for basic earning per share	-	-
	Earnings per shares - Basic	-	-
(b)	**Diluted Earnings per share**	-	-
	Profit/(Loss) after taxation	3,040.70	(160.78)
	Weighted average number of equity shares for basic earning per share	-	-
	Earnings per shares - Diluted	**-**	**-**

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

28. Related party disclosure

(A) Enterprises where control exists

		Country of incorporation	Ownership interest (%) Year ended 31-Mar-24	Ownership interest (%) Year ended 31-Mar-23
(i)	**Holding Company**			
	Polycab India Limited	India	100.00%	100.00%

(B) Key management personnel

(i) Director

Ms. Shikha Inder Jaisinghani	Manager

(C) Transactions with Group company

(In INR'000)

		Year ended 31-Mar-24	Six months period ended 31-Mar-23
(i)	Purchase of Traded goods	39,19,100.58	-
		39,19,100.58	**-**

Polycab USA LLC

Notes to Financial Statements for the year ended 31 March 2024

(D) Outstanding as at the year end :

(In INR'000)

			31-Mar-24	31 Mar 23
(i)	Trade Payables			
	Polycab India Limited	Holding Company	38,05,200.03	-

Note:

Terms and conditions of transactions with related parties:

(i) The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the period-end are unsecured and settlement occurs in cash or credit as per the terms of the arrangement.

(ii) For the period ended 31 March 2024, the Company has not recorded any impairment of receivables relating to amounts owed by related parties (31 March 2023: Nil). This assessment is undertaken each financial year through examining the financial position of the related party.

(E) Key Management Personnel

Ms. Shikha Jaisinghani — Manager

(F) Transactions with KMP:

Remuneration paid for the year ended and outstanding as on:

(In INR'000)

	31 Mar 24		31 Mar 23	
	For the year ended	Outstanding at the year end	For the year ended	Outstanding at the year end
Key management personnel (excluding CMD and WTD)				
Salaries, wages, bonus, commission and other benefits	2,899.72	-	-	-

29. Financial performance ratios:

			31-Mar-24	31 Mar 23
A Performance Ratios				
Net Profit ratio	=	Profit after tax / Revenue from operations	0.9%	0.0%
Net Capital turnover ratio	=	Revenue from operations / Working capital	188.9%	0.0%
Return on Capital employed	=	Profit before interest and tax / Capital employed	-129.6%	97.8%
Return on Equity Ratio	=	Profit after tax / Average shareholder's equity	-7.5%	0.4%
Return on investment	=	Net Return / Cost of Investment	0.1%	-0.2%

			31-Mar-24	31 Mar 23
B Leverage Ratios				
Debt-Equity Ratio	=	Total Debt / Shareholder's equity	-	-

			31-Mar-24	31 Mar 23
C Activity Ratio				
Inventory turnover ratio	=	Cost of goods sold / Average inventory	0.15	-
Trade Receivables turnover ratio	=	Revenue from operations / Average trade receivables	3.38	-
Trade Payables turnover ratio	=	Net credit purchases / Average trade payable	0.14	-

			31-Mar-24	31 Mar 22
D Liquidity Ratios				
Current Ratio	=	Current Assets / Current Liabilities	1.04	1.0

30. Capital management

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

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

The capital structure is governed by policies approved by the Board of Directors and monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, borrowings less cash and cash equivalents.

(In INR'000)

	31-Mar-24	31 Mar 23
Borrowings	-	-
Less: Cash and cash equivalents (Refer note 9)	2,81,099.53	90,438.59
Net debt	**(2,81,099.53)**	**(90,438.59)**
Equity (Refer note 12 and 13)	(20,241.18)	(164.43)
Total capital	**(20,241.18)**	**(164.43)**
Capital and net debt	(3,01,340.71)	(90,603.02)
Gearing ratio	**93%**	**100%**

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

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

31. Financial Instruments and Fair Value Measurement

A) Financial Instruments

Accounting policy

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

Financial assets

(i) Initial recognition and measurement

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

(ii) Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in two broad categories:
(a) Financial assets at amortised cost
(b) Financial assets at fair value

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

Financial liabilities

(iii) Initial recognition and measurement

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

(vi) Subsequent measurement

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

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

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

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

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

(vii) Derecognition

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

(b) Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements and the amount recognised less cumulative amortisation.

B) Fair value measurements

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values:

(In INR'000)

	Carrying Value		Fair Value	
	31 Dec 23	31 Mar 23	31 Dec 23	31 Mar 23
Financial assets				
Measured at amortised cost				
Trade receivables	1,99,457.66	-	1,99,457.66	-
Cash and cash equivalents	2,81,099.53	90,438.59	2,81,099.53	90,438.59
Bank balance other than cash and cash equivalents	25,012.17	-	25,012.17	-
	5,05,569.36	**90,438.59**	**5,05,569.36**	**90,438.59**
Financial liabilities				
Measured at amortised cost				
Trade payables	38,08,289.37	164.43	38,08,289.37	164.43
Lease liabilities	1,97,878.95	-	1,97,878.95	-
Other financial liabilities	3,90,424.08	-	3,90,424.08	-
	43,96,592.40	**164.43**	**43,96,592.40**	**164.43**

32. Financial Risk Management Objectives and Policies

(A) Credit risk

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

Trade receivables and contract assets

Trade receivables (net of expected credit loss allowance) of ₹ 199,457,660 as at 31 Mar 2024 (31 Mar 2023: ₹ Nil) forms a significant part of the financial assets carried at amortised cost which is valued considering provision for allowance using expected credit loss method. In addition to the historical pattern of credit loss, we have considered the likelihood of delayed payments, increased credit risk and consequential default considering emerging situations while arriving at the carrying value of these assets. This assessment is not based on any mathematical model but an assessment considering the nature of verticals, impact immediately seen in the demand outlook of these verticals and the financial strength of the customers. The Company has specifically evaluated the potential impact with respect to customers for all of its segments.

The Company closely monitors its customers who are going through financial stress and assesses actions such as change in payment terms, discounting of receivables with institutions on no-recourse basis, recognition of revenue on collection basis etc., depending on severity of each case. The collections pattern from the customers in the current period does not indicate stress beyond what has been factored while computing the allowance for expected credit losses.
The expected credit loss allowance for trade receivables of INR Nil as at 31 March 2024 and 31 March 2023 are considered adequate.
The same assessment is done in respect of contract assets of INR Nil as at 31 March 2024 and 31 March 2023, while arriving at the level of provision that is required.

Other financial assets

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

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

(B) Liquidity risk

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

Further, the Company manages its liquidity risk in a manner so as to meet its normal financial obligations without any significant delay or stress. Such risk is managed through ensuring operational cash flow while at the same time maintaining adequate cash and cash equivalents position. The management has arranged for diversified funding sources and adopted a policy of managing assets with liquidity in mind and monitoring future cash flows and liquidity on a regular basis.

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

33. Other Disclosures:

(a) The Company does not have any transactions with companies struck-off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.
(b) There are no proceedings that have been initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended from time to time) (earlier Benami Transactions (Prohibition) Act, 1988) and the rules made thereunder.
(c) The Company has neither traded nor invested in Crypto currency or Virtual Currency during the current year and previous year. Further, the Company has also not received any deposits or advances from any person for the purpose of trading or investing in Crypto Currency or Virtual Currency.
(d) 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.
(d) 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.
(f) The Company has not advanced or loaned or invested (either from borrowed funds or any other sources or kind of funds) 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, 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.
(g) The Company has not received any funds from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, 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.
(h) The Company has not granted any loans or advances in the nature of Loans to the promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013), either severally or jointly with any other person which are repayable on demand or without specifying any terms or period of repayment.
(i) The Company has not revalued its property, plant, and equipment or intangible assets or both during the current or previous year.

Polycab USA LLC

Notes to Financial Statements for the year ended 31 March 2024

34. Events after the reporting period

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

As per our report of even date
For PRASHANT SHAH & CO
Chartered Accountants
ICAI Firm Registration No. 146854W

Prashant Shah
Proprietor
Membership No. 303286

Place: Mumbai
Date: 26 April 2024

For and on behalf of the Board of Directors of
Polycab USA LLC

Shikha Jaisinghani
Manager

Place: Pennsylvania, United States
Date: 22 April 2024