

M.P. Chitale & Co.,

Chartered Accountants

759/70, Vatsala Bhavan, Prabhat Road, Lane No. 1, Pune - 411 004

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INDEPENDENT AUDITORS' REPORT

To the Members of Vedanta Semiconductors Private Limited
(Previously Vedanta Foxconn Semiconductors Private Limited)

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the Standalone financial statements of **Vedanta Semiconductors Private Limited** (Previously Vedanta Foxconn Semiconductors Private Limited) ("the Company"), which comprise the Balance Sheet as of March 31, 2024, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement, the Statement of Changes in Equity for the year then ended, and notes to the standalone 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 Standalone Financial Statements give the information required by the Companies Act, 2013, as amended (hereinafter referred to as "the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act, read with the rules made thereunder, of the state of affairs of the Company as at March 31, 2024, its loss including other comprehensive income, its cash flows and changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs) specified under sub-section (10) of section 143 of the Companies Act, 2013. Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the *Code of Ethics* issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the Standalone Financial Statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the 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 Standalone Financial Statements.

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Information other than the Financial Statements and Auditors' Report Thereon

The Company's management and the Board of Directors are responsible for the preparation of the other information. The other information comprises the information included in the Annual Report but does not include the Standalone Financial Statements and our auditor's report thereon.

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

In connection with our audit of the Standalone Financial Statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the Standalone Financial Statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. We have nothing to report in this regard.

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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Standalone financial statements that give a true and fair view of the financial position, financial performance, and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for the safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation, and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone Financial Statements, the Board of Directors 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 the Board of Directors either intends to liquidate the Company or to cease operations or has no realistic alternative but to do so.



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

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

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

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

- Identify and assess the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for the 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.
- 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, it is required to draw attention in the auditor's report to the related disclosures in the Standalone Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of the audit report. However, future events or conditions may cause the Company to cease to continue as a going concern.



- Evaluate the overall presentation, structure, and content of the Standalone Financial Statements, including the disclosures, and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain an understanding of internal control relevant to audit in order to design audit procedures that are appropriate in the circumstance under Section 143(3)(1) of Companies Act, 2013. We are responsible for expressing our opinion on whether the Company has an adequate internal financial control system.

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 my 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.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, the matters specified in paragraphs 3 and 4, to the extent applicable have been provided in 'Annexure-A'.
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 purpose of the audit;
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flows dealt with by this report are in agreement with the books of account;



- d) In our opinion, the aforesaid Standalone Financial Statements comply with the Ind AS specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015 as amended;
- e) Based on written representations received from the directors as on March 31, 2024, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024, from being appointed as a director in terms of sub-section (2) of Section 164 of the Act and
- f) With respect to the adequacy of internal financial controls with reference to the Standalone Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate report in 'Annexure-B'.
3. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have any pending litigations which would impact its financial position in its financial statements.
 - ii. The Company 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 by the Company.
 - iv. (a) The Management has represented that, to the best of its knowledge and belief, as disclosed in the notes to the accounts (Refer no. 28 to the Financial Statements), no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The Management has represented, that, to the best of its knowledge and belief, as disclosed in the notes to the accounts (Refer note no. 28 to the Financial Statements), no funds have been received by the Company from any person(s) or entity(ies),




including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to my notice that has caused to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under iv(a) and iv(b) above, contain any material misstatement.

- v. The Company has neither declared dividend during the year nor paid any dividend during the year.
- vi. As per proviso to Rule 3(1) of the Companies (Accounts) Rules 2014, the company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during our audit, we did not come across any instance of audit trail feature being tampered with.

4. As required by Section 197(16) of the Act, in our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors, during the year is in accordance with the provisions of Section 197 read with Schedule V of the Act.

For M. P. Chitale & Co.,
Chartered Accountants
ICAI Firm Registration No. 101851W


Narendra Joshi
Partner



ICAI Membership No.: 143582
UDIN: 24143582BKFECN8682
Place: Pune
Date: April 20, 2024

'Annexure-A' to the Independent Auditors' Report - March 31, 2024

Referred to in paragraph 1 under the heading 'Report on Other Legal and Regulatory Requirements' section of the Independent Auditors' Report of even date to the members of Vedanta Semiconductors Private Limited (Previously Vedanta Foxconn Semiconductors Private Limited) on the Financial Statements for the year ended March 31, 2024

- (i) (a) The Company has maintained proper records showing full particulars of Property, Plant & Equipment and Intangible Assets during the year ended March 31, 2024.
- (b) It is the responsibility of the management to carry out physical verification of fixed assets at appropriate intervals commensurate with the size of the entity and the nature of business. All fixed assets appearing in the financial statements have been purchased during the year ended March 31, 2024, hence no fixed asset verification was carried out.
- (c) According to the information and explanations given to us and based on our examination of the records of the Company, the Company does not hold any immovable properties. Accordingly, the reporting under clause 3 (i)(c) of the Order is not applicable to the Company.
- (d) The Company has not revalued its Property, Plant & Equipment or intangible Asset or both during the current year.
- (e) According to the information and explanations given to us and based on management representations, no proceedings have been initiated on or are pending against the Company as at March 31, 2024 for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) (formerly the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)) and Rules made thereunder, and therefore the question of our commenting on whether the Company has appropriately disclosed the details in its standalone financial statements does not arise.
- (ii) (a) The Company did not have any inventories during the year ended March 31, 2024. Accordingly, the reporting under clause 3 (ii)(a) of the Order is not applicable to the Company.
- (b) According to the information and explanations given to us and based on our examination of the records of the Company, the Company was not sanctioned



any working capital from banks or financial institutes during any point of time of the year. Accordingly, the reporting under clause 3 (ii)(b) of the Order is not applicable to the Company.

- (iii) (a) According to the information and explanations given to us and based on our examination of the records of the Company, the Company advanced a loan amounting to Rs. 400 lakhs to Vedanta Displays Limited, a fellow subsidiary of the Company.
- (b) According to the information and explanations given to us, the loans advanced by the Company and the underlying terms and conditions thereof are not prejudicial to the Company's interest.
- (c) According to the information and explanations given to us the schedule of repayment of principal and interest components were regular.
- (d) According to the information and explanations given to us, no amount of loan was overdue, and the entire loan amount was repaid during the period under audit. Accordingly, the reporting under clause 3 (iii)(d) of the Order is not applicable to the Company.
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no loan given falling due during the year, which has been renewed or extended or fresh loans given to settle the overdue of existing loans given to the same party. Accordingly, the reporting under clause 3 (iii)(e) of the Order is not applicable to the Company.
- (f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not granted any loans which are in the nature of loans repayable on demand and without specifying terms or period of repayment. Accordingly, the reporting under clause 3 (iii)(f) of the Order is not applicable to the Company.
- (iv) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not advanced loans to directors/ to a company in which the Director is interested, hence, the reporting under clause 3(iv) is not applicable in respect to the compliance with the provisions of Sections 185 of the Act and has complied with the provisions of Sections 186 of the Companies Act, 2013 in respect of



the loans and investments made, as applicable.

- (v) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not accepted deposits, or amounts which are deemed to be deposit within the meaning of sections 73 to 76 of the Act or any other relevant provisions of the Act and the rules made thereunder and the directives of the Reserve Bank of India for acceptance of public deposits and no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal in the current year. Accordingly, the reporting under clause 3(v) of the Order is not applicable to the Company.
- (vi) According to the information and explanations given to us and to the best of our knowledge, the Central Government has not prescribed the maintenance of cost records under sub-section 1 of section 148 of the Companies Act, 2013 read with Companies (Cost Records and Audit) Rules, 2014, as amended, for the services of the Company. Accordingly, reporting under clause 3 (vi) of the Order is not applicable to the Company.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion, the Company is generally regular in depositing with the appropriate authorities undisputed statutory dues including income tax, goods and services tax, cess and other material statutory dues applicable to it and no undisputed amount payable was outstanding, at the year-end, for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no statutory dues as mentioned in sub-clause vii(a) above which have not been deposited with the appropriate authorities on account of any dispute.
- (viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no transactions in the books of account that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961), that has not been recorded in the books of account.



- (ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not availed any loans or borrowing from banks, financial institutions and Government. Accordingly, reporting under clause 3 (ix)(a) of the Order is not applicable to the Company.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared as a willful defaulter by any bank or financial institution or other lender.
- (c) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has borrowed an amount of Rs. 655.91 lakhs from Twin Star Technologies Limited during the year.
- (d) According to the information and explanations given to us and the procedures performed by us, and on an overall examination of the financial statements of the Company, no funds have been raised on a short-term basis. Accordingly, the reporting under clause 3(ix)(d) of the Order is not applicable to the Company.
- (e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- (f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.
- (x) (a) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, reporting under clause 3(x)(a) of the Order is not applicable to the Company.



- 2(b) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has made an issue of right shares amounting to Rs. 4,877 lakhs during the year. The issue of shares and subsequent allotment of securities are in compliance with Section 62 of the Companies Act, 2013.
- (xi) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company carried out in accordance with the generally accepted auditing practices in India, we have neither come across any instance of material fraud by the Company or on the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company carried out in accordance with the generally accepted auditing practices in India, a report under Section 143(12) of the Act, in Form ADT-4, as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 was not required to be filed with the Central Government. Accordingly, the reporting under Clause 3(xi)(b) of the Order is not applicable to the Company.
- (c) According to the information and explanations given to us and on the basis of representation by the management, there are no whistleblower complaints received by the company during the year.
- (xii) The Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, hence, reporting under clause 3 (xii) of the Order is not applicable to the Company.
- (xiii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the transactions entered into with the related parties are in compliance with the provisions of Section 188 of the Act. The details of such related party transactions have been disclosed in Note No. 20 of the financial statements as required under Indian Accounting Standard 24 "Related Party Disclosures" specified under Section 133 of the Act.
- The provisions of Section 177 of the Act are not applicable to the Company, hence, reporting under the clause 3(xiii) of the Order insofar relate to Section 177 of the Act is not applicable to the Company.




- (xiv) (a) In our opinion and based on our examination, the company is not required to have an internal audit system as per provisions of Section 138 of the Act. Accordingly, the reporting under the clause 3(xiv)(a) of the Order is not applicable to the Company.
- (b) The Company did not have an internal audit system, hence, no reports of the internal auditors for the period under audit were required to be prepared. Accordingly, the reporting under clause 3(xiv)(b) of the Order is not applicable to the Company.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with directors or persons connected with directors. Accordingly, reporting under paragraph 3(xv) of the Order is not applicable to the Company.
- (xvi) (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934). Accordingly, the reporting under clause 3 (xvi)(a) of the Order is not applicable to the Company.
- (b) The Company has not conducted any non-banking financial or housing finance activities during the year. Accordingly, the reporting under paragraph 3(xvi)(b) of the order is not applicable.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting under Clause 3(xvi)(c) of the Order is not applicable to the Company.
- (d) In our opinion and based on the information and explanations given to us the Company is not a part of any Group structure, Accordingly, reporting under clause 3(xvi)(d) of the Order is not applicable to the Company.
- (xvii) The Company is yet to commence its operations. The Company has incurred cash losses of Rs. 5,201 lakhs in the financial year covered by our audit report.

The definition of cash losses is not defined in the Act or the Indian Accounting standards. However, for the purpose of computation of cash losses, the adjustment for non-cash items such as foreign currency exchange losses and depreciation on Property, Plant and Equipment has been given.



- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, the reporting under Clause 3(xviii) of the Order is not applicable to the Company.
- (xix) On the basis of the financial ratios, aging and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the Standalone Financial Statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of the balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) In our opinion, based on the information and explanations given to us, the provisions of section 135 with respect to Corporate Social Responsibilities are not applicable to the Company, hence, reporting under clause 3(xx) of the Order is not applicable.
- (xxi) The reporting under Clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements. Accordingly, no comment in respect of the said clause has been included in this report.

For M. P. Chitale & Co.,
Chartered Accountants
ICAI Firm Registration No. 101851W


Narendra Joshi
Partner



ICAI Membership No.: 143582
UDIN: 24143582BKFECN8682
Place: Pune
Date: April 20, 2024

Annexure-B to the Independent Auditors' Report

Referred to in paragraph 2(e) under the heading "Report on Other Legal and Regulatory Requirements" of our report on even date:

Report on the Internal Financial Controls with reference to the Standalone Financial Statements under clause (i) of sub-section (3) of Section 143 of the Companies Act, 2013 ('the Act').

Opinion

1. We have audited Internal Financial Controls with reference to Standalone Financial Statements of Vedanta Semiconductors Private Limited (Previously Vedanta Foxconn Semiconductors Private Limited) ('the Company') as of March 31, 2024 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.
2. In our opinion, the Company has, in all material respects, an adequate internal financial controls with reference to the Standalone Financial Statements and such internal financial controls over financial reporting were operating effectively as at March 31, 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

Management's Responsibility for Internal Financial Controls

3. The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the 'Guidance Note') issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

4. Our responsibility is to express an opinion on the Company's internal financial controls with reference to Standalone Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing deemed to be prescribed under section 143(10) of the Act to the extent applicable to an audit of internal financial



controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to Standalone Financial Statements was established and maintained and if such controls operated effectively in all material respects.

5. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to Standalone Financial Statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error.
6. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to Standalone Financial Statements.

Meaning of Internal Financial Controls over Financial Reporting

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

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Inherent Limitations of Internal Financial Controls over Financial Reporting

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

For M.P. Chitale & Co.
Chartered Accountants
ICAI Firm Registration Number: 101851W

N. Joshi



Narendra Joshi
Partner
ICA Membership Number: 143582
UDIN: 24143582BKFE CN8682

Place: Pune
Date: April 20, 2024

Vedanta Semiconductors Private Limited (previously known as Vedanta Foxconn Semiconductors Limited)**Balance Sheet as at 31 March 2024**

(All Amount are in INR Lakhs, unless otherwise stated)

	Notes	As at 31 March 2024	As at 31 March 2023
ASSETS			
Non-current assets			
Property, plant and equipment	3	29.93	-
Financial assets			
- Other financial assets		-	-
Other non-current assets		-	-
		29.93	-
Current Assets			
Financial assets			
- Trade receivables		-	-
- Cash and cash equivalents	4	634.10	4.99
- Other financial assets	5	342.65	-
Other current assets	6	325.14	-
		1,301.89	4.99
Total assets		1,331.82	4.99
EQUITY AND LIABILITIES			
Equity			
Equity share capital	7	4,882.00	5.00
Other equity	8	(5,189.46)	(0.31)
		(307.46)	4.69
Non-current liabilities			
Financial liabilities			
- Borrowings	9	715.62	-
Provisions		-	-
		715.62	-
Current liabilities			
Financial liabilities			
- Trade payables	10		
Total outstanding dues of micro enterprises and small enterprises		-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises		155.63	-
- Other financial liabilities	11	604.07	-
Other current liabilities	12	163.46	-
Provisions	13	0.50	0.30
		923.66	0.30
Total equity and liabilities		1,331.82	4.99
Corporate Information	1		
Summary of material accounting policies and other explanatory information	2		

Significant accounting policies and other explanatory information forming part of the standalone financial statements

This is the Standalone Balance Sheet referred to in our report of even date.

For **M. P. Chitale & Co.**

Chartered Accountants

Firm Registration no : 101851W

Narendra Joshi

Partner

Membership No.: 143582

Place: Pune

Date:

For and on behalf of the board of directors of
**Vedanta Semiconductors Private Limited (previously
known as Vedanta Foxconn Semiconductors Limited)**
Akarsh Kattingeri Hebbar

Director

DIN: 08364609

Ajay Agarwal

Director

DIN: 08365644

Vedanta Semiconductors Private Limited (previously known as Vedanta Foxconn Semiconductors Limited)
Statement of Profit and Loss for the year ended 31 March 2024
 (All Amount are in INR Lakhs, unless otherwise stated)

	Notes	For the year ended 31 March 2024	For the period 18 February 2022 to 31 March 2023
Revenue from operations		-	-
Other income	14	248.59	-
Total income		248.59	-
Employee benefits expense	15	2,668.02	-
Finance costs	16	66.35	-
Depreciation and amortization expenses	17	2.12	-
Other expenses	18	2,701.25	0.31
Total expenses		5,437.74	0.31
Loss before tax		(5,189.15)	(0.31)
Tax expense:			
Current tax		-	-
Deferred tax		-	-
Total tax expense		-	-
Loss after tax		(5,189.15)	(0.31)
Other comprehensive income:			
Items that will not be reclassified to profit or loss in subsequent periods		-	-
Income tax related to items that will not be reclassified to profit or loss		-	-
Total comprehensive loss for the year (comprising loss and other comprehensive loss for the year)		(5,189.15)	(0.31)
Earning per share:			
Basic	19	(3.62)	(0.06)
Diluted	19	(3.62)	(0.06)
Corporate Information	1		
Summary of material accounting policies and other explanatory information	2		

This is the Standalone Statement of Profit and Loss referred to in our report of even date.

For M. P. Chitale & Co.
 Chartered Accountants
 Firm Registration no : 101851W

Narendra Joshi
 Partner
 Membership No.: 143582

Place: Pune
 Date:



**For and on behalf of the board of directors of
 Vedanta Semiconductors Private Limited (previously
 known as Vedanta Foxconn Semiconductors Limited)**


Akarsh Kattingeri Hebbar
 Director
 DIN: 08364609


Ajay Agarwal
 Director
 DIN: 08365644

Vedanta Semiconductors Private Limited (previously known as Vedanta Foxconn Semiconductors Limited)
Standalone Statement of changes in equity for the year ended 31 March 2024
 (All Amount are in INR Lakhs, unless otherwise stated)

(a) Equity share capital

Equity shares of INR 1 each issued, subscribed and fully paid

As at 18 February 2022

Add: issue of equity share capital

As at 31 March 2023

Add: issue of equity share capital

As at 31 March 2024

	Number of shares	Share capital
As at 18 February 2022	-	-
Add: issue of equity share capital	5.00	5.00
As at 31 March 2023	5.00	5.00
Add: issue of equity share capital	4,877.00	4,877.00
As at 31 March 2024	4,882.00	4,882.00

(b) Other equity

For the year ended 31 March 2024:

Particulars	Retained earnings	Total
As at 31 March 2023	(0.31)	(0.31)
Loss for the year	(5,189.15)	(5,189.15)
Other comprehensive loss	-	-
As at 31 March 2024	(5,189.46)	(5,189.46)

For the year ended 31 March 2023:

Particulars	Retained earnings	Total
As at 18 February 2022	-	-
Loss for the year	(0.31)	(0.31)
Other comprehensive loss	-	-
As at 31 March 2023	(0.31)	(0.31)

Significant accounting policies and other explanatory information forming part of the standalone financial statements

This is the Standalone Statement of Changes In Equity referred to in our report of even date.

For M. P. Chitale & Co.

Chartered Accountants

Firm Registration no : 101851W

Narendra Joshi

Partner

Membership No.: 143582



For and on behalf of the board of directors of

Vedanta Semiconductors Private Limited (previously known as Vedanta Foxconn Semiconductors Limited)


Akarsh Kattingeri Hebbbar
 Director
 DIN: 08364609


Ajay Agarwal
 Director
 DIN: 08365644

Place: Pune

Date:

Vedanta Semiconductors Private Limited (previously known as Vedanta Foxconn Semiconductors Limited)
Standalone Cash flow statement for the year ended 31 March 2024
(All Amount are in INR Lakhs, unless otherwise stated)

	Note	For the year ended 31 March 2024	For the period 18 February 2022 to 31 March 2023
A Cash flows from operating activities			
Loss before tax for the year		(5,189.15)	(0.31)
Adjustments to reconcile profit before tax to net cash flows:			
Finance costs - interest on long term borrowings	16	66.35	-
Depreciation expense on PPE	17	2.12	-
Interest income on loans and advances given	14	(6.39)	-
Operating loss before working capital changes		(5,127.07)	(0.31)
Working capital adjustments:			
Increase in other current and non current financial assets		(342.65)	-
Increase in other current and non current assets		(325.14)	-
Increase in trade payables		155.63	-
Increase in other financial liabilities and provisions		604.27	0.30
Increase in other current liabilities		163.46	-
Cash used in operating activities		(4,871.50)	(0.01)
Income tax paid/(refund)		-	-
Net cash used in operating activities (A)		(4,871.50)	(0.01)
B Cash flows from investing activities			
Purchase of property, plant and equipment	3	(32.05)	-
Interest received on loans and advances		6.39	-
Net cash used in investing activities (B)		(25.66)	-
C Cash flows from financing activities			
Proceeds from issue of share capital	7	4,877.00	5.00
Loan given to Vedanta Displays Limited		(400.00)	-
Repayment of loan by Vedanta Displays Limited		400.00	-
Proceeds from borrowings		655.91	-
Finance cost paid		(6.64)	-
Net cash generated from financing activities (C)		5,526.27	5.00
Net increase in cash and cash equivalents (A + B + C)		629.11	4.99
Cash and cash equivalents at the beginning of the year		4.99	-
Cash and cash equivalents at the end of the year (refer note 4)		634.10	4.99
Components of cash and cash equivalents:			
Balances with banks			
- in current account		634.10	4.99
- Deposits with original maturity of less than 3 months		-	-
		634.10	4.99

- Cash and cash equivalents mentioned above excludes the other bank balances.
 - The Cash flow statement has been prepared using "Indirect Method" as specified in Ind AS 7
- Summary of significant accounting policies and other explanatory information.
This is the standalone cash flow statement referred to in our report of even date.

For M. P. Chitale & Co.
Chartered Accountants
Firm Registration no : 101851W

Narendra Joshi
Partner
Membership No.: 143582

Place: Pune
Date:

For and on behalf of the board of directors of
Vedanta Semiconductors Private Limited (previously known as
Vedanta Foxconn Semiconductors Limited)


Akarsh Kattingeri Hebbar
Director
DIN: 08364609


Ajay Agarwal
Director
DIN: 08365644



Vedanta Semiconductors Private Limited (previously known as Vedanta Foxconn Semiconductors Limited)
Summary of significant accounting policies and other explanatory information for the year ended 31 March 2024
 (All Amount are in INR Lakhs, unless otherwise stated)

3 Property, plant and equipment

	Furniture	IT equipment	Office equipment	Total
Gross Carrying Value				
As at 31 March 2023	-	-	-	-
Additions for the year	17.56	12.51	1.98	32.05
Disposals/ adjustment for the year	-	-	-	-
As at 31 March 2024	17.56	12.51	1.98	32.05
Accumulated depreciation				
As at 31 March 2023	-	-	-	-
Charge for the year	0.17	0.98	0.97	2.12
Disposals for the year	-	-	-	-
As at 31 March 2024	0.17	0.98	0.97	2.12
Net Carrying Value				
As at 31 March 2023	-	-	-	-
As at 31 March 2024	17.39	11.53	1.01	29.93



Vedanta Semiconductors Private Limited (previously known as Vedanta Foxconn Semiconductors Limited)
Summary of significant accounting policies and other explanatory information for the year ended 31 March 2024
(All Amount are in INR Lakhs, unless otherwise stated)

1 Corporate information

Vedanta Semiconductors Private Limited (the "Company") previously known as Vedanta Foxconn Semiconductors Limited is a company domiciled in India and incorporated under the provisions of the Companies Act, 2013. The Company was incorporated on 18 February 2022, engaged in the business to set up a 40nm CMOS based Semiconductor fab with a Capacity of 40,000 Wafers Starts per Month of 300mm Wafer size in Dholera Special Investment Region, Gujarat, India ("Project"). The Semiconductor Fab Project has selected an established, high volume, 40nm technology as the primary process node to start the fab with "first-time-right" execution and establish a production-grade technology baseline, with a development plan to add and ramp-to-volume 28nm.

In an extra-ordinary general meeting held on 20 January 2023, the Company passed a special resolution to alter its status from Public Limited to Private Limited. The Registrar of Companies has approved the afore mentioned amendment and company is converted into a private limited company after 31 March 2023. As a result, the company's status as of 31 March 2023 was Public Limited Company.

Effective from 28 July 2023, there has been a transition in the ownership of the company. Consequently, the holding company has changed from Twin Star Technology Limited to Vedanta Limited.

2 Summary of material accounting policies:

A. Basis of preparation

(i) Statement of Compliance

The Company prepares its Standalone Financial Statements to comply with the accounting standards 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 other relevant provisions of the Companies Act, 2013. The Company has uniformly applied the accounting policies for all the periods presented in these financial statements. These Standalone financial statements include Balance Sheet, the Statement of Profit and Loss including, Other Comprehensive Income, Cash flow Statement and Statement of changes in equity and a summary of significant accounting policies and other explanatory information (together hereinafter referred to as "Standalone Financial Statements").

The Standalone financial statements for the year ended 31 March 2024 are the first financial statements which has been prepared in accordance with Ind AS. The financial statements up to and for the year ended 31 March 2023 were prepared in accordance with the accounting standard notified under Section 133 of the Act, read together with Rule 7 of the Companies (Accounts) Rules, 2014 as amended from time to time (hereinafter referred to as "the Previous GAAP"), which have been adjusted for the differences in the accounting principles, accounting estimate adopted by the Company and other adjustment as required and applicable on the company under Ind AS.

As these are the Company's first standalone financial statements prepared in accordance with Ind AS, the Company has applied, First-time Adoption Standard (Ind AS 101) of Indian Accounting Standards. An explanation of how the transition to Ind AS has affected the previously reported financial position, financial performance of the Company is provided in Note No. 26 of the Financial Statements.

(ii) Basis of Measurement:

The standalone financial statements for the year ended 31 March 2024 have been prepared on going concern basis in accordance with accounting principles generally accepted in India further, the financial statement have been prepared on an accrual basis and a historical cost convention, except for certain financial assets and financial liabilities which are measured at fair values or at amortised cost at the end of each reporting period.

(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 and other criteria as set out in the Division II of Schedule III to the Companies Act, 2013.

Based on the nature of the operations and the time between the acquisition of assets for processing and their realization in cash or cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current/non-current classification of assets and liabilities.

(iv) Functional and Presentation Currency:

These standalone financial statements are presented in Indian Rupees (₹) which is the functional currency of the Company. All amounts disclosed in the financial statements which also include the accompanying notes have been rounded off to the nearest lakh with two decimal places, as per the requirement of Schedule III to the Companies Act, 2013, unless otherwise stated.

B. Use of estimates and judgements

The preparation of standalone financial statements in conformity with the Ind AS, the Company's Management is required to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the accompanying disclosure and the disclosure of contingent liabilities, at the end of the reporting period. 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 in the period in which the estimates are revised and future periods are affected. 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.

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) Useful lives of property, plant and equipment

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

(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 standalone financial statements.



Vedanta Semiconductors Private Limited (previously known as Vedanta Foxconn Semiconductors Limited)
Summary of significant accounting policies and other explanatory information for the year ended 31 March 2024
 (All Amount are in INR Lakhs, unless otherwise stated)

(iv) Foreign Currency Transactions/Translations

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

(v) Provision for income tax and deferred tax

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) Impairment of non-financial assets

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

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

(vii) Leases

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgement. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate. The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease. The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

C. Accounting policies:

(i) Property, plant, and equipment

Property, plant and equipment (other than lands) are stated at cost, net of accumulated depreciation 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. 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 and loss for the period during which such expenses are incurred.

Gains or losses arising from derecognition of property, plant and equipment's are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit & Loss when the asset is derecognised.

The carrying amount of an item of property, plant and equipment is derecognised on disposal or when no further benefit is expected from its use and disposal. Assets retired from active use and held for disposal are generally stated at the lower of their net book value and net realisable value. Any gain or losses arising on disposal of property, plant and equipment is recognised in the Statement of Profit and Loss. Once the assets classified as held-for-sale, property, plant and equipment are no longer depreciated.

Depreciation and amortization

Depreciation on Property, plant & equipment has been provided on straight line basis 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. Depreciation on assets acquired during the year has been provided on pro-rata basis. The useful life is as follows

Particulars of Property, plant and equipment	Useful Life in Years
Office Equipment	5
Furniture & Fixtures	10
IT Equipment	3

(ii) Leases

The Company as a lessee

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

At the date of commencement of the lease, the Company recognises a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases), variable lease and low value leases. For these short-term, variable lease and low value leases, the Company recognises the lease rentals as an operating expense in the statement of profit and loss account.



(iii) Income taxes

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 Income-tax Act, 1961. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

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.

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 recognised 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 unrecognised 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 realised.

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

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.

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

(iv) Financial instruments

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 :

Initial recognition and measurement

Financial assets are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets (other than financial assets at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset. Financial assets are classified at the initial recognition as financial assets measured at fair value or as financial assets measured at amortised cost. However, trade receivables that do not contain a significant financing component are measured at transaction price.

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:

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.

Subsequent measurement

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

- (a) Financial liabilities are carried at amortised cost using the effective interest method. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments

- (b) Loans and borrowings

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

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

(v) Provisions

A provision is recognised when the Company has a present obligation as a result of 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. The expense relating to a provision is presented in the Statement of Profit & Loss. 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.

(vi) Other income

Other income is comprised of interest income and miscellaneous income

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

Interest on delayed payment recognised on delayed payment on which is certainty is there.



Vedanta Semiconductors Private Limited (previously known as Vedanta Foxconn Semiconductors Limited)
Summary of significant accounting policies and other explanatory information for the year ended 31 March 2024
(All Amount are in INR Lakhs, unless otherwise stated)

(vii) Foreign Currencies

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

Measurement of foreign currency item at the Balance sheet date:

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

Exchange differences:

Exchange differences arising on settlement or translation of monetary items are recognised as income or expense in the Statement of Profit & Loss except to the extent it treated as an adjustment to borrowing costs.

(viii) Employee benefits expense:

(a) Short-term employee benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages, incentives, special awards, medical benefits etc are charged to the Statement of Profit & Loss 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.

(b) Defined contribution plans

Contributions to defined contribution scheme such as provident fund is charged as an expense based on the amount of contribution required to be made as and when services are rendered by the employees. Company's provident fund contribution, in respect of all the employees, is made to a government administered fund and charged as an expense to the Statement of profit and loss. The above benefits are classified as Defined Contribution Scheme as the Company has no further obligations beyond the monthly contributions.

(ix) Earnings per share

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.

(x) Contingent liabilities

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

(xi) Contingent Assets

Contingent assets are neither recognised nor disclosed in the standalone financial statements.

(xii) Capital commitments

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

(xiii) Cash and cash equivalents

Cash flows are reported using the indirect method, whereby profit for the year is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. 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.

(xiv) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the group or the counterparty.

(xv) Impairment of assets

The carrying amount of assets is reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized 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.

In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.



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 (All Amount are in INR Lakhs, unless otherwise stated)

4 Current financial assets - Cash and cash equivalents

Cash-in-hand
 Balances with banks:
 - In current accounts

	As at 31 March 2024	As at 31 March 2023
	-	-
	634.10	4.99
	634.10	4.99

5 Current financial assets - Other financial assets

Financial instruments at amortised cost
 Receivables from related parties (refer note 20)
 Deposits

	As at 31 March 2024	As at 31 March 2023
	260.25	-
	82.40	-
	342.65	-

6 Other current assets

Balance with government authorities
 Prepaid expenses

	As at 31 March 2024	As at 31 March 2023
	312.07	-
	13.07	-
	325.14	-



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9 Financial liabilities - Borrowings*

	As at 31 March 2024	As at 31 March 2023
Non-current borrowings (at amortised cost)		
<u>Unsecured</u>		
Borrowing from related party (refer note 20)*	715.62	-
	715.62	-

* Borrowing from related parties is interest bearing and carries interest rate of Annual SBLR + 4.25% p.a.

10 Current financial liabilities - Trade payables

	As at 31 March 2024	As at 31 March 2023
10.1 Trade payables		
- total outstanding dues of micro enterprises and small enterprises	-	-
- total outstanding dues of creditors other than micro enterprises and small enterprises	1.69	-
- total outstanding dues to related parties (refer note 20)	153.94	-
	155.63	-

10.2 Trade payables Ageing Schedule

As at 31 March 2024

Particulars	Outstanding for following periods from due date of payment						Total
	Unbilled	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Total outstanding dues of MSME-undisputed	-	-	-	-	-	-	-
Total outstanding dues of creditors other than MSME-undisputed	-	-	155.63	-	-	-	155.63
	-	-	155.63	-	-	-	155.63

11 Financial liabilities carried at amortised cost:

	As at 31 March 2024	As at 31 March 2023
Current		
Employee related payables	186.81	-
Other payables	417.26	-
	604.07	-

12 Other liabilities

	As at 31 March 2024	As at 31 March 2023
Current		
Statutory dues payable	163.46	-
	163.46	-

13 Provisions

	As at 31 March 2024	As at 31 March 2023
Provision for audit fees	0.50	0.30
	0.50	0.30



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7 Equity Share Capital

Particulars	As at 31 March 2024	As at 31 March 2023
Authorised equity share capital:		
6,000 lakh (31 March 2023: 15 lakh) equity shares of INR 1/- each	6,000.00	15.00
	6,000.00	15.00
Issued, subscribed and fully paid-up share capital:		
4,882 lakh (31 March 2023: 5 lakh) equity shares of INR 1/- each	4,882.00	5.00
	4,882.00	5.00

7.1 Reconciliation of number of equity shares

Particulars	Number of Shares	Share Capital
As at 18 February 2022	-	-
Issued during the year	5.00	5.00
As at 31 March 2023	5.00	5.00
Issued during the year	4,877.00	4,877.00
As at 31 March 2024	4,882.00	4,882.00

7.2 Details of shareholders holdings more than 5%

Equity shares of INR 1 each fully paid

As at 31 March 2024

Name of the shareholder	Number of shares held	Percentage of holding
Vedanta Limited (Immediate holding company along with its nominees)	4,882.00	100.00%
	4,882.00	100.00%

As at 31 March 2023

Name of the shareholder	Number of shares held	Percentage of holding
Twin Star Technology Limited (Previous immediate holding company)	4.99	99.80%
	4.99	99.80%

7.3 Rights, preferences, restrictions of equity shares

The Company has a single class of equity shares. Accordingly, all equity shares rank equally with regard to dividends and share in the Company's residual assets. The equity shares are entitled to receive dividend as declared from time to time. The voting rights of an equity shareholder on a poll (not on show of hands) are in proportion to its share of the paid-up equity capital of the Company. On winding up of the Company, the holders of equity shares will be entitled to receive the residual assets of the Company, remaining after distribution of all preferential amounts, in proportion to the number of equity shares held.

7.4 Details of shares held by Promoters

Equity shares of INR 1 each fully paid up

As at 31 March 2024

Promoter Name	No. of shares at the end of the year	% of Total Shares	% change during the year
Vedanta Limited (Immediate holding company along with its nominees)	4,882.00	100.00%	100.00%
	4,882.00	100.00%	100.00%

As at 31 March 2023

Promoter Name	No. of shares at the end of the year	% of Total Shares	% change during the year
Twin Star Technology Limited (Previous immediate holding company)	4.99	99.80%	99.80%
	4.99	99.80%	99.80%

8 Other equity

Particulars	Retained earnings	Total
As at 18 February 2022	-	-
Loss for the year	(0.31)	(0.31)
Other comprehensive loss	-	-
As at 31 March 2023	(0.31)	(0.31)
Loss for the year	(5,189.15)	(5,189.15)
Other comprehensive loss	-	-



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As at 31 March 2024

(5,189.46)	(5,189.46)
-------------------	-------------------

8.1 Nature and purpose of reserves

Retained earnings

Surplus/(deficit) in the statement of profit and loss are the results of the Company earned till date net of appropriations.



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14 Other income

	For the year ended 31 March 2024	For the period 18 February 2022 to 31 March 2023
Other non-operating income		
Interest income on:		
- Loan to related party (Refer note 20)	6.39	-
Miscellaneous income	242.20	-
	248.59	-

15 Employee benefits expense

	For the year ended 31 March 2024	For the period 18 February 2022 to 31 March 2023
Salaries, wages and bonus	1,510.82	-
Other allowances	1,086.14	-
Contribution to provident and other funds	42.61	-
Staff welfare expenses	28.45	-
	2,668.02	-

16 Finance costs

	For the year ended 31 March 2024	For the period 18 February 2022 to 31 March 2023
Interest on:		
- Borrowings from related party (refer note 20)	66.35	-
	66.35	-

17 Depreciation and amortization expense

	For the year ended 31 March 2024	For the period 18 February 2022 to 31 March 2023
Depreciation of property, plant and equipment (refer Note 3)	2.12	-
	2.12	-



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18 Other expenses

	For the year ended 31 March 2024	For the period 18 February 2022 to 31 March 2023
Legal and professional fees	1,838.48	-
Retainership fees	250.79	-
Traveling expenses	213.79	-
Boarding and lodging	156.53	-
Rent expenses	57.75	-
Vehicle hiring charges	50.85	-
Rates and taxes	46.79	-
Marketing expenses	28.65	-
Miscellaneous expenses	12.35	-
Foreign exchange loss	9.95	-
Vehicle maintenance expenses	8.46	-
Sponsorship fee	6.57	-
Telephone and communication expenses	5.54	-
Insurance expenses	3.45	-
Office expenses	3.18	-
Books and periodical	2.82	-
IT Subscription and other expenses	2.20	-
Bank charges	1.61	0.01
Electricity expenses	0.88	-
Payment to auditors*	0.50	0.30
Interest and penalties	0.11	-
	2,701.25	0.31

* Payment to auditors, inter alia, includes following:

	For the year ended 31 March 2024	For the period 18 February 2022 to 31 March 2023
Statutory Audit fees	0.50	0.30
Tax Audit fees	-	-
Reimbursement of expenses	-	-
	0.50	0.30

#Excluding applicable taxes.



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19 Earning per share

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the parent by the weighted average number of Equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the parent (after adjusting for interest on the compulsory convertible debentures) by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

The following table reflects the loss and share data used in the basic and diluted EPS computations:

	For the year ended 31 March 2024	For the period 18 February 2022 to 31 March 2023
Earnings per equity share		
Loss attributable to equity shareholders for calculating basic earnings per share (₹)	(5,189.15)	(0.31)
Weighted average number of equity shares outstanding during the year to compute basic earnings per share	1,434.27	5.00
Nominal value of equity shares (₹)	1.00	1.00
Basic and diluted earnings per share (₹)	(3.62)	(0.06)



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20 Related party disclosure

In accordance with the requirement of Indian Accounting Standard (Ind AS) 24 "Related Party Disclosures", name of the related parties, related party relationships, transactions and outstanding balances are as follows:

a) List of related parties

Related party where control exists

Immediate Holding company (w.e.f. 28 July 2023)	Vedanta Limited
Immediate holding company (till 27 July 2023)	Twin Star Technologies Limited
Ultimate holding company	Volcan Investments Limited, Bahamas

Key management personnel

Director	AKARSH KATTINGERI HEBBAR
Director	AJAY AGARWAL

Fellow Subsidiaries

Vedanta Displays Limited

b) Transactions with related parties

Particulars	For the year ended 31 March 2024	For the period 18 February 2022 to 31 March 2023
Transactions with immediate holding company		
<u>Vedanta Limited (w.e.f. 28 July 2023)</u>		
Subscription to equity share capital	4,877.00	-
Other operating expenses	153.94	-
<u>Twin Star Technologies Limited (till 27 July 2023)</u>		
Subscription to equity share capital	-	5.00
Borrowings during the year	655.91	-
Interest accrued on borrowings	66.35	-
Transactions with fellow subsidiaries		
<u>Vedanta Displays Limited</u>		
Loans and advances granted	400.00	-
Loans and advances repaid	400.00	-
Interest received on loans and advances	6.39	-
Reimbursement of other operating expenses	260.25	-

c) Balances with related parties

Particulars	As at 31 March 2024	As at 31 March 2023
<u>Vedanta Limited</u>		
Payable in respect to operating expenses	153.94	-
<u>Vedanta Displays Limited</u>		
Receivable in respect to operating expenses	260.25	-
<u>Twin Star Display Technologies Limited</u>		
Non-current borrowings	715.62	-



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21 Fair values

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

	Carrying value		Fair value	
	As at 31 March 2024	As at 31 March 2023	As at 31 March 2024	As at 31 March 2023
Financial assets carried at amortised cost				
Trade Receivable	-	-	-	-
Cash and cash equivalents	634.10	4.99	634.10	4.99
Security deposits	260.25	-	260.25	-
Other financial assets	82.40	-	82.40	-
Total	976.75	4.99	976.75	4.99
	Carrying value		Fair value	
	As at 31 March 2024	As at 31 March 2023	As at 31 March 2024	As at 31 March 2023
Financial liabilities carried at amortised cost				
Borrowings	715.62	-	715.62	-
Trade payables	155.63	-	155.63	-
Other financial liabilities	604.07	-	604.07	-
Total	1,475.32	-	1,475.32	-

The management assessed that trade receivables, cash and cash equivalents, other financial assets, trade payables and other financial liability approximate their carrying amounts largely due to the short-term maturities of these instruments.



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22 Fair Value Hierarchy

All assets and liabilities for which fair value is measured or disclosed in the standalone financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

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

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

Since all the financial assets and liabilities except long term borrowings have short-term maturities, their carrying amounts are considered to be same as fair values and therefore fair values of assets and liabilities are not measured.



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23 Financial risk management objectives and policies

Illustrative disclosures are below:

The Company's principal financial liabilities comprise loans and borrowings, trade and other payables and other financial liabilities. The main purpose of these financial liabilities is to finance the company's operations. The Company's principal financial assets include loans, investments, trade and other receivables, cash and cash equivalents and other financial assets.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

Market risk

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

Interest rate risk

Interest rate risk is the risk that the fair value of 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 long-term debt obligations with floating interest rates.

The exposure of the company's financial instruments as at 31 March 2024 to interest rate risk is as follows:

As at 31 March 2024	Floating rate financial instruments	Fixed rate financial instruments	Non-interest bearing	Total
Financial assets	-	-	976.75	976.75
Financial liabilities	715.62	-	759.70	1,475.32

The exposure of the company's financial instruments as at 31 March 2023 to interest rate risk is as follows:

As at 31 March 2023	Floating rate financial instruments	Fixed rate financial instruments	Non-interest bearing	Total
Financial assets	-	-	4.99	4.99
Financial liabilities	-	-	-	-

Interest Rate Sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on financial liabilities i.e. borrowings. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

Particulars	Increase/decrease in basis points	Effect on profit before tax (Rs. In lakhs)
INR	Increase by 1%	(5.10)
INR	Decrease by 1%	5.10

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 are exposed to foreign currency risk arising from changes in foreign exchange rates on foreign currency loan, derivative financial instruments and operating payables/receivables. The Company enters into foreign exchange derivative contracts to mitigate fluctuations in foreign exchange rates in respect of these loans.

The following table analysis foreign currency risk from financial instruments relating to US\$ as of 31 March 2024 and March 31, 2023:

Particulars	As at 31 March 2024	As at 31 March 2023
Other financial liabilities		
- Other payables	283.25	-

Foreign currency sensitivity



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The following tables demonstrate the sensitivity to a reasonably possible change in USD/Rupee exchange rates, with all other variables held constant. The impact on the Company's profit before tax is due to changes in the fair value of monetary liabilities. The company's exposure to foreign currency changes for all other currencies is not material.

Increase/decrease in forex rate	Effect on profit before tax (Rs. In lakhs)
Increase by 1%	(2.83)
Decrease by 1%	2.83



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Credit risk

Credit risk refers to the risk that the counter party will default on its contractual obligations resulting in financial loss to the Company. The Company is not exposed to credit risk for receivables company has no trade receivables . In respect to the bank deposits, the Company limits its exposure by dealing with creditworthy and reputable banks.

Liquidity risk

Liquidity risk is the risk that Company will encounter in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The approach of Company to manage liquidity is to ensure , as far as possible, that these will have sufficient liquidity to meet their respective liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risk damage to their reputation.

The Company assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Company has access to a sufficient variety of sources of funding and debt maturing within 12 months.

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

	Less than 1 year	1 to 5 years	> 5 years	Total
As at 31 March 2024				
Borrowings	-	911.72	-	911.72
Trade payables	155.63	-	-	155.63
Other financial liabilities	604.07	-	-	604.07
	759.70	911.72	-	1,671.42
As at 31 March 2023				
Borrowings	-	-	-	-
Trade payables	-	-	-	-
Other financial liabilities	-	-	-	-
	-	-	-	-



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24 Capital management

For the purpose of the Company's capital management, capital includes issued equity share capital, securities premium and all other equity reserves attributable to the equity holders of the company. The primary objective of the Company's capital management is to maximise the shareholder 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 plus net debt. 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
Borrowings	715.62	-
Less: Cash and cash equivalents *	(634.10)	(4.99)
Net debts	81.52	(4.99)
Equity**	(307.46)	4.69
Total Capital	(307.46)	4.69
Capital and net debt	(225.94)	(0.30)
Gearing ratio (%)***	-36.08%	NA

* This includes bank balances other than cash & cash equivalents, which the Company has invested in term deposits.

** Equity is aggregate of Equity Share Capital and Other Equity

*** For FY 22-23, there is no debt outstanding as at March 31, 2023. Due to this reason, the gearing ratio could not be computed for FY 22-23

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 years ended 31 March 2024 and 31 March 2023.



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26 Explanation of transition to Ind AS

These are Company's first standalone financial statements prepared in accordance with Ind AS. The accounting policies set out in Note 2 have been applied in preparing the financial statements for the year ended 31 March 2024, the comparative information presented in these financial statements for the year ended 31 March 2023. In preparing its Ind AS financial statements, the Company has adjusted the amounts reported previously in financial statements prepared in accordance with accounting standards notified under Companies (Accounting Standards) Rules, 2006 (as amended) and other relevant provisions of the Act (previous GAAP or Indian GAAP).

There are no differences on transition from previous GAAP to Ind AS in the financial statements of the Company

27 Going Concern

The Company is yet to commence its business operations. The Company has incurred losses aggregating to Rs. 5,189.15 lakhs. However, the Company has operational and financial support from its affiliates to carry out uninterrupted operations and discharge its liabilities in ordinary course of business.



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28 Other Statutory Information

- (i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- (ii) The Company does not have any transactions with companies struck off.
- (iii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- (iv) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (v) 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
- (vi) 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.
- (vii) The Company does not have any such transaction which are 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
- (viii) Title deeds - The company do not hold any immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee).
- (ix) Revaluation - The company use cost model for PPE including intangibles
- (x) Borrowings - The company has no borrowing from any bank or financial institution.
- (xi) Wilful Defaulter- The company is not declared as wilful defaulter by any bank or financial institution.
- (xii) Compliance with number of layer of companies- 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.
- (xiii) Compliance with approved Scheme(s) of Arrangements – Company has not entered into any Scheme of arrangements in terms of sections 230 to 237 of the Companies Act, 2013
- (xiv) Utilisation of Borrowed fund and share premium - Company has borrowed funds from its related parties (refer note 9)
- (xv) Loans & Advances: Company had advanced an unsecured loan to its fellow subsidiary company "Vedanta Displays Limited". The loan had been repaid within the year only.
- (xvi) 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.

For M. P. Chitale & Co.
Chartered Accountants
Firm Registration no : 101851W

Narendra Joshi
Partner
Membership No.: 143582

Place: Pune
Date:

**For and on behalf of the board of directors of
Vedanta Semiconductors Private Limited (previously known as
Vedanta Foxconn Semiconductors Limited)**


Akarsh Kattingeri Hebbar
Director
DIN: 08364609


Ajay Agarwal
Director
DIN: 08365644

