

24th June, 2024

The National Stock Exchange of India Ltd.
Exchange Plaza, 5th Floor
Plot No. C/1, G Block
Bandra Kurla Complex
Bandra (E)
Mumbai- 400 051

NSE Symbol : HAVELLS

BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai- 400 001

Scrip Code : 517354

Sub: General Update

Dear Sir, Madam

In terms of Regulation 30 and other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with corresponding circulars and notifications issued thereunder, please find attached herewith a General Update in response to the clarifications sought by certain Proxy Advisory Firms on the Resolutions proposed in the Notice of upcoming AGM of the Company on 28th June, 2024.

This is for your information and records.

Thanking you.

Yours faithfully,

for **Havells India Limited**

(Sanjay Kumar Gupta)

Company Secretary

Encl: As above

HAVELLS INDIA LTD.

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Registered Office: 904, 9th Floor, Surya Kiran Building, K.G. Marg, Connaught Place, New Delhi - 110001. (INDIA)
For CARE 360, Call us : for Havells : 08045771313, for Lloyd : 08045775666. CIN: L31900DL1983PLC016304

Clarifications on the resolutions to be approved in the AGM of Havells India Limited

Resolution	Clarifications sought by Proxy advisors	Company's Clarification
4. Re-appointment of Mr. Ameet Kumar Gupta as a Director liable to retire by rotation.	Skewed remuneration practice	<p>The Executive Directors carry out their responsibilities as bestowed upon by the shareholders and the Board of Directors. Their remuneration is decided by the NRC, basis their respective roles, skillset and experience. Each Director contributes to the company in a unique way and their remuneration varies accordingly.</p> <p>The remuneration of Promoter Directors and Group CFO reflect their foundational contributions and the strategic vision they provide which has brought the company to its current level.</p>
7. Re-appointment of Shri Ameet Kumar Gupta (DIN: 00002838) as the Whole-time Director of the Company	<ul style="list-style-type: none"> • No absolute cap on commission • Remuneration high for the size and complexity of the business and not in line with peers. 	<p>Shri Ameet Kumar Gupta is a professionally qualified and experienced business leader. He has been a key contributor in the growth journey of the Company for over two decades. He has been instrumental in shaping the Company in its current form which now is present in 20 product verticals and multiple distribution channels.</p> <p>His remuneration for the year 2024 is only 0.7% of the Net profits including the variable pay (commission) which is commensurate with the size and nature of the business in which Havells operates. It is also well within the prescribed limit of 5% as per section 197 of the Companies Act, 2013.</p> <p>Commission of 0.6% is linked to PBT which varies depending on the performance of the Company.</p>
8. Re-appointment of Shri Rajesh Kumar Gupta (DIN: 00002842) as the Whole-time Director & Group CFO of the Company	<ul style="list-style-type: none"> • No absolute cap on commission • Remuneration is high for the size and complexity of the business and higher than peers. 	<p>Shri Rajesh Kumar Gupta, having professional experience of over four decades has been associated since the beginning of the Company in 1983. At Havells, he has played a multidimensional role driving growth, creating the culture, systems, and processes across the organization.</p> <p>Shri Rajesh Kumar Gupta is qualified Chartered Accountant and an independent professional, not related to any of the promoters.</p> <p>There is no change in percentage of variable pay (commission) which has remained at 0.5% of PBT since the year 2006, further the benefits under the ESPS plan in the proposed resolution are same as the existing remuneration structure.</p>

Resolution	Clarifications sought by Proxy advisors	Company's Clarification																					
		<p>Commission of 0.5% is linked to PBT which varies depending on the performance of the Company. The variability of his commission is in line with the PBT of the Company, which can be seen from the following trend of his commission in last few years:</p> <table border="1" data-bbox="831 352 1908 659"> <thead> <tr> <th data-bbox="831 352 1093 408">Year</th> <th data-bbox="1093 352 1240 408">FY19</th> <th data-bbox="1240 352 1388 408">FY20</th> <th data-bbox="1388 352 1536 408">FY21</th> <th data-bbox="1536 352 1684 408">FY22</th> <th data-bbox="1684 352 1832 408">FY23</th> <th data-bbox="1832 352 1908 408">FY24</th> </tr> </thead> <tbody> <tr> <td data-bbox="831 408 1093 491">Commission <i>(Rs Crores)</i></td> <td data-bbox="1093 408 1240 491">5.9</td> <td data-bbox="1240 408 1388 491">4.6</td> <td data-bbox="1388 408 1536 491">7.3</td> <td data-bbox="1536 408 1684 491">8.2</td> <td data-bbox="1684 408 1832 491">7.4</td> <td data-bbox="1832 408 1908 491">8.8</td> </tr> <tr> <td data-bbox="831 491 1093 659">Profit Before Tax <i>(as per Section 198 of Companies Act, 2013)</i> <i>(Rs Crores)</i></td> <td data-bbox="1093 491 1240 659">1,172</td> <td data-bbox="1240 491 1388 659">946</td> <td data-bbox="1388 491 1536 659">1,430</td> <td data-bbox="1536 491 1684 659">1,626</td> <td data-bbox="1684 491 1832 659">1,476</td> <td data-bbox="1832 491 1908 659">1,740</td> </tr> </tbody> </table> <p>Under the Employee Stock Purchase Scheme (ESPS 2015), which has already been approved by the Nomination and Remuneration Committee and Shareholders of the Company, the shares to be issued to Shri Rajesh Kumar Gupta are based on Profitability criteria of the Company with a capping of maximum 1 lakh shares per annum.</p> <p>His remuneration for the year 2024 including benefits under ESPS is 1.6% of the Net profits which is commensurate with the size and nature of the business. It is also well within the prescribed limit of 5% as per section 197 of the Companies Act, 2013. Further, the overall executive remuneration is 4.1% of the net profit which is well within the prescribed limit of 10% under the Companies Act, 2013.</p>	Year	FY19	FY20	FY21	FY22	FY23	FY24	Commission <i>(Rs Crores)</i>	5.9	4.6	7.3	8.2	7.4	8.8	Profit Before Tax <i>(as per Section 198 of Companies Act, 2013)</i> <i>(Rs Crores)</i>	1,172	946	1,430	1,626	1,476	1,740
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9, 10 & 11 Re-appointment of Mr. Bontha Prasada Rao, Mr. Subhash S Mundra & Mr. Vivek Mehra, as an Independent Director for a Second Term.	Total tenure of 10+ years as ID is not in accordance with law.	<p>Re-appointment of the said independent directors for a further period of 5 (Five) years upon the expiry of First Term is in compliance with the relevant regulations.</p> <p>The Board has adopted the provisions with respect to appointment and tenure of Independent Directors consistent with the Companies Act, 2013 and the Listing Regulations. As per the provisions of the Companies Act, 2013, the Independent Directors shall be appointed for not more than two terms of maximum of five years each and shall not be liable to retire by rotation.</p>																					