



HPL Electric & Power Limited

CIN : L74899DL1992PLC048945

Corporate Office: 76-B, Phase-IV, Sector-57, HSIIDC Industrial Estate,
Kundli-131028, Sonapat, Haryana INDIA.

Tel.: +91-130-350 3958, 350 3437 | E-mail: hpl@hplindia.com

Website: www.hplindia.com

6th September, 2024

The Manager,
Listing Department,
National Stock Exchange of India Ltd.
"Exchange Plaza", C-1, Block G,
Bandra-Kurla Complex, Bandra (E),
Mumbai – 400 051
Symbol: HPL

BSE Limited
25th Floor, New Trading Ring, Rotunda Building,
PhirozeJeejeebhoy Towers,
Dalal Street, Fort,
Mumbai – 400 001
Scrip Code: 540136

Sub:- Annual Report for FY 2023-24 alongwith Notice of the 32nd Annual General Meeting, Record Date, Book Closure and E-voting Intimation

Dear Sir,

Pursuant to Regulation 30, 34, 42 and 44 and other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), we hereby notify as under:

1. The 32nd Annual General Meeting (AGM) of the Company will be held on Monday, 30th September, 2024 at 11:30 A.M. (IST) through video conferencing/ Other Audio Visual Means in accordance with relevant circulars issued by the Ministry of Corporate Affairs and the Securities and Exchange Board of India('Circulars').
2. In terms of the said Circulars, the AGM notice and the Annual Report 2023-24 (as enclosed) have been sent to all the members of the Company whose email addresses are registered with the Company / RTA / Depository Participant(s). AGM Notice may be referred for detailed instructions on registering email addresses(s) and voting/ attendance for the AGM.
3. The Register of Members and Share Transfer Books of the Company shall remain closed from 24th September, 2024 to 30th September, 2024 (both days inclusive) for the purpose of 32nd Annual General Meeting and declaration of Dividend for the financial year ended 31st March, 2024. The Record date for the purpose of dividend payment (if declared) is Monday, 23rd September, 2024.
4. The Company is providing the facility to vote by electronic means (remote e-voting as well as e-voting at the AGM) on all resolutions as set out in the AGM notice to those members, who are holding shares either in physical or in electronic form as on the cut-off date i.e. Monday, 23rd September, 2024. The remote e-voting will commence from 9.00 a.m. (IST) on Friday, 27th September, 2024 and end at 5:00 p.m. (IST) on Sunday, 29th September, 2024.

This is for your kind information and record please.

Thanking You,

For HPL Electric & Power Limited

Vivek Kumar
Company Secretary

CC: 1. National Securities Depository Limited
2. Central Depository Services (India) Limited



ENERGISING INDIA'S TOMORROW

LEADING THE CHARGE TOWARDS
SUSTAINABLE SOLUTIONS



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Forward looking statements

The Annual Report may include various statements about the company's aspirations, targets, forecasts, valuations, and anticipations, which can be considered as 'forward-looking statements' under relevant legal frameworks, founded on well-informed assessments and approximations. It's important to note that actual outcomes could significantly deviate from those projected or implied in these statements. Such forward-looking statements inherently carry numerous uncertainties and risks, including, but not limited to, economic fluctuations that influence demand and supply dynamics as well as pricing in both local and international markets where the company operates, modifications in governmental regulations and policies, taxation norms, the availability and cost of raw materials, competitive challenges, and other related factors.

Corporate Information

Board of Directors

Mr. Lalit Seth
Chairman and Whole-time Director

Mr. Rishi Seth
Managing Director

Mr. Gautam Seth
Jt. Managing Director & CFO

Mr. Hargovind Sachdev
Independent Director

Dr. Rashmi Vij
Independent Director

Mr. Dhruv Goyal
Independent Director

Company Secretary

Mr. Vivek Kumar

Corporate Identification No.

CIN: L74899DL1992PLC048945

Registered & Corporate Office

Registered Office

1/20, Asaf Ali Road, New Delhi - 110 002
Tel.: +91-11-23234411
Fax: +91-11-23232639

Corporate Office

76-B, Phase-IV, Sector-57,
HSI IDC Industrial Estate, Kundli-131028,
Sonapat, Haryana INDIA.

Email: hpl@hplindia.com
Website: www.hplindia.com
Tel.: +91-130-350 3958, 350 3437

Statutory Auditors

M/s. Sakshi & Associates
Chartered Accountants, New Delhi

Internal Auditors

PricewaterhouseCoopers Services LLP,
Gurugram (Haryana)

Cost Auditors

M/s. M.K. Singhal & Co.,
Cost Accountants, Noida

Secretarial Auditors

M/s. AVA Associates
Practicing Company Secretaries,
New Delhi

Registrar & Transfer Agent

KFin Technologies Limited
Selenium Tower B, Plot 31-32, Gachibowli
Financial District, Nanakramguda,
Hyderabad - 500 032
Toll Free No: 1800-345-4001
Fax: 040-23001153
Email: einward.ris@karvy.com
Website: www.kfintech.com

Bankers/Lenders

State Bank of India
Union Bank of India
Punjab National Bank
(e-Oriental Bank of Commerce)
Canara Bank
IDBI Bank Ltd.
Karnataka Bank Ltd.
Bank of Baroda
HDFC Bank Ltd.
Axis Bank Ltd.
Bank of Bahrain & Kuwait B.S.C.
The South Indian Bank Ltd.
The Federal Bank Ltd.
DCB Bank
SBM Bank (India) Ltd.
Tata Capital Ltd.

Works

Plot No. 132-133, Pace City-I, Sector-37,
Gurugram, Haryana

Plot No. 357-Q, Pace City-II, Sector-37,
Gurugram, Haryana

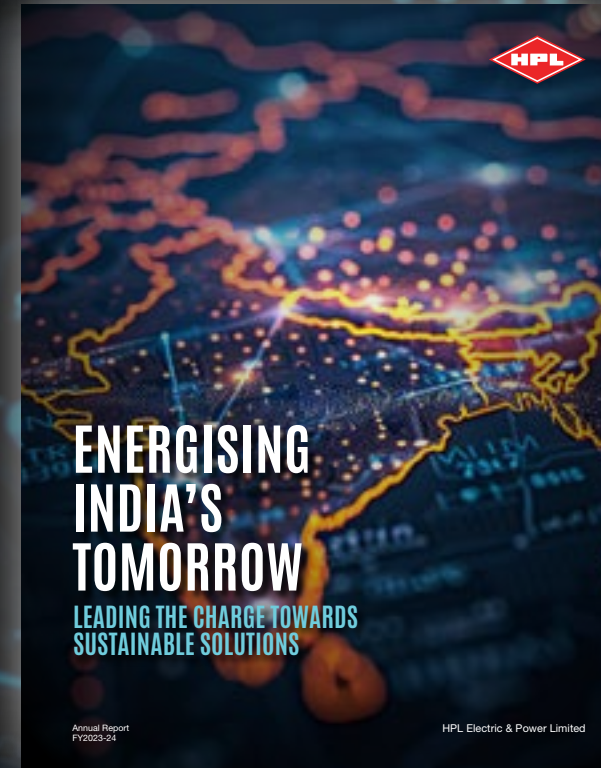
Village -Shavela, P.O. Jabli, Distt. Solan,
Himachal Pradesh

Village - Bigan, Dhaturi Road, Tehsil Gannaur,
Sonapat, Haryana

Village -Plot No. 76-B, Phase IV, Sector-57,
HSI IDC Industrial Area, Kundli - 131 028,
Sonapat, Haryana

Main GT Karnal Road

Village - Bastawa, Tehsil Gharonda, District -
Karnal, Haryana



In fiscal year 2024, our firm anchored its growth on core principles of innovation and operational prowess, marking significant strides in our strategic sectors: smart meters, switchgear, and wiring solutions. This focus has not only enhanced our production quality but also solidified our standing as a pivotal industry figure, navigating a substantial order pipeline worth over Rs. 2,000 crore (FYE2024) with a keen eye on value creation and operational excellence.

As India shifts towards more sophisticated energy frameworks, HPL Electric & Power Ltd. is at the helm of this crucial transformation, offering advanced metering solutions that provide unparalleled control and clarity over energy usage to consumers and providers alike. With smart meter installations currently being approximately 1.5 crore, this segment is poised for significant growth as we expand our market reach. Our efforts align with significant government initiatives such as the RDSS and AMISP, reinforcing our position as a leading entity in the nation's energy sector.

Moreover, the expanding infrastructure and real estate domains have spurred demand for our comprehensive suite of products, aiding in the integration of eco-friendly energy solutions across diverse Indian landscapes. This strategic move not only contributes to the country's economic fabric but also underscores our commitment to environmental guardianship.

Looking ahead, our wires and cables segment is also set to experience positive growth into the next financial year, driven by increasing demand and technological advancements. Concurrently, we have made focused improvements in our margins, optimized our operations, and reduced debtor days, strengthening our financial health and ensuring better liquidity management. A major growth driver has been the substantial progress in our switchgear segment, while our focused efforts on revenue growth have significantly contributed to our overall financial stability. Our commitment to improving balance sheet ratios reflects a prudent approach to financial management and sustainability, ensuring more years of continuous growth.

As we envision a smarter, sustainable future for India, our dedication to excellence, transparency, and eco-conscious growth remains our compass. With a culture steeped in quality and innovation, and a strategic focus on high-value segments, we are poised to steer through the evolving energy milieu with agility.

Our advanced metering solutions are not only enhancing energy efficiency but also driving significant cost savings for our customers.

propelled by significant orders from Advanced Metering Infrastructure Service Providers (AMISPs) and through the government's Revamped Distribution Sector Scheme (RDSS). Our strategic partnership with Wirepas Oy has further strengthened our smart metering solutions, aligning with national objectives and enhancing our competitive edge in a dynamically evolving market.

Smart meters are transforming the way energy is managed, consumed and accounted ; providing an unparalleled control and clarity over energy usage to consumers and providers alike. With the widespread adoption of smart meters, we are witnessing a paradigm shift in the energy sector. Our advanced metering solutions are not only enhancing energy efficiency but also driving significant cost savings for our customers. However, it is important to note that only a fraction of what is planned has been translated to reality on a national scale, and there is vast scope for much more going forward. As we expand our market reach, we are poised to play a pivotal role in India's transition to a smarter and more sustainable energy future.

In line with our culture of innovation and technological advancement, we have entered into a landmark partnership with Guangxi Ramway Technology Co. Ltd., a leader in magnetic latching relays. This Memorandum of Understanding (MoU) will leverage Guangxi Ramway's technical expertise to advance relay manufacturing in India. Magnetic latching relays are specialized electromagnetic switches that maintain their state without continuous current, making them ideal for energy-efficient applications. These relays are critical components used in the manufacture of Smart Meters and other Electrical Equipments. By producing these relays domestically, we will streamline supply chains, reduce costs, and improve availability, aligning with the Government of India's Make in India initiative.

This collaboration reflects our objective towards enhancing our manufacturing capabilities and delivering high-quality products to our customers. As India advances in smart meter deployment and modernization, the demand for reliable relays is paramount. This partnership not only supports the growth of the smart grid and energy management sectors in India but also strengthens HPL's market position, fosters innovation, and contributes to the development of India's energy infrastructure. However, we are still in the early stages of implementing this, and it should start giving us meaningful positive impact from FY2026 onwards. This will form an important pillar within our offerings.

Throughout the year, we have made focused improvements in our margins, optimized our operations, and reduced debtor days, strengthening our financial health and ensuring better liquidity management. Our commitment to improving balance sheet ratios reflects a prudent approach to financial management and sustainability, ensuring we are on a path of continuous growth.

Apart from meters, our strategic focus on other high-value segments such as switchgear, lighting, and wires & cables has also been instrumental in driving revenue growth. The wires and cables segment, in particular, is set to experience positive growth driven by increasing demand and technological advancements; switchgear being at a rise of 27.43% YoY and wire & cables growth upwards of 7% YoY for FY24. The shift towards the organized sector, coupled with governmental emphasis on infrastructure and developmental projects, is anticipated to drive substantial growth across various industries including infrastructure, power, telecommunications, transmission and distribution, manufacturing, real estate, engineering, and automotive.

₹2,000+ crore
Maintained a robust order book as of 31st May 2024, providing clear visibility into near-term growth and profitability.

At HPL, our dedication to sustainability and environmental stewardship remains at the forefront of our strategic vision. We continue to invest in R&D, driving continuous improvement and keeping us at the forefront of technological developments. Our efforts are aligned with significant government initiatives such as the Smart Cities Mission and the National Smart Grid Mission, reinforcing our role as a leader in the nation's energy sector.

Our strategic initiatives are not just about driving growth but also about creating a positive impact on society and the environment. We are committed to reducing our carbon footprint and promoting energy efficiency through our innovative products and solutions. Our advanced metering solutions, for instance, are helping consumers and providers alike to manage energy usage more efficiently, thereby reducing greenhouse gas emissions and contributing to a more sustainable future.

Our efforts to expand our global reach are also giving us forward momentum. We are now present in over 42 countries, driven by steadily increasing exports across our Metering Systems & Services and Consumer, Industrial & Services segments. Our deep order book pipeline, standing strong at over ₹2,000 crore as of 31st May, 2024, gives us clear visibility for near-term growth and profitability.

The global market for smart meters is also expanding, and we are well-positioned to capitalize on this opportunity. Our innovative metering solutions, coupled with our large-scale and automated manufacturing capabilities, should enable us to offer compelling value proposition to customers around the world. As we continue to expand our global footprint, we remain committed to maintaining the highest standards of quality and customer satisfaction.

As we envision a smarter, sustainable future for India and the world, our commitment to excellence, transparency, and eco-conscious growth remains our guiding compass. With a culture steeped in quality and innovation and a strategic focus on high-value segments, we are poised to steer through the evolving energy landscape with agility and foresight.

In closing, I extend my heartfelt gratitude to our shareholders, customers, employees, and partners for their continued support and trust in HPL Electric & Power Ltd. Together, we will continue to build on our successes, driving value creation and sustainable growth for years to come.

Thank you for being part of our journey.

Sincerely,

Mr. Lalit Seth
Chairman & Whole-time Director
HPL Electric & Power Ltd.

44.22% YoY
Achieved a substantial revenue increase to ₹1,460.86 crore, showcasing our strong market position and growth potential.

Dear Shareholders,

As I reflect on the fiscal year 2024, I am filled with immense pride and gratitude for the remarkable journey that HPL Electric & Power Ltd. (HPL) has undertaken. This year has been a testament to our commitment to innovation, operational excellence, and strategic growth. Despite the global economic challenges, our resilience and strategic foresight have enabled us to achieve significant milestones and position ourselves strongly for the future.

Our financial performance for FY24 shows our growth trajectory and operational excellence. We achieved a substantial 15.74% increase in revenue from operations, reaching ₹1,460.86 crore, up from ₹1,262.21 crore in the previous fiscal year. This growth is a testament to our strategic initiatives and our ability to capitalize on market opportunities across all our product segments.

Our focus on operational efficiency and cost management has yielded substantial improvements in profitability. The Profit After Tax (PAT) grew by 44.22% to ₹43.63 crore, reflecting the effectiveness of our strategies to enhance operational efficiency and maximize performance. Additionally, our Earnings Before Interest, Taxes, Depreciation, and Amortization (EBITDA) grew by 22.49% to ₹192.15 crore, with EBITDA margins improving by 72.54 basis points to 13.15%. These results are indicative of our disciplined approach to financial management and our commitment to delivering value to our shareholders.

One of our key growth drivers has been our leadership in the smart metering sector. We achieved a handsome 27.25% year-over-year growth in our Metering, Systems & Services segment. This growth was



Message from the Chairman & Whole-time Director

22.49% YoY
EBITDA grew to ₹192.15 crore with a margin expansion of 72.54 basis points, underscoring our disciplined financial management.

Board of Directors



Mr. Lalit Seth
Chairman and Whole Time Director

Mr. Lalit Seth is the vision behind HPL's success and reputation in the market today. Bringing in over 54 years of experience in the electrical industry,

he plays a pivotal role in undertaking several progressive projects. The depth and diversity of his knowledge keep the Company on the path of sustainable growth, with its name synonymous with quality, technology, and reliability.



Mr. Rishi Seth
Managing Director

Mr. Rishi Seth is an MBA in Finance. In a career spanning over 29 years, he has been instrumental in HPL Group's organic growth. As the Managing Director, he is responsible for shaping the Company's strategic perspective, leading to its diversification and expansion into new avenues, including EPC projects and forays into green projects.

He oversees the institutional and government business in addition to select manufacturing facilities. His significant achievement includes HPL's growth in the utility segment, establishing it as a globally leading Smart Meter manufacturer.



Mr. Gautam Seth
Joint Managing Director & CFO

Mr. Gautam Seth is a qualified Chartered Accountant responsible for the overall functioning and management of the administration. With over 27 years of experience in the electrical industry, he has carried forward the Group with dedication and commitment. He actively engages in the Group's sales and marketing activities, providing invaluable insights and direction to ensure market relevance and competitiveness. His strong vision, exemplary leadership, and expertise in the electrical market have fostered organisational growth & future prospects.



Mr. Hargovind Sachdev
Non-Executive Independent Director

Mr. Hargovind Sachdev holds a Bachelor's Degree in Science, Botany (Honours) and a Postgraduate Degree in English. An expert in the domain, he has worked with the State Bank of Travancore, State Bank of Patiala, and State Bank of India, where he was posted in Frankfurt, Germany, from 2006 to 2011 as Head of Credit.

He has worked as Chief Vigilance Officer (CVO) at UCO Bank. He has travelled across 15 countries in Europe for Credit Dispensation. He is trained in Credit & Foreign Exchange at the Asian Institute of Management, Manila, Philippines, and Euro Money, London.



Dr. Rashmi Vij
Non-Executive Independent Director

Dr. Rashmi Vij is a Doctorate in Psychology with a brilliant academic record, and a gold medalist in MA (Psychology). She has been the Founder Principal of Police DAV Public School since 1996. She is the Chairperson of Jalandhar Sahodaya Complex, heads various sports organisations in Punjab and India and is the British Council School Ambassador for various advocacy programmes.

She has been honoured with multiple awards, including the National Teacher Award - 2007 by the Honourable President of India, Smt. Pratibha Patil; The Best Principal Award by the DAV Management Committee, New Delhi; Scout Award by National Innovation Foundation for promoting innovative thinking in school. She is rendering valuable service in educating underprivileged children and women empowerment.



Mr. Dhruv Goyal
Non-Executive Independent Director

Mr. Dhruv Goyal holds a B. Sc Honours (Chemistry) from Hindu College, Delhi University and a Diploma in International Marketing from IIFT. He has over 32 years of experience in the cable and telecommunication industry. He also has vast exposure related to international business.



Mr. Gautam Seth
Joint Managing Director & CFO

GS

A conversation with the CFO

Mr. Gautam Seth, Joint Managing Director & CFO, discusses HPL Electric & Power Ltd.'s financial performance, strategic initiatives, and future growth prospects in an engaging Q&A session.

Can you provide an overview of HPL's financial performance for FY24?

GS

At the outset, I would like to inform you that FY24 has been a notable year for HPL Electric & Power Ltd., marked by strong financial performance. We achieved a 15.74% increase in revenue from operations, reaching ₹1,460.86 crore, up from ₹1,262.21 crore in the previous fiscal year. This impressive growth is a direct result of our strategic initiatives and our ability to capitalize on market opportunities across all product segments. Our EBITDA rose by 22.49% to ₹192.15 crore, with margins improving by 72.54 basis points to 13.15%. Additionally, our Profit After Tax (PAT) surged by 44.22%, reaching ₹43.63 crore, which underscores the effectiveness of our operational efficiency and strategic focus.

What factors are driving our growth in the smart metering sector?

GS

Our leadership in the smart metering sector has been a cornerstone of our growth. In FY24, we achieved a 27.25% year-over-year growth in our Metering Systems & Services segment. This was fuelled by substantial orders from Advanced Metering Infrastructure Service Providers (AMISPs) and the government's Revamped Distribution Sector Scheme (RDSS). Our strategic partnership with Wirepas Oy has significantly enhanced our smart metering solutions, integrating advanced RF mesh technology. This collaboration has improved our data collection and energy management capabilities, aligning with national objectives and strengthening our competitive edge in a dynamically evolving market.

How is HPL poised to capitalise on opportunities in the 5G infrastructure sector?

GS

The 5G infrastructure sector presents significant growth potential for HPL. We have secured initial formal orders for 5G electrical products, including cables for leading telecom companies. The prospects for this segment are highly favorable, and we anticipate substantial additional business from this area in the near to medium term. Our strategic initiatives are focused on expanding our capabilities to meet the rising demand for 5G infrastructure, ensuring that we remain at the forefront of technological advancements.

What are HPL's strategic priorities moving forward?

GS

Our strategic priorities include advancing our smart metering technologies, expanding our 5G infrastructure capabilities, and driving growth in the switchgear, lighting, and wires & cables segments. We are committed to continuous innovation and operational efficiency, supported by ongoing investments in R&D. Our focus on enhancing our global footprint, driven by increased exports across our key segments, positions us for sustained growth. Our growing order book, valued at over ₹2,000 crore, provides clear visibility for near-term revenue growth and profitability.

Can you discuss the performance and future outlook of the switchgear, lighting, and wires & cables segments?

GS

Our switchgear, lighting, and wires & cables segments have demonstrated promising growth. In FY24, our switchgear segment grew by 27.43% year-over-year, and the wires & cables segment saw growth of over 7%. While the lighting segment faced value erosion due to industry-wide technology changes, we expect stabilization and growth in FY25. The shift towards the organized sector, coupled with governmental emphasis on infrastructure and developmental projects, is anticipated to drive substantial growth across these segments.

How does HPL integrate sustainability into its operations?

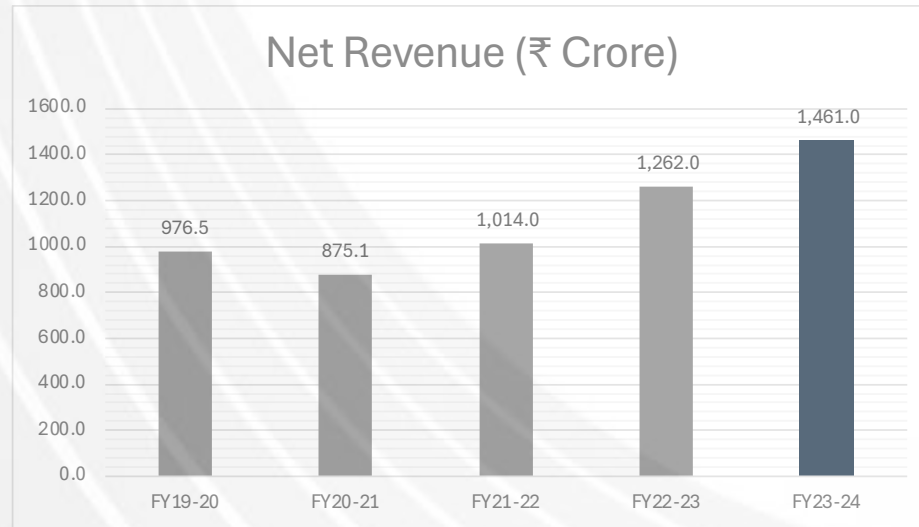
GS

Sustainability is integral to our strategic vision. We are committed to reducing our carbon footprint and promoting energy efficiency through our innovative products and solutions. For instance, our advanced metering solutions help consumers and providers manage energy usage more efficiently, thereby reducing greenhouse gas emissions. We adhere to the highest standards of corporate governance, ensuring transparency, accountability, and ethical practices across all our operations. This commitment to sustainability not only aligns with global standards but also strengthens our market position and investor confidence.

Financial Trends

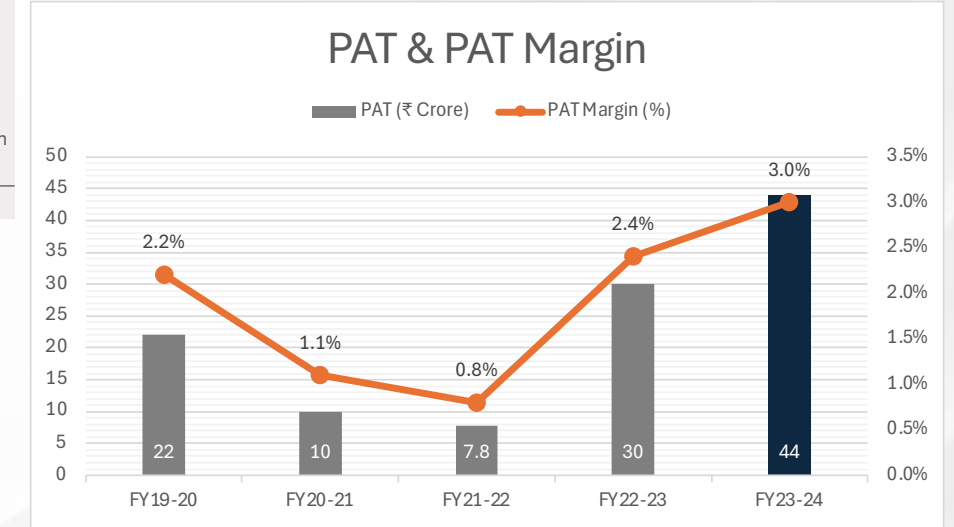
15.7%

FY24 revenue increased by 15.7% to ₹1,461 crore compared to FY23.



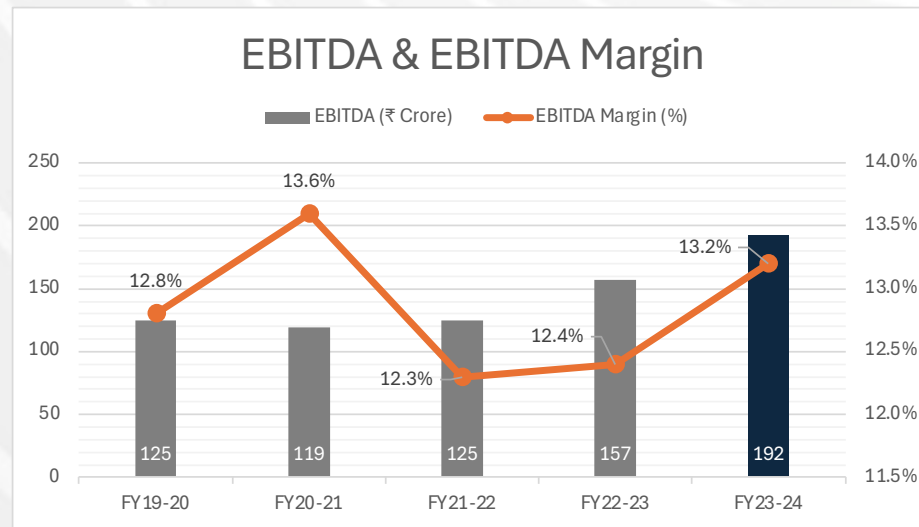
46.7%

FY24 PAT surged by 46.7% to ₹44 crore, with a margin increase to 3.0%.



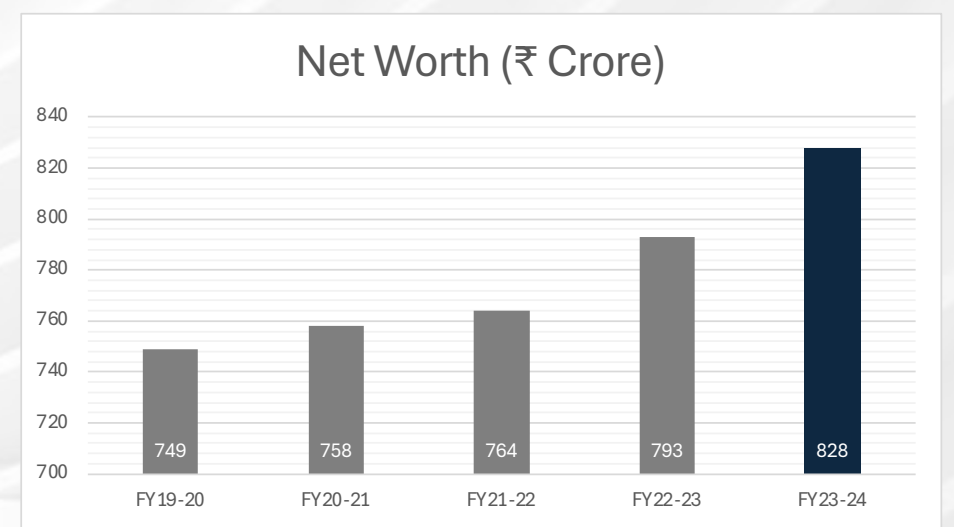
22.3%

FY24 EBITDA rose by 22.3% to ₹192 crore, with margin improving to 13.2%.



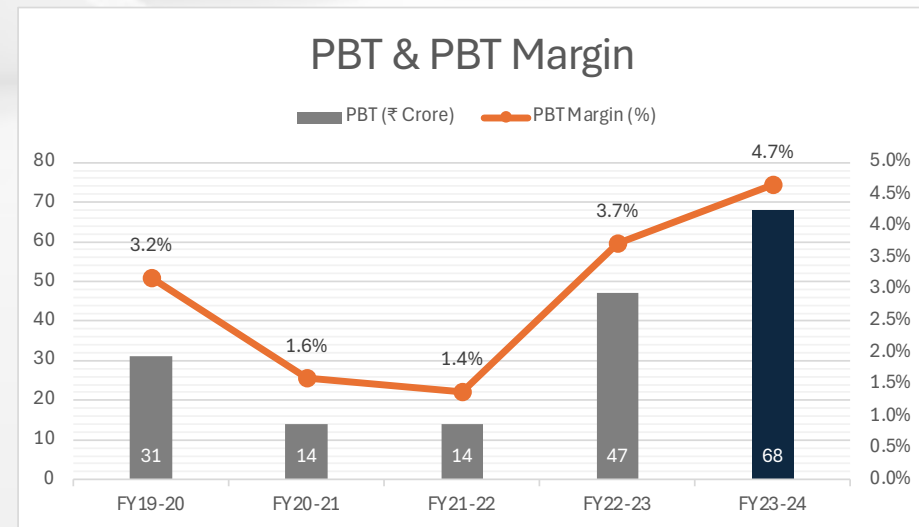
4.41%

FY24 net worth increased by 4.41% compared to FY23.



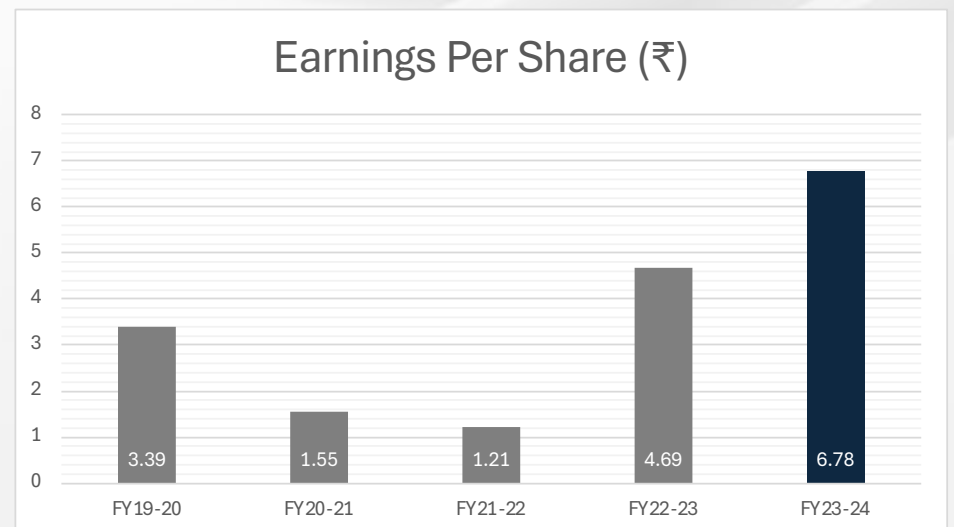
44.7%

FY24 PBT grew by 44.7% to ₹68 crore, with a margin rising to 4.7%.



44.5%

FY24 EPS increased by 44.5% to ₹6.78 compared to FY23.

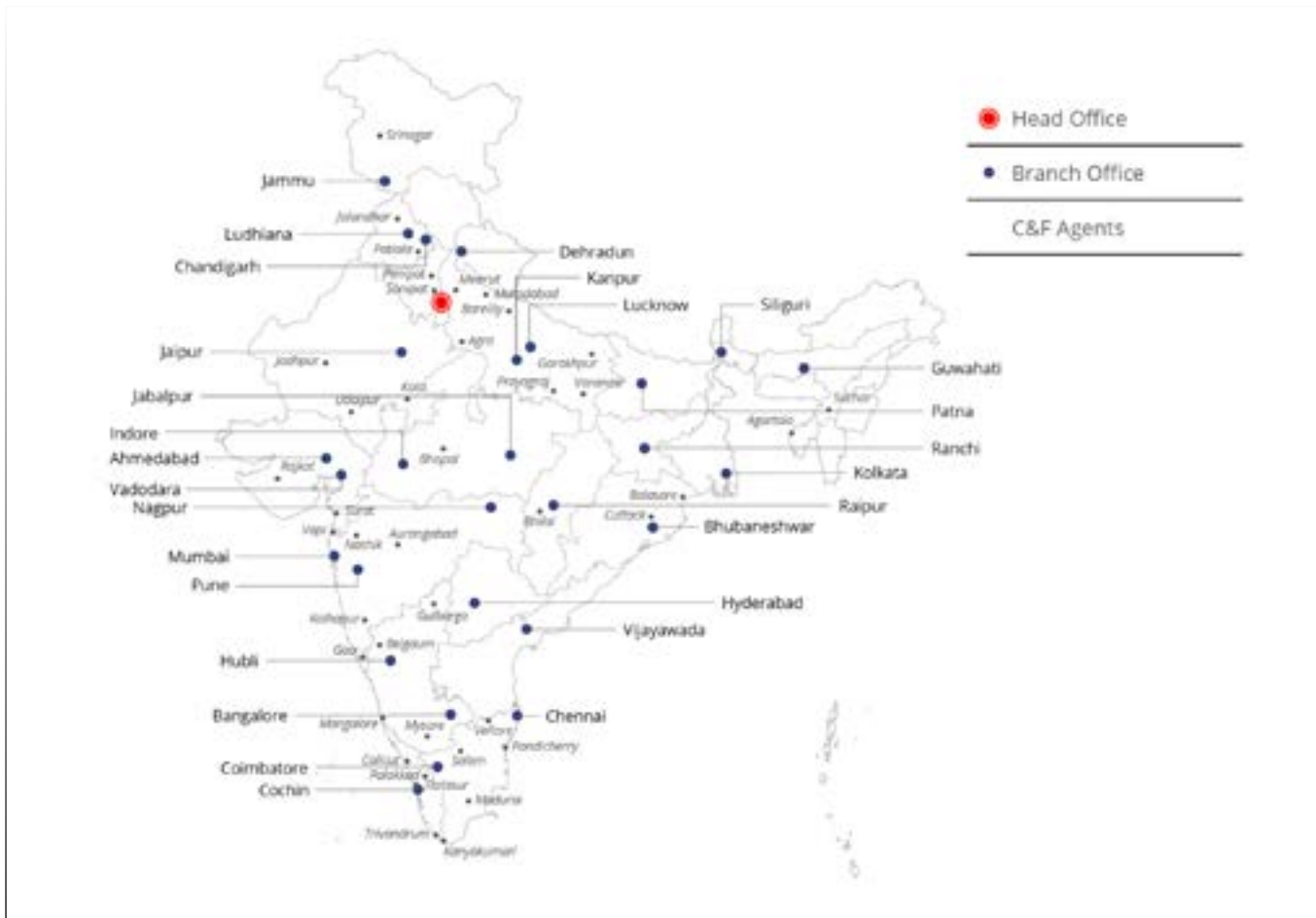


HPL Electric & Power Ltd: At a Glance

Our Journey

HPL Electric & Power Ltd. has charted a remarkable journey since its inception, evolving into a leading player in India's electrical equipment manufacturing sector. Founded in 1992, our commitment to innovation, quality, and technological advancement has propelled us to the forefront of the industry. Over the years, we have expanded our product portfolio to include advanced metering solutions, switchgear, lighting, and wires & cables, catering to a diverse clientele across retail, institutional, and utility segments.

In FY24, we anchored our growth on core principles of innovation and operational excellence. Our strategic focus on high-value production segments such as smart meters, switchgear, and wiring solutions has not only enhanced our product quality but also solidified our standing in the industry. This year, we achieved significant milestones, including a substantial 15.74% increase in revenue from operations and a 44.22% growth in Profit After Tax (PAT). Our resilience and strategic foresight have enabled us to navigate global economic challenges and position ourselves strongly for the future.



Our Core Values

Collaboration

We believe in the power of collaboration. Our strategic partnerships and alliances with industry leaders enhance our innovation capabilities and market reach.

Innovation

At HPL Electric & Power Ltd., innovation is at the heart of everything we do. We are committed to advancing technology and developing cutting-edge products that meet the evolving needs of our customers.

Customer Focus

Our customers are at the centre of our business. We are committed to delivering high-quality products and exceptional service to ensure customer satisfaction and long-term relationships.



Excellence

We strive for excellence in all our operations. Our dedication to quality and operational efficiency drives our continuous improvement and market leadership.

Integrity

Transparency, accountability, and ethical practices are the cornerstones of our business. We uphold the highest standards of corporate governance to protect the interests of our stakeholders.

Sustainability

We are dedicated to sustainability and environmental stewardship. Our products and solutions are designed to promote energy efficiency and reduce our carbon footprint, contributing to a more sustainable future.

Our Mission and Vision

Our mission is to empower the world with innovative and sustainable electrical solutions. We aim to lead the transition towards smart energy solutions, providing advanced metering systems, efficient lighting, and reliable switchgear and wiring products that enhance energy management and efficiency.

Our vision is to be a global leader in the electrical equipment industry, recognized for our commitment to innovation, quality, and sustainability. We envision a future where our products contribute to smarter energy consumption, reduced environmental impact, and improved quality of life for communities around the world.

State of Company's Affairs

Overview of Economic Context

The Indian economy remained resilient in FY 2023-24, continuing to be one of the fastest-growing economies globally. India's real GDP growth rate was 7.2%, supported by strong domestic consumption despite the challenging global economic environment.

HPL's robust growth trajectory aligns well with the strong performance of the Indian economy, which continues to offer ample opportunities for expansion across various sectors. The company's stable order book ensures

sustained revenue flow, reflecting the broader economic stability and growth in India. Additionally, HPL is well-positioned to capitalize on the increasing demand for smart meters and 5G electrical products, both of which are expected to drive significant revenue and profitability, further bolstering the company's contribution to India's economic progress.

Performance Highlights

HPL Electric & Power Ltd. delivered a solid financial performance in FY 2023-24, driven by strong growth in the Metering, Systems & Services segment and improvements in the Return on Capital Employed (ROCE). The company achieved a revenue increase

22.49% YoY Increase

Substantial rise in EBITDA, demonstrating enhanced operational efficiency and profitability.

of 15.74%, reaching ₹1,460.86 crore, up from ₹1,262.21 crore in FY 2022-23. EBITDA also showed a substantial rise of 22.49%, amounting to ₹192.15 crore, compared to ₹156.87 crore in the previous year.

The momentum from previous years was sustained, with the company recording its highest-ever quarterly revenue of ₹424.09 crore in Q4 FY24, reflecting a 17% year-on-year increase from Q4 FY23, driven primarily by robust performance in the Metering, Systems & Services segment.

Order Book and Future Outlook

As of May 9, 2024, HPL's order book stands strong at ₹2,000+ crore, providing solid revenue visibility for the upcoming year. The Metering, Systems & Services segment contributes 88% of the order book, with the Consumer, Industrial & Services segment accounting for 12%. The company is also strategically expanding its export footprint, leveraging its diverse product range and robust R&D capabilities to tap into new international markets. Looking ahead, HPL is optimistic about the significant opportunities in the smart metering and consumer segments. With a diverse product portfolio, cutting-edge technology, and robust capacity, the company is well-equipped to harness these opportunities, ensuring sustained growth and value creation for its stakeholders.

HPL's strong order book provides robust revenue visibility, with 88% from Metering, Systems & Services, and significant growth opportunities ahead.

₹2,000+ crore

Maintained a robust order book as of 31st May 2024, providing clear visibility into near-term growth and profitability.

Segment-wise Performance

Metering, Systems & Services Segment

The Metering, Systems & Services segment experienced significant growth, with revenue increasing by 27.25% to ₹852.58 crore in FY24, up from ₹670.03 crore in FY23. In Q4 FY24 alone, this segment saw a 33.49% increase in revenue, reaching ₹255.78 crore, compared to ₹191.61 crore in Q4 FY23. HPL is well-positioned to capitalize on the expanding opportunities in the smart meter market. The company anticipates continued strong demand in FY25, supported by a growing order book and strategic investments in capacity expansion and automation at its manufacturing facilities.



59% of Total Revenue

The Metering, Systems & Services segment contributed substantially to overall company revenue, reinforcing its strategic importance.

Consumer, Industrial & Services Segment

The Consumer, Industrial & Services segment generated revenue of ₹608.28 crore in FY24, marking a marginal growth of 2.72% over FY23. The segment experienced steady growth in switchgear and wires & cables, with switchgear revenue up by 27.43% year-on-year. However, the lighting product lines faced challenges due to industry-wide value erosion driven by technological changes, leading to a minor contraction in this segment during Q4 FY24. HPL remains focused on driving healthy growth in this segment through product innovation, brand-building initiatives, and expanding distribution reach.



27.43% YoY Increase

Significant growth in the switchgear segment, demonstrating strong demand and effective market positioning.

Our Products

HPL Electric & Power Ltd. is a leading name in the electrical industry, offering a wide array of technologically advanced and innovative products across various segments. With over four decades of experience, we have established ourselves as a trusted provider of low-voltage electrical solutions, catering to both domestic and international markets. Our extensive product portfolio is designed to meet the needs of diverse customers, ranging from power utilities and government agencies to industrial, commercial, and residential users. Below is an overview of our key product categories:



Metering Solutions

HPL is a market leader in the metering segment, offering a wide range of metering solutions that include:



- Prepaid Meters**
Allow consumers to manage their electricity consumption and payments more effectively.
- Smart Meters**
Advanced meters equipped with communication technologies that enable automated data collection and remote management, enhancing efficiency and accuracy.
- Conventional Meters**
Reliable and accurate solutions for standard metering needs.

With our strong R&D capabilities and state-of-the-art manufacturing facilities, we continue to innovate and expand our metering product line to meet the evolving demands of the industry.

Switchgears

Our switchgear products are designed to ensure safety, reliability, and efficiency in electrical distribution systems. Key products include:

<p>MCBs (Miniature Circuit Breakers)</p> <p>Protect electrical circuits from overcurrents.</p>	<p>RCCBs (Residual Current Circuit Breakers)</p> <p>Safeguard against electrical shocks by detecting and interrupting leakage currents.</p>	<p>MCCBs (Molded Case Circuit Breakers)</p> <p>Provide enhanced protection in higher power distribution systems.</p>	<p>On-load Changeover Switches</p> <p>Ensure continuous power supply by seamlessly switching between different power sources.</p>
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HPL is recognized as a leading player in the domestic switchgear market, known for our high-quality and durable products.

Lighting Solutions

We offer a comprehensive range of lighting products that cater to residential, commercial, and industrial applications, including:

<p>Consumer LED Products</p> <p>Energy-efficient lighting solutions for homes and small businesses.</p>	<p>Commercial LED Products</p> <p>High-performance lighting for offices, retail spaces, and other commercial environments.</p>	<p>Outdoor LED Products</p> <p>Durable and weather-resistant solutions for outdoor spaces such as streets, parks, and public areas.</p>
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Our lighting products are designed to provide optimal illumination while minimizing energy consumption, contributing to both cost savings and environmental sustainability.

Wires & Cables

HPL's wires and cables are engineered for high performance and safety, suitable for a variety of applications:



Fire-Resistant Cables

Enhanced safety features to prevent the spread of fire.

Solar Cables

Specialized cables designed for solar power installations, ensuring efficiency and durability.

Telecom Cables

Reliable connectivity solutions for telecommunications.

Our products are manufactured to meet stringent quality standards, ensuring long-lasting performance in demanding environments.

Solar Solutions

As part of our commitment to renewable energy, HPL offers a range of solar solutions including:

Solar Cables

High-quality cables designed for solar power systems, ensuring efficient energy transmission.

Solar Street Lights

Energy-efficient lighting solutions that harness solar power for public and private outdoor spaces.

DC Disconnectors and String Combiner Boxes

Essential components for managing and protecting solar power installations.



Our solar products support the global shift towards sustainable energy, helping customers reduce their carbon footprint.

Fans



HPL also provides a variety of fans for both domestic and industrial use:



Decorative Ceiling Fans

Stylish and efficient fans that enhance the aesthetics of any room.

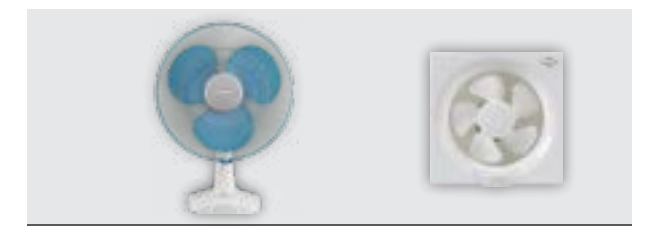


Table Fans and Exhaust Fans

Compact and versatile solutions for improved air circulation in various settings.

With our continuous focus on innovation, HPL is committed to providing high-quality, energy-efficient products that meet the needs of our customers and contribute to a sustainable future. Our diverse product offerings make us a one-stop shop for low-voltage electrical equipment, ensuring we remain at the forefront of the industry.

Amplifying Our Brand Through Digital and Event Outreach

In FY24, HPL Electric & Power Ltd. made significant strides in enhancing our digital presence, a crucial component of our brand strategy. Recognizing the importance of engaging with our audience in the digital age, we invested in expanding our social media reach across key platforms such as LinkedIn, Twitter, Facebook, and Instagram. Our focused content strategy, driven by insightful market analysis and audience preferences, led to a notable increase in follower engagement and overall reach.

Reached > 20 Million

Amplified our Brand Presence Through Social Media Handles

Conducted as well as Sponsored various Industrial Webinars and Virtual Exhibitions



Enhancing our Visibility

Strengthening Brand Presence Through Exhibitions and Events

Beyond the digital realm, HPL Electric & Power Ltd. continued to build our brand presence through strategic participation in industry exhibitions and events. These platforms provided us with the opportunity to showcase our cutting-edge products, connect with potential clients, and solidify relationships with existing partners.

Looking Ahead

As we move forward, HPL Electric & Power Ltd. is committed to further amplifying our brand presence both online and offline. We will continue to leverage our growing social media platforms to foster deeper connections with our audience while expanding our participation in key industry events to solidify our position as a leader in the electrical industry.



Branding deep into India

HPL Electric amplifies its brand visibility across India by implementing retail branding, ensuring that its presence is prominent in both urban and rural areas. This strategic approach not only enhances brand recognition but also strengthens customer trust, as the consistent visibility reinforces HPL Electric's commitment to quality and reliability in local markets.



Harnessing the Smart Meter Opportunity and Mastering Capacity Mapping

The Indian government's push for the large-scale rollout of smart meters is a significant driver of our growth. The Ministry of Power has set an ambitious target to install 250 million smart meters by 2025 under the Smart Meter National Programme (SMNP). This initiative aims to enhance billing efficiency, reduce AT&C losses, and improve energy usage transparency. Additionally, schemes like UJALA and the Integrated Power Development Scheme (IPDS) further support smart grid advancements and energy efficiency improvements across the country.



Recent advancements in smart meter technology, such as those outlined in Pandiyan et al.'s (2023) study on smart energy management in smart cities, highlight the integration of IoT devices like smart meters and sensors to monitor energy consumption efficiently. These innovations are crucial in enhancing data collection and energy management capabilities, aligning with India's Smart Cities Mission.

HPL Electric & Power Ltd. is at the forefront of the smart meter revolution in India, leveraging cutting-edge technology and strategic partnerships to drive growth and efficiency. Our commitment to innovation, supported by government initiatives, positions us as a leader in smart energy solutions, ready to meet the challenges and opportunities of a rapidly evolving energy landscape.



Mr. Rishi Seth
Managing Director

In FY24, HPL Electric & Power Ltd. solidified its market leadership in smart metering with an impressive 27.25% year-over-year growth in its Metering, Systems & Services segment. Our strategic alliance with Wirepas Oy, a global leader in RF mesh technology, has significantly enhanced our smart metering solutions, allowing us to deliver state-of-the-art products tailored to the Indian market.

Moreover, our strategic MoU with Guangxi Ramway Technology Co. Ltd. will leverage advanced relay technology to further improve energy efficiency and reliability. This collaboration aligns with the Government of India's Make in India initiative, enhancing our manufacturing capabilities and reducing costs.

To meet rising demand, we have implemented capacity expansion and automation measures in our Gurgaon, Sonipat, and Jabli meter plants. This includes advanced manufacturing equipment and enhanced production processes, ensuring scalability for future growth. Chen et al. (2023) discuss the importance of adopting smart meters to improve grid efficiency, which resonates with our strategic objectives.



Key Performance Indicators:

₹1,460.86 crore

Revenue from Operations

Achieved a 15.74% increase from FY23, reflecting robust business growth.

₹2000+ crore

Order Book (as at 31st March 2024)

Maintained a strong order book, with smart meters comprising 87% of current orders, highlighting our market leadership and sustained demand.

₹192.15 crore

EBITDA

Experienced a 22.49% year-over-year increase, showcasing enhanced operational efficiency.

13.15%

EBITDA Margin

Improved by 73 basis points, indicating better cost management and profitability.

Dive into how we're seizing the smart meter revolution, expanding our capabilities, and optimizing our capacity to meet growing demands. This story highlights our strategic steps towards becoming leaders in smart energy solutions.

Driving Profitability: Enhancing Margins Across All Product Segments

In FY24, HPL Electric & Power Ltd. achieved a remarkable 44.22% increase in Profit After Tax (PAT), amounting to ₹43.63 crore. This substantial growth highlights the effectiveness of our strategies in margin enhancement and operational efficiency. Our disciplined approach to cost management and debt reduction has been pivotal in achieving these results. The increase in gross margin by 92 basis points to 34.23% underscores our focus on maintaining high profitability across all product segments.

We have strategically driven profitability through value-added sales across all product segments. This includes introducing premium products with higher margins, optimizing our product mix, and leveraging cross-selling opportunities within our extensive portfolio. Our commitment to innovation has led to the development of advanced smart meters and other high-value products that meet the evolving needs of our customers. By enhancing our product offerings, we have been able to capture new market segments and increase our market share.

HPL Electric & Power Ltd.'s strategic focus on value-added sales, operational efficiency, and financial discipline has driven significant profitability and margin enhancement in FY24. Our commitment to innovation, strategic partnerships, and market responsiveness positions us strongly for continued growth and success in the rapidly evolving energy sector.

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Our ongoing efforts to enhance operational efficiency have led to significant cost savings and productivity improvements. These initiatives include:

- **Process Optimization:** Streamlining manufacturing processes to reduce waste and improve efficiency.
- **Automation:** Implementing automation in key manufacturing processes to increase precision and reduce labour costs.
- **Strategic Sourcing:** Optimizing the procurement of raw materials to secure better pricing and ensure a steady supply chain.
- **Lean Manufacturing:** Adopting lean manufacturing principles to eliminate non-value-added activities and improve production flow.

These efforts have not only improved our bottom line but also enhanced our ability to respond swiftly to market demands and customer needs.

Our disciplined approach to financial management has been a cornerstone of our success. By focusing on steady debt reduction and prudent financial planning, we have strengthened our balance sheet and reduced our financial risk. This approach has provided us with greater flexibility to invest in growth opportunities and navigate economic uncertainties. Our strong financial performance is a testament to the effectiveness of these strategies.

Our strategic partnerships, such as the recent MoU with Guangxi Ramway Technology Co. Ltd., have further bolstered our market position. This collaboration enables us to integrate advanced relay technology into our products, enhancing energy efficiency and reliability. Such technological advancements have allowed us to stay ahead of the competition and maintain our leadership in the smart metering market.



Key Performance Indicators:

₹34.23% crore

Gross Margin

Improved by 92 basis points, demonstrating enhanced cost efficiency and profitability.

₹43.63+ crore

Profit After Tax

Achieved a substantial 44.22% increase from FY23, reflecting strong financial performance.

₹6.78

Earnings Per Share (EPS)

Increased by 44.56% year-over-year, indicating robust earnings growth and value creation for shareholders.

The Bedrock of Innovation: Intellectual Capital and Manufacturing Excellence

HPL's ongoing investment in R&D has led to significant product innovations, particularly in smart meters. Our collaboration with Wirepas Oy has enabled us to integrate advanced RF mesh technology into our metering solutions, enhancing our competitive edge in technology-driven markets. Additionally, our fully backward integrated operations, which include in-house tooling rooms, further support our capability to innovate and respond swiftly to market demands.

Recent research highlights the importance of green technological innovation in manufacturing, emphasizing the role of R&D in achieving sustainable growth. Additionally, studies underscore the direct relationship between R&D and innovation, supporting our continuous investment in research to drive technological advancements.



Manufacturing Prowess

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Gurugram Plant

Advanced smart meters and switchgear products.



Sonipat Plant

New Line for advanced smart meters.



Jabli Plant

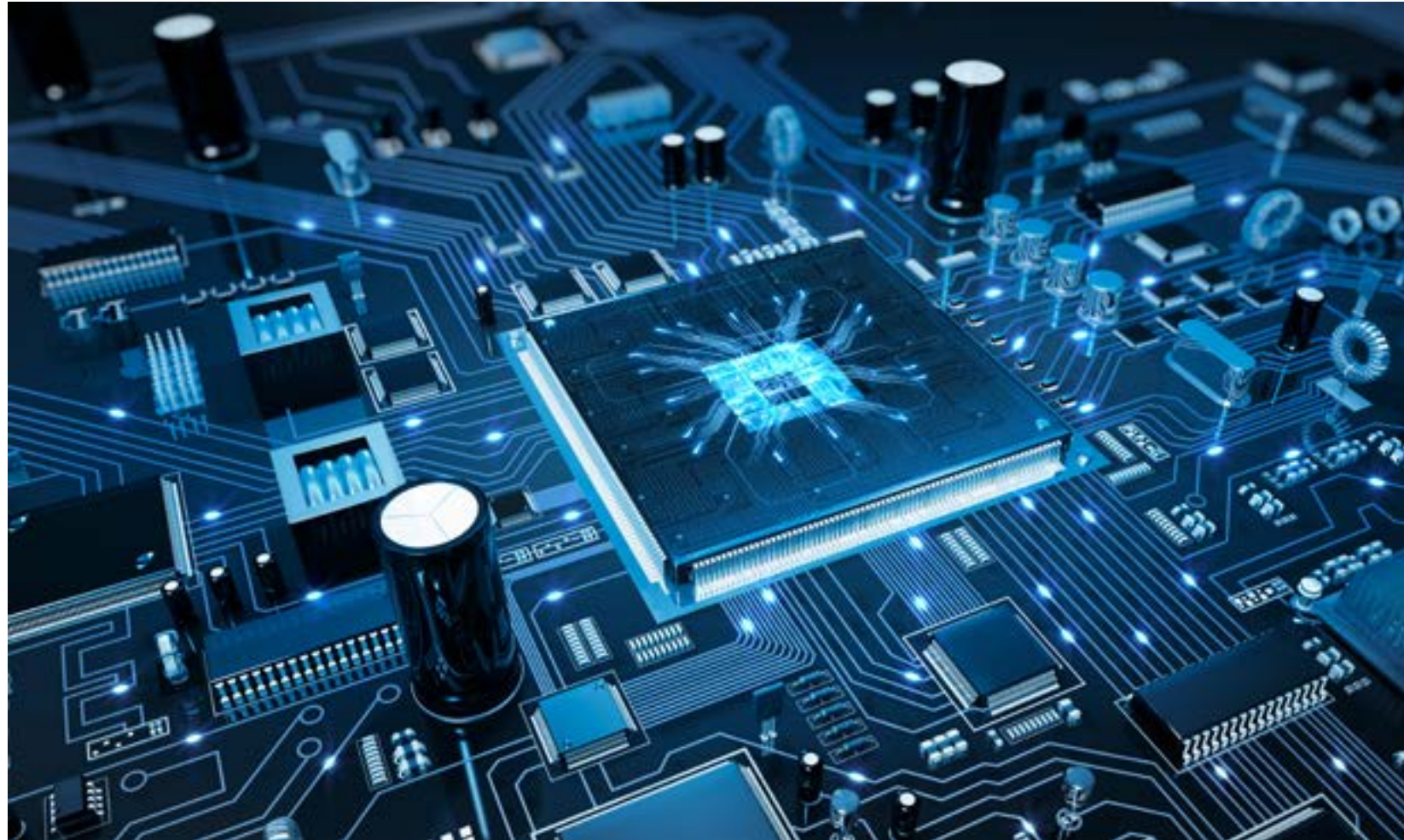
Energy-efficient cables and innovative metering systems.



Intellectual Capital

Our highly experienced management team and skilled workforce are the bedrock of our innovation. With over 53 years of industry experience, our leadership team drives our strategic vision and fosters a culture of continuous improvement and excellence.

Studies emphasize the critical role of heterogeneous partners in R&D cooperation for enhancing corporate innovation capability, supporting our collaborative approach with industry leaders to strengthen our innovation capacity.



HPL Electric & Power Ltd. stands at the forefront of innovation, leveraging its intellectual capital, state-of-the-art manufacturing capabilities, and strategic R&D investments to maintain its position as an industry leader. Our commitment to excellence, supported by collaborative partnerships and a skilled workforce, ensures that we continue to deliver cutting-edge solutions that meet the evolving needs of our customers and the market.

Product Segments

Metering, Systems & Services

HPL's Metering, Systems & Services segment has shown remarkable growth, driven by our innovative smart meter solutions. In FY24, this segment reported a net revenue of ₹25,577.55 lakhs for Q4, a significant increase from the previous year. The segment's EBIT also saw a substantial rise to ₹3,622.65 lakhs, highlighting the profitability of our advanced metering products. Our smart meters, integrated with RF mesh technology, are pivotal in improving energy efficiency and management, aligning with national initiatives like the Smart Cities Mission.



Consumer, Industrial & Services

Our Consumer, Industrial & Services segment continues to be a strong contributor to our overall performance. In Q4 FY24, this segment achieved a net revenue of ₹16,831.73 lakhs. The EBIT for this segment was 1,821.41 lakhs, demonstrating our effective cost management and product differentiation strategies. Products in this segment include premium lighting solutions, energy-efficient cables, and innovative switchgear, all designed to meet the diverse needs of our industrial and consumer customers.



Key Performance Indicators:

R&D Investment

Aligning with national objectives and enhancing competitive edge through sustained investment in research and development.

₹81,263.61 lakhs

Metering, Systems & Services Revenue

Achieved in FY24, reflecting strong performance and market demand.

Expanded Capacity

Manufacturing Capabilities

Enhanced manufacturing capabilities to meet rising demand, with significant capacity upgrades in meter plants.

₹60,828.04 lakhs

Consumer, Industrial & Services Revenue

Recorded in FY24, showcasing robust revenue streams from diverse sectors

Research & Development: Powering Innovation and Operational Excellence

At HPL Electric & Power Ltd., innovation isn't just an initiative—it's our defining ethos. Our commitment to Research & Development (R&D) underpins our ability to craft and deliver durable products that exceed industry expectations. R&D is woven into the fabric of our corporate culture, driving continuous improvement in product efficiency, performance, and reliability, and solidifying our position as an industry leader.



Highlights from FY23-24:

Unmatched Capabilities in Switchgear Technology: Our switchgear solutions developed during FY23-24 exemplify our technical expertise:

800V AC ACB for Solar Applications: This cutting-edge Air Circuit Breaker is meticulously designed for solar energy systems, optimizing efficiency while ensuring maximum safety and longevity under the most demanding conditions.

Submersible Pump Control Units: Available in both DOL SPCU and Star Delta SPCU configurations, these units are engineered for peak performance, minimizing downtime and maintenance, and enhancing operational efficiency.

DC and AC DC Changeovers: These advanced changeover systems are vital for seamless power transitions, offering unparalleled reliability and minimizing operational disruptions.

Protection Switch VCS: Our innovative Protection Switch VCS is a testament to our dedication to safety, providing robust protection that ensures the longevity and reliability of electrical installations.

Illuminating the Future with Trade Lighting Innovations: Our Trade Lighting solutions developed during FY23-24 are a beacon of energy efficiency and superior performance:

HPL's Inverter Bulbs are a testament to our R&D excellence, providing reliable, energy-efficient lighting solutions designed for uninterrupted performance during power outages.

DOB Bulbs (5W, 7W, 9W): These high-efficiency Driver-on-Board bulbs combine superior luminosity with low energy consumption, setting new benchmarks in lighting technology

Inverter Bulbs (12W, 15W): Designed for uninterrupted lighting during power outages, these bulbs are optimized for extended battery life and consistent performance, ensuring reliability when it's needed most.

Alfa Plus and Lumino Plus LED Downlights: These LED downlights deliver exceptional brightness with energy efficiency, providing the perfect lighting solutions for both commercial and residential applications.

Neo Plus PC Batten (36W/40W): Engineered for versatility and durability, this product exemplifies our commitment to high-performance lighting solutions across diverse environments.

Leading the Industry in Cables & Wires Innovation

In the Cables & Wires segment, we continue to set industry standards with products designed during FY23-24 at the highest levels of safety and performance:

5G Power Supply Cable: This advanced cable is crafted to meet the rigorous demands of next-generation telecommunications, ensuring consistent, high-performance connectivity.

Aluminium Power & Control Cable: Engineered for industrial applications, these cables offer superior conductivity and durability, supporting heavy-duty operations with unmatched reliability.

Zero Halogen Cables: Our single-core and multicore zero halogen cables are critical for safety in high-risk installations, reducing fire hazards while maintaining exceptional performance standards.

Excellence Through R&D: The Foundation of Our Success

At HPL Electric & Power Ltd., operational and manufacturing excellence is a fundamental part of our identity. Our world-class manufacturing infrastructure, continually enhanced through rigorous R&D, ensures that every product we bring to market is not only innovative but also produced to the highest standards of quality and efficiency.

Our R&D teams collaborate closely with our manufacturing units to streamline processes, reduce waste, and enhance productivity. This symbiotic relationship between R&D and manufacturing accelerates our ability to bring new products to market while maintaining our commitment to excellence. It also ensures that our offerings remain at the forefront of technological advancement, delivering unrivalled performance and reliability.

A Culture of Innovation and Continuous Improvement

At HPL Electric & Power Ltd., innovation is not a destination—it is a journey of continuous improvement. Our R&D efforts are focused not just on creating new products but also on refining and optimizing our existing portfolio. This relentless pursuit of excellence ensures that we remain ahead of industry trends, consistently delivering products that exceed customer expectations.

In every product we develop, from switchgear to lighting to cables, to smart meters, our objective is to enhance efficiency, reduce costs, and elevate safety standards. This approach enables us to not only meet the demands of today but also anticipate and address the challenges of tomorrow

Shaping a Sustainable Future

In every step we take, we are not just responding to the market—we are shaping it. With R&D as the cornerstone of our business strategy, HPL Electric & Power Ltd. is poised to lead the industry into the future. Our commitment to innovation, operational excellence, and continuous improvement drives our ability to deliver sustained value to our customers and stakeholders, while also contributing to a more sustainable, technologically advanced world.

Leading Through Sustainability: ESG Integration and Environmental Responsibility

HPL's dedication to sustainability is evident in our comprehensive ESG initiatives. Our efforts focus on minimizing environmental impact, promoting social responsibility, and ensuring robust governance practices. These initiatives align with global standards and reflect our commitment to a sustainable future.



Recent studies highlight the importance of integrating ESG principles in corporate strategies to enhance long-term value creation and resilience against environmental and social risks. By embedding ESG considerations into our core operations, HPL is not only contributing to global sustainability goals but also strengthening our market position and investor confidence.

HPL Electric & Power Ltd. is committed to leading through sustainability, leveraging its ESG integration to drive environmental responsibility, social impact, and governance excellence. Our comprehensive approach to sustainability ensures that we contribute positively to society while delivering long-term value to our stakeholders.

Environmental Initiatives

We have implemented numerous initiatives to reduce our carbon footprint, including energy-efficient manufacturing processes, waste reduction programs, and the use of renewable energy sources. These efforts contribute to our overall sustainability goals and demonstrate our commitment to environmental stewardship.

Our plants in Gurugram, Sonipat, and Jabli have adopted cutting-edge technologies to improve energy efficiency and reduce emissions. For example, our energy-efficient smart meters and lighting solutions help customers reduce their energy consumption, supporting broader environmental goals.

Social Responsibility

Our social responsibility programs focus on community empowerment, workforce development, and educational initiatives. We have launched several projects aimed at improving the quality of life for communities around our operational areas, including health and education programs.

Initiatives such as vocational training for local youth and health camps for underprivileged communities have had a significant positive impact. Our partnerships with local NGOs and educational institutions further amplify our efforts to drive social change.

Governance Excellence

We adhere to the highest standards of corporate governance, ensuring transparency, accountability, and ethical practices in all our operations. Our governance framework is designed to protect the interests of all stakeholders and support sustainable business growth.

Our robust governance practices are supported by a diverse and experienced board of directors, comprehensive risk management policies, and a commitment to ethical business conduct. Research shows that strong governance frameworks enhance corporate performance and stakeholder trust, aligning with our governance excellence goals.



We adhere to the highest standards of corporate governance, ensuring transparency, accountability, and ethical practices in all our operations.

Key Performance Indicators:

Environmental Initiatives

Significant reduction in carbon footprint through innovative energy solutions.

Social Responsibility

Community empowerment programs and enhanced workforce welfare initiatives.

Governance Excellence

Adherence to the highest standards of corporate governance and ethical practices.

Our commitment to CSR: Support to Sri Sathya Sai Central Trust

HPL Electric & Power Ltd. has reinforced its commitment to social welfare by contributing ₹45 lakhs towards the medical relief activities of the Sri Sathya Sai Central Trust in FY24. This substantial donation underscores our dedication to corporate social responsibility, focusing on improving healthcare accessibility for underprivileged communities. By supporting these noble initiatives, we aim to create a lasting impact on the health and well-being of those most in need.



In FY24, HPL Electric & Power Ltd. expanded its CSR initiatives to include significant contributions to the Sri Sathya Sai Central Trust's medical relief efforts. This strategic support reflects our ongoing mission to ensure that essential healthcare services reach the underprivileged. We believe that by extending our CSR activities into healthcare, we are not only enhancing the quality of life for many but also fulfilling our corporate ethos of empathy, integrity, and service to society.

Corporate Sustainability Initiatives

In alignment with our commitment to promoting education, healthcare, and social welfare, HPL Electric & Power Ltd. has continued its support for the noble initiatives of the Sri Sathya Sai Central Trust. For the Financial Year 2024, we have contributed a sum of ₹45,00,000 (Rupees Forty-Five Lakhs only) specifically towards the "Medical Relief" activities conducted by the Trust as part of our Corporate Social Responsibility (CSR) initiatives. This donation is a reflection of our ongoing dedication to contribute to the greater public good and aid in the upliftment of society.

The Sri Sathya Sai Central Trust, established in 1972, has been a beacon of charitable work, encompassing various areas such as education, healthcare, and social welfare. Their educational institutions are renowned for offering high-quality, values-based education without charging any fees, thereby ensuring accessibility to all. The Trust's educational philosophy focuses on nurturing the inherent knowledge, values, and wisdom in students, aiming to develop a generation of well-qualified, responsible citizens dedicated to national service.

This year, our CSR efforts were expanded to include significant contributions towards the Trust's medical relief activities, thereby broadening the scope of our impact. These activities are crucial in providing essential healthcare services to underprivileged communities, ensuring that medical aid reaches those who need it most. We are proud to be associated with the Sri Sathya Sai Central Trust, whose work resonates with our own corporate ethos of integrity, empathy, and service to society.

HPL Electric & Power Ltd. remains committed to supporting such transformative initiatives, which not only enhance the quality of life but also foster a spirit of unity and compassion in the communities we serve.



Our collaboration with the Sri Sathya Sai Central Trust in FY24 is a testament to HPL Electric & Power Ltd.'s dedication to societal upliftment through education, healthcare, and social welfare. By contributing ₹45 lakhs to their medical relief initiatives, we reaffirm our commitment to supporting transformative projects that align with our values.

Management Discussion & Analysis



₹3.1%

Projected global economic growth for 2024

In 2024 Global economic growth is projected to reach 3.1 percent, followed by further improvement to 3.2 percent in 2025.

Global Economic Scenario

The past four years have been marked by significant global events, ranging from pandemics to conflicts between neighbouring nations, and from banking crises to economic downturns. Despite these challenges, we have managed to navigate towards a gradual recovery from an impending recession.

Although the risk of a severe economic downturn has lessened, there remain balanced risks to global growth. While accelerated disinflation may lead to a further easing of financial conditions, an excessively lenient fiscal policy could result in short-term growth spurts at the expense of long-term stability. Structural reforms aimed at boosting productivity are essential, although potential challenges such as commodity price shocks or supply disruptions could prolong tight monetary conditions. Policymakers face the dual challenge of managing inflation while making necessary adjustments to monetary and fiscal policies.

To foster sustainable growth and economic resilience, targeted structural reforms and enhanced multilateral coordination are essential. These efforts play a critical role in managing debt levels, addressing the impacts of climate change, and promoting global economic stability amidst evolving challenges.

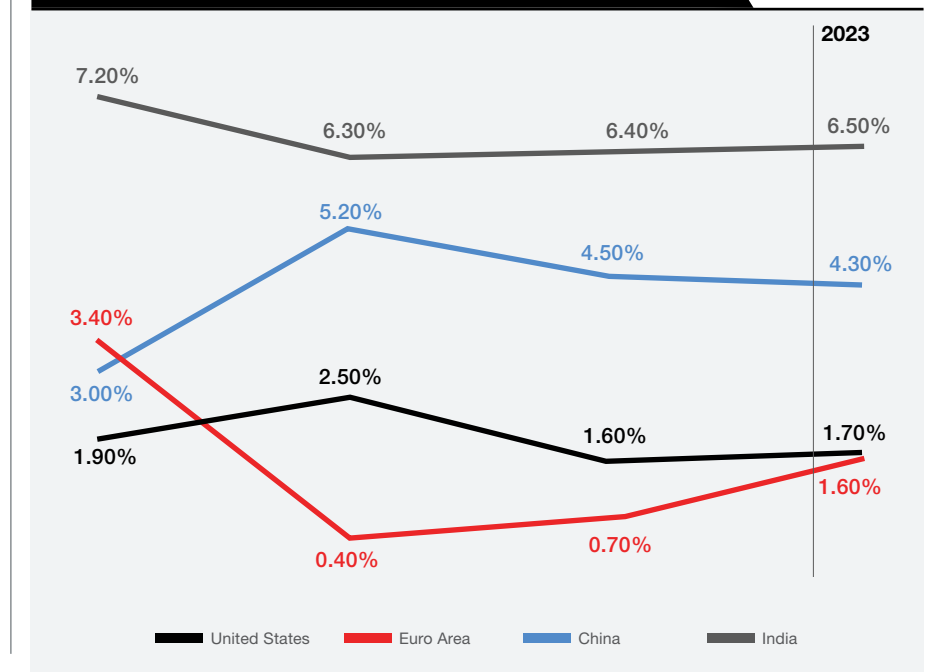
According to the World Bank Global trade outlook, which remained stagnant in 2023, is anticipated to recover in 2024, albeit likely to remain below its pre-pandemic trajectory. The anticipated increase in trade volume will be driven by a rebound in the demand for goods. While the developing world faces varied near-term growth prospects, emerging market economies (EMEs), particularly those in Asia, are positioned to surpass global performance as the US dollar weakens and the global interest rate outlook becomes favourable.

In 2024, elections in key countries of the MSCI emerging market index are causing investor uncertainty about the future of EMEs.

In 2024, countries representing over half of the market capitalisation of the Morgan Stanley Capital International (MSCI) emerging market index are slated to hold general elections. Investors are on edge as political developments sweep over the prospects of EMEs, awaiting clarity on the future direction of these economies.

In 2024 Global economic growth is projected to reach 3.1 percent, followed by further improvement to 3.2 percent in 2025. The slight upward revision for 2024 can be attributed to the resilience observed in the United States and key emerging markets, coupled with fiscal stimulus measures in China. Despite this positive outlook, projected growth remains below the historical average due to factors such as heightened central bank interest rates, reduced fiscal support, and sluggish productivity growth. It is noteworthy that global inflation is on a downward trajectory, with a forecasted decline to 5.8 percent in 2024 and 4.4 percent in 2025.

Global Growth Trends



Source: World Bank, Global Economic Prospects, January 2024.

Indian Economic Outlook

In India, economic activity has shown resilience despite facing external challenges, primarily due to robust domestic demand. Govt has taken decisive measures to harness its expertise and capabilities, with a focus on adopting technology to facilitate knowledge dissemination, strengthening high-end manufacturing capacity, and enhancing competitiveness through exports. These initiatives have significantly bolstered India's economic fundamentals and growth trajectory.

India's short-term growth prospects appear promising, especially following the robust GDP figures recorded in the second quarter of fiscal 2024. According to the International Monetary Fund's World Economic Outlook released in January 2024, India's economic outlook is optimistic, with an anticipated growth rate of 6.5% for the financial year starting April 1, 2024. This positive momentum is expected to continue into the following year, reflecting a similar pace of growth. Additionally, the IMF has revised its GDP growth projections for the current financial year, raising it to 6.7% from the previous estimate of 6.3% in October. As global recovery gains traction later in 2024, India is poised to witness broader economic growth.

With improving fundamentals, Deloitte anticipates India's growth to range between 6.9% and 7.2% for fiscal years 2023 to 2024 in our baseline scenario, followed by 6.4% and 6.7% in the subsequent year. Despite this positive outlook, high inflation is expected to persist until the second half of fiscal 2024.

The economic forecast for India is positive, with the IMF projecting a growth rate of 6.5% for the fiscal year beginning on April 1, 2024.

With a 7.6% increase in Q2 of FY24, India's economy was propelled by increased government spending and consistent domestic demand.

The December edition of the EY India Economic Pulse report reveals strong growth in India's economy, with a 7.6% increase in Q2 of FY24 driven by heightened government spending and sustained domestic demand. Manufacturing expanded by 13.9%, while construction grew by 13.3%. Despite a decline in exports and FDI inflows, consumer inflation moderated to 4.9% in October 2023. The economy benefits from stable macroeconomics and increasing domestic demand, but accelerating private investment is crucial for sustained growth.

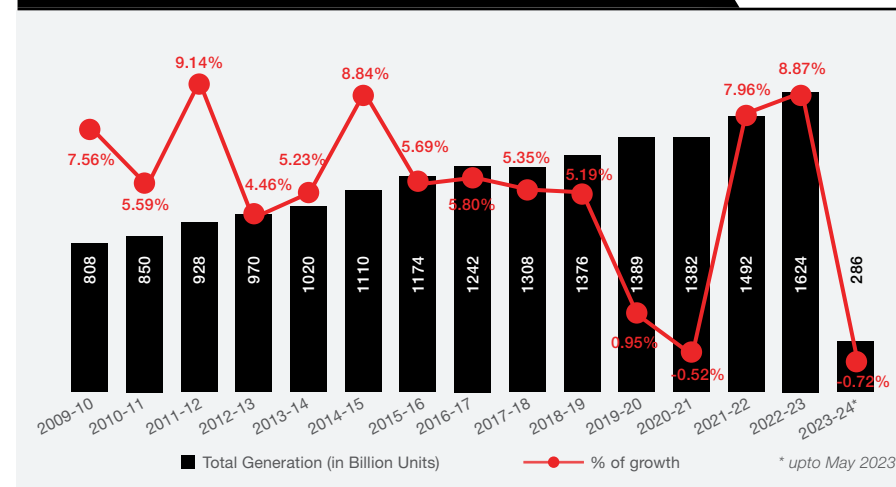
Industry Analysis

Power Sector

Despite India's status as the third-largest producer and consumer of electricity globally, its installed capacity falls significantly short of that of the United States and is less than a quarter of China's. This gap underscores the vast untapped potential within the Indian Power Sector. Currently undergoing a period of transformative growth, driven by surging demand and considerable investments, India's power sector boasted an installed capacity of 426.13 GW as of November 2023. A notable portion of this capacity stems from renewable sources, aligning with the government's strong commitment to sustainable energy. Ambitiously, the government aims to reach 500 GW of renewable energy by 2026, including plans to transition 81 thermal units to renewable energy sources, highlighting a strategic shift towards greener power generation methods.

India's power sector boasted an installed capacity of 426.13 GW as of November 2023

Total Generation and growth over previous year in the country during 2009-10 to 2023-24



Source: <https://powermin.gov.in/en/content/power-sector-glance-all-india>

The power generation target for 2023-24 is set at 1,750 billion units, marking a 7.2% growth over the previous year.

Policy support in the form of 100% FDI allowance and schemes like the Revamped Distribution Sector Scheme (RDSS) and AMISP (Advanced Metering Infrastructure Service Provider) contracts catalysing the sector's growth. The Indian power sector's attractiveness is further enhanced by the highest share of energy sector projects in the National Infrastructure Pipeline, with total FDI inflows reaching US\$ 17 billion between April 2000-September 2023. The Indian government intends to invest a substantial amount of INR 3.03 lakh crore over the course of five years in the Revamped Distribution Sector Scheme (RDSS). This investment aims to significantly improve the efficiency and reliability of the power distribution sector across the country.

The government's emphasis on electrification and the rising per-capita consumption are pivotal drivers of demand within the sector. Significant investments and developments, including the allocation of US\$ 885 million for the solar power sector in the Union Budget 2023-24, underline the sector's robust outlook. The power generation target for 2023-24 is set at 1,750 billion units, marking a 7.2% growth over the previous year, reflecting the sector's dynamic expansion and its critical role in India's infrastructure development and economic growth.

The transmission sector in India holds vast potential, driven by the country's status as a major electricity producer and consumer. With a focus on modernizing infrastructure and integrating renewable energy, the Ministry of Power has endorsed task force recommendations for technological advancements and digitalization. These initiatives aim to enhance efficiency, reliability, and future readiness of the transmission network, underscoring the sector's critical role in India's energy landscape.

Indian electrical equipment market

The Indian electrical equipment sector, which spans power distribution, transmission, and generation equipment, is particularly energized by the renewable energy domain, notably solar and wind power. Investment in smart grids is also spurring demand for advanced electrical gear, with a notable surge in solar panel demand. The market's expansion is marked by a diverse array of products from electric construction equipment to solar technologies, reflecting a strong emphasis on renewable sources and innovation to cater to the burgeoning market needs. According to market research and advisory firm Technavio Indian electrical equipment market is projected to reach USD 52.98 billion by 2027 buoyed by rapid urbanization, infrastructural advancements, and government initiatives like Make in India.

Metering Solutions

In alignment with various governmental initiatives and state utility programs, there is a widespread installation of smart meters underway. These devices, integrated into an online monitoring framework, are set to diminish the commercial losses encountered by utilities, boost revenue, and act as a pivotal instrument in the reform of the power sector.

The Revamped Distribution Sector Scheme (RDSS) by the Government of India is a significant initiative with a budget of INR 3,03,758 crore, including INR 97,631 crore from the Central Government, running from FY 2021-22 to 2025-26. Its main goal is to reduce Aggregate Technical & Commercial (AT&C) losses to 12-15% nationally and eliminate the gap between the Average Cost of Supply (ACS) and Average Revenue Realised (ARR) by FY 2024-25. RDSS is divided into two parts: Part 'A' for financial support in Prepaid Smart Metering and infrastructure enhancement, and Part 'B' for Training & Capacity Building. The scheme integrates existing initiatives like the IPDS, DDUGJY, and PMDP-2015 for Jammu & Kashmir, continuing them under RDSS guidelines without sanctioning new projects beyond set deadlines. So far, the scheme's Monitoring Committee has approved action plans for 46 DISCOMs in 28 states/UTs, sanctioning around 20.46 crore prepaid smart consumer meters, 54 lakh smart DT meters, and 1.98 lakh smart feeder meters.



Wires and Cables

Expert Market Research reports that the size of the wires and cables market in India was approximately INR 1,083.71 billion in 2023. It is projected to expand at a Compound Annual Growth Rate (CAGR) of 14.5% during the forecast period from 2024 to 2032, culminating in an estimated market value of about INR 3,655.81 billion by the end of 2032. Characterised by high competition among both established and emerging entities, this sector is notable for its diverse range of participants, from large-scale organised firms to numerous smaller unorganised entities.

The shift towards the organised sector, coupled with governmental emphasis on infrastructure and developmental projects, is anticipated to drive substantial growth across various industries, including infrastructure, power, telecommunications, transmission and distribution, manufacturing, real estate, engineering, and automotive. Factors such as the expansion in renewable energy production, enhancement of transmission and distribution infrastructure, increased investments in metro railways, smart grid initiatives, and the burgeoning data centre sector are expected to significantly fuel the demand for wires and cables in India. The ongoing urbanisation and commercial development are likely to further stimulate investments in the real estate sector, thereby increasing the need for low-voltage insulated wires and cables.

India’s wires and cables market set to hit INR 3,655.81 billion by 2032.

Switch Gears and Modular Switches

In 2023, the switchgear market in India was valued at US\$ 10.7 million. According to forecasts by the IMARC Group, this market is anticipated to grow to US\$ 17.8 million by 2032, with a Compound Annual Growth Rate (CAGR) of 5.85% from 2024 to 2032. Factors contributing to this growth include an increased focus on improving energy efficiency, efforts to strengthen grid reliability against natural calamities and cyber threats, and the expanding integration of Internet of Things (IoT) devices.

In India, the drive towards energy efficiency and carbon footprint reduction is steering the switchgear market forward. The need to upgrade outdated electrical infrastructures, coupled with stringent safety and environmental regulations, is fostering the adoption of advanced switchgear technologies. These technologies offer improved power distribution network monitoring, control, and automation. The emergence of smart cities and the expansion of Internet of Things (IoT) devices are further boosting the demand for switchgear capable of integrating with digital infrastructures for enhanced power management. Moreover, the focus on grid stability against natural and cyber threats is accelerating the investment in sophisticated switchgear solutions, equipped with features for remote management, fault diagnosis, and self-recovery, thereby ensuring reliability and swift restoration after disturbances. Consequently, the sector is experiencing increased research and development activities, leading to the introduction of innovative switchgear products that meet the demands of the changing energy landscape.

Lighting Equipment

Expert market research indicates that the Indian lighting market surpassed a value of USD 3.79 billion in 2023. It is forecasted to expand at a Compound Annual Growth Rate (CAGR) of 9.8% from 2024 to 2032, with expectations to achieve a value of USD 8.79 billion by the end of 2032. Additionally, the LED segment of the Indian lighting market was valued at USD 3.4 billion in 2022. Analyst projections suggest this segment will grow to USD 11.9 billion by 2028, demonstrating a CAGR of 23.22% throughout the period from 2022 to 2028.



Indian LED lighting market to soar from USD 3.4 billion in 2022 to USD 11.9 billion by 2028, with a 23.22% CAGR.

The surge in demand for LED lighting in India is largely attributed to the country's increasing urbanization and numerous government initiatives advocating for LED usage. Government policies promoting investment in energy-efficient lighting have broadened the scope of LED applications across industrial, commercial, and residential sectors. The burgeoning automotive industry further fuels opportunities for LED integration in headlights, taillights, turn signals, and brake lights. Key drivers such as heightened infrastructure investments, the expansion of street lighting systems, a decrease in LED average prices, and a variety of government-led and smart building projects are poised to bolster the LED lighting demand in the region.

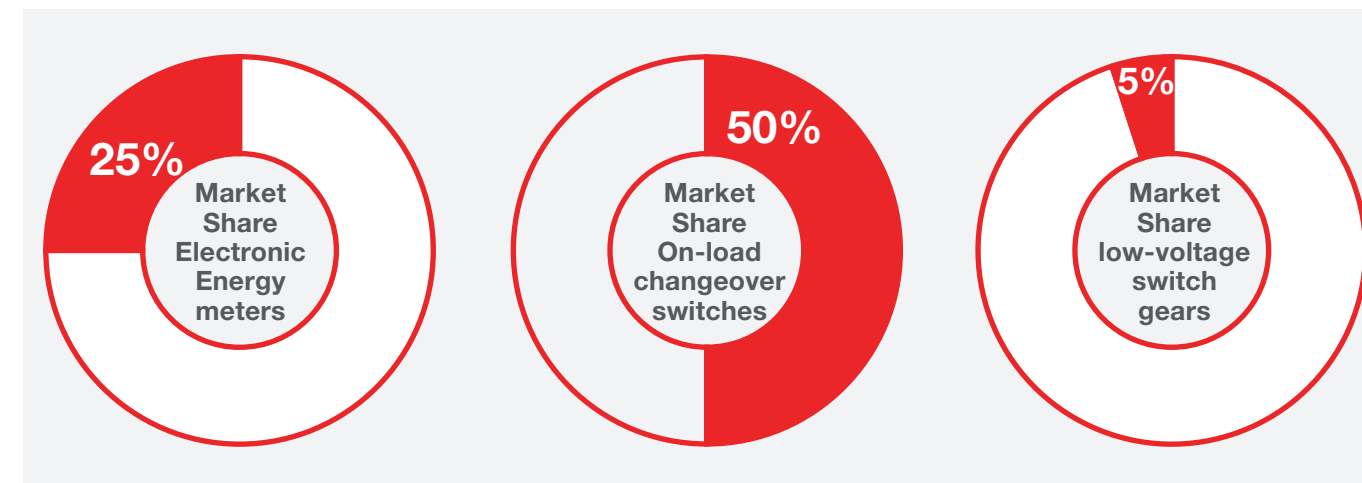
Company Overview

Incorporated in 1992, HPL Electric & Power Limited continues to stand at the forefront of India's electrical equipment manufacturing sector. Renowned for our commitment to innovation, quality, and technological advancement, our products have solidified our status as the preferred choice across diverse market segments, including retail, institutional, and utility sectors.

As a comprehensive provider of low-voltage electrical solutions, our product range spans metering solutions, switchgear, lighting, and wires & cables, catering to the evolving needs of our global clientele. Our leadership in the Indian market is particularly distinguished in electric meters and on-load change-over switches, where our expertise and product reliability set us apart.

Our operations are bolstered by state-of-the-art, integrated manufacturing facilities and cutting-edge in-house research and development capabilities. Supported by an expansive distribution network, we ensure the highest standards of service and product availability. Our enduring relationships with customers, underscored by international certifications, robust brand recognition, and strong pre-qualification credentials, continue to drive our consistent growth and leadership across market segments.

In the year ahead, HPL Electric & Power Limited remains dedicated to advancing electrical technology and sustainable solutions. Our focus on innovation, coupled with our commitment to quality and customer satisfaction, positions us to meet the challenges of a dynamic global market while contributing to the broader goal of shared progress and environmental stewardship.



Finance Overview

The Company's total revenue in FY 2023-24 increased by 15.74% to ₹ 1,46,086 lakhs as against ₹ 1,26,221 lakhs in FY 2022-23 on consolidated basis.

Particulars	Yearly		YoY Change (%)
	FY24	FY23	
Revenue From Operation	1,46,085.81	1,26,220.87	15.74%
COGS	96,076.45	84,175.35	14.14%
Gross Profit	50,009.36	42,045.52	18.94%
Gross Margin %	34.23%	33.31%	92 bps
Employee Expenses	17,883.41	14,380.97	24.35%
Other Expenses	12,910.62	11,977.76	7.79%
EBIDTA	19,215.33	15,686.79	22.49%
EBIDTA Margin %	13.15%	12.43%	73 bps
Finance Cost	8,963.72	7,537.91	18.92%
Depreciation	3,865.03	3,836.41	0.75%
Other Income	423.36	356.31	18.82%
Profit Before Tax	6,809.94	4,668.78	45.86%
PBT Margin	4.7%	3.7%	96 bps
Taxes	2,447.40	1,643.89	48.88%
Profit after Tax*	4,362.54	3,024.89	44.22%
PAT Margin %	2.99%	2.40%	59 bps
Earnings Per Share (EPS) in Rs.	6.78	4.69	44.56%

Financial Performance Review

HPL Electric & Power Ltd.'s financial performance for FY24 demonstrates robust growth in revenue and profitability, efficient cost management, and strategic investments in operational capabilities. The improvements in gross and EBITDA margins, along with a substantial increase in profit before and after tax, indicate a strong financial position and a positive outlook for sustained growth. The company's focus on enhancing operational efficiency and controlling costs has resulted in significant value creation for shareholders, as evidenced by the notable increase in earnings per share.

Revenue from Operations

Revenue Growth: The company reported revenue from operations of ₹1,46,085.81 lakhs for FY24, up from ₹1,26,220.87 lakhs in FY23, reflecting a solid growth rate of 15.74%. This significant increase underscores HPL's ability to capture market opportunities and drive top-line growth.

Cost of Goods Sold (COGS) and Gross Profit

COGS: The cost of goods sold increased by 14.14%, from ₹84,175.35 lakhs in FY23 to ₹96,076.45 lakhs in FY24. This increase is slightly lower than the revenue growth, indicating efficient cost management.

Gross Profit: Gross profit rose by 18.94%, from ₹42,045.52 lakhs in FY23 to ₹50,009.36 lakhs in FY24. The gross margin improved by 92 basis points (bps), from 33.31% to 34.23%, highlighting better operational efficiency and pricing strategies.

Operating Expenses

Employee Expenses: Employee expenses increased by 24.35%, from ₹14,380.97 lakhs to ₹17,883.41 lakhs. This rise reflects investment in human resources, possibly for talent acquisition and retention to support business growth.

Other Expenses: Other operating expenses grew by 7.79%, from ₹11,977.76 lakhs to ₹12,910.62 lakhs, which is a moderate increase and indicates effective cost control measures.

EBITDA and Margins

EBITDA: The earnings before interest, taxes, depreciation, and amortization (EBITDA) increased by 22.49%, from ₹15,686.79 lakhs to ₹19,215.33 lakhs. The EBITDA margin improved by 73 bps, from 12.43% in FY23 to 13.15% in FY24. This improvement highlights HPL's enhanced operational efficiency and cost management.

Finance Costs and Depreciation

Finance Costs: Finance costs increased by 18.92%, from ₹7,537.91 lakhs to ₹8,963.72 lakhs. This rise is indicative of higher borrowings or interest rates during the period.

Depreciation: Depreciation expenses saw a marginal increase of 0.75%, from ₹3,836.41 lakhs to ₹3,865.03 lakhs, which indicates stable capital expenditure.

Profit Before Tax (PBT) and Taxes

PBT: Profit before tax surged by 45.86%, from ₹4,668.78 lakhs to ₹6,809.94 lakhs. The PBT margin improved significantly by 96 bps, from 3.7% to 4.7%, reflecting improved profitability.

Taxes: The tax expense increased by 48.88%, from ₹1,643.89 lakhs to ₹2,447.40 lakhs, aligning with the increase in PBT.

Profit After Tax (PAT) and Margins

PAT: Profit after tax rose by 44.22%, from ₹3,024.89 lakhs to ₹4,362.54 lakhs. The PAT margin improved by 59 bps, from 2.40% to 2.99%, underscoring the company's enhanced profitability.

Earnings Per Share (EPS): EPS increased by 44.56%, from ₹4.69 to ₹6.78, reflecting the overall growth in net profit and shareholder value.

Segment Wise Analysis

HPL Electric & Power Ltd. showcased strong performance across its key business segments for the fiscal year ending March 31, 2024, with the Metering, Systems & Services segment leading the growth trajectory. The Metering, Systems & Services segment reported an impressive net revenue of ₹85,257.77 lakhs in FY24, a notable increase of 27.25% from ₹67,002.63 lakhs in FY23. This significant growth underscores the robust demand for HPL's metering solutions, driven by the increasing adoption of smart metering technologies and the successful execution of substantial contracts. The EBIT for this segment also saw substantial growth, rising by 36.78% to ₹12,482.42 lakhs in FY24 from ₹9,125.95 lakhs in FY23. The EBIT margin improved by 102 basis points, reaching 14.64%, which indicates enhanced operational efficiencies and effective cost management within the Metering, Systems & Services segment. The higher value addition of smart metering solutions has significantly contributed to the profitability of this segment.

In contrast, the Consumer and Industrial segment exhibited modest growth, reporting a net revenue of ₹60,828.04 lakhs in FY24, up 2.72% from ₹59,218.24 lakhs in FY23. This steady growth suggests stable market conditions with slight increases in demand across products like switchgears, lighting, and cables. However, the segment faced challenges in maintaining its profitability, with EBIT slightly declining by 1.23% to ₹6,917.61 lakhs in FY24 from ₹7,003.63 lakhs in FY23. The EBIT margin decreased by 45 basis points, settling at 11.37%, which reflects the pressures of increased competition, pricing challenges, and higher input costs that were not fully passed on to consumers. Despite these challenges, the segment has shown resilience in maintaining a relatively stable EBIT margin.

The stellar growth in the Metering, Systems & Services segment has effectively offset the modest growth observed in the Consumer and Industrial segment. The robust performance of the Metering, Systems & Services segment has been a critical driver of overall profitability, showcasing the company's ability to capture market opportunities and execute large-scale projects efficiently. This balanced performance across segments highlights HPL's strategic focus on high-growth areas while maintaining stability in more competitive markets.

Key Financial Highlights for FY 2023-24

Revenue from Operations: ₹1,46,085.81 lakhs in FY24, up from ₹1,26,220.87 lakhs in FY23, marking a robust 15.74% growth year-over-year.

Gross Margin improved by 92 basis points, from 33.31% in FY23 to 34.23% in FY24.

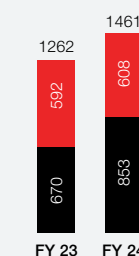
EBITDA Margin increased by 73 basis points, from 12.43% in FY23 to 13.15% in FY24.

PAT Margin increased by 59 basis points, from 2.40% in FY23 to 2.99% in FY24.

Earnings Per Share (EPS): ₹6.78 in FY24, compared to ₹4.69 in FY23, reflecting a 44.36% growth in shareholder value.

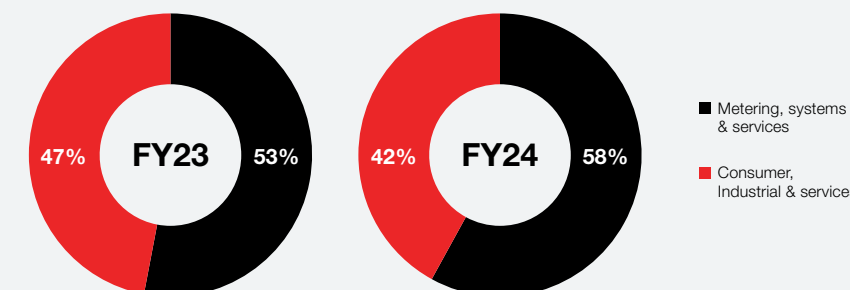
Segment Analysis

Segment Net Revenue & EBIT Margin



%EBIT Margin	FY 23	FY 24
■ Metering, systems & services	13.62%	14.64%
■ Consumer, Industrial & services	11.83%	11.37%

Segment revenue share %





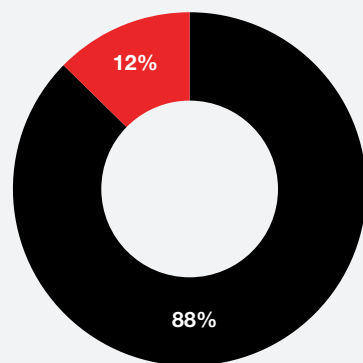
Management Outlook

HPL is on a robust growth path and remains optimistic about achieving sustainable expansion in the coming years. With a solid and stable order book valued at INR 2000 crore+, the company is assured of revenue continuity in the short to medium term. HPL is rapidly progressing with its current orders to ensure efficient execution of its existing project pipeline.

This year marked a significant milestone for the company as it secured its initial formal orders for 5G electrical products, including cables for leading telecom companies. The prospects for growth in this area are favourable and HPL anticipates generating steady business in the near to medium term from this segment.

The 'Metering, Systems & Services' sector is set to be a key driver of growth for HPL. This segment saw significant momentum in FY 2023-24, with a strong pipeline of inquiries. Smart meters, in particular, are expected to play a central role in HPL's growth narrative. As a frontrunner in the metering industry with a proven history of meter supply over the past two decades, HPL is in an advantageous position to leverage the smart meter opportunity, already witnessing considerable interest from clients. The current meter order book comprises over 88% smart meters, a figure that is anticipated to increase further. The higher value realization from smart meters is likely to boost both revenue and profitability for the company.

Order Book



■ Meters and systems ■ Others

Swot Analysis

Strengths

- **Market Leadership:** HPL holds a dominant position in the electric meters and on-load changeover switches sectors, benefiting from high entry barriers that deter new competitors.
- **Brand Legacy and Recognition:** With over 45 years in the industry, HPL has established a strong brand recall across various segments, underpinning its market credibility.
- **Technical Expertise and Innovation:** The company's rich experience in the electrical industry is bolstered by robust R&D and manufacturing capabilities, enabling continuous innovation and quality improvement.
- **Experienced Leadership:** The senior management team, boasting over 25 years of experience and strong pre-qualification credentials, sets high industry benchmarks and drives strategic direction.
- **National Reach and Relationships:** HPL's pan-India presence and long-standing relationships with institutional clients, power utilities, and government agencies enhance its market penetration and stability.
- **Technological Advancements:** The company's established presence in advanced technological segments like metering and switchgear businesses positions it well for future growth.
- **Financial Health:** HPL enjoys a robust net worth and a healthy capital structure, providing a solid foundation for sustained growth and investment.

Weaknesses

- **Capital Requirements:** Operations are working capital intensive, which might affect liquidity and operational flexibility.
- **Limited Marketing Spend:** Lower advertising expenditures could impact brand visibility and market share expansion compared to competitors with aggressive marketing strategies.
- **Tender Dependency:** Reliance on tender-based operations introduces variability in revenue and profitability due to the competitive and unpredictable nature of tenders.

Opportunities:

- **Infrastructure Initiatives:** Government focus on infrastructure development, including, RDSS, Power for All and Smart

Cities schemes, opens up significant opportunities for electrical equipment and services.

- **Urbanization and Energy Access:** Expanding urbanization and initiatives to increase energy access present vast opportunities for growth in the domestic market.
- **Smart Technology Adoption:** The rapid transition to smart metering and smart grids aligns with HPL's technological capabilities, offering new business avenues.
- **Sectoral Reforms:** Wide-ranging reforms in the power sector could lead to increased demand for HPL's advanced products and solutions.
- **Export Potential:** There's a growing opportunity for HPL in international markets, as indicated by the increase in export orders.
- **Consumer Dynamics:** A growing consumer base and a large youth population in India could drive demand for electrical products and solutions.

Threats:

- **Economic Slowdown:** Slow macro-economic growth can lead to reduced demand for electrical equipment, impacting revenue.
- **Geopolitical Issues:** Tensions in international markets could affect export operations and market expansion strategies.
- **Inflationary Pressures:** Higher inflation can increase operational costs, particularly with respect to raw materials, squeezing profit margins.
- **Smart Meter Transition:** The shift from conventional to smart meters, while an opportunity, also presents challenges in terms of technology adoption and market acceptance.
- **Material Cost Volatility:** Fluctuations in the prices of raw materials can impact cost structures and pricing strategies.
- **Rising Competition:** The electrical equipment sector is becoming increasingly competitive, challenging HPL's market position and profitability.
- **Financial Market Conditions:** Tightening financial conditions could affect capital availability for expansion and R&D investments.

Risk Management

Risk Category	Description	Mitigation Strategies
Macro-economic Risk	Global economic slowdown and potential recession could impact sectors in India including the power sector, leading to demand compression and lower revenue.	<ul style="list-style-type: none"> • Exploring new geographies through brand building, network expansion, and product development initiatives. • Strong focus on R&D and product innovation to develop products for various segments and maintain resilience during uncertain times.
Policy Change Risk	Changes in policy regulations and government legislations could expose the company's business to risks and impact its financial health.	<ul style="list-style-type: none"> • Diversification across various sectors and business segments. • Launching products supported by strong R&D and fair business practices. • Close monitoring of legal and regulatory changes to ensure compliance within stipulated timeframes.
Raw Material Risk	Price fluctuations or disruption in the procurement of raw materials could significantly impact manufacturing costs and the ability to offer competitive pricing.	<ul style="list-style-type: none"> • Maintaining optimal inventory levels to avoid operational interruptions. • Engaging in long-term contracts and maintaining strong supplier relationships to protect revenue and margins. • Efficient production forecasting to mitigate raw material risks.
Exchange Rate Risk	Exposure to foreign exchange fluctuation due to imports of key raw materials and exports of final products, potentially impacting margins and profitability.	<ul style="list-style-type: none"> • Monitoring currency exchange rates and adjusting the order book accordingly. • Implementing a robust hedging policy to minimize short-term currency fluctuation impacts. • Conducting sensitivity analysis before making borrowing decisions.
Concentration Risk	Overdependence on a few clients and changes in their supplier preferences could pose a risk to the business.	<ul style="list-style-type: none"> • A pan-India network across diverse business segments reduces client concentration risks. • A diversified product portfolio catering to various market segments ensures steady cash flow.
Geopolitical Risk	Geopolitical turmoil between different geographies can impact the export business.	<ul style="list-style-type: none"> • Regular assessment of geographical risks and operating feasibility in different countries or regions through market research. • Monitoring cash flows and making calculative decisions on capex. • Extensive analysis before investment decisions and adopting lean cost structures.

Internal Controls

The company has established a comprehensive and effective internal control system tailored to its business scale and nature. This system is underpinned by rigorous Standard Operating Procedures (SOPs), policies, and guidelines designed to prevent unauthorized asset use and ensure adherence to relevant laws and internal policies. A solid framework is in place to oversee these internal controls, with regular self-assessment exercises conducted to guarantee compliance with the regulatory environment. Additionally, the company prioritizes data protection through a Code of Conduct for its employees, fostering a culture of high ethical standards and aligning employee conduct with business objectives. Proactive self-monitoring measures are employed to uphold operational efficiency and deter fraudulent activities. The internal audit team plays

a crucial role in independently evaluating the effectiveness of internal controls, enhancing control mechanisms based on their findings. Management closely examines audit outcomes and implements necessary corrective actions to maintain and improve the control environment.

Human Resource

HPL places immense value on its workforce, recognizing them as a pivotal asset and key contributor to the company's growth and long-term success. It fosters a safe, inclusive, and dynamic work environment, emphasizing equal opportunities and a competitive spirit while ensuring that the personal and professional development of its employees is aligned with the company's strategic objectives. HPL is committed to attracting new talent and offers continuous opportunities for growth through extensive training programs aimed at enhancing employee skills and competencies.

The company boasts a dedicated in-house team of over 100+ R&D professionals, positioning HPL for robust business growth in the foreseeable future. It cultivates a merit-based culture, actively engaging and motivating its workforce through a variety of leisure activities, as well as recognition and reward schemes. Guided by core principles such as meritocracy, entrepreneurial spirit, innovation, open communication, transparency, and agility, HPL's skilled employees are continually driven to elevate the company to new heights. As of March 31, 2024, HPL's total employee count reached 1100+ reflecting its strong human resource foundation.

DIRECTOR'S REPORT

Dear Members

The Directors have pleasure in presenting 32nd Annual Report of the Company together with the Audited Financial Statements for the financial year ended 31st March, 2024.

1. Financial Highlights

The Company's financial performance for the year ended 31st March, 2024 alongwith previous year's figures is summarized below:

Particulars	Standalone		Consolidated	
	2023-24	2022-23	2023-24	2022-23
Revenue from Operations	142091.65	121486.69	146,085.81	126220.87
Other Income	375.30	322.03	423.36	356.31
Operating Profit before Finance Costs, Depreciation, Tax and Extraordinary items	18482.15	14862.69	19638.69	16043.1
Less: Finance Cost	8512.14	7090.89	8963.72	7537.91
Less: Depreciation and amortization expenses	3523.04	3496.42	3865.03	3836.41
Profit before Exceptional items and Tax	6446.97	4275.38	6809.94	4668.78
Profit before tax	6446.97	4275.38	6809.94	4668.78
Less: Tax Expenses	2320.99	1499.65	2447.40	1643.89
Profit for the year	4125.98	2775.73	4362.54	3024.89
Other comprehensive income for the year, net of tax	(237.33)	(12.44)	(242.45)	(18.12)
Total comprehensive income for the year, net of tax	3888.65	2763.59	4120.09	3006.77
Profit for the year attributable to				
Equity holders of the parent Company	-	-	4356.43	3017.79
Non-controlling interest	-	-	6.11	7.10
Total comprehensive income for the year attributable to				
Equity holders of the parent Company	-	-	4114.12	2999.84
Non-controlling interest	-	-	5.97	6.93
Earnings per Share (in ₹) Not Annualised				
Basis (₹)	6.42	4.32	6.78	4.69
Diluted (₹)	6.42	4.32	6.78	4.69

2. State of Company's Affairs

Overview of Economic Context

The Indian economy remained resilient in FY 2023-24, continuing to be one of the fastest-growing economies globally. India's real GDP growth rate was 7.2%, supported by strong domestic consumption despite the challenging global economic environment.

Performance Highlights

HPL Electric & Power Ltd. delivered a solid financial performance in FY 2023-24, driven by strong growth in the

Metering, Systems & Services segment and improvements in the Return on Capital Employed (ROCE). The company achieved a revenue increase of 15.74%, reaching ₹1,460.86 crore, up from ₹1,262.21 crore in FY 2022-23. EBITDA also showed a substantial rise of 22.49%, amounting to ₹192.15 crore, compared to ₹156.87 crore in the previous year.

The momentum from previous years was sustained, with the company recording its highest-ever quarterly revenue of ₹424.09 crore in Q4 FY24, reflecting a 17% year-on-year increase from Q4 FY23, driven primarily by robust performance in the Metering, Systems & Services segment.

Segment-wise Performance

1. Metering, Systems & Service Segment

The Metering, Systems & Service segment experienced significant growth, with revenue increasing by 27.25% to ₹852.58 crore in FY24, up from ₹670.03 crore in FY23. In Q4 FY24 alone, this segment saw a 33.49% increase in revenue, reaching ₹255.78 crore, compared to ₹191.61 crore in Q4 FY23. HPL is well-positioned to capitalize on the expanding opportunities in the smart meter market. The company anticipates continued strong demand in FY25, supported by a growing order book and strategic investments in capacity expansion and automation at its manufacturing facilities.

2. Consumer, Industrial & Service Segment

The Consumer, Industrial & Service segment generated revenue of ₹608.28 crore in FY24, marking a marginal growth of 2.72% over FY23. The segment experienced steady growth in switchgear and wires & cables, with switchgear revenue up by 27.43% year-on-year. However, the lighting product lines faced challenges due to industry-wide value erosion driven by technological changes, leading to a minor contraction in this segment during Q4 FY24. HPL remains focused on driving healthy growth in this segment through product innovation, brand-building initiatives, and expanding distribution reach.

Order Book and Future Outlook

As of May 9, 2024, HPL's order book stands strong at ₹2,000+ crore, providing solid revenue visibility for the upcoming year. The Metering, Systems & Services segment contributes 88% of the order book, with the Consumer, Industrial & Services segment accounting for 12%. The company is also strategically expanding its export footprint, leveraging its diverse product range and robust R&D capabilities to tap into new international markets.

Looking ahead, HPL is optimistic about the significant opportunities in the smart metering and consumer segments. With a diverse product portfolio, cutting-edge technology, and robust capacity, the company is well-equipped to harness these opportunities, ensuring sustained growth and value creation for its stakeholders.

3. Performance of subsidiaries, associates and joint venture companies and their contribution to the overall performance of the company

As on 31st March, 2024, the company is having only one subsidiary namely Himachal Energy Private Limited and two Joint Ventures (JVs) namely HPL Electric & Power Pvt. Ltd.

– Shriji Designs (JV) and HPL Electric & Power Pvt. Ltd. – Trimurthi Hitech Co. Pvt. Ltd. - Shriji Designs (JV). These JVs are established as Association of Person (AOP) and not registered under the Companies Act, 2013 and accordingly are not Associate Companies as per section 2(6) of the Companies Act, 2013.

Himachal Energy Private Limited is engaged in the manufacturing of energy saving meters and other related products. The Gross Revenue of the Company for the FY 2024 stood at ₹ 8299.70 lakhs (P.Y. ₹ 10742.09 lakhs). Profit after tax for the year stood at ₹ 214.44 lakhs (P.Y. ₹ 249.21 lakhs).

4. Names of Companies which have become or ceased to be its Subsidiaries, Joint Ventures or Associate Companies during the year

During the Financial Year ended 31st March, 2024, no company became or ceased to be a subsidiary of the Company or Joint Venture or Associate Company.

5. Consolidated Financial Statement

The statement (in prescribed Form AOC-1) as required under Section 129 of the Companies Act, 2013, in respect of the Subsidiaries and Associate companies of the Company is annexed as **Annexure I** and forms an integral part of this Report.

The consolidated financial statements of the Company & its subsidiary/ associate companies, as mentioned in Form AOC-1, for the year ended 31st March 2024, prepared in accordance with Accounting Standard (IND AS-110) "Consolidated Financial Statements" prescribed by the Institute of Chartered Accountants of India, form part of the Annual Report and Financial Statements.

The Financial Statements of the subsidiary company and the related detailed information (as per Section 129 of the Companies Act, 2013) will be made available to the shareholders of the Company and subsidiary company seeking such information. The financial statements of the subsidiary company will also be kept for inspection by any shareholder at Company's Corporate Office/ Registered Office and also that of the subsidiary. The Company has also uploaded the Financial Statements of subsidiary company on its website i.e. www.hplindia.com.

6. Material changes and commitments, if any, affecting the financial position of the company which have occurred



DIRECTOR'S REPORT (CONT.)

between the end of the financial year of the Company to which the financial statements relate and the date of the Report

There have been no material change and commitment affecting the financial position of the Company between the end of the financial year and date of this report.

7. Change in the nature of business, if any

There was no change in the nature of business of the Company during the financial year ended 31st March, 2024.

8. Reserves

During the period under report, the company do not propose to transfer any amount to the General Reserve.

9. Dividend

The Board of Directors in its meeting held on 15th May, 2024 recommended a final dividend of ₹ 1 per equity share of ₹ 10 face value (10%) for the financial year ended 31st March, 2024, subject to the approval of the shareholders at the ensuing Annual General Meeting of the Company.

The dividend would be payable to all those Shareholders whose names appear in the Register of Members as on 23rd September, 2024 the record date fixed for this purpose.

10. Share Capital

As on March 31, 2024, the Authorised Share Capital of your Company is ₹ 70,00,00,000/- comprising of 7,00,00,000 equity shares of ₹ 10/- each. and the paid-up equity share capital of the Company is ₹ 64,30,04,860/- comprising 6,43,00,486 equity shares of ₹ 10/- each fully paid-up.

11. Public deposits

During the period under report, the Company has not accepted any deposit within the meaning of Sections 73 and 74 of the Companies Act, 2013 read together with the Companies (Acceptance of Deposits) Rules, 2014.

12. Details of Directors or Key Managerial Personnel including those who were appointed or have resigned during the year

During the financial year 2023-24, no changes took place in the composition of the Board of Directors of the Company.

Pursuant to the provisions of Section 152 of the Companies Act, 2013 and other applicable provisions of the Act, Mr. Rishi Seth (DIN:00203469), Managing Director of the Company, who retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for reappointment. The Board recommends his re-appointment.

Mr. Lalit Seth (DIN:00312007), was last appointed as the Chairman and Whole Time Director of the Company for a period of three years w.e.f. 21st January, 2022. The prevailing term of Mr. Lalit Seth as Chairman and Whole Time Director shall expire on 20th January, 2025.

Accordingly, the Board of Directors upon the recommendation of nomination and Remuneration, in its meeting held on 2nd September 2024 approved the re-appointment of Mr. Lalit Seth as Chairman and Whole Time Director of the Company for a further period of three years w.e.f. 21st January 2025 to 20th January, 2028. The re-appointment is subject to approval of the shareholders in the general meeting and the board recommends the same at the ensuing AGM.

Mr. Rishi Seth (DIN:00203469), was last appointed as the Managing Director of the Company for a period of three years w.e.f. 21st January, 2022. The prevailing term of Mr. Rishi Seth as Managing Director shall expire on 20th January, 2025.

Accordingly, the Board of Directors upon the recommendation of nomination and Remuneration, in its meeting held on 2nd September 2024 approved the re-appointment of Mr. Rishi Seth as Managing Director of the Company for a further period of three years w.e.f. 21st January 2025 to 20th January, 2028. The re-appointment is subject to approval of the shareholders in the general meeting and the board recommends the same at the ensuing AGM.

Mr. Gautam Seth (DIN:00203405), was last appointed as the Joint Managing Director of the Company for a period of three years w.e.f. 21st January, 2022. The prevailing term of Mr. Gautam Seth as Joint Managing Director shall expire on 20th January, 2025.

Accordingly, the Board of Directors upon the recommendation of nomination and Remuneration, in its meeting held on 2nd September 2024 approved the re-appointment of Mr. Gautam Seth as Joint Managing Director of the Company for a further period of three years w.e.f. 21st January 2025 to 20th January, 2028. The re-appointment is subject to approval of the shareholders in the general meeting and the board recommends the same at the ensuing AGM.

DIRECTOR'S REPORT (CONT.)

Brief details of the directors being recommended for appointment / re-appointment as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards have been furnished in the Notice dated 2nd September 2024 convening the 32nd Annual General Meeting.

13. Declaration by Independent Director(s) and reappointment, if any

The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence prescribed under the provisions of Section 149(6) of the Companies Act, 2013 and Regulation 16 of the SEBI Listing Regulations 2015. There has been no change in circumstances affecting the status of Independence of Independent directors.

14. Number of meetings of the Board

During the year under report, 4 (Four) meetings of the Board were held, the details of which forms part of the Corporate Governance Report.

15. Formal Annual Evaluation of the Performance of the Board, its Committees and of Individual directors

Pursuant to the provisions of Section 178 of the Companies Act, 2013 read with Companies (Amendment) Act, 2017 and SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the Nomination and remuneration committee has laid down the manner for effective evaluation of performance of Board, its committees and individual directors and accordingly the Board of directors has carried out an annual evaluation of its own performance, board committees and individual directors.

While evaluating the performance of Board, the Board had considered the composition and structure of the Board in terms of size, experience, diversity, effectiveness of the board process, dissemination of information etc. The Board gives effective advice and assistance for achieving the company's mission and vision.

The performance of the committees was evaluated by the board taking into consideration the factors such as composition of the committee; effectiveness of committee meetings; independence of the committee from the Board and contribution in decision making by the Board etc. It was found that their performance and functioning was within the mandate of the Board besides meeting the expectations of the Board.

The performance evaluation of all the individual directors was carried out after taking into account their individual contribution to the board and committee meetings such as preparedness on the issues to be discussed, effective contribution in the discussion on the various agenda items, whether the independent directors fulfill the independence criteria as specified in the Companies Act, 2013 and SEBI Listing Regulations 2015 and their independence from the management. Therefore, the outcome of the performance evaluation for the period under report, was satisfactory and reflects how well the directors, board and committees are carrying their respective activities.

The independent directors in its separate meeting held on 14th February, 2024 without the attendance of non-independent directors and members of management, reviewed -

- the performance of non-independent directors and the Board as a whole;
- the performance of the Chairperson of the company, taking into account the views of executive directors and non-executive directors;
- the quality, quantity and timeliness of flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

16. Nomination and Remuneration Policy of Directors, Key Managerial Personnel and other employees of the Company

As per the provisions of Section 178 of the Companies Act, 2013, the Board of Directors approved a policy which lays down a framework in relation to appointment and remuneration of Directors, Key Managerial Personnel and other employees of the Company.

The Policy broadly lays down the guiding principles, philosophy and the basis for payment of remuneration to Directors, Key Managerial Personnel, and other employees. The policy also provides the criteria for determining qualifications, positive attributes and Independence of Director and criteria for appointment of Key Managerial Personnel / Senior Management while making selection of the candidates. The above policy is available on the website of the Company at <https://www.hplindia.com/photos/investor-pdf/Nomination%20and%20Remuneration%20Policy.pdf>



DIRECTOR'S REPORT (CONT.)

17. Annual Return

Pursuant to Section 134(3)(a) read with Section 92(3) of the Companies Act, 2013, the Annual Return of the Company is available on the website of the Company at <https://www.hplindia.com/photos/investor-pdf/Draft-Annual-Return-2023-24.pdf>

18. Audit Committee

The details pertaining to the composition of the Audit Committee are included in the Corporate Governance Report which is a part of this Annual Report.

19. Vigil mechanism/ Whistle Blower Policy

Pursuant to the provisions of Companies Act, 2013 and SEBI Listing Regulations 2015, the Company has established a robust vigil Mechanism for directors and employees to report to the management instances of unethical behavior, actual or suspected, fraud or violation of the Company's code of conduct. The Vigil Mechanism Policy provides that the company investigates in such incidents, when reported, in an impartial manner and shall take appropriate action as and when required to do so. The policy also provides the mechanism for adequate safeguard against the victimization of Director(s)/employees who avail the mechanism and also provide for the direct access to the Chairman of the Audit Committee in exceptional cases. A vigil Mechanism policy is available on the website of the company at <https://www.hplindia.com/photos/investor-pdf/Vigil-Mechanism-Policy.pdf>

20. Risk Management

Pursuant to Regulation 21 of the SEBI Listing Regulations, the Company has constituted a Risk Management Committee, the details of which are given in Corporate Governance Report. The Company has in place a robust risk management policy to anticipate, identify, measure, manage, mitigate, monitor and report the risk and uncertainties that may have an impact to achieve the business objective of the company. The Company recognizes these risks which need to be managed and mitigated to protect the interest of the stakeholders, to achieve business objectives and enable sustainable growth. The risk management framework is aimed at effectively mitigating the Company's various business and operational risks, through strategic actions. The Company believes that managing risks helps in maximizing returns.

An extensive program of internal audits and regular reviews by the Audit Committee is carried out to ensure compliance with the best practices.

21. Policy on Material Subsidiary

The Company has framed a Policy on Material Subsidiary under Regulations 16(c) of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, as amended from time to time, which is available on the website of the company at <https://www.hplindia.com/photos/investor-pdf/Policy-for-Determining-Material-Subsidiary.Pdf>

22. Corporate Social Responsibility (CSR)

It is the responsibility of the corporations operating within society to contribute towards social and environmental development that will help in creating a positive impact on society at large.

The company discharges its CSR obligations either directly or through publicly registered Implementing Agencies towards supporting projects in the areas as specified in the schedule VII of the Companies Act, 2013 for Social welfare; Education and Health Care.

The Board of Directors approved the CSR Policy of the Company as formulated and recommended by the CSR Committee, which is available on the website of the Company at <https://www.hplindia.com/photos/investor-pdf/CSR-Policy.pdf>. A detailed report on Corporate Social Responsibility as per the provisions of Companies Act, 2013 is annexed as **Annexure II**.

23. Particulars of Contracts or Arrangements with related Parties as per Section 188 of the Companies Act, 2013

All the transactions entered into with related parties as defined under the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 during the financial year ended 31st March, 2024 were in the ordinary course of business and on arm's length basis. As per the provisions of Section 177 of the Companies Act, 2013, and Rules made thereunder read with Regulation 23 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company had obtained the necessary prior approvals of the Audit Committee for all the related party transactions. Further, there were no material related party transactions with promoters & promoter's group, directors or Key Management Personnel during the year under report.

None of the transactions with any of the related parties were in conflict with the interest of the Company rather, they synchronize and synergise with the Company's operations. The Related Party Transactions are available at Note no. 41 of the Standalone Financial Statements.

DIRECTOR'S REPORT (CONT.)

The Company has framed a Policy on materiality of Related Party Transactions and on dealing with related party Transactions in accordance with SEBI Listing Regulations 2015 and Companies Act, 2013, as amended. The Policy intends to ensure that proper reporting; approval and disclosure processes are in place for all transactions between the Company and related parties. The policy is available on the website of the company at <https://www.hplindia.com/photos/investor-pdf/Related-Party-Transactions-Policy.pdf> and the Details of Related Party Transactions are annexed as per Form AOC-2 in **Annexure III**.

24. Auditors**A) Statutory Auditors**

As per the provisions of Section 139(1) of the Companies Act, 2013, the Company had appointed M/s. Sakshi & Associates, Chartered Accountants (Regn. No. 025099N) as Statutory Auditors for a period of 5 (Five) years in the Annual General Meeting of the company held on 30th September 2022.

Statutory Auditors Report

The observations of the Statutory Auditors in its reports on the standalone and consolidated financials are self-explanatory and therefore do not call for any further comments.

There was no instance of fraud during the year under report, which required the Statutory Auditors to report to the Audit Committee and / or Board under Section 143(12) of Act and Rules framed thereunder.

B) Cost Auditors

As per Section 148 of the Companies Act, 2013, the company is required to have the audit of its cost records conducted by a Cost Accountant in practice. Pursuant to the provisions of Section 148 of the Companies Act, 2013 read with Companies (Cost Records and Audit) Rules, 2014 and other applicable provisions of the Act, as amended from time to time, the company is required to maintain the cost records as specified by the Central Government and accordingly such accounts and records were made and maintained for the financial year ended 31st March, 2024.

The Board of Directors of the Company, on the recommendation made by the Audit Committee, have appointed M/s. M.K Singhal & Co, Cost Accountants, (Firm Registration No. 00074) of the Company to conduct the audit of cost records of its certain products specified by the Central Government under the Companies Act 2013 and Rules made thereunder. M/s. M.K Singhal & Co, Cost

Accountants, being eligible, have consented to act as the Cost Auditors of the Company for the financial year 2024-25.

The remuneration payable to the Cost Auditor of the Company has been proposed for the ratification by the members of the Company and shall form part of the notice of the 32nd Annual General Meeting.

The company has received the Cost Audit Report of the company for the financial year ended 31st March, 2023 and the same was filed in XBRL mode within due date.

C) Secretarial Auditors

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with corresponding rules made there under M/s. AVA Associates, Company Secretaries were re-appointed as Secretarial Auditors of the Company to conduct Secretarial Audit of the Company for the financial year ended 31st March, 2024.

Secretarial Audit Report

The Secretarial Audit Report for the financial year ended 31st March, 2024 as submitted by Secretarial Auditor in Form MR-3 is annexed to this Report as **Annexure IV**.

There are no observations (including any qualification, reservation, adverse remark or disclaimer) of the Secretarial Auditors in their Secretarial Audit Report that may call for any explanation from the Directors.

Annual Secretarial Compliance Report

A Secretarial Compliance Report for the financial year ended 31st March, 2024 on compliance of all applicable SEBI Listing Regulations 2015 and circulars/ guidelines issued thereunder, was obtained from M/s AVA Associates, Secretarial Auditors, and submitted to both the stock exchanges. The Secretarial Compliance Report for the financial year ended 31st March, 2024 is available on the website of the Company at <https://www.hplindia.com/photos/investor-pdf/Secretarial-Compliance-Report-2024.pdf>

25. Particulars of Loans, Guarantees or investments under Section 186 of the Companies Act, 2013

The investment made by the company in the subsidiary company in the form of equity share capital is disclosed in the notes to the Audited Financial Statements forming part of this Annual Report. The company has not given any loans, guarantees or provided any security in connection



DIRECTOR'S REPORT (CONT.)

with a loan to any body corporate or person as per section 186 of the Companies Act, 2013 during the period under report.

26. Particulars of remuneration of Directors/ KMP/Employees

The information required to be disclosed in the Director's Report pursuant to Section 197 of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is set out in **Annexure V** to this report.

27. Research and Development

Driven by the continuous thrust of innovation, HPL have been always committed to deliver next level of products, Solutions and quality to its customers. It has undertaken a lot of initiatives to accelerate the customer satisfaction curve in the upward direction. R&D Centers and Testing Laboratories have always been a prime chunk of investment to become as par with emerging technologies and customer expectations.

All the NABL accredited Testing Laboratories and R&D centers at HPL are dedicated to develop world-class products, meeting stringent Quality standards and delivering customer delight. Teams have been focused to meet the growing market challenges in the field of Switchgear, Lighting, Wiring Accessories and Metering etc with the early adoption of thriving technologies for our Products and processes.

Our R&D centers are recognized by DSIR (Department of Scientific and Industrial Research). Our Gurgaon R&D center is certified for CMMi V2.0 Maturity Level 3 for design and development of state of art Smart meters, high end energy meters, Pre-paid energy meters, panel meters and centralized system for Street light management system. Our R&D-Jabli center is recognized by NABL for MCB, RCCB Products testing.

Our MCB & RCCB Products are tested as per IEC Standards. We have approval from Dekra –Netherlands for CB Certificate and KEMA which will be a global gateway for International Markets. Recently, the Kundli plant laboratory has been NABL accredited, which shows HPL's efforts in further strengthening its R&D work in the field of Switchgear & Lighting products.

Also, we are supporting policies of GOI by design & launch of cutting edge innovative solutions; DC MCB, Smart Prepaid meters to support smart meter rollout policy. HPL offers dedicated range of products like ACBs, Changeovers,

Isolators, MCCBs, Fuses, MCBs etc to support Renewable energy generation (e.g. Solar) policy, indigenous technology & product development for 'Make in India' drive. In line with the revamp & reformations going on in distribution sector, HPL also offers system based solutions best suited for distribution applications.

As a leading organization in Metering, Switchgears, Wiring Accessories segment, we have been participating at various forums like BIS, IEEMA in formation, update & revision of standards for metering & Switchgear products.

The R&D units have been continuously keeping shoulder to the wheel to improve the reliability and life cycle of products being manufactured at our ISO 9001:2015 certified plants. Being a responsible contributor towards Health, safety and environment, HPL offers a broad basket of product with "CE" Certification. Moreover, all the plants are RoHS complaint to meet the demands of the new era of business, globally.

All R&D units are determined to timely delivery of new products under development with the objective of Meet-Beat-Supersede the competition in the market. It works on a cohesive approach to narrow down the gaps in process from concept to customer. This is being achieved by detailed Electronic product design, 3D modeling, Software Simulations, production process centric prototyping and Prototype validation before commencing tool & complete product manufacturing. Thereby, increasing the efficiency of the organization by cutting down the iteration time and cost during development process.

HPL is continuously working on multiple smart engineering electrical products to meet the future market demands. LEDs being called the fourth generation light source, HPL is keeping itself abreast with innovative lighting products. HPL have been continuously inclined towards achieving the milestones for innovative lighting products, Surge Protection Device, ACCL, RCBO, Higher Rating MCB etc. Multidirectional steps are being taken towards adoption of emerging trends like Smart Switchgears, Smart meters, Industry-4.0 enabled manufacturing facilities, Eco friendly products and packing, Green and sustainable initiatives etc.

28. Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo as stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014, is attached as **Annexure VI** to this report.

DIRECTOR'S REPORT (CONT.)

29. Corporate Governance Report

The Company is committed to maintain the highest standards of Corporate Governance and adhere to the Corporate Governance requirements set out by Securities and Exchange Board of India. The report on Corporate Governance as stipulated under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 forms an integral part of this Report. The requisite certificate from M/s. Sakshi & Associates, Statutory Auditors of the Company confirming compliance of conditions of corporate governance is also annexed to the Corporate Governance Report.

30. Business Responsibility and Sustainability Report

A detailed Business Responsibility and Sustainability Report in terms of the provisions of Regulation 34 of the SEBI LODR is available as a separate section in the Annual Report.

31. Transfer to Investor Education and Protection Fund

Pursuant to the provisions of Section 124(5) of the Companies Act, 2013, all unpaid or unclaimed dividends for a period of seven years are required to be transferred by the Company to the Investor Education and Protection Fund (IEPF) established by the Central Government.

The unclaimed dividends on equity shares paid in the year 2017 will be due for transfer to IEPF in the year 2024. Investors who have not yet claimed these dividends are requested to contact the Company or the RTA of the Company for any support required in this regard. Members are requested to complete requisite formalities for claiming their unpaid dividend(s), if any, to avoid transfer of such shares to IEPF.

32. Directors' Responsibility Statement

Pursuant to Section 134(3) (c) and 134(5) of the Companies Act, 2013, the Directors confirm that:

- a. in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b. the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the

profit and loss of the Company for that period;

- c. the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. the Directors had prepared the annual accounts on a going concern basis;
- e. the Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- f. the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

33. Disclosure under the sexual harassment of women at workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company has always believed in providing a safe and harassment free workplace for every individual working in the Company premises through various interventions and practices. The Company always endeavors to create and provide an environment that is free from discrimination and harassment including sexual harassment.

The Company has in place robust policy on prevention, prohibition and redressal of complaints relating to sexual harassment at workplace which is applicable to the company as per the provisions of Sexual Harassment of Women at Workplace (Prevention, prohibition and Redressal) Act, 2013. The company has complied with the provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, prohibition and Redressal) Act, 2013.

During the year under report, the company has not received any complaint pertaining to sexual harassment.

34. Significant/material orders passed by the regulators

There are no significant/material orders passed by the Regulators or Courts or Tribunals impacting the going concern status of the Company and its operations in future.



DIRECTOR'S REPORT (CONT.)

35. Compliance with Secretarial Standards

The Company is in compliance with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI) and approved by the Central Government under Section 118(10) of the Companies Act, 2013.

36. Internal Financial Control Systems and their adequacy

The Company has adopted policies and procedures for effective internal controls system. This ensures that all transactions are authorized, recorded & timely preparation of reliable financial information, the safeguarding of its assets, the prevention and detection of frauds and errors. The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations.

37. Management Discussion and Analysis Report

Management Discussion and Analysis Report for the year under report, as stipulated under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is also presented in a separate section forming part of this Annual Report.

38. CEO and CFO Certificate

CEO and CFO Certificate as prescribed under Schedule- II Part B of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed to the Corporate Governance Report forming part of this Annual Report.

39. Disclosure of commission paid to Managing Director or Whole time directors

There is no commission paid or payable by the company to the managing director or the whole time directors.

40. Acknowledgement

The Board of Directors acknowledges the continued co-operation assistance and support the Company has received from various Government Departments, Banks/ financial Institutions and shareholders. The Board also places on record its appreciation for the sincere services rendered by employees of the company at all levels and the support and co-operation extended by the valued business associates and the continuous patronage of the customers of the Company.

For and on Behalf of the Board
For **HPL Electric & Power Limited**

Lalit Seth
Chairman and Whole-time Director
DIN: 00312007

Date: 2nd September 2024
Place: Kundli

DIRECTOR'S REPORT (CONT.)

ANNEXURE-I

Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)
Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Part "A": Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in ₹)

(₹ In Crores)

Sr. No.	Particulars	Details
1.	Name of the subsidiary	Himachal Energy Private Limited
2.	The date since when subsidiary was acquired	09.05.2016
3.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	31.03.2024
4.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	INR
5.	Share capital	15.44
6.	Reserves & surplus	50.69
7.	Total assets	136.26
8.	Total Liabilities	70.13
9.	Investments	Nil
10.	Turnover	83.00
11.	Profit before taxation	3.41
12.	Provision for taxation	1.26
13.	Profit after taxation	2.14
14.	Proposed Dividend	-
15.	% of shareholding	97.15%

- Names of subsidiaries which are yet to commence operations: None
- Names of subsidiaries which have been liquidated or sold during the year: None

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

(Amount in ₹)

Name of Associates/Joint Ventures	HPL-Shriji Designs (JV)	HPL-Shriji-Trimurthi Hitech Company Pvt.Ltd. (JV)
1. Latest audited Balance Sheet Date	31.03.2024	31.03.2024
2. Date on which the Associate or Joint Venture was associated or Acquired	30.10.2010	22.06.2011
3. Shares of Associate/Joint Ventures held by the company on the year end		
No.	N.A.	N.A.
Amount of Investment in Associates/Joint Venture (₹)	6984748	14371319
Extend of Holding%	97%	94%
4. Description of how there is significant influence	Company is holding 97% of the ownership interest	Company is holding 94% of the ownership interest



DIRECTOR'S REPORT (CONT.)

Name of Associates/Joint Ventures	HPL-Shriji Designs (JV)	HPL-Shriji-Trimurthi Hitech Company Pvt.Ltd. (JV)
5. Reason why the associate/joint venture is not consolidated	N.A.	N.A.
6. Net worth attributable to shareholding as per latest audited Balance Sheet(₹)	(45,26,943)	(36,43,425)
7. Profit/Loss for the year(₹)		
i. Considered in Consolidation	(5,000)	22,16,855
ii. Not Considered in Consolidation	-	-

1. Names of associates or Joint Ventures which are get to commence operation : None

2. Names of associates or Joint Ventures which have been liquidated or sold during the year: None

For and on Behalf of the Board of Directors

Lalit Seth Chairman and Whole-time Director DIN: 00312007	Rishi Seth Managing Director DIN: 00203469	Gautam Seth Jt. Managing Director & Chief Financial Officer M. No. 094003	Vivek Kumar Company Secretary M. No. A18491
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Date: 2nd September 2024
Place: Kundli

DIRECTOR'S REPORT (CONT.)

Annexure II

ANNUAL REPORT ON CSR PURSUANT TO RULE 8 OF COMPANIES (CORPORATE SOCIAL RESPONSIBILITY POLICY) RULES, 2014

1. Brief Outline on CSR Policy of the Company

As per the provisions of Section 135 of the Companies Act 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, the Corporate Social Responsibility Committee (CSR Committee) has formulated and recommended to the Board, a Corporate Social Responsibility Policy (CSR Policy) indicating the activities to be undertaken by the Company, which has been approved by the Board. The CSR Policy may be accessed on the Company's website at www.hplindia.com. The company discharges its CSR obligations as per Schedule VII to the Companies Act, 2013 directly and/or through implementing agencies appointed by the Company.

2. Composition of CSR Committee

Sl. No.	Name of Director	Designation/ Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Mr. Lalit Seth	Chairman	1	1
2.	Mr. Rishi Seth	Member	1	1
3.	Dr. Rashmi Vij	Member	1	1

3. Provide the web-link where the composition of CSR Committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the Company

CSR Committee: <https://www.hplindia.com/images/Composition-of-Board-and-Committees-09-03-2022.pdf>

CSR Policy: <https://www.hplindia.com/photos/investor-pdf/CSR-Policy.pdf>

CSR Projects: <https://www.hplindia.com/photos/investor-pdf/CSR-Projects.pdf>

4. Provide the executive summary along with web-link(s) of Impact Assessment of CSR projects carried out in pursuance of sub-rule (3) of Rule 8, if applicable

Not Applicable for Financial year 2023-24

5. (a) Average net profit of the company as per section 135(5)= ₹ 20.61 crores
- (b) Two percent of average net profit of the company as per section 135(5)= ₹ 41.21 Lakhs
- (c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years. = NIL
- (d) Amount required to be set off for the financial year, if any.= ₹ 3.07 Lakhs
- (e) Total CSR obligation for the financial year (5b+5c- 5d). = ₹ 38.14 Lakhs
6. (a) CSR amount spent on CSR Project (both Ongoing Project and other than Ongoing Project) : ₹ 45.00 Lakhs
- (b) Amount spent in Administrative Overheads= NIL
- (c) Amount spent on Impact Assessment, if applicable= Not Applicable
- (d) Total amount spent for the Financial Year [(a)+(b)+(c)]= ₹ 45.00 Lakhs



DIRECTOR'S REPORT (CONT.)

(e) CSR amount spent or unspent for the Financial Year:

Total Amount Spent for the Financial Year. (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
₹ 45.00 Lakhs	-	-	-	-	-

(f) Excess Amount for Set-off, if any

Sl No.	Particular	Amount (In ₹)
(1)	(2)	(3)
(i)	Two Percent of average net profit of the company as per Section 135 (5)	41,21,887
(ii)	Total amount spent for the Financial Year	48,07,490
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	6,85,603
(iv)	Surplus arising out of the projects or programmes or activities of the previous Financial Years, if any	0
(v)	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	6,85,603

7. Details of Unspent CSR amount for the preceding three Financial Years: NA

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sl. No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under Section 135(6) (in ₹)	Balance Amount in Unspent CSR Account under Section 135(6) (in ₹)	Amount Spent in the Financial Year (in ₹)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to Section 135(5), if any	Amount remaining to be spent in succeeding Financial Years (in ₹)	Deficiency, if Any
					Amount (In ₹)	Date of Transfer	
(1)	FY-1						
(2)	FY-2						
(3)	FY-3						

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the financial year: NO

If Yes, enter the No. (amount) of Capital assets created/ acquired

DIRECTOR'S REPORT (CONT.)

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

Sl. No.	Short particulars of the property or asset(s) (including complete address and location of the property)	Pin code of the property or asset(s)	Date of Creation	Amount of CSR Spent	Details of entity/ Authority/ beneficiary of the registered owner		
(1)	(2)	(3)	(4)	(5)	(6)		
					CSR Registration Number, if applicable	Name	CSR Registration Number, if applicable

(All the fields should be captured as appearing in the revenue record, plot no, house no, Municipal office/Municipal Corporation/ Gram Panchayat are to be specified and also the area of the immovable property as well as boundaries)

9. Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per of Section 135 (5) - NA

Rishi Seth
Managing Director
DIN: 00203469

Lalit Seth
Chairman, CSR Committee
DIN: 00312007

Date: 2nd September 2024
Place: Kundli



DIRECTOR'S REPORT (CONT.)

ANNEXURE-III

FORM NO. AOC -2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014

Form for Disclosure of particulars of contracts/ arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arm's length transaction under forth proviso thereto

1. Details of contracts or arrangements or transactions not at Arm's length basis: NIL

- Name(s) of the related party and nature of relationship: N.A.
- Nature of contracts/ arrangements/ transactions: N.A.
- Duration of the contracts/ arrangements/ transactions: N.A.
- Salient terms of the contracts or arrangements or transactions including the value, if any: N.A.
- Justification for entering into such contracts or arrangements or transactions: N.A.
- Date(s) of approval by the Board: N.A.
- Amount paid as advances, if any: N.A.
- Date on which the special resolution was passed in general meeting as required under first proviso to section 188: N.A.

2. Details of material contracts or arrangement or transactions at arm's length basis: NIL

During the year under review, the Company has not entered into any material Contracts or arrangements, hence the below disclosure is not applicable.

- Name(s) of the related party and nature of relationship: N.A.
- Nature of contracts/ arrangements/ transactions: N.A.
- Duration of the contracts/ arrangements/ transactions: N.A.
- Salient terms of the contracts or arrangements or transactions including the value, if any: N.A.
- Date(s) of approval by the Board, if any: N.A.
- Amount paid as advances, if any: N.A.

For and on Behalf of the Board

Date: 2nd September 2024
Place: Kundli

Mr. Lalit Seth
Chairman and Whole-time Director
DIN: 00312007

DIRECTOR'S REPORT (CONT.)

ANNEXURE-IV

FORM NO MR-3

SECRETARIAL AUDIT REPORT

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

FOR THE FINANCIAL YEAR ENDED 31st MARCH 2024

To,
The Members
HPL Electric & Power Limited
1/20, Asaf Ali Road,
New Delhi -110002

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by HPL Electric & Power Limited (hereinafter called the "Company") (CIN: L74899DL1992PLC048945). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit and the representations made by the Company, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2024 generally complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records made available to us and maintained by HPL Electric & Power Limited for the financial year ended on 31st March 2024 according to the provisions of:

- The Companies Act, 2013 (the Act) and the rules made thereunder to the extent and notified and came into force;
- The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): -

- The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; (Not applicable to the company during the Audit Period)
- The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; (Not applicable to the company during the Audit Period)
- The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not applicable to the company during the Audit Period)
- The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; and (Not applicable to the company during the Audit Period)
- The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- Other laws as are applicable to the Company as per representations made by the Company
 - Labour Laws
 - Environmental Laws

We have also examined compliance with the applicable clauses of the following:



DIRECTOR'S REPORT (CONT.)

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India. clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- (ii) The Listing Agreement entered into by the Company with BSE Limited (BSE) and The National Stock Exchange of India Limited (NSE). 4. All decisions at the Board Meeting and Committee meetings were carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or committees of the Board as the case may be.

Based on our examination and verification of the books, papers, minute books, forms and returns filed and other records produced to us and according to information and explanations given to us by the Company, we do report that the Company has in our opinion, complied with the provisions of the Companies Act, 2013 (Act) and the Rules made thereunder, the Memorandum and Articles of Association of the Company and the applicable provisions of the above mentioned laws, standards, guidelines, agreements, etc.

We further report that compliance of applicable financial laws including Direct and Indirect Tax laws by the Company have not been reviewed in this Audit since the same have been subject to review by the Statutory Financial Audit and other designated professionals.

We further report that (as represented by the Company and relied upon by us) there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period no events occurred which had a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines etc.

For **AVA Associates**
Company Secretaries

CS Vinod Kumar Gupta
FCS: 3648; CP: 2148
UDIN : F003648F001070472
Peer Review Certificate No.: 1478/2021

Date: 29th August, 2024
Place: Delhi

We report that, during the year under review:

1. The Status of the Company during the financial year has been that of a Listed Public Company, listed at the BSE Limited (BSE), The National Stock Exchange of India Limited (NSE).
2. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors and Woman Director.
3. Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days well in advance and a system exists for seeking and obtaining further information and

DIRECTOR'S REPORT (CONT.)

Annexure A

Responsibility Statement

To,
The Members
HPL Electric & Power Limited
1/20, Asaf Ali Road, New Delhi -110002

Our report is to be read along with the following:

1. Maintenance of Secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on the secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain responsible assurance about the correctness of the contents of secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we follow provide a responsible basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. Wherever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events, etc.
5. The compliance of the provision of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to verification of procedures on test basis.
6. The secretarial audit report is neither an assurance as to the future viability of the Company nor the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **AVA Associates**
Company Secretaries

CS Vinod Kumar Gupta
FCS: 3648; CP: 2148
UDIN : F003648F001070472
Peer Review Certificate No.: 1478/2021

Date: 29th August, 2024
Place: Delhi



DIRECTOR'S REPORT (CONT.)

ANNEXURE-V

A. DETAILS PURSUANT TO THE PROVISIONS OF SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014:

Relevant Clause u/r 5(1)	Prescribed Requirement	Particulars
(i)	Ratio of the remuneration of each Director to the median remuneration of employees of the company for the financial year	1. Mr. Lalit Seth, Chairman and Whole-time Director- 55:1 2. Mr. Rishi Seth, Managing Director- 23:1 3. Mr. Gautam Seth, Jt. Managing Director & CFO-23:1
(ii)	Percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive officer, Company Secretary, manager, if any, in the financial year	1. Mr. Lalit Seth, Chairman and Whole-time Director- Nil 2. Mr. Rishi Seth, Managing Director- Nil 3. Mr. Gautam Seth, Jt. Managing Director & CFO- Nil 4. Mr. Vivek Kumar Gupta, CS – 23.45%
(iii)	Percentage increase in the median remuneration of employees in the financial year	12%
(iv)	Number of permanent employees on the rolls of company	1100
(v)	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration	Average increase in remuneration of Managerial Personnel- Nil Average increase in remuneration of employees other than the Managerial Personnel – 9.64%
(vi)	Affirmation that the remuneration is as per the remuneration policy of the company	It is hereby affirmed that the remuneration paid to Directors, Key Managerial Personnel and other Employees is as per the Nomination and Remuneration Policy of the Company.

B. STATEMENT SHOWING PARTICULARS OF EMPLOYEES PURSUANT TO THE PROVISIONS OF SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(2) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

Top 10 Persons:

Persons Employed for the full year ended 31st March, 2024 who were in receipt of the remuneration which in the aggregate was not less than ₹ 1,02,00,000/-

Employee Name Designation Gross Remuneration (₹) Qualification Total Experience in Years Date of Commencement of Employment Age in Years Last Employer & Designation Held

Mr. Lalit Seth Chairman and Whole-time Director 3,60,07,592 Undergraduate 54, 28.05.1992, 78; Mr. Rishi Seth Managing Director 1,50,07,592 B.com, 29 MBA 14.04.2000 53; Mr. Gautam Seth Joint Managing Director & CFO 1,50,07,592 B.com, CA 27 15.02.2008 52; Mr. G N Sharma Chief Vice President 1,11,00,012 Diploma in Mechanical Engineering 28 01.05.2011 63 Havells India Limited; Mr. C.R. Kundu Sr. VP Switchgear 97,01,820 Bachelor of Engineering (Electrical) 42 01.08.2017 67 BCH Electric Ltd; Mr. Devendra Vyas Assistant V.P R&D Meters 90,67,404 MBA Electronics Engineering 28 18.05.2020 49

DIRECTOR'S REPORT (CONT.)

Secure Meter Limited; Mr. Sundeep Tandon Sr. VP Business Development 65,51,736 BE in Electricals, PGDBM, MBA 36 03.12.2007 60 English Electrical Company of India Ltd, GRC ASTON; Mr. Puneet Kumar Singh VP & EWA Division 48,50,004 PGDBA; MBA 27 01.09.2022 53 NEC Wire & Cable Private Limited.; Mr. S. K. Goel GM – Switchgear Division 43,92,144 B.Tech (PGDM) 40 01.02.2012 61 Havells India Limited; Mr. Prashant Tandon Head Commercial Division 42,41,904 MBA 29 01.12.2016 58 SMC Global.

Persons employed for part of the year ended 31st March, 2024 who were in receipt of the remuneration which in the aggregate was not less than ₹ 8,50,000/- p.m.

Employee Name Designation Gross Remuneration Qualification Total Experience in Years Tenure of Employment (Date of Commencement Date of Cessation) Age in Years Last Employer & Designation Held

Nil

Notes:

- Gross Remuneration includes salary, allowances, contribution towards P.F. and perquisites.
- The nature of employment is permanent in all the above cases.
- Except Mr. Lalit Seth, Mr. Rishi Seth and Mr. Gautam Seth, none of the above employees hold more than 2% of the total paid up capital of the Company.
- None of the employee is related to any director or manager of the Company except Mr. Rishi Seth and Mr. Gautam Seth, both being the sons of Mr. Lalit Seth, Chairman and Whole-time Director as per Section 2(77) of the Companies Act, 2013.

For and on Behalf of the Board
For HPL Electric & Power Limited

Date : 2nd September 2024
Place:Kundli

Lalit Seth
Chairman and Whole-time Director
DIN: 00312007



DIRECTOR'S REPORT (CONT.)

Annexure VI

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

Section 134 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014

(A) Conservation of energy

- (i) The steps taken or impact on conservation of energy and the steps taken by the company for utilising alternate sources of energy:

Energy Conservation measures taken

HPL has been always focused for Energy conservation thereby reducing the effect of global warming. It has been our endeavor to adopt and implement new energy efficient technologies to conserve energy and keep the environment green. The company has aligned its goal with the Indian Government's National plan on Energy conservation to reduce the carbon footprint thus to save the planet earth. In the last few decades, we have seen alarming change in the climate conditions. As such, it has become the need of the hour to save energy as much as possible. The company has made a mandatory policy to use only energy efficient BEE star rated products in all the manufacturing units. It has taken several steps for conserving energy through various initiatives and is continuously working to improve energy conservation and utilization. Main focus has been to reduce the energy cost thereby minimizing the effect on the Environment. Innovative methods and various energy conservation measures have been implemented in all the plants and offices of HPL. Energy utilization cost of the company has come down in the last year compared to previous year's record. The company has already ventured into Solar projects since last 4 years and has started implementation of use of solar energy for all the plants in different stages. Continuous efforts are put on innovation of new products which are cost effective as well as energy efficient. Recently, the Kundli plant laboratory has been NABL accredited, which shows HPL's efforts in further strengthening its R&D work in the field of Switchgear & Lighting products.

HPL is contributing for Energy conservation by design, development and supply of LED based street lights, centralized street light management systems, Net Energy meter, Smart pre-paid energy meters for reducing energy usage, encouraging use of renewable power sources and reducing carbon footprint.

This would be a great effort in reducing the carbon footprint thereby conserving energy for the social good. Special efforts have been put on some specific energy conservation projects, which have been mentioned below:

Lighting:

Company has tried to reduce and optimize the lighting requirements in the plants through following initiatives:

- For all lighting circuits, the Lighting load has been optimized. Natural light is used in as many places as possible to save energy. To make this effective signage with "Switch OFF when NOT in USE" are used at various electrical points.
- All conventional Light fittings have been replaced with LED Light efficient fixtures at factory and office premises leading to savings in energy consumption.
- LED tube light fittings are used in all the assembly sections & offices to conserve energy.
- Almost 100% of conventional light fittings have been replaced with LED lighting fitting in all the plants.

Replacement of old equipment with new energy efficient equipment:

- Energy efficient AC, VFD motors & drives are being used.
- Solar LED lights along the compound walls of factories. These lights are fitted with dusk & dawn sensors to conserve energy.
- Higher lumen rated LED lighting being used.
- BEE star rated Air conditioning units are being used.
- All molding machines are connected with UPS to maintain continuous running leading to increase in productivity.
- Insulated heaters for Injection molding machines are being used to conserve energy.
- Hot runner molds are used in high volume items to conserve material, energy and increase productivity.
- Integral heating mechanism for Thermoset Moldings tools is in use to create better heating and improve product quality.
- Street lights (400watt) replaced with led street light. (90watt)

DIRECTOR'S REPORT (CONT.)

- Replacement of convectional light fitting with led light fitting is in progress.
- Installation of most advanced & highly efficient Laser Cutting and Bending Machines.

Optimization of electrical equipment:

Power factor is being monitored on regular basis continuously to maintain in the range of 0.97- 0.99 against the minimum required standard of 0.95 as per Govt. Electricity consumption rules. Automatic Servo voltage stabilizer installed to provide constant voltage to machine. Hence reduces the break down and increase the efficiency of m/cs.

Impact:

All the various energy conservation methods have resulted in

- Optimizing the energy consumption
- Savings on cost of production
- Reduction in carbon footprint
- Reduction in processing time
- Increase in productivity
- Increase in overall efficiency

Capital investment of energy conservation equipment:

The company is putting all efforts to reduce and optimize the energy requirements in the manufacturing unit by investing in energy saving equipment, plants and machineries on regular basis.

B. Technology absorption

The Company is continuously working towards absorption of new technologies by doing latest developments in products, processes and use of new materials to ensure quality of products for customers.

Efforts made toward the Technology absorption

Company is continuously spending money in R&D to meet the new challenges. Our R&D centres are approved by Department of science, technological & Industrial Research, Govt. of India (DSIR) as well as NABL accredited. Our Gurgaon R&D center is certified for CMMi V2.0 Maturity Level 3 for design and development of state of art Smart meters, high end energy meters, Pre-paid energy meters, panel meters and centralized system for Street light management system. As a process of technological development, company is continuously adopting & absorbing new technologies to develop products & upgradation of processes to meet the new challenges. Once the product or process is developed, the prototypes are built, followed by pilot development batch, which undergoes complete testing before proceeding for commercial production or

implementation. HPL continuously works towards following activities for achieving the short term as well as long term business goals:-

- Continuous development of new products & process for improvement in business efficiency by reduction in cost, cycle time which leads to energy conservation also
- Development of Import substitution for products & material
- Value Engineering in products & process to reduce wastages
- Continuously absorb new technologies to improve the testing procedures for products, process & materials to enhance the quality of products, safety to persons concerned & be environment friendly
- Special focus on development of in-house products which are compatible to new technology, specially, interface with computers

The benefits which are derived like product improvement, cost reduction, product development or import substitution are:

- To keep a competitive edge in market place
- To keep a continuous check on costs & quality
- Meets voice of customer and to his satisfaction.
- Continuous introduction of new products.
- To enhance the HPL brand image to the next level.

In case of imported technology (imported during the last three years reckoned from the beginning of the financial year):

The company has not imported any technology during last three Financial Years.

The expenditure incurred on Research and Development:

During the year, your Company has made the total expenditure of ₹1017.14 Lakhs towards Research & Development.

Foreign exchange earnings and Outgo	
(Rupees in Lakhs)	
2023-24	
Total Foreign Exchange Earned	4309.73
Total Foreign Exchange used	33084.91

For and on Behalf of the Board

Date : 2nd September 2024
Place: Kundli

Lalit Seth
Chairman and Whole-time Director
DIN: 00312007



CORPORATE GOVERNANCE REPORT

In terms of Regulation 34(3) read with Section C of Schedule V to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time, a report on Corporate Governance for the financial year ended March 31, 2024 presented below:

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Corporate Governance is essentially a system by which Companies are governed and controlled by the management under the direction and supervision of the Board in the best interest of all stakeholders. It is not mere compliance of laws, rules and regulations, but also the application of best management practices and adherence to the highest ethical principles in all its dealings, to achieve the objects of the Company, enhance stakeholder's value and discharge its social responsibility. Above all, it is a way of life, rather than merely a regulatory and legal compulsion.

Company's philosophy on the Code of Governance is based on the belief that effective Corporate Governance practices constitute a strong foundation on which successful commercial enterprises are built to last. Good Corporate Governance is indispensable to resilient and vibrant capital markets and is, therefore, an important instrument of investor protection. Your Company lays great emphasis on a corporate culture of conscience, integrity, fairness, transparency, accountability and responsibility for efficient and ethical conduct of its business.

The Company adheres to compliance requirements of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 as regard to Corporate Governance.

2. BOARD OF DIRECTORS

The Board of Directors is the apex body constituted by the shareholders for overseeing the Company's overall functioning. The Board provides and evaluates the Company's strategic direction, management policies and their effectiveness and ensures that the shareholders' long term interests are being served.

The Board of Directors consists of eminent persons with wide knowledge and experience in different fields including technical, commercial, finance, business administration etc., which not only bring wide range of expertise, but also impart desired level of independence to the Board and helps healthy deliberations at the board meetings to decide on various matters of the Company. The Board of Directors periodically reviews the compliance reports of all laws, rules, regulation applicable to the company.

2.1 Composition of the Board of Directors

The Board of Directors of the Company has an optimum combination of Executive and Non-Executive Directors (including one women independent director) to have a balanced Board Structure. The Chairman of the Board of Directors of the Company is an Executive Director and a Promoter. The composition of the board is in conformity with the Regulation 17 of SEBI Listing Regulation 2015 read with Section 149 and 152 of the Companies Act, 2013. As on 31st March, 2024, the Board of Directors comprised of six directors, out of which three are executive directors and three are Non-Executive-Independent director including one independent woman director.

None of the Directors on the Board hold the office of Director in more than 20 companies, including 10 public companies, as disclosed under Section 184 of the Act read with Rules framed thereunder. None of the IDs serve as IDs in more than 7 listed entities and none of the IDs who are Whole-time Directors/ Managing Directors in a Listed Entity serves as ID in more than 3 listed entities. Furthermore, none of the Whole-time Directors of the Company serve as IDs in any listed entities. In accordance with Regulation 26 of the SEBI Listing Regulations, none of the Directors are members in more than 10 committees or act as chairperson of more than 5 committees (the committees being, Audit Committee and Stakeholders' Relationship Committee) across all public limited companies in which he/ she is a Director.

2.2. Meetings and Attendance of Directors

During the financial year 2023-24, 4 (Four) Board Meetings were held on 29th May, 2023, 9th August, 2023, 8th November, 2023, and 14th February, 2024. The maximum interval between the two Board Meetings did not exceed 120 days as prescribed under the Companies Act, 2013 and Regulation 17 (2) of the SEBI Listing Regulations 2015. The requisite quorum was present at all the aforesaid meetings.

Composition and category of Directors, attendance of Directors at Board Meetings and the last Annual general meeting (AGM),

CORPORATE GOVERNANCE REPORT (CONT.)

number of other directorships and Committee positions held by them in companies are given below:

Name and Designation of the Director and DIN	Category	No. of Board Meetings attended (against 4 held during financial year 2023-24)	Attendance at the last AGM held on 30th September, 2023	No. of Directorship in other public Limited Companies (As on 31st March, 2024)	No. of Committee positions held in other Public Companies (As on 31st March, 2024)	
					Chairman	Member
Mr. Lalit Seth Chairman and Whole Time Director DIN: 00312007	Non- Independent/ Executive	4	Yes	2	0	0
Mr. Rishi Seth Managing Director DIN: 00203469	Non Independent/ Executive	4	Yes	2	0	0
Mr. Gautam Seth Joint Managing Director & CFO DIN: 00203405	Non-Independent/ Executive	4	Yes	2	0	0
Mr. Hargovind Sachdev DIN: 08105319	Independent/ Non Executive	4	Yes	2	1	1
Dr. Rashmi Vij DIN: 01103219	Independent/ Non Executive	4	Yes	0	0	0
Mr. Dhruv Goyal DIN: 06963262	Independent/ Non Executive	2	Yes	0	0	0

NOTES:

- Mr. Lalit Seth, Mr. Rishi Seth and Mr. Gautam Seth belongs to the promoter and promoter group of the Company.
- Other Directorship does not include, Directorship of Private Limited Companies, Foreign Companies and companies under section 8 of the Companies Act, 2013. Chairmanship/Membership of Board committees include only Audit Committee and Stakeholders' Relationship Committee.
- None of the Directors of the Company is related inter-se, except Mr. Lalit Seth, Mr. Gautam Seth and Mr. Rishi Seth who are related in terms of Section 2(77) of the Companies Act, 2013 read with Rule 4 of the Companies (Specification of definitions details) Rules, 2014.
- None of the Non- Executive Directors holds any shares in the company. The Company has not issued any convertible instrument.
- None of the Director on the Board is a Director of any other listed entity except Mr. Hargovind Sachdev.

2.3 Skills/ Expertise/Competence of the Board of Directors including the areas as identified by the Board in the context of the Company's business:

The Company's Board comprises of qualified members who have requisite skills, competencies and expertise to discharge their duties as Company's directors and make effective contribution. The Nomination and Remuneration policy of Directors, KMPs and other employees of the company sets out the criteria for determining the qualifications and expertise of the director in order



CORPORATE GOVERNANCE REPORT (CONT.)

to have a diverse and competent Board.

The independent directors possess the desired skills, experience and knowledge in the fields of finance, law, management, sales, marketing, administration, corporate governance or other disciplines related to the company's business. The Independent Directors discharge their responsibilities with full impartiality as Independent directors.

The following matrix setting out the skills/expertise/competencies in the context of business of the company currently available with the Board is as follows:

Sl. No.	Name of the Director	Skill/expertise/competence
1	Mr. Lalit Seth	Leadership and overall corporate and general management
2	Mr. Rishi Seth	Commercial, operations and Legal
3	Mr. Gautam Seth	Sales & marketing, Finance, Corporate Governance
4	Mr. Dhruv Goyal	Commercial and Business Management
5	Dr. Rashmi Vij	Corporate Governance and General management
6	Mr. Hargovind Sachdev	Audit, banking, Finance Corporate Governance and Investor Protection

2.4 INDEPENDENT DIRECTORS

A. Familiarization Programmes

The Independent Directors are provided with necessary documents, information and policies to enable them to familiarize with the Company's procedures and practices. Periodic presentations are made at the Board and Committee meetings on business and performance updates of the Company, business strategy and risks involved.

Quarterly updates on the Board Meetings regarding the relevant statutory, regulatory changes are regularly circulated to the Directors. Site visits to various plant locations are organized for the Independent Directors to enable them to understand and acquaint with the operations of the Company.

The details of such familiarisation programmes for Independent Directors are put up on the Company's website and can be accessed at <https://www.hplindia.com/photos/investor-pdf/Familiarization%20Programme%202022-23.pdf>

B. Confirmation that in the opinion of the Board, the Independent Directors fulfill the conditions specified in SEBI Listing Regulations 2015 and are Independent of the Management

Based on the declaration submitted by the Independent Directors of the Company provided at the beginning of the Financial Year 2024-25, the Board hereby certify that all the Independent Directors appointed by the Company fulfils the conditions specified in SEBI Listing Regulations 2015, and are independent of the management.

C. Detailed reasons for the Resignation of an Independent Director who resigns before the expiry of his/her tenure along with a confirmation by such director that there are no other material reasons

During the period under report, none of the Independent Directors of the company resigned before the expiry of his/her tenure.

D. Separate Meeting of Independent Directors

In terms of the provisions of Regulation 25 of the SEBI Listing Regulations 2015 and Schedule IV of the Companies Act 2013, separate meetings of the Independent Directors of the company are held every financial year, without the attendance of Non-Independent Directors and members of the management.

CORPORATE GOVERNANCE REPORT (CONT.)

During the Financial year 2023-24, the Independent Directors met separately on 14th February, 2024, whereat the following items were discussed:

- Review the performance of non-independent directors and the board as a whole.
- Review the performance of the chairman of the company, taking into account the views of executive Directors and non-executive directors.
- Assessment of the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the board to effectively and reasonably perform their duties.

E. Company's Code of Conduct to Regulate, Monitor, Report Trading by Designated Persons

The Company has formulated a Code of Conduct to Regulate, Monitor, Report Trading by Designated Persons to deter the insider trading in the securities of the Company based on the unpublished price sensitive information. The Code envisages procedures to be followed and disclosures to be made while dealing in the securities of the Company.

The full text of the Code is available on the website of Company under "Policies & Codes" in the Corporate Governance section and can be accessed at <https://www.hplindia.com/photos/investor-pdf/codeconduct.pdf>

2.5 CODE OF CONDUCT

The Board of Directors have laid down a Code of Conduct for all the Board members and Senior Management Personnel of the Company. The Code of Conduct has also been posted on the website of the Company at <https://www.hplindia.com/photos/investor-pdf/CODE%20OF%20CONDUCT%20FOR%20BOARD%20OF%20DIRECTORS%20&%20SENIOR%20MANAGEMENT.pdf>

All Board members and Senior Management Personnel have, on 31st March, 2024, affirmed compliance with the Code of Conduct. A declaration to this effect, duly signed by the Managing Director, forms part of this Report.

2.6 SUBSIDIARY COMPANIES

The Company does not have any "material unlisted subsidiary" as defined in the SEBI Listing Regulations. Accordingly, the requirement of appointing an Independent Director of the Company on the Board of the material unlisted subsidiary company given under Regulation 24 of the SEBI Listing Regulations does not apply.

Details of all significant transactions and arrangements entered into by the unlisted subsidiary company, if any, are placed before the Board for review. Copies of Minutes of the Board and Committee Meeting(s) of the unlisted Subsidiary Companies are placed at the Board Meeting of the Company. The Unaudited Quarterly Financial Results and Audited Annual Financial Statements, along with the Limited Review Report and Audit Report respectively, thereon of Subsidiary Company are presented at the meetings of the Audit Committee and Board of Directors of the Company for an overview prior to their consolidation any with the Company.

The Company does not have any material unlisted subsidiary' and the requirements of secretarial audit as specified in Regulation 24A of the SEBI Listing Regulations is not applicable. The Company's policy on material subsidiary is available on the Company's website and can be assessed at <https://www.hplindia.com/photos/investor-pdf/Policy-for-Determining-Material-Subsidiary.pdf>

3. BOARD COMMITTEES

3.1 Audit Committee

A. Composition and Attendance

The constitution of the Audit Committee is in conformance with the requirements of Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI Listing Regulations 2015, which comprises of three Directors with two Independent Directors forming majority. All the members of the Committee have adequate knowledge of financial and accounting matters. The



CORPORATE GOVERNANCE REPORT (CONT.)

Company Secretary acts as the Secretary to the Audit Committee.

During the Financial Year 2023-24, 4 (Four) Audit Committee meetings were held on 29th May, 2023, 9th August, 2023, 8th November, 2023 and 14th February, 2024. The maximum gap between the two meetings did not exceed 120 days as prescribed under Regulation 18 of the SEBI Listing Regulations 2015.

The Constitution of the Audit Committee and attendance of the members at its Meetings are as follows:

Sr. No.	Name	Category	Designation	No. of Meetings Held	No. of Meetings Attended
1.	Mr. Hargovind Sachdev	Independent/ Non Executive	Chairman	4	4
2.	Mr. Gautam Seth	Non Independent/ Executive	Member	4	4
3.	Dr. Rashmi Vij	Independent/ Non Executive	Member	4	4

B. Terms of Reference

The terms of reference of Audit Committee as per the governing provisions of the Companies Act, 2013 and SEBI Listing Regulations 2015. The role of the Audit Committee includes the following:

- I. Oversight of Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- II. Recommendation for appointment, remuneration and terms of appointment of auditors of Company;
- III. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- IV. Reviewing, with the management, the annual financial statements and auditors' report thereon before submission to the board for approval, with particular reference to:
 - a) Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Act.
 - b) Changes, if any, in accounting policies and practices and reasons for the same.
 - c) Major accounting entries involving estimates based on the exercise of judgment by management.
 - d) Significant adjustments made in the financial statements arising out of audit findings.
 - e) Compliance with listing and other legal requirements relating to financial statements.
 - f) Disclosure of any related party transactions; and
 - g) Modified opinion(s) in the draft audit report.
- V. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval;
- VI. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of

CORPORATE GOVERNANCE REPORT (CONT.)

proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;

- VII. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- VIII. Approval or any subsequent modification of transactions of the Company with related parties;
- IX. Scrutiny of inter-corporate loans and investments;
- X. Valuation of undertakings or assets of the Company, wherever it is necessary;
- XI. Evaluation of internal financial controls and risk management systems;
- XII. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- XIII. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- XIV. Discussion with internal auditors of any significant findings and follow up thereon;
- XV. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
- XVI. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- XVII. To look into the reasons for substantial defaults in the payment to depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- XVIII. To review the functioning of the whistle blower mechanism;
- XIX. Approval of appointment of Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate;
- XX. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
- XXI. Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.
- XXII. Consider and comment on rationale, cost-benefits and impact of Schemes involving merger, demerger, amalgamation etc. on the Company and its shareholders.
- XXIII. Shall review compliance with the provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015 at least once in a financial year and shall verify that the systems for internal control are adequate and are operating effectively.
- XXIV. mandatorily review the following information:



CORPORATE GOVERNANCE REPORT (CONT.)

- Management discussion and analysis of financial condition and results of operations;
- Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
- Management letters / letters of internal control weaknesses issued by the statutory auditors;
- Internal audit reports relating to internal control weaknesses;
- The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the Audit Committee; and
- Statement of deviations:
 - (i) Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to the stock exchanges in terms of sub-Regulation (1) of Regulation 32 of the SEBI Listing Regulations; and
 - (ii) Annual statement of funds utilized for purposes other than those stated in the offer Document/prospectus/notice in terms of sub-Regulation (7) of Regulation 32 of SEBI Listing Regulations.

3.2 Nomination & Remuneration Committee

A. Composition and Attendance

The constitution of the Nomination and Remuneration Committee is in conformance with the requirements of Section 178 of the Companies Act, 2013 and Regulation 19 of the SEBI Listing Regulations 2015, which comprises of three Non-Executive Independent Directors. The Company Secretary acts as the Secretary to the said Committee.

During the Financial Year 2023-24, 1 (One) Nomination & Remuneration Committee Meetings were held on 14th February, 2024.

The constitution of the Nomination and Remuneration Committee and attendance of the members at its meetings are as follows:

S r . No.	Name	Category	Designation	No. of Meetings Held	No. of Meetings Attended
1.	Mr. Dhruv Goyal	Independent/ Non Executive	Chairman	1	0
2.	Mr. Hargovind Sachdev	Independent/ Non Executive	Member	1	1
3.	Dr. Rashmi Vij	Independent/ Non Executive	Member	1	1

B. Terms of Reference:

The terms of reference of the Nomination and Remuneration Committee, inter alia, includes the following:

- I. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
- II. Formulation of criteria for evaluation of performance of independent directors and the Board of Directors;
- III. Devising a policy on diversity of Board of Directors;

CORPORATE GOVERNANCE REPORT (CONT.)

- IV. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal; and
- V. Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of Independent Directors.
- VI. Recommend to the board, all remuneration, in whatever form, payable to senior management.

C. Performance evaluation criteria for Independent Directors

As per the provisions of Section 178 of the Companies Act, 2013 and Regulation 17 of the SEBI Listing Regulations 2015, the Nomination and Remuneration Committee of the Company has laid out the manner for effective evaluation of performance of Board, its Committees and individual directors including Independent Directors to be carried out by the Board.

The said manner provides certain parameters like professional qualification and appropriate experience in various fields like marketing, finance, risk management, communication with other board members, effective participation, compliance with code of conduct, exercise his/her own judgement and views openly which is in compliance with applicable laws. The performance evaluation of the Independent Directors includes the fulfillment of the independence criteria as specified and independence from the management, their performance and how constructively they contribute in Boards' deliberations etc. The brief about the performance evaluation carried out for the financial year 2023-24 is provided in the Directors' Report Section of this Annual Report.

D. Remuneration of Directors

(i) All pecuniary relationship or transactions of the Non-Executive Directors vis-à-vis the Company:

During the Financial Year 2023-24, the company has no pecuniary relationship or transaction with the Non-Executive Directors except the payment of sitting fees for attending the board meetings and its allied committees.

(ii) Criteria of making payments to Non-Executive Directors:

The terms of appointment / re-appointment, remuneration / fees, removal of Non-Executive Directors are governed as per the Nomination and Remuneration Policy for Directors, key managerial Personnel and other employees, as adopted by the Company. The Nomination & Remuneration Policy is available on the website of the company at <https://www.hplindia.com/photos/investor-pdf/Nomination-and-Remuneration-Policy.pdf>. The non-executive directors are entitled to sitting fees for attending the meetings of the Board and its allied Committees.

(iii) Disclosures with respect to Remuneration/Sitting Fee paid

a) Details of remuneration/sitting fee paid to Directors during the Financial Year 2023-24 are given below:
(Rupees in Lakhs)

S r . no.	Name and Designation	Sitting Fee (A)	Salary (B)	Perquisites (C)	Contribution to P.F. (D)	Total (A+B+C+D)
1.	Mr. Lalit Seth (Chairman and Whole-time Director)	NA	391.46	0.40	-	391.86
2.	Mr. Rishi Seth (Managing Director)	NA	163.15	0.40	-	163.54
3.	Mr. Gautam Seth (Joint Managing Director and CFO)	NA	163.15	0.40	-	163.54
4.	Mr. Hargovind Sachdev (Independent Director)	3.80	-	-	-	3.80



CORPORATE GOVERNANCE REPORT (CONT.)

S r. no.	Name and Designation	Sitting Fee (A)	Salary (B)	Perquisites (C)	Contribution to P.F. (D)	Total (A+B+C+D)
5.	Dr. Rashmi Vij (Independent Director)	3.80	-	-	-	3.80
6.	Mr. Dhruv Goyal (Independent Director)	1.00	-	-	-	1.00

* Notes:

- Sitting Fees represents payment to the Non-Executive Independent Directors for attending Meetings of the Board and Committees thereof held during the tenure of office of Director.
- As per the amendment to the Income Tax Act, 1961, Income Tax at Source was deducted.

b) Service Contract, Severance Fees and Notice Period of the Executive Directors:

The appointment/re-appointment of the Executive Directors is governed by the resolutions passed by the Nomination and Remuneration Committee, Board and the Shareholders of the Company, which cover the terms and conditions of such appointment read with the service rules of the Company. A separate Service Contract is not entered into by the Company with Executive Directors. No notice period or severance fees is payable to any Director.

c) Stock Options details, if any and whether issued at a discount as well as the period over which accrued and over which exercisable:

During the Financial Year 2023-24, no stock options were granted to any of the directors of the company.

3.3 Stakeholders' Relationship Committee:

A. Composition and Attendance

The constitution of the Stakeholders' Relationship Committee is in conformance with the requirements of Section 178 of the Companies Act, 2013 and Regulation 20 of the SEBI Listing Regulations 2015. The Committee comprises of three members including one Independent Director and the Chairman is a Non-Executive Independent Director. The Company Secretary acts as the secretary to the said committee.

During the Financial Year 2023-24, 1 (one) Stakeholders' Relationship Committee meeting was held on 14th February, 2024.

The composition of the Stakeholders' Relationship Committee and attendance of the members at its meeting are as follows:

S r. No.	Name	Category	Designation	No. of Meetings Held	No. of Meetings Attended
1.	Mr. Hargovind Sachdev	Independent/ Non Executive	Chairman	1	1
2.	Mr. Rishi Seth	Non Independent/ Executive	Member	1	1
3.	Mr. Gautam Seth	Non Independent/ Executive	Member	1	1

B. Name and designation of compliance officer

Mr. Vivek Kumar, Company Secretary is the Compliance Officer of the Company.

CORPORATE GOVERNANCE REPORT (CONT.)

C. Terms of Reference:

The terms of reference of the Stakeholders' Relationship Committee is as under:

- Resolving the grievances of the security holders of the company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
- Review of measures taken for effective exercise of voting rights by shareholders.
- Review of adherence to the service standards adopted by the company in respect of various services being rendered by the Registrar & Share Transfer Agent.
- Review of the various measures and initiatives taken by the company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.

D. Shareholder Grievance Redressal

The Company has received nil complaints and resolved nil Investor complaint during the period under report to the satisfaction of shareholder. There was no pending investor complaint as on 31st March, 2024.

3.4 Risk Management Committee

The Risk Management Committee of Directors was constituted on 15th May, 2024 pursuant to the provisions of the Companies Act, 2013 and SEBI Listing Regulations, 2015. The Composition of the Risk Management Committee is in conformance with the requirements of Regulation 21 of the SEBI Listing Regulations 2015. The Committee comprises of four members including one Independent Director. The Company Secretary acts as the secretary to the said committee.

A. Composition, Name of members and Chairperson*

The details of the Composition of the Risk Management Committee as on May 15, 2024 are given below: -

Sr. No.	Name	Category	Designation
1.	Mr. Lalit Seth	Non Independent/ Executive	Chairman
1.	Mr. Hargovind Sachdev	Independent/ Non-Executive	Member
2.	Mr. Rishi Seth	Non Independent/ Executive	Member
3.	Mr. Gautam Seth	Non Independent/ Executive	Member

*Since Risk Management Committee is constituted on 15th May 2024 and therefore no meeting was held during the Financial Year 2023-24.

B. Brief description of Terms of Reference:

The Risk Management Committee shall perform role and discharge responsibilities, as envisaged under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and any re-enactments or modifications thereto from time to time, and such other responsibilities, as may be specified by the Board.

3.5 Executive Committee

The Executive Committee was constituted to expedite the day to day affairs of the company which are routine in nature. The committee functions within the approved framework and on the directions of the Board of directors.

During the financial year 2023-24, 19 (Nineteen) Executive Committee meetings were held on 15th April 2023; 28th April, 2023; 5th June 2023; 22nd June 2023; 12th July 2023; 21st July 2023; 11th August 2023; 14th August, 2023; 6th September 2023;



CORPORATE GOVERNANCE REPORT (CONT.)

21st October, 2023; 7th November 2023; 4th December 2023; 15th January 2024; 22nd January 2024; 8th February 2024; 21st February 2024; 23rd February 2024; 13th March 2024 and 21st March 2024.

The Composition of the Executive Committee and attendance of the members at its Meetings are as follows:

Sr. No.	Name	Category	Designation	No. of Meetings Held	No. of Meetings Attended
1.	Mr. Lalit Seth	Non Independent/ Executive	Chairman	19	19
2.	Mr. Rishi Seth	Non Independent/ Executive	Member	19	19
3.	Mr. Gautam Seth	Non Independent/ Executive	Member	19	19

B. Terms of Reference:

The terms of reference of the Executive Committee as authorised by the Board of Directors of the Company are as under:

- To open and operate any bank account like imprest account; EEFC account; current account; CC account; working capital account and closure thereof.
- Change in signatory for the operation of the said bank accounts.
- Authorized to accept, sign or execute the sanctions letters or any other agreement or document with any Bank or financial Institution and to do all other acts deeds in relation to availing Bank borrowings/Credit Facility (Fund Based/ Non Fund Based)/Channel Financing Facilities or any other banking facilities upto a sum of ₹ 1750 crore subject to the ceiling as prescribed by the Companies Act, 2013
- For Issuing commercial papers and execution of documents
- To authorize any person to appear and to sign any paper or document in relation to any legal matter including authority to appoint advocate etc.
- To authorize any person to appear and to apply & sign any document under Sales Tax Act, Vat Act; Central Excise, GST; Pollution Acts, Industrial Act, Provident Fund Act, Employee State Insurance Act or any other state or Central Act or to represent the company in any of the Government or Semi Government Department.
- To authorize any person to appear and to sign any tender document.
- To create security or provide guarantee in relation to availing Bank borrowings/Credit Facility (Fund Based/Non Fund Based)/Channel Financing Facilities or any other banking facilities.
- To invest the fund of the company.

3.6 Corporate Social Responsibility(CSR) Committee:**A. Composition and Attendance**

The constitution of the CSR Committee is in conformance with the requirements of Section 135 of the Companies Act, 2013, which comprises of 3 (three) Directors including one Independent Director. The Company Secretary acts as the secretary to the said committee.

During the Financial Year 2023-24, One (1) CSR Committee Meeting was held on 29th May, 2023.

CORPORATE GOVERNANCE REPORT (CONT.)

The constitution of the CSR Committee and attendance of the members at its meetings is as under:

Sr. No.	Name	Category	Designation	No. of Meetings Held	No. of Meetings Attended
1.	Mr. Lalit Seth	Non Independent/ Executive	Chairman	1	1
2.	Mr. Rishi Seth	Non Independent/ Executive	Member	1	1
3.	Dr. Rashmi Vij	Independent / Non Executive	Member	1	1

B. Terms of Reference:

The terms of reference of the CSR Committee is as under:

- To formulate and recommend to the board, a CSR Policy which will indicate the activities to be undertaken by the company in accordance with Schedule VII of the Companies Act, 2013, as amended;
- To review and recommend the amount of expenditure to be incurred on the activities to be undertaken by the company;
- To monitor the CSR Policy of the company from time to time;
- Any other matter as may be directed by the board of directors from time to time which may deem appropriate.

4. GENERAL BODY MEETINGS

A. Location and time, where last three Annual General Meetings held and Special resolution passed thereat:

Day, Date and time of AGM	Venue	Details of Special Resolution passed, if any
Saturday, 30th September, 2023 at 11:00 AM	Conducted through Video Conferencing (VC) or Other Audio Visual Means (OAVM)	Nil
Friday, 30th September, 2022 at 11:00 AM	Conducted through Video Conferencing (VC) or Other Audio Visual Means (OAVM)	Nil
Thursday, 30th September, 2021 at 11:00 AM	Conducted through Video Conferencing (VC) or Other Audio Visual Means (OAVM)	<ol style="list-style-type: none"> Re-appointment of Mr. Lalit Seth (DIN: 00312007) as the Chairman and Whole-time Director of the Company and fixation of remuneration. Re-appointment of Mr. Rishi Seth (DIN: 00203469) as the Managing Director of the Company and fixation of remuneration. Re-appointment of Mr. Gautam Seth (DIN: 00203405) as the Joint Managing Director of the Company and fixation of remuneration.

B. Details of special resolution passed in the last year through Postal Ballot:

During the period under report, no resolution was passed through postal ballot.



CORPORATE GOVERNANCE REPORT (CONT.)

C. Person who conducted the postal ballot exercise: Not Applicable

D. Details of the special resolution proposed to be conducted through postal ballot and procedure for postal ballot:

At present there is no special resolution proposed to be conducted through postal ballot.

5. MEANS OF COMMUNICATION

A. Quarterly Results :

The Company publishes limited reviewed Un-audited Financial Results on a quarterly basis. In respect of the fourth quarter, the Company publishes the Audited financial results for the complete financial year.

B. Newspapers wherein results normally published:

The quarterly, half-yearly and annual financial results are published in Business Standard in both English and Hindi editions.

C. Website, where displayed:

The financial results are placed on the Company's website at www.hplindia.com under the 'Investor Relations' section.

D. Official news releases:

The Company regularly publishes an information update on its financial results and also displays official news releases in the Investor Relations section on its website at www.hplindia.com.

E. Presentations made to institutional investors or to the analysts:

The Company holds analysts calls in each quarter, to apprise and make public the information relating to the Company's working and future outlook. The presentations on financial results to analysts or institutional investors are placed on the Company's website <https://www.hplindia.com/investor-relation.php>.

6. GENERAL SHAREHOLDER INFORMATION

A. Annual General Meeting- day, date, time and Venue

32nd Annual General Meeting
Day: Monday
Date: 30th September, 2024
Time: 11:30 A.M

Venue: Through Video conferencing/ Other Audio Visual means (OAVM) – Company's Registered office i.e. 1/20, Asaf Ali Road, New Delhi – 110002 will be considered as venue for the purpose of 32nd Annual General Meeting.

B. Financial Year:

The Financial Year of the Company starts from April 1, of a year and ends on March 31, of the following year.

C. Dividend Payment Date:

The Board of Directors of the Company has recommended a final dividend of ` 1 per equity share of 10/- each i.e. @ 10% for the Financial Year ended 31st March, 2024. Date of payment of dividend would be within 30 days from the date of declaration of the dividend.

CORPORATE GOVERNANCE REPORT (CONT.)

D. Listing on Stock Exchanges and Stock Code

Stock Exchanges and their address	Stock Code	ISIN
BSE Limited(BSE) Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai – 400 001	540136	INE495S01016
National Stock Exchange of India Limited(NSE) "Exchange Plaza", 5th Floor, Plot No. C-1, Block G, Bandra- Kurla Complex, Bandra (E), Mumbai – 400 051	HPL	

E. Annual Fee

- Payment of Listing Fee: The Annual Listing fee for the financial year 2024-25, as applicable to the Company has been paid to BSE and NSE within the stipulated time.
- Payment of Depository Fee: Annual Custody fee for the year 2024-25 has been paid by the Company to Central Depository Services Limited (CDSL) and National Securities Depository Limited (NSDL) within the stipulated time.

F. Market Price Data: The monthly high & low prices and volumes of the equity shares of the company at NSE and BSE during the Financial year 2023-24 are as under:

(Amount in `)

Month	National Stock Exchange of India Limited			BSE Limited		
	High	Low	Volume	High	Low	Volume
			(No. of shares)			(No. of shares)
Apr-23	93.2	84.3	19,45,701	94.5	84.57	225119
May-23	98.80	89.25	57,56,826	99.05	89	531420
Jun-23	137.55	94	2,55,11,218	137.4	94	3474302
Jul-23	244.7	129	4,04,76,624	245	128.85	5466798
Aug-23	235.5	194.3	1,30,63,514	235.75	194.15	2492837
Sep-23	269.4	206.25	99,69,209	269.55	206.2	1959978
Oct-23	230.85	179	54,06,265	230.3	179.25	823472
Nov-23	218.90	191	45,54,746	218.6	190.85	650603
Dec-23	254	198.55	1,27,22,374	254	198.65	1846632
Jan-24	325	257.35	1,60,09,889	325.65	256	2069473
Feb-24	396.8	281.5	1,45,63,182	396.35	282	2302369
Mar-24	358	274.55	51,95,020	358	275.2	828018

(Source: NSE and BSE website)

Note: High and low are in rupees per traded share. Volume is the total monthly volume of trade (in numbers) in the Company's share on the respective Stock Exchange(s).



CORPORATE GOVERNANCE REPORT (CONT.)

G. Share Price Performance in comparison to broad-based indices BSE Sensex, and NSE Nifty 50:

COMPARISON OF HPL PRICE vis-a-vis NIFTY50
(Based on average of High and Low of HPL Share Price and Nifty 50)



COMPARISON OF HPL PRICE VIS-A-VIS BSE SENSEX
(Based on average of High and Low of HPL Share Price and BSE Sensex)



H. In case the securities are suspended from trading, the Directors Report shall explain the reason thereof:

Not applicable.

I. Registrar to an issue and share transfer agents:

Name	KFin Technologies Limited (formerly KFin Technologies Private Limited)
Address	Selenium Tower B, Plot Nos. 31 & 32, Financial District, Nanakramguda, Serilingampally, Mandal, Hyderabad - 500032 India
Toll Free No.	1-800-309-4001
E-mail :	einward.ris@kfintech.com
Website:	www.kfintech.com

CORPORATE GOVERNANCE REPORT (CONT.)

J. Share transfer system:

As per SEBI mandate, effective from 1st April, 2019, no share can be transferred in physical mode. The company has sent communications to the shareholders encouraging them to dematerialize their holding in the company. The Communications, inter-alia, contained procedure for getting the shares dematerialized. Shareholders holding shares in physical form are advised to avail the facility of dematerialization.

Further, SEBI in continuation of its efforts to enhance ease of dealing in securities market by investors vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated 25th January, 2022, has mandated the listed entities to issue securities for the following service requests only in dematerialised form Issue of duplicate securities certificate, Claim from Unclaimed Suspense Account, Renewal/Exchange of securities certificate, Endorsement, Sub-division/Split of securities certificate, Consolidation of securities certificates/folios, Transmission an. Transposition. Transmission, dematerialisation of shares, dividend payment and all other investor related matters are attended to and processed through the Company's RTA.

In compliance of the provisions of SEBI Listing Regulations 2015, the share transfer system of the Company is audited annually by a Practicing Company Secretary and a certificate to that effect is issued by him.

K. Distribution of Shareholding:

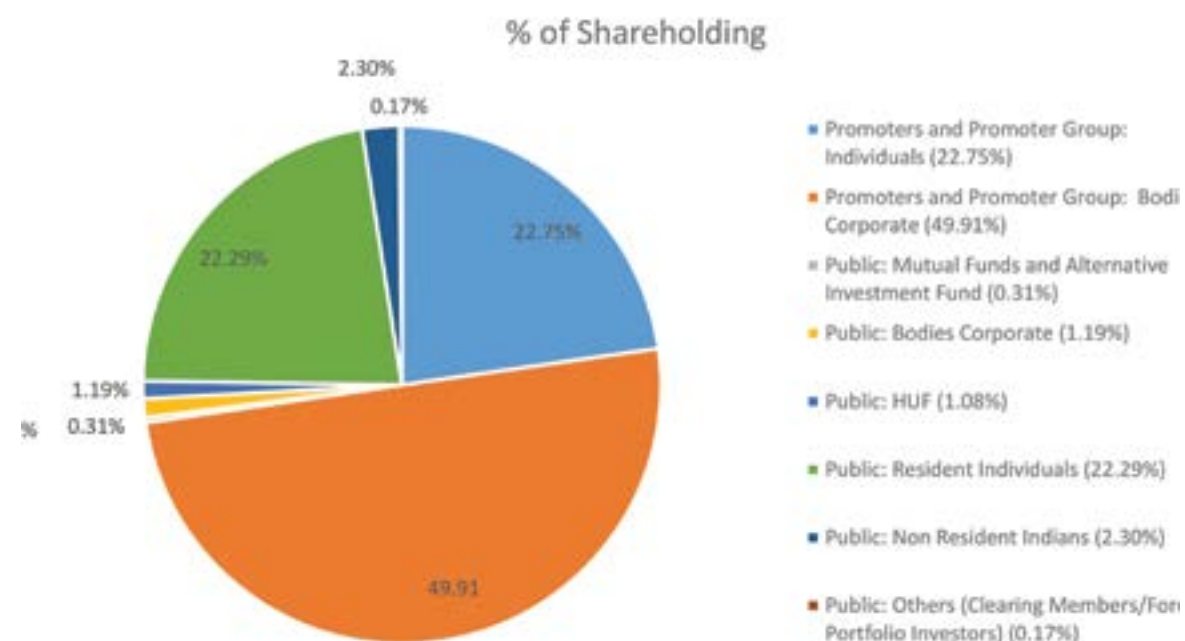
a. Shareholding by size as on 31st March, 2024

Sl	Category	No. of Shareholders	% of Shareholders	No. of Shares	% To Equity
1	1-5000	115502	99.72	12565360	19.54
2	5001- 10000	190	0.16	1404164	2.18
3	10001- 20000	78	0.07	1129715	1.76
4	20001- 30000	21	0.02	522666	0.81
5	30001- 40000	9	0.01	303782	0.47
6	40001- 50000	6	0.01	272227	0.42
7	50001- 100000	7	0.01	491113	0.76
8	100001& Above	13	0.01	47611459	74.05
Total:		115826	100.00	64300486	100.00

b. Shareholding by category as on 31st March, 2024

Category of Shareholders	Number of shareholders	No. of Shares	% of Shareholding
Promoters and Promoter Group			
Individuals	4	14626806	22.75
Bodies Corporate	4	32092023	49.91
Public			
Mutual Funds and Alternative Investment Fund	3	207800	0.32
Bodies Corporate	217	734346	1.14
HUF	1695	527463	0.82
Resident Individuals	112830	14898705	23.17
Non Resident Indians	1062	1057785	1.65
Others (Clearing Members/ Foreign Portfolio Investors)	11	155558	0.24
Total	115826	64300486	100

CORPORATE GOVERNANCE REPORT (CONT.)



L. Dematerialization of shares and liquidity:

Trading in Equity Shares of the Company is permitted only in dematerialised form.

Number of shares along with percentage held in dematerialized and physical mode as on 31st March, 2024 are as follows:

Form	Number of Shares	Percentage
NSDL	13461273	20.93
CDSL	50839213	79.07
Total	64300486	100

The Company's Equity Shares are among the most liquid and actively traded shares on the Stock Exchanges.

M. Outstanding global depository receipts or American depository receipts or warrant or any convertible instruments, conversion date and likely impact on equity:

There are no GDRs/ ADRs/ Warrants outstanding as on 31st March, 2024.

N. Commodity price risk or foreign exchange risk and hedging activities:

The Company has in place Risk Management policy in order to mitigate foreign exchange risk. When required forward contracts/cover are also used to cover these exposures.

CORPORATE GOVERNANCE REPORT (CONT.)

O. Plant locations:

Sl No.	Address
1.	Plot No. 132-133, Pace City –I, Sector -37, Gurgaon, Haryana
2.	Plot No. 357-Q,Pace City- II, Sector – 37, Gurgaon, Haryana
3.	Vill : Shavela, P.O. Jabli, Distt. Solan, Himachal Pradesh
4.	Vill: Bigan, Dhaturi Road, Tehsil : Gannaur, Sonapat Haryana
5.	Plot No. 76-B, Phase- IV, Sector – 57,Industrial Estate, Kundli, Sonapat Haryana
6.	Main GT Karnal Road Village Bastawa, Tehsil Gharaunda, District Karnal, Haryana

P. Address for correspondence:

(A) Company's address:

Registered Office	1/20, Asaf Ali Road, New Delhi- 110002
Phone:	011 23234411
Fax	011 23232639
Corporate Office:	Plot No. 76-B, Phase- IV, Sector – 57, HSIIDC Industrial Estate, Kundli, Sonapat Haryana - 131028
Phone:	0130-3503958/3503437
Website	www.hplindia.com
E-mail:	hplcs@hplindia.com

(B) Registrar & Share Transfer Agent's Address:

Address :	KFin Technologies Limited (formerly KFin Technologies Private Limited), Selenium Tower B, Plot Nos. 31 & 32, Financial District, Nanakramguda, Serilingampally Mandal,Hyderabad - 500032 India
Toll Free No. :	1-800-309-4001
E-mail :	einward.ris@kfintech.com
Website:	www.kfintech.com

Q. List of all credit ratings obtained alongwith any revisions thereto during the relevant financial year:

During the Financial year 2023-24, the instrument wise credit ratings as obtained from CRISIL Rating Limited are as follows:

Long Term Rating	CRISIL A-/STABLE FROM CRISIL BBB+/Positive
Short Term Rating	CRISIL A2+ FROM CRISIL A2

The details on credit ratings are available on the website of the company at www.hplindia.com in the Investor Relations Section.

7. OTHER DISCLOSURES

a) Disclosures on materially significant related party transactions that may have potential conflict with the interests of listed entity at large:

During the Financial Year 2023-24, there was no materially significant Related Party Transactions with the company's Directors, Promoters, the KMPs, management or their relatives that may have potential conflict with the interests of the Company at large. All related party transactions entered into during the year were on arm's length basis, in the ordinary course of business and were in compliance with the applicable provisions of the Companies Act, 2013 and SEBI Listing



CORPORATE GOVERNANCE REPORT (CONT.)

Regulations 2015 as amended from time to time.

Members may refer to the disclosure of transactions with related parties in accordance with IND AS -24 as given in Note No. 41 on Accounts of the Annual Report.

b) Details of non-compliance by the listed entity, penalties, strictures imposed on the listed entity by stock exchange(s) or the Board or any statutory authority, on any matter related to capital markets, during the last three years:

The Company has not been penalized, nor have the stock exchanges, or the Board or any statutory authority imposed any strictures, during the last three years, on any matter relating to capital markets.

c) Details of establishment of vigil mechanism, Whistle Blower Policy and affirmation that no personnel has been denied access to the Audit Committee:

The Company has established a Vigil Mechanism/Whistle Blower Policy pursuant to the provisions of Section 177 of the Companies Act, 2013 and rules made thereunder as amended from time to time and Regulation 22 of the SEBI Listing Regulations 2015 for its Directors and Employees to report the genuine concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct. During the year under report, no Director or Employee has been denied access to the Audit Committee.

The Vigil Mechanism / Whistle Blower Policy is available on the website of the company i.e. <https://www.hplindia.com/photos/investor-pdf/Vigil-Mechanism-Policy.pdf>.

d) Details of compliance with mandatory requirements and adoption of the non-mandatory requirements:

The Company has fully complied with the mandatory requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

e) Web link where policy for determining 'material' subsidiaries is disclosed:

The policy for determining 'material' subsidiaries is available on the website of the Company under "Policies and Code" in the Investor Relations section and can be accessed at <https://www.hplindia.com/photos/investor-pdf/Policy-for-Determining-Material-Subsidiary.pdf>

f) Web link where policy on dealing with related party transactions:

The policy on dealing with related party transactions is available on the website of the Company under "Policies and Code" in the Investor Relations section and can be accessed at <https://www.hplindia.com/photos/investor-pdf/Related-Party-Transactions-Policy.pdf>

g) Disclosure of commodity price risks and commodity hedging activities:

The Company not importing commodity and hence commodity price risk & Commodity hedging activities not applicable.

h) Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A).

The company has not raised funds through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A)

i) Certificate from the Company secretary in practice that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority.

On the basis of written representations/ declaration received from the Directors, as on 31st March, 2024, M/s Gupta Vinod & Co., Company Secretaries (Membership No. FCS 3648, CP No. 2148), have issued a certificate, confirming that none of

CORPORATE GOVERNANCE REPORT (CONT.)

the Directors on Board of the Company has been debarred or disqualified from being appointed or continuing as Director of Companies by SEBI/ MCA or any such authority.

j) Where the board had not accepted any recommendation of any committee of the board which is mandatorily required, in the relevant financial year, the same to be disclosed along with reasons thereof:

The Board accepted the recommendations of its Committees, wherever made, during the year.

k) Total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part which are part of this Annual Report.

Details relating to fees paid to the Statutory Auditors are given in Note 31(a) of the Consolidated Financial Statements of this Annual Report.

l) Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

- a. number of complaints filed during the financial year : NIL
- b. number of complaints disposed off during the financial year : NA
- c. number of complaints pending as on end of the financial year: NIL

m) Disclosure by listed entity and its subsidiaries of 'Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount'.

Not Applicable, as the Company has not given any loans and advances in the nature of loans to firms/companies in which directors are interested during the year under review.

n) Details of material subsidiaries of the listed entity; including the date and place of incorporation and the name and date of appointment of the statutory auditors of such subsidiaries: Not Applicable

8. Compliance with The Corporate Governance Codes

The Company has complied with the Corporate Governance requirements specified in regulation 17 to 27 and clauses (b) to (j) of sub-regulation (2) of regulation 46 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015,

9. Disclosure of the Extent to which the Discretionary Requirements as Specified in Part E of Schedule II have been adopted

- (a) The Board: As the Chairman of the Company is an Executive Chairman, hence the provision on entitlement of chairperson's office at the expense of the Company in case of a Non-Executive Chairperson is not applicable.
- (b) Shareholder's Rights: The company uploads its Quarterly, half yearly and Annual Results, shareholding information, statutory communications to stock exchanges, press releases and presentations on its website i.e. www.hplindia.com which is accessible to all. The Results are also reported to Stock Exchanges and published in national newspapers in English and Hindi newspapers having wide circulation.
- (c) Modified opinion(s) in audit report: The Company already has a regime of un-qualified financial statements. Auditors have raised no qualification on the financial statements.
- (d) Separate posts of Chairperson and CEO: Presently, Mr. Lalit Seth is the Chairman and Mr. Rishi Seth is the Managing



CORPORATE GOVERNANCE REPORT (CONT.)

Director of the Company. Chairman is related to Managing director as per the definition of term “relative” defined under Companies Act, 2013.

- (e) Reporting of Internal Auditor: The Company has appointed PricewaterhouseCoopers Services LLP as the Internal Auditors for conducting the internal audit who reports directly to the Audit Committee.

10. Disclosure of certain types of agreements binding listed entities

There is no such agreement which is required to be disclosed under clause 5A of paragraph A of Part A of Schedule III of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.

11. Disclosure with respect to Demat Suspense Account/Unclaimed Suspense Account:

The company does not have any shares in the demat suspense account or unclaimed suspense account.

For and on Behalf of the Board
For **HPL Electric & Power Limited**

Lalit Seth
Chairman and Whole-time Director
DIN: 00312007

Date: 2nd September 2024
Place: Kundli

CORPORATE GOVERNANCE REPORT (CONT.)

DECLARATION PURSUANT TO CLAUSE D OF SCHEDULE V OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

I hereby confirm that all the Board Members and Senior Management Personnel of the company have affirmed compliance with the Code of Conduct of Directors and Senior Management, as approved by the Board, for the financial year ended 31st March, 2024.

RISHI SETH
MANAGING DIRECTOR
DIN: 00203469

Date: 15th May, 2024
Place: Gurugram



CORPORATE GOVERNANCE REPORT (CONT.)

AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

To
The Members of
HPL Electric & Power Limited
1/20, Asaf Ali Road
New Delhi-110002

We have examined the compliance of Corporate Governance by HPL Electric & Power Limited ("the Company"), for the year ended 31st March, 2024, as per the relevant provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the company has complied with the conditions of corporate governance as stipulated in the above mentioned Listing Regulations.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Sakshi & Associates.
Chartered Accountants
Firm Registration No. 025099N

CA Sakshi Kharabanda
Proprietor
Membership No. 523802
UDIN: 24523802BKEXIQ3913

Date: 2nd September 2024
Place: New Delhi

CORPORATE GOVERNANCE REPORT (CONT.)

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members of
HPL Electric & Power Limited
1/20, Asaf Ali Road,
New Delhi -110002

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **HPL Electric & Power Limited** having CIN L74899DL1992PLC048945 and having registered office at 1/20, Asaf Ali Road, New Delhi 110002 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ended 31st March, 2024 have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority :

Sr. No	Name of Director	DIN	Date of appointment in Company
1	Mr. Lalit Seth	00312007	28/05/1992
2	Mr. Rishi Seth	00203469	29/09/2000
3	Mr. Gautam Seth	00203405	15/02/2008
4	Mr. Hargovind Sachdev	08105319	13/04/2018
5	Mrs. Rashmi Vij	01103219	12/05/2021
6	Mr. Dhruv Goyal	06963262	12/05/2021

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Gupta Vinod & Company
Company Secretaries

(CS Vinod Kumar Gupta)
Practicing Company Secretary
FCS: 3648; CP: 2148
UDIN: F003648F001070527

Place: Delhi
Dated: 29th August, 2024



CORPORATE GOVERNANCE REPORT (CONT.)

CEO & CFO CERTIFICATE

To
The Board of Directors
HPL Electric & Power Limited
1/20, Asaf Ali Road
New Delhi – 110002

We, Rishi Seth, Managing Director and Gautam Seth, Jt. Managing Director & Chief Financial Officer of HPL Electric & Power Limited (the 'Company') to the best of our knowledge and belief, certify that:

- A. We have reviewed the, Standalone and Consolidated financial statements and cash flow statement for the year ended on 31st March, 2024 and based on our knowledge and belief certify that:
- 1) these statements do not contain any materially untrue statement or omit any material fact or contain any statements that might be misleading;
 - 2) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations;
- B. There are, to the best of our knowledge and belief, no transactions entered into by the company during the year ended on 31st March, 2024 which are fraudulent, illegal or violative of the company's code of conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- D. We have indicated to auditors and the audit committee of the Board, wherever applicable:
- 1) significant changes in internal control over the financial reporting during the year;
 - 2) significant changes in accounting policies during the year and the same has been disclosed in the notes to the financial statements; and
 - 3) instances of significant fraud of which we have become aware and the involvement therein, if any, of management or an employee having a significant role in the Company's internal control system over financial reporting.

Date: 15th May, 2024
Place: Gurugram

Rishi Seth
Managing Director
DIN: 00203469

Gautam Seth
Jt. Managing Director & Chief Financial Officer
M. No. 094003

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

Incorporated in 1992, HPL Electric & Power Limited is among India's leading and most trusted electrical equipment manufacturers. Our innovative, high-quality and technologically advanced products have established us as the preferred brand across retail, institutional and utility segments. Serving as a one-stop destination for low-voltage electrical products, our offerings encompass metering solutions, switchgear, lighting products, and wires & cables. We meet emerging electrical equipment requirements of customers globally, powering shared progress. We proudly lead the market in India's electric meters and on-load change-over switches. State-of-the-art integrated manufacturing facilities, in-house research and development capabilities, and an extensive distribution network underpin our operations. Our long-standing relationships with customers, international certifications, robust brand recall and strong pre-qualification credentials continue to power our consistent growth across market segments.

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity

1. **Corporate Identity Number (CIN) of the Listed Entity:** L74899DL1992PLC048945
2. **Name of the Listed Entity:** HPL Electric & Power Limited
3. **Year of incorporation:** HPL Electric & Power Limited was incorporated as 'HPL-Socomec Private Limited' on May 28, 1992, as a private limited company under the Companies Act 1956
4. **Registered office address:** 1/20, Asaf Ali Road, New Delhi 110 002, India
5. **Corporate address:** 76-B, Phase-IV, Sector-57, HSIIDC Industrial Area, Kundli-131028, Sonapat, Haryana, India
6. **E-mail:** hpl@hplindia.com
7. **Telephone:** +91-130-3503958, 3503437
8. **Website:** www.hplindia.com
9. **Financial year for which reporting is being done:** April 2023-March 2024
10. **Name of the Stock Exchange(s) where shares are listed:** BSE Limited (BSE); National Stock Exchange of India Limited (NSE)
11. **Paid-up Capital:** 64,30,04,860
12. **Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report:** Mr. Vivek Kumar (Company Secretary and Compliance Officer)
Email: hplcs@hplindia.com
Contact: 0130 – 3503437/3503958
13. **Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together):** The reporting has been done on Standalone basis.



BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (CONT.)

II. Products/services

14. Details of business activities (accounting for 90% of the turnover):

S . No.	Description of Activity	Main Description of Business Activity	% of Turnover of the entity
1	Electrical equipment and power distribution	HPL Electric & Power Limited operates across five key verticals: - Metering Solutions, Switchgears, LED Lighting, Wires & Cables, and Solar Solutions. The products serve a broad array of applications ranging from residential and commercial buildings to industrial facilities and infrastructure projects. The company's operations are supported by a robust distribution network and manufacturing capabilities, making it a comprehensive provider of electrical and power distribution solutions in India.	

15. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

S . No.	Product/Service	NIC Code	%of total Turnover contributed
1	Metering Solutions	2710	57%
2	Consumer, Industrial & Services	2710	43%

III. Operations

16. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of plants	Number of offices	Total
National	6	20	26
International	0	0	0

17. Markets served by the entity:

a. Number of locations

Locations	Number
National (No. of States)	Pan India
International (No. of Countries)	42+ Countries

b. What is the contribution of exports as a percentage of the total turnover of the entity?

For FY 2024, the contribution of exports as a percentage of the total turnover of HPL Electric & Power Limited is 3.033%.

c. A brief on types of customers

- Power Utilities
- AMISPs (Advanced Metering Infrastructure Service Providers)
- Government Agencies
- Institutional and Corporate Customers
- Retail Customers
- International Markets

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (CONT.)

IV. Employees

18. Details as at the end of Financial Year:

a. Employees and workers (including differently abled):

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
Employees						
1.	Permanent (D)	1100	1057	96%	43	4%
2.	Other than Permanent (E)	80	76	95%	4	5%
3.	Total employees (D + E)	1180	1133	96%	47	4%
Workers						
4.	Permanent (F)	162	109	67%	53	33%
5.	Other than Permanent (G)	3824	3175	83%	649	17%
6.	Total workers (F + G)	3986	3284	150%	702	50%

b. Differently abled Employees and workers:

S. No	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
DIFFERENTLY ABLED EMPLOYEES						
1.	Permanent (D)	2	2	100.0%	0	0%
2.	Other than Permanent (E)	0	0	0%	0	0%
3.	Total differently abled employees (D + E)	2	2	100%	0	0%
DIFFERENTLY ABLED WORKERS						
4.	Permanent (F)	0	0	0%	0	0%
5.	Other than permanent (G)	0	0	0%	0	0%
6.	Total differently abled workers (F + G)	0	0	0%	0	0%

19. Participation/Inclusion/Representation of women

	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	6	1	16.67
Key Management Personnel	1	0	0

20. Turnover rate for permanent employees and workers

	FY 2023-24 (Turnover rate in current FY)			FY 2022-23 (Turnover rate in previous FY)			FY 21-22 (Turnover rate in the year prior to the previous FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	Since this is the first year, data collection in progress								
Permanent Workers	Since this is the first year, data collection in progress								

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (CONT.)

V. Holding, Subsidiary and Associate Companies (including joint ventures)

21. (a) Names of holding / subsidiary / associate companies / joint ventures

S. No.	Name of the holding/ subsidiary / associate companies/ joint ventures (A)	Indicate whether holding/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1	Himachal Energy Pvt. Ltd.	Subsidiary*	97.15	No
2	HPL-Shriji Designs (JV)	Joint Venture	-	No
3	HPL-Shriji-Trimurthi Hitech Company Pvt.Ltd. (JV)	Joint Venture	-	No

*The above Subsidiary Company is not material for the Company

VI. CSR Details

22. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: YES

(ii) Turnover (in ₹): ₹ 1420.92 Cr

(iii) Net worth (in ₹): ₹ 819.92 Cr

VII. Transparency and Disclosures Compliances

23. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	FY 2023-24 Current Financial Year			FY 2022-23 Previous Financial Year		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes	-	-	-	-	-	-
Investors (other than shareholders)	Yes	-	-	-	-	-	-
Shareholders	Yes	-	-	-	-	-	-
Employees and workers	Yes	-	-	-	-	-	-
Customers	Yes	-	-	-	-	-	-
Value Chain Partners	Yes	-	-	-	-	-	-
Other (please specify)	Yes	-	-	-	-	-	-

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (CONT.)

24. Overview of the entity's material responsible business conduct issues

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format:

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Environmental Sustainability	Opportunity	Reducing carbon footprint aligns with global sustainability goals and enhances brand reputation.	Implement energy-efficient manufacturing processes, reduce waste, and use renewable energy sources like solar power.	Positive: Cost savings and improved market competitiveness
2	Compliance and Regulatory Changes	Risk	Non-compliance can lead to fines, operational disruption, and reputational damage.	Continuous monitoring of regulatory updates, regular training for staff, and compliance audits.	Negative if unaddressed; Positive when compliance is maintained.
3	Technological Advancement	Opportunity	Staying ahead in technology enhances product innovation and market leadership.	Invest in R&D, partner with leading technology firms, and adopt advanced manufacturing techniques.	Positive: Market leadership and increased revenue streams.
4	Cybersecurity	Risk	Increased digitalization poses risks of cyber threats.	Implement robust IT infrastructure, advanced cybersecurity protocols, and conduct regular security audits.	Negative due to potential breach costs; Positive with effective risk management.
5	Market Expansion	Opportunity	Expanding into new markets offers growth but comes with risks like market volatility.	Conduct detailed market research, phased investments, and establish local partnerships.	Positive: Increased revenue and market share.
6	Human Resources	Opportunity	Skilled workforce drives innovation and operational efficiency.	Provide competitive wages, continuous training, and employee wellness programs.	Positive: Improved productivity and employee retention.
7	Product Safety and Quality	Risk	Product failures can lead to recalls, legal issues, and damage to reputation.	Strict adherence to quality standards, regular product testing, and continuous improvement in production processes.	Negative if issues arise; Positive with robust quality control.
8	Supply Chain Management	Risk	Disruptions in the supply chain can affect production and profitability.	Develop strong supplier relationships, diversify the supplier base, and implement contingency planning.	Negative if unaddressed; Positive with effective management.



BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (CONT.)

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

Disclosure Questions	P	P	P	P	P	P	P	P	P
	1	2	3	4	5	6	7	8	9
Policy and management processes									
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
b. Has the policy been approved by the Board? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
c. Web Link of the Policies, if available									
2. Whether the entity has translated the policy into procedures. (Yes / No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	-	-	-	-	-	-	-	-	-
4. Name of the national and international codes/certifications/labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	-	-	-	-	-	-	-	-	-
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	-	-	-	-	-	-	-	-	-
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	-	-	-	-	-	-	-	-	-
Governance, leadership and oversight									
7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure): At HPL Electric & Power Limited, ESG practices are integral to our corporate strategy, driving sustainable growth and operational excellence. We adhere to international standards, holding certifications like ISO 9001:2015 and ISO 14001:2015, and have integrated solar power into our energy mix to reduce our carbon footprint. Our sustainability strategy focuses on energy efficiency, waste reduction, and sustainable sourcing, with targets like a 50% waste reduction by 2025. Committed to continuous improvement, we aim to enhance our governance framework and expand ESG initiatives across all business areas.									
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	Mr. Gautam Seth: Jt. MD & CFO, HPL Electric & Power Limited								
9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	Yes, HPL Electric & Power Limited has a specified Committee of the Board responsible for decision-making on sustainability-related issues. The company is in the process of establishing a dedicated Sustainability Committee at the executive management level, which will include representatives from key business functions to oversee and drive sustainability initiatives. At the Board level, sustainability issues are currently addressed under the Corporate Social Responsibility (CSR) Committee. This structure ensures that sustainability strategies are fully integrated into HPL's operations, upholding high standards of environmental stewardship and social responsibility.								

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (CONT.)

10. Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee									Frequency (Annually/ Half yearly / Quarterly/ Any other – please specify)								
	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Performance against above policies and follow up action	Y	Y	Y	Y	Y	Y	Y	Y	Y	-	-	-	-	-	-	-	-	-
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	Y	Y	Y	Y	Y	Y	Y	Y	Y	-	-	-	-	-	-	-	-	-

11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
	-	-	-	-	-	-	-	-	-

12. If answer to question (1) above is “No” i.e. not all Principles are covered by a policy, reasons to be stated:

Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
The entity does not consider the Principles material to its business (Yes/No)	-	-	-	-	-	-	-	-	-
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)	-	-	-	-	-	-	-	-	-
The entity does not have the financial or/human and technical resources available for the task (Yes/No)	-	-	-	-	-	-	-	-	-
It is planned to be done in the next financial year (Yes/No)	-	-	-	-	-	-	-	-	-
Any other reason (please specify)	-	-	-	-	-	-	-	-	-

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorized as “Essential” and “Leadership”. While the essential indicators are expected to be disclosed by every entity that is mandated to file this report, the leadership indicators may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally and ethically responsible.



BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (CONT.)

PRINCIPLE 1 Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

1. Percentage coverage by training and awareness programmes on any of the principles during the financial year:

Segment	Total number of training and awareness programmes held	Topics / principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes
Board of Directors	-	Corporate Governance, Ethical Conduct, Sustainability Reporting. These programmes have reinforced ethical decision-making and enhanced understanding of sustainability principles at the highest level of governance.	100%
Key Managerial Personnel (KMPs)	-	Leadership, Ethical Conduct, Environmental Responsibility, Digital Transformation. These sessions have improved leadership skills, reinforced ethical practices, and provided insights into integrating environmental and digital strategies in management.	-
Employees other than BoD and KMPs	-	Operational Efficiency, Ethical Conduct, Customer Service, Safety Protocols, Digital Skills, Emotional Intelligence, Conflict Management, Storytelling in Business. Training has enhanced operational skills, customer service quality, safety awareness, and digital proficiency among employees.	-
Workers	-	Workplace Safety, Ethical Conduct, Environmental Practices, Food Safety, Hygiene Protocols. These programmes have significantly improved workplace safety standards, ethical behaviour, and adherence to environmental and hygiene protocols among workers.	-

2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):

	NGBRC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In INR)	Brief of the Case	Has an Appeal been preferred? (Yes/No)
MONETARY					
Penalty/ Fine	NA	NA	NA	NA	NA
Settlement	NA	NA	NA	NA	NA
Compounding fee	NA	NA	NA	NA	NA
NON-MONETARY					
Imprisonment	NA	NA	NA	NA	NA
Punishment	NA	NA	NA	NA	NA

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (CONT.)

3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.

Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
-	-

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.

Yes, HPL Electric & Power Limited has an established anti-corruption and anti-bribery policy. This policy is a cornerstone of our commitment to upholding the highest standards of integrity and transparency in all business operations. It sets out stringent guidelines and procedures to prevent corruption and bribery within the organization. The policy is an integral part of our broader Code of Conduct, ensuring that all employees adhere to ethical business practices.

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:

	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Directors	NIL	NIL
KMPs	NIL	NIL
Employees	NIL	NIL
Workers	NIL	NIL

6. Details of complaints with regard to conflict of interest:

	FY 2023-24 (Current Financial Year)		FY 2022-23 (Previous Financial Year)	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	NIL		NIL	
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	NIL		NIL	

7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.

NA

PRINCIPLE 2 Businesses should provide goods and services in a manner that is sustainable and safe

1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.

	Current Financial Year	Previous Financial Year	Details of improvements in environmental and social impacts
R&D	-	-	-
Capex	-	-	-



BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (CONT.)

2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)

Yes

b. If yes, what percentage of inputs were sourced sustainably?

We have initiated the process of collecting this data and will begin sharing detailed information starting from FY2025 onwards.

3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.

HPL Electric & Power Limited has established comprehensive processes to safely reclaim, reuse, recycle, and dispose of products at the end of their life cycle, covering various types of waste:

- **Plastics (including packaging):** Plastics used in our operations are segregated, cleaned, and sent to certified recycling facilities. This ensures that plastic waste is managed responsibly and in accordance with environmental regulations.
- **E-waste:** Electronic waste generated from our operations is collected and processed by authorized e-waste recyclers. This ensures the safe disposal and recycling of electronic components, minimizing environmental impact.
- **Hazardous waste:** Hazardous waste generated during manufacturing processes is handled according to stringent regulatory guidelines. We partner with licensed hazardous waste management companies to ensure safe and compliant disposal.
- **Other waste:** Other types of waste, including organic waste, are either composted or sent to appropriate recycling centres. This approach helps in minimizing landfill use and promoting sustainable waste management practices.

4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.

Extended Producer Responsibility (EPR) is not directly applicable to HPL Electric & Power Limited, but the company is committed to responsible waste management. HPL generates packaging waste, e-waste, hazardous waste, and plastics through its operations. Despite the absence of EPR mandates, HPL voluntarily adopts practices such as recycling programs, reducing packaging waste, and ensuring proper disposal of electronic and hazardous materials. These efforts reflect HPL's proactive approach to sustainability and environmental stewardship, aligning with EPR principles even without regulatory obligations.

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (CONT.)

PRINCIPLE 3 Businesses should respect and promote the well-being of all employees, including those in their value chains

1. a. Details of measures for the well-being of employees:

Category	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
Permanent employees											
Male	1038	162	16%	1038	100%	NA	NA	NA	NA	162	16%
Female	43	3	7%	43	100%	38	88%	NA	NA	3	7%
Total	1081	165	-	1081	100%	38	88%	NA	NA	165	-
Other than Permanent employees											
Male	76	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Female	4	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Total	80	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA

b. Details of measures for the well-being of workers:

Category	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
Permanent employees											
Male	109	All are covered in ESIC									
Female	53										
Total	162										
Other than Permanent employees											
Male	3175	All are covered in ESIC									
Female	649										
Total	3824										

2. Details of retirement benefits, for Current FY and Previous Financial Year.

Benefits	FY 2023-2024 Current Financial Year			FY 2022-23 Previous Financial Year		
	No. of employees covered as a % of Total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100%	100%	Y	100%	100%	Y
Gratuity	100%	100%	NA	100%	100%	NA
ESI	100%	100%	Y	100%	100%	Y



BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (CONT.)

3. Accessibility of workplaces

Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

HPL Electric & Power Limited is strongly committed to fostering an inclusive and accessible workplace for all employees, including those who are differently-abled. In accordance with the Rights of Persons with Disabilities Act, 2016, we have implemented significant measures to ensure that our premises and offices are fully accessible.

Current Accessibility Measures:

- **Physical Accessibility:** All our facilities are equipped with ramps, elevators, and accessible restrooms to facilitate ease of movement for differently-abled individuals. These facilities are designed to meet the stipulated guidelines, ensuring a barrier-free environment.
- **Workstation Adjustments:** We provide customized workstations and necessary assistive devices to accommodate the specific needs of our differently-abled employees. This includes adjustable desks, ergonomic chairs, and other supportive equipment to enhance comfort and productivity.
- **Training and Sensitization:** Regular training sessions are conducted to sensitize all employees about the importance of inclusivity and the specific needs of their differently-abled colleagues. This helps create a supportive and understanding work environment.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

HPL Electric & Power Limited is committed to equal opportunities for all employees, including those who are differently-abled, in line with the Rights of Persons with Disabilities Act, 2016. The company's Equal Opportunity Policy focuses on inclusivity in hiring, providing reasonable accommodations, and offering regular training to raise awareness about disability rights and promote a supportive work environment. HPL also encourages feedback for continuous improvement and ensures that its policy is accessible to all employees and stakeholders, reinforcing its dedication to diversity, equity, and inclusion.

Web-Link to the Policy: For more detailed information about our Equal Opportunity Policy and other related initiatives, please visit our official website at [HPL Investor Relations - Company Policies](#).

5. Return to work and Retention rates of permanent employees and workers that took parental leave.

Gender	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	NA	NA	NA	NA
Female	NA	NA	NA	NA
Total	NA	NA	NA	NA

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (CONT.)

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.

	Yes/No (If Yes, then give details of the mechanism in brief)
Permanent Workers	At HPL Electric & Power Limited, we have established comprehensive mechanisms to receive and address grievances effectively. We are committed to maintaining a transparent, ethical, and supportive work environment, and our grievance redressal processes are designed to ensure that all concerns are handled promptly and fairly.
Other than Permanent Workers	
Permanent Employees	
Other than Permanent Employees	
Permanent Workers	Grievance Handling Process:
	<ol style="list-style-type: none"> 1. Third-Party Ethics Partner: HPL collaborates with a reputable third-party ethics firm to manage and respond to grievances. Employees can report their concerns through multiple channels, including phone, email, and physical mail, ensuring both accessibility and confidentiality. 2. Whistle-Blower Mechanism: In addition to our third-party ethics partner, HPL has implemented a robust whistle-blower mechanism. This system allows employees to report unethical practices or any other concerns anonymously. All complaints received through this mechanism are reviewed by the Audit Committee on a quarterly basis, ensuring transparency and accountability in our grievance handling. 3. Internal Reporting: HPL has established ethics committees and designated HR heads across our facilities to act as the primary contacts for grievance reporting. Employees can approach these designated personnel directly to report any issues or concerns. 4. Drop Boxes: To facilitate ease of reporting, HPL has installed drop boxes at various locations within our premises. Employees can submit their concerns anonymously, ensuring that their voices are heard without fear of retaliation. 5. These comprehensive grievance redressal mechanisms underscore HPL's commitment to maintaining a workplace that upholds the highest standards of ethics, transparency, and employee well-being.

7. Membership of employees and worker in association(s) or Unions recognised by the listed entity:

Category	FY 2023-24 (Current Financial Year)			FY 2022-23 (Previous Financial Year)		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B / A)	Total employees/ workers in respective category (C)	No. of employees / workers in respective category, who are part of association(s) or Union (D)	% (D / C)
Total Permanent Employees	53	0	0%	55	0	0%
Male	52	0	0%	53	0	0%
Female	1	0	0%	2	0	0%
Total Permanent Workers	155	155	100%	152	152	100%
Male	102	-	100%	99	-	100%
Female	53	-	100%	53	-	100%



BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (CONT.)

8. Details of training given to employees and workers:

Category	FY 2022-23 Current Financial Year				FY 2023-24 Previous Financial Year					
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
	No. (B)	% (B / A)	No. (C)	% (C / A)	No. (E)		% (E / D)	No. (F)	% (F / D)	
Employees										
Male	157	19	12%	86	55%	97	74	76%	76	79%
Female	6	6	100%	5	83%	6	6	100%	4	67%
Total	163	25	15%	91	56%	103	80	78%	80	78%
Workers										
Male	842	842	100%	842	100%	854	621	73	854	100
Female	38	38	100%	38	100%	42	35	83	42	100
Total	880	880	100%	880	100%	896	656	73%	896	100%

9. Details of performance and career development reviews of employees and worker:

Category	FY 2022-23 Current Financial Year			FY 2023-24 Previous Financial Year		
	Total (A)	No. (B)	% (B / A)	Total (C)	No. (D)	% (D / C)
Employees						
Male	1100	1100	100%	1038	1038	100%
Female	65	65	100%	43	43	100%
Total	1165	1165	100%	1081	1081	100%
Workers						
Male	842	842	100%	871	871	100%
Female	38	38	100%	25	25	100%
Total	880	880	100%	896	896	100%

10. Health and safety management system:

a. **Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage such system?**

HPL Electric & Power Limited has implemented a comprehensive occupational health and safety management system across all its manufacturing facilities and offices, ensuring the safety and well-being of 100% of its employees and workers. This system includes risk assessments, safety training, emergency response protocols, and continuous monitoring to ensure compliance with ISO 45001:2018 and regulatory requirements.

b. **What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?**

HPL employs a systematic approach to identify work-related hazards and assess risks. This includes:

- o **Routine Inspections:** Regular inspections are conducted to identify potential hazards in the workplace. These inspections are documented, and any identified risks are promptly addressed.
- o **Risk Assessments:** Comprehensive risk assessments are carried out periodically to evaluate the potential impact of identified hazards. This process includes input from employees to ensure all perspectives are considered.

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (CONT.)

- o **Incident Reporting:** A robust incident reporting system allows employees to report any hazards or incidents immediately. These reports are investigated, and corrective actions are implemented to prevent recurrence.
- o **Safety Audits:** Regular safety audits are conducted to ensure compliance with health and safety standards and to identify areas for improvement

c. **Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Y/N)**

Yes, HPL has established processes that allow workers to report work-related hazards and remove themselves from such risks. Employees can report hazards through various channels, including direct communication with supervisors, a dedicated safety hotline, and an online reporting system. Moreover, HPL empowers employees to remove themselves from potentially dangerous situations without fear of retaliation, ensuring their safety is always a top priority.

d. **Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)**

Yes, HPL provides access to non-occupational medical and healthcare services for all employees. This includes comprehensive health insurance plans, regular health check-ups, and wellness programs designed to promote overall well-being. Additionally, employees have access to mental health resources and support services to ensure their holistic health needs are met.

11. Details of safety related incidents, in the following format:

Safety Incident/Number	Category	FY 2023-24	FY 2022-2023
		Current Financial Year	Previous Financial Year
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	NIL	NIL
	Workers	NIL	NIL
Total recordable work-related injuries	Employees	NIL	NIL
	Workers	NIL	NIL
No. of fatalities	Employees	NIL	NIL
	Workers	NIL	NIL
High consequence work-related injury or ill-health (excluding fatalities)	Employees	NIL	NIL
	Workers	NIL	NIL

12. Describe the measures taken by the entity to ensure a safe and healthy work place.

HPL Electric & Power Limited ensures a safe and healthy workplace through a comprehensive occupational health and safety management system covering all employees and workers across its manufacturing facilities and offices. Key measures include:

- **Safety Training:** Ongoing training programs to educate employees on safe work practices, emergency procedures, and the proper use of equipment.
- **Emergency Response Protocols:** Established procedures for handling emergencies, including drills and simulations to ensure preparedness.
- **Risk Assessments:** Regular identification and evaluation of workplace hazards to implement preventive and corrective measures.
- **Continuous Monitoring:** Routine inspections and audits to monitor health and safety standards, ensuring compliance with ISO 45001:2018 and regulatory requirements.



BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (CONT.)

- **Health Insurance:** Comprehensive health insurance coverage is provided to all employees, ensuring access to medical care and financial protection in case of illness or injury.
- **100% Coverage:** All employees and workers are included in the health and safety initiatives, ensuring that no one is excluded from these protections.

13. Number of Complaints on the following made by employees and workers:

	FY 2023-24 (Current Financial Year)			FY 2022-23 (Previous Financial Year)		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	NIL	NIL	NIL	NIL	NIL	NIL
Health & Safety	NIL	NIL	NIL	NIL	NIL	NIL

Conducted Safety Audit by Third Party

14. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100%
Working Conditions	100%

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.

HPL Electric & Power Limited rigorously investigates all safety-related incidents, ensuring that the insights gained are shared across the organization to implement corrective actions and prevent future occurrences. The effectiveness of these corrective measures is evaluated during safety audits. Any significant risks or concerns identified through health and safety assessments are managed using a hierarchy of risk controls, ensuring that the most effective strategies are applied to mitigate potential hazards.

PRINCIPLE 4: Businesses should respect the interests of and be responsive to all its stakeholders

1. Describe the processes for identifying key stakeholder groups of the entity.

HPL Electric & Power Limited identifies its key stakeholder groups through a structured process that begins with mapping all potential stakeholders, including employees, customers, suppliers, investors, regulators, communities, and NGOs. These stakeholders are then analyzed based on their influence, interest, and impact on the company's operations, allowing for prioritization according to their relevance. Engagement mechanisms such as surveys, interviews, and meetings are used to understand their expectations and concerns. The process is continuously monitored and updated to adapt to changes in the business environment, ensuring that stakeholder interests are consistently integrated into the company's decision-making and strategic planning.

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (CONT.)

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly / Quarterly / others - please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Employees	No	Email, Internal Meetings, Training Programs	Quarterly	Engagement includes discussions on workplace conditions, career development, and feedback on company policies.
Customers	No	Email, Website, social media, Surveys	Continuously	Engagement aims at gathering feedback on services, addressing concerns, and improving customer satisfaction.
Suppliers	No	Email, Supplier Meetings, Audits	Annually	Ensuring compliance with contractual obligations, assessing performance, and discussing improvements.
Local Communities	Yes	Community Meetings, Local Media, CSR Initiatives	Annually	Focused on understanding and addressing community needs, and discussing the impact of HPL's operations on local development.
Regulatory Authorities	No	Official Correspondence, Reports, Compliance Meetings	As required (Ad hoc)	Ensuring compliance with regulations, discussing new laws, and maintaining transparent communication with authorities.

PRINCIPLE 5 Businesses should respect and promote human rights

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

	FY 2023-24 (Current Financial Year)			FY 2022-23 (Previous Financial Year)		
	Total (A)	No. of employees/workers covered (B)	% (B / A)	Total (C)	No. of employees/workers covered (D)	% (D / C)
Employees						
Permanent	NIL	NIL	NIL	NIL	NIL	NIL
Other than permanent	NIL	NIL	NIL	NIL	NIL	NIL
Total Employees	NIL	NIL	NIL	NIL	NIL	NIL
Workers						
Permanent	NIL	NIL	NIL	NIL	NIL	NIL
Other than permanent	NIL	NIL	NIL	NIL	NIL	NIL
Total Workers	NIL	NIL	NIL	NIL	NIL	NIL



BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (CONT.)

2. Details of minimum wages paid to employees and workers, in the following format:

	FY 2023-24 (Current Financial Year)				FY 2022-23 (Previous Financial Year)					
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No (B)	% (B / A)	No (C)	% (C / A)		No (E)	% (E / D)	No (F)	% (F / D)
Employees										
Permanent	-	-	-	-	-	-	-	-	177	-
Male	202	NA	-	202	-	-	-	-	3	-
Female	6	NA	-	6	-	-	-	-	-	-
Other Permanent	-	-	-	-	-	-	-	-	-	-
Male	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-
Workers										
Permanent	-	-	-	-	-	-	-	-	-	-
Male	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-
Other Permanent	-	-	-	-	-	-	-	-	-	-
Male	3806	-	-	123	-	-	-	3033	-	47
Female	18	-	-	2	-	-	-	15	-	1

3. Details of remuneration/salary/wages, in the following format:

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BoD)	3	15007596	0	-
Key Managerial Personnel	1	3234996	0	-
Employees other than BoD and KMP	1133	665100	47	712644
Workers	3284	221076	702	212040

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

Yes, the focal point is the Team-HR which takes care of human rights issues. It is tasked with overseeing the company's adherence to human rights principles, ensuring that all operations and business practices align with international human rights standards. It regularly reviews policies, conducts risk assessments, and monitors compliance to identify and mitigate any potential human rights concerns.

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

At HPL Electric & Power Limited, we have established comprehensive mechanisms to receive and address grievances effectively. We are committed to maintaining a transparent, ethical, and supportive work environment, and our grievance redressal processes are designed to ensure that all concerns are handled promptly and fairly.

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (CONT.)

6. Number of Complaints on the following made by employees and workers:

	FY 2023-24 (Current Financial Year)			FY 2022-23 (Previous Financial Year)		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	NIL	NIL	NIL	NIL	NIL	NIL
Discrimination at workplace	NIL	NIL	NIL	NIL	NIL	NIL
Child Labour	NIL	NIL	NIL	NIL	NIL	NIL
Forced Labour/ Involuntary Labour	NIL	NIL	NIL	NIL	NIL	NIL
Wages	NIL	NIL	NIL	NIL	NIL	NIL
Other human rights related issues	NIL	NIL	NIL	NIL	NIL	NIL

7. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

HPL Electric & Power Limited has strong mechanisms to protect complainants in discrimination and harassment cases. Confidentiality and protection are ensured, with an independent review process to handle complaints impartially and promptly. Anti-retaliation procedures are in place to prevent negative repercussions for those who raise concerns or participate in investigations.

8. Do human rights requirements form part of your business agreements and contracts? (Yes/No)

Yes, human rights requirements are an integral part of our business agreements and contracts. HPL ensures that all contracts with suppliers, partners, and other stakeholders include clauses that mandate compliance with international human rights standards. This commitment is reflected in our Supplier Code of Conduct, which outlines the expectations for ethical behavior and respect for human rights in all business dealings.

9. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	100%
Forced/involuntary labour	100%
Sexual harassment	100%
Discrimination at workplace	100%
Wages	100%
Others – please specify	100%

10. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above.

NA



BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (CONT.)

PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment

1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

Parameter	FY 2023 - 24 (Current Financial Year) (GJ)	FY 2022 -23 (Previous Financial Year) (GJ)
Total electricity consumption (A)	49660	41430
Total fuel consumption (B)	3611	5112
Energy consumption through other sources (C)	-	-
Total energy consumption (A+B+C)	53,271	46,542
Energy intensity per rupee of turnover (Total energy consumption/ turnover in rupees)	-	-
Energy intensity (optional) – the relevant metric may be selected by the entity	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N)
If yes, name of the external agency.

No. HPL plans initiate 3rd party verification at an appropriate time in the future.

2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

No, the Company does not have any sites or facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India. Consequently, there are no targets set under the PAT scheme for HPL, and no remedial actions are required.

3. Provide details of the following disclosures related to water, in the following format:

Parameter	FY 2023 - 24 (Current Financial Year)	FY 2022 -23 (Previous Financial Year)
Water withdrawal by source (in kilolitres)		
(i) Surface water	9100	8625
(ii) Groundwater	19622	26030
(iii) Third party water	1890	2372
(iv) Seawater / desalinated water	-	-
(v) Others	-	-
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	30612	37027
Total volume of water consumption (in kilolitres)	30612	37027
Water intensity per rupee of turnover (Water consumed / turnover)	-	-
Water intensity (optional) – the relevant metric may be selected by the entity	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N)
If yes, name of the external agency. No. HPL plans initiate 3rd party verification at an appropriate time in the future.

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (CONT.)

4. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

No, the Company has not implemented a mechanism for Zero Liquid Discharge (ZLD) at this time. However, we are committed to environmental sustainability and continuously explore innovative solutions to improve our water management practices. Our current initiatives focus on optimizing water usage, enhancing wastewater treatment processes, and exploring potential ZLD implementation in the future to further our commitment to sustainable operations.

5. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	Please specify unit	FY 2023 - 24 (Current Financial Year)	FY 2022 -23 (Previous Financial Year)
NOx	-	0.43	0.42
SOx	-	8.1	8.0
Particulate matter (PM)	-	0.12	0.13
Persistent organic pollutants (POP)	-	-	-
Volatile organic compounds (VOC)	-	-	-
Hazardous air pollutants (HAP)	-	-	-
Others – please specify	-	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N)
If yes, name of the external agency.

No, the Company has not conducted any independent assessment, evaluation, or assurance for air emissions (other than GHG emissions) by an external agency for the current and previous financial year. However, we are committed to monitoring and managing our air emissions in compliance with all relevant environmental regulations and standards.

6. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	Unit	FY 2023 - 24 (Current Financial Year) (tco2)	FY 2022 -23 (Previous Financial Year) (tco2)
Total Scope 1 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)*	Metric tonnes of CO ₂ equivalent	250	353
Total Scope 2 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	11312	9437
Total Scope 1 and Scope 2 emissions per rupee of turnover	-	-	-
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity	-	-	-

*Only fuel consumed for DG sets is considered for calculation of Scope 1 emissions

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N)
If yes, name of the external agency.

No. HPL plans initiate 3rd party verification at an appropriate time in the future.



BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (CONT.)

7. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details.

HPL Electric & Power Limited is actively engaged in projects aimed at reducing Greenhouse Gas (GHG) emissions through several key initiatives. These initiatives demonstrate HPL's commitment to sustainability and environmental stewardship, aligning with both national objectives and global best practices.

Energy Efficiency Projects:

- **LED Lighting Implementation:** HPL has replaced nearly all conventional lighting with energy-efficient LED fixtures across its factories and office premises. This transition not only reduces energy consumption but also lowers carbon emissions associated with electricity use.
- **Solar Power Deployment:** HPL has initiated solar energy projects at its manufacturing plants. Over the last few years, the company has been gradually implementing solar energy usage across its facilities. This shift to renewable energy sources is a critical part of HPL's strategy to reduce its reliance on fossil fuels and decrease its carbon footprint.
- **Energy-Efficient Equipment:** The company has invested in energy-efficient equipment, including BEE star-rated air conditioning units and energy-saving insulated heaters for injection moulding machines. Additionally, HPL uses variable frequency drives (VFDs) and energy-efficient motors, which contribute to significant energy savings.

8. Provide details related to waste management by the entity, in the following format:

Parameter	FY 2023 - 24 (Current Financial Year)	FY 2022 -23 (Previous Financial Year)
Total Waste generated (in metric tonnes)		
Plastic waste (A)	-	-
E-waste (B)	-	-
Bio-medical waste (C)	-	-
Construction and demolition waste (D)	-	-
Battery waste (E)	-	-
Radioactive waste (F)	-	-
Other Hazardous waste. Please specify, if any. (G)	-	-
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	-	-
Total (A+B + C + D + E + F + G + H)	361	210
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	159	13
(ii) Re-used	-	-
(iii) Other recovery operations	-	-
Total	-	-
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	-	-
(ii) Landfilling	-	-
(iii) Other disposal operations	-	-
Total	-	-

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (CONT.)

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

HPL Electric & Power Limited is currently in the early stages of ESG data monitoring and collection. As our systems and processes become fully established, detailed data will be made available in the future.

9. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

HPL Electric & Power Limited adopts comprehensive waste management practices across its establishments, including recycling programs, waste segregation, and proper disposal methods to minimize environmental impact. The company employs a strategy to reduce the use of hazardous and toxic chemicals by evaluating alternatives, optimizing processes, and integrating safer materials in products. For managing hazardous and toxic waste, HPL follows stringent protocols for containment, treatment, and disposal, ensuring compliance with regulatory requirements and minimizing risks to health and the environment.

10. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:

S. No.	Location of operations/ offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
-	-	-	-
-	-	-	-

11. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
No specific data available					
Currently, there are no specific details available regarding the environmental impact assessments (EIA) for projects undertaken in the current financial year. However, HPL is committed to conducting EIAs in future for all relevant projects to ensure full compliance with applicable laws and regulations.					



BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (CONT.)

12. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:

S. No.	Specify the law / regulation / guidelines which was not complied with	Provide details of the non-compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
NA	NA	NA	NA	NA

HPL ensures strict adherence to all environmental regulations, maintaining our commitment to sustainability and environmental stewardship. Currently, there are no recorded non-compliances with the applicable environmental laws and regulations. HPL remains vigilant in its environmental practices to avoid any violations

PRINCIPLE 7 Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

1. a. Number of affiliations with trade and industry chambers/ associations.

There are 6 affiliations.

a. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to:

S. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1	IEEMA - Indian Electrical and Electronics Manufacturers' Association (IEEMA)	National
2	ELCOMA - Electric Lamp and Component Manufacturers	National
3	PHD Chamber of Commerce	National
4	CII – Confederation of Indian Industry	National
5	GCCI - Gurgaon Chamber Of Commerce & Industry	Regional
6	CBIP - Central Board of Irrigation & Power	National

2. Provide details of corrective action taken or underway on any issues related to anti- competitive conduct by the entity, based on adverse orders from regulatory authorities.

Name of authority	Brief of case	Corrective action taken
-	-	-
-	-	-

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (CONT.)

PRINCIPLE 8 Businesses should promote inclusive growth and equitable development

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
NA	NA	NA	NA	NA	NA
NA	NA	NA	NA	NA	NA

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:

S. No	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In INR)
NA	NA	NA	NA	NA	NA	NA
NA	NA	NA	NA	NA	NA	NA

3. Describe the mechanisms to receive and redress grievances of the community.

HPL Electric & Power Limited has established comprehensive mechanisms to receive and redress community grievances. These mechanisms include a dedicated grievance redressal cell and an online portal where community members can register their complaints. A structured process ensures timely resolution of grievances, with periodic reviews by senior management to ensure effectiveness and transparency in addressing community issues.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

	FY 2023-24 Current Financial Year	FY 2022-23 Previous Financial Year
Directly sourced from MSMEs/ small producers	-	-
Sourced directly from within the district and neighbouring districts	-	-

PRINCIPLE 9 Businesses should engage with and provide value to their consumers in a responsible manner

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

HPL Electric & Power Limited has established multiple channels to receive and respond to consumer complaints and feedback. These include:

- A dedicated customer service hotline
- An online feedback form on the company website
- Feedback opportunities from our channel partners



BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (CONT.)

- Social media platforms

All feedback is logged and addressed by the customer service team, with regular reviews to ensure timely resolution and continuous improvement.

2. Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:

	As a percentage to total turnover
Environmental and social parameters relevant to the product	-
Safe and responsible usage	-
Recycling and/or safe disposal	-

3. Number of consumer complaints in respect of the following:

	FY 2023-24 Current Financial Year		Remarks	FY 2022-23 Previous Financial Year		Remarks
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data privacy	-	-	-	-	-	-
Advertising	-	-	-	-	-	-
Cyber-security	-	-	-	-	-	-
Delivery of essential services	-	-	-	-	-	-
Restrictive Trade Practices	-	-	-	-	-	-
Unfair Trade Practices	-	-	-	-	-	-
Other	-	-	-	-	-	-

4. Details of instances of product recalls on account of safety issues:

	Number	Reasons for recall
Voluntary recalls	-	-
Forced recalls	-	-

5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.

Yes, HPL has a comprehensive framework on cyber security and data privacy risks. The Company continuously monitors brand sentiment and actively engages with all stakeholders, ensuring prompt communication with customers who have queries. The management has assessed the impact of incidents and, to the best of our knowledge and belief, there are no financial implications arising from these incidents. HPL remains diligent in addressing cyber security threats, adhering to all compliances as per various laws and regulations. We regularly assess our IT security landscape to ensure it is current with technological advancements, thereby protecting our IT assets and data from any adverse cyber security threats.

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (CONT.)

HPL has implemented ongoing SOPs in several areas, including:

- **Advertising:** Reviewing marketing materials to ensure compliance with advertising standards.
- **Delivery of Essential Services:** Enhancing service protocols to ensure reliable delivery of essential services.
- **Cyber Security and Data Privacy:** Reviewing upgrading security systems and conducting staff training on data protection.
- **Product Recalls:** Reviewing product/service quality checks and improvement measures.
- **Penalties/Actions by Regulatory Authorities:** Addressing compliance issues and taking corrective measures as required.



Independent Auditor’s Report

To the Members of HPL ELECTRIC & POWER LIMITED

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of HPL ELECTRIC & POWER LIMITED (“the Company”), which comprise the standalone Balance Sheet as at 31st March 2024, and the standalone statement of Profit and Loss (including other comprehensive income), standalone Statement of changes in Equity and standalone Statement of Cash Flows for the year then ended, and notes to the standalone financial statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as the “Standalone Financial Statements”).

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

Basis for Opinion

We conducted our audit of the Standalone Financial Statements in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor’s Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (“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 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.

Key Audit Matter(s)

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matters	How the matter was addressed in our Audit
Revenue recognition – Fixed Price Development Contracts Revenue recognition in respect of fixed price contracts involves critical estimates. Estimated effort is a critical estimate to determine revenue and liability for onerous obligations. This estimate has a high inherent uncertainty as it requires consideration of progress of the contract, efforts incurred till date and efforts required to complete the remaining contract performance obligations.	Principal Audit Procedures Our audit approach was a combination of test of internal controls and substantive procedures which included the following: <ul style="list-style-type: none"> Ø Evaluated the design of internal controls relating to recording of efforts incurred and estimation of efforts required to complete the performance obligations. Ø Tested the access and application controls pertaining to time recording, allocation and budgeting systems which prevents unauthorized changes to recording of efforts incurred. Ø Selected a sample of contracts and through inspection of evidence of performance of these controls tested the operating effectiveness of the internal controls relating to efforts incurred and estimated. Ø Selected a sample of contracts and performed a retrospective review of efforts incurred with estimated efforts to identify significant variations and verify whether those variations have been considered in estimating the remaining efforts to complete the contract. Ø Reviewed a sample of contracts with unbilled revenues to identify possible delays in achieving milestones, which require change in estimated efforts to complete the remaining performance obligations. Ø Performed analytical procedures and test of details for reasonableness of incurred and estimated efforts.

Independent Auditor’s Report (contd.)

Key Audit Matters	How the matter was addressed in our Audit
Tax Litigations: The Company has significant tax litigations for which the Company assesses the outcome on a case-to-case basis considering the underlying facts of each tax litigation. Adverse outcomes could significantly impact the Company’s reported profit and Balance Sheet position. The assessment of outcome of litigations involves significant judgement which is dependent on the facts of each case, supporting judicial precedents and legal opinions of professionals, hence the matter has been considered as a Key Audit Matter.	Our audit procedures, amongst others included the following: <ul style="list-style-type: none"> Ø Obtained list of ongoing tax litigations from Management along with their assessment of the cases based on past precedents, judgements and matters in the jurisdiction, legal opinions sought by Management and correspondences with tax department. Ø Analysed and discussed with our internal tax team to evaluate Management’s assessment of the outcome of these litigations. They considered legal precedence and other rulings in evaluating Management’s position on these tax litigations. Ø Evaluated the status of the recent and current tax assessments / inquiries, results of previous tax assessments and changes in the tax environment. Ø Verified disclosures of the tax positions, tax loss carry forwards and tax litigations in the standalone Ind AS financial statements.

Information other than the Financial Statements and Auditor’s Report thereon

The Company’s Management and Board of Directors are responsible for the preparation of the other information. Other information comprises the information included in the Board’s Report including Annexures to Board’s Report but does not include the 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 and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

The Company’s Management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position,

financial performance, including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and



Independent Auditor's Report (contd.)

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Company has with reference to the standalone financial statements adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management and Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent

the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

Report on Other Legal and Regulatory Requirements

- 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 Companies Act, 2013, we give in the 'Annexure A', a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- As required by Section 143 (3) of the Act, we report that:
 - We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - 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.
 - The standalone balance Sheet, the standalone Statement of profit and loss(including other comprehensive income), the standalone statement of changes in Equity and the standalone statement of Cash flows dealt with by this Report are in agreement with the books of account.
 - In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under

Independent Auditor's Report (contd.)

Section 133 of the Act.

- On the basis of the written representations received from the Directors as on 31st March, 2024 taken on record by the Board of Directors, none of the Directors is disqualified as on 31st March, 2024 from being appointed as a Director in terms of Section 164 (2) of the Act.
- With respect to the adequacy of the Internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in 'Annexure B'.
- With respect to the matter to be included in the Auditor's Report under section 197(16), in our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its Directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any Director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.
- 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:
 - The Company has disclosed pending litigations and the impact on its financial position in its standalone financial statements. Refer Note 45 to the standalone financial statements.
 - The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - The dividend declared or paid during the year by the Company is in accordance with Section 123 of the Act.
 - (a) The Management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to

the accounts to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

- The Management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts to the standalone financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries ; and
- Based on such audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material mis-statement.
- The reporting under Rule 11(g) of the Companies (Audit and Auditors) Rule, 2014 is applicable from 01 April 2023.

Based on our examination which included test checks, except for the feature of recording audit trail (edit log) facility was not enabled at the database level to log any direct data changes for the accounting software used for maintaining the books of account, tables of the accounting software used for maintaining general ledger, the Company has used accounting software for maintaining its books of account, which have a feature of recording audit trail (edit log) facility and same has operated throughout the year for all relevant transactions recorded in the respective software.



Independent Auditor's Report *(contd.)*

Further, for the period where audit trail (edit log) facility was enabled and operated throughout the year for the respective accounting software, we did not come across any instance of the audit trail feature being tampered with.

For SAKSHI & ASSOCIATES
Chartered Accountants
FRN: 025099N

SAKSHI KHARABANDA
(FCA)

Place: New Delhi

Membership No. 523802

Date: 15 May 2024

UDIN: 24523802BKEXGK7846

Independent Auditor's Report *(contd.)*

Annexure 'A' to the Independent Auditor's Report

(The Annexure referred to in Paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date).

We report that:

- (i) In respect of Company's property, plant and equipment, right-of-use assets and intangible assets:
 - (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of right-of-use assets;
 - (B) The Company does not have any Intangible Assets. Accordingly, Clause 3(i)(a)(B) 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 Property, Plant and Equipment have been physically verified by the Management at reasonable intervals; no material discrepancies were noticed on such verification;
 - (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the standalone financial statements are held in the name of the Company.
 - (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or Intangible assets during the year. Accordingly, the reporting under Clause 3(i)(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, no proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- (ii) (a) As explained to us & on the basis of the records examined by us, in our opinion, physical verification of inventory has been conducted at reasonable intervals by the Management. In our opinion, the coverage and procedure of such verification followed by the Management were appropriate. No discrepancy of 10% or more in the aggregate for each class of inventory were noticed on physical verification of stocks by the Management as compared to book records.
 - (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets during any point of time of the year. The quarterly returns or statements filed by the Company with such banks or financial institutions are in agreement with the books of account of the Company.
 - (iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has made investments of INR 10,000 (1000 Equity Shares of INR 10 each) in one Company and the terms and conditions under which such investments were made are not prejudicial to the Company's interest, based on the information and explanations provided by the Company. (Refer Note-6 of standalone financial statements). Further the Company has not provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to Companies, Firms, Limited Liability Partnership or any other party during the year.
 - (iv) According to the information and explanations given to us and on the basis of our examination of the records, in respect of loans, investments, guarantees, and security, provisions of Sections 185 and 186 of the Act have been complied with.
 - (v) The Company has not accepted any deposits or amounts which are deemed to be deposits covered under Sections 73 to 76 of the Companies Act, 2013. Accordingly, clause 3(v) of the Order is not applicable.
 - (vi) As per information and explanation given by the Management, maintenance of cost records has been specified by the Central Government under sub-section (1) of Section 148 of the Companies Act and such accounts and records have been so made and maintained;
 - (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records



Independent Auditor's Report (contd.)

of the Company, the Company is regular in depositing undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues to the appropriate authorities. According to the information and explanation given to us there were no outstanding statutory dues as on 31st of March, 2024 for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no statutory dues referred to in sub-clause (a) that have not been deposited on account of any dispute except following:

S . No	Name of Statute	Description	As at 31st March 2024	As at 31st March 2023
1	Central Excise Act, 1944	Demand for Excise Duty before Add. Comm. LTU, New Delhi for 2008-09	16.40	16.40
2	Central Excise Act, 1944	Demand for Excise Duty before Comm. (A), New Delhi for 2009-10 to 2015-16.	82.49	82.49
3	Finance Act, 1994	Demand for Service Tax Credit before Commissioner Appeal, LTU, Delhi for 2012-13	1.01	1.01
4	Finance Act, 1994	Demand for Cenvat Credit before Commissioner Appeal, LTU, Delhi for 2011-12	1.13	1.13
5	Haryana Vat Act, 2003	Demand for Sales Tax before Haryana Tax, Tribunal, Chandigarh for 2008-09	18.44	25.51
6	Haryana Vat Act, 2003	Demand for Sales Tax before Joint Comm., (Appeal), Rohtak for 2010-11	10.43	17.83
7	Haryana Vat Act, 2003	Demand for Sales Tax before Haryana Tax, Tribunal, Chandigarh for 2009-10	3.76	4.78
8	Haryana Vat Act, 2003	Demand for Sales Tax before Haryana Tax, Tribunal, Rohtak for 2011-12	11.66	18.45
9	Haryana Vat Act, 2003	Demand for Sales Tax before Haryana Tax, Tribunal, Rohtak for 2012-13	7.57	10.06
10	Haryana Vat Act, 2003	Demand for Sales Tax before Haryana Tax, Tribunal, Chandigarh for 2011-12	23.19	23.19
11	Haryana Vat Act, 2003	Demand for Sales Tax before Joint Comm., (Appeal), Ambala for 2011-12	4.38	4.38
12	Finance Act, 1994	Show cause notice received towards short payment of Service Tax for 2010-11 to 2014-15	163.04	163.04
13	Employee's Provident Fund Act, 1952	Demand for EPF before EPF appellate, Tribunal, New Delhi.	8.87	8.87
14	Haryana Vat Act, 2003	Demand for sales tax before Haryana Tax Tribunal for 2011-12	16.37	23.39
15	Haryana Vat Act, 2003	Demand for sales tax before Haryana Tax Tribunal for 2012-13	16.56	23.67
16	Haryana Vat Act, 2003	Demand for sales tax before Haryana Tax Tribunal for 2013-14	80.59	80.59
17	Haryana Vat Act, 2003	Demand for sales tax before Jt. Commissioner (A), Rohtak for 2013-14	3.93	4.80
18	Haryana Vat Act, 2003	Demand for sales tax before Jt. Commissioner (A), Rohtak for 2014-15	8.63	12.05

Independent Auditor's Report (contd.)

S . No	Name of Statute	Description	As at 31st March 2024	As at 31st March 2023
19	Haryana Vat Act, 2003	Demand for sales tax before Jt. Commissioner (A), Rohtak for 2013-14	-	18.38
20	Haryana Vat Act, 2003	Haryana Tax Tribunal, Chandigarh-Final demand after Rectification on 31.07.2017 (Revision Pending)	3.61	3.61
21	Haryana Vat Act, 2003	Haryana Tax Tribunal, Chandigarh-Pending for Rectification for 2012-13	1.97	1.97
22	Haryana Vat Act, 2003	Haryana Tax Tribunal, Chandigarh-Pending for Rectification for 2013-14	3.73	3.73
23	Haryana Vat Act, 2003	Haryana Tax Tribunal, Chandigarh-Pending for Rectification for 2014-15	0.52	0.52
24	Haryana Vat Act, 2003	Haryana Tax Tribunal-Rohtak-Appeal pending before the Jt. ETC(A), Rohtak for 2010-11	23.77	33.95
25	Haryana Vat Act, 2003	Demand for sales tax before Dy. Excise & Taxation Commissioner (ST),Sonepat for 2014-15	7.10	10.14
26	Haryana Vat Act, 2003	Demand for sales tax before Jt Excise & Taxation Commissioner, Ambala for 2014-15	55.72	55.74
27	Income Tax Act, 1961	Income Tax demand before Asstt. Commissioner of Income Tax, Delhi for AY-2017-18	-	28.72
28	Haryana Vat Act, 2003	Demand for Sales Tax before Haryana Tax, Tribunal, Rohtak for 2015-16	41.89	41.89
29	Haryana Vat Act, 2003	Demand for Sales Tax before Haryana Tax, Tribunal, Rohtak for 2014-15	42.80	97.13
30	Haryana Vat Act, 2003	Demand for Sales Tax before Haryana Tax, Tribunal, Rohtak for 2015-16	14.28	75.76
31	Central Excise Act, 1944	Demand for Excise Duty before Deputy Comm. Central GST Gurugram for 2016-17.	1.72	1.72
32	Finance Act, 1994	Demand for Service Tax Credit before Asstt. Commissioner Gurugram for 2015-16 to 2017-18	14.78	14.78
33	Custom Act,1962	Demand for Custom Duty before Adl./Joint Comm./Customs Gr-VA,ACC Import New Custom House New Delhi for 2018-19	22.67	22.67
34	Haryana Vat Act, 2003	Demand for Sales Tax before Haryana Tax, Tribunal, Rohtak for 2016-17	73.54	73.54
35	Haryana Vat Act, 2003	Demand for Sales Tax before Haryana Tax, Tribunal, Rohtak for 2016-17	15.09	37.23
36	Haryana Vat Act, 2003	Demand for Sales Tax before Haryana Tax, Tribunal, Rohtak for 2017-18	24.19	68.87
37	CGST Act, 2017	Asst. Commissioner CGST division, Parwanoo, Jabli	-	4.33

** These amounts are net of amount paid/adjusted under protest.



Independent Auditor's Report *(contd.)*

- (viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.
- (ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a willful defaulter by any bank or financial institution or other lender.
- (c) According to the information and explanations given to us by the Management, the Company has utilized the money obtained by way of term loans during the year for the purposes for which they were obtained.
- (d) According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we report that no funds raised on short term basis have been used for long term purposes by the Company.
- (e) In our opinion and according to the information and explanations given by the Management, 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. Accordingly, clause 3(ix)(e) is not applicable.
- (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 (as defined under the Act) and joint ventures. Accordingly, clause 3(ix)(f) is not applicable.
- (x) (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, clause 3(x)(a) of the Order is not applicable.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.
- (xi) (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, no fraud by the Company or any fraud on the Company has been noticed or reported during the course of audit.
- (b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government;
- (c) According to the information and explanations given to us by the Management, no whistle-blower complaints had been received by the Company.
- (xii) The Company is not a Nidhi Company. Accordingly, clause 3(xii)(a), 3(xii)(b) and 3(xii)(c) of the Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, where applicable and the details of the related party have been disclosed in the standalone financial statements, as required by the applicable accounting standards.
- (xiv) (a) Based on information and explanations provided to us and our audit procedures, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the internal audit reports of the Company issued till date for the period under audit.
- (xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with him and hence, provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.
- (xvi) (a) In our Opinion and based on our examination, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934). Accordingly, clause 3(xvi)(a) of the Order is not applicable.

Independent Auditor's Report *(contd.)*

- (b) In our Opinion and based on our examination, the Company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.
- (c) In our Opinion and based on our examination, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.
- (d) According to the information and explanations given by the Management, the Group does not have any CIC as part of the Group.
- (xvii) Based on our examination, the Company has not incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the 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 that Company is not capable of meeting its liabilities existing at the date of Balance Sheet as and when they fall due within a period of one year from the Balance Sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the Balance Sheet date, will get discharged by the Company as and when they fall due.
- (xx) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Companies Act, 2013 pursuant to any project. Accordingly, clause 3(xx)(a) and 3(xx)(b) of the order are not applicable to the Company.
- (xxi) The reporting under clause 3(xx) 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 SAKSHI & ASSOCIATES
Chartered Accountants
FRN: 025099N

SAKSHI KHARABANDA
(FCA)

Place: New Delhi
Date: 15 May 2024

Membership No. 523802
UDIN: 24523802BKEXGK7846



Independent Auditor's Report *(contd.)*

Annexure 'B' to the Independent Auditor's Report

Report on Internal Financial Controls with reference to Standalone Financial statements

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the Internal financial controls over financial reporting of HPL ELECTRIC & POWER 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.

Management's Responsibility for Internal Financial Controls

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 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 Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's Internal financial controls over financial reporting 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, issued by ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013, 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 Institute of Chartered Accountants of India. 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 over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over

financial reporting 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.

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 system over financial reporting with reference to standalone financial statements.

Meaning of Internal Financial Controls Over Financial Reporting

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 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 financial statements in accordance with generally accepted Accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of Management and Directors of the Company; and
3. Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Independent Auditor's Report *(contd.)*

reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting 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.

For SAKSHI & ASSOCIATES
Chartered Accountants
FRN: 025099N

SAKSHI KHARABANDA
(FCA)
Membership No. 523802
UDIN: 24523802BKEXGK7846

Place: New Delhi
Date: 15 May 2024



Standalone Balance Sheet

as at March 31, 2024

Particulars	Note	₹ in Lakhs)	
		As at March 31, 2024	As at March 31, 2023
ASSETS			
Non-current assets			
Property, plant and equipment	3	41,489.81	40,482.41
Capital work in progress	4	689.84	722.01
Right of use Assets	5	318.18	152.86
Financial assets			
i. Investments	6	5,400.10	5,400.00
ii. Loans	7	246.72	229.51
Deferred tax assets (Net)	8	-	659.54
Other non-current assets	9	600.35	1,332.28
Total non-current assets		48,745.00	48,978.61
Current assets			
Inventories	10	55,676.84	46,615.59
Financial assets			
i. Trade receivables	11	65,047.40	54,603.24
ii. Cash and cash equivalents	12	2,206.85	2,945.26
iii. Bank balances other than (ii) above	13	2,905.64	3,268.65
iv. Loans	7	69.55	77.66
v. Other financial assets	14	1,277.24	1,192.32
Current tax assets (Net)	15	146.66	19.41
Other current assets	9	4,833.76	5,189.48
Total current assets		1,32,163.94	1,13,911.61
Total Assets		1,80,908.94	1,62,890.22
EQUITY AND LIABILITIES			
Equity			
Equity share capital	16	6,430.05	6,430.05
Other equity	17	75,561.85	72,316.20
Total equity		81,991.90	78,746.25
Liabilities			
Non-current liabilities			
Financial liabilities			
i. Borrowings	18	6,916.32	2,547.63
ii. Lease liabilities	22	236.60	70.49
iii. Other financial liabilities	22	2,472.53	2,835.04
Deferred tax liability (Net)	8	380.89	-
Provisions	19	1,132.06	711.49
Total non-current liabilities		11,138.40	6,164.65
Current liabilities			
Financial liabilities			
i. Borrowings	20	51,198.12	53,146.69
ii. Lease liabilities	22	114.62	104.79
iii. Trade payables	21		
a) Total outstanding dues of micro enterprises and small enterprises		1,471.01	1,625.87
b) Total outstanding dues of creditors other than micro enterprises and small enterprises		27,581.62	19,406.60
iv. Other financial liabilities	22	5,662.80	2,184.76
Other current liabilities	23	1,120.71	960.72
Provisions	19	629.76	549.89
Total current liabilities		87,778.64	77,979.32
Total Liabilities		98,917.04	84,143.97
Total Equity and Liabilities		1,80,908.94	1,62,890.22

The accompanying notes are an integral part of financial statements

As per our report of even date attached

For **Sakshi & Associates**

Chartered Accountants

F.R.N. : 025099N

Sakshi Kharabanda

Proprietor

M.No. : 523802

UDIN : 24523802BKEXGK7846

For and on behalf of Board of Directors

Rishi Seth

Managing Director

DIN- 00203469

Lalit Seth

Director

DIN-00312007

Place : Gurugram

Gautam Seth

Joint MD and CFO

DIN- 00203405

Camp : New York USA

Vivek Kumar

Company Secretary

M.No. A18491

Place : New Delhi

Dated : 15.05.2024

Standalone statement of profit and loss

for the year ended March 31, 2024

Particulars	Note	₹ in Lakhs)	
		Year ended March 31, 2024	Year ended March 31, 2023
Income:			
Revenue from operations	24	1,42,091.65	1,21,486.69
Other income	25	375.30	322.03
Total income (I + II)		1,42,466.95	1,21,808.72
Expenses:			
Cost of materials consumed	26	97,774.59	81,459.61
Changes in inventories of finished goods, work-in-progress	27	(3,176.16)	369.59
Employee benefits expense	28	17,328.46	13,862.74
Finance cost	29	8,512.14	7,090.89
Depreciation and amortization expenses	30	3,523.04	3,496.42
Other expenses	31	12,057.91	11,254.09
Total expenses		1,36,019.98	1,17,533.34
Profit before exceptional items and tax (III-IV)		6,446.97	4,275.38
Exceptional items		-	-
Profit before tax (III-IV)		6,446.97	4,275.38
Tax expense:			
(1) Current tax	32	1,153.07	771.18
(2) Deferred tax	32	1,167.92	728.47
Profit for the period (V-VI)		4,125.98	2,775.73
Other comprehensive income (OCI)			
Items that will not be reclassified to profit or loss			
Remeasurement of post employment benefit obligations		(364.81)	(18.66)
Income tax relating to these items		127.48	6.52
Other comprehensive income for the period, net of tax		(237.33)	(12.14)
Total comprehensive income for the period		3,888.65	2,763.59
Earnings per equity share of ₹10/- each	33		
(1) Basic (₹)		6.42	4.32
(2) Diluted (₹)		6.42	4.32

The accompanying notes are an integral part of financial statements

As per our report of even date attached

For **Sakshi & Associates**

Chartered Accountants

F.R.N. : 025099N

Sakshi Kharabanda

Proprietor

M.No. : 523802

UDIN : 24523802BKEXGK7846

For and on behalf of Board of Directors

Rishi Seth

Managing Director

DIN- 00203469

Lalit Seth

Director

DIN-00312007

Place : Gurugram

Gautam Seth

Joint MD and CFO

DIN- 00203405

Camp : New York USA

Vivek Kumar

Company Secretary

M.No. A18491

Place : New Delhi

Dated : 15.05.2024



Standalone Cash Flow Statement

for the year ended March 31, 2024

Particulars	(₹ in Lakhs)	
	Year ended March 31, 2024	Year ended March 31, 2023
A. Cash flow from operating activities		
Net profit/ (loss) before tax	6,446.97	4,275.38
Adjustments for :		
- Depreciation and amortisation expenses	3,523.04	3,496.42
- Finance expenses	8,512.14	7,090.89
- Interest income	(338.24)	(268.54)
- Loss / (profit) on sale of fixed assets	74.66	(2.63)
Operating profit before working capital changes	18,218.57	14,591.52
Adjustments for :		
Decrease/(increase) in trade receivables	(10,238.16)	(8,548.15)
Decrease/(increase) in other financial and non-financial assets	276.19	(917.49)
Decrease/(increase) in inventories	(9,061.25)	2,171.40
(Decrease)/increase in trade payables	8,020.14	(296.97)
(Decrease)/increase in other financial, non financial liabilities and provisions	3,402.96	2,985.24
Net cash generated from operations (A)	10,618.45	9,985.55
- Taxes paid (net of refunds)	(1,280.32)	(586.80)
Net cash from operating activities	9,338.13	9,398.75
B. Cash flow from investing activities		
- Payment for property, plant & equipment	(3,948.00)	(3,777.83)
- (Increase)/ decrease in capital work in progress	32.17	66.11
- Payment for acquiring right of use of assets	(149.80)	(121.31)
- Proceeds from Sale of property, plant and equipments	40.17	14.36
- Interest income received	338.24	268.54
- Security Deposits (Paid)/Received	(17.21)	-
- Investment in Shares	(0.10)	-
Net cash used in investing activities (B)	(3,704.53)	(3,550.13)
C. Cash flow from financing activities		
- Proceeds/(Repayment) from working capital loan (net)	(1,948.58)	1,468.04
- Proceeds/(Repayment) from secured long term loan	4,368.69	(784.76)
- Payment of lease liabilities interest portion	(48.18)	(24.04)
- Finance expenses	(8,463.95)	(7,066.85)
- Payment of dividend	(643.00)	(96.45)
Net cash used in financing activities (C)	(6,735.02)	(6,504.06)
Net changes in cash & cash equivalents (A+B+C)	(1,101.42)	(655.44)
Cash & cash equivalents at the beginning of the year	6,213.91	6,869.35
Cash & cash equivalents at the end of the year	5,112.49	6,213.91

The accompanying notes are an integral part of financial statements

As per our report of even date attached
For **Sakshi & Associates**
Chartered Accountants
F.R.N. : 025099N

For and on behalf of Board of Directors

Sakshi Kharabanda
Proprietor
M.No. : 523802
UDIN : 24523802BKEXGK7846

Rishi Seth
Managing Director
DIN- 00203469

Gautam Seth
Joint MD and CFO
DIN- 00203405
Camp : New York USA

Lalit Seth
Director
DIN-00312007
Place :Gurugram

Vivek Kumar
Company Secretary
M.No. A18491

Place : New Delhi
Dated : 15.05.2024

Statement of changes in equity

for the year ended March 31, 2024

I) Equity Share Capital

Particulars	Note	No of shares	(₹ in Lakhs)	
			Amounts	
Balance as at 1st April 2022		6,43,00,486	6,430.05	
Changes during the year	16	-	-	
Balance as at 31st March 2023		6,43,00,486	6,430.05	
Changes during the year	16	-	-	
Balance as at 31st March 2024		6,43,00,486	6,430.05	

II) Other equity

Particulars	Note	Reserve & surplus			Total
		Security premium	General reserve	Retained earnings	
Balance as at 1st April 2022	17	36,601.35	2,571.31	30,476.40	69,649.06
Profit for the year		-	-	2,775.73	2,775.73
Other comprehensive income		-	-	(12.14)	(12.14)
Total comprehensive income		-	-	2,763.59	2,763.59
Transaction with owners in their capacity as owners:					
Final equity dividend				(96.45)	(96.45)
Balance as at 31st March 2023		36,601.35	2,571.31	33,143.54	72,316.20
Profit for the year		-	-	4,125.98	4,125.98
Other comprehensive income		-	-	(237.33)	(237.33)
Total comprehensive income		-	-	3,888.65	3,888.65
Transaction with owners in their capacity as owners:					
Final equity dividend		-	-	(643.00)	(643.00)
Balance as at 31st March 2024		36,601.35	2,571.31	36,389.19	75,561.85

The accompanying notes are an integral part of financial statements

As per our report of even date attached
For **Sakshi & Associates**
Chartered Accountants
F.R.N. : 025099N

For and on behalf of Board of Directors

Sakshi Kharabanda
Proprietor
M.No. : 523802
UDIN : 24523802BKEXGK7846

Rishi Seth
Managing Director
DIN- 00203469

Gautam Seth
Joint MD and CFO
DIN- 00203405
Camp : New York USA

Lalit Seth
Director
DIN-00312007
Place :Gurugram

Vivek Kumar
Company Secretary
M.No. A18491

Place : New Delhi
Dated : 15.05.2024



Notes to the financial statements

for the year ended March 31, 2024

Note-1

COMPANY OVERVIEW

HPL Electric & Power Limited (CIN : L74899DL1992PLC048945) ('the Company') is a limited company domiciled in India and incorporated under the provisions of the Companies Act, 1956 having its registered office at 1/20, Asaf Ali Road, New Delhi. The Company is one of the leading players and India's fastest growing electrical and power distribution equipment manufacturer with products ranging from Industrial and Domestic Circuit Protection Switchgears, Cables, Energy Saving Meters, LED Lamps and Luminaries for Domestic, Commercial and Industrial applications, Modular Switches covering the entire range of household, commercial and industrial electrical needs. The Company's manufacturing facilities are located at 6 locations, 2 units at Gurgaon, 1 unit at village Bastara, Tehsil Gharaunda, Karnal, 1 unit at village Bhigan, Ganauar, Sonipat, 1 unit at Kundli in Haryana and 1 unit at village Shavela, Jabli in Himachal Pradesh.

The Company has R&D facilities located at Gurgaon and Kundli in Haryana, approved by Department of Scientific & Industrial Research (DSIR), Ministry of Science & Technology.

The Financial statements were approved by the Board of Directors for issue in accordance with resolution passed on May 15, 2024.

Note-2

SIGNIFICANT ACCOUNTING POLICIES

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

A) Basis of Preparation

i) Compliance with Ind AS

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act)[Companies(Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

ii) Historical cost convention

The financial statements have been prepared on a historical cost basis, except for certain financial assets and liabilities that are measured at fair value.

B) Property plant and equipment

Freehold land is carried at cost. All other items of property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment, if any. The cost

comprises of purchase price, taxes, duties, freight and other incidental expenses directly attributable and related to acquisition and installation of the concerned assets and are further adjusted by the amount of CENVAT /GST/VAT credit availed wherever applicable. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

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

Depreciation methods, estimated useful lives and residual value

Depreciation on buildings, machinery and equipments has been provided on straight-line basis over the estimated useful lives of the respective assets. Intangible assets are amortised over their estimated useful economic lives on straight line basis. Freehold land and work in progress are not depreciated. The estimated useful lives considered for providing depreciation on other substantial assets are as follows:

Building	- 35-45 years
Plant & Machinery	-15-25 years
Computers	-3-5 years
Furniture & Fixtures	-10-15 years
Office Equipments	-5-10 years
Vehicles	-8-10 years

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

C) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at costless accumulated amortization and accumulated impairment losses, if any. Internally generated intangibles, excluding capitalized development cost, are not capitalized and the related expenditure is reflected in Statement of Profit and Loss in the period in which the expenditure is incurred. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use.

STANDALONE FINANCIAL STATEMENTS (CONT.)

Research and development cost

Expenditure and development expenditure that do not meet the criteria as given in Ind AS-38 "Intangible Assets" are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period.

Amortisation methods and periods

The Company amortises intangible assets with a finite useful life using the straight-line method over their estimated useful life of 3-6 years.

The amortization period and the amortization method for an intangible asset with a finite useful life is reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortization period or method, as appropriate and are treated as changes in accounting estimates. The amortization expense on intangible assets with finite lives is recognised in the Statement of Profit and Loss.

Gains or losses arising from disposal of the intangible assets 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 and Loss when the assets are disposed off.

D) Impairment of non-financial assets

The carrying amounts of the assets are reviewed at each Balance sheet date for any indication of impairment based on internal/external factors. If any such indication exists, or when annual impairment testing for an 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) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

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 the risks specific to the asset. In determining fair value less costs of disposal, 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.

Impairment losses including impairment on inventories are recognised in the Statement of Profit and Loss.

E) Financial Instruments

i) Financial Assets

A) Initial recognition and measurement

All financial assets and liabilities are initially recognised at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition.

B) Subsequent measurement

a) Financial assets carried at amortised cost

A financial asset is measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

b) Financial assets carried at fair value through other comprehensive income (FVTOCI)

A financial asset is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

c) Financial assets carried at fair value through profit or loss (FVTPL)

A financial asset which is not classified in any of the above categories are measured at FVTPL.

C) Investment in subsidiaries

The investment in subsidiary and Joint venture are carried at cost as per IND AS 27. The Company regardless of the nature of its involvement with an entity (the investee), determines whether it is a parent by assessing whether it controls the



STANDALONE FINANCIAL STATEMENTS (CONT.)

investee. The Company controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Thus, the Company controls an investee if and only if it has all the following:

- (a) power over the investee;
- (b) exposure, or rights, to variable returns from its involvement with the investee and
- (c) Investments are accounted in accordance with IND AS 105 when they are classified as held for sale. On disposal of investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss
- (d) Investments are accounted in accordance with IND AS 105 when they are classified as held for sale. On disposal of investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss

D) Other Equity Investments

All other equity investments are measured at fair value with changes in fair value recognised in statement of profit and loss except for those equity investments for which the Company has elected to present the value changes in 'Other Comprehensive Income'.

E) Impairment of financial assets

In accordance with Ind AS 109, the Company uses 'Expected Credit Loss' (ECL) model, for evaluating impairment of financial assets other than those measured at fair value through profit and loss (FVTPL).

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

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

default events over the life of the financial instrument).

For trade receivables Company applies 'simplified approach' which requires expected lifetime losses to be recognised from initial recognition of the receivables. The Company uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date these historical default rates are reviewed and changes in the forward looking estimates are analysed.

For other assets, the Company uses 12 month ECL to provide for impairment loss where there is no significant increase in credit risk. If there is significant increase in credit risk full lifetime ECL is used.

ii) Financial Liabilities**A) Initial recognition and measurement**

All financial liabilities are recognised at fair value and in case of loans net of directly attributable cost. Fees of recurring nature are directly recognised in the Statement of Profit and Loss as finance cost.

B) Subsequent measurement

Financial liabilities are carried at amortised cost using the effective interest rate method (EIR). Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss. 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.

F) Income recognition**Interest income**

Interest income from debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

STANDALONE FINANCIAL STATEMENTS (CONT.)

Dividends

Dividends are recognised in profit or loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably.

G) Inventories

Raw materials and stores, work in progress, traded and finished goods are stated at the lower of cost and net realisable value. Cost of raw materials and traded goods comprises cost of purchases. Cost of work-in-progress and finished goods comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Cost of inventories also include all other costs incurred in bringing the inventories to their present location and condition. Costs are assigned to individual items of inventory on the basis of weighted average cost basis. Costs of purchased inventory are determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

H) Revenue Recognition

Effective April 1, 2018, the Company has applied Ind AS 115 which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognised. Ind AS 115 replaces Ind AS 18 Revenue and Ind AS 11 Construction Contracts. The Company has adopted Ind AS 115 using the cumulative effect method. The effect of initially applying this standard is recognised at the date of initial application (i.e. April 1, 2018). The standard is applied retrospectively only to contracts that are not completed as at the date of initial application and the comparative information in the statement of profit and loss is not restated – i.e. the comparative information continues to be reported under Ind AS 18 and Ind AS 11. The impact of adoption of the standard on the financial statements of the Company is insignificant.

Revenue is recognised upon transfer of control of promised products or services to customer in an amount that reflects the consideration which the Company expects to receive in exchange for those products or services, which is usually at the time of delivery of products or services to the customer. Revenue from sale of product is measured at fair value of consideration received /receivable, net of returns, trade allowances, rebates, value added taxes, Goods and Service Tax (GST) and amounts collected on behalf of third parties. Revenue is recognised when it is probable that economic benefits associated with the transaction will flow to the entity, amount of revenue can be measured reliably and

entity retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold.

Contract assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

I) Contract Balances

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional. A receivable represents the Company's right to an amount of consideration that is unconditional.

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

A trade receivable is recognised if an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in section (Financial instruments – initial recognition and subsequent measurement).

J) Employee Benefits**(i) Short-term obligations**

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

(ii) Post-Employment Benefits

Defined Contribution Plan: A defined contribution plan is a post-employment benefit plan under which the Company pays specified contributions to a separately



STANDALONE FINANCIAL STATEMENTS (CONT.)

entity. The Company has defined contribution plans for the post-employment benefits namely provident fund scheme. The Company's contribution in the above plans is recognised as an expense in the Statement of Profit and Loss during the year in which the employee renders the related service.

Defined Benefit Plans: The Company has defined benefit plan namely Gratuity for employees. The liability in respect of gratuity plans is calculated annually by independent actuary using the projected unit credit method. The Company recognises the following changes in the net defined benefit obligation under Employee benefits expense in statement of profit or loss:

- Service costs comprising current service costs, past service costs, gains and losses on curtailment and non-routine-settlements
- Net Interest expense

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in Other comprehensive income. They are included in retained earnings in the Statement of Changes in Equity and in the Balance Sheet. Remeasurements are not reclassified to profit or loss in subsequent periods.

Termination benefits are recognized as an expense immediately.

K) Borrowing Cost

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

Other borrowing costs are expensed in the period in which they are incurred.

L) Income Tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

M) Lease

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

STANDALONE FINANCIAL STATEMENTS (CONT.)

Company as a lessee

The Company's lease asset classes primarily comprise of lease for land and building. 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.

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets as below:

Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the underlying assets (i.e. 30 and 60 years)

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment. Refer to the accounting policies in section 'Impairment of nonfinancial assets'.

Lease Liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be

exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate.

Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

Company as a lessor

Leases for which the Company is a lessor is classified as finance or operating lease. Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

N) Foreign Currency Transactions

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian rupee (INR), which is the Company's functional and presentation currency.



STANDALONE FINANCIAL STATEMENTS (CONT.)

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss.

O) Earnings Per Share**(i) Basic earnings per share**

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Company
- by the weighted average number of equity shares outstanding during the financial year.

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, wherever applicable, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

P) Provisions and Contingent liabilities

Provisions for legal claims, service warranties, volume discounts and returns are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

A contingent liability is possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain

future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources 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 disclose its existence in the financial statements unless the probability of outflow of resource is remote.

Q) Other Operating Revenues**i) Government Grant**

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions.

Government grants relating to income are deferred and recognised in the profit or loss over the period necessary to match them with the costs that they are intended to compensate and presented within other income.

Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to profit or loss on a straight-line basis over the expected lives of the related assets and presented within other income.

ii) Export Benefit

Revenue from export benefits arising from Duty entitlement pass book (DEPB scheme), duty drawback scheme, merchandise export incentive scheme are recognised on export of goods in accordance with their respective underlying scheme at fair value of consideration received or receivable.

R) Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief operating decision maker (CODM). CODM monitors the operating results of all strategic business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit and loss and is measured consistently with profit and loss in the financial statements.

S) Contributed equity

Equity shares are classified as equity.

Incremental costs directly attributable to the issue of new

STANDALONE FINANCIAL STATEMENTS (CONT.)

shares or options are shown in equity as a deduction, net of tax, from the proceeds.

T) Dividends

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

U) Cash and Cash Equivalents

For the purpose of presentation in the Statement of Cash flows, Cash and Cash equivalents includes cash on hand, deposits held at call, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the Balance Sheet.

V) Offsetting financial instruments

Financial assets and financial 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 Company or the counterparty.

W) Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III, unless otherwise stated.

X) Changes in significant accounting policies

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

Y) Significant accounting judgements, estimates and assumptions

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the assets or liabilities affected in future periods.

Judgements, Estimates and assumptions

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 beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

a) Defined benefit plan-Gratuity

The cost of defined benefit plans (i.e. Gratuity benefit) is determined using actuarial valuations. An actuarial valuation involves making various assumptions which may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and future pension increases. Due to the complexity of the valuation, the underlying assumptions and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. In determining the appropriate discount rate, management considers the interest rates of long term government bonds with extrapolated maturity corresponding to the expected duration of the defined benefit obligation. The mortality rate is based on publicly available mortality tables for the specific countries. Future salary increases and pension increases are based on expected future inflation rates for the respective countries. Further details about the assumptions used, including a sensitivity analysis, are given in Note 37.

b) Impairment of Financial assets

The impairment provisions of financial assets are based on assumptions about risk of default and expected loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

c) Warranty provision

Warranty Provisions are measured at discounted present value using pre-tax discount rate that reflects the current market assessments of the time value of money and the risks specific to the liability. Warranty provisions is determined based on the historical percentage of warranty expense to sales for the same types of goods for which the warranty is currently



STANDALONE FINANCIAL STATEMENTS (CONT.)

being determined. The same percentage to the sales is applied for the current accounting period to derive the warranty expense to be accrued. It is adjusted to account for unusual factors related to the goods that were sold, such as defective inventory lying at the depots. It is very unlikely that actual warranty claims will exactly match the historical warranty percentage, so such estimates are reviewed annually for any material changes in assumptions and likelihood of occurrence.

d) Depreciation/amortisation and useful lives of property plant and equipment/intangible assets

Property, plant and equipment / Intangible assets are depreciated /amortised over their estimated useful lives, after taking into account estimated residual values. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation / amortisation

e) Provisions

to be recorded during any reporting period. The useful lives and residual values are based on the Company's historical experience with similar assets and take into account anticipated technological changes. The depreciation/amortisation for future period is revised if there are significant changes from previous estimates.

Provisions and liabilities are recognised in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability requires the application of judgment to existing facts and circumstances, which can be subject to change. The carrying amounts of provisions and liabilities are reviewed regularly and revised to take account of changing facts and circumstances.

STANDALONE FINANCIAL STATEMENTS (CONT.)



3 Property, plant and equipment

(₹ in Lakhs)

S. No.	Particulars	Gross Block		Deletion / Adjustment		31st March 2024		1st April 2023		Accumulated Depreciation For the year		Deletion / Adjustment		31st March 2024		Net Block 31st March 2024	
		1st April 2023	Additions	Deletion / Adjustment	31st March 2024	1st April 2023	For the year	Deletion / Adjustment	31st March 2024	1st April 2023	For the year	Deletion / Adjustment	31st March 2024	Net Block 31st March 2024			
1	Freehold Land	13,132.01	-	-	13,132.01	-	-	-	-	-	-	-	-	13,132.01			
2	Building	9,378.92	-	-	9,378.92	1,650.85	204.43	1,650.85	1,650.85	204.43	-	1,855.28	7,523.64				
3	Plant & Machinery	33,372.63	4,227.22	(1,787.87)	35,811.98	14,406.95	2,990.28	14,406.95	14,406.95	2,990.28	(1,703.42)	15,693.81	20,118.17				
4	Furniture & Fittings	545.18	51.72	(79.14)	517.76	273.47	48.01	273.47	273.47	48.01	(75.78)	245.70	272.06				
5	Office Equipment's	260.71	41.95	(119.64)	183.02	186.90	26.02	186.90	186.90	26.02	(112.99)	99.93	83.09				
6	Vehicles	683.40	155.76	(107.74)	731.42	372.27	85.68	372.27	372.27	85.68	(87.37)	370.58	360.84				
	TOTAL	57,372.85	4,476.65	(2,094.39)	59,755.11	16,890.44	3,354.42	16,890.44	16,890.44	3,354.42	(1,979.56)	18,265.30	41,489.81				

S. No.	Particulars	Gross Block		Deletion / Adjustment		31st March 2023		1st April 2022		Accumulated Depreciation For the year		Deletion / Adjustment		31st March 2023		Net Block 31st March 2023	
		1st April 2022	Additions	Deletion / Adjustment	31st March 2023	1st April 2022	For the year	Deletion / Adjustment	31st March 2023	1st April 2022	For the year	Deletion / Adjustment	31st March 2023	Net Block 31st March 2023			
1	Freehold Land	13,132.01	-	-	13,132.01	-	-	-	-	-	-	-	-	13,132.01			
2	Building	9,378.92	-	-	9,378.92	1,446.42	204.43	1,446.42	1,446.42	204.43	-	1,650.85	7,728.07				
3	Plant & Machinery	29,809.29	3,646.17	(82.83)	33,372.63	12,123.79	2,351.71	12,123.79	12,123.79	2,351.71	(68.55)	14,406.95	18,965.68				
4	Furniture & Fittings	506.95	39.40	(1.17)	545.18	228.22	49.22	228.22	228.22	49.22	(3.97)	273.47	271.71				
5	Office Equipment's	256.85	12.95	(9.09)	260.71	163.45	32.01	163.45	163.45	32.01	(8.56)	186.90	73.81				
6	Vehicles	649.50	49.02	(15.12)	683.40	310.69	76.67	310.69	310.69	76.67	(15.09)	372.27	311.13				
	TOTAL	53,733.52	3,747.54	(108.21)	57,372.85	14,272.57	2,714.04	14,272.57	14,272.57	2,714.04	(96.17)	16,890.44	40,482.41				

a) Refer note 18 and 20 for information on property, plant & equipment pledged as security by the Company

STANDALONE FINANCIAL STATEMENTS (CONT.)

4 CWIP ageing schedule as at 31 March 2024

(₹ in Lakhs)

S No	Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
1	Mould and tools	689.84	-	-	-	689.84
	Total	689.84	-	-	-	689.84

CWIP ageing schedule as at 31 March 2023

(₹ in Lakhs)

S No	Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
1	Mould and tools	722.01	-	-	-	722.01
	Total	722.01	-	-	-	722.01

5 Right of use assets

(₹ in Lakhs)

Particulars	FY 23-24 Leashold Buildings	FY 22-23 Leashold Buildings
Gross carrying value		
As at 01 April	637.05	637.05
Additions	567.42	-
Disposals	(680.38)	-
As at 31 March	524.09	637.05
Accumulated depreciation		
As at 01 April	484.19	362.88
Additions	168.62	121.31
Disposals	(446.90)	-
As at 31 March	205.91	484.19
Net carrying value		
As at 31 March	318.18	152.86

6 Non-current investments

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Investment in subsidiary		
Himachal Energy Pvt Ltd (15,000,000 Equity Shares of ₹ 10 each fully paid up) (31st March 2023: 15,000,000 Equity Shares of ₹ 10 each fully paid up)	5,400.00	5,400.00
Investment in others		
Apraava Bhopal Smart Meter Pvt Ltd (1,000 Equity Shares of ₹ 10 each fully paid up)	0.10	-
Total	5,400.10	5,400.00
Aggregate amount of unquoted investments	5,400.10	5,400.00

STANDALONE FINANCIAL STATEMENTS (CONT.)

7 Loans

(Unsecured, considered good)

(₹ in Lakhs)

Particulars	Non-current		Current	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
Security Deposits	246.72	229.51	69.55	77.66
Total	246.72	229.51	69.55	77.66

8 Deferred tax assets/(liabilities)

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
The balance comprises temporary differences attributable to:	-	-
Provision for employee benefits	630.41	332.91
Provision for warranties	112.75	112.39
Provision for doubtful debts	539.49	498.75
Property, plant and equipment	(2,915.53)	(2,705.54)
Others	428.80	481.13
MAT credit	823.19	1,939.90
Total deferred tax assets/(liabilities)	(380.89)	659.54

Movement in deferred tax assets

(₹ in Lakhs)

Particulars	Provision for employee benefits	Provision for warranties	Provision for doubtful debts	Total
At 1st April 2022	265.59	115.01	480.37	860.97
(Charged)/credited:				
- to profit or loss	67.32	(2.62)	18.38	83.08
- to other comprehensive income	-	-	-	-
At 31st March 2023	332.91	112.39	498.75	944.05
(Charged)/credited:				
- to profit or loss	297.50	0.36	40.75	338.61
- to other comprehensive incomes	-	-	-	-
At 31st March 2024	630.41	112.75	539.50	1,282.66

STANDALONE FINANCIAL STATEMENTS (CONT.)

(₹ in Lakhs)

Particulars	Property, plant and equipment	Others	MAT Credit	Total
At 1st April 2022	(2,501.87)	510.98	2,511.42	520.53
(Charged)/credited:				
- to profit or loss	(203.67)	(29.85)	(571.52)	(805.04)
- to other comprehensive income	-	-	-	-
At 31st March 2023	(2,705.54)	481.13	1,939.90	(284.51)
(Charged)/credited:				
- to profit or loss	(209.99)	(52.33)	(1,116.71)	(1,379.03)
- to other comprehensive incomes	-	-	-	-
At 31st March 2024	(2,915.53)	428.80	823.19	(1,663.54)

9 Other assets

(₹ in Lakhs)

Particulars	Non-current		Current	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
Capital advances to related parties	-	528.66	-	-
Receivable on deferred basis to related parties	596.74	802.74	-	-
Prepaid Expenses	3.61	0.88	741.06	404.56
Balance with government authorities	-	-	1,201.32	1,414.53
Advance to Suppliers*	-	-	2,883.55	3,362.45
Duty Drawback Recoverable	-	-	7.83	7.94
Total	600.35	1,332.28	4,833.76	5,189.48

*includes Rs. 1,988.85/- lakhs from subsidiary, joint ventures and companies, where directors are interested (PY: 2,662.23/- lakhs)

10 Inventories

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
a. Raw Materials and components		
(i) Raw materials	29,728.53	23,674.96
(ii) Material-in-transit	218.23	387.58
b. Work-in-progress	15,676.51	14,130.79
c. Finished goods	10,023.18	8,392.75
d. Stores and spares	30.39	29.51
Total	55,676.84	46,615.59

STANDALONE FINANCIAL STATEMENTS (CONT.)

11 Trade Receivables

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Unsecured		
(i) Trade receivables-considered good*	65,047.40	54,603.24
(ii) Trade receivables-credit impaired	1,261.48	1,144.88
	66,308.88	55,748.12
Less: Allowances for trade receivables-credit impaired	(1,261.48)	(1,144.88)
Total	65,047.40	54,603.24

* includes from companies where directors are interested ₹ 337.31/- lakhs (P.Y. ₹ Nil)

Trade receivable ageing schedule as at March 31, 2024

Particulars	Outstanding for following periods from due date of payment						Total
	Not due	Less than 6 Months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivable- Considered good	44,492.44	10,007.73	2,925.04	2,674.58	1,710.75	3,236.86	65,047.40
Undisputed trade receivable-Credit impaired	-	-	-	-	-	1,261.48	1,261.48
Disputed trade receivable- Considered good	-	-	-	-	-	-	-
Disputed trade receivable-Credit impaired	-	-	-	-	-	-	-
Less : Impairment allowance for trade receivables- Credit impaired	-	-	-	-	-	(1,261.48)	(1,261.48)
Total	44,492.44	10,007.73	2,925.04	2,674.58	1,710.75	3,236.86	65,047.40

Trade receivable ageing schedule as at March 31, 2023

Particulars	Outstanding for following periods from due date of payment						Total
	Not due	Less than 6 Months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivable- Considered good	35,477.54	9,359.81	3,639.62	2,155.55	927.15	3,043.57	54,603.24
Undisputed trade receivable-Credit impaired	-	-	-	-	-	1,144.88	1,144.88
Disputed trade receivable- Considered good	-	-	-	-	-	-	-
Disputed trade receivable-Credit impaired	-	-	-	-	-	-	-
Less : Impairment allowance for trade receivables- Credit impaired	-	-	-	-	-	(1,144.88)	(1,144.88)
Total	35,477.54	9,359.81	3,639.62	2,155.55	927.15	3,043.57	54,603.24

STANDALONE FINANCIAL STATEMENTS (CONT.)

12 Cash and Cash Equivalents

(₹ in Lakhs)

Particulars	As at	
	March 31, 2024	March 31, 2023
Cash and Cash equivalents		
Balances with banks	1,852.73	2,253.41
Cash on hand	354.12	691.85
Total	2,206.85	2,945.26

13 Other Bank Balances

(₹ in Lakhs)

Particulars	As at	
	March 31, 2024	March 31, 2023
Balances with Banks held as Margin Money	2,905.64	3,268.65
Total	2,905.64	3,268.65

14 Other financial assets

(₹ in Lakhs)

Particulars	As at	
	March 31, 2024	March 31, 2023
Earnest money deposit	647.00	720.46
Insurance claim Recoverable	47.74	43.98
Contract Asset Recoverable	582.50	427.88
Total	1,277.24	1,192.32

15 Current tax assets/(liability) (Net)

(₹ in Lakhs)

Particulars	As at	
	March 31, 2024	March 31, 2023
Advance Income Tax (net of provision for tax)	146.66	19.41
Total	146.66	19.41

16 Share capital

(₹ in Lakhs)

Particulars	As at	
	March 31, 2024	March 31, 2023
(a) Authorized		
70,000,000 Equity Shares of ₹ 10/- each (Previous year 70,000,000 Equity Shares of ₹ 10/- each)	7,000.00	7,000.00
(b) Issued, Subscribed & Paid Up		
64,300,486 Equity Shares of ₹ 10/- each fully paid up (31st March 2023; 64,300,486 Equity Shares of ₹ 10/- each fully paid)	6,430.05	6,430.05
Total	6,430.05	6,430.05

STANDALONE FINANCIAL STATEMENTS (CONT.)

(c) Reconciliation of share capital at the beginning and at the end of reporting year

(₹ in Lakhs)

Particulars	As at March 31, 2024		As at March 31, 2023	
	Number	Amount ₹	Number	Amount ₹
Shares outstanding at the beginning of the year	6,43,00,486	6,430.05	6,43,00,486	6,430.05
Shares Issued during the year	-	-	-	-
Shares outstanding at the end of the year	6,43,00,486	6,430.05	6,43,00,486	6,430.05

(d) Rights, Preferences and Restrictions attached to the shares

The company has only one class of equity shares having a par value of ₹10 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the company, the holders of equity shares are entitled to receive remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding. Dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing annual general meeting.

(e) Shareholders holding more than 5% shares in the Company :-

Name of Shareholder	As at March 31, 2024		As at March 31, 2023	
	No. of Equity Shares held	% of Holding	No. of Equity Shares held	% of Holding
Mr. Lalit Seth	80,30,228	12.49	80,30,228	12.49
HPL India Ltd	1,75,73,238	27.33	1,75,73,238	27.33
Havell's Electronics Pvt. Ltd	1,16,52,130	18.12	1,16,52,130	18.12

(f) Shareholding of promoters:

Name of Shareholder	As at March 31, 2024		As at March 31, 2023	
	No. of Equity Shares held	% of Holding	No. of Equity Shares held	% of Holding
Mr. Lalit Seth	80,30,228	12.49	80,30,228	12.49
Mr. Rishi Seth	22,31,740	3.47	22,31,740	3.47
Mr. Gautam Seth	22,31,740	3.47	22,31,740	3.47
Mrs. Praveen Seth	21,33,098	3.32	21,33,098	3.32
HPL India Ltd	1,75,73,238	27.33	1,75,73,238	27.33
Havell's Electronics Private Limited	1,16,52,130	18.12	1,16,52,130	18.12
Havell's Private Limited	28,42,655	4.42	28,42,655	4.42
Jeson Imprex Private Limited	24,000	0.04	24,000	0.04



STANDALONE FINANCIAL STATEMENTS (CONT.)

17 Other equity

(i) Reserves and Surplus

(₹ in Lakhs)

	As at March 31, 2024	As at March 31, 2023
(a) Securities Premium		
Opening Balance	36,601.35	36,601.35
Add : Received on issue of equity shares	-	-
Less : share issue expenses	-	-
Closing Balance	36,601.35	36,601.35

Securities premium reserve

Securities premium reserve is used to record the premium on issue of securities. The reserve is utilised in accordance with the provisions of the Companies Act, 2013

(₹ in Lakhs)

	As at March 31, 2024	As at March 31, 2023
(b) General Reserve		
Opening Balance - General reserve	2,571.31	2,571.31
(+) Current Year Transfer	-	-
Closing Balance	2,571.31	2,571.31

General Reserve : General reserve is used to transfer profits from retained earnings for appropriation purposes. The amount is to be utilised in accordance with the provision of the Companies Act, 2013

(₹ in Lakhs)

	As at March 31, 2024	As at March 31, 2023
(c) Retained earnings		
Opening balance	33,143.54	30,476.40
(+) Net profit/(Loss) for the current year	4,125.98	2,775.73
(-) Dividend on Equity Shares	(643.00)	(96.45)
Items of other comprehensive income recognised directly in retained earnings		
- Remeasurements of post-employment benefit obligation, net of tax	(237.33)	(12.14)
Closing Balance	36,389.19	33,143.54
Total Reserves & Surplus (a+b+c)	75,561.85	72,316.20

Retained earnings

Retained earnings are profits that the Company has earned till date less transfer to General Reserve, dividend or other distribution or transaction with shareholders

STANDALONE FINANCIAL STATEMENTS (CONT.)

18 Borrowings

(₹ in Lakhs)

Particulars	Non-Current	
	As at March 31, 2024	As at March 31, 2023
Secured		
Term loans from banks	6,842.34	2,398.29
Vehicle loans - from banks	73.98	21.00
Unsecured		
Loan from related party (refer note 41)	-	128.34
Total	6,916.32	2,547.63

Secured term loan

The part of outstanding term loan (including current maturity of long term borrowings as per note 20) amounting to Rs. 29.35 crores is secured by way of first pari-passu charge over immovable properties of the Company with working capital lenders and also first charge on movable fixed assets financed by term lenders with FACR of 1.33 and second pari-passu charge on entire current assets of the Company AND part of term loan (including current maturity of long term borrowings as per note 20) amounting to Rs. 88.95 crores is secured by way of first pari-passu charge over entire current assets of the Company both present and future with working capital lenders and collaterally secured by way of 1st pari-passu charge on entire fixed assets of the Company excluding movable fixed assets financed by term lenders, the outstanding of which is 29.35 crores as mentioned above with FACR of 1.33 and also secured by way of 1st pari-passu charge equitable mortgage on land and building with working capital lenders and term lenders of Rs 29.35 crores as mentioned above and 2nd pari-passu charge on fixed assets financed by term lenders of Rs. 29.35 crores and also secured by way of personal guarantee of three promoter directors on entire term loans.

Term loans from banks

(₹ in Lakhs)

Nature	As at March 31, 2024	Interest rate	Frequency of payments	Maturity
Term Loan 1	296.49	6 Month T Bill + spread 3.35% p.a.	Monthly	March, 2025
Term Loan 2	531.96	6 Month T Bill + spread 3.35% p.a.	Quarterly	June, 2027
Term Loan 3	737.05	6 Month MCLR + spread 0.60% p.a.	Monthly	August, 2025
Term Loan 4	394.35	12 Month T Bill + spread 3.63% p.a.	Monthly	Sept, 2024
Term Loan 5	976.19	EBR + spread 4.60% p.a.	Monthly	August, 2026
Term Loan 6	3,997.79	6 Month MCLR + spread 2% p.a.	Quarterly	February, 2026
Term Loan 7	896.10	3 Month T Bill + spread 3.13% p.a.	Quarterly	May, 2026
Term Loan 8	4,000.00	6 Month MCLR + spread 1.05% p.a.	Quarterly	January, 2027
Total	11,829.93			

The interest rates on above term loans varies from 9.6% p.a. to 11.60% p.a. Vehicles loans are secured against hypothecation of respective vehicles and are repayable in maximum 60 instalments and last date of installment is May, 2027. The loan carries an interest rate from 8.6% p.a. to 8.75% p.a.

STANDALONE FINANCIAL STATEMENTS (CONT.)

Maturity profile of term loans including current maturities is as below:

(₹ in Lakhs)

Particulars	As at	
	March 31, 2024	March 31, 2023
Not later than one year or on demand	4,987.59	2,160.60
Later than one year but not two years	4,792.39	1,619.60
Later than two year but not three years	2,049.95	617.21
More than 3 years	-	161.48
Total	11,829.93	4,558.89

Maturity profile of vehicle loans including current maturities is as below:

(₹ in Lakhs)

Particulars	As at	
	March 31, 2024	March 31, 2023
Not later than one year or on demand	49.47	21.06
Later than one year but not two years	39.99	16.91
Later than two year but not three years	33.30	4.09
Later than three year but not four years	0.69	-
Total	123.45	42.06

19 Provisions

(₹ in Lakhs)

Particulars	Long-term		Short-term	
	As at	As at	As at	As at
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
(a) Provision for employee benefits				
Gratuity	887.41	493.68	147.82	84.83
Leave Encashment	-	-	368.85	333.01
	887.41	493.68	516.67	417.84
(b) Other Provisions				
Provision for Warranties	244.65	217.81	113.09	132.05
	244.65	217.81	113.09	132.05
Total	1,132.06	711.49	629.76	549.89

Service warranties

Product warranties:- The company gives warranties on certain products to repair or replace the items that fail to perform satisfactorily during the warranty period. Provision made represents the amount of the expected cost of meeting such obligations of rectification/replacement.

(ii) Movements in provisions

Movements in each class of provision during the financial year, are set out below:

(₹ in Lakhs)

Particulars	Warranty
As at 1st April 2022	343.94
Charged/(credited) to profit or loss	
- additional provisions recognised	62.65
- unused amounts reversed	
- unwinding of discount	13.42

STANDALONE FINANCIAL STATEMENTS (CONT.)

Particulars	Warranty
Amounts used during the year	(70.15)
As at 31st March 2023	349.86
Charged/(credited) to profit or loss	
- additional provisions recognised	70.00
- unused amounts reversed	
- unwinding of discount	6.86
Amounts used during the year	(68.98)
As at 31st March 2024	357.74

20 Short Term Borrowings

(₹ in Lakhs)

Particulars	As at	As at
	March 31, 2024	March 31, 2023
Loans repayable on demand		
-Secured Loans		
- From Banks	46,161.06	50,965.03
- Current maturities of term loans	4,987.59	2,160.60
- Current maturities of vehicle loans	49.47	21.06
Total	51,198.12	53,146.69

Working capital facilities (Fund based and Non Fund Based) are availed from consortium of banks led by State Bank of India. The lead bank has linked its cash credit interest rate with 6 months MCLR + spread 0.95% p.a. and WCL interest with applicable MCLR linked to the tenure of WCL + spread of 0.95% p.a. and these working capital facilities are repayable on demand. Working capital facilities alongwith term lenders of Rs 88.95 Crores are secured by way of first pari passu charge over entire current assets of the Company including stock and receivables both present and future and first charge on pari passu basis over Company's entire fixed assets (excluding movable fixed assets financed by Term Lenders the outstanding of which is Rs. 29.35 Crores with FACR of 1.33 on which Term lenders have first pari passu charge). Working Capital lenders have also 1st pari passu charge by way of EM on land and building with Term Lenders (the outstanding of which is Rs 29.35 Crores) at Company's 6 manufacturing locations. Working capital facilities and term loans are also secured by personal guarantees of three promoter directors.

Net Debt Reconciliation

This section sets out an analysis of net debt and the movements in net debt for each of the periods presented

(₹ in Lakhs)

Particulars	As at	As at
	March 31, 2024	March 31, 2023
Cash and cash equivalentss	5,112.49	6,213.91
Long term borrowings	(6,916.32)	(2,547.63)
Short term borrowings	(51,198.12)	(53,146.69)
Net debt	(53,001.95)	(49,480.41)



STANDALONE FINANCIAL STATEMENTS (CONT.)

(₹ in Lakhs)

Particulars	Cash and cash equivalents	Long term Borrowings	Current Borrowings	Total
Net debt as at 31st March 2022	6,869.35	(3,332.39)	(51,678.65)	(48,141.69)
Cash flows	(655.44)	-	-	(655.44)
Repayment/(Proceeds) working capital loan (net)	-	-	(1,468.04)	(1,468.04)
Repayment/(Proceeds) secured term loan	-	784.76	-	784.76
Net debt as at 31st March 2023	6,213.91	(2,547.63)	(53,146.69)	(49,480.41)
Cash flowss	(1,101.42)	-	-	(1,101.42)
Repayment/(Proceeds) working capital loan (net)	-	-	1,948.57	1,948.57
Repayment/(Proceeds) secured term loan	-	(4,368.69)	-	(4,368.69)
Net debt as at 31st March 2024	5,112.49	(6,916.32)	(51,198.12)	(53,001.95)

Utilised amount of bank guarantees (performance and bid bonds) as at 31st March 2024 : ₹ 38,541.22/- lakhs (PY ₹ 31,951.04/- lakhs)

21 Trade Payables

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Trade Payables		
(a) Total outstanding of Micro and Small Enterprises under MSMED Act, 2006* (Refer note 38)	1,471.01	1,625.87
(b) Total outstanding of creditors other than Micro and Small Enterprises	27,581.62	19,406.60
Total	29,052.63	21,032.47

Trade payable ageing schedule as at March 31, 2024

Particulars	Outstanding for following periods from due date of payment					Total
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Trade payables-MSME	1,471.01	-	-	-	-	1,471.01
Trade payables-Others	5,955.62	21,626.00	-	-	-	27,581.62
Disputed dues-MSME	-	-	-	-	-	-
Disputed dues-Others	-	-	-	-	-	-
Total	7,426.63	21,626.00	-	-	-	29,052.63

Trade payable ageing schedule as at March 31, 2023

Particulars	Outstanding for following periods from due date of payment					Total
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Trade payables-MSME	1,625.87	-	-	-	-	1,625.87
Trade payables-Others	2,486.47	16,500.85	129.67	289.61	-	19,406.60
Disputed dues-MSME	-	-	-	-	-	-
Disputed dues-Others	-	-	-	-	-	-
Total	4,112.34	16,500.85	129.67	289.61	-	21,032.47

STANDALONE FINANCIAL STATEMENTS (CONT.)

22 Other financial liabilities

(₹ in Lakhs)

Particulars	Non-current		Current	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
Expenses Payable	-	-	208.36	251.72
Interest Accrued but not due	-	-	69.99	86.40
Employee Benefits Payable	-	-	1,139.24	1,210.35
Security deposit received	1,282.62	2,835.04	1,500.00	-
Factoring of Debtors	-	-	412.59	636.29
Contract Liabilities*	1,189.91	-	2,332.62	-
Total	2,472.53	2,835.04	5,662.80	2,184.76

* The Company has obligation to deliver the goods & services to customer for which the Company has received consideration. The Company has recognized contract liability against the agreements with customer for sale of goods and services.

23 Other Current Liabilities

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Statutory dues payable	1,116.78	957.56
Unpaid Dividend	3.93	3.16
Total	1,120.71	960.72

24 Revenue from operation

(₹ in Lakhs)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Sale of Products		
Finished Goods	1,42,091.65	1,21,486.69
Total	1,42,091.65	1,21,486.69

Particulars of Sale of products

(₹ in Lakhs)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Finished goods		
Metering & Systemes	81,263.61	62,268.45
Consumer, Industrial & Services	60,828.04	59,218.24
Total	1,42,091.65	1,21,486.69



STANDALONE FINANCIAL STATEMENTS (CONT.)

25 Other Income

(₹ in Lakhs)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Interest income from financial assets at amortised cost	338.24	268.54
Other non-operating income	37.06	53.49
Total	375.30	322.03

26 Particulars of Raw Materials Consumed

(₹ in Lakhs)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Copper	17,755.56	15,472.18
Electronic Components	55,685.37	46,429.72
Engineering Plastic	16,923.36	14,887.33
Packing	1,284.02	1,114.70
Otherss	6,126.28	3,555.68
Total	97,774.59	81,459.61

27 Changes in Inventories of Finished Goods and Work-in-Progress and Stock-in- Trade

(₹ in Lakhs)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Inventories (at close)		
Finished Goods	10,023.18	8,392.75
Work-in-Progress	15,676.52	14,130.79
	25,699.70	22,523.54
Inventories (at commencement)		
Finished Goods	8,392.75	9,006.65
Work-in-Progress	14,130.79	13,886.48
	22,523.54	22,893.13
Net Decrease / (Increase)	(3,176.16)	369.59

28 Employee Benefits Expense

(₹ in Lakhs)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Salaries and wages	16,585.94	13,423.15
Contribution to provident and other funds (* refer note no 39)	261.03	246.08
Staff welfare expenses	481.49	193.51
Total	17,328.46	13,862.74

STANDALONE FINANCIAL STATEMENTS (CONT.)

29 Finance Cost

(₹ in Lakhs)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Interest Expenses	7,073.54	6,016.81
Interest on lease liability (*refer note no 37)	48.19	24.04
Other borrowing costs- Bank Charges	1,390.41	1,050.04
Total	8,512.14	7,090.89

30 Depreciation and Amortization Expenses

(₹ in Lakhs)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Depreciation of property, plant and equipment	3,354.42	2,714.04
Depreciation of right-of-use assets	168.62	121.31
Amortisation of intangible assets	-	661.07
Total	3,523.04	3,496.42

31 Other Expenses

(₹ in Lakhs)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Power and Fuel	1,240.40	1,032.79
Rent	142.68	130.58
Repairs & Maintenance	1,394.78	929.11
Research & Development Expenses	1,016.47	884.92
Testing Expenses	738.38	587.08
Rates and taxes excluding taxes on income	210.56	151.01
Legal & Professional Expenses	660.94	518.79
Travelling & Conveyance	1,502.39	1,131.54
Communication Expenses	120.39	129.92
Printing & Stationery	94.93	71.66
Insurance	272.79	228.59
Membership & Subscription	18.65	13.58
Commision on sales	954.59	1,059.05
Provision for expected credit loss	152.53	138.38
Advertisement and business promotion	1,986.77	2,899.53
Freight Outward	1,230.54	1,182.20
Product Warranties	108.97	112.72
Loss on sale of Fixed Assets	74.66	-
Donation	69.06	2.94
Auditors remuneration	21.50	20.00
Contribution towards Corporate Social Responsibility	45.00	27.00
Miscellaneous Expenses	0.93	2.70
Total	12,057.91	11,254.09

STANDALONE FINANCIAL STATEMENTS (CONT.)

31 (a) Auditor's Remuneration

(₹ in Lakhs)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Audit Fees	18.00	18.00
Tax Audit Fees	3.50	2.00
Total	21.50	20.00

31 (b) Research & Development Expenditure :-

(₹ in Lakhs)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
(i) Capital Expenditure	0.67	20.51
	0.67	20.51
(ii) Revenue Expenditure		
a) Employee Cost	936.96	832.29
b) Purchase of Raw Materials	70.45	39.69
c) Electricity Expenses	9.06	12.94
	1,016.47	884.92
Total	1,017.14	905.43

31 (c) Corporate Social Responsibility Expenditure :-

As per the provisions of section 135 of the Companies Act, 2013, the Company has to spend at least 2% of average net profits of the preceding three financial years towards Corporate Social Responsibility ("CSR"). Accordingly, a CSR committee has been formed for carrying out CSR activities. The areas for CSR activities are eradicating hunger, poverty and malnutrition, promoting preventive health care, providing relief to the poor and rural development projects.

(₹ in Lakhs)

Details of CSR Expenditure	Year ended March 31, 2024	Year ended March 31, 2023
a) Gross amount required to be spent by the Company during the year	41.22	24.33
b) Amount spent during year ended 31st March 2024		
Construction/ acquisition of an asset	-	-
Contribution to other purpose other than above	45.00	27.00
Add : Excess spent amount from previous year utilized during the current year	3.08	0.41
Total amount spent	48.08	27.41
Excess spent during the year to be carry forward to next year	6.86	3.08

STANDALONE FINANCIAL STATEMENTS (CONT.)

32 Income tax expense

(₹ in Lakhs)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Current tax		
Current tax on profits for the year	1,153.07	771.18
Total current tax expense	1,153.07	771.18
Deferred tax		
Deferred tax expense/(income) for the period	51.22	156.95
MAT credit entitlement/Setoff	1,116.70	571.52
Total deferred tax expense/(benefit)	1,167.92	728.47
Income tax expense	2,320.99	1,499.65

(₹ in Lakhs)

(a) Reconciliation of tax expense and the accounting profit	Year ended March 31, 2024	Year ended March 31, 2023
Profit before income tax expense	6,446.97	4,275.38
Tax at the Indian tax rate of 34.944% (31st March 2023 – 34.944%)	2,252.83	1,493.99
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Corporate social responsibility expenditure	7.86	4.72
Interest on late payment	12.93	0.83
Loss on sale/scrap of FA	26.09	-
Other items	21.28	0.11
Income tax expense	2,320.99	1,499.65

33 Earnings per share

(₹ in Lakhs)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
(i) Profit after tax	4,125.98	2,775.73
(ii) Weighted average number of equity shares for basic EPS	643.00	643.00
(iii) Weighted average number of equity shares for dilutive EPS	643.00	643.00
(iv) Nominal value per Equity Shares	10	10
(v) Earning Per Share (Basic)	6.42	4.32
(vi) Earning Per Share (Dilutive)	6.42	4.32



STANDALONE FINANCIAL STATEMENTS (CONT.)

34 Fair value measurements

(₹ in Lakhs)

Financial instruments by category	31st March 2024		31st March 2023	
	FVTPL	Amortised cost	FVTPL	Amortised cost
Financial assets				
Trade receivables	-	65,047.40	-	54,603.24
Loans	-	316.27	-	307.17
Cash and Bank Balances	-	5,112.49	-	6,213.91
Other Financial Assets	-	1,277.24	-	1,192.32
Total financial assets	-	71,753.40	-	62,316.64
Financial liabilities				
Borrowings	-	58,114.44	-	55,694.32
Trade payables	-	29,052.63	-	21,032.47
Other Financial Liabilities	-	8,135.33	-	5,019.80
Total financial liabilities	-	95,302.40	-	81,746.59

(i) Fair value hierarchy

This section explains the judgments and estimates made in determining the fair values of the financial instruments that are measured at amortized cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath.

Assets and liabilities which are measured at amortised cost

(₹ in Lakhs)

	Level 1	Level 2	Level 3	Total
As at March 31, 2024				
Financial assets				
Trade receivables	-	-	65,047.40	65,047.40
Loans	-	-	316.27	316.27
Cash and bank balances	-	-	5,112.49	5,112.49
Other financial assets	-	-	1,277.24	1,277.24
Total financial assets	-	-	71,753.40	71,753.40
Financial liabilities				
Borrowings	-	-	58,114.44	58,114.44
Trade payables	-	-	29,052.63	29,052.63
Other financial liabilities	-	-	8,135.33	8,135.33
Total financial liabilities	-	-	95,302.40	95,302.40
As at March 31, 2023				
Financial assets				
Trade receivables	-	-	54,603.24	54,603.24
Loans	-	-	307.17	307.17
Cash and bank balances	-	-	6,213.91	6,213.91

STANDALONE FINANCIAL STATEMENTS (CONT.)

	Level 1	Level 2	Level 3	Total
Other financial assets	-	-	1,192.32	1,192.32
Total financial assets	-	-	62,316.64	62,316.64
Financial liabilities				
Borrowings	-	-	55,694.32	55,694.32
Trade payables	-	-	21,032.47	21,032.47
Other financial liabilities	-	-	5,019.80	5,019.80
Total financial liabilities	-	-	81,746.59	81,746.59

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices.

Level 2: The fair value of financial instruments that are not traded in an active market (for example foreign exchange forward contracts) is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

There are no transfer of levels during the year.

As of 31st March 2024, 31st March 2023, the fair value of cash and bank balances, trade receivables, other current financial assets and liabilities, borrowings, trade payables approximate their carrying amount largely due to the short term nature of these instruments.

For other financial assets and liabilities that are measured at amortised cost, the carrying amounts approximate the fair value.

35 Financial risk management

The Company's principal financial liabilities comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to provide finance to the Company to support its operations. The Company's principal financial assets include loans, trade and other receivables, and cash and short-term deposits that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management ensures that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives.

(A) Credit risk

Credit risk refers to the risk of default on its obligation by the counter party resulting in a financial loss. The maximum exposure to the credit risk at the reporting date is primarily from trade receivables. Trade receivables are typically unsecured and are derived from revenue earned through government customers and other corporate customers. The Company has used the expected credit loss model to assess the impairment loss or gain on trade receivables and unbilled revenue, and has provided it wherever appropriate. The following table gives the movement in allowance for expected credit loss for the year ended 31 March, 2024:



STANDALONE FINANCIAL STATEMENTS (CONT.)

Movement in Expected Credit Loss Allowance:

(₹ in Lakhs)

Particulars	31st March 2024	31st March 2023
At the beginning of year	1,144.88	1,092.28
Provision during the year	152.53	138.38
Bad debts written off	(35.93)	(85.78)
Total ECL	1,261.48	1,144.88

(B) Liquidity risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at reasonable price. The Company's objective is to at all times maintain optimum levels of liquidity to meet its cash and liquidity requirements. The Company closely monitors its liquidity position and maintains adequate source of financing through the use of short term bank deposits and cash credit facility. Processes and policies related to such risks are overseen by senior management.

(i) Maturities of financial liabilities

The table below provides details regarding the contractual maturities of significant financial liabilities:

Contractual maturities of financial liabilities: (undiscounted)

(₹ in Lakhs)

Particulars	Less than 1 year	1 to 5 years	Total
31st March 2024			
Borrowings	51,198.12	6,916.32	58,114.44
Trade payables	29,052.63	-	29,052.63
Lease liabilities (undiscounted)	144.47	272.08	416.55
Other financial liabilities	5,548.18	2,235.93	7,784.11
Total	85,943.40	9,424.33	95,367.73
31st March 2023			
Borrowings	53,146.69	2,547.63	55,694.32
Trade payables	21,032.47	-	21,032.47
Lease liabilities (undiscounted)	115.59	70.49	186.08
Other financial liabilities	2,079.97	2,764.55	4,844.52
Total	76,374.72	5,382.67	81,757.39

(C) 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 prices comprises three types of risk: currency rate risk, interest rate risk and other price risks, such as equity price risk and commodity price risk. Financial instruments affected by market risks include loans and borrowings, deposits, investments and foreign currency receivables and payables. The sensitivity analyses in the following sections relate to the position as at 31st March 2024. The analyses exclude the impact of movements in market variables on: the carrying values of gratuity, pension obligation and other post-retirement obligations; provisions; and the nonfinancial assets and liabilities. The sensitivity of the relevant Profit and Loss item is the effect of the assumed changes in the respective market risks. This is based on the financial assets and financial liabilities held as of 31st March 2024.

STANDALONE FINANCIAL STATEMENTS (CONT.)

(i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the short term debt obligation at floating interest rates. The Company's borrowings outstanding as at March 31, 2024 comprises of floating rate loans and accordingly, are expose to risk of fluctuation in market interest rate.

Sensitivity

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates.

(₹ in Lakhs)

Particulars	Impact on profit after tax	
	31st March 2024	31st March 2023
Interest rate (increase by 100 basis points)*	(581.14)	(556.94)
Interest rate (decrease by 100 basis points)*	581.14	556.94

* Holding other variables constant

(ii) Foreign currency risk

The company operates internationally and is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the trade receivables and payables. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the company's functional currency (INR).

The Company's exposure to foreign currency risk at the end of the reporting period expressed in INR, are as follows (₹ in Lakhs)

	March 31, 2024		March 31, 2023	
	Foreign currency	Indian Rupee	Foreign currency	Indian Rupee
Trade receivables				
United States Dollar (USD)	32.09	2,675.16	18.66	1,533.19
Great Britain Pound (GBP)	1.00	105.70	3.46	350.17
Australian Dollar (AUD)	0.52	28.36	0.72	39.73
Euro (EUR)	0.52	46.48	-	-
Net exposure to foreign currency risk (assets)		2,855.70		1,923.09
Trade payables				
United States Dollar (USD)	51.80	4,318.87	38.61	3,173.09
Euro (EUR)	0.84	75.91	0.07	5.88
Net exposure to foreign currency risk (liabilities)		4,394.78		3,178.97

Sensitivity

The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjust their translation for the period end for 1% change in foreign currency rates. A positive number below indicates an increase in profit or equity where the Rupees 1% against the relevant currency. For a 1% weakening of the Rs. against relevant currency, there would be a comparable impact on the profits or equity, and the balances below would be negative.

STANDALONE FINANCIAL STATEMENTS (CONT.)

(₹ in Lakhs)

Particulars	Impact on profit after tax	
	31st March 2024	31st March 2023
USD sensitivity		
INR/USD - Increase by 1%*	(16.44)	(16.40)
INR/USD - Decrease by 1%*	16.44	16.40
EUR sensitivity		
INR/EUR - Increase by 1%*	(0.29)	0.06
INR/EUR - Decrease by 1%*	0.29	(0.06)
GBP sensitivity		
INR/GBP - Increase by 1%	1.06	3.50
INR/GBP - Decrease by 1%	(1.06)	(3.50)
AUD sensitivity		
INR/AUD - Increase by 1%	0.28	0.01
INR/AUD - Decrease by 1%	(0.28)	(0.01)

* Holding other variables constant

36 Capital management

(a) Risk management

For the purposes of the Company's capital management, Capital includes equity attributable to the equity holders of the Company and all other equity reserves. The primary objective of the Company's capital management is to ensure that it maintains an efficient capital structure and maximize 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 or issue new shares. The Company is not subject to any externally imposed capital requirements. No changes were made in the objectives, policies or processes for managing capital during the year ended 31st March 2024, 31st March 2023.

The Company monitors capital using net debt to equity ratio, which is net debt (as reduced by Cash and Cash Equivalent) divided by total equity.

(₹ in Lakhs)

Particulars	31st March 2024	31st March 2023
Borrowings	58,114.44	55,694.32
Cash and Bank Balances	(5,112.49)	(6,213.91)
Net debt	53,001.95	49,480.41
Equity	81,991.90	78,746.25
Net debt to equity ratio	64.64%	62.84%

STANDALONE FINANCIAL STATEMENTS (CONT.)

(₹ in Lakhs)

(b) Dividends	31st March 2024	31st March 2023
(i) Equity shares		
Final dividend for the year ended 31st March 2023 of INR 1.00 (31 March 2022 – INR 0.15) per fully paid share	643.00	96.45

(ii) Dividends not recognised at the end of the reporting period

In addition to the above dividends, since year end the directors have recommended the payment of a final dividend of ₹ 1.00 per (10%) fully paid equity share. This proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting.

37 Leases

The Group's lease asset classes primarily consist of leases for buildings. The Group 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 Group assesses whether: (i) the contract involves the use of an identified asset (ii) the Group has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Group has the right to direct the use of the asset.

At the date of commencement of the lease, the Group 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 Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

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

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

The lease liability is initially measured at amortised cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Group changes its assessment if whether it will exercise an extension or a termination option.

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

(i) Following is carrying value of right of use assets recognised on date of transition and the movements thereof during the year ended March 31, 2024.

STANDALONE FINANCIAL STATEMENTS (CONT.)

(₹ in Lakhs)

Particulars	FY 23-24	FY 22-23
	ROU Asset Leashold Buildings	ROU Asset Leashold Buildings
Gross carrying value		
As at 01 April	152.86	274.17
Additions	567.42	-
Deletion during the year	(233.48)	-
Depreciation of Right of use assets	(168.62)	(121.31)
Net carrying value 'As at 31 March	318.18	152.86

ii) The following is the carrying value of lease liability for the year ended March 31, 2024

Particulars	FY 23-24	FY 22-23
	Leashold Buildings	Leashold Buildings
As at 01 April	175.28	296.90
Additions	567.42	-
Finance cost accrued during the year	48.18	24.04
Deletion during the year	(241.68)	-
Payment of lease liabilities	(197.98)	(145.66)
Net carrying value 'As at 31 March	351.22	175.28
Current maturities of Lease Liability	114.62	104.79
Non-Current Lease Liability	236.60	70.49

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

38 The disclosure pursuant to Micro, Small & Medium Enterprises Act 2006, are as under:

- Principal amount and the interest due thereon remaining unpaid to any supplier at the period ending 31st March, 2024 - ₹ 1,471.01/- lakhs (P.Y. ₹ 1,625.87/- lakhs)
- Amount of interest paid by the Company in terms of Section 16 of the MSMED, along with the amount of the payment made to the beyond the appointed day during the accounting period ending 31st March, 2024 - Nil (P.Y. Nil)
- Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding the interest specified under the MSMED - Nil (P.Y. Nil)

STANDALONE FINANCIAL STATEMENTS (CONT.)

39 Disclosures pursuant to Ind AS-19 "Employee Benefits"(specified under section 133 of the Companies Act, 2013, read with Rule 7 of Companies (Accounts) Rules, 2015) are given below :

a Defined Contribution Plans

Contribution to Defined Contribution Plan, recognized as expenses for the period are as under :

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at 31st March, 2023
Employer's contribution to Provident Fund		
Employer's contribution to ESI	245.73	231.47
Employer's contribution to Welfare Fund	11.77	12.18
	3.53	2.43
Total	261.03	246.08

b Defined Benefit Plans

The following tables summaries the components of net benefit expense recognised in the statement of profit or loss and the funded status and amounts recognised in the balance sheet for the respective plans:

i) Reconciliation of opening and closing balance of Defined Benefit Obligation

(₹ in Lakhs)

Particulars	Gratuity (Non Funded)	
	As at March 31, 2024	As at 31st March, 2023
Defined Benefit obligation at beginning of the year	578.51	536.93
Current Service Cost	120.51	71.54
Past Service Cost	-	-
Interest Cost	43.39	38.93
Benefits paid	(71.98)	(87.55)
Remeasurement of (Gain)/loss recognised in other comprehensive income		
Actuarial changes arising from changes in demographic assumptions	-	-
Actuarial changes arising from changes in financial assumptions	-	-
Actuarial changes arising from changes in experience adjustments	364.81	18.66
Defined Benefit obligation at end of the year	1,035.23	578.51

Net defined benefit asset/ (liability) recognised in the balance sheet

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at 31st March, 2023
Present value of defined benefit obligation	1,035.23	578.51
Amount recognised in Balance Sheet- Asset / (Liability)	1,035.23	578.51



STANDALONE FINANCIAL STATEMENTS (CONT.)

ii) Net defined benefit expense (Recognised in the Statement of profit and loss for the year)

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at 31st March, 2023
Current Service Cost	120.51	71.54
Past Service Cost	-	-
Interest Cost	43.39	38.93
Net defined benefit expense debited to statement of profit and loss	163.90	110.47

iii) Remeasurement of (Gain)/loss recognised in other comprehensive income (₹ in Lakhs)

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at 31st March, 2023
Actuarial changes arising from changes in demographic assumptions	-	-
Actuarial changes arising from changes in financial assumptions	-	-
Actuarial changes arising from changes in experience adjustments	364.81	18.66
Recognised in other comprehensive income	364.81	18.66

iv) Principal assumptions used in determining defined benefit obligation

(₹ in Lakhs)

Mortality table	IALM 2012-14 Ultimate	IALM 2012-14 Ultimate
Discount Rate	7.25 % p.a	7.50 % p.a
Rate of escalation in salary(per annum)	5.00 % p.a	5.00 % p.a
Withdrawal rate (Per Annum)	1 - 5 % p.a	1 - 5 % p.a

a) The estimates of rate of escalation in salary considered in actuarial valuation are after taking into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is as certified by the Actuary.

b) Discount rate is based on the prevailing market yields of Indian Government securities as at the balance sheet date for the estimated term of the obligations.

v) Quantitative sensitivity analysis for significant assumptions is as below:

(₹ in Lakhs)

Increase / (decrease) on present value of defined benefits obligations at the end of the year	As at March 31, 2024	As at 31st March, 2023
Discount Rate		
Increase by 1%	951.96	530.22
Decrease by 1%	1,131.34	634.46
Salary Increase		
Increase by 1%	1,132.53	635.31

STANDALONE FINANCIAL STATEMENTS (CONT.)

Increase / (decrease) on present value of defined benefits obligations at the end of the year	As at March 31, 2024	As at 31st March, 2023
Decrease by 1%	949.55	528.71
Attrition Rate		
Increase by 1%	1,047.98	587.44
Decrease by 1%	1,020.78	568.40

vi) Maturity profile of defined benefit obligation (undiscounted)

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at 31st March, 2023
Within the next 12 months (next annual reporting period)	147.82	84.83
Between 2 and 5 years	142.00	69.06
Between 5 and 10 years	745.41	424.62
Total expected payments	1,035.23	578.51

vii) The average duration of the defined benefit plan obligation at the end of the reporting period is 11 years (31st March 2023: 12 years)

viii) The estimates of rate of escalation in salary considered in actuarial valuation are after taking into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is as certified by the Actuary.

ix) The sensitivity analyses above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

x) Discount rate is based on the prevailing market yields of Indian Government securities as at the balance sheet date for the estimated term of the obligations.

40 Segment Reporting

a) The segment reporting of the Company has been prepared in accordance with Ind AS-108, "Operating Segment" (specified under section 133 of the Companies Act, 2013, read with Rule 7 of Companies (Accounts) Rules, 2015). For management purposes, the company is organised into business units based on its products and services and has identified four reportable segments viz Metering, Switchgear, Lighting & Electronics and cables on the basis of the nature of products, the risk return profile of individual business and the internal business reporting systems.

b) Revenue and expenses have been identified to a segment on the basis of relationship to operating activities of the segment. Revenue and expenses which relate to enterprise as a whole and are not allocable to a segment on reasonable basis have been disclosed as "Unallocated".

c) Segment assets and segment liabilities represent assets and liabilities in respective segments. Investment, tax related assets and other assets and liabilities that cannot be allocated to a segment on reasonable basis have been disclosed as



STANDALONE FINANCIAL STATEMENTS (CONT.)

“Unallocated”

d) There are no customers having revenue exceeding 10% of the total revenues.

(₹ in Lakhs)

Particulars	As at 31st March 2024	As at 31st March, 2023
(A) Segment Revenue		
Metering, Systems & Services	81,263.61	62,268.45
Consumer, Industrial & Services	60,828.04	59,218.24
	1,42,091.65	1,21,486.69
(B) Results		
Segment Results		
Metering, Systems & Services	11,667.87	8,285.53
Consumer, Industrial & Services	6,917.61	7,003.63
	18,585.48	15,289.16
Unallocated expenses net of income		
Operating Profit	3,626.37	3,922.89
Interest Expenses	14,959.11	11,366.27
Profit before tax	8,512.14	7,090.89
Tax Expenses	6,446.97	4,275.38
Profit after tax	2,320.99	1,499.65
	4,125.98	2,775.73
(C) Other Information		
Segment Assets		
Metering, Systems & Services	1,00,056.53	75,568.33
Consumer, Industrial & Services	75,305.65	81,242.93
Unallocated	5,546.76	6,078.96
	1,80,908.94	1,62,890.22
Segment Liabilities		
Metering, Systems & Services	26,996.89	16,254.78
Consumer, Industrial & Services	13,424.82	12,175.48
Unallocated	58,495.33	55,713.71
	98,917.04	84,143.97
Capital Expenditure		
Metering, Systems & Services	3,983.02	3,553.21
Consumer, Industrial & Services	493.63	194.33
	4,476.65	3,747.54
Depreciation		
Metering, Systems & Services	2,320.89	1,640.91
Consumer, Industrial & Services	1,202.15	1,855.51
	3,523.04	3,496.42
Segment Revenue		
The following is the distribution of Company's revenue by geographical market :-		

STANDALONE FINANCIAL STATEMENTS (CONT.)

Domestic Market	1,37,781.92	1,16,885.26
Overseas Market	4,309.73	4,601.42
	1,42,091.65	1,21,486.68

41 Related Party Disclosure

(i) Name of related parties with description of relationship :

(A) Subsidiaries :

- (1) Himachal Energy Pvt. Ltd.
- (2) HPL Electric & Power Pvt.Ltd.- Shriji Designs (JV)
- (3) HPL Electric & Power Pvt.Ltd.- Trimurthi Hitech Co. Pvt. Ltd.- Shriji Designs (JV)

(B) Entities in which directors are interested :

- | | |
|-----------------------------------|--------------------------------|
| (1) HPL India Ltd. | (2) HPL Power Corporation Ltd. |
| (3) Havells Electronics Pvt. Ltd. | (4) Amerex Pvt. Ltd. |
| (5) Jesons Impex Pvt. Ltd. | (6) Havells Pvt. Ltd. |
| (7) Seth Inder Narain Trust | |

(C) Key Management Personnel :

- | | |
|---------------------|---------------------|
| (1) Mr. Lalit Seth | (2) Mr. Rishi Seth |
| (3) Mr. Gautam Seth | (4) Mr. Vivek Kumar |

(D) Non Executive Directors

- | | |
|---------------------------|---------------------|
| (1) Mr. Hargovind Sachdev | (2) Mrs. Rashmi Viz |
| (3) Mr. Dhruv Goyal | |

(E) Relatives of Key Management Personnel

- | | |
|-----------------------|---------------------|
| (1) Mrs. Praveen Seth | (2) Mrs. Pooja Seth |
| (3) Mrs. Vani Seth | |

(iii) Key management personnel compensation

(₹ in Lakhs)

Particulars	31st March 2024	31st March 2023
Short-term employee benefits	751.33	675.69
Dividend paid during the year	124.94	18.74
Total compensation	876.27	694.43

(iv) Details of transactions with Related Parties:-

(₹ in Lakhs)

Particulars	31st March 2024	31st March 2023
Purchase of goods		
1. Himachal Energy Pvt. Ltd	247.54	396.66



STANDALONE FINANCIAL STATEMENTS (CONT.)

Particulars	31st March 2024	31st March 2023
Purchase of Services		
1. HPL India Ltd	805.57	809.12
Purchase of Assets		
1. Himachal Energy Pvt. Ltd	-	1,019.95
Sale of goods		
1. Himachal Energy Pvt. Ltd	4,096.29	5,938.48
Sale of Services		
1. HPL India Ltd	290.93	-
Repayment of Loan and advances		
1. Havells Electronics Pvt. Ltd	32.23	-
2. Havells Pvt. Ltd	7.84	-
3. HPL India Ltd	48.00	-
4. Directors	40.27	-
Dividend paid to entities in which directors are interested		
1. Havells Electronics Pvt. Ltd	116.52	17.48
2. Havells Pvt. Ltd	28.43	4.26
3. HPL India Ltd	175.73	26.36
4. Jesons impex Pvt Ltd	0.24	0.04
Transaction with Key Managerial Person		
1. Managerial Remuneration	751.33	675.69
2. Director sitting fees	8.60	9.90
3. Dividend Paid	124.94	18.74
Transaction with relatives of Key Managerial Person		
1. Dividend Paid	21.33	3.20

(v) Summary of outstanding Balances with the above Related Parties for the respective years are as given below:

Particulars	31st March 2024	31st March 2023
		(₹ in Lakhs)
Subsidiary Companies		
Himachal Energy Pvt. Ltd.	5,400.00	5,400.00
Advance to Joint Ventures		
1. HPL ELECTRIC & POWER PRIVATE LIMITED- THOPL-SD(JV)	143.71	132.46
2. HPL ELECTRIC & POWER PRIVATE LIMITED- SHRIJI DESIGNS (JV)	69.85	68.90
Trade Receivables		
1. HPL India Ltd	337.31	-
Deferred Receivables		
1. HPL India Ltd	596.74	802.74
Capital Advance		
1. HPL India Ltd	-	528.66
Loans and advances		

STANDALONE FINANCIAL STATEMENTS (CONT.)

Particulars	31st March 2024	31st March 2023
1. Himachal Energy Pvt. Ltd	1,175.76	2,460.87
2. HPL India Ltd	599.53	-
Security Deposit		
Havells Electronics Pvt. Ltd	1,500.00	1,500.00
Loan outstanding		
1. Havells Electronics Pvt. Ltd	-	32.23
2. Havells Pvt. Ltd	-	7.84
3. HPL India Ltd	-	48.00
4. Directors	-	40.27

The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the year ended 31st March 2024, the Company has not recorded any impairment of receivables relating to amounts owed by related parties. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

All outstanding balances are unsecured and are repayable in cash.

42 The Company do not have any outstanding commercial paper period ending 31st March, 2024. (P Y ₹ Nil)

43 The Company has taken various residential/ commercial premises under cancellable operating leases. These lease agreements are normally renewed on expiry. There are no restrictions placed upon the company by entering into these leases. Lease payments recognized in the Statement of Profit & Loss as rent expenses for the year.

44 Commitments

Particulars	As at 31st March 2024	As at 31st March 2023
		(₹ in Lakhs)
Estimated amount of capital contracts remaining to be executed and not provided for (net of advances)	-	27.89

45 Contingent Liabilities:

S. No	Name of Statute	Description	As at 31st March 2024	As at 31st March 2023
				(₹ in Lakhs)
1	Central Excise Act, 1944	Demand for Excise Duty before Add. Comm. LTU, New Delhi for 2008-09	16.40	16.40
2	Central Excise Act, 1944	Demand for Excise Duty before Comm. (A), New Delhi for 2009-10 to 2015-16.	82.49	82.49
3	Finance Act, 1994	Demand for Service Tax Credit before Commissioner Appeal, LTU, Delhi for 2012-13	1.01	1.01
4	Finance Act, 1994	Demand for Cenvat Credit before Commissioner Appeal, LTU, Delhi for 2011-12	1.13	1.13



STANDALONE FINANCIAL STATEMENTS (CONT.)

S. No	Name of Statute	Description	As at 31st March 2024	As at 31st March 2023
5	Haryana Vat Act, 2003	Demand for Sales Tax before Haryana Tax, Tribunal, Chandigarh for 2008-09	18.44	25.51
6	Haryana Vat Act, 2003	Demand for Sales Tax before Joint Comm., (Appeal), Rohtak for 2010-11	10.43	17.83
7	Haryana Vat Act, 2003	Demand for Sales Tax before Haryana Tax, Tribunal, Chandigarh for 2009-10	3.76	4.78
8	Haryana Vat Act, 2003	Demand for Sales Tax before Haryana Tax, Tribunal, Rohtak for 2011-12	11.66	18.45
9	Haryana Vat Act, 2003	Demand for Sales Tax before Haryana Tax, Tribunal, Rohtak for 2012-13	7.57	10.06
10	Haryana Vat Act, 2003	Demand for Sales Tax before Haryana Tax, Tribunal, Chandigarh for 2011-12	23.19	23.19
11	Haryana Vat Act, 2003	Demand for Sales Tax before Joint Comm., (Appeal), Ambala for 2011-12	4.38	4.38
12	Finance Act, 1994	Show cause notice received towards short payment of Service Tax for 2010-11 to 2014-15	163.04	163.04
13	Employee's Provident Fund Act, 1952	Demand for EPF before EPF appellate, Tribunal, New Delhi.	8.87	8.87
14	Haryana Vat Act, 2003	Demand for sales tax before Haryana Tax Tribunal for 2011-12	16.37	23.39
15	Haryana Vat Act, 2003	Demand for sales tax before Haryana Tax Tribunal for 2012-13	16.56	23.67
16	Haryana Vat Act, 2003	Demand for sales tax before Haryana Tax Tribunal for 2013-14	80.59	80.59
17	Haryana Vat Act, 2003	Demand for sales tax before Jt. Commissioner (A), Rohtak for 2013-14	3.93	4.80
18	Haryana Vat Act, 2003	Demand for sales tax before Jt. Commissioner (A), Rohtak for 2014-15	8.63	12.05
19	Haryana Vat Act, 2003	Demand for sales tax before Jt. Commissioner (A), Rohtak for 2013-14	-	18.38
20	Haryana Vat Act, 2003	Haryana Tax Tribunal, Chandigarh-Final demand after Rectification on 31.07.2017 (Revision Pending)	3.61	3.61
21	Haryana Vat Act, 2003	Haryana Tax Tribunal, Chandigarh-Pending for Rectification for 2012-13	1.97	1.97
22	Haryana Vat Act, 2003	Haryana Tax Tribunal, Chandigarh-Pending for Rectification for 2013-14	3.73	3.73
23	Haryana Vat Act, 2003	Haryana Tax Tribunal, Chandigarh-Pending for Rectification for 2014-15	0.52	0.52
24	Haryana Vat Act, 2003	Haryana Tax Tribunal-Rohtak-Appeal pending before the Jt.ETC(A),Rohtak for 2010-11	23.77	33.95
25	Haryana Vat Act, 2003	Demand for sales tax before Dy. Excise & Taxation Commissioner (ST),Sonapat for 2014-15	7.10	10.14

STANDALONE FINANCIAL STATEMENTS (CONT.)

S. No	Name of Statute	Description	As at 31st March 2024	As at 31st March 2023
26	Haryana Vat Act, 2003	Demand for sales tax before Jt Excise Excise & Taxation Commissioner, Ambala for 2014-15	55.72	55.74
27	Incomet Tax Act, 1961	Income Tax demand before Asstt. Commissioner of Income Tax, Delhi for AY-2017-18	-	28.72
28	Haryana Vat Act, 2003	Demand for Sales Tax before Haryana Tax, Tribunal, Rohtak for 2015-16	41.89	41.89
29	Haryana Vat Act, 2003	Demand for Sales Tax before Haryana Tax, Tribunal, Rohtak for 2014-15	42.80	97.13
30	Haryana Vat Act, 2003	Demand for Sales Tax before Haryana Tax, Tribunal, Rohtak for 2015-16	14.28	75.76
31	Central Excise Act, 1944	Demand for Excise Duty before Deputy Comm.Central GST Gurgram for 2016-17.	1.72	1.72
32	Finance Act, 1994	Demand for Service Tax Credit before Asstt. Commissioner Gurugram for 2015-16 to 2017-18	14.78	14.78
33	Custom Act,1962	Demand for Custom Duty before Adl./Joint Comm./Customs Gr-VA,ACC Import New Custom House New Delhi for 2018-19	22.67	22.67
34	Haryana Vat Act, 2003	Demand for Sales Tax before Haryana Tax, Tribunal, Rohtak for 2016-17	73.54	73.54
35	Haryana Vat Act, 2003	Demand for Sales Tax before Haryana Tax, Tribunal, Rohtak for 2016-17	15.09	37.23
36	Haryana Vat Act, 2003	Demand for Sales Tax before Haryana Tax, Tribunal, Rohtak for 2017-18	24.19	68.87
37	CGST Act, 2017	Asst. Commissioner CGST division, Parwanoo, jabli Himachal	-	4.33

Notes :1. Based on the favorable decisions in similar cases and discussions with the solicitors, the company does not expect any liability against these matters, hence no provision has been considered in the books of the accounts.

46 Additional Regulatory information

(₹ in Lakhs)

S No	Particulars	Numerator	Denomiator	Current Year	Previous Year	Variance
1	Current ratio	Current assets	Current liabilities	1.51	1.46	3.07%
2	Debt-Equity ratio	Total Debt (Including lease liabilities)	Shareholder's equity	0.71	0.71	0.50%
3	Debt service coverato ratio	Earnings available for debt service*	Debt Service**	1.20	1.50	-19.72%
4	Return on equity ratio	Net profits after taxes	Average shareholders equity	4.85%	3.62%	33.98%
5	Inventory Turnover Ratio	Revenue from operations	Average Inventory	2.78	2.55	9.02%



STANDALONE FINANCIAL STATEMENTS (CONT.)

S No	Particulars	Numerator	Denominator	Current Year	Previous Year	Variance
6	Trade receivables turnover ratio	Revenue from operations	Average trade receivables	2.38	2.41	-1.62%
7	Trade payable turnover ratio	Net credit purchases	Average trade payables	4.14	3.76	10.06%
8	Net capital turnover ratio	Revenue from operations	Average working capital	3.54	3.58	-1.05%
9	Net profit ratio	Net profits for the year	Revenue from operations	2.74%	2.27%	20.31%
10	Return on capital employed	Profit before interest and taxes	Capital employed***	9.89%	7.86%	25.83%
11	Return on Investments	Profit before interest and taxes	Average total Assets	7.87%	6.45%	22.02%

* Net Profit after taxes+Non-cash operating expenses+Interest+Other non-cash adjustments

** Interest + Principle repayments

*** Net Worth + Total borrowings + Deferred tax liabilities - Deferred Tax Assets

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

(i) Return on equity ratio and ROCE is improved due to growth in revenue with stable margins.

47 Additional regulatory information required by Schedule III of Companies Act, 2013

- (I) Details of Benami property: No proceedings have been initiated or are pending against the Company for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.
- (II) Utilisation of borrowed funds and share premium: 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
- 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
- (III) Compliance with number of layers of companies: The Company has complied with the number of layers prescribed under the Companies Act, 2013.
- (IV) Compliance with approved scheme(s) of arrangements: The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.
- (V) Undisclosed income: There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

STANDALONE FINANCIAL STATEMENTS (CONT.)

(VI) Details of crypto currency or virtual currency: The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.

(VII) Valuation of PP&E, intangible asset and investment property: The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.

(VIII) The company has not granted any loans or advances in the nature of loans either repayable on demand

48 Previous year's figure have been regrouped/ re-arranged, wherever considered necessary to make them comparable with corresponding year ending 31st March, 2024.

As per our report of even date attached
For **Sakshi & Associates**
Chartered Accountants
F.R.N. : 025099N

Sakshi Kharabanda
Proprietor
M.No. : 523802
UDIN : 24523802BKEXGK7846

For and on behalf of Board of Directors

Rishi Seth
Managing Director
DIN- 00203469

Gautam Seth
Joint MD and CFO
DIN- 00203405
Camp : New York USA

Lalit Seth
Director
DIN-00312007
Place :Gurugram

Vivek Kumar
Company Secretary
M.No. A18491

Place : New Delhi
Dated : 15.05.2024



Independent Auditor’s Report

To the Members of

HPL ELECTRIC & POWER LIMITED

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of HPL ELECTRIC & POWER LIMITED (hereinafter referred to as the ‘Holding Company’), its subsidiary (the Holding Company and its subsidiary together referred to as ‘the Group’), and its joint ventures, which comprise the consolidated Balance Sheet as at 31st March 2024, and the consolidated statement of Profit and Loss, consolidated Statement of changes in equity and the consolidated Statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as the ‘Consolidated Financial Statements’).

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 (the ‘Act’) in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group and of its joint ventures as at 31st March 2024, of consolidated profit/loss and its consolidated cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group and its joint ventures 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 consolidated financial statements under the provisions of the Act and rules made thereunder and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit matters	How the matter was addressed in our Audit
Revenue recognition – Fixed price Development Contracts Revenue recognition in respect of fixed price contracts involves critical estimates. Estimated effort is a critical estimate to determine revenue and liability for onerous obligations. This estimate has a high inherent uncertainty as it requires consideration of progress of the contract, efforts incurred till date and efforts required to complete the remaining contract performance obligations.	Principal Audit Procedures Our audit approach was a combination of test of internal controls and substantive procedures which included the following: <ul style="list-style-type: none"> Ø Evaluated the design of internal controls relating to recording of efforts incurred and estimation of efforts required to complete the performance obligations. Ø Tested the access and application controls pertaining to time recording, allocation and budgeting systems which prevents unauthorized changes to recording of efforts incurred. Ø Selected a sample of contracts and through inspection of evidence of performance of these controls tested the operating effectiveness of the internal controls relating to efforts incurred and estimated.

Key Audit matters	How the matter was addressed in our Audit
	<ul style="list-style-type: none"> Ø Selected a sample of contracts and performed a retrospective review of efforts incurred with estimated efforts to identify significant variations and verify whether those variations have been considered in estimating the remaining efforts to complete the contract. Ø Reviewed a sample of contracts with unbilled revenues to identify possible delays in achieving milestones, which require change in estimated efforts to complete the remaining performance obligations. Ø Performed analytical procedures and test of details for reasonableness of incurred and estimated efforts.
Tax Litigations: The Company has significant tax litigations for which the Company assesses the outcome on a case-to-case basis considering the underlying facts of each tax litigation. Adverse outcomes could significantly impact the Company’s reported profit and Balance Sheet position. The assessment of outcome of litigations involves significant judgement which is dependent on the facts of each case, supporting judicial precedents and legal opinions of professionals, hence the matter has been considered as a Key Audit Matter.	Our audit procedures, amongst others included the following: <ul style="list-style-type: none"> Ø Obtained list of ongoing tax litigations from Management along with their assessment of the cases based on past precedents, judgements and matters in the jurisdiction, legal opinions sought by Management and correspondences with tax department. Ø Analysed and discussed with our internal tax team to evaluate Management’s assessment of the outcome of these litigations. They considered legal precedence and other rulings in evaluating Management’s position on these tax litigations. Ø Evaluated the status of the recent and current tax assessments / inquiries, results of previous tax assessments and changes in the tax environment. Ø Verified disclosures of the tax positions, tax loss carry forwards and tax litigations in the standalone Ind AS financial statements.

Information other than the financial statements and Auditors’ report thereon

The Holding Company’s Management and Board of Directors are responsible for the preparation of the other information. Other information comprises the information included in the Holding Company’s Annual report but does not include the consolidated financial statements and our Auditor’s report thereon.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed and based on the work done/ audit report of other auditor, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

The Holding Company’s Management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act, 2013 that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group including its joint ventures in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. The respective Board of Directors of the Companies included in the Group and of



its joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each of the Group and its joint ventures 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 accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the Management and Board of Directors of the entities included in the Group and of its joint ventures are responsible for assessing the ability of the Group and of its joint ventures to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the Companies included in the Group and of its joint ventures are responsible for overseeing the financial reporting process of the Group and of its joint ventures.

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

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and

appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Company has with reference to consolidated financial statements adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management and Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its joint ventures to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its joint ventures to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

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

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

Other Matters

We did not audit the financial statements and other financial information in respect of subsidiary and joint ventures, whose financial results include total assets of Rs. 13,787.55 lakhs as at 31 March 2024, total revenues of Rs 8,337.98 lakhs, total net profit after tax of Rs 236.56 lakhs, total comprehensive income of Rs 231.44 lakhs, and net cash inflows of Rs. (38.33) lakhs for the year ended on that date. These Ind AS financial statement and other financial information have been audited by other auditors whose reports have been furnished to us by the Management. Our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of the subsidiary and joint ventures, and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary and joint ventures is based solely on report of such auditors.

Our opinion on the consolidated Ind AS financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements and other financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

As required by Section 143 (3) of the Act, we report that:

- We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
- In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
- The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements.
- In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act.
- On the basis of the written representations received from the Directors of the Holding Company as on 31st March 2024 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary and its joint ventures, none of the Directors of the Group Company, its subsidiary and joint ventures, is disqualified as on 31st March 2024 from being appointed as a Director in terms of Section 164(2) of the Act.
- With respect to the adequacy of internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in 'Annexure A'.
- With respect to the matter to be included in the Auditor's Report under Section 197(16), In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its Directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any Director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.



h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

a. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group, its associates and jointly controlled entities– Refer Note 47 to the consolidated financial statements.

b. The Group and its joint ventures, did not have any material foreseeable losses on long-term contracts including derivative contracts.

c. There were no amounts which were required to be transferred to the Investor Education and Protection Fund.

d. (i) The Management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts to the consolidated 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, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(ii) The Management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, 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, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the

Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

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

e. The dividend declared or paid during the year by the Company is in compliance with Section 123 of the Companies Act, 2013.

f. The reporting under Rule 11(g) of the Companies (Audit and Auditors) Rule, 2014 is applicable from 01 April 2023.

Based on our examination which included test checks, except for the feature of recording audit trail (edit log) facility was not enabled at the database level to log any direct data changes for the accounting software used for maintaining the books of account, tables of the accounting software used for maintaining general ledger, the Company has used accounting software for maintaining its books of account, which have a feature of recording audit trail (edit log) facility and same has operated throughout the year for all relevant transactions recorded in the respective software.

Further, for the periods where audit trail (edit log) facility was enabled and operated throughout the year for the respective accounting software, we did not come across any instance of the audit trail feature being tampered with.

For SAKSHI & ASSOCIATES
Chartered Accountants
FRN: 025099N

Place: NEW DELHI
Date: 15 May 2024
UDIN: 24523802BKEXGJ8164

SAKSHI KHARABANDA
(FCA)
Membership No: 523802

Annexure I: List of entities consolidated as at 31st March 2024:

1. Himachal Energy Private Limited
2. HPL Electric & Power Ltd.-Shriji Designs
3. HPL Electric & Power Ltd. Trimurthi Hitech Co. Pvt. Ltd.-Shriji Designs

Annexure ‘A’ to the Independent Auditor’s Report

Report on Internal Financial Controls with reference to Consolidated Financial Statements

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the Internal financial controls over financial reporting of HPL ELECTRIC & POWER LIMITED (“the Company”) as of March 31, 2024 in conjunction with our audit of the consolidated financial statements of the Company, its subsidiary and its joint ventures, as of that date, for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The respective Board of Directors of the Parent, its subsidiary and joint ventures, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective Companies 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 (“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 respective Company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors’ Responsibility

Our responsibility is to express an opinion on the Internal financial controls over financial reporting of the Parent, its subsidiary and joint ventures, being incorporated in India, 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”) issued by ICAI and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of Internal financial controls. 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 over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting 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 financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by auditors of the subsidiary and joint ventures, which are incorporated in India, in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Internal financial controls system over financial reporting of the Parent, its subsidiary and joint ventures, which are incorporated in India.

Meaning of Internal Financial Controls Over Financial Reporting

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 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 financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of Management and Directors of the Company; and
3. Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company’s assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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.

Opinion

In our opinion, to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors referred to in the Other Matters paragraph below, the Parent, its subsidiary and joint ventures, which are incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2024, based on the criteria for Internal financial control over financial reporting established by the respective Companies 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.

Other Matters

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to its subsidiary and joint ventures, which are incorporated in India, is based solely on the corresponding reports of the auditors of such entities.

Our opinion is not modified in respect of the above matter.

For SAKSHI & ASSOCIATES
Chartered Accountants
FRN: 025099N

SAKSHI KHARABANDA
(FCA)

Place: NEW DELHI
Date: 15 May 2024

Membership No: 523802

UDIN: 24523802BKEXGJ8164



Consolidated Balance Sheet

as at March 31, 2024

Particulars	Note	₹ in Lakhs)	
		As at March 31, 2024	As at March 31, 2023
ASSETS			
Non-current assets			
Property, plant and equipment	3	45,743.19	44,987.53
Capital work in progress	4	1,029.79	872.32
Right of use Assets	5	318.18	152.86
Financial assets			
i. Investments	6	0.10	-
ii. Loans	7	255.24	238.03
Deferred tax assets (Net)	8	1,073.93	2,163.56
Other non-current assets	9	600.35	1,332.28
Total non-current assets		49,020.78	49,746.58
Current assets			
Inventories	10	57,283.37	48,602.36
Financial assets			
i. Trade receivables	11	69,669.33	60,281.26
ii. Cash and cash equivalents	12	2,636.17	3,305.42
iii. Bank balances other than (ii) above	13	3,256.32	3,726.82
iv. Loans	7	69.55	77.66
v. Other financial assets	14	1,432.97	1,336.67
Current tax assets (Net)	15	176.36	9.93
Other current assets	9	3,870.36	2,986.03
Total current assets		1,38,394.43	1,20,326.15
Total Assets		1,87,415.21	1,70,072.73
EQUITY AND LIABILITIES			
Equity			
Equity share capital	16	6,430.05	6,430.05
Other equity			
Other equity	17	76,393.34	72,922.22
Equity attributable to equity holders of the parent Company		82,823.39	79,352.27
Non-controlling interests		188.45	182.49
Total equity		83,011.84	79,534.76
Liabilities			
Non-current liabilities			
Financial liabilities			
i. Borrowings	18	9,008.82	4,697.86
ii. Lease liabilities		236.60	70.49
iii. Other financial liabilities	22	2,472.53	2,835.04
Provisions	19	1,220.84	783.65
Total non-current liabilities		12,938.79	8,387.04
Current liabilities			
Financial liabilities			
i. Borrowings	20	53,291.81	55,117.36
ii. Lease liabilities		114.62	104.79
iii. Trade payables	21		
a) total outstanding dues of micro enterprises and small enterprises		1,956.00	2,341.80
b) total outstanding dues of creditors other than micro enterprises and small enterprises		28,525.43	20,665.20
iv. Other financial liabilities	22	5,744.86	2,283.15
Other current liabilities	23	1,175.27	1,058.30
Provisions	19	656.59	580.33
Total current liabilities		91,464.58	82,150.93
Total Liabilities		1,04,403.37	90,537.97
Total Equity and Liabilities		1,87,415.21	1,70,072.73

The accompanying notes are an integral part of Consolidated Financial Statements

As per our report of even date attached

For and on behalf of Board of Directors

For **Sakshi & Associates**

Chartered Accountants

F.R.N. : 025099N

Sakshi Kharabanda

Proprietor

M.No. : 523802

UDIN : 24523802BKEXGJ8164

Rishi Seth

Managing Director

DIN- 00203469

Gautam Seth

Joint MD and CFO

DIN- 00203405

Camp : New York USA

Lalit Seth

Director

DIN-00312007

Place : Gurugram

Vivek Kumar

Company Secretary

M.No. A18491

Place : New Delhi

Dated : 15.05.2024

Consolidated statement of profit and loss

for the year ended March 31, 2024

Particulars	Note	₹ in Lakhs)	
		Year ended March 31, 2024	Year ended March 31, 2023
Income:			
I. Revenue from operations	24	1,46,085.81	1,26,220.87
II. Other income	25	423.36	356.31
III. Total income (I + II)		1,46,509.17	1,26,577.18
IV. Expenses:			
Cost of materials consumed	26	99,316.03	84,022.86
Changes in inventories of finished goods, work-in-progress	27	(3,239.58)	152.49
Employee benefits expense	28	17,883.41	14,380.97
Finance cost	29	8,963.72	7,537.91
Depreciation and amortization expenses	30	3,865.03	3,836.41
Other expenses	31	12,910.62	11,977.76
Total expenses		1,39,699.23	1,21,908.40
V. Profit before tax (III-IV)		6,809.94	4,668.78
VI. Tax expense:			
(1) Current tax	32	1,228.32	855.22
(2) Deferred tax	32	1,219.08	788.67
VII. Profit for the year (V-VI)		4,362.54	3,024.89
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurement of post employment benefit obligations		(371.90)	(26.95)
Income tax relating to these items		129.45	8.83
Other comprehensive income for the year, net of tax		(242.45)	(18.12)
VIII. Total comprehensive income for the year, net of tax		4,120.09	3,006.77
Profit for the year attributable to			
Equity shareholders of parent company		4,356.43	3,017.79
Non controlling interests		6.11	7.10
Total comprehensive income for the year attributable to		4,362.54	3,024.89
Equity shareholders of parent company		4,114.12	2,999.84
Non controlling interests		5.97	6.93
Total comprehensive income for the year attributable to		4,120.09	3,006.77
VIII. Earnings per equity share of ₹10/- each	33		
(1) Basic		6.78	4.69
(2) Diluted		6.78	4.69

The accompanying notes are an integral part of Consolidated Financial Statements

As per our report of even date attached

For and on behalf of Board of Directors

For **Sakshi & Associates**

Chartered Accountants

F.R.N. : 025099N

Sakshi Kharabanda

Proprietor

M.No. : 523802

UDIN : 24523802BKEXGJ8164

Rishi Seth

Managing Director

DIN- 00203469

Gautam Seth

Joint MD and CFO

DIN- 00203405

Camp : New York USA

Lalit Seth

Director

DIN-00312007

Place : Gurugram

Vivek Kumar

Company Secretary

M.No. A18491

Place : New Delhi

Dated : 15.05.2024



Consolidated Cash Flow Statement

for the year ended March 31, 2024

Particulars	(₹ in Lakhs)	
	Year ended March 31, 2024 (Audited)	Year ended March 31, 2023 (Audited)
A. Cash flow from operating activities		
Net profit/ (loss) before tax	6,809.94	4,668.78
Adjustments for :		
- Depreciation and amortisation expenses	3,865.03	3,836.41
- Finance expenses	8,963.72	7,537.91
- Interest income	(386.15)	(301.41)
- Loss / (profit) on sale of fixed assets	74.67	(2.34)
Operating profit before working capital changes	19,327.21	15,739.35
Adjustments for :		
Decrease/(increase) in trade receivables	(9,182.07)	(9,742.76)
Decrease/(increase) in other financial and non-financial assets	(975.25)	(233.95)
Decrease/(increase) in inventories	(8,681.01)	2,070.83
(Decrease)/increase in trade payables	7,474.43	143.21
(Decrease)/increase in other financial, non financial liabilities and provisions	3,459.51	3,100.48
Cash generated from operations	11,422.82	11,077.16
- Taxes paid (net of refunds)	(1,394.75)	(709.16)
Net cash from operating activities (A)	10,028.07	10,368.00
B. Cash flow from investing activities		
- Payment for property, plant & equipment	(4,038.26)	(4,320.33)
- (Increase)/ decrease in capital work in progress	(157.47)	143.99
- Payment for acquiring right of use of assets	(149.80)	(121.31)
- Proceeds from sale of property, plant and equipments	40.17	14.36
- Security deposits (paid)/received	(17.20)	-
- Investment in shares	(0.10)	-
- Interest income received	386.15	301.41
Net cash used in investing activities (B)	(3,936.51)	(3,981.88)
C. Cash flow from financing activities		
- Proceeds/(repayment) from working capital loan (net)	(1,825.55)	1,514.48
- Proceeds/(repayment) from secured long term loan	4,200.96	(1,259.27)
- Payment of lease liabilities interest portion	(48.18)	(24.04)
- Finance expenses	(8,915.54)	(7,513.87)
- Payment of dividend	(643.00)	(96.45)
Net cash used in financing activities (C)	(7,231.31)	(7,379.15)
Net changes in cash & cash equivalents (A+B+C)	(1,139.75)	(993.03)
Cash & cash equivalents at the beginning of the year	7,032.24	8,025.27
Cash & cash equivalents at the end of the year	5,892.49	7,032.24

The accompanying notes are an integral part of Consolidated Financial Statements

As per our report of even date attached
For **Sakshi & Associates**
Chartered Accountants
F.R.N. : 025099N

For and on behalf of Board of Directors

Sakshi Kharabanda
Proprietor
M.No. : 523802
UDIN : 24523802BKEXGJ8164

Rishi Seth
Managing Director
DIN- 00203469

Gautam Seth
Joint MD and CFO
DIN- 00203405
Camp : New York USA

Lalit Seth
Director
DIN-00312007
Place :Gurugram

Vivek Kumar
Company Secretary
M.No. A18491

Place : New Delhi
Dated : 15.05.2024

Statement of changes in equity

for the year ended March 31, 2024

I) Equity Share Capital

Particulars	Note	No of shares	(₹ in Lakhs)	
			Amounts	
Balance as at April 1, 2022		6,43,00,486	6,430.05	
Changes during the year	16	-	-	
Balance as at March 31, 2023		6,43,00,486	6,430.05	
Changes during the year	16	-	-	
Balance as at March 31, 2024		6,43,00,486	6,430.05	

II) Other equity

Particulars	Note	Reserve & surplus				Total
		Security premium	Capital reserve	General reserve	Retained earnings	
Balance as at April 1, 2022	17	36,601.35	(1,933.84)	3,788.31	31,563.01	70,018.83
Profit for the year		-	-	3,017.79	3,017.79	3,017.79
Other comprehensive income		-	-	(17.95)	(17.95)	(17.95)
Total comprehensive income		-	-	2,999.84	2,999.84	2,999.84
Final equity dividend		-	-	(96.45)	(96.45)	(96.45)
Balance as at March 31, 2023		36,601.35	(1,933.84)	3,788.31	34,466.40	72,922.22
Profit for the year		-	-	4,356.43	4,356.43	4,356.43
Other comprehensive income		-	-	(242.31)	(242.31)	(242.31)
Total comprehensive income		-	-	4,114.12	4,114.12	4,114.12
Final equity dividend		-	-	(643.00)	(643.00)	(643.00)
Balance as at March 31, 2024		36,601.35	(1,933.84)	3,788.31	37,937.52	76,393.34

The accompanying notes are an integral part of Consolidated Financial Statements

As per our report of even date attached
For **Sakshi & Associates**
Chartered Accountants
F.R.N. : 025099N

For and on behalf of Board of Directors

Sakshi Kharabanda
Proprietor
M.No. : 523802
UDIN : 24523802BKEXGJ8164

Rishi Seth
Managing Director
DIN- 00203469

Gautam Seth
Joint MD and CFO
DIN- 00203405
Camp : New York USA

Lalit Seth
Director
DIN-00312007
Place :Gurugram

Vivek Kumar
Company Secretary
M.No. A18491

Place : New Delhi
Dated : 15.05.2024



Notes to the financial statements

for the year ended March 31, 2024

Note-1

COMPANY OVERVIEW

HPL Electric & Power Limited (CIN : L74899DL1992PLC048945) ('the Company') and its subsidiaries (collectively referred to as "Group") is a limited company domiciled in India and incorporated under the provisions of the Companies Act, 1956 having its registered office at 1/20, Asaf Ali Road, New Delhi. The Group is one of the leading players and India's fastest growing electrical and power distribution equipment manufacturer with products ranging from Industrial and Domestic Circuit Protection Switchgears, Cables, Energy Saving Meters, LED Lamps and Luminaries for Domestic, Commercial and Industrial applications, Modular Switches covering the entire range of household, commercial and industrial electrical needs.

The Group has R&D facilities located at Gurgaon and Kundli in Haryana, approved by Department of Scientific & Industrial Research (DSIR), Ministry of Science & Technology.

The Financial statements were approved by the Board of Directors for issue in accordance with resolution passed on May 15, 2024.

Note-2

SIGNIFICANT ACCOUNTING POLICIES

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

A) Basis of Preparation

i) Compliance with Ind AS

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act)[Companies(Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

ii) Historical cost convention

The financial statements have been prepared on a historical cost basis, except for certain financial assets and liabilities that are measured at fair value.

B) Principles of consolidation and equity accounting

(i) Subsidiaries

Subsidiaries are all entities (including structured entities) over which the group has control. The group controls an entity when the group is exposed to, or

has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases.

The group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Inter-company transactions, balances and unrealized gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred assets. Accounting policies of the subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group.

Non-controlling interest in the results and equity of subsidiaries are shown separately in the consolidated statement of profit and loss, consolidated statement of changes in equity and balance sheet respectively.

C) Property plant and equipment

Freehold land is carried at cost. All other items of property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment, if any. The cost comprises of purchase price, taxes, duties, freight and other incidental expenses directly attributable and related to acquisition and installation of the concerned assets and are further adjusted by the amount of CENVAT /GST/VAT credit availed wherever applicable. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

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

Depreciation methods, estimated useful lives and residual value

Depreciation on buildings, machinery and equipments has been provided on straight-line basis over the estimated useful lives of the respective assets. Intangible assets are amortised over their estimated useful economic lives on straight line basis. Freehold land and work in progress are

CONSOLIDATED FINANCIAL STATEMENTS (CONT.)

not depreciated. The estimated useful lives considered for providing depreciation on other substantial assets are as follows:

Building	-	35-45 years
Plant & Machinery	-	15-25 years
Computers	-	3-5 years
Furniture & Fixtures	-	10-15 years
Office Equipments	-	5-10 years
Vehicles	-	8-10 years

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

D) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at costless accumulated amortization and accumulated impairment losses, if any. Internally generated intangibles, excluding capitalized development cost, are not capitalized and the related expenditure is reflected in Statement of Profit and Loss in the period in which the expenditure is incurred. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use.

Research and development cost

Research expenditure and development expenditure that do not meet the criteria as given in Ind AS-38 "Intangible Assets" are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period.

Amortisation methods and periods

The Group amortises intangible assets with a finite useful life using the straight-line method over their estimated useful life of 3-6 years.

The amortization period and the amortization method for an intangible asset with a finite useful life is reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortization period or method, as appropriate and are treated as changes in accounting estimates. The amortization expense on intangible assets with finite lives is recognised in the Statement of Profit and Loss.

Gains or losses arising from disposal of the intangible assets 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 and Loss when the assets are disposed off.

E) Impairment of non-financial assets

The carrying amounts of the assets are reviewed at each Balance sheet date for any indication of impairment based on internal/external factors. If any such indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

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 the risks specific to the asset. In determining fair value less costs of disposal, 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.

Impairment losses including impairment on inventories are recognised in the Statement of Profit and Loss.

F) Financial Instruments

i) Financial Assets

A) Initial recognition and measurement

All financial assets and liabilities are initially recognised at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition.

B) Subsequent measurement

a) Financial assets carried at amortised cost

A financial asset is measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.



CONSOLIDATED FINANCIAL STATEMENTS (CONT.)

- b) Financial assets carried at fair value through other comprehensive income (FVTOCI)

A financial asset is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

- c) Financial assets carried at fair value through profit or loss (FVTPL)

A financial asset which is not classified in any of the above categories are measured at FVTPL.

C) Investment in subsidiaries

The Group has accounted for its investments in subsidiary at cost.

D) Other Equity Investments

All other equity investments are measured at fair value with changes in fair value recognised in statement of profit and loss except for those equity investments for which the Group has elected to present the value changes in 'Other Comprehensive Income'.

E) Impairment of financial assets

In accordance with Ind AS 109, the Group uses 'Expected Credit Loss' (ECL) model, for evaluating impairment of financial assets other than those measured at fair value through profit and loss (FVTPL).

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

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

For trade receivables Group applies 'simplified approach' which requires expected lifetime losses to be recognised from initial recognition of the receivables. The Group uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date these historical default rates are reviewed and changes in the forward looking estimates are analysed.

For other assets, the Group uses 12 month ECL to provide for impairment loss where there is no significant increase in credit risk. If there is significant increase in credit risk full lifetime ECL is used.

ii) Financial Liabilities

A) Initial recognition and measurement

All financial liabilities are recognised at fair value and in case of loans net of directly attributable cost. Fees of recurring nature are directly recognised in the Statement of Profit and Loss as finance cost.

B) Subsequent measurement

Financial liabilities are carried at amortised cost using the effective interest rate method (EIR). Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss. 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.

G) Income recognition Interest income

Interest income from debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Group estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

CONSOLIDATED FINANCIAL STATEMENTS (CONT.)

Dividends

Dividends are recognised in profit or loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Group, and the amount of the dividend can be measured reliably.

H) Inventories

Raw materials and stores, work in progress, traded and finished goods are stated at the lower of cost and net realisable value. Cost of raw materials and traded goods comprises cost of purchases. Cost of work-in-progress and finished goods comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Cost of inventories also include all other costs incurred in bringing the inventories to their present location and condition. Costs are assigned to individual items of inventory on the basis of weighted average cost basis. Costs of purchased inventory are determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

I) Revenue Recognition

Effective April 1, 2018, the Group has applied Ind AS 115 which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognised. Ind AS 115 replaces Ind AS 18 Revenue and Ind AS 11 Construction Contracts. The Group has adopted Ind AS 115 using the cumulative effect method. The effect of initially applying this standard is recognised at the date of initial application (i.e. April 1, 2018). The standard is applied retrospectively only to contracts that are not completed as at the date of initial application and the comparative information in the statement of profit and loss is not restated – i.e. the comparative information continues to be reported under Ind AS 18 and Ind AS 11. The impact of adoption of the standard on the financial statements of the Group is insignificant.

Revenue is recognised upon transfer of control of promised products or services to customer in an amount that reflects the consideration which the Group expects to receive in exchange for those products or services, which is usually at the time of delivery of products or services to the customer. Revenue from sale of product is measured at fair value of consideration received /receivable, net of returns, trade allowances, rebates, value added taxes, Goods and Service Tax (GST) and amounts collected on behalf of third parties. Revenue is recognised when it is probable that economic benefits associated with the transaction will flow to the entity, amount of revenue can be measured reliably and

entity retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold.

Contract assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

J) Contract Balances

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional. A receivable represents the Company's right to an amount of consideration that is unconditional.

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

A trade receivable is recognised if an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in section (Financial instruments – initial recognition and subsequent measurement).

K) Employee Benefits

(i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

(ii) Post-Employment Benefits

Defined Contribution Plan: A defined contribution plan is a post-employment benefit plan under which the Group pays specified contributions to a separately



CONSOLIDATED FINANCIAL STATEMENTS (CONT.)

entity. The Group has defined contribution plans for the post-employment benefits namely provident fund scheme. The Group's contribution in the above plans is recognised as an expense in the Statement of Profit and Loss during the year in which the employee renders the related service.

Defined Benefit Plans: The Group has defined benefit plan namely Gratuity for employees. The liability in respect of gratuity plans is calculated annually by independent actuary using the projected unit credit method. The Group recognises the following changes in the net defined benefit obligation under Employee benefits expense in statement of profit or loss:

- Service costs comprising current service costs, past service costs, gains and losses on curtailment and non-routine-settlements
- Net Interest expense

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in Other comprehensive income. They are included in retained earnings in the Statement of Changes in Equity and in the Balance Sheet. Remeasurements are not reclassified to profit or loss in subsequent periods.

Termination benefits are recognized as an expense immediately.

L) Borrowing Cost

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

Other borrowing costs are expensed in the period in which they are incurred.

M) Income Tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on

the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

N) Lease

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

The Company's lease asset classes primarily comprise of lease for land and building. The Company assesses whether

CONSOLIDATED FINANCIAL STATEMENTS (CONT.)

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.

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. For these short-term and low value leases, the Company recognizes the lease payments as an operating

expense on a straight-line basis over the term of the lease. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets as below:

Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the underlying assets (i.e. 30 and 60 years)

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment. Refer to the accounting policies in section 'Impairment of nonfinancial assets'.

Lease Liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for

terminating the lease, if the lease term reflects the Company exercising the option to terminate.

Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

Company as a lessor

Leases for which the Company is a lessor is classified as finance or operating lease. Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

O) Foreign Currency Transactions

Items included in the financial statements of the Group are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian rupee (INR), which is the Group's functional and presentation currency.



CONSOLIDATED FINANCIAL STATEMENTS (CONT.)

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss.

P) Earnings Per Share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Group
- by the weighted average number of equity shares outstanding during the financial year.

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, wherever applicable, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

Q) Provisions and Contingent liabilities

Provisions for legal claims, service warranties, volume discounts and returns are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

A contingent liability is 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 Group or a present obligation that is not recognised because it is not probable that an outflow of resources 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 Group does not recognise a contingent liability but disclose its existence in the financial statements unless the probability of outflow of resource is remote.

R) Other Operating Revenues

i) Government Grant

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions.

Government grants relating to income are deferred and recognised in the profit or loss over the period necessary to match them with the costs that they are intended to compensate and presented within other income.

Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to profit or loss on a straight-line basis over the expected lives of the related assets and presented within other income.

ii) Export Benefit

Revenue from export benefits arising from Duty entitlement pass book (DEPB scheme), duty drawback scheme, merchandise export incentive scheme are recognised on export of goods in accordance with their respective underlying scheme at fair value of consideration received or receivable

S) Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief operating decision maker (CODM). CODM monitors the operating results of all strategic business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit and loss and is measured consistently with profit and loss in the financial statements.

T) Contributed equity

Equity shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of

CONSOLIDATED FINANCIAL STATEMENTS (CONT.)

tax, from the proceeds.

U) Dividends

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

V) Cash and Cash Equivalents

For the purpose of presentation in the Statement of Cash flows, Cash and Cash equivalents includes cash on hand, deposits held at call, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the Balance Sheet.

W) Offsetting financial instruments

Financial assets and financial 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.

X) Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III, unless otherwise stated.

Y) Changes in significant accounting policies

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

Z) Significant accounting judgements, estimates and assumptions

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the assets or liabilities affected in future periods.

Judgements, Estimates and assumptions

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 Group 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 beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

a) Defined benefit plan-Gratuity

The cost of defined benefit plans (i.e. Gratuity benefit) is determined using actuarial valuations. An actuarial valuation involves making various assumptions which may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and future pension increases. Due to the complexity of the valuation, the underlying assumptions and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. In determining the appropriate discount rate, management considers the interest rates of long term government bonds with extrapolated maturity corresponding to the expected duration of the defined benefit obligation. The mortality rate is based on publicly available mortality tables for the specific countries. Future salary increases and pension increases are based on expected future inflation rates for the respective countries. Further details about the assumptions used, including a sensitivity analysis, are given in Note 37.

b) Impairment of Financial assets

The impairment provisions of financial assets are based on assumptions about risk of default and expected loss rates. The Group uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

c) Warranty provision

Warranty Provisions are measured at discounted present value using pre-tax discount rate that reflects the current market assessments of the time value of money and the risks specific to the liability. A warranty provision is determined based on the historical percentage of warranty expense to sales for the same types of goods for which the warranty is currently being determined. The same percentage to the sales is applied for the current accounting period to



CONSOLIDATED FINANCIAL STATEMENTS (CONT.)

derive the warranty expense to be accrued. It is adjusted to account for unusual factors related to the goods that were sold, such as defective inventory lying at the depots. It is very unlikely that actual warranty claims will exactly match the historical warranty percentage, so such estimates are reviewed annually for any material changes in assumptions and likelihood of occurrence.

d) Depreciation/amortisation and useful lives of property plant and equipment/intangible assets

Property, plant and equipment / Intangible assets are depreciated /amortised over their estimated useful lives, after taking into account estimated residual values. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation / amortisation to be recorded during any reporting period. The useful lives and residual values

are based on the Group's historical experience with similar assets and take into account anticipated technological changes. The depreciation/amortisation for future period is revised if there are significant changes from previous estimates.

e) Provisions

Provisions and liabilities are recognised in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability requires the application of judgment to existing facts and circumstances, which can be subject to change. The carrying amounts of provisions and liabilities are reviewed regularly and revised to take account of changing facts and circumstances.

CONSOLIDATED FINANCIAL STATEMENTS (CONT.)



3 Property, plant and equipment

S. No.	Particulars	Gross Block			Accumulated Depreciation			Net Block		
		1st April 2023	Additions	Deletion / Adjustment	31st March 2024	1st April 2023	For the year	Deletion / Adjustment	31st March 2024	31st March 2024
1	Freehold Land	14,395.01	-	-	14,395.01	-	-	-	14,395.01	
2	Building	10,040.92	-	-	10,040.92	1,944.35	246.36	1,944.35	7,850.21	
3	Plant & Machinery *	37,527.47	4,275.86	(1,787.88)	40,015.45	15,691.77	3,286.06	17,274.41	22,741.04	
4	Furniture & Fittings	548.85	54.22	(79.14)	523.93	275.52	48.39	248.13	275.80	
5	Office Equipment	263.92	43.84	(119.64)	188.12	188.31	26.52	101.84	86.28	
6	Vehicles	683.42	193.00	(107.74)	768.68	372.28	89.04	373.96	394.72	
7	Computers	0.90	-	-	0.90	0.73	0.04	0.77	0.13	
	TOTAL	63,460.49	4,566.92	(2,094.40)	65,933.01	18,472.96	3,696.41	(1,979.55)	20,189.82	45,743.19

(₹ in Lakhs)

S. No.	Particulars	Gross Block			Accumulated Depreciation			Net Block		
		1st April 2022	Additions	Deletion / Adjustment	31st March 2023	1st April 2022	For the year	Deletion / Adjustment	31st March 2023	31st March 2023
1	Freehold Land	14,395.01	-	-	14,395.01	-	-	-	14,395.01	
2	Building	10,040.92	-	-	10,040.92	1,697.99	246.36	1,944.35	8,096.57	
3	Plant & Machinery *	33,513.73	4,188.67	(174.93)	37,527.47	13,203.16	2,649.01	15,691.77	21,835.70	
4	Furniture & Fittings	510.88	39.40	(1.43)	548.85	230.22	49.52	275.52	273.33	
5	Office Equipment	260.06	12.95	(9.09)	263.92	164.45	32.42	188.31	75.61	
6	Vehicles	649.52	49.02	(15.12)	683.42	310.71	76.67	372.28	311.14	
7	Computers	0.90	-	-	0.90	0.64	0.05	0.73	0.17	
	TOTAL	59,371.02	4,290.04	(200.57)	63,460.49	15,607.17	3,054.03	(188.24)	18,472.96	44,987.53

(₹ in Lakhs)

a) Refer note 18 and 20 for information on property, plant & equipment pledged as security by the Company



CONSOLIDATED FINANCIAL STATEMENTS (CONT.)

4 CWIP ageing schedule as at 31 March 2024

(₹ in Lakhs)

S No	Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
1	Mould and tools	879.48	150.31	-	-	1,029.79
	Total	879.48	150.31	-	-	1,029.79

CWIP ageing schedule as at 31 March 2023

(₹ in Lakhs)

S No	Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
1	Mould and tools	872.32	-	-	-	872.32
	Total	872.32	-	-	-	872.32

5 Right of use assets

(₹ in Lakhs)

Particulars	FY 23-24 Leashold Buildings	FY 22-23 Leashold Buildings
Gross carrying value		
As at 01 April	637.04	637.04
Additions	567.42	-
Deisposals	(680.38)	-
As at 31st March	524.08	637.04
Accumulated depreciaiton		
As at 01 April	484.18	362.87
Additions	168.62	121.31
Deisposals	(446.90)	-
As at 31st March	205.90	484.18
Net carrying value		
As at 31st March	318.18	152.86

6 Non-current investments

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Investment in others		
Apraava Bhopal Smart Meter Pvt Ltd (1,000 Equity Shares of ₹ 10 each fully paid up)	0.10	-
Total	0.10	-

CONSOLIDATED FINANCIAL STATEMENTS (CONT.)

7 Loans

(Unsecured, considered good)

(₹ in Lakhs)

Particulars	Non-current		Current	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
Security Deposits	255.24	238.03	69.55	77.66
Total	255.24	238.03	69.55	77.66

8 Deferred tax assets/(liabilities)

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
The balance comprises temporary differences attributable to:		
Provision for employee benefits	670.04	368.76
Provision for warranties	112.75	112.39
Provision for doubtful debts	721.34	680.60
Property, plant and equipment	(3,021.84)	(2,808.26)
Others	531.19	581.57
MAT credit	2,060.45	3,228.50
Total deferred tax assets	1,073.93	2,163.56

Movement in deferred tax assets

(₹ in Lakhs)

Particulars	Provision for employee benefits	Provision for warranties	Provision for doubtful debts	Total
At 1st April 2022	295.18	115.01	662.22	1,072.41
(Charged)/credited:				
- to profit or loss	73.58	(2.62)	18.38	89.34
- to other comprehensive income	-	-	-	-
At 31st March 2023	368.76	112.39	680.60	1,161.75
(Charged)/credited:				
- to profit or loss	301.28	0.36	40.74	342.38
- to other comprehensive incomes	-	-	-	-
At 31st March 2024	670.04	112.75	721.34	1,504.13



CONSOLIDATED FINANCIAL STATEMENTS (CONT.)

(₹ in Lakhs)

Particulars	Property, plant and equipment	Others	MAT Credit	Total
At 1st April 2022	(2,561.25)	609.12	3,823.14	1,871.01
(Charged)/credited:				-
- to profit or loss	(247.01)	(27.55)	(594.64)	(869.20)
- to other comprehensive income	-	-	-	-
At 31st March 2023	(2,808.26)	581.57	3,228.50	1,001.81
(Charged)/credited:				-
- to profit or loss	(213.58)	(50.38)	(1,168.05)	(1,432.01)
- to other comprehensive incomes	-	-	-	-
At 31st March 2024	(3,021.84)	531.19	2,060.45	(430.20)

9 Other assets

(₹ in Lakhs)

Particulars	Non-current		Current	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
Capital advances to related parties	-	528.66	-	-
Receivable on deferred basis to related parties	596.74	802.74	-	-
Prepaid Expenses	3.61	0.88	808.40	490.00
Balance with government authorities	-	-	1,337.79	1,583.32
Advance to Suppliers*	-	-	1,716.34	904.77
Duty Drawback Recoverable	-	-	7.83	7.94
Total	600.35	1,332.28	3,870.36	2,986.03

*includes Rs. 5,99.53/- lakhs from Company, where directors are interested (PY: Nil /- lakhs)

10 Inventories

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
a. Raw Materials and components		
(i) Raw materials	30,118.28	24,460.64
(ii) Material-in-transit	304.69	520.76
b. Work-in-progress	16,565.76	15,056.01
c. Finished goods	10,259.52	8,529.69
d. Stores and spares	35.12	35.26
Total	57,283.37	48,602.36

CONSOLIDATED FINANCIAL STATEMENTS (CONT.)

11 Trade Receivables

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Unsecured		
(i) Trade receivables-considered good	69,669.33	60,281.26
(ii) Trade receivables-credit impaired	1,811.29	1,694.70
	71,480.62	61,975.96
Less: Allowances for trade receivables-credit impaired	(1,811.29)	(1,694.70)
Total	69,669.33	60,281.26

Trade receivable ageing schedule as at March 31, 2024

Particulars	Outstanding for following periods from due date of payment						Total
	Not due	Less than 6 Months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivable- Considered good	47,657.68	10,641.31	3,358.88	2,719.21	1,857.80	3,434.45	69,669.33
Undisputed trade receivable-Credit impaired	-	-	-	-	-	1,811.29	1,811.29
Disputed trade receivable- Considered good	-	-	-	-	-	-	-
Disputed trade receivable-Credit impaired	-	-	-	-	-	-	-
Less : Impairment allowance for trade receivables- Credit impaired	-	-	-	-	-	(1,811.29)	(1,811.29)
Total	47,657.68	10,641.31	3,358.88	2,719.21	1,857.80	3,434.45	69,669.33

Trade receivable ageing schedule as at March 31, 2023

Particulars	Outstanding for following periods from due date of payment						Total
	Not due	Less than 6 Months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivable- Considered good	40,084.45	9,843.09	3,645.27	2,435.96	1,009.49	3,263.00	60,281.26
Undisputed trade receivable-Credit impaired	-	-	-	-	-	1,694.70	1,694.70
Disputed trade receivable- Considered good	-	-	-	-	-	-	-
Disputed trade receivable-Credit impaired	-	-	-	-	-	-	-
Less : Impairment allowance for trade receivables- Credit impaired	-	-	-	-	-	(1,694.70)	(1,694.70)
Total	40,084.45	9,843.09	3,645.27	2,435.96	1,009.49	3,263.00	60,281.26

CONSOLIDATED FINANCIAL STATEMENTS (CONT.)

12 Cash and Cash Equivalents

(₹ in Lakhs)

Particulars	As at	
	March 31, 2024	March 31, 2023
Cash and Cash equivalents		
Balances with banks	2,279.07	2,603.84
Cash on hand	357.10	701.58
Total	2,636.17	3,305.42

13 Other Bank Balances

(₹ in Lakhs)

Particulars	As at	
	March 31, 2024	March 31, 2023
Balances with Banks held as Margin Money	3,256.32	3,726.82
Total	3,256.32	3,726.82

14 Other financial assets

(₹ in Lakhs)

Particulars	As at	
	March 31, 2024	March 31, 2023
Earnest money deposit	802.73	864.81
Insurance claim Recoverable	47.74	43.98
Contract Asset Recoverable	582.50	427.88
Total	1,432.97	1,336.67

15 Current tax assets/(liability) (Net)

(₹ in Lakhs)

Particulars	As at	
	March 31, 2024	March 31, 2023
Advance Income Tax (net of provision for tax)	176.36	9.93
Total	176.36	9.93

16 Share capital

(₹ in Lakhs)

Particulars	As at	
	March 31, 2024	March 31, 2023
(a) Authorized		
70,000,000 Equity Shares of ₹ 10/- each (Previous year 70,000,000 Equity Shares of ₹ 10/- each)	7,000.00	7,000.00
(b) Issued, Subscribed & Paid Up		
64,300,486 Equity Shares of ₹ 10/- each fully paid up (Previous year 64,300,486 Equity Shares of ₹ 10/- each fully paid)	6,430.05	6,430.05
Total	6,430.05	6,430.05

CONSOLIDATED FINANCIAL STATEMENTS (CONT.)

(c) Reconciliation of share capital at the beginning and at the end of reporting year

(₹ in Lakhs)

Particulars	As at March 31, 2024		As at March 31, 2023	
	Number	Amount ₹	Number	Amount ₹
Shares outstanding at the beginning of the year	6,43,00,486	6,430.05	6,43,00,486	6,430.05
Shares Issued during the year	-	-	-	-
Shares outstanding at the end of the year	6,43,00,486	6,430.05	6,43,00,486	6,430.05

(d) Rights, Preferences and Restrictions attached to the shares

The company has only one class of equity shares having a par value of ₹10 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the company, the holders of equity shares are entitled to receive remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding. Dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing annual general meeting. In the event of liquidation of the company, the holders of equity shares are entitled to receive remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

(e) Shareholders holding more than 5% shares in the Company :-

Name of Shareholder	As at March 31, 2024		As at March 31, 2023	
	No. of Equity Shares held	% of Holding	No. of Equity Shares held	% of Holding
Mr. Lalit Seth	80,30,228	12.49	80,30,228	12.49
HPL India Ltd.	1,75,73,238	27.33	1,75,73,238	27.33
Havell's Electronics Pvt. Ltd	1,16,52,130	18.12	1,16,52,130	18.12

(f) Shareholding of promoters:

Name of Shareholder	As at March 31, 2024		As at March 31, 2023	
	No. of Equity Shares held	% of Holding	No. of Equity Shares held	% of Holding
Mr. Lalit Seth	80,30,228	12.49	80,30,228	12.49
Mr. Rishi Seth	22,31,740	3.47	22,31,740	3.47
Mr. Gautam Seth	22,31,740	3.47	22,31,740	3.47
Mrs. Praveen Seth	21,33,098	3.32	21,33,098	3.32
HPL India Ltd	1,75,73,238	27.33	1,75,73,238	27.33
Havell's Electronics Private Limited	1,16,52,130	18.12	1,16,52,130	18.12
Havell's Private Limited	28,42,655	4.42	28,42,655	4.42
Jeson Imprex Private Limited	24,000	0.04	24,000	0.04



CONSOLIDATED FINANCIAL STATEMENTS (CONT.)

17 Other equity

(i) Reserves and Surplus

(₹ in Lakhs)

	As at March 31, 2024	As at March 31, 2023
(a) Securities Premium		
Opening Balance	36,601.35	36,601.35
Add : Received on issue of equity shares	-	-
Less : share issue expenses	-	-
Closing Balance	36,601.35	36,601.35

Securities premium reserve

Securities premium reserve is used to record the premium on issue of securities. The reserve is utilised in accordance with the provisions of the Companies Act 2013.

	As at March 31, 2024	As at March 31, 2023
(b) Capital reserve		
Opening Balance	(1,933.84)	(1,933.84)
Add/less : Change during the year	-	-
Total	(1,933.84)	(1,933.84)

(₹ in Lakhs)

	As at March 31, 2024	As at March 31, 2023
(b) General Reserve		
Opening Balance	3,788.31	3,788.31
(+) Current Year Transfer	-	-
Closing Balance	3,788.31	3,788.31

General Reserve : General reserve is used to transfer profits from retained earnings for appropriation purposes. The amount is to be utilised in accordance with the provision of the Companies Act, 2013

(₹ in Lakhs)

	As at March 31, 2024	As at March 31, 2023
(c) Retained earnings		
Opening balance	34,466.40	31,563.01
(+) Net Profit/(Loss) For the current year	4,356.43	3,017.79
(-) Dividend on Equity Shares	(643.00)	(96.45)
Items of other comprehensive income recognised directly in retained earnings		
- Remeasurements of post-employment benefit obligation, net of tax	(242.31)	(17.95)
Closing Balance	37,937.52	34,466.40
Total Reserves & Surplus (a+b+c)	76,393.34	72,922.22

Retained earnings

Retained earnings are profits that the Company has earned till date less transfer to General Reserve, dividend or other distribution or transaction with shareholders

CONSOLIDATED FINANCIAL STATEMENTS (CONT.)

18 Borrowings

(₹ in Lakhs)

Particulars	Non-Current	
	As at March 31, 2024	As at March 31, 2023
Secured		
Term loan from banks	6,899.84	2,623.51
Vehicle loans - from banks	73.98	21.01
11,000,000,10% Cumulative Compulsorily Redeemable Preference Shares	2,035.00	1,925.00
Unsecured Loans		
Loan from related party (refer note 41)	-	128.34
Total	9,008.82	4,697.86

Secured term loan

The part of outstanding term loan (including current maturity of long term borrowings as per note 20) amounting to Rs. 29.35 crores is secured by way of first pari-passu charge over immovable properties of the Company with working capital lenders and also first charge on movable fixed assets financed by term lenders with FACR of 1.33 and second pari-passu charge on entire current assets of the Company AND part of term loan (including current maturity of long term borrowings as per note 20) amounting to Rs. 88.95 crores is secured by way of first pari-passu charge over entire current assets of the Company both present and future with working capital lenders and collaterally secured by way of 1st pari-passu charge on entire fixed assets of the Company excluding movable fixed assets financed by term lenders, the outstanding of which is 29.35 crores as mentioned above with FACR of 1.33 and also secured by way of 1st pari-passu charge equitable mortgage on land and building with working capital lenders and term lenders of Rs 29.35 crores as mentioned above and 2nd pari-passu charge on fixed assets financed by term lenders of Rs. 29.35 crores and also secured by way of personal guarantee of three promoter directors on entire term loans.

Working capital Term Loan of Rs 2.25 crore under ECLGS scheme (Guaranteed Emergency Credit Line Scheme) are secured by way of extension of charge on existing primary security/collateral security (current assets and fixed assets).

Term loans from banks

(₹ in Lakhs)

Nature	As at March 31, 2024	Interest rate	Frequency of payments	Maturity
Term Loan 1	296.49	6 Month T Bill + spread 3.35% p.a.	Monthly	March, 2025
Term Loan 2	531.96	6 Month T Bill + spread 3.35% p.a.	Quarterly	June, 2027
Term Loan 3	737.05	6 Month MCLR + spread 0.60% p.a.	Monthly	August, 2025
Term Loan 4	394.35	12 Month T Bill + spread 3.63% p.a.	Monthly	Sept, 2024
Term Loan 5	976.19	EBR + spread 4.60% p.a.	Monthly	August, 2026
Term Loan 6	3,997.79	6 Month MCLR + spread 2% p.a.	Quarterly	February, 2026
Term Loan 7	896.10	3 Month T Bill + spread 3.13% p.a.	Quarterly	May, 2026
Term Loan 8	4,000.00	6 Month MCLR + spread 1.05% p.a.	Quarterly	January, 2027
Term Loan 9	172.50	Rate 9.25 % p.a.	Monthly	September, 2025
Term Loan 10	52.50	Rate 9.25 % p.a.	Monthly	January, 2025
Total	12,054.93			

CONSOLIDATED FINANCIAL STATEMENTS (CONT.)

The interest rates on above term loans varies from 9.25% p.a. to 11.60% p.a. Vehicles loans are secured against hypothecation of respective vehicles and are repayable in maximum 60 instalments and last date of installment is May, 2027. The loan carries an interest rate from 8.6% p.a. to 8.75% p.a.

Maturity profile of term loans including current maturities is as below:

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Not later than one year or on demand	5,155.10	2,444.06
Later than one year but not two years	4,849.89	1,787.33
Later than two year but not three years	2,049.94	674.71
More than 3 years	-	161.47
Total	12,054.93	5,067.57

Maturity profile of vehicle loans including current maturities is as below:

Particulars	As at March 31, 2024	As at March 31, 2023
Not later than one year or on demand	49.47	21.06
Later than one year but not two years	39.99	16.91
Later than two year but not three years	33.30	4.10
Later than three year but not four years	0.69	-
Total	123.45	42.07

19 Provisions

(₹ in Lakhs)

Particulars	Long-term		Short-term	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
(a) Provision for employee benefits				
Gratuity	976.18	565.84	154.36	89.93
Leave Encashment	-	-	389.15	358.34
	976.18	565.84	543.51	448.27
(b) Other Provisions				
Provision for Warranties	244.66	217.81	113.08	132.06
	244.66	217.81	113.08	132.06
Total	1,220.84	783.65	656.59	580.33

Service warranties

Product warranties:- The company gives warranties on certain products to repair or replace the items that fail to perform satisfactorily during the warranty period. Provision made represents the amount of the expected cost of meeting such obligations of rectification/replacement.

CONSOLIDATED FINANCIAL STATEMENTS (CONT.)

(ii) Movements in provisions

Movements in each class of provision during the financial year, are set out below:

(₹ in Lakhs)

Particulars	Warranty
As at 1st April 2022	343.94
Charged/(credited) to profit or loss	
- additional provisions recognised	62.65
- unwinding of discount	13.43
Amounts used during the year	(70.15)
As at 31st March 2023	349.87
Charged/(credited) to profit or loss	
- additional provisions recognised	70.00
- unwinding of discount	6.85
Amounts used during the year	(68.98)
As at 31st March 2024	357.74

20 Short Term Borrowings

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Loans repayable on demand		
-Secured Loans		
- From Banks	48,087.25	52,652.24
- Current maturities of term loans	5,155.09	2,444.06
- Current maturities of vehicle loans	49.47	21.06
Total	53,291.81	55,117.36

Working capital facilities (Fund based and Non Fund Based) are availed from consortium of banks led by State Bank of India. The lead bank has linked its cash credit interest rate with 6 months MCLR + spread 0.95% p.a. and WCL interest with applicable MCLR linked to the tenure of WCL + spread of 0.95% p.a. and these working capital facilities are repayable on demand. Working capital facilities alongwith term lenders of Rs 88.95 Crores are secured by way of first pari passu charge over entire current assets of the Company including stock and receivables both present and future and first charge on pari passu basis over Company's entire fixed assets (excluding movable fixed assets financed by Term Lenders the outstanding of which is Rs. 29.35 Crores with FACR of 1.33 on which Term lenders have first pari passu charge). Working Capital lenders have also 1st pari passu charge by way of EM on land and building with Term Lenders (the outstanding of which is Rs 29.35 Crores) at Company's 6 manufacturing locations. Working capital facilities and term loans are also secured by personal guarantees of three promoter directors.

Net Debt Reconciliation

This section sets out an analysis of net debt and the movements in net debt for each of the periods presented.

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Cash and cash equivalents	5,892.49	7,032.24
Long term borrowings	(9,008.82)	(4,697.86)
Short term borrowings	(53,291.81)	(55,117.36)



CONSOLIDATED FINANCIAL STATEMENTS (CONT.)

Particulars	Cash and cash equivalents	Long term Borrowings	Current Borrowings	Total
Net debt as at 1st April 2022	8,025.27	(5,847.12)	(53,602.88)	(51,424.73)
Cash flows	(993.03)	-	-	(993.03)
Repayment/(Proceeds) working capital loan (net)	-	-	(1,514.48)	(1,514.48)
Repayment/(Proceeds) secured term loan	-	1,259.26	-	1,259.26
Interest accrued	-	(110.00)	-	(110.00)
Net debt as at 31st March 2023	7,032.24	(4,697.86)	(55,117.36)	(52,782.98)
Cash flows	(1,139.74)	-	-	(1,139.74)
Repayment/(Proceeds) working capital loan (net)	-	-	1,825.55	1,825.55
Repayment/(Proceeds) secured term loan	-	(4,200.96)	-	(4,200.96)
Interest accrued	-	(110.00)	-	(110.00)
Net debt as at 31st March 2024	5,892.50	(9,008.82)	(53,291.81)	(56,408.13)

Utilised amount of bank guarantees (performance and bid bonds) as at 31st March 2024 : ₹ 42,248.12/- lakhs (PY ₹ 36,453.17/- lakhs)

21 Trade Payables

Particulars	As at March 31, 2024	As at March 31, 2023
Trade Payables		
(a) Total outstanding of Micro and Small Enterprises under MSMED Act, 2006 (Refer note 38)	1,956.00	2,341.80
(b) Total outstanding of creditors other than Micro and Small Enterprises	28,525.43	20,665.20
Total	30,481.43	23,007.00

Trade payable ageing schedule as at March 31, 2024

Particulars	Outstanding for following periods from due date of payment					Total
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Trade payables-MSME	1,956.00	-	-	-	-	1,956.00
Trade payables-Others	6,024.06	22,288.34	0.11	12.11	200.81	28,525.43
Disputed dues- MSME	-	-	-	-	-	-
Disputed dues- Others	-	-	-	-	-	-
Total	7,980.06	22,288.34	0.11	12.11	200.81	30,481.43

Trade payable ageing schedule as at March 31, 2023

Particulars	Outstanding for following periods from due date of payment					Total
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Trade payables-MSME	2,341.80	-	-	-	-	2,341.80
Trade payables-Others	3,010.15	17,027.54	161.00	289.61	176.90	20,665.20
Disputed dues- MSME	-	-	-	-	-	-
Disputed dues- Others	-	-	-	-	-	-
Total	5,351.95	17,027.54	161.00	289.61	176.90	23,007.00

CONSOLIDATED FINANCIAL STATEMENTS (CONT.)

22 Other financial liabilities

Particulars	Non-current		Current	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
Expenses Payable	-	-	234.49	269.81
Interest Accrued but not due	-	-	69.99	86.40
Employee Benefits Payable	-	-	1,195.18	1,290.65
Security deposit received	1,282.62	2,835.04	1,500.00	-
Contract Liabilities	1,189.91	-	2,332.62	-
Factoring of Debtors	-	-	412.58	636.29
Total	2,472.53	2,835.04	5,744.86	2,283.15

23 Other Current Liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
Statutory dues payable	1,171.34	1,055.14
Unpaid Dividend	3.93	3.16
Total	1,175.27	1,058.30

24 Revenue from operation

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Sale of Products		
Finished Goods	1,46,085.81	1,26,220.87
Total	1,46,085.81	1,26,220.87

Particulars of Sale of products

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Finished goods		
Metering, Systems & Services	85,257.77	67,002.63
Consumer, Industrial & Services	60,828.04	59,218.24
Total	1,46,085.81	1,26,220.87



CONSOLIDATED FINANCIAL STATEMENTS (CONT.)

25 Other Income

(₹ in Lakhs)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Interest income from financial assets at amortised cost	386.15	301.41
Other non-operating income	37.21	54.90
Total	423.36	356.31

26 Particulars of Raw Materials Consumed

(₹ in Lakhs)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Copper	17,755.56	15,472.18
Electronic Components	54,042.88	45,146.57
Engineering Plastic	17,679.46	16,092.45
Packing	1,373.36	1,350.66
Others	8,464.77	5,961.00
Total	99,316.03	84,022.86

27 Changes in Inventories of Finished Goods and Work-in-Progress and Stock-in- Trade

(₹ in Lakhs)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Inventories (at close)		
Finished Goods	10,259.52	8,529.69
Work-in-Progress	16,565.76	15,056.01
	26,825.28	23,585.70
Inventories (at commencement)		
Finished Goods	8,529.69	9,066.66
Work-in-Progress	15,056.01	14,671.53
	23,585.70	23,738.19
Net Decrease / (Increase)	(3,239.58)	152.49

28 Employee Benefits Expense

(₹ in Lakhs)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Salaries and wages	17,064.63	13,859.42
Contribution to provident and other funds (refer note no 39)	292.48	275.40
Staff welfare expenses	526.30	246.15
Total	17,883.41	14,380.97

CONSOLIDATED FINANCIAL STATEMENTS (CONT.)

29 Finance Cost

(₹ in Lakhs)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Interest Expenses	7,294.13	6,255.47
Interest on lease liability (refer note no 37)	48.19	24.04
Interest expense on financial liabilities measured at amortized cost	110.00	110.00
Other borrowing costs- Bank Charges	1,511.40	1,148.40
Total	8,963.72	7,537.91

30 Depreciation and Amortization Expenses

(₹ in Lakhs)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Depreciation of property, plant and equipment	3,696.41	3,054.03
Depreciation of right-of-use assets	168.62	121.31
Amortisation of intangible assets	-	661.07
Total	3,865.03	3,836.41

31 Other Expenses

(₹ in Lakhs)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Power and Fuel	1,343.89	1,122.81
Job Work Charges	383.77	268.08
Rent	142.68	130.58
Repairs & Maintenance	1,525.40	1,008.33
Research & Development Expenses	1,016.47	884.92
Testing Expenses	793.68	642.07
Rates and taxes excluding taxes on income	253.61	193.43
Legal & Professional Expenses	727.02	590.30
Travelling & Conveyance	1,509.25	1,147.92
Communication Expenses	121.60	130.72
Printing & Stationery	97.08	73.74
Insurance	283.50	244.06
Membership & Subscription	20.72	15.48
Commission on sales	962.92	1,064.24
Provision for expected credit loss	152.53	138.38
Advertisement and business promotion	1,986.92	2,903.49
Freight Outward	1,260.36	1,243.37
Product Warranties	108.97	112.72
Loss on sale of Fixed Assets	74.67	0.29
Donation	69.06	2.94
Auditors remuneration	23.60	21.20
Contribution towards Corporate Social Responsibility	52.00	36.00
Miscellaneous Expenses	0.92	2.69
Total	12,910.62	11,977.76

CONSOLIDATED FINANCIAL STATEMENTS (CONT.)

31 (a) Auditor's Remuneration

(₹ in Lakhs)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Audit Fees	19.60	18.95
Tax Audit Fees	4.00	2.25

31 (b) Research & Development Expenditure :-

(₹ in Lakhs)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
(i) Capital Expenditure	0.67	20.51
	0.67	20.51
(ii) Revenue Expenditure		
a) Employee Cost	936.96	832.29
b) Purchase of Raw Materials	70.45	39.69
c) Electricity Expenses	9.06	12.94
	1,016.47	884.92
Total	1,017.14	905.43

31 (c) Corporate Social Responsibility Expenditure :-

As per the provisions of section 135 of the Companies Act, 2013, the Company has to spend at least 2% of average net profits of the preceding three financial years towards Corporate Social Responsibility ("CSR"). Accordingly, a CSR committee has been formed for carrying out CSR activities. The areas for the CSR activities are promoting education especially among children, women, elderly and differently abled; promoting preventive health care and sanitation and providing relief to the poor.

(₹ in Lakhs)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
a) Gross amount required to be spent by the Company during the year	47.75	33.30
b) Amount spent during year ended 31st March 2024		
Construction/ acquisition of an asset	-	-
Contribution to other purpose other than above	52.00	36.00
Add : Excess spent amount from previous year utilized during the current year	3.94	1.24
Total amount spent	55.94	37.24
Excess/(short) (a-b) Excess spent to be carry forward to next year financial year	8.19	3.94

CONSOLIDATED FINANCIAL STATEMENTS (CONT.)

32 Income tax expense

(₹ in Lakhs)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Current tax		
Current tax on profits for the year	1,228.32	855.22
Total current tax expense	1,228.32	855.22
Deferred tax		
Deferred tax expense/(income) for the period	51.03	194.03
MAT credit entitlement/Setoff	1,168.05	594.64
Total deferred tax expense/(benefit)	1,219.08	788.67
Income tax expense	2,447.40	1,643.89

(₹ in Lakhs)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Profit before income tax expense	6,809.94	4,668.78
Tax at the Indian tax rate of 34.944% (31st March 2023 – 34.944%)	2,347.67	1,603.46
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Corporate social responsibility expenditure	8.84	5.97
Interest due on preference shares	30.60	30.60
Interest on late payment	12.93	0.82
Loss on sale/scrap of FA	26.09	-
Other items	21.27	3.04
Income tax expense	2,447.40	1,643.89

33 Earnings per share

(₹ in Lakhs)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
(i) Profit after tax	4,356.43	3,017.79
(ii) Weighted average number of equity shares for basic EPS	643.00	643.00
(iii) Weighted average number of equity shares for dilutive EPS	643.00	643.00
(iv) Nominal value per Equity Shares	10.00	10.00
(v) Earning Per Share (Basic)	6.78	4.69
(vi) Earning Per Share (Dilutive)	6.78	4.69



CONSOLIDATED FINANCIAL STATEMENTS (CONT.)

34 Fair value measurements

(₹ in Lakhs)

Financial instruments by category	31st March 2024		31st March 2023	
	FVTPL	Amortised cost	FVTPL	Amortised cost
Financial assets				
Trade receivables	-	69,669.33	-	60,281.26
Loans	-	324.79	-	315.69
Cash and Bank Balances	-	5,892.49	-	7,032.24
Other Financial Assets	-	1,432.97	-	1,336.67
Total financial assets	-	77,319.58	-	68,965.86
Financial liabilities				
Borrowings	-	62,300.63	-	59,815.22
Trade payables	-	30,481.43	-	23,007.00
Other Financial Liabilities	-	8,568.61	-	5,293.47
Total financial liabilities	-	1,01,350.67	-	88,115.69

(i) Fair value hierarchy

This section explains the judgments and estimates made in determining the fair values of the financial instruments that are measured at amortized cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath.

Assets and liabilities which are measured at amortised cost

(₹ in Lakhs)

	Level 1	Level 2	Level 3	Total
As at March 31, 2024				
Financial assets				
Trade receivables	-	-	69,669.33	69,669.33
Loans	-	-	324.79	324.79
Cash and bank balances	-	-	5,892.49	5,892.49
Other financial assets	-	-	1,432.97	1,432.97
Total financial assets	-	-	77,319.58	77,319.58
Financial liabilities				
Borrowings	-	-	62,300.63	62,300.63
Trade payables	-	-	30,481.43	30,481.43
Other financial liabilities	-	-	8,568.61	8,568.61
Total financial liabilities	-	-	1,01,350.67	1,01,350.67
As at March 31, 2023				
Financial assets				
Trade receivables	-	-	60,281.26	60,281.26
Loans	-	-	315.69	315.69
Cash and bank balances	-	-	7,032.24	7,032.24
Other financial assets	-	-	1,336.67	1,336.67
Total financial assets	-	-	68,965.86	68,965.86

CONSOLIDATED FINANCIAL STATEMENTS (CONT.)

	Level 1	Level 2	Level 3	Total
Financial liabilities				
Borrowings	-	-	59,815.22	59,815.22
Trade payables	-	-	23,007.00	23,007.00
Other financial liabilities	-	-	5,293.47	5,293.47
Total financial liabilities	-	-	88,115.69	88,115.69

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices.

Level 2: The fair value of financial instruments that are not traded in an active market (for example foreign exchange forward contracts) is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

There are no transfer of levels during the year.

As of 31st March 2024 and 31st March 2023 the fair value of cash and bank balances, trade receivables, other current financial assets and liabilities, borrowings, trade payables approximate their carrying amount largely due to the short term nature of these instruments. For other financial assets and liabilities that are measured at amortised cost, the carrying amounts approximate the fair value.

financial assets and liabilities that are measured at amortised cost, the carrying amounts approximate the fair value.

35 Financial risk management

The Company's principal financial liabilities comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to provide finance to the Company to support its operations. The Company's principal financial assets include loans, trade and other receivables, and cash and short-term deposits that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management ensures that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives.

(A) Credit risk

Credit risk refers to the risk of default on its obligation by the counter party resulting in a financial loss. The maximum exposure to the credit risk at the reporting date is primarily from trade receivables. Trade receivables are typically unsecured and are derived from revenue earned through government customers and other corporate customers. The Company has used the expected credit loss model to assess the impairment loss or gain on trade receivables and unbilled revenue, and has provided it wherever appropriate. The following table gives the movement in allowance for expected credit loss for the year ended 31 March, 2024



CONSOLIDATED FINANCIAL STATEMENTS (CONT.)

Movement in ECL on trade receivable:

(₹ in Lakhs)

Particulars	31st March 2024	31st March 2023
At the beginning of year	1,694.70	1,642.10
Provision during the year	152.52	138.38
Bad debts written off	(35.93)	(85.78)
Total ECL	1,811.29	1,694.70

(B) Liquidity risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at reasonable price. The Company's objective is to at all times maintain optimum levels of liquidity to meet its cash and liquidity requirements. The Company closely monitors its liquidity position and maintains adequate source of financing through the use of short term bank deposits and cash credit facility. Processes and policies related to such risks are overseen by senior management.

(i) Maturities of financial liabilities

The table below provides details regarding the contractual maturities of significant financial liabilities:

Contractual maturities of financial liabilities: (undiscounted)

(₹ in Lakhs)

Particulars	Less than 1 year	1 to 5 years	Total
31st March 2024			
Borrowings	53,291.81	9,008.82	62,300.63
Trade payables	30,481.43	-	30,481.43
Lease liabilities (undiscounted)	144.47	272.08	416.55
Other financial liabilities	5,744.86	2,472.53	8,217.39
Total	89,662.57	11,753.43	1,01,416.00
31st March 2023			
Borrowings	55,117.36	4,697.86	59,815.22
Trade payables	23,007.00	-	23,007.00
Lease liability undiscounted	115.59	70.49	186.08
Other financial liabilities	2,283.15	2,835.04	5,118.19
Total	80,523.10	7,603.39	88,126.49

(C) 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 prices comprises three types of risk: currency rate risk, interest rate risk and other price risks, such as equity price risk and commodity price risk. Financial instruments affected by market risks include loans and borrowings, deposits, investments and foreign currency receivables and payables. The sensitivity analyses in the following sections relate to the position as at 31st March 2024. The analyses exclude the impact of movements in market variables on: the carrying values of gratuity, pension obligation and other post-retirement obligations; provisions; and the nonfinancial assets and liabilities. The sensitivity of the relevant Profit and Loss item is the effect of the assumed changes in the respective market risks. This is based on the financial assets and financial liabilities held as of 31st March 2024.

CONSOLIDATED FINANCIAL STATEMENTS (CONT.)

(i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. There Company is exposed to risk of changes in borrowing rates. The Board continuously monitors the prevailing interest rates in the market.

Interest rate risk exposure

The exposure of the group's borrowing to interest rate changes at the end of the reporting period are as follows:

Sensitivity

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates.

(₹ in Lakhs)

Particulars	Impact on profit after tax	
	31st March 2024	31st March 2023
Interest rate (increase by 100 basis points)*	(623.01)	(598.15)
Interest rate (decrease by 100 basis points)*	623.01	598.15

* Holding other variables constant

(ii) Foreign currency risk

The company operates internationally and is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the trade receivables and payables. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the company's functional currency (INR).

The Company's exposure to foreign currency risk at the end of the reporting period expressed in INR, are as follows

	March 31, 2024		March 31, 2023	
	Foreign currency	Indian Rupee	Foreign currency	Indian Rupee
Trade receivables				
United States Dollar (USD)	32.09	2,675.16	18.66	1,533.19
Australian Dollar (AUD)	0.52	28.36	0.72	39.73
Great Britain Pound (GBP)	1.00	105.70	3.46	350.17
Euro (EUR)	0.52	46.48	-	-
Net exposure to foreign currency risk (assets)		2,855.70		1,923.09
Trade payables				
United States Dollar (USD)	51.80	4,318.87	38.61	3,173.09
Euro (EUR)	0.84	75.91	0.07	5.88
Net exposure to foreign currency risk (liabilities)		4,394.78		3,178.97

Sensitivity

The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjust their translation for the period end for 5% change in foreign currency rates. A positive number below indicates an increase in profit or equity where the Rupees 1% against the relevant currency. For a 1% weakening of the Rs. against relevant currency, there would be a comparable impact on the profits or equity, and the balances below would be negative.

CONSOLIDATED FINANCIAL STATEMENTS (CONT.)

(₹ in Lakhs)

Particulars	Impact on profit after tax	
	31st March 2024	31st March 2023
USD sensitivity		
INR/USD - Increase by 1%*	(16.44)	(16.40)
INR/USD - Decrease by 1%*	16.44	16.40
EUR sensitivity		
INR/EUR - Increase by 1%*	(0.29)	(0.06)
INR/EUR - Decrease by 1%*	0.29	0.06
AUD sensitivity		
INR/USD - Increase by 1%*	0.28	0.40
INR/USD - Decrease by 1%*	(0.28)	(0.40)
GBP sensitivity		
INR/GBP - Increase by 1%*	1.06	3.50
INR/GBP - Decrease by 1%*	(1.06)	(3.50)

* Holding other variables constant

36 Capital management

(a) Risk management

For the purposes of the Company's capital management, Capital includes equity attributable to the equity holders of the Company and all other equity reserves. The primary objective of the Company's capital management is to ensure that it maintains an efficient capital structure and maximize 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 or issue new shares. The Company is not subject to any externally imposed capital requirements. No changes were made in the objectives, policies or processes for managing capital during the year ended 31st March 2024, 31st March 2023.

The Company monitors capital using net debt to equity ratio, which is net debt (as reduced by Cash and Cash Equivalent) divided by total equity.

(₹ in Lakhs)

Particulars	31st March 2024	31st March 2023
Borrowings	62,300.63	59,815.22
Cash and Bank Balances	(5,892.49)	(7,032.24)
Net debt	56,408.14	52,782.98
Equity	83,011.84	79,534.76
Net debt to equity ratio	67.95%	66.36%

CONSOLIDATED FINANCIAL STATEMENTS (CONT.)

(₹ in Lakhs)

(b) Dividends	31st March 2024	31st March 2023
(i) Equity shares		
Final dividend for the year ended 31st March 2023 of INR 1.00 (31 March 2022 – INR 0.15) per fully paid share	(643.00)	(96.45)

(ii) Dividends not recognised at the end of the reporting period

In addition to the above dividends, the directors have recommended the payment of a final dividend of ₹ 1.00 per (10%) fully paid equity share. This proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting.

37 Leases

The Group's lease asset classes primarily consist of leases for buildings. The Group 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 Group assesses whether: (i) the contract involves the use of an identified asset (ii) the Group has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Group has the right to direct the use of the asset.

At the date of commencement of the lease, the Group 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 Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

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

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

The lease liability is initially measured at amortised cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Group changes its assessment of whether it will exercise an extension or a termination option.

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

CONSOLIDATED FINANCIAL STATEMENTS (CONT.)

- (i) Following is carrying value of right of use assets recognised on date of transition and the movements thereof during the year ended March 31, 2024.

(₹ in Lakhs)

Particulars	FY 23-24	FY 22-23
	ROU Asset Leashold Buildings	ROU Asset Leashold Buildings
Gross carrying value		
As at 01 April	152.86	274.17
Additions	567.42	-
Deletion during the year	(233.48)	-
Depreciation of Right of use assets	(168.62)	(121.31)
Net carrying value 'As at 31 March	318.18	152.86

- ii) The following is the carrying value of lease liability for the year ended March 31, 2024

Particulars	FY 23-24	FY 22-23
	Leashold Buildings	Leashold Buildings
As at 01 April	175.28	296.90
Additions	567.42	-
Finance cost accrued during the year	48.18	24.04
Deletion during the year	(241.68)	-
Payment of lease liabilities	(197.98)	(145.66)
Net carrying value 'As at 31 March	351.22	175.28
Current maturities of Lease Liability	114.62	104.79
Non-Current Lease Liability	236.60	70.49

38 The disclosure pursuant to Micro, Small & Medium Enterprises Act 2006, are as under:

- a) Principal amount and the interest due thereon remaining unpaid to any supplier at the period ending 31st March, 2024 ₹ 1,956.00/- (P.Y. ₹ 2,341.80/- Lakhs)
- b) Amount of interest paid by the Company in terms of Section 16 of the MSMED, along with the amount of the payment made to the beyond the appointed day during the accounting period ending 31st March, 2024 – Nil (P.Y. Nil)
- c) Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding the interest specified under the MSMED – Nil (P.Y. Nil)
- d) Amount of interest accrued and remaining unpaid at the end of the accounting period ending 31st March, 2024 – Nil (P.Y. Nil)

CONSOLIDATED FINANCIAL STATEMENTS (CONT.)

39 Disclosures pursuant to Ind AS-19 “Employee Benefits”(specified under section 133 of the Companies Act, 2013, read with Rule 7 of Companies (Accounts) Rules, 2015) are given below :

a Defined Contribution Plans

Contribution to Defined Contribution Plan, recognized as expenses for the period are as under :

(₹ in Lakhs)

Particulars	As at	As at
	March 31, 2024	31st March, 2023
Employer's contribution to Provident Fund	271.75	255.30
Employer's contribution to ESI	17.20	17.67
Employer's contribution to Welfare Fund	3.53	2.43
Total	292.48	275.40

b Defined Benefit Plans

The following tables summaries the components of net benefit expense recognised in the statement of profit or loss

i) Reconciliation of opening and closing balance of Defined Benefit Obligation

(₹ in Lakhs)

Particulars	Gratuity (Non Funded)	
	As at	As at
	March 31, 2024	31st March, 2023
Defined Benefit obligation at beginning of the year	655.77	608.71
Current Service Cost	129.32	79.23
Past Service Cost	-	-
Interest Cost	49.18	44.13
Benefits paid	(75.63)	(103.25)
Remeasurement of (Gain)/loss recognised in other comprehensive income		
Actuarial changes arising from changes in demographic assumptions	-	-
Actuarial changes arising from changes in financial assumptions	-	-
Actuarial changes arising from changes in experience adjustments	371.90	26.95
Defined Benefit obligation at end of the year	1,130.54	655.77

Net defined benefit asset/ (liability) recognised in the balance sheet

(₹ in Lakhs)

Particulars	As at	As at
	March 31, 2024	31st March, 2023
Present value of defined benefit obligation	1,130.54	655.77
Amount recognised in Balance Sheet- Asset / (Liability)	1,130.54	655.77

CONSOLIDATED FINANCIAL STATEMENTS (CONT.)

ii) Net defined benefit expense (Recognised in the Statement of profit and loss for the year)

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at 31st March, 2023
Current Service Cost	129.32	79.23
Past Service Cost	-	-
Interest Cost	49.18	44.13
Net defined benefit expense debited to statement of profit and loss	178.50	123.36

iii) Remeasurement of (Gain)/loss recognised in other comprehensive income

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at 31st March, 2023
Actuarial changes arising from changes in demographic assumptions	-	-
Actuarial changes arising from changes in financial assumptions	-	-
Actuarial changes arising from changes in experience adjustments	371.90	26.95
Recognised in other comprehensive income	371.90	26.95

iv) Principal assumptions used in determining defined benefit

(₹ in Lakhs)

Mortality table	IALM 2012-14 Ultimate	IALM 2012-14 Ultimate
Discount Rate	7.25 % p.a	7.50 % p.a
Rate of escalation in salary(per annum)	5.00 % p.a	5.00 % p.a
Withdrawal rate (Per Annum)	1 - 5 % p.a	1 - 5 % p.a

a) The estimates of rate of escalation in salary considered in actuarial valuation are after taking into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is as certified by the Actuary.

b) Discount rate is based on the prevailing market yields of Indian Government securities as at the balance sheet date for the estimated term of the obligations.

v) Quantitative sensitivity analysis for significant assumptions is as below:

(₹ in Lakhs)

Increase / (decrease) on present value of defined benefits obligations at the end of the year	As at March 31, 2024	As at 31st March, 2023
Discount Rate		
Increase by 1%	1,039.24	600.81
Decrease by 1%	1,235.98	719.51
Salary Increase		
Increase by 1%	1,237.28	720.49

CONSOLIDATED FINANCIAL STATEMENTS (CONT.)

Increase / (decrease) on present value of defined benefits obligations at the end of the year	As at March 31, 2024	As at 31st March, 2023
Decrease by 1%	1,036.60	599.09
Attrition Rate		
Increase by 1%	1,144.80	666.21
Decrease by 1%	1,114.38	643.98

vi) Maturity profile of defined benefit obligation (undiscounted)

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at 31st March, 2023
Within the next 12 months (next annual reporting period)	154.36	89.94
Between 2 and 5 years	158.75	81.16
Between 5 and 10 years	817.43	484.67
Total expected payments	1,130.54	655.77

vii) The average duration of the defined benefit plan obligation at the end of the reporting period is 11 years (31st March 2023: 12 years)

viii) The estimates of rate of escalation in salary considered in actuarial valuation are after taking into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is as certified by the Actuary.

ix) The sensitivity analyses above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

x) Discount rate is based on the prevailing market yields of Indian Government securities as at the balance sheet date for the estimated term of the obligations.

40 Segment Reporting

a) The segment reporting of the Group has been prepared in accordance with Ind AS-108, "Operating Segment" (specified under section 133 of the Companies Act, 2013, read with Rule 7 of Companies (Accounts) Rules, 2015). For management purposes, the company is organised into business units based on its products and services and has identified two reportable segments viz Metering, Systems & Services, Consumer, Industrial & Services on the basis of the nature of products, the risk return profile of individual business and the internal business reporting systems.

b) Revenue and expenses have been identified to a segment on the basis of relationship to operating activities of the segment. Revenue and expenses which relate to enterprise as a whole and are not allocable to a segment on reasonable basis have been disclosed as "Unallocated".

c) Segment assets and segment liabilities represent assets and liabilities in respective segments. Investment, tax related assets and other assets and liabilities that cannot be allocated to a segment on reasonable basis have been disclosed as



CONSOLIDATED FINANCIAL STATEMENTS (CONT.)

"Unallocated"

(₹ in Lakhs)

Particulars	As at 31st March 2024	As at 31st March, 2023
(A) Segment Revenue		
Metering, Systems & Services	85,257.77	67,002.63
Consumer, Industrial & Services	60,828.04	59,218.24
	1,46,085.81	1,26,220.87
(B) Results		
Segment Results		
Metering, Systems & Services	12,482.42	9,125.95
Consumer, Industrial & Services	6,917.61	7,003.63
	19,400.03	16,129.58
Unallocated expenses net of income		
Operating Profit	3,626.37	3,922.89
Interest Expenses	15,773.66	12,206.69
Profit before tax	8,963.72	7,537.91
Tax Expenses	6,809.94	4,668.78
Profit after tax	2,447.40	1,643.89
	4,362.54	3,024.89
(C) Other Information		
Segment Assets		
Metering, Systems & Services	1,10,521.69	86,636.44
Consumer, Industrial & Services	75,305.65	81,242.93
Unallocated	1,587.87	2,193.36
	1,87,415.21	1,70,072.73
Segment Liabilities		
Metering, Systems & Services	30,332.03	20,452.89
Consumer, Industrial & Services	13,424.82	12,175.48
Unallocated	60,646.52	57,909.60
	1,04,403.37	90,537.97
Capital Expenditure		
Metering, Systems & Services	4,073.28	4,095.71
Consumer, Industrial & Services	493.64	194.33
	4,566.92	4,290.04
Depreciation		
Metering, Systems & Services	2,662.88	1,980.90
Consumer, Industrial & Services	1,202.15	1,855.51
	3,865.03	3,836.41
Segment Revenue		
The following is the distribution of Company's revenue by geographical market :-		
Domestic Market	1,41,776.08	1,21,619.45

CONSOLIDATED FINANCIAL STATEMENTS (CONT.)

Overseas Market	4,309.73	4,601.42
	1,46,085.81	1,26,220.87

41 Related Party Disclosure

(i) Name of related parties with description of relationship :

(A) Entities in which directors are interested:

(1) HPL India Ltd.	(2) HPL Power Corporation Ltd.
(3) Havells Electronics Pvt. Ltd.	(4) Jesons Impex Pvt. Ltd.
(5) Amerex Pvt. Ltd.	(6) Havells Pvt. Ltd.
(7) Seth Inder Narain Trust	

(B) Key Management Personnel :

(1) Mr. Lalit Seth	(2) Mr. Rishi Seth
(3) Mr. Gautam Seth	(4) Mr. Vivek Kumar

(C) Non Executive Directors

(1) Mr. Hargovind Sachdev	(2) Mrs. Rashmi Viz
(3) Mr. Dhruv Goyal	

(D) Relatives of Key Management Personnel

(1) Mrs. Praveen Seth	(2) Mrs. Pooja Seth
(3) Mrs. Vani Seth	

(iii) Key management personnel compensation

(₹ in Lakhs)

Particulars	31st March 2024	31st March 2023
Short-term employee benefits	751.33	675.69
Dividend paid during the year	124.94	18.74
Total Compensation	876.27	694.43

(iv) Details of transactions with Related Parties:-

(₹ in Lakhs)

Particulars	31st March 2024	31st March 2023
Purchase of services		
1. HPL India Ltd	805.57	809.12
Sale of Services		
1. HPL India Ltd	290.93	-
Security deposit Received		
1. Havells Electronics Pvt. Ltd	-	1,500.00
Repayment of Loan and advances		
1. Havells Electronics Pvt. Ltd	32.23	-



CONSOLIDATED FINANCIAL STATEMENTS (CONT.)

Particulars	31st March 2024	31st March 2023
2. Havells Pvt. Ltd	7.84	-
3. HPL India Ltd	48.00	-
4. Directors	40.27	-
Dividend paid to entities in which directors are interested		
1. Havells Electronics Pvt. Ltd	116.52	17.48
2. Havells Pvt. Ltd	28.43	4.26
3. HPL India Ltd	175.73	26.36
4. Jesons impex Pvt Ltd	0.24	0.04
Transaction with Key Managerial Person		
1. Managerial Remuneration	751.33	675.69
2. Director sitting fees	8.60	9.90
3. Dividend Paid	124.94	18.74
Transaction with relatives of Key Managerial Person		
1. Dividend Paid	21.33	3.20

(v) Summary of outstanding Balances with the above Related Parties for the respective years are as given below:

Particulars	31st March 2024	31st March 2023
	(₹ in Lakhs)	
Trade Receivables		
1. HPL India Ltd	337.31	-
Deferred receivables		
1. HPL India Ltd	596.74	802.74
Capital advance		
1. HPL India Ltd	-	528.66
Loans and advances		
1. HPL India Ltd	599.53	-
Security deposit		
1. Havells Electronics Pvt. Ltd	1,500.00	1,500.00
Loan outstanding		
1. Havells Electronics Pvt. Ltd	-	32.23
2. Havells Pvt. Ltd	-	7.84
3. HPL India Ltd	-	48.00
4. Directors	-	40.27
Financial liability		
11,000,000,10% Cumulative Compulsorily Redeemable Preference Shares		
Mr Lalit Seth	712.25	673.75
Mr Praveen Seth	508.75	481.25
Mr Rishi Seth	407.00	385.00
Mr Gautam Seth	407.00	385.00

The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions.

CONSOLIDATED FINANCIAL STATEMENTS (CONT.)

Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the year ended 31st March 2024, The Group has not recorded any impairment of receivables relating to amounts owed by related parties. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

All outstanding balances are unsecured and are repayable in cash

42 a) Interests in other entities

The entities on which the group exercises control as at 31st March 2024 are set out below. The country of incorporation or registration is also their principal place of business.

Name of entity	Principal activities	Place of business/ country of incorporation	Ownership interest held by the group (in %)	
			As at 31st March 2024	As at 31st March 2023
Himachal Energy Private Limited	Manufacturing	India	97.15	97.15
HPL Electric & Power Pvt. Ltd.-Shriji Designs	Lighting Projects	India	97	97
HPL Electric & Power Pvt. Ltd. Trimurthi Hitech Co. Pvt. Ltd.-Shriji Designs	Lighting Projects	India	94	94

Name of entity	Principal activities	Place of business/ country of incorporation	Ownership interest held by non-controlling interests (in %)	
			As at 31st March 2024	As at 31st March 2023
Himachal Energy Private Limited	Manufacturing	India	2.85	2.85
HPL Electric & Power Pvt.Ltd.- Shriji Designs	Lighting Projects	India	3	3
HPL Electric & Power Pvt.Ltd. Trimurthi Hitech Co. Pvt. Ltd.- Shriji Designs	Lighting Projects	India	6	6

b) Non-controlling interests (NCI)

Set out below is summarised financial information for each subsidiary that has non-controlling interests that are material to the group. The amounts disclosed for each subsidiary are before inter-company eliminations.

Summarised balance sheet	(₹ in Lakhs)	
	As at 31st March 2024	As at 31st March 2023
Current assets	7,458.17	8,959.89
Current liabilities	4,831.68	6,612.89
Net current assets	2,626.49	2,347.00
Non-current assets	6,167.47	6,278.76
Non-current liabilities	2,181.27	2,222.39
Net non-current assets	3,986.20	4,056.37



CONSOLIDATED FINANCIAL STATEMENTS (CONT.)

Net assets	6,612.69	6,403.37
Accumulated NCI	188.46	182.49
	(₹ in Lakhs)	
Summarised statement of profit & loss	As at 31st March 2024	As at 31st March 2023
Revenue	8,299.70	10,742.09
Profit for the year	214.44	249.21
Other comprehensive income	(5.12)	(5.98)
Total comprehensive income	209.32	243.23
Profit allocated to NCI	5.97	6.93
Dividends paid to NCI	-	-
	(₹ in Lakhs)	
Particulars	As at 31st March 2024	As at 31st March 2023
Cash flows from operating activities	689.95	969.29
Cash flows from investing activities	(231.99)	(431.76)
Cash flows from financing activities	(496.28)	(875.11)
Net increase/ (decrease) in cash and cash equivalents	(38.32)	(337.58)

43 Statutory Group information

Additional information as required under Schedule III to the Companies Act, 2013 of enterprises consolidated as Subsidiaries:

(₹ in Lakhs)

Name of Enterprises	Net Assets, i.e. Total Assets minus Total Liabilities		Share in Profit & Loss	
	As % of Consolidated Net Assets	Amount	As % of Consolidated Profit & Loss	Amount
Parent Company				
HPL Electric & Power Ltd	92.84%	76,480.86	94.58%	4,125.99
Subsidiary Companies				
Himachal Energy Pvt Ltd	7.97%	6,612.69	4.92%	214.44
HPL Electric & Power Pvt Ltd-Shriji Designs	-0.05%	(45.27)	0.00%	(0.05)

CONSOLIDATED FINANCIAL STATEMENTS (CONT.)

HPL Electric & Power Pvt.Ltd. Trimurthi Hitech Co. Pvt. Ltd.-Shriji Designs	-0.04%	(36.44)	0.51%	22.16
Total	100.00%	83,011.84	100.00%	4,362.54

(₹ in Lakhs)

Name of Enterprises	Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As % of Consolidated Net Assets	Amount	As % of Consolidated Profit & Loss	Amount
Parent Company				
HPL Electric & Power Ltd	97.89%	(237.33)	94.38%	3,888.66
Subsidiary Companies				
Himachal Energy Pvt Ltd	2.11%	(5.12)	5.08%	209.32
HPL Electric & Power Pvt Ltd-Shriji Designs	0.00%	-	0.00%	(0.05)
HPL Electric & Power Pvt.Ltd. Trimurthi Hitech Co. Pvt. Ltd.-Shriji Designs	0.00%	-	0.54%	22.16
Total	100.00%	(242.45)	100.00%	4,120.09

44 The Company do not have any outstanding commercial paper period ending 31st March, 2024. (P Y ₹ Nil)

45 The Company has taken various residential/ commercial premises under cancellable operating leases. These lease agreements are normally renewed on expiry. There are no restrictions placed upon the company by entering into these leases. Lease payments recognized in the Statement of Profit & Loss as rent expenses for the year.

46 Commitments

(₹ in Lakhs)

Particulars	As at 31st March 2024	As at 31st March 2023
Estimated amount of capital contracts remaining to be executed and not provided for (net of advances)	-	27.89

47 Contingent Liabilities:

(₹ in Lakhs)

S. No	Name of Statute	Description	As at 31st March 2024	As at 31st March 2023
1	Central Excise Act, 1944	Demand for Excise Duty before Add. Comm. LTU, New Delhi for 2008-09	16.40	16.40
2	Central Excise Act, 1944	Demand for Excise Duty before Comm. (A), New Delhi for 2009-10 to 2015-16.	82.49	82.49
3	Finance Act, 1994	Demand for Service Tax Credit before Commissioner Appeal, LTU, Delhi for 2012-13	1.01	1.01



CONSOLIDATED FINANCIAL STATEMENTS (CONT.)

(₹ in Lakhs)

S. No	Name of Statute	Description	As at 31st March 2024	As at 31st March 2023
4	Finance Act, 1994	Demand for Cenvat Credit before Commissioner Appeal, LTU, Delhi for 2011-12	1.13	1.13
5	Haryana Vat Act, 2003	Demand for Sales Tax before Haryana Tax, Tribunal, Chandigarh for 2008-09	18.44	25.51
6	Haryana Vat Act, 2003	Demand for Sales Tax before Joint Comm., (Appeal), Rohtak for 2010-11	10.43	17.83
7	Haryana Vat Act, 2003	Demand for Sales Tax before Haryana Tax, Tribunal, Chandigarh for 2009-10	3.76	4.78
8	Haryana Vat Act, 2003	Demand for Sales Tax before Haryana Tax, Tribunal, Rohtak for 2011-12	11.66	18.45
9	Haryana Vat Act, 2003	Demand for Sales Tax before Haryana Tax, Tribunal, Rohtak for 2012-13	7.57	10.06
10	Haryana Vat Act, 2003	Demand for Sales Tax before Haryana Tax, Tribunal, Chandigarh for 2011-12	23.19	23.19
11	Haryana Vat Act, 2003	Demand for Sales Tax before Joint Comm., (Appeal), Ambala for 2011-12	4.38	4.38
12	Finance Act, 1994	Show cause notice received towards short payment of Service Tax for 2010-11 to 2014-15	163.04	163.04
13	Employee's Provident Fund Act, 1952	Demand for EPF before EPF appellate, Tribunal, New Delhi.	8.87	8.87
14	Haryana Vat Act, 2003	Demand for sales tax before Haryana Tax Tribunal for 2011-12	16.37	23.39
15	Haryana Vat Act, 2003	Demand for sales tax before Haryana Tax Tribunal for 2012-13	16.56	23.67
16	Haryana Vat Act, 2003	Demand for sales tax before Haryana Tax Tribunal for 2013-14	80.59	80.59
17	Haryana Vat Act, 2003	Demand for sales tax before Jt. Commissioner (A), Rohtak for 2013-14	3.93	4.80
18	Haryana Vat Act, 2003	Demand for sales tax before Jt. Commissioner (A), Rohtak for 2014-15	8.63	12.05
19	Haryana Vat Act, 2003	Demand for sales tax before Jt. Commissioner (A), Rohtak for 2013-14	-	18.38
20	Haryana Vat Act, 2003	Haryana Tax Tribunal, Chandigarh-Final demand after Rectification on 31.07.2017 (Revision Pending)	3.61	3.61
21	Haryana Vat Act, 2003	Haryana Tax Tribunal, Chandigarh-Pending for Rectification for 2012-13	1.97	1.97
22	Haryana Vat Act, 2003	Haryana Tax Tribunal, Chandigarh-Pending for Rectification for 2013-14	3.73	3.73
23	Haryana Vat Act, 2003	Haryana Tax Tribunal, Chandigarh-Pending for Rectification for 2014-15	0.52	0.52
24	Haryana Vat Act, 2003	Haryana Tax Tribunal-Rohtak-Appeal pending before the Jt.ETC(A),Rohtak for 2010-11	23.77	33.95

CONSOLIDATED FINANCIAL STATEMENTS (CONT.)

(₹ in Lakhs)

S. No	Name of Statute	Description	As at 31st March 2024	As at 31st March 2023
25	Haryana Vat Act, 2003	Demand for sales tax before Dy. Excise & Taxation Commissioner (ST),Sonepat for 2014-15	7.10	10.14
26	Haryana Vat Act, 2003	Demand for sales tax before Jt Excise Excise & Taxation Commissioner, Ambala for 2014-15	55.72	55.74
27	Incomet Tax Act, 1961	Income Tax demand before Asstt. Commissioner of Income Tax, Delhi for AY-2017-18	-	28.72
28	Haryana Vat Act, 2003	Demand for Sales Tax before Haryana Tax, Tribunal, Rohtak for 2015-16	41.89	41.89
29	Haryana Vat Act, 2003	Demand for Sales Tax before Haryana Tax, Tribunal, Rohtak for 2014-15	42.80	97.13
30	Haryana Vat Act, 2003	Demand for Sales Tax before Haryana Tax, Tribunal, Rohtak for 2015-16	14.28	75.76
31	Central Excise Act, 1944	Demand for Excise Duty before Deputy Comm.Central GST Gurgram for 2016-17.	1.72	1.72
32	Finance Act, 1994	Demand for Service Tax Credit before Asstt. Commissioner Gurugram for 2015-16 to 2017-18	14.78	14.78
33	Custom Act,1962	Demand for Custom Duty before Adl./Joint Comm./Customs Gr-VA,ACC Import New Custom House New Delhi for 2018-19	22.67	22.67
34	Haryana Vat Act, 2003	Demand for Sales Tax before Haryana Tax, Tribunal, Rohtak for 2016-17	73.54	73.54
35	Haryana Vat Act, 2003	Demand for Sales Tax before Haryana Tax, Tribunal, Rohtak for 2016-17	15.09	37.23
36	Employee's Provident Fund Act, 1952	Demand for EPF before EPF appellate, Tribunal, New Delhi for July 2011-Jan 2016	3.02	3.02
37	Haryana Vat Act, 2003	Demand for Sales Tax before Haryana Tax, Tribunal, Rohtak for 2017-18	24.19	68.87
38	CGST Act, 2017	Asst. Commissioner CGST division, Parwanoo, jabli Himachal	-	4.33

Notes :1. Based on the favorable decisions in similar cases and discussions with the solicitors, the company does not expect any liability against these matters, hence no provision has been considered in the books of the accounts.

48 Additional Regulatory information

(₹ in Lakhs)

S No	Particulars	Numerator	Denominator	Current Year	Previous Year	Variance
1	Current ratio	Current assets	Current liabilities	1.51	1.46	3.42%
2	Debt-Equity ratio	Total Debt (Including lease liabilities)	Shareholder's equity	0.75	0.75	0.00%
3	Debt service coverato ratio	Earnings available for debt service*	Debt Service**	1.24	1.50	-17.33%



CONSOLIDATED FINANCIAL STATEMENTS (CONT.)

(₹ in Lakhs)						
S No	Particulars	Numerator	Denominator	Current Year	Previous Year	Variance
4	Return on equity ratio	Net profits after taxes	Average shareholders equity	5.48%	4.01%	36.66%
5	Inventory Turnover Ratio	Revenue from operations	Average Inventory	2.76	2.54	8.66%
6	Trade receivables turnover ratio	Revenue from operations	Average trade receivables	2.25	2.28	-1.32%
7	Trade payable turnover ratio	Net credit purchases	Average trade payables	3.92	3.58	9.50%
8	Net capital turnover ratio	Revenue from operations	Average working capital	3.43	3.48	-1.44%
9	Net profit ratio	Net profits for the year	Revenue from operations	2.99%	2.40%	24.58%
10	Return on capital employed	Profit before interest and taxes	Capital employed***	11.20%	9.08%	23.35%
11	'Return on Investments	Profit before interest and taxes	Average total Assets	8.82%	7.31%	20.66%

* Net Profit after taxes+Non-cash operating expenses+Interest+Other non-cash adjustments

** Interest + Principle repayments

*** Net Worth + Total borrowings + Deferred tax liabilities - Deferred Tax Assets

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

(i) Return on Equity ratio and Net profit ratio is improved due to growth in revenue with stable margins.

49 Additional regulatory information required by Schedule III of Companies Act, 2013

- (I) Details of Benami property: No proceedings have been initiated or are pending against the Company for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.
- (II) Utilisation of borrowed funds and share premium: 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
- 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
- (III) Compliance with number of layers of companies: The Company has complied with the number of layers prescribed under the Companies Act, 2013.
- (IV) Compliance with approved scheme(s) of arrangements: The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

CONSOLIDATED FINANCIAL STATEMENTS (CONT.)

- (V) Undisclosed income: There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.
- (VI) Details of crypto currency or virtual currency: The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.
- (VII) Valuation of PP&E, intangible asset and investment property: The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.
- (VIII) The company has not granted any loans or advances in the nature of loans either repayable on demand.

50 Previous year's figure have been regrouped/ re-arranged, wherever considered necessary to make them comparable with corresponding period ending 31st March, 2024.

As per our report of even date attached
For **Sakshi & Associates**
Chartered Accountants
F.R.N. : 025099N

For and on behalf of Board of Directors

Sakshi Kharabanda
Proprietor
M.No. : 523802
UDIN : 24523802BKEXGJ8164

Rishi Seth
Managing Director
DIN- 00203469

Gautam Seth
Joint MD and CFO
DIN- 00203405
Camp : New York USA

Lalit Seth
Director
DIN-00312007
Place :Gurugram

Vivek Kumar
Company Secretary
M.No. A18491

Place : New Delhi
Dated : 15.05.2024



NOTICE

NOTICE is hereby given that the 32nd Annual General Meeting of the Members of HPL Electric & Power Limited will be held on Monday, 30th September, 2024 at 11:30 A.M. through Video Conferencing (VC) or Other Audio Visual Means (OAVM) for which purpose the Registered Office of the Company situated at 1/20, Asaf Ali Road, New Delhi – 110002 shall be deemed as the venue for the Meeting and the proceedings of the AGM shall be deemed to be made thereat, to transact the following businesses:

ORDINARY BUSINESS

- To receive, consider and adopt the Audited Financial Statements (including the Consolidated Financial Statements) of the Company for the Financial Year ended 31st March, 2024 together with the Reports of the Board of Directors and Auditors thereon.
- To declare final dividend of Rs. 1.00 per equity share of face value of Rs. 10/- each for the financial year ended 31st March, 2024.
- To appoint a director in place of Mr. Rishi Seth (DIN: 00203469), who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS

4. Ratification of Remuneration of the Cost Auditors

To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s), enactment(s) or re-enactment(s) thereof, for the time being in force), the company hereby ratifies the remuneration of Rs. 1,00,000 (Rupees one lakh only) plus Service Tax/GST & re-imbursment of out-of-pocket expenses incurred in connection with the cost audit of the Company payable to M/s M.K. Singhal & Co., Cost Accountants (Registration No. 00074), the Cost Auditors who have been appointed by the Board of Directors of the Company, to conduct the audit of the cost records of the Company for the financial year ending 31st March, 2025.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this Resolution.”

5. Re-appointment of Mr. Lalit Seth (DIN: 00312007) as the Chairman and Whole-time Director of the Company and fixation of remuneration

To consider and, if thought fit, to pass the following Resolution as a **Special Resolution**:

“Resolved That pursuant to the provisions of Sections 196, 197 and 203 read with Schedule V and in line with the Nomination and Remuneration Policy of Directors, Key Managerial Personnel and other employees and all other applicable provisions of the Companies Act, 2013 and rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) and the Articles of Association of the Company, on recommendation of the Board of Directors, the consent of the members, be and is hereby accorded to the re-appointment of Mr. Lalit Seth (DIN: 00312007) as the Chairman and Whole-time Director (KMP) of the Company, for a further period of three (3) consecutive years with effect from 21st January, 2025 till 20th January, 2028, not liable to retire by rotation, at a remuneration of Rs 30,00,000/- (Rupees thirty lakhs only) per month, whether paid as salary, allowances, perquisites or a combination thereof.

Resolved Further that in addition to the above the company shall provide to the aforesaid appointee a car with chauffeur and telephone at the residence and the provision of the Car for the use in company's business and telephone at residence will not be considered as perquisites and personal long distance calls and use of car for private purpose shall be billed by the company.

Resolved Further that payment towards the following perquisites will not be included in the aforesaid remuneration:

- Contribution to provident fund, superannuation fund or annuity fund to the extent these either singly or put together are not taxable under the Income-tax Act, 1961;
- Gratuity payable at a rate not exceeding half a month's salary for each completed year of service; and
- Encashment of leave as per the policy of the company.

Resolved Further that the aforesaid remuneration payable to Mr. Lalit Seth as the Chairman and Whole-time Director of the Company shall be paid even, in the event of loss or inadequacy of profits, in any financial year during the aforesaid period, subject to the requirements of Schedule V to the Companies Act, 2013.

Notice (contd.)

Resolved Further that the Board of Directors of the Company and / or any committee thereof be and is hereby authorised to alter or vary any or all of the terms of appointment of Mr. Lalit Seth including relating to remuneration, as it may, at its sole discretion, deem fit, from time to time within the subsisting provisions of the Companies Act, 2013, without any further reference to the Company in General Meeting.

Resolved Further that the Company Secretary of the Company be and is hereby authorized to take all necessary steps to give effect to the aforesaid resolution.”

6. Re-appointment of Mr. Rishi Seth (DIN: 00203469) as the Managing Director of the Company and fixation of remuneration

To consider and, if thought fit, to pass the following Resolution as a **Special Resolution**:

“Resolved that pursuant to the provisions of Sections 196, 197 and 203 read with Schedule V and in line with the Nomination and Remuneration Policy of Directors, Key Managerial Personnel and other employees and all other applicable provisions of the Companies Act, 2013 and rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) and the Articles of Association of the Company, on recommendation of the Board of Directors, the consent of the members, be and is hereby accorded to the re-appointment of Mr. Rishi Seth (DIN: 00203469) as a Managing Director (KMP) of the Company, for a further period of 3 (three)consecutive years with effect from 21st January, 2025 till 20th January, 2028, liable to retire by rotation, at a remuneration of Rs 12,50,000/- (Rupees twelve lakhs fifty thousand only) per month, whether paid as salary, allowances, perquisites or a combination thereof.

Resolved Further That in addition to the above the company shall provide to the aforesaid appointee a car with chauffeur and telephone at the residence and the provision of the Car for the use in company's business and telephone at residence will not be considered as perquisites and personal long distance calls and use of car for private purpose shall be billed by the company.

Resolved Further That payment towards the following perquisites will not be included in the aforesaid remuneration:

- Contribution to provident fund, superannuation fund or annuity fund to the extent these either singly or put together are not taxable under the Income-tax Act, 1961;

- Gratuity payable at a rate not exceeding half a month's salary for each completed year of service; and
- Encashment of leave as per the policy of the company.

Resolved Further That the aforesaid remuneration payable to Mr. Rishi Seth as the Managing Director of the Company shall be paid even, in the event of loss or inadequacy of profits, in any financial year during the aforesaid period, subject to the requirements of Schedule V to the Companies Act, 2013.

Resolved Further that the Board of Directors of the Company and / or any committee thereof be and is hereby authorized to alter or vary any or all of the terms of appointment of Mr. Rishi Seth including relating to remuneration, as it may, at its sole discretion, deem fit, from time to time within the subsisting provisions of the Companies Act, 2013, without any further reference to the Company in General Meeting.

Resolved Further That the Company Secretary of the Company be and is hereby authorized to take all necessary steps to give effect to the aforesaid resolution.”

7. Re-appointment of Mr. Gautam Seth (DIN: 00203405) as the Joint Managing Director of the Company and fixation of remuneration

To consider and, if thought fit, to pass the following Resolution as a **Special Resolution**:

“Resolved That pursuant to the provisions of Sections 196, 197 and 203 read with Schedule V and in line with the Nomination and Remuneration Policy of Directors, Key Managerial Personnel and other employees and all other applicable provisions of the Companies Act, 2013 and rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) and the Articles of Association of the Company, on recommendation of the Board of Directors, the consent of the members, be and is hereby accorded to the re-appointment of Mr. Gautam Seth (DIN: 00203405) as a Joint Managing Director (KMP) of the Company, for a further period of 3 (three)consecutive years with effect from 21st January, 2025 till 20th January, 2028, liable to retire by rotation, at a remuneration of Rs 12,50,000/- (Rupees twelve lakhs fifty thousand only) per month, whether paid as salary, allowances, perquisites or a combination thereof.

Resolved Further That in addition to the above the company shall provide to the aforesaid appointee a car with chauffeur and telephone at the residence and the provision of



Notice *(contd.)*

the Car for the use in company's business and telephone at residence will not be considered as perquisites and personal long distance calls and use of car for private purpose shall be billed by the company.

Resolved Further That payment towards the following perquisites will not be included in the aforesaid remuneration:

- Contribution to provident fund, superannuation fund or annuity fund to the extent these either singly or put together are not taxable under the Income-tax Act, 1961;
- Gratuity payable at a rate not exceeding half a month's salary for each completed year of service; and
- Encashment of leave as per the policy of the company

Resolved Further That the aforesaid remuneration payable to Mr. Gautam Seth as the Joint Managing Director of the Company shall be paid even, in the event of loss or inadequacy of profits, in any financial year during the aforesaid period, subject to the requirements of Schedule V to the Companies Act, 2013.

Resolved Further that the Board of Directors of the Company and / or any committee thereof be and is hereby authorised to alter or vary any or all of the terms of appointment of Mr. Gautam Seth including relating to remuneration, as it may, at its sole discretion, deem fit, from time to time within the subsisting provisions of the Companies Act, 2013, without any further reference to the Company in General Meeting.

Resolved Further That the Company Secretary of the Company be and is hereby authorized to take all necessary steps to give effect to the aforesaid resolution."

By order of the board
For **HPL Electric & Power Limited**

Vivek Kumar

Company Secretary and Compliance officer

M. No. A18491

Date : 2nd September 2024

Place: Kundli

Regd. Office: 1/20, Asaf Ali Road
New Delhi – 110002

NOTES:

- The Ministry of Corporate Affairs ("MCA") has vide its circular no. 14/2020 dated 8th April 2020, 17/2020 dated 13th April 2020, 20/2020 dated 5th May 2020, 2/2021 dated 13th January, 2021, 21/2021 dated 14th December 2021; 02/2022 dated 5th May 2022; 10/2022 & 11/2022 dated 28th December 2022 and 9/2023 dated 25th September, 2023 ("MCA Circulars") and Securities and Exchange Board of India (SEBI) vide its circular no. SEBI/HO/CFD/CMD1/CIR /P/ 2022/62 dated 13th May 2022; SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated 5th January, 2023 and SEBI/HO/CFD/CFD-PoD-2/P/CR/2023/167 dated 7th October, 2023 ("SEBI Circulars") permitted the holding of the Annual General Meeting ("AGM") through Video Conferencing or other audio video means (VC / OAVM) without the physical presence of the members at AGM venue. In compliance with the provisions of the Companies Act, 2013 ("Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and aforementioned MCA Circulars, SEBI Circulars, the AGM of the Company is being held through VC / OAVM. Hence members can attend and participate in the ensuing Annual General Meeting through VC/OAVM.
- Pursuant to the provisions of Section 105 of the Act, a proxy is allowed to attend and vote at a general meeting on behalf of a Member who is not able to attend personally. Since this AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
- The Company has enabled VC / OAVM facility for participation of members in the AGM. Instructions for participation in the AGM through VC / OAVM are provided under the 'Instructions to Members' section given in the Notice.
- The business set out in the Notice will be transacted through electronic voting (e-voting) system and the Company is providing e-voting facility. Instructions and other information relating to e-voting are provided under the 'Instructions to Members' section given in the Notice.
- Corporate members intending to attend the AGM through their authorised representatives are requested to send a certified copy of the Board resolution authorizing their representative to attend and vote on their behalf at the AGM through e-mail to deepak.kukreja@dmkassociates.in

Notice *(contd.)*

or einward.ris@kfintech.com.

- An explanatory statement pursuant to Section 102 (1) of the Companies Act, 2013 in respect of Special business specified above is annexed hereto.
- Information required under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Listing Regulations') in respect of appointment / re-appointment of directors is furnished in this Notice as "Annexure A".
- In terms of MCA and SEBI notifications, Notice of the 32nd AGM along with the Annual Report 2023-24 are being sent only by electronic mode to those members whose email addresses are registered with the Company/ Depository participants ('DPs'). Members who have not yet registered their email addresses are requested to follow the procedure provided under the 'Instructions to Members' section given in the Notice. Further, the Notice calling the AGM and the Annual Report has been uploaded on the website of the Company at www.hplindia.com. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited at www.bseindia.com and National Stock Exchange of India Ltd at www.nseindia.com. The same is also available on the website of KFin at <https://evoting.kfintech.com>.
- The Register of Members and Share Transfer Books will remain closed from 24th September, 2024 to 30th September, 2024 (both days inclusive) in connection with Annual General Meeting and for the purpose of payment of dividend, if declared at the meeting.
- The dividend on the equity shares, if declared at the Annual General Meeting, will be payable subject to deduction of tax at source within 30 days from the date of the Annual General Meeting to those members:
 - Whose names appear as member in the register of member of the company on 23rd September, 2024; and
 - Whose names appear as Beneficial Owners in the list of Beneficial Owners on 23rd September, 2024 furnished by National Security Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) for this purpose.
- Shareholders who have not yet en-cashed their dividend warrant(s) for the financial year 2016-17 and/or any subsequent financial years, are requested to submit their claim to KFin immediately to avoid transferring of their unpaid dividend amount to IEPF Account.

- Members are further requested to note that pursuant to the provisions of Section 124 and 125 of Companies Act, 2013, the dividends if not en-cashed for a period of 7 years consecutively from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund (IEPF) and the shares in respect of which dividends remain unclaimed for seven consecutive years are also liable to be transferred to the de-mat account of the IEPF Authority and no claim with the Company shall lie in respect thereof. In view of this, Members are requested to claim their dividends from the Company, within the stipulated timeline.
- The Register of Directors and Key Managerial Personnel and their shareholding maintained under section 170 of the Act, the Register of Contacts or arrangements in which the directors are interested under section 189 of the Act and all other documents referred in the notice will be available for inspection. Members who wish to inspect the documents can send an email to hplcs@hplindia.com.
- All correspondence relating to change of address, change in the e-mail address already registered with the company, transfer / transmission of shares, issue of duplicate share certificates, bank mandates and all other matters relating to the shareholding in the company may be made to KFin Technologies Limited (KFin), the Registrar and Share Transfer agent ('RTA') of the Company at einward.ris@kfintech.com. Members holding shares in dematerialized form may send such communication to their respective DPs.
- Members who are holding shares in physical form are advised to submit complete particulars of their bank account to our RTA, at einward.ris@kfintech.com, to facilitate electronic remittance of dividend. This would help avoiding fraudulent encashment of the warrants.
- Members can avail the facility of nomination in respect of shares held by them in physical form pursuant to the provisions of section 72 of the Act. Members desiring to avail this facility may send their nomination in the prescribed Form no. SH-13, duly filled in, to the RTA. The prescribed form can be obtained from the RTA or the secretarial department of the Company. Further SEBI vide its Circular dated 16th March 2023 has mandated to furnish Form ISR-3 for opting out of Nomination by physical shareholders in case the shareholder do not wish to register for Nomination.
- SEBI vide its Circular, mandated that the security holders (holding securities in physical form), whose folio(s) do not have PAN or Choice of Nomination or Contact Details or Mobile Number or Bank Account Details or Specimen Signature updated, shall be eligible for any payment including dividend, interest or redemption in respect of such



Notice *(contd.)*

folios, only through electronic mode with effect from 1st April, 2024, upon their furnishing all the aforesaid details in entirety. Further, any service requests or complaints received from the member, are not processed by RTA till the aforesaid details/ documents are provided to RTA.

SEBI has introduced Form ISR - 1 alongwith other relevant forms to lodge any request for registering PAN, KYC details or any change/ update thereof.

Members may also note that SEBI vide its Circular dated January 25, 2022 has mandated listed companies to issue securities in dematerialized form only while processing service requests viz. Issue of duplicate securities certificate; claim from unclaimed suspense account; renewal/exchange of securities certificate; endorsement; sub-division/ splitting of securities certificate; consolidation of securities certificates/folios; transmission and transposition.

In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialization, Members are requested to dematerialize the shares held by them in physical form.

Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR-4. Relevant details and forms prescribed by SEBI in this regard including the mode of dispatch are available on the website of the Company at <https://www.hplindia.com/investor-relation.php> under "Forms & Downloads". for information and use by the Shareholders. You are requested to kindly take note of the same and update your particulars timely.

Members who are holding shares in demat mode are requested to notify any change in their residential address, Bank A/c details and/ or email address immediately to their respective Depository Participants.

18. Members may note that pursuant to the amendments introduced by the Finance Act, 2020, w.e.f. April 1,

2020, the Company will be required to deduct tax at the applicable rates on the dividend declared and paid to the members. Therefore, members who have not furnished their Permanent Account Number (PAN) are requested to submit a copy of the same immediately to the Company / RTA or to the depository participants, as the case may be, to avoid deduction of tax at a higher rate. Members seeking non-deduction of tax on their dividends may submit Form 15G/15H as applicable, to the RTA at <https://ris.kfintech.com/form15/>.

19. SEBI has mandated the submission of PAN by every participant in the securities market. Members holding shares in electronic form, are therefore requested to submit their PAN to their DPs. Members holding shares in physical form may submit their details to RTA.

20. Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to send the share certificates to KFin, for consolidation into a single folio.

21. As per regulation 40 of the Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialised form with effect from April 1, 2019. In view of this requirement members holding shares in physical form are requested to consider converting their holdings to dematerialised form.

22. To promote green initiative, members are requested to register their e-mail address to receive all communication and documents including annual reports from time to time in electronic form. Members holding shares in dematerialised form may send such communication to their respective DPs and those holding shares in physical form may send such communication to the RTA.

23. Since the 32nd AGM is being held in an electronic mode through VC / OAVM, the route map is not provided.

Notice *(contd.)*

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

ITEM NO. 4

M/s M.K. Singhal & Co., Cost Accountants (Registration No. 00074) are appointed as the Cost Auditors of the Company by the Board in its meeting held on 2nd September 2024, on the recommendation of the Audit Committee, to conduct the audit of the cost records maintained by the Company in connection with manufacture of SwitchGears, Cables and Lights for the Financial Year ending 31st March, 2025 at a remuneration of Rs. 1,00,000 (Rupees one lakh only) plus Service Tax/GST & re-imbursment of out-of-pocket expenses incurred in connection with the cost audit of the Company.

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and the Companies (Cost Records and Audit) Rules, 2014, as amended from time to time, the remuneration payable to the Cost Auditors as approved by the Board of Directors on the recommendation of Audit Committee, shall be ratified by the members of the Company. Accordingly, consent of the shareholders is sought for ratification of remuneration amounting to Rs. 1,00,000 (Rupees one lakh only) plus Service Tax/GST & re-imbursment of out-of-pocket expenses incurred in connection with the cost audit of the Company.

Accordingly, consent of the members is being sought for passing an Ordinary Resolution as set out at Item No. 4 of the Notice for ratification of the remuneration payable to the Cost Auditors for the Financial Year ending 31st March, 2025.

None of the Directors/ Key Managerial Personnel of the Company /their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 4 of the Notice.

The Board recommends the Resolution set forth at Item No. 4 of the Notice for approval of the members as an **Ordinary Resolution**.

Item No. 5

Re-appointment of Mr. Lalit Seth (DIN: 00312007) as the Chairman and Whole-time Director of the Company and fixation of remuneration

At the 29th Annual General Meeting, Mr. Lalit Seth was re-appointed as the Chairman and Whole Time Director of the Company for a period of three years commenced from 21st January, 2022 till 20th January, 2025.

Mr. Lalit Seth is one of the Promoters of the company and has been on the board of the company since inception. Mr. Seth is 78

years of age and therefore keeping in view his contribution in the growth of the Company during his tenure, his leadership qualities supported by his vast experience vis-à-vis size of the Company, it would be in the best interest of the Company to continue the employment of Mr. Lalit Seth as the Chairman and Whole-time Director of the Company.

The Board upon the recommendation of the Nomination and Remuneration Committee and subject to the approval of the members of the Company, at its meeting held on 2nd September 2024, re-appointed Mr. Lalit Seth as the Chairman and Whole-time Director (KMP) of the Company for a further period of 3 (three) years with effect from 21st January, 2025 till 20th January, 2028, not liable to retire by rotation on the terms and conditions (on his existing remuneration) as set out in the abovementioned Resolution in Item No. 5.

However, Pursuant to the provisions of Section 152, 196, 197, 198, 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013, the Board recommends the re-appointment of Mr. Lalit Seth as the Chairman and Whole-time Director, for the approval of the members.

The Company has received the consent in writing to act as a Director in Form DIR-2, Intimation in Form DIR-8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014, Notice of interest in Form MBP-1 in terms of section 184(1) as per the Companies Act, 2013, Shareholding details, List of Relatives. In compliance with Stock Exchanges Circulars dated 20th June, 2018, the Nomination and Remuneration Committee and Board of Directors while considering the re-appointment of Mr. Lalit Seth have verified that he has not been debarred from holding the office of director pursuant to any SEBI Order.

The disclosure under Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Clause 1.2.5 of the Secretarial Standards on General Meetings (SS-2) regarding Directors seeking appointment/re-appointment, is annexed to the Notice as **Annexure A**. The statement of information, as required under Schedule V of the Companies Act, 2013, is annexed to the Notice as **Annexure B**.

Save and except, Mr. Lalit Seth to whom the resolution relates alongwith his relatives including Mr. Rishi Seth and Mr. Gautam Seth, none of the Directors/ Key Managerial Personnel of the Company/their relatives is in any way, financially or otherwise, concerned or interested in this Resolution.

The Board recommends the Resolution set forth at Item No. 5 of the Notice for approval of the members as a **Special Resolution**.



Notice *(contd.)*

Item No. 6

Re-appointment of Mr. Rishi Seth (DIN: 00203469) as the Managing Director of the Company and fixation of remuneration

At the 29th Annual General Meeting, Mr. Rishi Seth was re-appointed as the Managing Director of the Company for a period of three years commenced from 21st January, 2022 till 20th January, 2025.

Keeping in view his experience in the HPL Group's organic growth and for shaping the strategic perspective that has led to expansion of HPL Group, supported by his qualifications and experience vis-à-vis size of the Company, the Board upon the recommendation of the Nomination and Remuneration Committee and subject to the approval of members of the company, at its meeting held on 2nd September 2024, re-appointed Mr. Rishi Seth as the Managing Director (KMP) of the Company for a further period of three (3) years with effect from 21st January, 2025 till 20th January, 2028, liable to retire by rotation on the terms and conditions (on his existing remuneration) as set out in the abovementioned Resolution in Item No. 6.

However, Pursuant to the provisions of Section 152, 196, 197, 198, 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013, the Board recommends the re-appointment of Mr. Rishi Seth as the Managing Director, for the approval of the members.

The Company has received the consent in writing to act as a Director in Form DIR-2, Intimation in Form DIR-8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014, Notice of interest in Form MBP-1 in terms of section 184(1) as per the Companies Act, 2013, Shareholding details, List of Relatives. In compliance with Stock Exchanges Circulars dated 20th June, 2018, the Nomination and Remuneration Committee and Board of Directors while considering the re-appointment of Mr. Rishi Seth have verified that he has not been debarred from holding the office of director pursuant to any SEBI Order.

The disclosure under Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Clause 1.2.5 of the Secretarial Standards on General Meetings (SS-2) regarding Directors seeking appointment/re-appointment, is annexed to the Notice as **Annexure A**. The statement of information, as required under Schedule V of the Companies Act, 2013, is annexed to the Notice as **Annexure B**.

Save and except, Mr. Rishi Seth to whom the resolution relates alongwith his relatives including Mr. Lalit Seth and Mr. Gautam Seth, none of the Directors/ Key Managerial Personnel of the Company/their relatives is in any way, financially or otherwise, concerned or interested in this Resolution.

The Board recommends the Resolution set forth at Item No. 6 of the Notice for approval of the members as a **Special Resolution**.

Item No. 7

Re-appointment of Mr. Gautam Seth (DIN: 00203405) as the Joint Managing Director of the Company and fixation of remuneration

At the 29th Annual General Meeting, Mr. Gautam Seth was re-appointed as the Joint Managing Director of the Company for a period of three years commenced from 21st January, 2022 till 20th January, 2025.

Keeping in view his dedication and commitment in the growth of the Company during his tenure as Joint Managing Director, supported by his qualifications and experience vis-à-vis size of the Company, the Board upon the recommendation of the Nomination and Remuneration Committee and subject to the approval of members of the Company, at its meeting held on 2nd September 2024, re-appointed Mr. Gautam Seth as the Joint Managing Director (KMP) of the Company for a further period of three (3) years with effect from 21st January, 2025 till 20th January, 2028, liable to retire by rotation on the terms and conditions (on his existing remuneration) as set out in the abovementioned Resolution in Item No. 7.

However, Pursuant to the provisions of Section 152, 196, 197, 198, 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013, the Board recommends the re-appointment of Mr. Gautam Seth as the Joint Managing Director, for the approval of the members.

The Company has received the consent in writing to act as a Director in Form DIR-2, Intimation in Form DIR-8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014, Notice of interest in Form MBP-1 in terms of section 184(1) as per the Companies Act, 2013, Shareholding details, List of Relatives. In compliance with Stock Exchanges Circulars dated 20th June, 2018, the Nomination and Remuneration Committee and Board of Directors while considering the re-appointment of Mr. Gautam Seth have verified that he has not been debarred from holding the office of director pursuant to any SEBI Order.

The disclosure under Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Clause 1.2.5 of the Secretarial Standards on General Meetings (SS-2) regarding Directors seeking appointment/ re-appointment, is annexed to the Notice as **Annexure A**. The statement of information, as required under Schedule V of the Companies Act, 2013, is annexed to the Notice as **Annexure B**.

Save and except, Mr. Gautam Seth to whom the resolution relates alongwith his relatives including Mr. Lalit Seth and

Notice *(contd.)*

Mr. Rishi Seth, none of the Directors/ Key Managerial Personnel of the Company/their relatives is in any way, financially or otherwise, concerned or interested in this Resolution.

The Board recommends the Resolution set forth at Item No. 7 of the Notice for approval of the members as a **Special Resolution**.

By order of the board
For **HPL Electric & Power Limited**

Vivek Kumar

Company Secretary and Compliance officer

Date: 2nd September 2024

M. No. A18491

Place: Kundli

Regd. Office: 1/20, Asaf Ali Road
New Delhi – 110002



Notice (contd.)

Annexure- A

INFORMATION PURSUANT TO REGULATION 36 OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND SECRETARIAL STANDARDS -2 ISSUED BY ICSI REGARDING DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT

Particulars	Mr. Lalit Seth (Chairman and Whole-time Director)	Mr. Rishi Seth (Managing Director)	Mr. Gautam Seth (Jt. Managing Director)
Age	78 years	53 years	52 years
Qualification(s)	Undergraduate	MBA in Finance	Chartered Accountant
Experience	54 years	29 years	27 years
Expertise in Specific functional area/Brief Profile	Mr. Lalit Seth is the vision behind HPL's success and reputation in the market. With more than 54 years of experience in the Electrical Industry, he has been responsible for a series of progressive projects with HPL Group. Under his inspiring leadership and dynamic approach, HPL stands tall in the Electrical Market segment.	An MBA in Finance with more than 29 years of experience, Mr. Rishi Seth is a man of sharp vision. As the Managing Director, he has been instrumental in HPL Group's organic growth and is responsible for shaping the strategic perspective that has led to the diversification and expansion of HPL into new avenues including EPC projects. He looks after the Institutional and Government business in addition to a smart meter manufacturing facility. He has also been instrumental in the Company's foray into green projects. His major achievement includes HPL's growth into utility segment, making the Group stand tall as the largest Electronic Energy Meter manufacturer.	Mr. Gautam Seth is responsible for the overall functioning and management of the administration. With over 27 years of experience in the field of electrical industry, Mr. Gautam Seth has carried forward the group with pure dedication and commitment. As a Joint Managing Director of the Company, he has been involved foremost in the Group's sales and marketing activities and has spearheaded the Group's various forays into new products and green field projects. A strong vision, exemplary leadership and expertise in the electrical market have enabled him to lead HPL towards the success path.
Terms & Conditions of re-appointment alongwith remuneration sought to be paid	As per Explanatory Statement	As per Explanatory Statement	As per Explanatory Statement
Remuneration Last Drawn	As per Annexure B	As per Annexure B	As per Annexure B
Date of first appointment on the Board	28.05.1992	29.09.2000	15.02.2008
Relationship with other Directors/ Manager/ Key Managerial Personnel of the Company	Related with Mr. Rishi Seth and Mr. Gautam Seth	Related with Mr. Lalit Seth and Mr. Gautam Seth	Related with Mr. Lalit Seth and Mr. Rishi Seth

Notice (contd.)

Particulars	Mr. Lalit Seth (Chairman and Whole-time Director)	Mr. Rishi Seth (Managing Director)	Mr. Gautam Seth (Jt. Managing Director)
Number of Board Meetings attended during the year	As per Corporate Governance Report	As per Corporate Governance Report	As per Corporate Governance Report
Other Directorships held (including listed entity, if any)	1. HPL India Ltd 2. Havell's Pvt Ltd 3. Havells Electronics Pvt Ltd 4. Jesons ImpexPvt Ltd 5. HPL Power Corporation Ltd	1. HPL India Ltd 2. Havell's Pvt Ltd 3. Havells Electronics Pvt Ltd 4. Jesons Impex Pvt Ltd 5. HPL Power Corporation Ltd	1. HPL India Ltd 2. Havells Electronics Pvt Ltd 3. Jesons ImpexPvt Ltd 4. HPL Power Corporation Ltd 5. Amerex Private Limited 6. Homepunch Private Limited
Chairmanship/ Membership of the Committee of the Board of other Companies	Nil	Nil	Nil
Shareholding in the Company	8030228 equity shares of Rs. 10/- face value	2231740 equity shares of Rs. 10/- face value	2231740 equity shares of Rs. 10/- face value



Notice (contd.)

Annexure B

Statement of Information, as required under Schedule-V of the Companies Act, 2013, for Item Nos. 5-7 is given below:

I GENERAL INFORMATION:																															
(1)	Nature of Industry : Engaged in the business of and manufacture, produce, buy, sell, install, distribute, commission or otherwise deal in electric equipments like meters, switchgears etc.																														
(2)	Date or expected date of commencement of commercial production : The Company was incorporated on 28 th May, 1992 and the commercial operations commenced forthwith.																														
(3)	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus. : Not Applicable																														
(4)	Financial performance based on given indicators : <table border="1"> <thead> <tr> <th>Financial Year</th> <th>Stand-alone (Rs. in lakhs)</th> </tr> <tr> <td></td> <td>31.03.2024</td> </tr> </thead> <tbody> <tr> <td colspan="2">INCOME</td> </tr> <tr> <td>Gross Revenue</td> <td>142091.65</td> </tr> <tr> <td>Other Income</td> <td>375.30</td> </tr> <tr> <td>Total Income</td> <td>142466.95</td> </tr> <tr> <td colspan="2">EXPENDITURE</td> </tr> <tr> <td>Operating expenses</td> <td>123984.80</td> </tr> <tr> <td>Finance Cost</td> <td>8512.14</td> </tr> <tr> <td>Depreciation and Amortization Expenses</td> <td>3523.04</td> </tr> <tr> <td>Total Expenses</td> <td>136019.98</td> </tr> <tr> <td>Profit/(Loss) before Tax</td> <td>6446.97</td> </tr> <tr> <td>Less: Provision for Tax</td> <td>1153.07</td> </tr> <tr> <td>Less: Deferred Tax</td> <td>1167.92</td> </tr> <tr> <td>Profit/(Loss) after Tax</td> <td>4125.98</td> </tr> </tbody> </table>	Financial Year	Stand-alone (Rs. in lakhs)		31.03.2024	INCOME		Gross Revenue	142091.65	Other Income	375.30	Total Income	142466.95	EXPENDITURE		Operating expenses	123984.80	Finance Cost	8512.14	Depreciation and Amortization Expenses	3523.04	Total Expenses	136019.98	Profit/(Loss) before Tax	6446.97	Less: Provision for Tax	1153.07	Less: Deferred Tax	1167.92	Profit/(Loss) after Tax	4125.98
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Less: Deferred Tax	1167.92																														
Profit/(Loss) after Tax	4125.98																														
(5)	Foreign Investments Collaborations, if any : Not Applicable																														

Notice (contd.)

II INFORMATION ABOUT MR. LALIT SETH, THE APPOINTEE (at Item No. 5)	
(1)	Background details : As per the Explanatory Statement
(2)	Past remuneration : Rs 30,00,000/- (Rupees thirty lakhs only) per month, whether paid as salary, allowances, perquisites or a combination thereof. A car with chauffer and telephone at the residence and the provision of the Car for the use in company's business and telephone at residence will not be considered as perquisites and personal long distance calls and use of car for private purpose shall be billed by the company
(3)	Recognition or awards : -
(4)	Job profile and Suitability : As per Annexure A
(5)	Remuneration proposed : Same as Past Remuneration
(6)	Comparative remuneration : The proposed remuneration is comparable and justifiable considering the size of the Company, volume of work involved, consistent requirement of management expertise and keeping in view the qualification and experience/expertise of Mr. Lalit Seth. (in case of expatriates the relevant details would be w.r.t. the country of his origin)
(7)	Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any : Except for drawing remuneration and details as provided under Note No. 41 of Standalone Financial Statements, there is no other pecuniary relationship with the company. Mr. Lalit Seth is related to Mr. Rishi Seth, Managing Director and Mr. Gautam Seth, Jt. Managing Director of the Company.
III INFORMATION ABOUT MR. RISHI SETH, THE APPOINTEE (at Item No. 6)	
(1)	Background details : As per the Explanatory Statement
(2)	Past remuneration : Rs 12,50,000/- (Rupees twelve lakhs fifty thousand only) per month, whether paid as salary, allowances, perquisites or a combination thereof. A car with chauffer and telephone at the residence and the provision of the Car for the use in company's business and telephone at residence will not be considered as perquisites and personal long distance calls and use of car for private purpose shall be billed by the company.
(3)	Recognition or awards : -
(4)	Job profile and Suitability : As per Annexure A
(5)	Remuneration proposed : Same as Past Remuneration
(6)	Comparative remuneration : The proposed remuneration is comparable and justifiable considering the size of the Company, volume of work involved, consistent requirement of management expertise and keeping in view the qualification and experience of Mr. Rishi Seth. (in case of expatriates the relevant details would be w.r.t. the country of his origin)



Notice (contd.)

(7)	Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any	Except for drawing remuneration and details as provided under Note No. 41 of Standalone Financial Statements, there is no other pecuniary relationship with the company. Mr. Rishi Seth is related to Mr. Lalit Seth, Chairman and Whole-time Director and Mr. Gautam Seth, Jt. Managing Director of the Company.
IV INFORMATION ABOUT MR. GAUTAM SETH, THE APPOINTEE (at Item No. 7)		
(1)	Background details	: As per the Explanatory Statement
(2)	Past remuneration	: Rs 12,50,000/- (Rupees twelve lakhs fifty thousand only) per month, whether paid as salary, allowances, perquisites or a combination thereof. A car with chauffeur and telephone at the residence and the provision of the Car for the use in company's business and telephone at residence will not be considered as perquisites and personal long distance calls and use of car for private purpose shall be billed by the company.
(3)	Recognition or awards	: -
(4)	Job profile and Suitability	: As per Annexure A
(5)	Remuneration proposed	: Same as Past Remuneration
(6)	Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be w.r.t. the country of his origin)	: The proposed remuneration is comparable and justifiable considering the size of the Company, volume of work involved, consistent requirement of management expertise and keeping in view the qualification and experience of Mr. Gautam Seth.
(7)	Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any	: Except for drawing remuneration and details as provided under Note No. 41 of Standalone Financial Statements, there is no other pecuniary relationship with the company. Mr. Gautam Seth is related to Mr. Lalit Seth, Chairman and Whole-time Director and Mr. Rishi Seth, Managing Director of the Company.
V OTHER INFORMATION:		
(1)	Reasons of loss or inadequate profits	: Consumer, Industrial & Services segment revenue has shown marginal reduction in FY24. Although volumes have been consistent, lighting segment faced value erosion for price (as an industry-wide phenomenon) is taking place in the lighting product lines due to a change in technology causing sales de-growth
(2)	Steps taken or proposed to be taken for improvement	: Launch of new products including industrial and domestic range along with new products in Solar Category and launch of new product 'HPL Fans' under Consumer Electrical Products Category to cater to both domestic and international markets. Upgradation of manufacturing facilities for manufacturing of advanced products like Smart Meters in Metering Business.
(3)	Expected increase in productivity and profits in measurable terms	: Company is holding a strong and stable order book including sizable orders for Smart meters with higher realizations, thereby resulting to increase in revenue and profitability. Stabilization of LED lights segment is expected in near future. This positive shift paves the way for future growth in this segment and increase in profitability.

VI The 'Disclosures' as required under point IV of Section II Part II 'Remuneration' of Schedule V of the companies Act, 2013 are mentioned in the 'Corporate Governance' Report forming part of the Annual Report 2023-24.

Notice (contd.)

INSTRUCTIONS TO MEMBERS

- i. In compliance with the provisions of Section 108 of the Act, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, Regulation 44 of the SEBI Listing Regulations 2015 and in terms of SEBI vide circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 in relation to e-Voting Facility Provided by Listed Entities, the Members are provided with the facility to cast their vote electronically, through the e-Voting services provided by KFin, on all the resolutions set forth in this Notice. The instructions for e-Voting are given herein below.

The company has engaged the services of KFin Technologies Limited (KFin) to provide e-voting (including remote e-voting) facility for members to cast their votes in a secure manner. Mr. Deepak Kukreja and Mrs. Monika Kohli, Practicing Company Secretaries will act as the scrutinizer and alternate scrutinizer respectively, to scrutinise e-voting and conduct the voting process at the AGM in a fair and transparent manner. In terms of the requirements of the Act and the Rules made there under, the Company has fixed Monday, 23rd September, 2024 as the cut-off date. The remote e-voting / voting rights of the members / beneficial owners shall be reckoned on the equity shares held by them as on cut-off date, i.e. 23rd September, 2024.

The remote e-voting facility begins on Friday, 27th September, 2024 (9:00 a.m. Indian Standard Time) and ends on Sunday, 29th September, 2024 (5:00p.m. Indian Standard Time). During this period, the members of the company, holding shares either in physical form or in dematerialised form, as on the cut-off date of 23rd September, 2024, are entitled to avail the facility to cast their vote electronically/ voting in the general meeting, as the case may be. The remote e-voting will not be allowed beyond the aforesaid date and time and the remote e-voting facility shall be disabled by KFin upon expiry of the aforesaid period. Once the vote on a

resolution is cast by a member, he / she shall not be allowed to change it subsequently or cast the vote again.




- ii. However, in pursuant to SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on "e-Voting facility provided by Listed Companies", e-Voting process has been enabled to all the individual demat account holders, by way of single login credential, through their demat accounts / websites of Depositories / DPs in order to increase the efficiency of the voting process.
- iii. Individual demat account holders would be able to cast their vote without having to register again with the e-Voting service provider (ESP) thereby not only facilitating seamless authentication but also ease and convenience of participating in e-Voting process. Shareholders are advised to update their mobile number and e-mail ID with their DPs to access e-Voting facility.
- iv. The voting rights of Members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date.
- v. Any person holding shares in physical form and non-individual shareholders, who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date, may obtain the login ID and password by sending a request at evoting@kfintech.com. However, if he / she is already registered with KFinTech for remote e-Voting then he /she can use his / her existing User ID and password for casting the vote.
- vi. In case of Individual Shareholders holding securities in demat mode and who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date may follow steps mentioned below under "Login method for remote e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode."



Notice (contd.)

INSTRUCTIONS FOR REMOTE E-VOTING, JOINING THE MEETING THROUGH VC / OAVM AND VOTING AT THE MEETING

1. The detailed instructions, process and manner for remote e-voting, joining the meeting through VC / OAVM and voting at the meeting are explained below:
 - l) Method of login / access to Depositories (NSDL / CDSL) e-voting system in case of individual members holding shares in demat mode

Type of member	Login Method
Individual members holding securities in demat mode with NSDL	<p>A. Instructions for existing Internet-based Demat Account Statement (“IDeAS”) facility Users:</p> <ol style="list-style-type: none"> i) Visit the e-services website of NSDL https://eservices.nsd.com either on a personal computer or on a mobile. ii) On the e-services home page click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section. Thereafter enter the existing user id and password. iii) After successful authentication, members will be able to see e-voting services under ‘Value Added Services’. Please click on “Access to e-voting” under e-voting services, after which the e-voting page will be displayed. iv) Click on company name, i.e. ‘HPL ELECTRIC & POWER LIMITED’, or e-voting service provider, i.e. KFin. v) Members will be re-directed to KFin’s website for casting their vote during the remote e-voting period and voting during the Meeting. <p>B. Instructions for those Members who are not registered under IDeAS:</p> <ol style="list-style-type: none"> i) Visit https://eservices.nsd.com for registering. ii) Select “Register Online for IDeAS Portal” or click at https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp. iii) Proceed with completing the required fields iv) Follow steps given in point A. <p>C. Alternatively, instructions for directly accessing the e-voting website of NSDL</p> <ol style="list-style-type: none"> i) Visit the e-voting website of NSDL https://www.evoting.nsd.com/. ii) Once the home page of e-voting system is launched, click on the icon “Login” which is available under ‘Shareholder / Member’ section. A new screen will open. iii) Members will have to enter their User ID (i.e. the sixteen digit demat account number held with NSDL), password / OTP and a Verification Code as shown on the screen. iv) After successful authentication, members will be redirected to NSDL Depository site wherein they can see e-voting page. v) Click on company name, i.e. HPL ELECTRIC & POWER LIMITED, or e-voting service provider name, i.e. KFin, after which the member will be redirected to e-voting service provider website for casting their vote during the remote e-voting period and voting during the Meeting. vi) Members can also download the NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience. <div style="text-align: center;"> <p>NSDL Mobile App is available on</p>    </div>

Notice (contd.)

Type of member	Login Method
Individual members holding securities in demat mode with CDSL	<p>A. Instructions for existing users who have opted for Electronic Access To Securities Information (“Easi / Easiest”) facility:</p> <ol style="list-style-type: none"> i) Visit https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com ii) Click on New System MyEasi. iii) Login to MyEasi option under quick login. iv) Login with the registered user ID and password. v) Members will be able to view the e-voting Menu. vi) The Menu will have links of KFin e-voting portal and will be redirected to the e-voting page of KFin to cast their vote without any further authentication. <p>B. Instructions for users who have not registered for Easi / Easiest</p> <ol style="list-style-type: none"> i) Visit https://web.cdslindia.com/myeasi/Registration/EasiRegistration for registering. ii) Proceed to complete registration using the DP ID, Client ID (BO ID), etc. iii) After successful registration, please follow the steps given in point no.A above to cast your vote. <p>C. Alternatively, instructions for directly accessing the e-voting website of CDSL</p> <ol style="list-style-type: none"> i) Visit www.cdslindia.com ii) Provide demat Account Number and PAN iii) System will authenticate user by sending OTP on registered mobile and email as recorded in the demat Account. iv) After successful authentication, please enter the e-voting module of CDSL. Click on the e-voting link available against the name of the Company, viz., ‘HPL ELECTRIC & POWER LIMITED’ or select KFin. v) Members will be re-directed to the e-voting page of KFin to cast their vote without any further authentication.
Individual members login through their demat accounts / Website of Depository Participant	<p>A. Instructions for login through Demat Account / website of Depository Participant</p> <ol style="list-style-type: none"> i) Members can also login using the login credentials of their demat account through their DP registered with the Depositories for e-voting facility. ii) Once logged-in, members will be able to view e-voting option. iii) Upon clicking on e-voting option, members will be redirected to the NSDL / CDSL website after successful authentication, wherein they will be able to view the e-voting feature. iv) Click on options available against HPL ELECTRIC & POWER LIMITED or KFin. v) Members will be redirected to e-voting website of KFin for casting their vote during the remote e-voting period without any further authentication.
Important note: Members who are unable to retrieve User ID / Password are advised to use Forgot user ID and Forgot Password option available at respective websites.	
Helpdesk for Individual members holding securities in demat mode for any technical issues related to login through NSDL / CDSL:	
Securities held with NSDL	Please contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at: 022-4886 7000 and 022-2499 7000
Securities held with CDSL	Please contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no.: 1800 22 55 33



Notice (contd.)

II) Method of login / access to KFin e-voting system in case of members holding shares in physical and non-individual members in demat mode

Type of member	Login Method
Members whose email IDs are registered with the Company / Depository Participants(s)	<p>A. Instructions for Members whose email IDs are registered with the Company / Depository Participants(s),</p> <p>Members whose email IDs are registered with the Company / Depository Participant(s) will receive an email from KFin which will include details of E-voting Event Number (EVEN), USER ID and password. They will have to follow the following process:</p> <ol style="list-style-type: none"> i) Launch internet browser by typing the URL: https://evoting.kfintech.com/ ii) Enter the login credentials (i.e. User ID and password). In case of physical folio, User ID will be EVEN (E-Voting Event Number) ____, followed by folio number. In case of Demat account, User ID will be your DP ID and Client ID. However, if a member is registered with KFin for e-voting, they can use their existing User ID and password for casting the vote. iii) After entering these details appropriately, click on "LOGIN". iv) Members will now reach password change Menu wherein they are required to mandatorily change the password. The new password shall comprise of minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character (@,#,\$, etc.). The system will prompt the member to change their password and update their contact details viz. mobile number, email ID etc. on first login. Members may also enter a secret question and answer of their choice to retrieve their password in case they forget it. It is strongly recommended that members do not share their password with any other person and that they take utmost care to keep their password confidential. v) Members would need to login again with the new credentials. vi) On successful login, the system will prompt the member to select the "EVEN" i.e., 'HPL ELECTRIC & POWER LIMITED - AGM' and click on "Submit" vii) On the voting page, enter the number of shares (which represents the number of votes) as on the cut-off date under "FOR/AGAINST" or alternatively, a member may partially enter any number in "FOR" and partially "AGAINST" but the total number in "FOR/ AGAINST" taken together shall not exceed the total shareholding as mentioned herein above. A member may also choose the option ABSTAIN. If a member does not indicate either "FOR" or "AGAINST" it will be treated as "ABSTAIN" and the shares held will not be counted under either head. viii) Members holding multiple folios / demat accounts shall choose the voting process separately for each folio / demat account. ix) Voting has to be done for each item of the Notice separately. In case a member does not desire to cast their vote on any specific item, it will be treated as abstained. x) A member may then cast their vote by selecting an appropriate option and click on "Submit". xi) A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once a member has voted on the resolution (s), they will not be allowed to modify their vote. During the voting period, members can login any number of times till they have voted on the Resolution(s).

Notice (contd.)

Type of member	Login Method
Members whose email IDs are not registered with the Company / Depository Participants(s)	<p>B. Instructions for Members whose email IDs are not registered with the Company / Depository Participants(s), and consequently the Notice of Meeting and e-voting instructions cannot be serviced</p> <ol style="list-style-type: none"> i. Members who have not registered/updated their e-mail address, are requested to register the same (i) with the Depository Participant(s) where they maintain their demat accounts, if the shares are held in electronic form, and (ii) Members holding shares in physical mode, who have not registered/updated their e-mail address with the Company/ RTA, are requested to register/update their e-mail address by submitting Form ISR-1 (available on the website of the Company at https://www.hplindia.com/photos/investor-pdf/Form%20ISR-1.pdf & on the website of KFin https://ris.kfintech.com/clientservices/isc/default.aspx.) duly filled and signed along with requisite supporting documents to Kfin Technologies Limited at Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad 500 032. ii. Members holding shares in dematerialized mode who have not registered their e-mail address with their Depository Participant(s) are requested to register/update their e-mail address with the Depository Participant(s) with which they maintain their demat accounts. iii. After due verification, the Company/Kfintech will forward your login credentials to your registered e-mail address. iv. Follow the instructions at II(A)(i) to (xi) to cast your vote. v. Members can also update their mobile number and e-mail address in the "user profile details" in their e-voting login on https://evoting.kfintech.com

III) Method / Access to join the Meeting on KFin system and to participate and vote thereat -

Type of member	Login Method
All shareholders, including Individual, other than Individual and Physical, for attending the Meeting of the Company through VC / OAVM and e-voting during the meeting	<p>A. Instructions for all the shareholders, including Individual, other than Individual and Physical, for attending the Meeting of the Company through VC / OAVM and e-voting during the meeting:</p> <ol style="list-style-type: none"> i) Members will be able to attend the Meeting through VC / OAVM platform provided by KFin. Members may access the same at https://emeetings.kfintech.com/ by using the e-voting login credentials provided in the email received from the Company / KFin. ii) After logging in, click on the Video Conference tab and select the EVEN of the Company. iii) Click on the video symbol and accept the meeting etiquettes to join the meeting. Please note that members who do not have the user id and password for e-voting or have forgotten the same may retrieve them by following the remote e-voting instructions mentioned above. iv) The procedure for e-voting during the Meeting is same as the procedure for remote e-voting since the Meeting is being held through VC / OAVM. v) The e-voting window shall be activated upon instructions of the Chairman of the Meeting during the Meeting. vi) E-voting during the Meeting is integrated with the VC / OAVM platform and no separate login is required for the same.



Notice *(contd.)*

OTHER INSTRUCTIONS FOR JOINING THE MEETING THROUGH VC / OAVM

- i. Members will be able to attend the Meeting through VC / OAVM or view the live webcast of the Meeting at <https://emeetings.kfintech.com/> by using their remote e-voting login credentials and selecting the 'EVEN' for Company's Meeting. Members who do not have the User ID and Password for e-voting or have forgotten the User ID and Password may retrieve the same by following the remote e-voting instructions mentioned in the Notice. Further, members can also use the OTP based login for logging into the e-voting system.

Members may join the Meeting through laptops, smartphones, tablets or ipads for better experience. Further, members are requested to use internet with a good speed to avoid any disturbance during the Meeting. Members will need the latest version of Chrome, Safari, Internet Explorer, MS Edge or Mozilla Firefox 22.

- ii. Members attending the AGM through VC/OAVM shall be counted for the purpose of reckoning the quorum for the meeting under Section 103 of the Act.
- iii. Members will be required to grant access to the webcam to enable VC / OAVM. Further, Members connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
- iv. The Members who have not cast their vote through remote e-voting shall be eligible to cast their vote through e-voting system available during the AGM. E-voting during the AGM is integrated with the VC / OAVM platform. The Members may click on the voting icon displayed on the screen to cast their votes.
- v. Members are requested to attend and participate at the Meeting through VC / OAVM and cast their vote either through remote e-voting facility or through e-voting facility to be provided during Meeting. The facility of e-voting during the Meeting will be available to those members who have not cast their vote by remote e-voting. Members, who cast their vote by remote e-voting, may attend the Meeting through VC / OAVM, but will not be entitled to cast their vote once again on the resolutions. If a member casts votes by both modes, i.e. voting at Meeting and remote e-voting, voting done through remote e-voting shall prevail and vote at the Meeting shall be treated as invalid.

- vi. Facility of joining the Meeting through VC / OAVM shall open 30 (thirty) minutes before the time scheduled for the Meeting and shall be kept open throughout the Meeting. Members will be able to participate in the Meeting through VC / OAVM on a first-come-first-serve basis. Up to 2,000 shareholders will be able to join the Meeting on a first-come-first-serve basis.

Large members (i.e. members holding 2% or more shareholding), promoters, institutional investors, directors, key managerial personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors, etc. will not be subject to the aforesaid restriction of first-come first-serve basis.

- vii. Institutional Members are encouraged to attend and vote at the AGM through VC / OAVM.

viii. **SPEAKER REGISTRATION:** The Members who wish to speak during the meeting may register themselves as speakers for the AGM to express their views. They can visit <https://emeetings.kfintech.com> and login through the user id and password provided in the mail received from Kfintech. On successful login, select 'Speaker Registration' which will be opened from 26th September, 2024 (9:00 a.m. IST) up to 27th September, 2024 (5.00 p.m. IST) Members shall be provided a 'queue number' before the meeting. The Company reserves the right to restrict the speakers at the AGM to only those Members who have registered themselves, depending on the availability of time for the AGM.

ix. **POST YOUR QUESTION:** The Members who wish to post their questions prior to the meeting can do the same by visiting <https://emeetings.kfintech.com>. Please login through the user id and password provided in the mail received from Kfintech. On successful login, select 'Post Your Question' option which will be opened from 9:00 AM on 26th September, 2024 to 5:00 PM on 27th September, 2024.

x. In case of any query and/or grievance, in respect of voting by electronic means, Members may refer to the Help & Frequently Asked Questions (FAQs) and E-voting user manual available at the download section of <https://evoting.kfintech.com> (Kfintech Website) or contact Mr. Ganesh Patro, at evoting@kfintech.com or call Kfintech's toll free No. 1-800-309-4001 for any further clarifications.

xi. The Members, whose names appear in the Register of Members / list of Beneficial Owners as on Monday, 23rd September, 2024, being the cut-off date, are entitled to vote

Notice *(contd.)*

on the Resolutions set forth in this Notice. A person who is not a Member as on the cut-off date should treat this Notice for information purposes only. Once the vote on a resolution(s) is cast by the Member, the Member shall not be allowed to change it subsequently.

xii. In case a person has become a Member of the Company after dispatch of AGM Notice but on or before the cut-off date for E-voting, he/she may obtain the User ID and Password in the manner as mentioned below:

- a) If e-mail address or mobile number of the Member is registered against Folio No./ DP ID Client ID, then on the home page of <https://evoting.kfintech.com>, the Member may click "Forgot Password" and enter Folio No. or DP ID Client ID and PAN to generate password.
- b) Member may call on Kfintech's toll-free number 1800309 4001 (from 9:00 a.m. (IST) to 6:00 p.m. (IST) on all working days).
- c) Member may send an e-mail request to einward.ris@kfintech.com. After due verification of the request, User ID and password will be sent to the Member.

d) If the Member is already registered with Kfintech's e-voting platform, then he/she/ it can use his/her/its existing password for logging-in.

xiii. The Scrutinizer shall immediately after the conclusion of voting at the AGM, first count the votes cast during the AGM, there after unblock the votes cast through remote e-voting and make a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, and submit the report to the Chairman of the company or a person authorized by him in writing in that respect, as per the provisions of Companies Act, 2013 and SEBI Listing Regulations, 2015, who shall countersign the same and declare the results of the voting forthwith as per the Statutory timelines.

xiv. The voting results declared along with the scrutinizer's report will be placed on the company's website www.hplindia.com and on the website of KFin at <https://evoting.kfintech.com> after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the Stock Exchange(s).

xv. The transcript of this annual general meeting shall be made available on the website of the company i.e www.hplindia.com.



HPL Electric & Power Limited

Registered Office

1/20, Asaf Ali Road, New Delhi - 110 002

Tel.: +91-11-23234411

Fax: +91-11-23232639

Corporate Office

76-B, Phase-IV, Sector-57,

HSIIDC Industrial Estate, Kundli-131028,

Sonapat, Haryana INDIA.

Email: hpl@hplindia.com

Website: www.hplindia.com

Tel.: +91-130-350 3958, 350 3437



NOTICE

NOTICE is hereby given that the 32nd Annual General Meeting of the Members of HPL Electric & Power Limited will be held on Monday, 30th September, 2024 at 11:30 A.M. through Video Conferencing (VC) or Other Audio Visual Means (OAVM) for which purpose the Registered Office of the Company situated at 1/20, Asaf Ali Road, New Delhi – 110002 shall be deemed as the venue for the Meeting and the proceedings of the AGM shall be deemed to be made thereat, to transact the following businesses:

ORDINARY BUSINESS

- To receive, consider and adopt the Audited Financial Statements (including the Consolidated Financial Statements) of the Company for the Financial Year ended 31st March, 2024 together with the Reports of the Board of Directors and Auditors thereon.
- To declare final dividend of Rs. 1.00 per equity share of face value of Rs. 10/- each for the financial year ended 31st March, 2024.
- To appoint a director in place of Mr. Rishi Seth (DIN: 00203469), who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS

4. Ratification of Remuneration of the Cost Auditors

To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s), enactment(s) or re-enactment(s) thereof, for the time being in force), the company hereby ratifies the remuneration of Rs. 1,00,000 (Rupees one lakh only) plus Service Tax/GST & re-imbursment of out-of-pocket expenses incurred in connection with the cost audit of the Company payable to M/s M.K. Singhal & Co., Cost Accountants (Registration No. 00074), the Cost Auditors who have been appointed by the Board of Directors of the Company, to conduct the audit of the cost records of the Company for the financial year ending 31st March, 2025.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this Resolution.”

5. Re-appointment of Mr. Lalit Seth (DIN: 00312007) as the Chairman and Whole-time Director of the Company and fixation of remuneration

To consider and, if thought fit, to pass the following Resolution as a **Special Resolution**:

“Resolved That pursuant to the provisions of Sections 196, 197 and 203 read with Schedule V and in line with the Nomination and Remuneration Policy of Directors, Key Managerial Personnel and other employees and all other applicable provisions of the Companies Act, 2013 and rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) and the Articles of Association of the Company, on recommendation of the Board of Directors, the consent of the members, be and is hereby accorded to the re-appointment of Mr. Lalit Seth (DIN: 00312007) as the Chairman and Whole-time Director (KMP) of the Company, for a further period of three (3) consecutive years with effect from 21st January, 2025 till 20th January, 2028, not liable to retire by rotation, at a remuneration of Rs 30,00,000/- (Rupees thirty lakhs only) per month, whether paid as salary, allowances, perquisites or a combination thereof.

Resolved Further that in addition to the above the company shall provide to the aforesaid appointee a car with chauffeur and telephone at the residence and the provision of the Car for the use in company's business and telephone at residence will not be considered as perquisites and personal long distance calls and use of car for private purpose shall be billed by the company.

Resolved Further that payment towards the following perquisites will not be included in the aforesaid remuneration:

- Contribution to provident fund, superannuation fund or annuity fund to the extent these either singly or put together are not taxable under the Income-tax Act, 1961;
- Gratuity payable at a rate not exceeding half a month's salary for each completed year of service; and
- Encashment of leave as per the policy of the company.

Resolved Further that the aforesaid remuneration payable to Mr. Lalit Seth as the Chairman and Whole-time Director of the Company shall be paid even, in the event of loss or inadequacy of profits, in any financial year during the aforesaid period, subject to the requirements of Schedule V to the Companies Act, 2013.

Notice (contd.)

Resolved Further that the Board of Directors of the Company and / or any committee thereof be and is hereby authorised to alter or vary any or all of the terms of appointment of Mr. Lalit Seth including relating to remuneration, as it may, at its sole discretion, deem fit, from time to time within the subsisting provisions of the Companies Act, 2013, without any further reference to the Company in General Meeting.

Resolved Further that the Company Secretary of the Company be and is hereby authorized to take all necessary steps to give effect to the aforesaid resolution.”

6. Re-appointment of Mr. Rishi Seth (DIN: 00203469) as the Managing Director of the Company and fixation of remuneration

To consider and, if thought fit, to pass the following Resolution as a **Special Resolution**:

“Resolved that pursuant to the provisions of Sections 196, 197 and 203 read with Schedule V and in line with the Nomination and Remuneration Policy of Directors, Key Managerial Personnel and other employees and all other applicable provisions of the Companies Act, 2013 and rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) and the Articles of Association of the Company, on recommendation of the Board of Directors, the consent of the members, be and is hereby accorded to the re-appointment of Mr. Rishi Seth (DIN: 00203469) as a Managing Director (KMP) of the Company, for a further period of 3 (three)consecutive years with effect from 21st January, 2025 till 20th January, 2028, liable to retire by rotation, at a remuneration of Rs 12,50,000/- (Rupees twelve lakhs fifty thousand only) per month, whether paid as salary, allowances, perquisites or a combination thereof.

Resolved Further That in addition to the above the company shall provide to the aforesaid appointee a car with chauffeur and telephone at the residence and the provision of the Car for the use in company's business and telephone at residence will not be considered as perquisites and personal long distance calls and use of car for private purpose shall be billed by the company.

Resolved Further That payment towards the following perquisites will not be included in the aforesaid remuneration:

- Contribution to provident fund, superannuation fund or annuity fund to the extent these either singly or put together are not taxable under the Income-tax Act, 1961;

- Gratuity payable at a rate not exceeding half a month's salary for each completed year of service; and
- Encashment of leave as per the policy of the company.

Resolved Further That the aforesaid remuneration payable to Mr. Rishi Seth as the Managing Director of the Company shall be paid even, in the event of loss or inadequacy of profits, in any financial year during the aforesaid period, subject to the requirements of Schedule V to the Companies Act, 2013.

Resolved Further that the Board of Directors of the Company and / or any committee thereof be and is hereby authorized to alter or vary any or all of the terms of appointment of Mr. Rishi Seth including relating to remuneration, as it may, at its sole discretion, deem fit, from time to time within the subsisting provisions of the Companies Act, 2013, without any further reference to the Company in General Meeting.

Resolved Further That the Company Secretary of the Company be and is hereby authorized to take all necessary steps to give effect to the aforesaid resolution.”

7. Re-appointment of Mr. Gautam Seth (DIN: 00203405) as the Joint Managing Director of the Company and fixation of remuneration

To consider and, if thought fit, to pass the following Resolution as a **Special Resolution**:

“Resolved That pursuant to the provisions of Sections 196, 197 and 203 read with Schedule V and in line with the Nomination and Remuneration Policy of Directors, Key Managerial Personnel and other employees and all other applicable provisions of the Companies Act, 2013 and rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) and the Articles of Association of the Company, on recommendation of the Board of Directors, the consent of the members, be and is hereby accorded to the re-appointment of Mr. Gautam Seth (DIN: 00203405) as a Joint Managing Director (KMP) of the Company, for a further period of 3 (three)consecutive years with effect from 21st January, 2025 till 20th January, 2028, liable to retire by rotation, at a remuneration of Rs 12,50,000/- (Rupees twelve lakhs fifty thousand only) per month, whether paid as salary, allowances, perquisites or a combination thereof.

Resolved Further That in addition to the above the company shall provide to the aforesaid appointee a car with chauffeur and telephone at the residence and the provision of



Notice *(contd.)*

the Car for the use in company's business and telephone at residence will not be considered as perquisites and personal long distance calls and use of car for private purpose shall be billed by the company.

Resolved Further That payment towards the following perquisites will not be included in the aforesaid remuneration:

- Contribution to provident fund, superannuation fund or annuity fund to the extent these either singly or put together are not taxable under the Income-tax Act, 1961;
- Gratuity payable at a rate not exceeding half a month's salary for each completed year of service; and
- Encashment of leave as per the policy of the company

Resolved Further That the aforesaid remuneration payable to Mr. Gautam Seth as the Joint Managing Director of the Company shall be paid even, in the event of loss or inadequacy of profits, in any financial year during the aforesaid period, subject to the requirements of Schedule V to the Companies Act, 2013.

Resolved Further that the Board of Directors of the Company and / or any committee thereof be and is hereby authorised to alter or vary any or all of the terms of appointment of Mr. Gautam Seth including relating to remuneration, as it may, at its sole discretion, deem fit, from time to time within the subsisting provisions of the Companies Act, 2013, without any further reference to the Company in General Meeting.

Resolved Further That the Company Secretary of the Company be and is hereby authorized to take all necessary steps to give effect to the aforesaid resolution."

By order of the board
For **HPL Electric & Power Limited**

Vivek Kumar

Company Secretary and Compliance officer

M. No. A18491

Date : 2nd September 2024

Place: Kundli

Regd. Office: 1/20, Asaf Ali Road
New Delhi – 110002

NOTES:

- The Ministry of Corporate Affairs ("MCA") has vide its circular no. 14/2020 dated 8th April 2020, 17/2020 dated 13th April 2020, 20/2020 dated 5th May 2020, 2/2021 dated 13th January, 2021, 21/2021 dated 14th December 2021; 02/2022 dated 5th May 2022; 10/2022 & 11/2022 dated 28th December 2022 and 9/2023 dated 25th September, 2023 ("MCA Circulars") and Securities and Exchange Board of India (SEBI) vide its circular no. SEBI/HO/CFD/CMD1/CIR /P/ 2022/62 dated 13th May 2022; SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated 5th January, 2023 and SEBI/HO/CFD/CFD-PoD-2/P/CR/2023/167 dated 7th October, 2023 ("SEBI Circulars") permitted the holding of the Annual General Meeting ("AGM") through Video Conferencing or other audio video means (VC / OAVM) without the physical presence of the members at AGM venue. In compliance with the provisions of the Companies Act, 2013 ("Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and aforementioned MCA Circulars, SEBI Circulars, the AGM of the Company is being held through VC / OAVM. Hence members can attend and participate in the ensuing Annual General Meeting through VC/OAVM.
- Pursuant to the provisions of Section 105 of the Act, a proxy is allowed to attend and vote at a general meeting on behalf of a Member who is not able to attend personally. Since this AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
- The Company has enabled VC / OAVM facility for participation of members in the AGM. Instructions for participation in the AGM through VC / OAVM are provided under the 'Instructions to Members' section given in the Notice.
- The business set out in the Notice will be transacted through electronic voting (e-voting) system and the Company is providing e-voting facility. Instructions and other information relating to e-voting are provided under the 'Instructions to Members' section given in the Notice.
- Corporate members intending to attend the AGM through their authorised representatives are requested to send a certified copy of the Board resolution authorizing their representative to attend and vote on their behalf at the AGM through e-mail to deepak.kukreja@dmkassociates.in

Notice *(contd.)*

or einward.ris@kfintech.com.

- An explanatory statement pursuant to Section 102 (1) of the Companies Act, 2013 in respect of Special business specified above is annexed hereto.
- Information required under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Listing Regulations') in respect of appointment / re-appointment of directors is furnished in this Notice as "Annexure A".
- In terms of MCA and SEBI notifications, Notice of the 32nd AGM along with the Annual Report 2023-24 are being sent only by electronic mode to those members whose email addresses are registered with the Company/ Depository participants ('DPs'). Members who have not yet registered their email addresses are requested to follow the procedure provided under the 'Instructions to Members' section given in the Notice. Further, the Notice calling the AGM and the Annual Report has been uploaded on the website of the Company at www.hplindia.com. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited at www.bseindia.com and National Stock Exchange of India Ltd at www.nseindia.com. The same is also available on the website of KFin at <https://evoting.kfintech.com>.
- The Register of Members and Share Transfer Books will remain closed from 24th September, 2024 to 30th September, 2024 (both days inclusive) in connection with Annual General Meeting and for the purpose of payment of dividend, if declared at the meeting.
- The dividend on the equity shares, if declared at the Annual General Meeting, will be payable subject to deduction of tax at source within 30 days from the date of the Annual General Meeting to those members:
 - Whose names appear as member in the register of member of the company on 23rd September, 2024; and
 - Whose names appear as Beneficial Owners in the list of Beneficial Owners on 23rd September, 2024 furnished by National Security Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) for this purpose.
- Shareholders who have not yet en-cashed their dividend warrant(s) for the financial year 2016-17 and/or any subsequent financial years, are requested to submit their claim to KFin immediately to avoid transferring of their unpaid dividend amount to IEPF Account.

- Members are further requested to note that pursuant to the provisions of Section 124 and 125 of Companies Act, 2013, the dividends if not en-cashed for a period of 7 years consecutively from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund (IEPF) and the shares in respect of which dividends remain unclaimed for seven consecutive years are also liable to be transferred to the de-mat account of the IEPF Authority and no claim with the Company shall lie in respect thereof. In view of this, Members are requested to claim their dividends from the Company, within the stipulated timeline.
- The Register of Directors and Key Managerial Personnel and their shareholding maintained under section 170 of the Act, the Register of Contacts or arrangements in which the directors are interested under section 189 of the Act and all other documents referred in the notice will be available for inspection. Members who wish to inspect the documents can send an email to hplcs@hplindia.com.
- All correspondence relating to change of address, change in the e-mail address already registered with the company, transfer / transmission of shares, issue of duplicate share certificates, bank mandates and all other matters relating to the shareholding in the company may be made to KFin Technologies Limited (KFin), the Registrar and Share Transfer agent ('RTA') of the Company at einward.ris@kfintech.com. Members holding shares in dematerialized form may send such communication to their respective DPs.
- Members who are holding shares in physical form are advised to submit complete particulars of their bank account to our RTA, at einward.ris@kfintech.com, to facilitate electronic remittance of dividend. This would help avoiding fraudulent encashment of the warrants.
- Members can avail the facility of nomination in respect of shares held by them in physical form pursuant to the provisions of section 72 of the Act. Members desiring to avail this facility may send their nomination in the prescribed Form no. SH-13, duly filled in, to the RTA. The prescribed form can be obtained from the RTA or the secretarial department of the Company. Further SEBI vide its Circular dated 16th March 2023 has mandated to furnish Form ISR-3 for opting out of Nomination by physical shareholders in case the shareholder do not wish to register for Nomination.
- SEBI vide its Circular, mandated that the security holders (holding securities in physical form), whose folio(s) do not have PAN or Choice of Nomination or Contact Details or Mobile Number or Bank Account Details or Specimen Signature updated, shall be eligible for any payment including dividend, interest or redemption in respect of such



Notice *(contd.)*

folios, only through electronic mode with effect from 1st April, 2024, upon their furnishing all the aforesaid details in entirety. Further, any service requests or complaints received from the member, are not processed by RTA till the aforesaid details/ documents are provided to RTA.

SEBI has introduced Form ISR - 1 alongwith other relevant forms to lodge any request for registering PAN, KYC details or any change/ update thereof.

Members may also note that SEBI vide its Circular dated January 25, 2022 has mandated listed companies to issue securities in dematerialized form only while processing service requests viz. Issue of duplicate securities certificate; claim from unclaimed suspense account; renewal/exchange of securities certificate; endorsement; sub-division/splitting of securities certificate; consolidation of securities certificates/folios; transmission and transposition.

In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialization, Members are requested to dematerialize the shares held by them in physical form.

Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR-4. Relevant details and forms prescribed by SEBI in this regard including the mode of dispatch are available on the website of the Company at <https://www.hplindia.com/investor-relation.php> under "Forms & Downloads". for information and use by the Shareholders. You are requested to kindly take note of the same and update your particulars timely.

Members who are holding shares in demat mode are requested to notify any change in their residential address, Bank A/c details and/ or email address immediately to their respective Depository Participants.

18. Members may note that pursuant to the amendments introduced by the Finance Act, 2020, w.e.f. April 1,

2020, the Company will be required to deduct tax at the applicable rates on the dividend declared and paid to the members. Therefore, members who have not furnished their Permanent Account Number (PAN) are requested to submit a copy of the same immediately to the Company / RTA or to the depository participants, as the case may be, to avoid deduction of tax at a higher rate. Members seeking non-deduction of tax on their dividends may submit Form 15G/15H as applicable, to the RTA at <https://ris.kfintech.com/form15/>.

19. SEBI has mandated the submission of PAN by every participant in the securities market. Members holding shares in electronic form, are therefore requested to submit their PAN to their DPs. Members holding shares in physical form may submit their details to RTA.

20. Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to send the share certificates to KFin, for consolidation into a single folio.

21. As per regulation 40 of the Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialised form with effect from April 1, 2019. In view of this requirement members holding shares in physical form are requested to consider converting their holdings to dematerialised form.

22. To promote green initiative, members are requested to register their e-mail address to receive all communication and documents including annual reports from time to time in electronic form. Members holding shares in dematerialised form may send such communication to their respective DPs and those holding shares in physical form may send such communication to the RTA.

23. Since the 32nd AGM is being held in an electronic mode through VC / OAVM, the route map is not provided.

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EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

ITEM NO. 4

M/s M.K. Singhal & Co., Cost Accountants (Registration No. 00074) are appointed as the Cost Auditors of the Company by the Board in its meeting held on 2nd September 2024, on the recommendation of the Audit Committee, to conduct the audit of the cost records maintained by the Company in connection with manufacture of SwitchGears, Cables and Lights for the Financial Year ending 31st March, 2025 at a remuneration of Rs. 1,00,000 (Rupees one lakh only) plus Service Tax/GST & re-imbursment of out-of-pocket expenses incurred in connection with the cost audit of the Company.

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and the Companies (Cost Records and Audit) Rules, 2014, as amended from time to time, the remuneration payable to the Cost Auditors as approved by the Board of Directors on the recommendation of Audit Committee, shall be ratified by the members of the Company. Accordingly, consent of the shareholders is sought for ratification of remuneration amounting to Rs. 1,00,000 (Rupees one lakh only) plus Service Tax/GST & re-imbursment of out-of-pocket expenses incurred in connection with the cost audit of the Company.

Accordingly, consent of the members is being sought for passing an Ordinary Resolution as set out at Item No. 4 of the Notice for ratification of the remuneration payable to the Cost Auditors for the Financial Year ending 31st March, 2025.

None of the Directors/ Key Managerial Personnel of the Company /their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 4 of the Notice.

The Board recommends the Resolution set forth at Item No. 4 of the Notice for approval of the members as an **Ordinary Resolution**.

Item No. 5

Re-appointment of Mr. Lalit Seth (DIN: 00312007) as the Chairman and Whole-time Director of the Company and fixation of remuneration

At the 29th Annual General Meeting, Mr. Lalit Seth was re-appointed as the Chairman and Whole Time Director of the Company for a period of three years commenced from 21st January, 2022 till 20th January, 2025.

Mr. Lalit Seth is one of the Promoters of the company and has been on the board of the company since inception. Mr. Seth is 78

years of age and therefore keeping in view his contribution in the growth of the Company during his tenure, his leadership qualities supported by his vast experience vis-à-vis size of the Company, it would be in the best interest of the Company to continue the employment of Mr. Lalit Seth as the Chairman and Whole-time Director of the Company.

The Board upon the recommendation of the Nomination and Remuneration Committee and subject to the approval of the members of the Company, at its meeting held on 2nd September 2024, re-appointed Mr. Lalit Seth as the Chairman and Whole-time Director (KMP) of the Company for a further period of 3 (three) years with effect from 21st January, 2025 till 20th January, 2028, not liable to retire by rotation on the terms and conditions (on his existing remuneration) as set out in the abovementioned Resolution in Item No. 5.

However, Pursuant to the provisions of Section 152, 196, 197, 198, 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013, the Board recommends the re-appointment of Mr. Lalit Seth as the Chairman and Whole-time Director, for the approval of the members.

The Company has received the consent in writing to act as a Director in Form DIR-2, Intimation in Form DIR-8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014, Notice of interest in Form MBP-1 in terms of section 184(1) as per the Companies Act, 2013, Shareholding details, List of Relatives. In compliance with Stock Exchanges Circulars dated 20th June, 2018, the Nomination and Remuneration Committee and Board of Directors while considering the re-appointment of Mr. Lalit Seth have verified that he has not been debarred from holding the office of director pursuant to any SEBI Order.

The disclosure under Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Clause 1.2.5 of the Secretarial Standards on General Meetings (SS-2) regarding Directors seeking appointment/re-appointment, is annexed to the Notice as **Annexure A**. The statement of information, as required under Schedule V of the Companies Act, 2013, is annexed to the Notice as **Annexure B**.

Save and except, Mr. Lalit Seth to whom the resolution relates alongwith his relatives including Mr. Rishi Seth and Mr. Gautam Seth, none of the Directors/ Key Managerial Personnel of the Company/their relatives is in any way, financially or otherwise, concerned or interested in this Resolution.

The Board recommends the Resolution set forth at Item No. 5 of the Notice for approval of the members as a **Special Resolution**.



Notice *(contd.)*

Item No. 6

Re-appointment of Mr. Rishi Seth (DIN: 00203469) as the Managing Director of the Company and fixation of remuneration

At the 29th Annual General Meeting, Mr. Rishi Seth was re-appointed as the Managing Director of the Company for a period of three years commenced from 21st January, 2022 till 20th January, 2025.

Keeping in view his experience in the HPL Group's organic growth and for shaping the strategic perspective that has led to expansion of HPL Group, supported by his qualifications and experience vis-à-vis size of the Company, the Board upon the recommendation of the Nomination and Remuneration Committee and subject to the approval of members of the company, at its meeting held on 2nd September 2024, re-appointed Mr. Rishi Seth as the Managing Director (KMP) of the Company for a further period of three (3) years with effect from 21st January, 2025 till 20th January, 2028, liable to retire by rotation on the terms and conditions (on his existing remuneration) as set out in the abovementioned Resolution in Item No. 6.

However, Pursuant to the provisions of Section 152, 196, 197, 198, 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013, the Board recommends the re-appointment of Mr. Rishi Seth as the Managing Director, for the approval of the members.

The Company has received the consent in writing to act as a Director in Form DIR-2, Intimation in Form DIR-8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014, Notice of interest in Form MBP-1 in terms of section 184(1) as per the Companies Act, 2013, Shareholding details, List of Relatives. In compliance with Stock Exchanges Circulars dated 20th June, 2018, the Nomination and Remuneration Committee and Board of Directors while considering the re-appointment of Mr. Rishi Seth have verified that he has not been debarred from holding the office of director pursuant to any SEBI Order.

The disclosure under Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Clause 1.2.5 of the Secretarial Standards on General Meetings (SS-2) regarding Directors seeking appointment/re-appointment, is annexed to the Notice as **Annexure A**. The statement of information, as required under Schedule V of the Companies Act, 2013, is annexed to the Notice as **Annexure B**.

Save and except, Mr. Rishi Seth to whom the resolution relates alongwith his relatives including Mr. Lalit Seth and Mr. Gautam Seth, none of the Directors/ Key Managerial Personnel of the Company/their relatives is in any way, financially or otherwise, concerned or interested in this Resolution.

The Board recommends the Resolution set forth at Item No. 6 of the Notice for approval of the members as a **Special Resolution**.

Item No. 7

Re-appointment of Mr. Gautam Seth (DIN: 00203405) as the Joint Managing Director of the Company and fixation of remuneration

At the 29th Annual General Meeting, Mr. Gautam Seth was re-appointed as the Joint Managing Director of the Company for a period of three years commenced from 21st January, 2022 till 20th January, 2025.

Keeping in view his dedication and commitment in the growth of the Company during his tenure as Joint Managing Director, supported by his qualifications and experience vis-à-vis size of the Company, the Board upon the recommendation of the Nomination and Remuneration Committee and subject to the approval of members of the Company, at its meeting held on 2nd September 2024, re-appointed Mr. Gautam Seth as the Joint Managing Director (KMP) of the Company for a further period of three (3) years with effect from 21st January, 2025 till 20th January, 2028, liable to retire by rotation on the terms and conditions (on his existing remuneration) as set out in the abovementioned Resolution in Item No. 7.

However, Pursuant to the provisions of Section 152, 196, 197, 198, 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013, the Board recommends the re-appointment of Mr. Gautam Seth as the Joint Managing Director, for the approval of the members.

The Company has received the consent in writing to act as a Director in Form DIR-2, Intimation in Form DIR-8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014, Notice of interest in Form MBP-1 in terms of section 184(1) as per the Companies Act, 2013, Shareholding details, List of Relatives. In compliance with Stock Exchanges Circulars dated 20th June, 2018, the Nomination and Remuneration Committee and Board of Directors while considering the re-appointment of Mr. Gautam Seth have verified that he has not been debarred from holding the office of director pursuant to any SEBI Order.

The disclosure under Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Clause 1.2.5 of the Secretarial Standards on General Meetings (SS-2) regarding Directors seeking appointment/ re-appointment, is annexed to the Notice as **Annexure A**. The statement of information, as required under Schedule V of the Companies Act, 2013, is annexed to the Notice as **Annexure B**.

Save and except, Mr. Gautam Seth to whom the resolution relates alongwith his relatives including Mr. Lalit Seth and

Notice *(contd.)*

Mr. Rishi Seth, none of the Directors/ Key Managerial Personnel of the Company/their relatives is in any way, financially or otherwise, concerned or interested in this Resolution.

The Board recommends the Resolution set forth at Item No. 7 of the Notice for approval of the members as a **Special Resolution**.

By order of the board
For **HPL Electric & Power Limited**

Vivek Kumar

Company Secretary and Compliance officer

Date: 2nd September 2024

M. No. A18491

Place: Kundli

Regd. Office: 1/20, Asaf Ali Road
New Delhi – 110002



Notice (contd.)

Annexure- A

INFORMATION PURSUANT TO REGULATION 36 OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND SECRETARIAL STANDARDS -2 ISSUED BY ICSI REGARDING DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT

Particulars	Mr. Lalit Seth (Chairman and Whole-time Director)	Mr. Rishi Seth (Managing Director)	Mr. Gautam Seth (Jt. Managing Director)
Age	78 years	53 years	52 years
Qualification(s)	Undergraduate	MBA in Finance	Chartered Accountant
Experience	54 years	29 years	27 years
Expertise in Specific functional area/Brief Profile	Mr. Lalit Seth is the vision behind HPL's success and reputation in the market. With more than 54 years of experience in the Electrical Industry, he has been responsible for a series of progressive projects with HPL Group. Under his inspiring leadership and dynamic approach, HPL stands tall in the Electrical Market segment.	An MBA in Finance with more than 29 years of experience, Mr. Rishi Seth is a man of sharp vision. As the Managing Director, he has been instrumental in HPL Group's organic growth and is responsible for shaping the strategic perspective that has led to the diversification and expansion of HPL into new avenues including EPC projects. He looks after the Institutional and Government business in addition to a smart meter manufacturing facility. He has also been instrumental in the Company's foray into green projects. His major achievement includes HPL's growth into utility segment, making the Group stand tall as the largest Electronic Energy Meter manufacturer.	Mr. Gautam Seth is responsible for the overall functioning and management of the administration. With over 27 years of experience in the field of electrical industry, Mr. Gautam Seth has carried forward the group with pure dedication and commitment. As a Joint Managing Director of the Company, he has been involved foremost in the Group's sales and marketing activities and has spearheaded the Group's various forays into new products and green field projects. A strong vision, exemplary leadership and expertise in the electrical market have enabled him to lead HPL towards the success path.
Terms & Conditions of re-appointment alongwith remuneration sought to be paid	As per Explanatory Statement	As per Explanatory Statement	As per Explanatory Statement
Remuneration Last Drawn	As per Annexure B	As per Annexure B	As per Annexure B
Date of first appointment on the Board	28.05.1992	29.09.2000	15.02.2008
Relationship with other Directors/ Manager/ Key Managerial Personnel of the Company	Related with Mr. Rishi Seth and Mr. Gautam Seth	Related with Mr. Lalit Seth and Mr. Gautam Seth	Related with Mr. Lalit Seth and Mr. Rishi Seth

Notice (contd.)

Particulars	Mr. Lalit Seth (Chairman and Whole-time Director)	Mr. Rishi Seth (Managing Director)	Mr. Gautam Seth (Jt. Managing Director)
Number of Board Meetings attended during the year	As per Corporate Governance Report	As per Corporate Governance Report	As per Corporate Governance Report
Other Directorships held (including listed entity, if any)	<ol style="list-style-type: none"> HPL India Ltd Havell's Pvt Ltd Havells Electronics Pvt Ltd Jesons ImpexPvt Ltd HPL Power Corporation Ltd 	<ol style="list-style-type: none"> HPL India Ltd Havell's Pvt Ltd Havells Electronics Pvt Ltd Jesons Impex Pvt Ltd HPL Power Corporation Ltd 	<ol style="list-style-type: none"> HPL India Ltd Havells Electronics Pvt Ltd Jesons ImpexPvt Ltd HPL Power Corporation Ltd Amerex Private Limited Homepunch Private Limited
Chairmanship/ Membership of the Committee of the Board of other Companies	Nil	Nil	Nil
Shareholding in the Company	8030228 equity shares of Rs. 10/- face value	2231740 equity shares of Rs. 10/- face value	2231740 equity shares of Rs. 10/- face value



Notice (contd.)

Annexure B

Statement of Information, as required under Schedule-V of the Companies Act, 2013, for Item Nos. 5-7 is given below:

I GENERAL INFORMATION:																															
(1)	Nature of Industry : Engaged in the business of and manufacture, produce, buy, sell, install, distribute, commission or otherwise deal in electric equipments like meters, switchgears etc.																														
(2)	Date or expected date of commencement of commercial production : The Company was incorporated on 28 th May, 1992 and the commercial operations commenced forthwith.																														
(3)	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus. : Not Applicable																														
(4)	Financial performance based on given indicators : <table border="1"> <thead> <tr> <th>Financial Year</th> <th>Stand-alone (Rs. in lakhs)</th> </tr> <tr> <td></td> <td>31.03.2024</td> </tr> </thead> <tbody> <tr> <td colspan="2">INCOME</td> </tr> <tr> <td>Gross Revenue</td> <td>142091.65</td> </tr> <tr> <td>Other Income</td> <td>375.30</td> </tr> <tr> <td>Total Income</td> <td>142466.95</td> </tr> <tr> <td colspan="2">EXPENDITURE</td> </tr> <tr> <td>Operating expenses</td> <td>123984.80</td> </tr> <tr> <td>Finance Cost</td> <td>8512.14</td> </tr> <tr> <td>Depreciation and Amortization Expenses</td> <td>3523.04</td> </tr> <tr> <td>Total Expenses</td> <td>136019.98</td> </tr> <tr> <td>Profit/(Loss) before Tax</td> <td>6446.97</td> </tr> <tr> <td>Less: Provision for Tax</td> <td>1153.07</td> </tr> <tr> <td>Less: Deferred Tax</td> <td>1167.92</td> </tr> <tr> <td>Profit/(Loss) after Tax</td> <td>4125.98</td> </tr> </tbody> </table>	Financial Year	Stand-alone (Rs. in lakhs)		31.03.2024	INCOME		Gross Revenue	142091.65	Other Income	375.30	Total Income	142466.95	EXPENDITURE		Operating expenses	123984.80	Finance Cost	8512.14	Depreciation and Amortization Expenses	3523.04	Total Expenses	136019.98	Profit/(Loss) before Tax	6446.97	Less: Provision for Tax	1153.07	Less: Deferred Tax	1167.92	Profit/(Loss) after Tax	4125.98
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Less: Provision for Tax	1153.07																														
Less: Deferred Tax	1167.92																														
Profit/(Loss) after Tax	4125.98																														
(5)	Foreign Investments Collaborations, if any : Not Applicable																														

Notice (contd.)

II INFORMATION ABOUT MR. LALIT SETH, THE APPOINTEE (at Item No. 5)	
(1)	Background details : As per the Explanatory Statement
(2)	Past remuneration : Rs 30,00,000/- (Rupees thirty lakhs only) per month, whether paid as salary, allowances, perquisites or a combination thereof. A car with chauffer and telephone at the residence and the provision of the Car for the use in company's business and telephone at residence will not be considered as perquisites and personal long distance calls and use of car for private purpose shall be billed by the company
(3)	Recognition or awards : -
(4)	Job profile and Suitability : As per Annexure A
(5)	Remuneration proposed : Same as Past Remuneration
(6)	Comparative remuneration : The proposed remuneration is comparable and justifiable considering the size of the Company, volume of work involved, consistent requirement of management expertise and keeping in view the qualification and experience/expertise of Mr. Lalit Seth. (in case of expatriates the relevant details would be w.r.t. the country of his origin)
(7)	Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any : Except for drawing remuneration and details as provided under Note No. 41 of Standalone Financial Statements, there is no other pecuniary relationship with the company. Mr. Lalit Seth is related to Mr. Rishi Seth, Managing Director and Mr. Gautam Seth, Jt. Managing Director of the Company.
III INFORMATION ABOUT MR. RISHI SETH, THE APPOINTEE (at Item No. 6)	
(1)	Background details : As per the Explanatory Statement
(2)	Past remuneration : Rs 12,50,000/- (Rupees twelve lakhs fifty thousand only) per month, whether paid as salary, allowances, perquisites or a combination thereof. A car with chauffer and telephone at the residence and the provision of the Car for the use in company's business and telephone at residence will not be considered as perquisites and personal long distance calls and use of car for private purpose shall be billed by the company.
(3)	Recognition or awards : -
(4)	Job profile and Suitability : As per Annexure A
(5)	Remuneration proposed : Same as Past Remuneration
(6)	Comparative remuneration : The proposed remuneration is comparable and justifiable considering the size of the Company, volume of work involved, consistent requirement of management expertise and keeping in view the qualification and experience of Mr. Rishi Seth. (in case of expatriates the relevant details would be w.r.t. the country of his origin)



Notice (contd.)

(7)	Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any	Except for drawing remuneration and details as provided under Note No. 41 of Standalone Financial Statements, there is no other pecuniary relationship with the company. Mr. Rishi Seth is related to Mr. Lalit Seth, Chairman and Whole-time Director and Mr. Gautam Seth, Jt. Managing Director of the Company.
IV INFORMATION ABOUT MR. GAUTAM SETH, THE APPOINTEE (at Item No. 7)		
(1)	Background details	: As per the Explanatory Statement
(2)	Past remuneration	: Rs 12,50,000/- (Rupees twelve lakhs fifty thousand only) per month, whether paid as salary, allowances, perquisites or a combination thereof. A car with chauffeur and telephone at the residence and the provision of the Car for the use in company's business and telephone at residence will not be considered as perquisites and personal long distance calls and use of car for private purpose shall be billed by the company.
(3)	Recognition or awards	: -
(4)	Job profile and Suitability	: As per Annexure A
(5)	Remuneration proposed	: Same as Past Remuneration
(6)	Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be w.r.t. the country of his origin)	: The proposed remuneration is comparable and justifiable considering the size of the Company, volume of work involved, consistent requirement of management expertise and keeping in view the qualification and experience of Mr. Gautam Seth.
(7)	Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any	: Except for drawing remuneration and details as provided under Note No. 41 of Standalone Financial Statements, there is no other pecuniary relationship with the company. Mr. Gautam Seth is related to Mr. Lalit Seth, Chairman and Whole-time Director and Mr. Rishi Seth, Managing Director of the Company.
V OTHER INFORMATION:		
(1)	Reasons of loss or inadequate profits	: Consumer, Industrial & Services segment revenue has shown marginal reduction in FY24. Although volumes have been consistent, lighting segment faced value erosion for price (as an industry-wide phenomenon) is taking place in the lighting product lines due to a change in technology causing sales de-growth
(2)	Steps taken or proposed to be taken for improvement	: Launch of new products including industrial and domestic range along with new products in Solar Category and launch of new product 'HPL Fans' under Consumer Electrical Products Category to cater to both domestic and international markets. Upgradation of manufacturing facilities for manufacturing of advanced products like Smart Meters in Metering Business.
(3)	Expected increase in productivity and profits in measurable terms	: Company is holding a strong and stable order book including sizable orders for Smart meters with higher realizations, thereby resulting to increase in revenue and profitability. Stabilization of LED lights segment is expected in near future. This positive shift paves the way for future growth in this segment and increase in profitability.

VI The 'Disclosures' as required under point IV of Section II Part II 'Remuneration' of Schedule V of the companies Act, 2013 are mentioned in the 'Corporate Governance' Report forming part of the Annual Report 2023-24.

Notice (contd.)

INSTRUCTIONS TO MEMBERS

- i. In compliance with the provisions of Section 108 of the Act, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, Regulation 44 of the SEBI Listing Regulations 2015 and in terms of SEBI vide circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 in relation to e-Voting Facility Provided by Listed Entities, the Members are provided with the facility to cast their vote electronically, through the e-Voting services provided by KFin, on all the resolutions set forth in this Notice. The instructions for e-Voting are given herein below.

The company has engaged the services of KFin Technologies Limited (KFin) to provide e-voting (including remote e-voting) facility for members to cast their votes in a secure manner. Mr. Deepak Kukreja and Mrs. Monika Kohli, Practicing Company Secretaries will act as the scrutinizer and alternate scrutinizer respectively, to scrutinise e-voting and conduct the voting process at the AGM in a fair and transparent manner. In terms of the requirements of the Act and the Rules made there under, the Company has fixed Monday, 23rd September, 2024 as the cut-off date. The remote e-voting / voting rights of the members / beneficial owners shall be reckoned on the equity shares held by them as on cut-off date, i.e. 23rd September, 2024.

The remote e-voting facility begins on Friday, 27th September, 2024 (9:00 a.m. Indian Standard Time) and ends on Sunday, 29th September, 2024 (5:00p.m. Indian Standard Time). During this period, the members of the company, holding shares either in physical form or in dematerialised form, as on the cut-off date of 23rd September, 2024, are entitled to avail the facility to cast their vote electronically/ voting in the general meeting, as the case may be. The remote e-voting will not be allowed beyond the aforesaid date and time and the remote e-voting facility shall be disabled by KFin upon expiry of the aforesaid period. Once the vote on a

resolution is cast by a member, he / she shall not be allowed to change it subsequently or cast the vote again.




- ii. However, in pursuant to SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on "e-Voting facility provided by Listed Companies", e-Voting process has been enabled to all the individual demat account holders, by way of single login credential, through their demat accounts / websites of Depositories / DPs in order to increase the efficiency of the voting process.
- iii. Individual demat account holders would be able to cast their vote without having to register again with the e-Voting service provider (ESP) thereby not only facilitating seamless authentication but also ease and convenience of participating in e-Voting process. Shareholders are advised to update their mobile number and e-mail ID with their DPs to access e-Voting facility.
- iv. The voting rights of Members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date.
- v. Any person holding shares in physical form and non-individual shareholders, who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date, may obtain the login ID and password by sending a request at evoting@kfintech.com. However, if he / she is already registered with KFinTech for remote e-Voting then he /she can use his / her existing User ID and password for casting the vote.
- vi. In case of Individual Shareholders holding securities in demat mode and who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date may follow steps mentioned below under "Login method for remote e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode."



Notice (contd.)

INSTRUCTIONS FOR REMOTE E-VOTING, JOINING THE MEETING THROUGH VC / OAVM AND VOTING AT THE MEETING

1. The detailed instructions, process and manner for remote e-voting, joining the meeting through VC / OAVM and voting at the meeting are explained below:
 - l) Method of login / access to Depositories (NSDL / CDSL) e-voting system in case of individual members holding shares in demat mode

Type of member	Login Method
Individual members holding securities in demat mode with NSDL	<p>A. Instructions for existing Internet-based Demat Account Statement (“IDeAS”) facility Users:</p> <ol style="list-style-type: none"> i) Visit the e-services website of NSDL https://eservices.nsd.com either on a personal computer or on a mobile. ii) On the e-services home page click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section. Thereafter enter the existing user id and password. iii) After successful authentication, members will be able to see e-voting services under ‘Value Added Services’. Please click on “Access to e-voting” under e-voting services, after which the e-voting page will be displayed. iv) Click on company name, i.e. ‘HPL ELECTRIC & POWER LIMITED’, or e-voting service provider, i.e. KFin. v) Members will be re-directed to KFin’s website for casting their vote during the remote e-voting period and voting during the Meeting. <p>B. Instructions for those Members who are not registered under IDeAS:</p> <ol style="list-style-type: none"> i) Visit https://eservices.nsd.com for registering. ii) Select “Register Online for IDeAS Portal” or click at https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp. iii) Proceed with completing the required fields iv) Follow steps given in point A. <p>C. Alternatively, instructions for directly accessing the e-voting website of NSDL</p> <ol style="list-style-type: none"> i) Visit the e-voting website of NSDL https://www.evoting.nsd.com/. ii) Once the home page of e-voting system is launched, click on the icon “Login” which is available under ‘Shareholder / Member’ section. A new screen will open. iii) Members will have to enter their User ID (i.e. the sixteen digit demat account number held with NSDL), password / OTP and a Verification Code as shown on the screen. iv) After successful authentication, members will be redirected to NSDL Depository site wherein they can see e-voting page. v) Click on company name, i.e. HPL ELECTRIC & POWER LIMITED, or e-voting service provider name, i.e. KFin, after which the member will be redirected to e-voting service provider website for casting their vote during the remote e-voting period and voting during the Meeting. vi) Members can also download the NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience. <div style="text-align: center;"> <p>NSDL Mobile App is available on</p>    </div>

Notice (contd.)

Type of member	Login Method
Individual members holding securities in demat mode with CDSL	<p>A. Instructions for existing users who have opted for Electronic Access To Securities Information (“Easi / Easiest”) facility:</p> <ol style="list-style-type: none"> i) Visit https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com ii) Click on New System MyEasi. iii) Login to MyEasi option under quick login. iv) Login with the registered user ID and password. v) Members will be able to view the e-voting Menu. vi) The Menu will have links of KFin e-voting portal and will be redirected to the e-voting page of KFin to cast their vote without any further authentication. <p>B. Instructions for users who have not registered for Easi / Easiest</p> <ol style="list-style-type: none"> i) Visit https://web.cdslindia.com/myeasi/Registration/EasiRegistration for registering. ii) Proceed to complete registration using the DP ID, Client ID (BO ID), etc. iii) After successful registration, please follow the steps given in point no.A above to cast your vote. <p>C. Alternatively, instructions for directly accessing the e-voting website of CDSL</p> <ol style="list-style-type: none"> i) Visit www.cdslindia.com ii) Provide demat Account Number and PAN iii) System will authenticate user by sending OTP on registered mobile and email as recorded in the demat Account. iv) After successful authentication, please enter the e-voting module of CDSL. Click on the e-voting link available against the name of the Company, viz., ‘HPL ELECTRIC & POWER LIMITED’ or select KFin. v) Members will be re-directed to the e-voting page of KFin to cast their vote without any further authentication.
Individual members login through their demat accounts / Website of Depository Participant	<p>A. Instructions for login through Demat Account / website of Depository Participant</p> <ol style="list-style-type: none"> i) Members can also login using the login credentials of their demat account through their DP registered with the Depositories for e-voting facility. ii) Once logged-in, members will be able to view e-voting option. iii) Upon clicking on e-voting option, members will be redirected to the NSDL / CDSL website after successful authentication, wherein they will be able to view the e-voting feature. iv) Click on options available against HPL ELECTRIC & POWER LIMITED or KFin. v) Members will be redirected to e-voting website of KFin for casting their vote during the remote e-voting period without any further authentication.
Important note: Members who are unable to retrieve User ID / Password are advised to use Forgot user ID and Forgot Password option available at respective websites.	
Helpdesk for Individual members holding securities in demat mode for any technical issues related to login through NSDL / CDSL:	
Securities held with NSDL	Please contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at: 022-4886 7000 and 022-2499 7000
Securities held with CDSL	Please contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no.: 1800 22 55 33



Notice (contd.)

II) Method of login / access to KFin e-voting system in case of members holding shares in physical and non-individual members in demat mode

Type of member	Login Method
Members whose email IDs are registered with the Company / Depository Participants(s)	<p>A. Instructions for Members whose email IDs are registered with the Company / Depository Participants(s),</p> <p>Members whose email IDs are registered with the Company / Depository Participant(s) will receive an email from KFin which will include details of E-voting Event Number (EVEN), USER ID and password. They will have to follow the following process:</p> <ol style="list-style-type: none"> i) Launch internet browser by typing the URL: https://evoting.kfintech.com/ ii) Enter the login credentials (i.e. User ID and password). In case of physical folio, User ID will be EVEN (E-Voting Event Number) ____, followed by folio number. In case of Demat account, User ID will be your DP ID and Client ID. However, if a member is registered with KFin for e-voting, they can use their existing User ID and password for casting the vote. iii) After entering these details appropriately, click on "LOGIN". iv) Members will now reach password change Menu wherein they are required to mandatorily change the password. The new password shall comprise of minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character (@,#,\$, etc.). The system will prompt the member to change their password and update their contact details viz. mobile number, email ID etc. on first login. Members may also enter a secret question and answer of their choice to retrieve their password in case they forget it. It is strongly recommended that members do not share their password with any other person and that they take utmost care to keep their password confidential. v) Members would need to login again with the new credentials. vi) On successful login, the system will prompt the member to select the "EVEN" i.e., 'HPL ELECTRIC & POWER LIMITED - AGM' and click on "Submit" vii) On the voting page, enter the number of shares (which represents the number of votes) as on the cut-off date under "FOR/AGAINST" or alternatively, a member may partially enter any number in "FOR" and partially "AGAINST" but the total number in "FOR/ AGAINST" taken together shall not exceed the total shareholding as mentioned herein above. A member may also choose the option ABSTAIN. If a member does not indicate either "FOR" or "AGAINST" it will be treated as "ABSTAIN" and the shares held will not be counted under either head. viii) Members holding multiple folios / demat accounts shall choose the voting process separately for each folio / demat account. ix) Voting has to be done for each item of the Notice separately. In case a member does not desire to cast their vote on any specific item, it will be treated as abstained. x) A member may then cast their vote by selecting an appropriate option and click on "Submit". xi) A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once a member has voted on the resolution (s), they will not be allowed to modify their vote. During the voting period, members can login any number of times till they have voted on the Resolution(s).

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Type of member	Login Method
Members whose email IDs are not registered with the Company / Depository Participants(s)	<p>B. Instructions for Members whose email IDs are not registered with the Company / Depository Participants(s), and consequently the Notice of Meeting and e-voting instructions cannot be serviced</p> <ol style="list-style-type: none"> i. Members who have not registered/updated their e-mail address, are requested to register the same (i) with the Depository Participant(s) where they maintain their demat accounts, if the shares are held in electronic form, and (ii) Members holding shares in physical mode, who have not registered/updated their e-mail address with the Company/ RTA, are requested to register/update their e-mail address by submitting Form ISR-1 (available on the website of the Company at https://www.hplindia.com/photos/investor-pdf/Form%20ISR-1.pdf & on the website of KFin https://ris.kfintech.com/clientservices/isc/default.aspx.) duly filled and signed along with requisite supporting documents to Kfin Technologies Limited at Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad 500 032. ii. Members holding shares in dematerialized mode who have not registered their e-mail address with their Depository Participant(s) are requested to register/update their e-mail address with the Depository Participant(s) with which they maintain their demat accounts. iii. After due verification, the Company/Kfintech will forward your login credentials to your registered e-mail address. iv. Follow the instructions at II(A)(i) to (xi) to cast your vote. v. Members can also update their mobile number and e-mail address in the "user profile details" in their e-voting login on https://evoting.kfintech.com

III) Method / Access to join the Meeting on KFin system and to participate and vote thereat -

Type of member	Login Method
All shareholders, including Individual, other than Individual and Physical, for attending the Meeting of the Company through VC / OAVM and e-voting during the meeting	<p>A. Instructions for all the shareholders, including Individual, other than Individual and Physical, for attending the Meeting of the Company through VC / OAVM and e-voting during the meeting:</p> <ol style="list-style-type: none"> i) Members will be able to attend the Meeting through VC / OAVM platform provided by KFin. Members may access the same at https://emeetings.kfintech.com/ by using the e-voting login credentials provided in the email received from the Company / KFin. ii) After logging in, click on the Video Conference tab and select the EVEN of the Company. iii) Click on the video symbol and accept the meeting etiquettes to join the meeting. Please note that members who do not have the user id and password for e-voting or have forgotten the same may retrieve them by following the remote e-voting instructions mentioned above. iv) The procedure for e-voting during the Meeting is same as the procedure for remote e-voting since the Meeting is being held through VC / OAVM. v) The e-voting window shall be activated upon instructions of the Chairman of the Meeting during the Meeting. vi) E-voting during the Meeting is integrated with the VC / OAVM platform and no separate login is required for the same.



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OTHER INSTRUCTIONS FOR JOINING THE MEETING THROUGH VC / OAVM

- i. Members will be able to attend the Meeting through VC / OAVM or view the live webcast of the Meeting at <https://emeetings.kfintech.com/> by using their remote e-voting login credentials and selecting the 'EVEN' for Company's Meeting. Members who do not have the User ID and Password for e-voting or have forgotten the User ID and Password may retrieve the same by following the remote e-voting instructions mentioned in the Notice. Further, members can also use the OTP based login for logging into the e-voting system.

Members may join the Meeting through laptops, smartphones, tablets or ipads for better experience. Further, members are requested to use internet with a good speed to avoid any disturbance during the Meeting. Members will need the latest version of Chrome, Safari, Internet Explorer, MS Edge or Mozilla Firefox 22.

- ii. Members attending the AGM through VC/OAVM shall be counted for the purpose of reckoning the quorum for the meeting under Section 103 of the Act.
- iii. Members will be required to grant access to the webcam to enable VC / OAVM. Further, Members connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
- iv. The Members who have not cast their vote through remote e-voting shall be eligible to cast their vote through e-voting system available during the AGM. E-voting during the AGM is integrated with the VC / OAVM platform. The Members may click on the voting icon displayed on the screen to cast their votes.
- v. Members are requested to attend and participate at the Meeting through VC / OAVM and cast their vote either through remote e-voting facility or through e-voting facility to be provided during Meeting. The facility of e-voting during the Meeting will be available to those members who have not cast their vote by remote e-voting. Members, who cast their vote by remote e-voting, may attend the Meeting through VC / OAVM, but will not be entitled to cast their vote once again on the resolutions. If a member casts votes by both modes, i.e. voting at Meeting and remote e-voting, voting done through remote e-voting shall prevail and vote at the Meeting shall be treated as invalid.

- vi. Facility of joining the Meeting through VC / OAVM shall open 30 (thirty) minutes before the time scheduled for the Meeting and shall be kept open throughout the Meeting. Members will be able to participate in the Meeting through VC / OAVM on a first-come-first-serve basis. Up to 2,000 shareholders will be able to join the Meeting on a first-come-first-serve basis.

Large members (i.e. members holding 2% or more shareholding), promoters, institutional investors, directors, key managerial personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors, etc. will not be subject to the aforesaid restriction of first-come first-serve basis.

- vii. Institutional Members are encouraged to attend and vote at the AGM through VC / OAVM.

viii. **SPEAKER REGISTRATION:** The Members who wish to speak during the meeting may register themselves as speakers for the AGM to express their views. They can visit <https://emeetings.kfintech.com> and login through the user id and password provided in the mail received from Kfintech. On successful login, select 'Speaker Registration' which will be opened from 26th September, 2024 (9:00 a.m. IST) up to 27th September, 2024 (5.00 p.m. IST) Members shall be provided a 'queue number' before the meeting. The Company reserves the right to restrict the speakers at the AGM to only those Members who have registered themselves, depending on the availability of time for the AGM.

ix. **POST YOUR QUESTION:** The Members who wish to post their questions prior to the meeting can do the same by visiting <https://emeetings.kfintech.com>. Please login through the user id and password provided in the mail received from Kfintech. On successful login, select 'Post Your Question' option which will be opened from 9:00 AM on 26th September, 2024 to 5:00 PM on 27th September, 2024.

x. In case of any query and/or grievance, in respect of voting by electronic means, Members may refer to the Help & Frequently Asked Questions (FAQs) and E-voting user manual available at the download section of <https://evoting.kfintech.com> (Kfintech Website) or contact Mr. Ganesh Patro, at evoting@kfintech.com or call Kfintech's toll free No. 1-800-309-4001 for any further clarifications.

xi. The Members, whose names appear in the Register of Members / list of Beneficial Owners as on Monday, 23rd September, 2024, being the cut-off date, are entitled to vote

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on the Resolutions set forth in this Notice. A person who is not a Member as on the cut-off date should treat this Notice for information purposes only. Once the vote on a resolution(s) is cast by the Member, the Member shall not be allowed to change it subsequently.

xii. In case a person has become a Member of the Company after dispatch of AGM Notice but on or before the cut-off date for E-voting, he/she may obtain the User ID and Password in the manner as mentioned below:

- If e-mail address or mobile number of the Member is registered against Folio No./ DP ID Client ID, then on the home page of <https://evoting.kfintech.com>, the Member may click "Forgot Password" and enter Folio No. or DP ID Client ID and PAN to generate password.
- Member may call on Kfintech's toll-free number 1800309 4001 (from 9:00 a.m. (IST) to 6:00 p.m. (IST) on all working days).
- Member may send an e-mail request to einward.ris@kfintech.com. After due verification of the request, User ID and password will be sent to the Member.

d) If the Member is already registered with Kfintech's e-voting platform, then he/she/ it can use his/her/its existing password for logging-in.

xiii. The Scrutinizer shall immediately after the conclusion of voting at the AGM, first count the votes cast during the AGM, there after unblock the votes cast through remote e-voting and make a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, and submit the report to the Chairman of the company or a person authorized by him in writing in that respect, as per the provisions of Companies Act, 2013 and SEBI Listing Regulations, 2015, who shall countersign the same and declare the results of the voting forthwith as per the Statutory timelines.

xiv. The voting results declared along with the scrutinizer's report will be placed on the company's website www.hplindia.com and on the website of KFin at <https://evoting.kfintech.com> after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the Stock Exchange(s).

xv. The transcript of this annual general meeting shall be made available on the website of the company i.e www.hplindia.com.
