



# 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

**September 05, 2025**

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

The Secretary  
**BSE Limited**  
25<sup>th</sup> Floor, New Trading Ring, Rotunda  
Building, PhirozeJeejeebhoy Towers,  
Dalal Street, Fort,  
Mumbai – 400 001

**Scrip Code: HPL**

**Scrip Code: 540136**

**Sub: Annual Report for FY 2024-25 alongwith Notice of the 33rd Annual General Meeting, and Record Date**

Dear Sir/Ma'am,

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

1. The 33rd Annual General Meeting (AGM) of the Company will be held on **Monday, September 29, 2025 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 aforesaid circulars, Notice of AGM and Annual Report 2024-25 (as enclosed) have been sent to all the members of the Company whose email addresses are registered with the Company /RTA/Depository Participant(s);

Further, a letter providing the web-link, including the exact path, where complete details of the Annual Report are available are being sent to those shareholder(s) who have not so registered their email addresses.

3. The Company has fixed, **Monday, September 22, 2025** as Record date for the purpose of dividend payment, if declared, at ensuing AGM.

This is for your kind information and record please.

Thanking You,

For **HPL Electric & Power Limited**

Vivek Kumar  
Company Secretary

Encl: - As stated above

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



Strength  
Engineered.  
Success  
Envisioned.



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Success Envisioned.
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## A Year of Record Breaking Performance

**₹1,700 Crore**

Net Revenues

◉ 16.39% YoY

**₹254.65 Crore**

EBITDA

◉ 32.53% YoY

**15%**

EBITDA Margin

◉ 14.98% YoY

**₹93.99 Crore**

Profit after Tax (PAT)

◉ ~5%

**₹14.58**

Earnings Per Share, up  
from ₹ 6.78 in FY24

**A/Stable** from  
**A-/Positive**

Crisil Rating Upgrade

**A+/(Stable)**

An another rating agency  
India Ratings and Research  
Rating has assigned A+/stable

### 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*

### Mr. Ajit Sood\*\*

*Independent Director*

\* Ceased to be a Director of the Company with effect from April 12, 2025, upon completion of the second term as an Independent Director

\*\* Appointed as an Independent Director w.e.f April 13, 2025

## 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,  
HSIIDC 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

Pricewaterhouse  
Coopers Services LLP,  
Gurugram (Haryana)

## Cost Auditors

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

## Secretarial Auditors

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

## Registrar & Transfer Agent

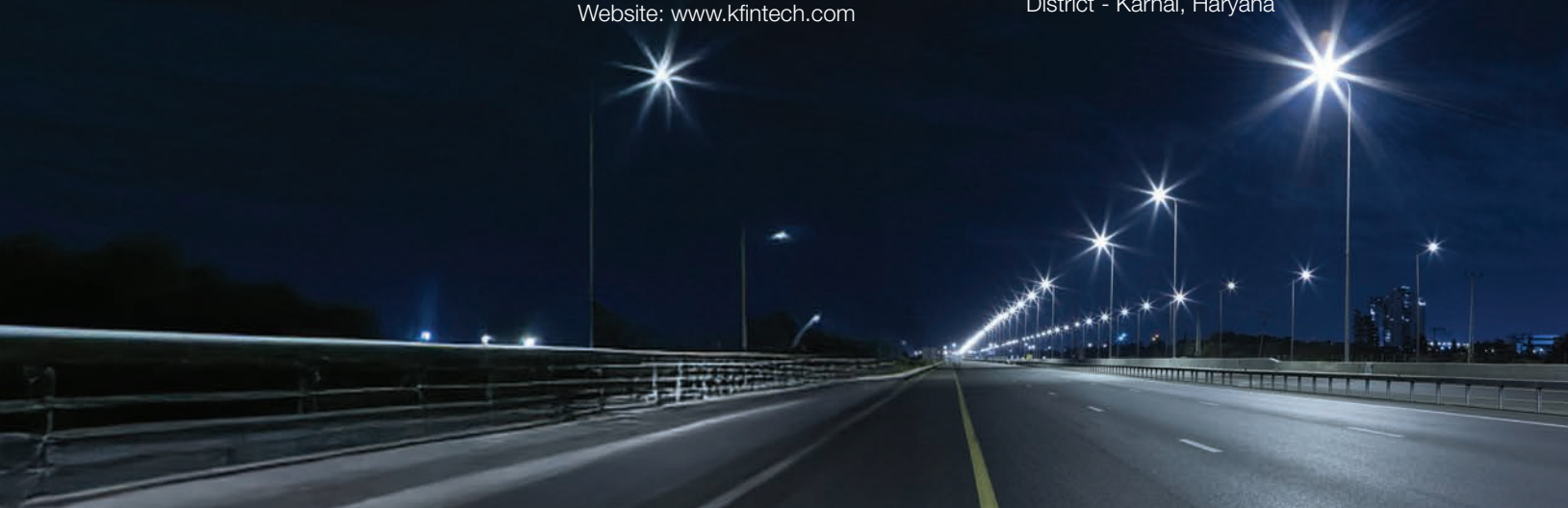
KFin Technologies Limited  
Selenium Tower B, Plot 31-32,  
Gachibowli Financial District,  
Nanakramguda,  
Hyderabad - 500 032  
Toll Free No: 1800-345-4001  
Fax: 040-23001153  
Email: einward.ris@karvy.com  
Website: www.kfintech.com

## 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.  
Bajaj Finance Limited  
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,  
HSIIDC Industrial Area, Kundli - 131 028,  
Sonapat, Haryana  
Main GT Karnal Road  
Village - Bastawa, Tehsil Gharonda,  
District - Karnal, Haryana



# Strength Engineered. Success Envisioned.

FY25 marked a historic year for HPL Electric & Power Limited, as we delivered our best-ever performance since inception. Consistent strong performance over the past four years has resulted in our Net Revenues doubling from around ₹875 Crore to reach an all-time high of ₹1,700 Crore in the fiscal year, driven by strong performance across our core segments.







As a trusted partner and industry leader in Switchgear and Wiring Solutions, we move forward with a clear roadmap – strategically positioned to support India's smart energy transition and 5G deployment, envisioning a smarter, more sustainable ecosystem.

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## Company Overview

# Shaping the Future with Resilient Foundation

With a proven track record of over four decades, HPL Electric & Power Limited has emerged as a leading electric equipment manufacturer in India. Established in 1992, we offer a wide array of low voltage electrical products across our core business segments: Metering, Systems & Services and Consumer, Industrial & Services.

### Business Verticals

#### Metering, Systems & Services

Primarily catering to institutional and B2B segments

- Metering Solutions



#### Consumer, Industrial & Services segments

Primarily catering to the B2C segment

- Switchgears
- Wires & Cables
- Lighting Solutions
- Fans



## Market Leadership

**50%**

Market Share in the Domestic On-load Change-over Switches Market\*

**20%**

Market Share in Domestic Electric Meters Market\*

**5%**

Market Share in the Low-voltage Switchgear Market\*

**5<sup>th</sup>**

Largest LED Lighting Products Manufacturer\*

Note: \* Frost & Sullivan 2016



# Vision

Our vision is to be a global leader in the electrical equipment industry, recognised 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.



## Mission

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.

Guided by seasoned leadership, robust pre-qualification credentials and globally recognised certifications, our consistent progress is powered by state-of-the-art integrated manufacturing facilities, dynamic in-house R&D competencies, stringent quality standards and a skilled workforce.

Our diversified distribution network and strong brand recall enable us to effectively expand product reach and visibility to customers across both B2B and B2C markets in India. Simultaneously, we are strengthening our international visibility by exporting to 42 countries.

Deeply committed to sustainable growth and fostering enduring relationships, we have reinforced our position as a preferred supplier of specialised electrical equipment, both in India and global markets.

69+

## Years of Manufacturing Excellence

## 42 countries

## Export Presence

7

## Modern Manufacturing facilities

2

## R&D Centres

6

Master Warehouses  
pan-India

90+

Branch & Representative  
Offices

900+

Dealers &  
Distributors

**85,000+**

## Retailers

## 620+

Full-time Employees  
(for promotional and brand building  
activities of products)





## Core Values that Drive Us



### 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 Limited, 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 Competitive Strengths



### State-of-the-art Manufacturing Units

- 7 world-class manufacturing plants, equipped with capabilities for product design and development, component designing tool manufacturing and commercial production
- Our Backward integrated facilities ensure stringent quality control, streamlined supply chain and support competitive pricing
- Obtained internationally accredited global certifications such as KEMA, CB etc.
- Plants are located in Haryana (Gurugram, Kundli, Gharaunda) and Himachal Pradesh (Jabli)



### Robust R&D Capabilities

- 2 in-house R&D centres committed to developing innovative superior quality products and technological advancements
- 100+ engineers with deep electrical industry expertise and a proven track record of product innovation
- R&D facilities are located in Gurugram and Kundli
- NABL accredited Gurugram facility has a dedicated testing room
- Two tool rooms, specialised in rapid prototyping and component design



### Dynamic Pre-qualification Credentials

- We partner with Power Utilities and Government Agencies through direct contractual arrangements, secured via bidding processes, by fulfilling certain pre-qualification requirements
- Our pre-qualification credentials include deep industry experience, technical requirements, quality and safety compliances, robust financial health and price competitiveness



### Comprehensive Portfolio

- One-stop solution for low voltage electrical equipment across market segments and price ranges, enabling cross-selling opportunities and strong brand visibility
- Our offerings include advanced metering solutions, switchgear, lighting and wires & cables, serving diverse clientele across retail, institutional and utility segments



### Long-Standing Customer Relationships

- Established strong relationships with customers across diverse segments, including institutional customers, power utilities and government agencies pan India
- Hold a distinct edge in technologically advanced products such as Metering and Switchgear businesses
- Export presence in 42 countries



### Widespread Distribution Network

- Diversified distribution network pan India, catering to institutional and consumer segments
- 900+ authorised dealers & 85,000+ retailers to ensure last-mile reach and better product availability
- 620+ full-time employees for carrying out product-related promotional and brand building activities, enhancing brand visibility



### Seasoned Leadership

- Driven by a distinguished and experienced board with deep electrical industry experience
- Guided by a strong promoter legacy of over 53 years of experience
- Supported by senior management team with over 31 years of average domain experience

## Product Basket

# Serving Diverse Needs with Smart Solutions

Positioned as a one-stop solution for low voltage electrical equipment, we offer a comprehensive product portfolio, serving both domestic and international markets. Committed to innovation, high quality, and technological excellence, our solutions are designed to effectively meet the diverse needs of customers across market segments and price points, including power utilities, public and private entities, as well as residential and commercial users.

### Metering Solutions



SMART Metering Solutions



Prepaid Metering Solution



ABT Meter



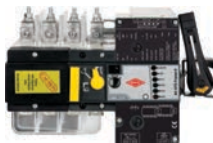
Panel Meters

### Switchgears

#### Industrial Switchgears Industrial Applications



ACB



ATS



MCCB Smart Panel



On Load  
Changeover Switches



Smart Starter  
Pump

#### Domestic Switchgears Domestic Applications



MCB



RCCB



Unsafe MCB & DB



Distribution Board



## Solar Solutions



String Combiner Box



String Monitoring Box



Surge Protection Device (SPD)



Solar Street Light



Solar Cables

## Wires & Cables



FR box 1



CCTV Cable



Co-Axial Cable



Telephone Cable



Speaker Cable

## Electrical Wiring Accessories

### Modular Switches & Accessories



Smart Switch



Edeno Switch



Bells



Power Strip

## Lighting Equipment



LED Glo Bulb



LED COB lighting



LED Panel



LED Batten



LED Street Lighting



LED Strip Light

## Fans



Super Premium Fans



Premium Fans



Energy Saving Fans



TPW Fans



Ventilation Fans

## Chairman's Message



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I am extremely delighted to share that FY25 has been the strongest year in HPL Electric & Power's journey so far. We delivered a record-breaking performance and achieved significant milestones, relentlessly pursuing innovation, operational excellence and disciplined execution. Strategic investments in capacity, automation, R&D, portfolio diversification and key collaborations helped us achieve strong growth across our core verticals, reinforcing our industry leadership while powering a smarter, more sustainable future.

### Dear Shareholders,

In the past fiscal year, the Indian economy showed remarkable resilience despite global uncertainties, sustaining its position as a key player in global growth. With a steady 6.5% GDP growth, the uptick was largely fuelled by rising consumer demand, easing inflation, growing digitisation, continued infrastructure investment, robust macroeconomic fundamentals and favourable government policies.

Alongside, the domestic power and electrical equipment sector benefited from increasing demand for energy-efficient solutions and a conducive policy environment. Key government programmes, including Smart Meter National Programme (SMNP), Revamped Distribution Sector Scheme (RDSS) and Integrated Power Development Scheme (IPDS), are aimed at revamping India's power distribution grid and accelerating the adoption of Smart Meters. Additionally, the rapid growth of the digital economy is expected to create new avenues in 5G technology.

Our strong positioning, coupled with a resilient business model and core priorities, has helped us to tap emerging opportunities across sectors, delivering yet another year of strong growth.

Over

## ₹1,700 Crore

Net Revenues earned in  
FY 2024-25, indicating our  
strongest performance till date

Coming to our financial performance, FY 2024-25 was a landmark year. Our Net Revenues crossed the ₹1,700 Crore mark for the first time, compared to ₹1,460.86 Crore in FY 2023-24, registered 16.39% YoY growth, led by strong growth across key verticals. EBITDA increased by 32.53% YoY to ₹254.65 Crore, through improved product mix and topline growth, resulting in a healthy EBITDA margin of 15%. We achieved an impressive PAT of ₹93.99 Crore, surpassing the 5% threshold, a testament to our continued efforts at enhancing operational and cost efficiencies.

Our balance sheet also showed healthy improvement. Our Return on Capital Employed and Return on Equity stood at 14.49% and 10.89%, respectively, while Debtor days reduced to 21 days, underscoring our ability to deliver consistent profitable growth and maintain financial discipline while creating long-term value for our stakeholders. Furthermore, the recent credit rating upgrades from Crisil (A-/Positive to A/Stable) and India Ratings & Research (an another rating agency (IND A+ with Stable outlook) have strengthened our ability to gain favourable access to capital, supporting our future growth plans.

Operationally, we performed well across multiple fronts. With Smart Meters as the primary growth engine, the Metering, Systems & Services segment posted an impressive 26.16% YoY growth during the fiscal year. Our Consumer, Industrial & Services, which includes Wires and Cables, Industrial and Domestic Switchgear, professional and Commercial Lighting, Fans and Solar products delivered steady growth at 3%, primarily driven by the Wires & Cables segment.

## ₹3,500+ Crore

Total Order Book as on May 20, 2025, indicating growing consumer trust and strong revenue visibility

As on May 20, 2025, our order book stood at a robust ₹3,500+ Crore, with the Metering, Systems & Services segment accounting for ~ 99% of the order book, providing a secured and strong revenue visibility over the medium term. Our leadership in Smart Meters nationwide has enabled us to cater to increasing demand in line with the government's increased focus on energy-efficient solutions, boosting segment revenue and profits. With demand under national rollout programmes such as the Advanced Metering Infrastructure Service Provider (AMISP) framework gaining pace, it has created long-term opportunities while driving cost-efficiency and scalability.

To meet rising demand, we have significantly invested in enhancing our Smart Meters production capacity, advancing R&D and forging key collaborations. A highlight of the year was our tie-up with Wirepas to launch India's first in-meter RF gateway, eliminating the need for standalone gateways, reducing implementation costs and improving deployment efficiency. This innovation has further cemented our leadership in the Smart Metering space while providing multi-year execution visibility and expanded reach.

Committed to responsible growth, we continue to integrate energy efficiency and environmental stewardship across every facet of our operations. During the year, we undertook capacity enhancement and automation to improve cost efficiency, ensure consistency and deliver superior quality products. Simultaneously, we strategically invested in strengthening our R&D infrastructure, fostering innovation and agility, resulting in the launch of several new products, including solar lighting solutions and energy-efficient lighting, aligned with the increasing demand for sustainable

alternatives. Our focus remains closely aligned with nation-building initiatives such as the RDSS and India's clean energy goals, playing a key role in India's smart and sustainable energy transition.

As we move ahead, strategic collaborations remain integral to our growth journey. Our partnership with Wirepas has unlocked opportunities in mesh-based Smart Metering, enhancing our ability to lead large scale utility projects. We are also accelerating efforts to penetrate high-potential markets. Furthermore, we are scaling Smart Metering deployments and broadening our advanced Electrical offerings, while capitalising on the massive opportunity created by the government to instal 25 to 30 Crore Smart Meters nationwide. Our leadership in Smart Metering and Power Solutions is also facilitating our expansion in the fast-growing 5G market space. Simultaneously, we are sharpening our go-to-market approach in the Consumer and Industrial segments through network expansion, stronger brand positioning, and a sharper retail focus.

We continue to grow our international footprint, diversifying revenue streams and expanding our export presence. Globally, the shift towards clean energy, smart grids and digital utilities further reinforces our long-term growth outlook,

With a healthy enquiry pipeline and strong industry tailwinds, we are optimistic about building on our momentum. Our integrated capabilities, execution agility and innovation-driven mindset will enable us to expand into new applications, technologies and geographies – while staying committed to shaping a resilient, digital, and energy-efficient future.

On behalf of the Board, I would like to thank our shareholders, employees, customers, partners and other stakeholders for their continued trust and support.

Warm regards,

**Lalit Seth**

Chairman and Whole-Time Director



## From the Joint Managing Director & CFO's Desk



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**HPL Electric & Power Limited delivered an exceptional performance in FY25, marked by strong growth across both B2B and B2C segments.**

**Backed by a solid order book, we continued to deliver on our core pillars of innovation, manufacturing excellence, R&D expertise and operational efficiency to drive profitable and sustainable progress.**

### Dear Shareholders,

In this exclusive Q&A session, Mr. Gautam Seth, Joint Managing Director & CFO, shares insights on HPL Electric & Power Limited's overall performance, key growth drivers and future priorities.

### Please share your overview of the Company's financial performance in FY 2024-25 while highlighting the key growth drivers?

FY 2024-25 was a defining year for us, not just in terms of numbers but a reflection of the steady progress we have made in our growth trajectory year-on-year. For the first time in our Company's history, Net Revenues exceeded ₹1,700 Crore, up from ₹1,460.86 Crore in the previous year, reflecting 16.39% YoY growth, driven by robust volume growth and our continued focus on high demand segments. Our EBITDA stood at

₹254.65 Crore, indicating an impressive 32.53% YoY growth while margins improved to 15%. Our consistent efforts at cost control and operational efficiencies resulted in Profit After Tax reaching ₹93.99 Crore, nearly double the previous year's figure, reinforcing our growing prowess as a dependable and prominent industry player.

### How have the Company's core segments evolved in the fiscal year?

In FY 2024-25, we maintained our focus on strategically expanding both our B2B and B2C segments, resulting in robust broad based growth. Timely execution, a growing order book and capacity expansion in Smart Meter manufacturing further strengthened our market positioning in the domestic metering landscape. The Metering, System & Services segment witnessed a 26.26% YoY revenue growth at ₹1,075.61 Crore. Smart Meters continued to be the game changer, contributing significantly to the total order book. Our strategic initiatives, coupled with favourable government measures around the ongoing energy transition and emerging 5G infrastructure roll out, position us well to meet diverse market needs and drive responsible growth.

Our Consumer, Industrial & Services segment also delivered healthy growth, led by strong momentum in Wires & Cables, which grew 24% YoY, backed by increased real estate and infrastructure development. Domestic Switchgears saw steady YoY growth of 16% while the Lighting division remained stable despite pricing pressures. In the coming fiscal, we will focus on diversifying our portfolio, expanding retail reach and targeted brand building to gain further traction in the segment.

### How is the Company aligning innovation with sustainability as part of its ESG Commitment?

At HPL Electric & Power Limited, sustainability is of immense importance to us. Through modern manufacturing

and robust R&D capabilities, we continue to drive efficiency and environmental stewardship. By launching innovative products such as Smart Meters, automated Switchgears and low energy Lighting solutions, we are striving to fulfil our vision of delivering cleaner, efficient and sustainable solutions tailored to modern ecosystem needs.

We have undertaken various initiatives across our facilities throughout the year, in line with advancing our commitment to sustainable operations. Our facilities use waste treatment systems, energy-efficient technologies and environmentally friendly practices aligned with global standards. We continue to strengthen process efficiency, reduce resource intensity and ensure compliance through structured HSE protocols. We have also established effluent and sewage treatment plants to manage industrial waste responsibly.

Beyond operations, we promote a safe, equitable and inclusive workplace providing ample opportunities for nurturing a future-ready workforce, while through meaningful CSR efforts, we strive to bring a positive impact on the communities we serve.

### In what ways is the Company building on its strengths to capture opportunities in next-generation infrastructure and support future growth?

Robust economic tailwinds, India's Smart Cities vision and the growing 5G market are creating exciting avenues for innovation, growth and market expansion. With clear priorities targeting our core segments, we are well-positioned to capitalise on these developments, driving profitable growth and delivering sustained value to all ecosystem players.

With a strong order pipeline and significant capex investments in advanced manufacturing and automation, we will continue to scale our Smart Meter production to stay

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**In FY25, we maintained our focus on strategically expanding both our B2B and B2C segments, resulting in robust broad-based growth. Timely execution, a growing order book and capacity expansion in Smart Meter manufacturing further strengthened our market positioning in the domestic metering landscape.**

ahead of the nationwide rollout curve. Through robust R&D competencies, integrated testing and compliance capabilities, a dedicated team and key partnerships, we continue to innovate, to launch environmentally friendly and cost-effective future-ready solutions, reinforcing our leadership in the Smart Meter space. Additionally, we are accelerating product development across our Wires & Cables, Lighting and Industrial Switchgear to cater to evolving customer needs.

We are also expanding our distribution footprint to drive retail growth and brand visibility across urban and rural markets. Simultaneously, we are growing our export footprint, supported by international product certifications and a customer centric approach, enhancing our competitive edge while contributing to a cleaner, more connected and digitally-enabled global ecosystem.

Warm regards,

**Gautam Seth**

Joint Managing Director & CFO

## FY25 Performance Overview

# Achieving New Heights with Landmark Performance

FY25 marked the strongest year in HPL Electric & Power Limited's history, as we recorded our highest ever Net Revenues of over ₹1,700 Crore. Driven by robust top line growth and significant improvements in EBITA and Profit after tax (PAT), our performance underscores our strategic focus on operational excellence, enhancing profitability and driving sustainable growth while delivering enduring value to all stakeholders.

Our unwavering commitment to scaling the Metering business, deepening automation across manufacturing, strengthening R&D capabilities and fostering product innovation has driven operational efficiency while yielding tangible results. Alongside this, our focus on strategic partnerships, diversifying portfolio in core verticals and capitalising on emerging trends has further strengthened our market positioning and laid a strong foundation for future growth and expansion.

## Performance Overview

In FY25, we delivered strong volumes, stable commodity prices and solid performance across all segments. Backed by a strong total order book, Smart Metering remained our core growth engine, aided by consistent growth across our Wires and Cables and Switchgear segments. Improvement in margins was driven by a stronger product mix, smarter sourcing and increased focus on plant automation. We maintained strong EBITDA coverage while our balance sheet ratios, including return on capital employed and return on equity, showed marked improvement alongside healthy debt levels. Our strong financial performance contributed to a significant rise in market capitalisation, boosting shareholder confidence and reinforcing their trust in our ability to deliver consistent value.

**₹1,700 Crore**

Net Revenues, registering a remarkable 16% YoY growth, from ₹1,461 Crore in FY25, supported by strong growth across core segments

**₹254.65 Crore**

EBITDA, demonstrating 32.53% YoY growth, from ₹192 Crore achieved in FY24

**15%**

EBITDA margin, reflecting topline growth and improved operating leverage

**₹93.99 Crore**

PAT, with PAT margin exceeding 5% mark, showcasing the Company's robust performance





Enhancing our innovation focus, we introduced new products, including solar Lighting options, to diversify our portfolio and cater to evolving industry requirements.

Following our planned capacity expansion, we implemented targeted automation initiatives across our manufacturing facilities in FY25 to streamline operations and enhance long-term efficiency. Notably, the introduction of new machinery in Switchgear lines has reduced manual interventions, leading to improved cost efficiency, higher consistency and enhanced output quality.

In recent years, we have also evolved strategically, transitioning from a manufacturing-driven organisation to emerging as an R&D powerhouse. In FY25, we continued to proactively invest in strengthening our talent pipeline, especially in R&D, to capitalise on the rising opportunities in Smart Meters. Driving continued innovation with a dedicated team of 100+ professionals. Today, our Smart Metering R&D infrastructure ranks among the best in India, fuelling both product innovation and execution excellence while sharpening our competitive edge.

Ongoing strategic collaborations, including the recent one with Wirepas, enable us to efficiently diversify our portfolio and expand our customer base. These alliances have also driven revenue growth and sustained our technology and competitive edge in the evolving Smart Meter industry. With export presence across 42 countries, we are steadily expanding our global presence.

Our strong performance and robust balance sheet health were further reinforced by an upgraded credit rating from Crisil, moving from A-/positive to A/Stable during the fiscal year. These upgrade has helped us to renegotiate borrowing rates with our lenders, enabling us to maintain lower overall finance costs despite operational scale-up. We also managed to improve our working capital cycle substantially, reflecting our prudent financial discipline and execution capabilities. Our working capital cycle substantially, reflecting our prudent financial discipline and execution capabilities.

**Upgraded  
Credit Ratings**

**A/  
Stable**

Crisil Rating  
Upgrade

**A+/(Stable)**

Another rating Agency  
India Ratings and  
Research Rating has  
assigned A+/stable

## Targeted Investments in R&D and Capex

(₹ In Lakh)

| Description  | 2024-25         | 2023-24         | 2022-23       |
|--------------|-----------------|-----------------|---------------|
| R&D          | 1,012.20        | 1,016.47        | 884.92        |
| Capex        | 37.09           | 0.67            | 20.51         |
| <b>Total</b> | <b>1,049.29</b> | <b>1,017.14</b> | <b>905.43</b> |

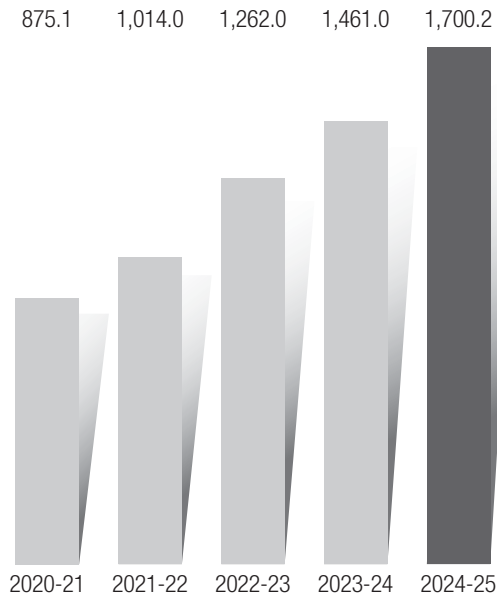


Looking ahead, our growth trajectory remains strong with Smart Meters comprising 99% of our robust order book of ₹3,500+ Crore as on May 20, 2025 – a segment poised to be our next game changer, backed by robust R&D capabilities. Additionally, our continued efforts at automation, tighter production control and expanding operational footprint will enable us to sustain and improve margins across our verticals while driving steady business growth, in line with industry expansion.

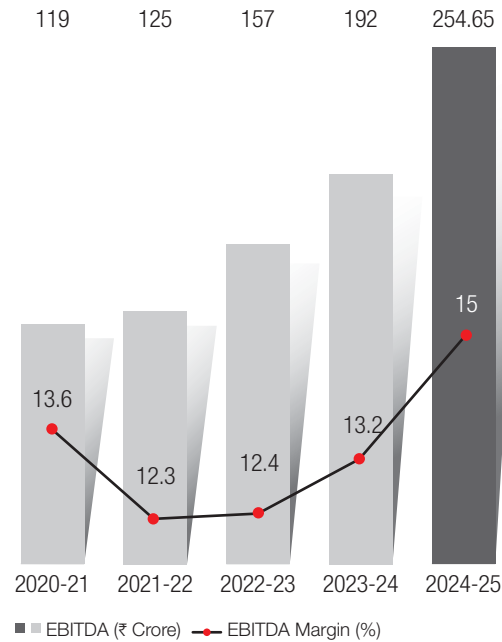
## FY25 Performance Overview (cont'd)

# Key Performance Indicators

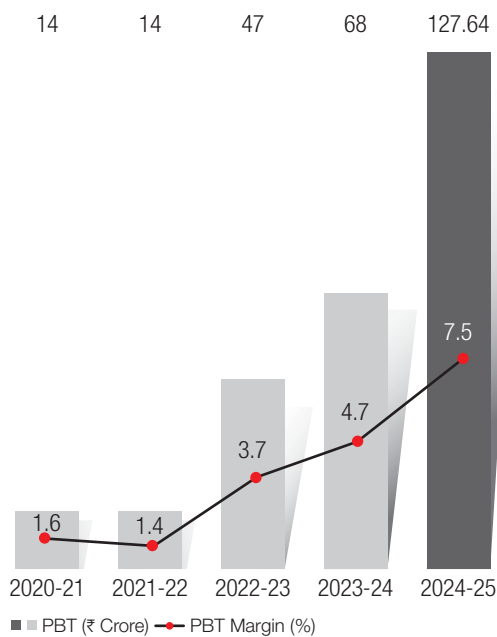
### Net Revenue (₹ Crore)



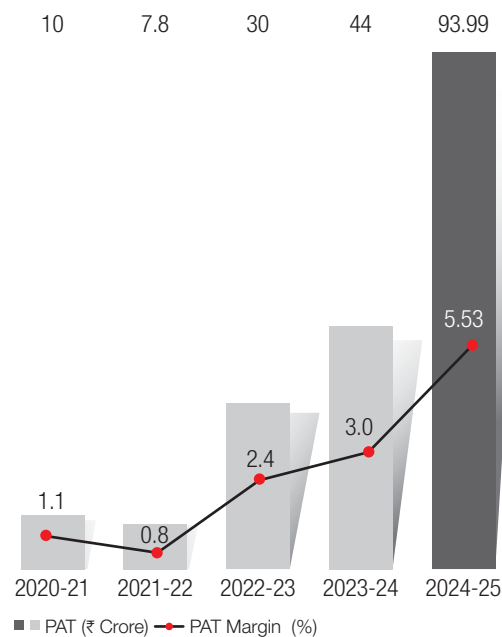
### EBITDA (₹ Crore) & EBITDA Margin (%)



### PBT (₹ Crore) & PBT Margin (%)



### PAT (₹ Crore) & PAT Margin (%)



**Net Worth (₹ Crore)****Earnings Per Share (₹)**



## Business Segment Overview

# Accelerating Growth with Core Focus

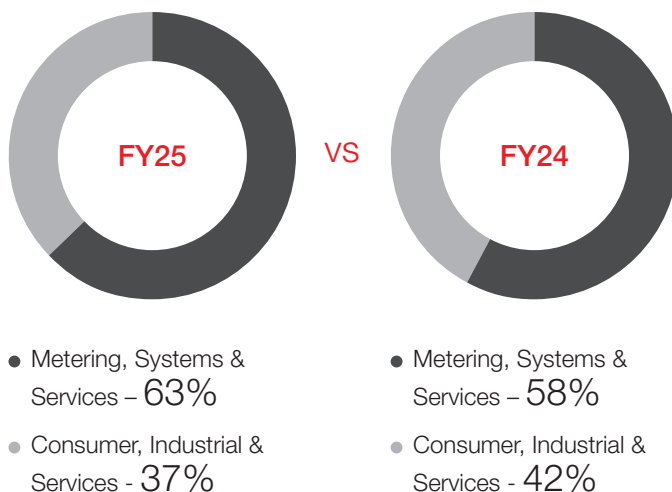
Backed by a resilient business model, strong execution and steady demand, we delivered robust growth across our business segments in FY25. Our Smart Metering business remained a key growth engine, helping us capitalise the opportunities in India's advanced metering needs. Our growth trajectory continues to be strong, supported by enhanced capacities, dynamic R&D capabilities and a strong overall order pipeline, underscoring our growing potential in a highly evolving industrial landscape.

## Macro Overview

In FY25, the Indian economy displayed remarkable resilience, with an estimated GDP growth of 6.5%. Despite global uncertainties, the domestic market remained vibrant, primarily driven by strong consumption, increasing public and private investments and nation-building initiatives such as Make in India and the Smart Cities vision.

HPL Electric & Power Limited's performance in FY25 closely mirrored the broader economic momentum, delivering strong growth, improved margins and a more resilient balance sheet. With a strategic focus on Smart Meters, Wires and Cables, Switchgear and Lighting segments, we have bolstered our core manufacturing and R&D capabilities to seize the increasing demand for Smart Meters and 5G-enabled technology, strengthening our role in India's infrastructure transformation.

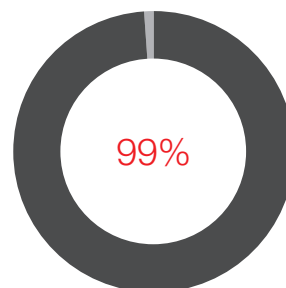
## FY25 Segment Revenue Mix



**₹3,500+ Crore**

Strong Order Book as  
on May 20, 2025

Metering, Systems &  
Services contributing  
~ 99% of the order book



## Metering, Systems & Services

FY25 saw sustained demand in our core Metering, Systems & Services segment, indicating revenue growth of ₹ 1075.61 Crore over ₹ 852.58 Crore in FY24, an impressive 26.16% YoY growth, reinforcing our solid positioning as one of the leading player in India's metering segment. We maintained a dynamic and stable order book, executing existing orders on fast track to ensure timely execution and steady revenue visibility over short and medium term. Growth in the segment was driven by robust

performance of the smart metering division, which accounted for 99% of the order book.

Our continued focus on smart metering solutions positions us strongly to contribute meaningfully to the nation's smart energy transition and meet the evolving needs of its energy infrastructure. Additionally, our strong leadership in smart metering and power. Solutions is enabling us to capture the growing opportunities in the growing '5G' market.

**₹1,075.61 Crore**

Revenue growth in Metering, Systems & Services in FY25, 26.16% YoY growth

Growth led by Smart Meter Business, contributing 99% of current order book

## Key Growth Drivers

- 1 Good growth traction, supported by a strong execution cycle and healthy enquiry base
- 2 Booming demand for Smart Meters in India's evolving energy landscape
- 3 Smart Meters drive greater revenue realisations, leading to increased revenue and enhanced profitability
- 4 As leaders in smart metering, we are at an advantageous position to capitalise on growing opportunities in the '5G' industry landscape
- 5 Undertaken capacity expansion for smart meter manufacturing including component manufacturing to seize growing demand

## Consumer, Industrial & Services

In our Consumer, Industrial & Services, we offer a diversified and balanced portfolio, comprising Wires and Cables, Industrial and Domestic Switchgear, professional and Commercial Lighting, fans and solar products. In FY25, this segment witnessed positive momentum, achieving overall revenue growth of ₹ 624.63 Crore against ₹ 608.28 Crore in FY24.

Growth was driven by the Wires & Cables segment, which delivered 24% YoY growth, supported by a booming real estate cycle, sustained infrastructure investment and an expanded retail network. Despite demand softening in industrial switchgear, our Domestic switchgear division reported 16% YoY growth, driven by a better mix of premium products and strengthened distribution. Our Lighting business also grew by 6.6% YoY despite facing pricing challenges in recent times.

During the year, we launched new products, aligned with evolving customer needs.

Moving ahead, we anticipate healthy growth while driving operational and cost efficiencies to deliver enhanced cash flow and returns. We continue to maintain our focus on upgrading our R&D and manufacturing capabilities to develop new and innovative products while enhancing distribution and brand building to expand reach and visibility.

**₹624.63 Crore**

Revenue growth in Consumer, Industrial & Services in FY25, 3% YoY growth

Growth led by Wires & Cables, delivering 24% YoY growth

### 3-Pronged Growth Approach



Committed to developing new and innovative products

Expand distribution reach and engagement

Undertake strategic brand building initiatives

### Key Growth Drivers

- 1 Strong and stable order book
- 2 Committed to quality and innovation, the Wires and Cables segment continues to gain traction within the B2C market
- 3 Stabilisation in Lighting business expected to drive potential growth
- 4 Strong growth potential of '5G' sector owing to increasing digitalisation and focus on expanding connectivity infrastructure
- 5 Domestic Switchgear continues to meet evolving segment needs
- 6 Focussed on expanding dealer and retail network to deepen product reach and market presence

### FY26 Strategic Priorities

We are well-positioned to drive the next phase of sustainable growth, backed by India's growing economy, the drive for accelerating electrification nationwide and growing '5G' market.

Envisioning long-term sustainability, we leverage a balanced growth strategy targeting both B2B and B2C segments.

With a clear strategic roadmap, we aim to double our business over the next three years while delivering sustained value to all stakeholders.

Scale up smart meter production to stay ahead of the national rollout curve

Expand production capacity through factory automation to optimise cost, ensure quality at scale, protect margins and meet rising demand

Accelerate product development to solidify positioning across metering, lighting, industrial switchgear, and wires and cables, seizing emerging opportunities

Continuous investment in automation and R&D to offer advanced market responsive solutions

Strengthen our distribution network to grow our retail footprint and enhance brand visibility, driving revenues in both urban and rural markets



## Focus on Smart Meters

# Positioned for Robust Growth

As an industry leader in India's Smart Metering segment, HPL Electric & Power Limited is well placed to tap the growing opportunities and address challenges in the evolving smart meter market landscape. Driven by the government's increased emphasis on efficient energy management, key initiatives such as Revamped Distribution Sector Scheme (RDSS) and Smart Meter National Programme (SMNP) are further encouraging the deployment of smart meters in India.

As on May 20, 2025, our order book exceeds ₹ 3,500 Crore, with smart meters contributing 99%, reflecting our key role in India's electrification journey.

- **Market Leadership**, commanding ~20% market share in the domestic meters market with an installed capacity of 1.1 Crore meters annually
- **Holistic Portfolio** blending conventional and smart meters
- **Proven Track Record** of over 2 decades in supplying meters to most state and central utilities
- **Strong Pre-qualification Credentials** backed by IS 16444 certified products
- **Focus on Quality, Product Innovation and Cost Competitiveness** driven by 2 R&D centres with over 100 electrical industry experts and integrated operations

## Strategic Growth Drivers

- Leveraging benefits from the RDSS initiative, optimising resource utilisation, operational efficiency and reducing Aggregate Technical and Commercial (A&T) losses
- Strengthening our competitive edge through AMISP contracts (including DBFOOT basis), driving cost-efficiency, high product quality, and on-time deliveries
- Robust R&D capabilities position us at the forefront of Smart Meter innovation with the latest technology upgrades in a fast evolving sector
- Expanding international presence, driven by growing global market interest in our strong manufacturing backbone, advanced R&D and robust compliance and testing capabilities

Smart Metering segment continued to be a key growth driver in FY25, generating

**₹1,075.6 Crore**

Revenues, a 26.16% increase YoY

In recent times, the demand from Advanced Metering Infrastructure Service Provider (AMISP) for smart meters continues to gain momentum, with rollouts rapidly scaling under the AMISP framework.

To meet the growing demand, we have undertaken substantial capex investments in recent years, to establish modern smart meters manufacturing facilities, including injection moulding units and expanded tool room capacities. We also harness advanced technology, R&D innovation and key partnerships to drive operational efficiency and sustain our technology and competitive edge. Furthermore, supportive government measures such as the Ministry of Power's plans to instal 25 to 30 Crore Smart Meters nationwide, representing a cumulative opportunity size of ₹60,000 to ₹90,000 Crore, strongly align with our vision to contribute meaningfully to India's Smart Cities mission.

During the year, we entered into a strategic partnership with Wirepas to launch India's first Wirepas-certified in-meter RF gateway. This innovative dual-radio smart meter eliminates the need for standalone gateways, significantly reducing AMI rollout costs for utilities, strengthening our technology leadership while expanding our presence in the smart meter space.

As a result of our collective efforts, today our entire over ₹3,500 in-meter order book comprises AMISP-led smart meter projects, enabling multi-year visibility and a well-defined execution pipeline.



# Leadership's Point of View



## Dear Stakeholders,

As we reflect on the financial year 2024-25, I am pleased to present an overview of HPL Electric & Power Limited's performance and strategic advancements. This past year was indeed a pivotal year in our growth journey, predominantly driven by expansion and innovation across our business segments, from Consumer & Industrial to Metering, Systems & Services. Our financial results for FY25 underscore a period of strong operational efficiency and enhanced profitability:

- **Revenue from Operations** increased by 16.39% YoY to ₹1,700.24 Crore
- **Gross Profit** grew by 19.10% to ₹595.61 Crore, with our Gross Margin expanding by 80 basis points to 35.03%
- **EBITDA** saw a significant increase of 32.53% YoY, reaching ₹254.65 Crore. This translated into an EBITDA Margin improvement of 182 basis points, now standing at 14.98%
- **Profit After Tax (PAT)** soared by 115.44% to ₹93.99 Crore, with our PAT Margin reaching 5.53%
- **Earnings Per Share (EPS)** increased to ₹14.58 in FY25 from ₹6.78 in FY24

The Metering, Systems & Services segment was a key driver, experiencing a 26.16% growth in FY25 and contributing ₹1075.61 Crore to our revenue. This segment accounted for 63% of our total revenue in FY25, with its EBIT margin improving to 17.01%.

## Zoom in on Smart Metering: Our Growth Engine & Market Leadership

Smart Metering has continued to be the driver of our strong performance, affirming our position as an industry leader in India's Smart Metering landscape. As of May 20, 2025, our robust order book stands at over ₹3,500 Crore, with Smart Meters accounting for over 99% of this, offering strong multiple-year growth visibility. This segment is anticipated to continue driving traction with a strong execution cycle. The higher realisations from Smart Meters are directly contributing to increased revenue and enhanced profitability.

We are actively participating in the AMISP-led national rollout, supplying to leading Advanced Metering Infrastructure Service Providers based on our proven execution capabilities. Today, our entire order book comprises AMISP-led Smart Meter projects.

Our commitment to innovation was highlighted by achieving a significant technological milestone through our strategic partnership with Wirepas. This led to the launch of India's first Wirepas-certified in-meter RF gateway, a breakthrough that eliminates the need for standalone gateways and optimises AMI rollout costs. Our meters are equipped with embedded software for automation, data collection, and customisation, integrated with Wirepas RF Mesh technology. We are proud of our legacy reputation, demonstrating 98% operational success in Service Level Agreements (SLAs) across India, with durable meters designed to withstand India's varied climate conditions.

## Capitalising on Government Initiatives and Scaled-Up Capacity

The government's increased emphasis on efficient energy management, underpinned by initiatives such as the Revamped Distribution Sector Scheme (RDSS) and the Smart Meter National Programme (SMNP), is significantly encouraging the deployment of smart meters nationwide. The Ministry of Power's ambitious plans to instal 25 to 30 Crore Smart Meters nationwide translates into a cumulative opportunity size of ₹60,000 to ₹90,000 Crore. As a leading player with an approximate 20% market share in the domestic meters market and an installed capacity of 11 million units per year, HPL is well-placed to capitalise on this opportunity.

To meet this rising demand, we have substantially scaled up our Smart Meter manufacturing capacity over the past year. A notable development includes the inauguration of our fourth fully automated assembly and testing line, further enhancing our output, consistency, and scalability. Our two R&D centres, housing over 100 expert engineers, ensure we remain at the forefront of smart meter evolutions with cutting-edge technology upgrades.

## Outlook and Future Growth

Our stable order book ensures revenue visibility for the short and medium term. We are committed to driving sustainable growth, backed by our competitive R&D capabilities. Furthermore, our financial stability and operational excellence were recognised by Crisil upgraded our rating from A-/Positive to A/Stable, and India Ratings and Research an another rating agency assigned IND A+/Stable.

We remain dedicated to supporting India's transition to a smarter, more efficient energy future.

Warm regards,

**Rishi Seth**  
Managing Director

## Manufacturing Excellence

# Bolstering Manufacturing Capabilities

At HPL Electric & Power Limited, our advanced backward integrated manufacturing facilities are a strategic pillar of our success journey, supporting our product innovation capabilities and process improvements. In FY25, we continued to enhance our manufacturing capabilities, focussing on Smart Meters, switchgear and energy-efficient electrical solutions, to efficiently cater to evolving industry demands and sustain our competitive edge.

### Modern Manufacturing Units



Manufacturing Units

Map not to scale. For illustrative purposes only.

### Key Certifications



ISO-27001:2005



### FY 2024-25 Key Developments

- Opened a new automated Smart Metering assembly and testing line at the Gurugram plant to enhance supply and output

### Way Ahead

Going forward, we are planning to invest around ₹100 Crore in Capex for the coming fiscal, towards maintenance and growth investments.

**Maintenance Capex** will continue to drive our tool-and-die infrastructure across product lines.

**Growth Capex** will be allocated towards:

- Smart Metering**, with a sharp focus on automation
- Switchgear**, across both industrial and domestic segments
- Wires and Cables**, where we anticipate continued high growth, driven by healthy demand and strong internal performance metrics
- Diversification into new product categories**, within the Wires and Cables division

### R&D Capex Investments (YoY) (₹ in Lakh)





## R&D Innovation

# Pioneering Next-Gen Solutions

Driven by a continuous thrust for innovation, we remain committed to deliver next level products, solutions and quality to our customers. Guided by this strategic focus, we have undertaken various to accelerate customer satisfaction, consistently investing in R&D Centres and Testing Laboratories to stay on par with emerging technologies and evolving customer expectations.

All our NABL-accredited Testing Laboratories and R&D centres are dedicated to developing world-class products that meet stringent quality standards while delivering customer delight. Our teams focus on addressing growing market challenges across segments, including Switchgear, LV Panels, Solar, Lighting, Wiring Accessories and Metering, fuelled by early adoption of thriving technologies for our products and processes.

## Reinforcing Our R&D Edge



### Key Accreditations

- R&D centres recognised by DSIR (Department of Scientific and Industrial Research)
- Our Gurgaon R&D centre is certified for CMMi V2.0 Maturity Level 3 for design and development of state-of-the-art Smart Meters, high-end energy meters, pre-paid energy meters, panel meters and centralised system for street light management system
- Our R&D-Jabli centre is NABL-recognised for MCB, RCCB Products testing



### Stringent Quality Standards

- Our products are tested as per relevant IEC Standards in third-party labs such as CPRI, ERDA, TUV and INTERTEK
- Approvals from Dekra-Netherlands for CB Certificate and KEMA for multiple product ranges, serving as a global gateway for International Markets
- Kundli plant laboratory has been recently NABL-accredited, underscoring our efforts in further strengthening our R&D capabilities Switchgear and Lighting products
- Our R&D units consistently work towards improving the reliability and life cycle of products manufactured at our ISO 9001:2015 certified plants
- Committed to health, safety and environment, we offer a wide range of 'CE' certified products
- All our plants are RoHS complaint to meet evolving business demands globally



### Key Event Participation

- As a leading player in Metering, Switchgears, Wiring Accessories segment, we actively participate at various forums like BIS, IEEMA in formation, update and revision of standards for Metering and Switchgear products, to enhance our R&D capabilities



### Expediting Market Readiness

- Our R&D units are determined to timely delivery of new products under development to Meet-Beat-Supersede market competition
- We adopt a cohesive approach to narrow down the gaps in process from concept to customer, enhancing efficiency by reducing iteration time and cost during development process
- These include detailed electronic product design, 3D modelling, software simulations, production process centric prototyping and prototype validation before commencing tool and complete product manufacturing



### Driving Smart & Sustainable Growth

- Supporting government's smart meter rollout policy by designing and launching cutting-edge innovative solutions, such as DC MCB and Smart Prepaid meters
- Offering a dedicated range of products like ACBs, Changeovers, Isolators, MCCBs, Fuses and MCBs to support renewable energy generation (e.g. Solar) policy, indigenous technology and product development aligned with the 'Make in India' initiative
- Providing system-based solutions best suited for distribution applications, in line with ongoing revamping and reformations in the distribution sector

### FY25 Key Achievements

- Our laboratory received NABL accreditation under ISO/IEC, strengthening our ability to conduct high-quality R&D and rigorous testing capabilities for wires and cables
- The collaboration with Wirepas to establish India's first Wirepas-certified in-meter RF gateway has helped integrate latest RF mesh technology into our Metering solutions, enhancing efficiency and R&D competitiveness

**₹1,012.20 Lakh**

Total R&D contribution  
in FY25

**100+**

Dedicated R&D  
professionals

### R&D Investments (₹ in Lakh)



### Way Ahead

We are actively focussing on developing multiple smart engineering electrical products to meet the future market demands. With LEDs emerging as the fourth generation light source, we continue to innovate in lighting solutions. We also maintain our focus on advancing products, including Switchgears, Solar products, Surge Protection Device, ACCL, RCBO and Higher Rating MCB. Furthermore, we are taking a multidirectional approach to adopt emerging trends such as Smart Switchgears, Smart Meters, Industry-4.0 enabled manufacturing facilities, eco-friendly products and packing along with green and sustainable initiatives.

## Focussed Branding

# Elevating Brand Recall through Diverse Channels

We leverage a dynamic mix of strategic retail branding, robust digital presence and active participation in industry exhibitions and events to amplify our brand visibility across India. This integrated marketing approach enables us to have consistent visibility by targeting both existing and new customers across offline and online mediums while strengthening trust and cementing our market leadership nationwide.

### Strengthening Retail Branding

Through focussed retail branding, we continued to expand our presence across India, ensuring strong visibility in both urban and rural regions. This strategic focus has boosted our brand visibility while helping deliver quality and reliable products to a diverse customer base, enhance customer satisfaction and build long-term customer relationships, solidifying our position as a trusted brand.

### Boosting Visibility by Participating in Exhibitions and Events

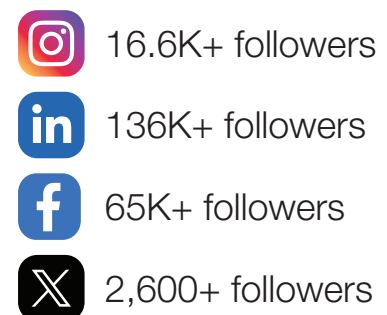
We actively participated in various Exhibitions and Events throughout the fiscal year. These programmes helped us gain significant market insights, display our innovative products, engage with diverse audiences and deepen our industry connections with existing customers, unlocking immense possibilities to grow and diversify.

### Enhancing Brand Engagement on Social Platforms

In FY25, we continued to enhance our digital visibility through diverse social media platforms, sharing our innovations, deepening customer engagement and outreach while working to build a cohesive, vibrant community.

**> 20 Million**  
digital audience reached

### Social Media Followers



We also sponsored various industrial webinars and virtual exhibitions, reinforcing our presence in relevant industry circles.





## Environmental, Social and Governance

# Fuelling Growth with ESG at the Core

At HPL Electric & Power Limited, sustainability is deeply imbibed into every facet of our business operations, innovation and growth strategy. Leveraging our extensive expertise in India's electrical and power distribution sector, we remain dedicated to environmental stewardship, social progress and transparent governance, pursuing long-term, responsible value creation for all stakeholders.

Our approach to ESG goes beyond compliance; it serves as a guiding principle for undertaking sound business decisions, right from responsible innovation and effective risk management to executing projects with integrity. The framework underscores our belief equitable growth, inclusive development and progress built on accountability.

## Environmental Measures

Committed to environmental responsibility, we have Integrating sustainability into our product design, manufacturing processes and partner ecosystem.

### Key Initiatives

#### At Our Facilities

- Adherence to regulatory compliance, efficient operations and technology-enabled solutions to build a clean and future-ready infrastructure
- Our environmental practices are guided by ISO 14001 principles, with select facilities certified under the standard
- Waste management, water consumption and emissions control comply with relevant regulations and are implemented under our internal Health, Safety & Environment (HSE) Policy
- Established Effluent treatment plants (ETPs) and Sewage treatment plants (STPs) to responsibly manage industrial waste, minimising environmental impact through safe treatment and disposal

### Product Offerings

- LED Lighting solutions are designed for energy efficiency and longevity
  - High performance products range from decorative to commercial and industrial applications, reducing energy use and operational emissions in customer installations
  - By offering extensive coverage across indoor, outdoor and smart Lighting categories, we support India's energy transition vision with scalable, low-energy Lighting solutions
- Leading India's shift to smart electrical infrastructure, enabling modern grid transformation and urban sustainability
  - Our Smart Metering solutions enable accurate billing, loss reduction and real-time monitoring
  - Our Smart switchgears help utilities and businesses manage remote and secure loads



## Social Development

As a people-centric organisation, we strive to deliver meaningful impact to the people and communities we work with.

### Key Measures

- Implemented policies to provide a safe, inclusive, and equitable work environment for all
- Our operations are aligned with ISO 45001 principles supporting occupational health and safety, with certified systems across key facilities
- Zero tolerance policy for child labour, forced labour, discrimination or harassment
- Grievance redressal mechanisms for both permanent and contractual employees
- Our Diversity, Equity & Inclusion (DEI) Policy supports equal opportunity
- Comprehensive Human Rights Policy and awareness programmes across all locations
- Engagement with small and rural enterprises, including micro, small and medium-sized vendors, to support local employment and strengthen regional supply chains in line with our inclusive sourcing strategy

Furthermore, our Corporate Social Responsibility (CSR) efforts reflect our commitment to shared growth. In FY25, we have contributed to initiatives addressing national priorities.

### Supporting SDG Goals



## Robust Governance

Transparent governance and ethical business practices remain integral to our business. Our esteemed Board of Directors oversee ESG governance.

### ESG in Governance

- ESG policies are aligned with all nine principles of the National Guidelines on Responsible Business Conduct (NGRBC)
- Established Executive Committee to address ESG-related matters, providing dedicated oversight and strategic direction on ESG initiatives
- Upholding stringent anti-corruption and anti-bribery norms, supported by periodic risk assessments and employee training, as defined in our ACAB (Anti-Corruption and Anti-Bribery) Policy
- Ensuring data protection and information security through our ISO/IEC 27001-certified systems

Our Supplier Code of Conduct extends these governance principles to our business partners, ensuring a shared understanding of ethical expectations. With an innovation-led approach, we leverage our two in-house R&D centres and seven manufacturing units to develop intelligent, efficient commercially viable and future-ready products.

### Outlook

As we move ahead, our ESG strategy will remain agile, adapting to evolving needs and expectations while staying true to our values that define us: innovation that delivers, leadership that listens and inclusive growth, setting new benchmarks in driving sustainable impact.



## Corporate Social Responsibility

# Empowering Community Development

As a responsible organisation, we uphold empathy, integrity and service to society through meaningful Corporate Social Responsibility (CSR) initiatives. During the year, we have significantly contributed to Sri Sathya Sai Central Trust towards medical relief and public utility efforts and supported Saksham in developing eight tactile architectural replicas to enhance accessibility and inclusion for the visually impaired, reinforcing our dedication to empowering community wellbeing and inclusive progress.

Through our annual CSR initiatives, we aim to uplift the quality of life and nurture harmony and compassion within the communities we serve.

**₹77 Lakh**

Total CSR spend in FY25

## Meaningful CSR Measures

### Contributions to Sri Sathya Sai Central Trust

The Sri Sathya Sai Central Trust, a public charitable trust established in 1972 by Sri Sathya Sai Baba, undertakes various initiatives for providing relief to the poor. These include providing quality education, healthcare and other aspects of general public utility without any discrimination. The Trust ensures accessibility to all and strives to build skilled and responsible citizens who will play a key role in the nation's development.

Aligned with HPL Electric & Power Limited's vision of promoting education, healthcare and social welfare, we extended our support to the noble endeavours of Sri Sathya Sai Central Trust.

As part of our FY25 CSR efforts, we have made a significant contribution of ₹54 Lakh for the medical relief activities of the Trust. The donation will be utilised towards providing essential healthcare to underprivileged communities, ensuring that timely medical aid is provided to those in need. Additionally, we contributed ₹20 Lakh to support the Trust's general public utility efforts, underscoring our commitment to driving public good and fostering positive societal change.

### Donations to Sri Sathya Sai Central Trust

**₹54 Lakh**

Towards Medical Relief activities

**₹20 Lakh**

Towards General Public Utility

improve accessibility by providing tactile, scale-accurate, and realistic representations of culturally significant landmarks, promoting greater inclusion for people with visual impairments.

### Key Model Highlights

- Durable pine wood frame with waterproof HDHMR base
- Fabrication of main structures using PLA, PETG, ABS, and SLA resin printing for intricate miniature detailing
- Textures and scale human figures for tactile understanding by visually impaired users
- Realistic miniature foliage (grass and trees) and Lighting integrated as relevant
- Detailed post-processing: sanding, priming, painting
- Secure and accessible packaging in nail-free wooden crates

## Supported Initiatives of Saksham

The Saksham Trust is committed to the inclusion, education and empowerment of visually impaired persons. During the year, HPL Electric & Power Limited donated ₹3 Lakh to support the design and development of eight tactile architectural replicas. These models

**₹3 Lakh**

For creating 8 tactile architectural replicas



## Awards & Achievements



HPL named 'THE BEST VALUABLE CUSTOMER' for the FY24 by the Central Power Research Institute



*Celebrating Special Recognition*  
by Tata Power Delhi Distribution Limited (TPDDL)





**EXEMPLARY PERFORMANCE AND SIGNIFICANT CONTRIBUTION**

Tata Power Delhi hosted a Business Associate Meet where HPL received special recognition for "Exemplary Performance & Significant Contribution." We were honored with a prestigious memento in acknowledgment of our outstanding efforts and contributions.

We extend our sincere gratitude to each member of Team HPL for your dedication and hard work!



Meters | Modular Switches | Lighting | Switchgear | Wires & Cables | Fans | Solar Solutions

HPL received 'Best Customer Award' from TATA Power





HPL has been honoured with two prestigious awards from the Bureau of Indian Standards (BIS)



HPL was recognised as honoured as Tata Power-DDL's Best Supplier for 2024-25 for Smart Meters with Cellular & NB-IoT Communication – our second consecutive win, reaffirming our commitment to innovation and quality

## Achievements



HPL Inaugurated its 4th Automated Smart Meter Assembly & Testing line



MES – Builder Product Display Programme at Siliguri on January 20, 2025

## Board of Directors



### Mr. Lalit Seth

Chairman and Whole-Time Director

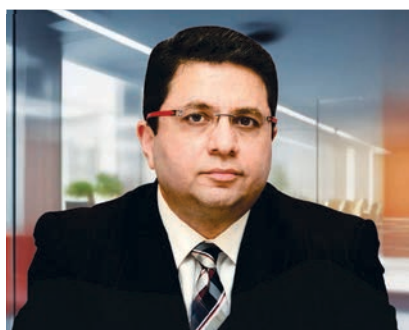
Mr. Lalit Seth, the driving force behind HPL's success and market leadership, brings over 55 years of experience and electrical industry expertise. Leveraging his visionary leadership and deep industry insights, he was instrumental in guiding the Company through key transformative projects, fostering sustainable growth and establishing HPL as a trusted name in quality, technology and reliability.



### Mr. Rishi Seth

Managing Director

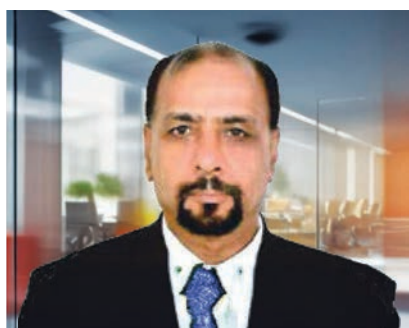
Mr. Rishi Seth, the Managing Director of the Company, holds an MBA in Finance. With over 30 years of deep industry experience, he has spearheaded the HPL Group's organic growth. As Managing Director, he oversees the Company's strategic perspective, diversification and expansion into new avenues, including EPC projects and green projects. Additionally, he manages the institutional and government business alongside key manufacturing facilities. His significant achievements include, driving HPL's growth in the utility segment, establishing it as a global leader in Smart Meter manufacturing.



### Mr. Gautam Seth

Joint Managing Director & CFO

Mr. Gautam Seth, a qualified Chartered Accountant with over 28 years of electrical industry experience, manages the Group's overall functioning and administration. He has been instrumental in steering the Group forward with dedication and commitment. Additionally, he oversees the Group's sales and marketing activities, offering invaluable insights and strategic direction to drive market relevance and competitiveness. His strong vision, excellent leadership skills and industry expertise continue to propel the Group's progress, unlocking future possibilities.



### Mr. Hargovind Sachdev\*

Non-Executive Independent Director

Mr. Hargovind Sachdev has a Bachelor's Degree in Science, Botany (Honours) and a Postgraduate Degree in English. A seasoned domain expert, he was previously associated with the State Bank of Travancore, the State Bank of Patiala and the State Bank of India, where he served as Head of Credit in Frankfurt, Germany, from 2006 to 2011. He has also worked at UCO Bank as Chief Vigilance Officer (CVO). He has extensively travelled across 15 countries in Europe for credit dispensation and has received specialised training in Credit & Foreign Exchange at the Asian Institute of Management, Manila, Philippines, and Euro Money, London.

\*Ceased to be a Director of the Company with effect from April 12, 2025, upon completion of the second term as an Independent Director.





### Dr. Rashmi Vij

Non-Executive Independent Director

Dr. Rashmi Vij, a gold medallist in MA (Psychology) and Doctorate in Psychology with a brilliant academic record, has been the Founder Principal of Police DAV Public School since 1996. She serves as the Chairperson of Jalandhar Sahodaya Complex, heading various sports organisations in Punjab and India. Additionally, she is the British Council School Ambassador for various advocacy programmes. She is the recipient of numerous 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. Deeply committed to social causes, she is actively involved in educating underprivileged children and women's 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. With over 33 years of experience in the cable and telecommunication industry, he specialises in international business operations.



### Mr. Ajit Sood\*\*

Independent Director

Mr. Ajit Sood is Post Graduate and a certified Associate from Indian Institute of Banker (CAIIB). Mr. Ajit Sood has experience of more than 36 years in Global and Domestic Banking Industry. Mr. Sood retired as a Chief General Manager from State Bank of India (SBI) on April 30, 2018. He has attended courses at Northwestern University- Kellogg School of Management, Chicago USA and the Indian Institute of Management, Kolkata. He has worked in various assignments in SBI such as Chief General Manager of a Circle, General Manager Mid Corporate Group, Deputy General Manager Corporate Accounts Group & Assistant General Manager Foreign Currency Loan Syndications. He also worked as the Head of Business Development at Singapore Office of State Bank of India. Mr. Sood has vast experience in credit appraisal, sanction and monitoring of loan to Large and Mid-Corporates. He has understanding of Credit Risk and Financial Management and also has vast experience of financing of overseas acquisitions. He has handled accounts relating to Pharmaceutical, Metal, Food, Coal, Thermal Power Plants, Wind Power, Manufacturing of Power Equipment, Construction Sector, Rice, Sugar, Leather Products, Oil Refinery, Textile etc. He has also worked as a Senior Advisor with KPMG India Pvt. Ltd. in their Special Situations Group.

\*\* Appointed as an Independent Director w.e.f April 13, 2025

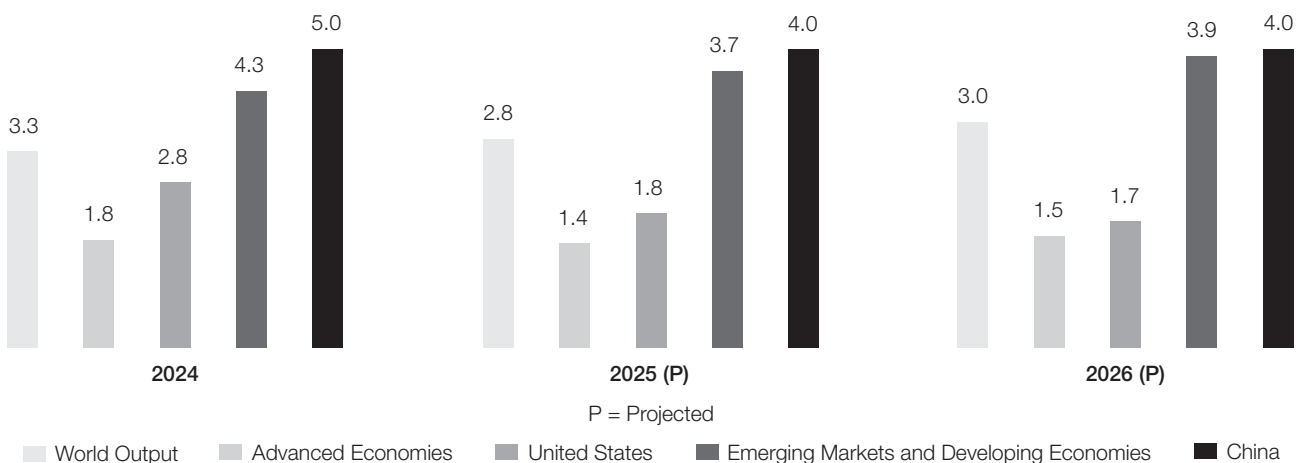
# Management Discussion and Analysis



## Global Economy

During the year, the global economy exhibited a degree of stability despite navigating a series of challenges related to economics, international relations, and governmental strategies. Information sourced from the 'World Economic Outlook' report by the International Monetary Fund (IMF) showed steadiness in the rate of global Gross Domestic Product (GDP) growth, reaching 3.3%. The rate at which economies expanded differed considerably across the globe. Expansion in more established nations experienced a downturn, whereas developing economies, especially those within Asia, generally sustained a stable pattern of growth.

### Real GDP Growth (in %)



The global economic landscape in 2024 was characterised by persistent difficulties. Key among these were ongoing geopolitical tensions, including the conflict in Ukraine and disruptions impacting shipping in the Red Sea. Additionally, complications in international supply chains and trade disputes between major economies presented continued challenges. Policy shifts concerning climate change also influenced investment patterns across many sectors.

Global inflation is showing a positive trend, with the rate of 5.7% in 2024, down from 6.7% in the previous year. Developed economies are expected to reach their inflation targets sooner, averaging 2.6% in 2024, while emerging markets will experience a slower decline in price increases.

In response to these economic pressures, leading central banks made significant cuts to interest rates to stimulate economic activity. December 2024 saw the most substantial coordinated series of interest rate reductions among G10 central banks since the pandemic, with total cuts amounting to 825 basis points for the year, marking a significant easing period not seen since 2009.

## Outlook

The global economy is predicted to maintain a steady expansion path, with anticipated growth rates of 2.8% for 2025 and 3.0% for 2026. This favourable outlook is supported by solid economic performance in the United States and notable progress within key emerging markets.

In the United States, growth is forecast to be 1.8% in 2025 and 1.7% in 2026. This projection takes into account expected changes in the labour market and a potential decrease in consumer expenditure. A recovery is predicted for the Eurozone, with growth projected to reach 0.8% in 2025 and improve to 1.2% in 2026. This expected improvement is linked to increased consumer spending and a reduction in inflation rates.

While global price increases are generally slowing, some areas are facing stagnant conditions due to inflation levels remaining high. Global inflation is projected to decline to 4.3% in 2025 and then to 3.6% in 2026. Developed economies are anticipated to achieve their inflation targets sooner than others. Monetary policies are expected to differ across regions, reflecting the varying economic circumstances in each.

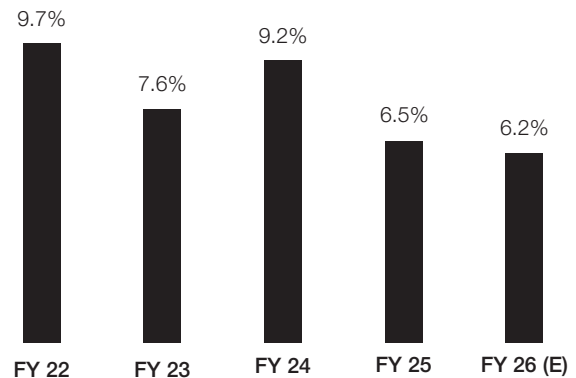
(Source: [World Economic Outlook, IMF](#))

**In response to these economic pressures, leading central banks made significant cuts to interest rates to stimulate economic activity.**

## Indian Economy

India's economy demonstrated a consistent pattern of expansion and stability throughout the financial year 2024-25, confirming its position as a major global economy showing strong growth. According to the Second Advanced Estimate (SAE) from the National Statistical Office (NSO), the real Gross Domestic Product (GDP) was projected to grow by 6.5% in FY 2024-25. This follows the significant growth rate of 9.2% reported in the First Revised Estimates for the preceding financial year. This sustained upward trend highlights the nation's solid economic foundation, effective government policies, a dynamic services sector, and considerable domestic spending, all contributing to a favourable view of India's potential for long-term economic progress.

### Real GDP Growth (in %)



India's economic stature continues its upward climb, with the nation now holding the position of the world's fifth-largest economy by nominal Gross Domestic Product (GDP) and the third-largest when assessed by purchasing power parity (PPP). Ambitious national targets have been set to achieve a \$5 trillion economy by FY 2027-28 and a \$30 trillion economy by 2047. These aims are to be accomplished through substantial infrastructure investments, ongoing governmental reforms, and the widespread adoption of technological advancements. Reflecting this commitment, the capital investment budget for the upcoming financial year (2025-26) has increased to ₹11.21 lakh crore, representing 3.1% of GDP.

Integral to this accelerated growth trajectory and increasing economic self-sufficiency have been significant governmental reforms and considerable capital allocated towards both physical and digital infrastructure. Government initiatives such as 'Make in India' and the Production-Linked Incentive (PLI) scheme have also played a crucial role.

Launched in 2014, the Make in India initiative has been pivotal in establishing India as a global textile manufacturing and export hub. The textile and apparel industry is a major contributor to the economy, creating millions of jobs and generating significant foreign exchange earnings. With strong policy support, infrastructure development, and a skilled workforce, India has

solidified its position as a preferred investment destination in the global textile sector.

## Outlook

India's economy is expected to grow at a rate of 6.2% in FY 2025-26. Projections indicate that by 2030, India will likely become the world's third-largest economy, driven by investment in infrastructure, greater private sector capital expenditure, and the expansion of financial services. Ongoing reforms are anticipated to support this long-term economic advancement.

Several factors underpin this positive outlook, including India's favourable demographics, increasing capital investment, proactive government schemes, and strong consumer demand. Improved spending in rural areas, helped by moderating inflation, further reinforces this growth trajectory. The government's focus on capital expenditure, prudent fiscal management, and measures to boost business and consumer confidence are creating a supportive environment for both investment and consumption.

Programmes such as Make in India 2.0, reforms designed to improve the ease of doing business, and the Production-Linked Incentive (PLI) scheme are intended to strengthen infrastructure, manufacturing, and exports, positioning India as a significant player in global manufacturing. With inflation expected to be on target by the end of this year (2025), a more accommodating monetary policy is likely. Infrastructure development and supportive government policies will facilitate capital formation, while rural demand will receive a boost from initiatives like the Pradhan Mantri Garib Kalyan Anna Yojana (PMGKAY).

The Union Budget 2025-26 presents a growth-oriented financial strategy that addresses immediate and long-term economic needs. By increasing disposable income, prioritising infrastructure, and promoting domestic manufacturing, the budget aims to foster sustained economic growth while ensuring fiscal responsibility.

A key feature is the increased income tax exemption limit of ₹12.75 lakh per annum, which will enhance disposable income for middle-class households, stimulating consumer spending.

**India holds the position of the world's third-largest producer and consumer of electricity. In FY 2024-25 (as of November 30, 2024), the country's installed power generation capacity reached 466.26 GW.**

Significant investments in infrastructure, including roads and railways, will improve connectivity and create jobs. Additionally, the budget strengthens the Production Linked Incentive (PLI) scheme for sectors like electronics and textiles, while supporting the "Make in India" initiative to establish India as a global manufacturing hub. The transformation of India Post into a catalyst for the rural economy will further enhance logistics and financial inclusion.

(Source: [Press Information Bureau](#), [World Economic Outlook](#), IMF)

## Industrial Overview

### Indian Power Sector

India holds the position of the world's third-largest producer and consumer of electricity. In FY 2024-25 (as of November 30, 2024), the country's installed power generation capacity reached 466.26 GW. The power sector is a critical part of the national infrastructure, significantly contributing to economic expansion and enhancing living standards nationwide.

A major achievement has been attaining universal household electrification, leading to a substantial improvement in the quality of life for citizens. Per capita electricity consumption increased to 1,395 kWh in FY 2023-24, marking a 45.8% rise from 957 kWh recorded in FY 2013-14.

Electricity demand in India grew by 4.7% YoY during the initial seven months of FY 2024-25. This represented a slower pace compared to the 9.9% growth seen in the first four months, influenced by heavy rainfall and a higher statistical base from the previous year. However, demand is anticipated to pick up in the latter part of the year, with projected overall growth for FY 2024-25 expected to finish between 5.5% and 6.0%. This expected rebound is linked to an anticipated economic recovery and increased capital expenditure by the government.

Government funding reflects a strong commitment to advancing the power sector. The Ministry of Power was allocated ₹21,847 crore in the Union Budget FY 2025-26, an increase from ₹20,502 crore in FY 2024-25. Similarly, the Ministry of New and Renewable Energy saw its allocation rise to ₹26,549 crore from ₹19,100 crore, underscoring the focus on cleaner energy sources.

### Thermal Energy

Regarding thermal generation, the National Electricity Plan projects the average Plant Load Factor for the total installed coal capacity of 235.1 GW to be around 58.4% in 2026-27.

### Renewable Energy

Renewable energy sources have demonstrated significant expansion. Installed renewable capacity, including large hydropower, reached 203.192 GW by January 2025, making up 45.5% of the total power capacity. Within the renewable segment,



solar energy leads with 100.33 GW, followed by wind power at 48.37 GW, biomass at 10.74 GW, small hydropower at 5.10 GW, and waste-to-energy contributing 0.66 GW.

### Outlook

Significant additions to the generation capacity are anticipated, with approximately 210.1 GW expected to be added between 2022 and 2027. According to the National Electricity Plan (Generation), this expansion is projected to increase the total installed electricity generation capacity to approximately 609.346 GW by the close of March 2027, further rising to 900.42 GW by FY 2031-32.

The renewable energy sector is set for considerable expansion. The government plans to issue tenders for 50 GW of renewable capacity each year up to FY 2027-28. To manage the variable nature of renewable power, state governments and utilities have proposed the development of Pumped Storage Plants, and battery energy storage projects have seen tariffs reach record low levels. In solar manufacturing, the Production Linked Incentive (PLI) scheme is progressing towards meeting its targets for cell and module production capacity by the end of 2024.

Aiming to establish India as a prominent player in hydrogen-based energy, funding for the National Green Hydrogen Mission has been increased to ₹600 crore, doubling the allocation from the previous year's ₹300 crore. This Mission, approved in January 2023 with an overall outlay of ₹19,744 crore, sets a target of achieving 5 million metric tonnes of annual green hydrogen production by 2030. The Ministry of New and Renewable Energy has also raised the allocation for green ammonia production, highlighting its commitment to meeting domestic requirements.

Energy demand is steadily increasing, driven by India's expanding population, growing electrification rates, and rising per capita electricity consumption. The country maintains a strong commitment to sustainability, with a target to exceed 500 GW of installed capacity from non-fossil fuel sources by 2030. This goal represents a significant stride towards developing a power system ready for the future.

(Source: [Indiabudget.gov.in](https://indiabudget.gov.in), [Mondaq](https://www.mondaq.com))

### Indian Electrical Equipment Market

India's electrical equipment market is witnessing robust growth across multiple segments, driven by infrastructure investment, renewable energy integration, and electrification initiatives. The sector is projected to grow by approximately \$72 billion by 2025, at a CAGR of 12%, supported by rising residential and commercial demand, smart grid expansion, EV infrastructure and industrial automation.

(Source: [Economic Times](https://economictimes.com))

In 2024, IMARC estimated the electrical materials market at \$19.63 billion, with forecasts indicating growth to \$28.32 billion by 2033 (CAGR 4.16%), supported by urbanisation, power

**Energy demand is steadily increasing, driven by India's expanding population, growing electrification rates, and rising per capita electricity consumption. The country maintains a strong commitment to sustainability, with a target to exceed 500 GW of installed capacity from non-fossil fuel sources by 2030. This goal represents a significant stride towards developing a power system ready for the future.**

grid upgrades under schemes like RDSS and smart cities, and expansion in switchgear and wiring.

(Source: [IMARC](https://www.imarc.com))

Within the broader power sector, the power plant equipment segment was valued at \$5.84 billion in 2024, projected to grow to \$10.62 billion by 2033 (CAGR 6.4%), fuelled by renewable energy targets, modernisation of thermal plants, stricter emissions standards and PLI-driven localisation.

(Source: [IMARC](https://www.imarc.com))

India remains a major global importer and exporter of electrical equipment. Export revenues were around \$12.8 billion in 2023, expected to reach \$14.6 billion by 2028 (CAGR 2.1%), while import demand stood at \$62.4 billion in 2023, with projections of \$74.6 billion by 2028 (CAGR 2.8%).

(Source: [Report Linker](https://www.reportlinker.com))

Key growth drivers include government incentives and schemes, such as smart grid rollouts, electrification programmes (e.g., UDAY, DDUGJY), EV charging infrastructure development, and updated residential and commercial building codes. Additionally, the integration of renewable energy sources is stimulating demand for inverters, transformers, energy storage solutions, and advanced grid technologies. Technological evolution is also playing a pivotal role, with the adoption of IoT, automation, digital metering, and AI-enabled equipment enhancing operational efficiencies across the sector. However, manufacturers and utilities continue to face notable risks, including raw material price sensitivity and growing cybersecurity concerns.

## Smart Meter Solutions

In 2024, India's smart energy meter market was valued at \$223 million and is forecast to surge to around \$3 billion by 2033, at a compound annual growth rate (CAGR) of 33.6%. This dramatic growth is underpinned by aggressive government programmes aimed at full smart meter rollout, grid modernisation, theft reduction, and dynamic pricing. Despite the current modest base, the rate of deployment signals a major shift in the meter-to-cash paradigm, with utilities poised to benefit from improved billing accuracy and operational efficiencies. The challenge ahead lies in scaling nationwide infrastructure and managing vendor consolidation as demand multiplies.

(Source: [IMARC](#))

## Wires & Cables

The wires and cables segment reached approximately \$6.6 billion in 2024 and is expected to grow to \$10.9 billion by 2033, at a steady 5.8% CAGR. This reflects a shift towards high-margin low-voltage and copper-rich products driven by mega-infrastructure pushes, notably transmission upgrades, renewable energy farms, metro rail extensions and data centre buildouts. While volume expansion remains strong, margin pressures are emerging from raw material cost variability and pricing competitiveness. Companies that succeed will be those that optimise the trade-off between cost pass-through and margin protection, and differentiate through product innovation like flame-retardant and smart cables.

(Source: [IMARC](#))

## Switchgear & Modular Switches

Switchgear market size stood at \$2.23 billion in 2024, with projections to reach \$3.75 billion by 2033 (CAGR 5.5%). Growth is driven by demand for safer, more reliable load distribution in urban and industrial settings, coupled with the rising popularity of modular and IoT-enabled systems. However, deployment remains bottlenecked by project delays, skills shortages and certification backlogs. The market is at an inflection point: future winners will balance regulatory compliance (e.g., BIS standards), digital value-adds, and cost efficiency to penetrate Tier 2/3 markets and retrofit ageing infrastructure.

(Source: [IMARC](#))

## Lighting Equipment

India's lighting market totalled \$4.14 billion in 2024 and is forecast to reach \$7.67 billion by 2032, growing at a 7.1% CAGR. LED lighting accounts for the majority of sales, fuelled by government schemes (UJALA, SLNP), energy-efficiency mandates and growing smart-city rollouts. While LED adoption is nearing saturation in urban areas, digital-enabled lighting for commercial and industrial applications, like sensor-based fixtures and networked controls, represents the next growth frontier. Competition will centre on value-added service offerings, financing models, and integration with building management systems rather than pure pricing.



## Key Government Initiatives

- **Smart Meter National Programme (SMNP):** Led by Energy Efficiency Services Limited (EESL), this programme is working towards the large-scale deployment of smart meters across India by 2025, aiming to enable real-time energy management. It also aims to improve billing efficiency, with a national target of installing 250 million smart meters.  
(Source: [Economictimes](#))
- **Integrated Power Development Scheme (IPDS):** Launched in December 3, 2014, IPDS focussed on strengthening urban sub-transmission and distribution networks, metering, and IT enablement to reduce Aggregate Technical and Commercial (AT&C) losses. This scheme was later subsumed under the Revamped Distribution Sector Scheme.  
(Source: [ClearTax](#), [Power Finance Corporation](#))
- **Deen Dayal Upadhyaya Gram Jyoti Yojana (DDUGJY):** Introduced in 2015, this scheme aimed to strengthen rural infrastructure, including feeder separation and metering, with the goal of providing around-the-clock power supply to rural households and adequate power for agriculture. It replaced the earlier rural electrification scheme, Rajiv Gandhi Grameen Vidyutikaran Yojana (RGGVY).  
(Source: [Vikaspedia](#), NITI for States)
- **Revamped Distribution Sector Scheme (RDSS):** Commenced in July 2021 with a significant outlay of over ₹3 lakh crore. RDSS is a major reforms-based and results-linked scheme with primary objectives to reduce Aggregate Technical and Commercial (AT&C) losses to a pan-India level of 12-15% and eliminate the Average Cost of Supply (ACS) - Average Revenue Realised (ARR) gap by FY 2024-25. It incorporates the installation of 250 million smart meters and necessary infrastructure upgrades, linking funding to performance improvements.  
(Source: [Ministry of Power](#), [MOP](#))
- **Ujwal DISCOM Assurance Yojana (UDAY):** Launched in November 2015, UDAY aimed at the financial and operational turnaround of state-owned distribution companies (DISCOMs) through measures like state governments taking over a portion of DISCOM debt and implementing operational improvements.  
(Source: [Press Information Bureau](#))
- **National Infrastructure Pipeline (NIP):** This national initiative allocates \$200 billion for power infrastructure, covering grid expansions and clean energy projects. The National Infrastructure Pipeline is a large programme launched for FY 2020-25, initially projecting a total infrastructure investment of over ₹100 lakh crore. The energy sector, which includes power infrastructure, is a major component of the NIP, accounting for a significant percentage of the planned investments across various sectors.  
(Source: [Wikipedia](#), [InvestIndia](#), [ICRA](#))

**The Company continues to invest in research and development, particularly evident in its dedicated R&D centre for Smart Meters, established in November 2020. This ongoing investment aligns with emerging industry trends and reinforces HPL's position within the evolving electrical landscape.**

## Company Overview

HPL Electric & Power Limited (referred to as 'HPL' or the 'Company') stands as a prominent Indian electrical equipment manufacturer, boasting a proven track record spanning over five decades. Established in 1992, the company has grown to become a diversified entity with a formidable presence across several key verticals, including Metering Solutions, Switchgears, LED Lighting, Wires & Cables, Solar Solutions, and Modular Switches.

HPL distinguishes itself through its backward-integrated manufacturing facilities, which encompass product design, development, component engineering, tool manufacturing, and commercial production. This comprehensive capability underpins the company's commitment to quality and innovation, with its products consistently certified to conform to both Indian (ISI) and international standards such as CE and KEMA.

Strategically, HPL caters to a broad spectrum of customer segments. This includes original equipment manufacturers (OEMs), developers of residential and commercial projects, institutional and industrial clients, and, importantly, various power utilities and electricity boards through direct contractual arrangements. The company's extensive reach is supported by a robust network of over 900+ dealers and distributors, 85,000+ retailers, and more than 90 branch and representative offices across India. Furthermore, HPL's global footprint extends to over 42 countries, signifying its growing international presence.

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With its broad product portfolio, established market presence, robust manufacturing capabilities, and a strategic focus on R&D and market expansion, HPL Electric & Power Limited is well-positioned to capitalise on the growing demand for electrical equipment in both domestic and international markets.



## Financial Overview

The Company's total consolidated revenue for FY 2024-25 increased by 16.39% to ₹1,700.24 crore, from ₹1,460.86 crore in FY 2023-24.

| Particulars                   | FY 2024-25 | FY 2023-24 | YoY Change |
|-------------------------------|------------|------------|------------|
| Revenue from Operations       | 1,700.24   | 1,460.86   | 16.39%     |
| COGS                          | 1,104.64   | 960.76     | 14.97%     |
| Gross Profit                  | 595.61     | 500.09     | 19.10%     |
| Gross Margin %                | 35.03%     | 34.23%     | 80 bps     |
| Employee Expenses             | 199.37     | 178.83     | 11.48%     |
| Other Expenses                | 141.58     | 129.11     | 9.66%      |
| EBITDA                        | 254.65     | 192.15     | 32.53%     |
| EBITDA Margin %               | 14.98%     | 13.15%     | 182 bps    |
| Finance Cost                  | 89.72      | 89.64      | 0.10%      |
| Depreciation                  | 42.16      | 38.65      | 9.09%      |
| Other Income                  | 4.88       | 4.23       | 15.26%     |
| Profit Before Tax             | 127.64     | 68.10      | 87.44%     |
| PBT Margin                    | 7.5%       | 4.7%       | 285 bps    |
| Taxes                         | 33.66      | 24.47      | 37.52%     |
| Profit after Tax              | 93.99      | 43.63      | 115.44%    |
| PAT Margin %                  | 5.53%      | 2.99%      | 254 bps    |
| Earnings Per Share (EPS) in ₹ | 14.58      | 6.78       | 115.04%    |

## Key Ratios

| S No | Particulars                      | Numerator                                | Denominator  | 31.03.2025 | 31.03.2024 | Variance | Explanation for change in the ratio by more than 25% as compared to previous year |
|------|----------------------------------|--|--|------------|------------|----------|---|
| 1    | Current ratio                    | Current assets                           | Current liabilities  | 1.39       | 1.51       | -7.95%   | NA  |
| 2    | Debt-Equity ratio                | Total Debt (Including lease liabilities) | Shareholder's equity   | 0.69       | 0.75       | -8.00%   | NA  |
| 3    | Debt service coverage ratio      | Earnings available for debt service      | Interest exp on long term and short term borrowing during the period +Scheduled principal repayment of long term borrowing | 1.64       | 1.22       | 34.43%   | improved due to growth in profitability of company                                |
| 4    | Return on equity ratio           | Net profits after taxes                  | Average shareholders equity  | 10.89%     | 5.48%      | 98.72%   | improved due to growth in revenue with stable margins                             |
| 5    | Inventory Turnover Ratio         | Revenue from operations                  | Average Inventory  | 2.68       | 2.76       | -2.90%   | NA  |
| 6    | Trade receivables turnover ratio | Revenue from operations                  | Average trade receivables  | 2.41       | 2.25       | 7.11%    | NA  |
| 7    | Trade payable turnover ratio     | Net credit purchases                     | Average trade payables   | 3.34       | 3.92       | -14.80%  | NA  |
| 8    | Net capital turnover ratio       | Revenue from operations                  | Average working capital  | 3.72       | 3.43       | 8.45%    | NA  |
| 9    | Net profit ratio                 | Net profits for the year                 | Revenue from operations  | 5.53%      | 2.99%      | 84.95%   | improved due to growth in revenue with stable margins                             |
| 10   | Return on capital employed       | Profit before interest and taxes         | Average Capital employed   | 14.49%     | 11.20%     | 29.38%   | improved due to growth in revenue with stable margins                             |
| 11   | Return on Investments            | Profit before interest and taxes         | Average total Assets   | 10.95%     | 8.82%      | 24.15%   | NA  |



## Operational Highlights of 2024-25

|  |   |
|--|---|
| <b>Market Leadership and Presence</b>                  | The Company maintained its strong market positions as the leading manufacturer of Energy Meters, in Wire & Cables, and among the top five players in Switchgear and Lighting across India.  |
| <b>Extensive Distribution Network Expansion</b>        | HPL operated a pan-India distribution network with over 90 branch offices and 900+ authorised dealers. A significant operational achievement was the expansion of retailer touchpoints, targeting 85,000+ retailers by March 2025, representing a 66% increase from 45,000 retailers over two years.                  |
| <b>Robust Manufacturing and R&amp;D Capabilities</b>   | The Company leveraged its four manufacturing facilities and strong R&D capabilities, supported by three R&D Centres recognised by DSIR, to develop and support a diverse portfolio of over 200 products across five verticals.  |
| <b>Strategic Focus on Smart Meters</b>                 | A key operational thrust was on Smart Meters, which now constitute approximately 99% of the current meter order book. The Company significantly enhanced its manufacturing capacity for smart meters, including the production of key components.   |
| <b>Continuous New Product Development</b>              | HPL demonstrated ongoing innovation through the launch of several new products across its segments. Notable introductions included the 800A MDB TTA Panel, ATS with CME 310 DC MCCB, Techno RCBO 6A-63A, ACCL, Smart MCCB Panel, Smart Starter Panel, HPL LUMIVO TRICO LED DOWNLIGHT, and BRIGHT LED PC STREET LIGHT. |
| <b>Strong and Visible Order Book</b>                   | The Company successfully maintained a robust and stable order book exceeding ₹3,500 crore as of May 20, 2025, with the Metering, Systems & Services segment contributing approximately 99% of this total, ensuring future revenue visibility.   |
| <b>Proactive Channel Engagement and Brand Building</b> | Operational efforts included actively engaging with its extensive network through regular dealer and retailer meetings, as well as technical seminars. These activities were complemented by strategic brand-building initiatives aimed at driving growth, particularly within the consumer business segment.         |
| <b>Enhanced Credit Ratings</b>                         | The Company's financial health and operational stability were recognised through credit rating upgrades. Crisil upgraded HPL's rating to A/Stable from A-/ Positive and India Ratings and Research (Ind-Ra) another rating agency assigned an 'IND A+ / Stable' rating with a stable outlook.                         |



## Strategical Outlook

HPL Electric & Power Ltd. is well-positioned for sustained growth, supported by a strong order book exceeding ₹3,500 crore as of May 2025. The company's immediate focus is on the swift execution of these high-value projects to ensure steady revenue visibility and maintain a strong pipeline for the near and medium term.

A key growth driver will be the Metering Systems & Service segment, which is gaining significant momentum. Notably, 99% of the current meter order book consists of Smart Meters, reflecting the market's shift towards advanced metering solutions. To capitalise on this trend, HPL has strategically expanded its manufacturing capacity for smart meters, including in-house production of critical components, thereby strengthening its foothold in this high-growth area.

Complementing this, HPL is committed to sustainable growth through continuous innovation, driven by its competitive research and development capabilities. The Company actively develops new products across its diverse portfolio to align with evolving market demands. While the Consumer, Industrial & Services segment shows positive performance, especially in switchgear and wires & cables, the company remains vigilant in managing challenges in segments such as lighting through a diversified product and market strategy.

Within the Consumer segment, HPL pursues a focussed three-pronged strategy to drive growth: expanding distribution reach and strengthening retailer relationships, with plans to increase retailer touchpoints to 1,00,000 by March 2026. Further, the Company is implementing brand-building initiatives, and lastly, HPL is continuously innovating its product offerings. This approach is expected to shorten the working capital cycle to approximately three months, enhance Return on Capital Employed (ROCE), and improve free cash flow.

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Additionally, HPL benefits from a healthy enquiry pipeline for metering tenders, indicating ongoing opportunities in the sector. The company is also adapting to India's advancing digital and connectivity infrastructure, including exploring prospects in the emerging 5G space, to unlock new avenues for business expansion.

## SWOT Analysis

### Strengths

- **Entrenched Market Position:** The Company commands a formidable presence in key segments such as electric meters and on-load changeover switches, benefiting from substantial barriers to entry that naturally limit new market participants.
- **Established Brand Equity:** With a legacy spanning over four and a half decades, HPL has cultivated considerable brand recognition and trust across its diverse product categories, underpinning its credibility within the industry.
- **Profound Technical Acumen and Innovation Drive:** HPL's extensive experience in the electrical domain is reinforced by robust research and development capabilities and sophisticated manufacturing processes, fostering continuous product innovation and quality enhancements.
- **Seasoned Leadership Cadre:** The senior management team possesses deep industry experience, often exceeding 25 years, coupled with strong pre-qualification credentials, enabling them to set industry benchmarks and provide clear strategic direction.
- **Widespread National Footprint and Institutional Ties:** The Company's extensive pan-India operational presence and enduring relationships with critical institutional clients, power utilities, and government bodies bolster its market penetration and operational stability.
- **Advanced Technological Integration:** HPL's established engagement in cutting-edge technological areas, particularly within the smart metering and advanced switchgear domains, strategically positions it for future expansion and competitive advantage.
- **Strong Financial Foundation:** The Company demonstrates a healthy financial standing, characterised by a strong net worth and a sound capital structure, which provides a stable platform for sustained growth and future investment initiatives.

### Weaknesses

- **Intensive Working Capital Requirements:** The nature of the Company's operations necessitates substantial working capital.

- **Modest Marketing Investment:** A comparatively lower expenditure on advertising and promotional activities might limit brand visibility and hinder market share expansion when juxtaposed with competitors employing more aggressive marketing strategies.
- **Vulnerability to Tender Cycles:** A significant reliance on tender-based projects introduces an element of unpredictability into revenue streams and profitability, stemming from the inherently competitive and fluctuating nature of public and private tenders.
- **Geopolitical Instability:** Elevated geopolitical tensions in global markets pose a risk, potentially disrupting export operations and broader international market expansion strategies.
- **Inflationary Pressures:** Persistent inflationary trends can exert upward pressure on operational costs, particularly raw material prices, thereby compressing profit margins.
- **Raw Material Price Volatility:** Fluctuations in the cost of essential raw materials represent an ongoing challenge, directly influencing cost structures and requiring dynamic pricing strategies.

## Opportunities

- **Government-Led Infrastructure Development:** National initiatives focussed on infrastructure enhancement, including programmes like the Revamped Distribution Sector Scheme (RDSS), 'Power for All', and 'Smart Cities', present substantial avenues for increased demand for electrical equipment and related services.
- **Accelerated Urbanisation and Energy Access Initiatives:** The ongoing trend of rapid urbanisation, coupled with governmental efforts to broaden energy access across the nation, creates extensive growth prospects within the domestic market.
- **Surge in Smart Technology Adoption:** The accelerating transition towards smart metering solutions and the development of intelligent grid infrastructure aligns seamlessly with HPL's technological proficiencies, opening up new and lucrative business segments.
- **Transformative Power Sector Reforms:** Comprehensive reforms currently underway within the power sector are anticipated to stimulate heightened demand for HPL's advanced products and innovative solutions.
- **Expanding Global Market Reach:** There is a discernible and growing potential for HPL in international markets, evidenced by an increasing trend in export orders, signalling opportunities for geographical diversification.
- **Favourable Consumer Demographics:** India's expanding consumer base, characterised by a large and youthful population, is expected to fuel a sustained increase in demand for electrical products and integrated solutions.
- **Intensifying Market Competition:** The electrical equipment sector is experiencing heightened competition, which could challenge HPL's established market position and impact overall profitability.
- **Adverse Financial Market Conditions:** A tightening of conditions within financial markets could potentially restrict the availability of capital necessary for strategic expansion initiatives and critical research and development investments.



## Threats

- **Macroeconomic Downturns:** A deceleration in overall economic growth could lead to a contraction in demand for electrical equipment, directly impacting the Company's revenue generation.

## Risk Management

| Risk Category              | Description Mitigation  | Mitigation Strategies  |
|----------------------------|---|--|
| <b>Macro-economic Risk</b> | A global economic slowdown or potential recession could affect demand across various Indian sectors, including the power sector. This may result in demand compression and reduced revenue.               | <ul style="list-style-type: none"> <li>Exploring new geographies through brand building, network expansion, and product development initiatives.</li> <li>Strong focus on R&amp;D and product innovation to develop products for various segments and maintain resilience during uncertain times</li> </ul>                                      |
| <b>Policy Change Risk</b>  | Alterations in policy regulations and government legislation could introduce risks to the Company's operations. Such changes may adversely affect its financial performance.                              | <ul style="list-style-type: none"> <li>Diversification across various sectors and business segments</li> <li>Launching products supported by strong R&amp;D and fair business practices</li> <li>Close monitoring of legal and regulatory changes to ensure compliance within stipulated timeframes</li> </ul>                                   |
| <b>Raw Material Risk</b>   | Volatility or disruptions in raw material procurement could substantially influence manufacturing costs. This may affect the Company's ability to maintain competitive pricing.                           | <ul style="list-style-type: none"> <li>Maintaining optimal inventory levels to avoid operational interruptions</li> <li>Engaging in long-term contracts and maintaining strong supplier relationships to protect revenue and margins</li> <li>Efficient production forecasting to mitigate raw material risks</li> </ul>                         |
| <b>Exchange Rate Risk</b>  | Foreign exchange fluctuations, arising from both raw material imports and product exports, represent a financial exposure. This could potentially impact the Company's margins and overall profitability. | <ul style="list-style-type: none"> <li>Monitoring currency exchange rates and adjusting the order book accordingly</li> <li>Implementing a robust hedging policy to minimise short-term currency fluctuation impacts</li> <li>Conducting a sensitivity analysis before making borrowing decisions</li> </ul>                                     |
| <b>Concentration Risk</b>  | A concentration of revenue from a limited number of clients, or shifts in their supplier preferences, could introduce business risk.  | <ul style="list-style-type: none"> <li>A pan-India network across diverse business segments reduces client concentration risks</li> <li>A diversified product portfolio catering to various market segments ensures steady cash flow</li> </ul>  |
| <b>Geopolitical Risk</b>   | Geopolitical instability across various regions holds the potential to affect the Company's export operations.  | <ul style="list-style-type: none"> <li>Regular assessment of geographical risks and operating feasibility in different countries or regions through market research</li> <li>Monitoring cash flows and making calculated decisions on capex</li> <li>Extensive analysis before investment decisions and adopting lean cost structures</li> </ul> |

## Human Resources

HPL acknowledges its workforce as a paramount asset, central to the Company's ongoing growth and long-term success. We are dedicated to cultivating a safe, inclusive, and dynamic work environment that champions equal opportunities and fosters a competitive spirit. Our commitment extends to aligning employees' personal and professional development with strategic objectives, actively attracting new talent, and providing continuous growth avenues through extensive training programmes designed to enhance skills and competencies.

Innovation is deeply embedded in HPL's culture, exemplified by its dedicated in-house team of over 100 R&D professionals who are pivotal to future business expansion. The Company actively engages and motivates its talent through a merit-based culture, reinforced by various leisure activities, as well as robust recognition and reward schemes. HPL's skilled employees consistently strive for excellence, guided by core principles including meritocracy, entrepreneurial spirit, innovation, open communication, transparency, and agility. This strong human resource foundation is reflected in a total employee count of 1,157 as of March 31, 2025.



## Internal Control Systems and their Adequacy

The Company maintains a comprehensive and effective internal control system. It is tailored to the business's scale and nature. Rigorous Standard Operating Procedures (SOPs), policies, and guidelines form this system. They are designed to prevent unauthorised asset use and ensure adherence to relevant laws and internal policies.

An established framework oversees these internal controls. Regular self-assessment exercises guarantee compliance with the regulatory environment. The Company also prioritises data protection through an employee Code of Conduct. This promotes a culture of high ethical standards and aligns employee conduct with business objectives. Proactive self-monitoring measures are employed to uphold operational efficiency and deter fraudulent activities.

The internal audit team independently evaluates the effectiveness of internal controls. Their findings lead to enhanced control mechanisms. Management closely examines audit outcomes and implements necessary corrective actions to maintain and improve the control environment.

## Cautionary Statement

The narrative within this Management Discussion and Analysis includes 'forward-looking statements' relating to, among other things, the execution of strategic plans, future business developments, and economic performance. While these statements reflect the Company's assessment and expectations for the future direction of its business, numerous risks, uncertainties, and other unforeseen factors could cause actual outcomes to differ significantly from these expectations. These factors include, but are not limited to, general market, macroeconomic, governmental, and regulatory trends, fluctuations in currency exchange and interest rates, competitive pressures, technological advancements, changes in the financial standing of third parties engaged with the Company, legislative changes, and other significant factors that could influence the Company's business and financial results.



# DIRECTOR'S REPORT

## Dear Members

The Directors have pleasure in presenting 33rd Annual Report of the Company together with the Audited Financial Statements for the financial year ended 31st March, 2025.

## 1. Financial Highlights

The Company's financial performance for the year ended 31st March, 2025 along with previous year's figures are summarized below:

(Rs. In Lakhs)

| Particulars  | Standalone       |                | Consolidated    |                |
|--|------------------|----------------|-----------------|----------------|
|  | 2024-25          | 2023-24        | 2024-25         | 2023-24        |
| Revenue from Operations  | 168,440.50       | 142091.65      | 170,024.40      | 146,085.81     |
| Other Income   | 435.04           | 375.30         | 487.95          | 423.36         |
| Operating Profit before Finance Costs, Depreciation, Tax and Extraordinary items | 24108.85         | 18482.15       | 25953.11        | 19638.69       |
| Less: Finance Cost   | 8536.09          | 8512.14        | 8972.32         | 8963.72        |
| Less: Depreciation and amortization expenses                                     | 3,886.59         | 3523.04        | 4216.36         | 3865.03        |
| Profit before Exceptional items and Tax  | 11,686.17        | 6446.97        | 12764.43        | 6809.94        |
| <b>Profit before tax</b>   | <b>11,686.17</b> | <b>6446.97</b> | <b>12764.43</b> | <b>6809.94</b> |
| Less: Tax Expenses   | 3,006.57         | 2320.99        | 3365.72         | 2447.40        |
| <b>Profit for the year</b>   | <b>8,679.60</b>  | <b>4125.98</b> | <b>9398.71</b>  | <b>4362.54</b> |
| Other comprehensive income for the year, net of tax                              | (41.32)          | (237.33)       | (43.95)         | (242.45)       |
| <b>Total comprehensive income for the year, net of tax</b>                       | <b>8638.28</b>   | <b>3888.65</b> | <b>9354.76</b>  | <b>4120.09</b> |
| <b>Profit for the year attributable to</b>                                       |                  |                |                 |                |
| Equity holders of the parent Company   | -                | -              | 9376.93         | 4356.43        |
| Non-controlling interest   | -                | -              | 21.78           | 6.11           |
| <b>Total comprehensive income for the year attributable to</b>                   |                  |                |                 |                |
| Equity holders of the parent Company   | -                | -              | 9333.06         | 4114.12        |
| Non-controlling interest   | -                | -              | 21.70           | 5.97           |
| <b>Earnings per Share (in Rs ) Not Annualized</b>                                |                  |                |                 |                |
| Basis ( Rs )   | 13.50            | 6.42           | 14.58           | 6.78           |
| Diluted ( Rs )   | 13.50            | 6.42           | 14.58           | 6.78           |

## 2. State of Company's Affairs

### Overview of Economic Context

The Indian economy remained resilient in FY 2024-25, continuing to be one of the fastest-growing economies globally. India's real GDP growth rate was 6.5%<sup>1</sup>, supported by strong domestic consumption despite the challenging global economic environment.

### Performance Highlights

HPL Electric & Power Ltd. delivered a solid financial performance in FY 2024-25, driven by strong growth in the Metering & Systems segment and improvements in the Return on Capital Employed (ROCE). The Company achieved a revenue increase of 16.39%, reaching ₹1700.24 crore, up from ₹1,460.86 crore in FY 2023-24. EBITDA also showed a substantial rise of 32.53%, amounting to ₹254.65 crore, compared to ₹192.15 crore in the previous year.

The momentum from previous years was sustained, with the company recording its highest-ever quarterly revenue of ₹492.54 crore in Q4 FY25, reflecting a 16.14% year-on-year increase from Q4 FY24, driven primarily by robust performance in the Metering, System & Services segment.

1. With 6.5% GDP growth, India stands as the fastest growing major economy, PIB, July 06, 2025.

## Segment-wise Performance

### 1. Metering, Systems & Services Segment

The Metering, Systems & Services segment experienced significant growth, with revenue increasing by 26.16% to ₹ 1075.61 crore in FY25, up from ₹ 852.58 crore in FY24. In Q4 FY25 alone, this segment saw a 22.74% increase in revenue, reaching ₹313.95 crore, compared to ₹255.78 crore in Q4 FY24. 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 & Services Segment

The Consumer, Industrial & Services segment generated revenue of ₹624.63 crore in FY25, marking a marginal growth of 2.69% over FY24. During the FY25 Domestic, switch gear segment grown by 16% and wires & cables grown by 24% on year on year basis, 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 FY25. 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 20, 2025, HPL's order book stands strong at ₹3,500+ crore, providing solid revenue visibility for the upcoming year. The Metering, System & Services contributes 99% of the order book, with the Consumer, Industrial & Services segment accounting for 01%. 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, 2025, 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 2025 stood at Rs. 10,336.20 lakhs (P.Y. Rs. 8299.70 lakhs). Profit after tax for the year stood at Rs. 764.13 lakhs (P.Y. Rs. 214.44 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, 2025, 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 2025, 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](http://www.hplindia.com).

### 6. Material changes and commitments, if any, affecting the financial position of the company which have occurred 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, 2025.



## 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 May 22, 2025 recommended a final dividend of Rs. 1 per equity share of Rs. 10 face value (10%) for the financial year ended 31st March, 2025 based on the parameters laid down in the Dividend Distribution Policy of the Company, 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 September 22, 2025 the record date fixed for this purpose.

Further, pursuant to Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), the Board of Directors of the Company had formulated a Dividend Distribution Policy ('the Policy') which can be accessed at [https://investor.hplindia.com/photos/investor-pdf/HPL\\_Dividend\\_Distribution\\_Policy\\_240524.pdf](https://investor.hplindia.com/photos/investor-pdf/HPL_Dividend_Distribution_Policy_240524.pdf)

## 10. Share Capital

As on March 31, 2025, the Authorised Share Capital of your Company is Rs. 70,00,00,000/- comprising of 7,00,00,000 equity shares of Rs. 10/- each. and the paid-up equity share capital of the Company is Rs. 64,30,04,860/- comprising 6,43,00,486 equity shares of Rs. 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 2024-25, 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. Gautam Seth (DIN: 00203405), Joint Managing Director & CFO 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 re-appointed as the Chairman and Whole Time Director of the Company for a period of three years w.e.f. 21st January, 2025 by the shareholders in Annual General Meeting held on September 30, 2024. The

prevailing term of Mr. Lalit Seth as Chairman and Whole Time Director shall expire on 20th January, 2028.

Mr. Rishi Seth (DIN:00203469), was re-appointed as the Managing Director of the Company for a period of three years w.e.f. 21st January, 2025 by the shareholders in Annual General Meeting held on September 30, 2024. The prevailing term of Mr. Rishi Seth as Managing Director shall expire on 20th January, 2028.

Mr. Gautam Seth (DIN: 00203405), was re-appointed as the Joint Managing Director of the Company for a period of three years w.e.f. 21st January, 2025 by the shareholders in Annual General Meeting held on September 30, 2024. The prevailing term of Mr. Gautam Seth as Joint Managing Director shall expire on 20th January, 2028.

Brief details of Mr. Gautam Seth, 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 of 33rd Annual General Meeting.

Mr. Hargovind Sachdev (DIN: 08105319) had been ceased to be Director of the Company w.e.f. April 12, 2025 due to completion of his second tenure as Independent Director

Further, the Board of Directors of the Company in its meeting held on April 10, 2025 has appointed Mr. Ajit Sood (DIN: 08458007) as an Additional Directors to be designated as Independent Director w.e.f. April 13, 2025 subject to the approval of the Shareholders and subsequently, Shareholders approved the appointment of Mr. Ajit Sood (DIN: 08458007) as an Independent Director on July 02, 2025 by way of Postal Ballot for a consecutive period of 5 years.

Mr. Ajit Sood is a person of integrity and possesses relevant expertise and experience as required for the Industry in which Company operate.

## 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. Independent Directors also confirmed that they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgment and without any external influence.

## 14. Number of meetings of the Board

During the year under report, 5 (Five) 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 12th February, 2025 without the attendance of non-independent directors and members of management, reviewed -

- (a) the performance of non-independent directors and the Board as a whole;
- (b) the performance of the Chairperson of the company, taking into account the views of executive directors and non-executive directors; and
- (c) 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>

## 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://investor.hplindia.com/photos/investor-pdf/Annual-Return-2024-25.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 etc.

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, 2025 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 details of Related Party Transactions are available at Note no. 42 of the Standalone Financial Statements.

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, 2025.

The Board of Directors of the Company, on the recommendation made by the Audit Committee, in its meetings held on August 13, 2025, 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 2025-26.

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 33rd Annual General Meeting.

The company has received the Cost Audit Report of the company for the financial year ended 31st March, 2024 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 and rules made thereunder read with Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, 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, 2025.

#### Secretarial Audit Report

The Secretarial Audit Report for the financial year ended 31st March, 2025 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.

The Board of Directors of the Company, on the recommendation of the Audit Committee, in its meetings held on August 13, 2025 has re-appointed M/s. AVA Associates, Company Secretaries, for a period of 5 consecutive years commencing from April 01, 2025 till March 31, 2030.

#### Annual Secretarial Compliance Report

A Secretarial Compliance Report for the financial year ended 31st March, 2025 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, 2025 is available on the website of the Company at <https://investor.hplindia.com/photos/investor-pdf/Annual-Secretarial-Compliance-Report.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 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, LV Panels, Solar, 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 Gurugram 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 Products are tested as per respective IEC Standards in third party Labs like CPRI, ERDA, TUV, INTERTEK. We have approval from Dekra -Netherlands for CB Certificate and KEMA for multiple Product ranges 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, Switchgear Products, Solar 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.

## 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 in respect of the Financial Year 2017-18 and the shares in respect of which dividend entitlements remained unclaimed for seven consecutive years will be due for transfer to the IEPF in the year 2025. 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:

- in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- 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;
- 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;
- 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 neither received nor disposed-off any complaint pertaining to sexual harassment.

Further, none of the complaints was pending for a period of more than 90 days.

### 34. Statement with respect to compliance the provisions of Maternity Benefit Act, 1961

During the period under review, Company has duly complied with the applicable provisions of Maternity Benefit Act, 1961.

### 35. Significant/material orders passed by the regulators

There is 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.

### 36. 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.

### 37. 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.

### 38. 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.

### 39. 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.

### 40. 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.

### 41. 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**

Date : August 13, 2025 Chairman and Whole-time Director  
Place : Kundli DIN: 00312007

**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 Rs.)

(Rs. 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                     | 31.03.2025                      |
| 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  | 58.30                           |
| 7.      | Total assets  | 126.14                          |
| 8.      | Total Liabilities   | 52.40                           |
| 9.      | Investments   | Nil                             |
| 10.     | Turnover  | 103.36                          |
| 11.     | Profit before taxation  | 11.23                           |
| 12.     | Provision for taxation  | 3.59                            |
| 13.     | Profit after taxation   | 7.64                            |
| 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 Rs.)

| Name of Associates/Joint Ventures  | HPL-Shriji Designs (JV)                          | HPL-Shriji-Trimurthi Hitech Company Pvt.Ltd. (JV) |
|--|--|---|
| 1. Latest Audited Balance Sheet Date   | 31.03.2025                                       | 31.03.2025  |
| 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 (Rs.)                             | 6984748  | 13896319  |
| 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  |
| 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(Rs.) | (45,33,889)                                      | (36,29,322)                                       |

|                                     |         |        |
|-------------------------------------|---------|--------|
| 7. Profit/Loss for the year(Rs.)    |         |        |
| i. Considered in Consolidation      | (6,947) | 14,103 |
| ii. Not Considered in Consolidation | -       | -      |

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

Date : August 13, 2025

Place : Kundli

## 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](http://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

Composition of 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 the Financial Year 2024-25

### 5. (a) Average net profit of the company as per section 135(5)- **Rs. 39.11 Crores**

(b) Two percent of average net profit of the company as per section 135(5)- **Rs. 78.23 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- **Rs. 6.86 Lakhs**

(e) Total CSR obligation for the financial year (5b+5c- 5d) - **Rs. 71.37 Lakhs**

### 6. (a) CSR amount spent on CSR Project (both Ongoing Project and other than Ongoing Project)- **Rs. 83.86 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)]- **Rs. 83.86 Lakhs**



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

| Total Amount Spent for the Financial Year.<br>(in Rs.) | Amount Unspent (in Rs.)   |                  |  |        |                  |
|--|---|------------------|--|--------|------------------|
|  | 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 |
| Rs. 83.86 Lakhs  | -   | -                | -  | -      | -                |

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

| SI No. | Particular  | Amount (In Rs.) |
|--------|---|-----------------|
| (1)    | (2)   | (3)             |
| (i)    | Two Percent of average net profit of the company as per Section 135 (5)                                 | 78.23           |
| (ii)   | Total amount spent for the Financial Year   | 83.86           |
| (iii)  | Excess amount spent for the Financial Year [(ii)-(i)]   | 5.63            |
| (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)]                                 | 5.63            |

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 Rs.) | Balance Amount in Unspent CSR Account under Section 135(6) (in Rs.) | Amount Spent in the Financial Year (in Rs.) | 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 Rs.) | Deficiency, if Any |
|         |                             |   |   |   | Amount (In Rs.)  | 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

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, flat 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 : August 13, 2025

Place : Kundli

## 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**

- (a) Name(s) of the related party and nature of relationship: N.A.
- (b) Nature of contracts/ arrangements/ transactions: N.A.
- (c) Duration of the contracts/ arrangements/ transactions: N.A.
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any: N.A.
- (e) Justification for entering into such contracts or arrangements or transactions: N.A.
- (f) Date(s) of approval by the Board: N.A.
- (g) Amount paid as advances, if any: N.A.
- (h) 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.

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

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

**Lalit Seth**

Chairman and Whole-time Director  
DIN: 00312007

Date : August 13, 2025  
Place : Kundli



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 2025**

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, 2025 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 2025 according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made thereunder to the extent and notified and came into force;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. 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;
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): -
  - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
  - d) 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)
  - e) 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)
  - f) 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;
  - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not applicable to the company during the Audit Period)



- h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; and (Not applicable to the company during the Audit Period)
- i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- j) Other laws as are applicable to the Company as per representations made by the Company
  - a) Labour Laws
  - b) Environmental Laws

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

- (i) **Secretarial Standards** issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreement entered into by the Company with BSE Limited (BSE) and The National Stock Exchange of India Limited (NSE).

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 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 clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
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.

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 : F003648E000763506

Peer Review Certificate No.: 1478/2021

Date : 12<sup>th</sup> August, 2025

Place : Delhi



**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 : F003648E000763506  
Peer Review Certificate No.: 1478/2021

Date : 12<sup>th</sup> August, 2025  
Place : Delhi

## 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 -52:1<br>2. Mr. Rishi Seth, Managing Director-22:1<br>3. Mr. Gautam Seth, Jt. Managing Director & CFO-22:1                                  |
| (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<br>2. Mr. Rishi Seth, Managing Director- Nil<br>3. Mr. Gautam Seth, Jt. Managing Director & CFO- Nil<br>4. Mr. Vivek Kumar, CS – 8.50% |
| (iii)                    | Percentage increase in the median remuneration of employees in the financial year  | 10%   |
| (iv)                     | Number of permanent employees on the rolls of company  | 1,157   |
| (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<br>Average increase in remuneration of employees other than the Managerial Personnel – 9.52%                                      |
| (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, 2025 who were in receipt of the remuneration which in the aggregate was not less than Rs. 1,02,00,000/-

**Employee Name Designation Gross Remuneration (Rs.) 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 55, 28.05.1992, 79; Mr. Rishi Seth Managing Director 1,50,07,592 B.com, 30 MBA 14.04.2000 55; Mr. Gautam Seth Joint Managing Director & CFO 1,50,07,592 B.com, CA 28 15.02.2008 53; Mr. G N Sharma, Chief Vice President 1,20,00,000 Diploma in Mechanical Engineering 29 01.05.2011 64 Havells India Limited; Mr. C.R. Kundu Sr. VP Switchgear 97,01,820 Bachelor of Engineering (Electrical) 43 01.08.2017 68 BCH Electric Ltd; Mr. Devendra Vyas Assistant V.P R&D Meters 1,00,03,404 MBA Electronics Engineering 29 18.05.2020 50 Secure Meter Limited; Mr. Sundeep Tandon Sr. VP Business Development 70,76,136 BE in Electricals, PGDBM, MBA 37 03.12.2007 60 English Electrical Company of India Ltd, GRC



ASTON; Mr. Bhanwar Lal Bishnoi, Chief Technology Officer 56,66,661, M -Tech 28, 15-07-2024, 53, Schneider Electric; Mr. Puneet Kumar Singh VP & EWA Division 55,00,020 PGDBA; MBA 28 01.09.2022 54 NEC Wire & Cable Private Limited.; Mr. S. K. Goel Sr. GM – Switchgear Division 47,43,516 B.Tech (PGDM) 41 01.02.2012 62 Havells India Limited.

Persons employed for part of the year ended 31st March, 2025 who were in receipt of the remuneration which in the aggregate was not less than Rs. 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

NIL

Notes:

1. Gross Remuneration includes salary, allowances, contribution towards P.F. and perquisites.
2. The nature of employment is permanent in all the above cases.
3. 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.
4. 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 : August 13, 2025  
Place : Kundli

**Lalit Seth**  
Chairman and Whole-time Director  
DIN: 00312007



## 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 5 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:

- a. 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.
- b. All conventional Light fittings have been replaced with LED Light efficient fixtures at factory and office premises leading to savings in energy consumption.
- c. LED tube light fittings are used in all the assembly sections & offices to conserve energy.
- d. 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 VRV 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)
- ❖ 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 Gurugram 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 Rs. 1,049.29 Lakhs towards Research & Development.

#### Foreign exchange earnings and Outgo

(Rupees in Lakhs)

| Particulars             | 2024-25   |
|-------------------------|-----------|
| Foreign Exchange Earned | 2,819.70  |
| Foreign Exchange used   | 36,451.64 |

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

**Lalit Seth**

Chairman and Whole-time Director  
DIN: 00312007

Date : August 13, 2025  
Place : Kundli

# 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, 2025 is as 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 of the Company, 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 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulation 2015") with 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, regulations 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, 2025, 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 required under Section 165 of the Act read with Rules framed thereunder. None of the Independent Directors (ID) serve as ID in more than 7 listed entities and, furthermore, none of the IDs is Whole-time Directors/ Managing Directors in more than 3 listed entities. Further, none of the Whole-time Directors/ Managing Directors of the Company serves as IDs in any listed entities. In accordance with Regulation 26 of the SEBI Listing Regulations, none of the Directors is members in more than 10 committees or act as chairperson in 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 2024-25, 5 (Five) Board Meetings were held on 15th May, 2024, 1st August, 2024, 2nd September 2024, 12th November, 2024 and 12th February, 2025. 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), 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 during financial year 2024 -25) | Attendance at the last AGM held on 30th September, 2024 | No. of Directorship in other public Limited Companies (As on 31st March, 2025) | No. of Committee positions held in other Public Companies (As on 31st March, 2025) |        |
|---|-------------------------------|--|---|--|--|--------|
|   |                               |  |   |  | Chairman   | Member |
| Mr. Lalit Seth<br>Chairman and Whole Time Director<br>DIN: 00312007 | Non-Independent/<br>Executive | 5  | Yes   | 2  | 0  | 0      |
| Mr. Rishi Seth<br>Managing Director<br>DIN: 00203469                | Non Independent/<br>Executive | 5  | Yes   | 2  | 0  | 0      |
| Mr. Gautam Seth<br>Joint Managing Director & CFO<br>DIN: 00203405   | Non-Independent/<br>Executive | 5  | Yes   | 2  | 0  | 0      |
| Mr. Hargovind Sachdev<br>DIN: 08105319                              | Independent/<br>Non Executive | 5  | Yes   | 5  | 1  | 1      |
| Dr. Rashmi Vij<br>DIN: 01103219                                     | Independent/<br>Non Executive | 5  | Yes   | 0  | 0  | 0      |
| Mr. Dhruv Goyal<br>DIN: 06963262                                    | Independent/<br>Non Executive | 5  | No  | 0  | 0  | 0      |

#### NOTES:

1. Mr. Lalit Seth, Mr. Rishi Seth and Mr. Gautam Seth belongs to the promoter and promoter group of the Company.
2. 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.
3. 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.
4. None of the Non- Executive Directors holds any shares in the company. The Company has not issued any convertible instrument.
5. None of the Director on the Board is a Director of any other listed entity except Mr. Hargovind Sachdev. who was an Independent Director on the Board of ISF Limited and Sungarner Energies Limited.
6. Mr. Hargovind Sachdev ceased to be Director of the Company w.e.f. close of business hour of April 12, 2025 due to completion of his second tenure as Independent Director with the Company.
7. Mr. Ajit Sood appointed as Additional Director in capacity of Independent Director w.e.f. April 13, 2025 for a period of 5 (Five) years subject to approval of Shareholders and which have been subsequently approved by the Shareholders on July 02, 2025 through Postal Ballot.

## 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 to have a diverse and competent Board.

Board of Directors of the Company has identified various skills/expertise/competencies required for to make effective performance at level of Board in following area such as;

- Sales & Marketing strategies;
- Sound knowledge of Finance and Banking functions
- Leadership, overall Corporate and General Management; and
- Investor Protection etc.

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 available with the Board is as follows:

| Sl. No. | Name of the Director  | Skill/expertise/competence   |
|---------|-----------------------|--|
| 1.      | Mr. Lalit Seth        | Leadership, overall Corporate and General Management                 |
| 2.      | Mr. Rishi Seth        | Commercial, Operations and Legal                                     |
| 3.      | Mr. Gautam Seth       | Sales & Marketing, Finance and 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, moreover, 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 to the management of the Company.

**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 to be held every financial year, without the attendance of Non-Independent Directors and members of the management.

During the Financial year 2024-25, the Independent Directors were met separately on 12th February, 2025, where 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 aforesaid 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, 2025, 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.

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 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 read with 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 Company Secretary acts as the Secretary to the Audit Committee.

During the Financial Year 2024-25, 5 (Five) Audit Committee meetings were held on 15th May, 2024, 1st August, 2024, 2nd September 2024, 12th November, 2024 and 12th February, 2025. 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/<br>Non Executive | Chairman    | 5                    | 5                        |
| 2.      | Mr. Gautam Seth       | Non Independent/ Executive    | Member      | 5                    | 5                        |
| 3.      | Dr. Rashmi Vij        | Independent/<br>Non Executive | Member      | 5                    | 5                        |

##### 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 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:
  - Management discussion and analysis of financial condition and results of operations;
  - 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.

XXV. Any other matter as may be prescribed under applicable laws or referred by the Board of Directors.

### 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 read with 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 2024-25, 1 (One) Nomination & Remuneration Committee Meetings was held on 2nd September, 2024.

The constitution of the Nomination and Remuneration 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. Dhruv Goyal       | Independent/ Non Executive | Chairman    | 1                    | 1                        |
| 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;
- (IA). For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
  - a. use the services of an external agencies, if required;
  - b. consider candidates from a wide range of backgrounds, having due regard to diversity; and c. consider the time commitments of the candidates.
- 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;
- 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;
- 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; and
- VII. Any other matter as may be prescribed under applicable laws or referred by the Board of Directors.

**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 2024-25 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 2024-25, the company has no pecuniary relationship or transaction with the Non-Executive Directors except the payment of sitting fees and reimbursement of expenditure incurred, if any, 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 2024-25 are given below:****(Rupees in Lakhs)**

| Sr. no. | Name and Designation                                 | Sitting Fee<br>(A) | Salary<br>(B) | Perquisites<br>(C) | Contribution<br>to P.F.<br>(D) | Total<br>(A+B+C+D) |
|---------|--|--------------------|---------------|--------------------|--------------------------------|--------------------|
| 1.      | Mr. Lalit Seth<br>(Chairman and Whole-time Director) | N.A.               | 355.75        | 0.40               | -                              | 356.15             |
| 2.      | Mr. Rishi Seth<br>(Managing Director)                | N.A.               | 153.77        | 0.40               | -                              | 154.17             |
| 3.      | Mr. Gautam Seth<br>(Joint Managing Director and CFO) | N.A.               | 153.77        | 0.40               | -                              | 154.17             |
| 4.      | Mr. Hargovind Sachdev<br>(Independent Director)      | 5.20               | -             | -                  | -                              | 5.20               |
| 5.      | Dr. Rashmi Vij<br>(Independent Director)             | 4.60               | -             | -                  | -                              | 4.60               |
| 6.      | Mr. Dhruv Goyal (Independent<br>Director)            | 2.80               | -             | -                  | -                              | 2.80               |

Notes:

- Sitting Fees paid to the Non-Executive Independent Directors for attending Meetings of the Board and Committees thereof held during the FY 2024-25
- 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 2024-25, 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 (5) of the Companies Act, 2013 read with 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 2024-25, 1 (one) Stakeholders' Relationship Committee meeting was held on 12th February, 2025.

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

| Sr. 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.

**C. Terms of Reference:**

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

- I. 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.
- II. Review of measures taken for effective exercise of voting rights by shareholders.
- III. Review of adherence to the service standards adopted by the company in respect of various services being rendered by the Registrar & Share Transfer Agent.
- IV. 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; and
- V. Any other matter as may be prescribed under applicable laws or referred by the Board of Directors.

**D. Shareholder Grievance Redressal**

The Company has received 7 (Seven) complaints during the Financial Year and resolved all Investor complaint during the period under review to the satisfaction of shareholder. There was no pending investor complaint as on 31st March, 2025.



### 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 March 31, 2025 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      |

During the Financial Year 2024-25, 2 (Two) meeting of Risk Management Committee meeting were held on 2nd September 2024 & 12th February, 2025.

#### 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

#### A. Composition and Attendance

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 2024-25, 11 (Eleven) Executive Committee meetings were held on 29th April 2024, 22nd June 2024, 23rd August, 2024, 27th August 2024, 21st September 2024 22nd November 2024, 5th December 2024, 9th December 2024, 30th December 2024, 25th February, 2025 and 07th March, 2025

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    | 11                   | 11                       |
| 2.      | Mr. Rishi Seth  | Non Independent/ Executive | Member      | 11                   | 11                       |
| 3.      | Mr. Gautam Seth | Non Independent/ Executive | Member      | 11                   | 11                       |

#### 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:

1. To open and operate any bank account like imprest account; EEFC account; current account; CC account; working capital account and closure thereof;
2. Change in signatory for the operation of the said bank accounts;
3. 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 Rs. 2,500 crore subject to the ceiling as prescribed by the Companies Act, 2013;
4. For Issuing commercial papers and execution of documents;
5. 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.;

6. 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;
7. To authorize any person to appear and to sign any tender document;
8. 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;
9. To invest the fund of the company; and
10. To perform the necessary activities for the assignment related to Business Responsibility and Sustainability Reporting (BRSR)

### 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 2024-25, One (1) CSR Committee Meeting was held on 15th May, 2024.

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:

- I. 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;
- II. To review and recommend the amount of expenditure to be incurred on the activities to be undertaken by the company;
- III. To monitor the CSR Policy of the company from time to time; and
- IV. Any other matter as may be directed by the board of directors from time to time which may deem appropriate.

### 3.7 Senior Management

The Company has the following persons forming part of the Senior Management of the Company:

| Sr. No | Name                | Designation                             |
|--------|---------------------|---|
| 1.     | Mr. Vivek Kumar     | Company Secretary                       |
| 2.     | Mr. Sundeeep Tandon | Sr. Vice President Business Development |
| 3.     | Mr. G. N Sharma     | Chief Vice President                    |

During the period under review, there is no change in the Senior Management of the Company.

#### 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  |
|--|--|---|
| Monday, 30th September, 2024 at 11:30 AM   | Conducted through Video Conferencing (VC) or Other Audio Visual Means (OAVM) | <ol style="list-style-type: none"> <li>1. Re-appointment of Mr. Lalit Seth (DIN: 00312007) as the Chairman and Whole-time Director of the Company and fixation of remuneration.</li> <li>2. Re-appointment of Mr. Rishi Seth (DIN: 00203469) as the Managing Director of the Company and fixation of remuneration.</li> <li>3. Re-appointment of Mr. Gautam Seth (DIN: 00203405) as the Joint Managing Director of the Company and fixation of remuneration.</li> </ol> |
| 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   |

##### 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.

##### C. Person who conducted the postal ballot exercise: During the period under Report, no Postal Ballot was conducted by the Company.

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

There is no special resolution proposed to be conducted through postal ballot during the period under review.

#### 5. MEANS OF COMMUNICATION

##### A. Quarterly Results:

The Company publishes limited reviewed Un-audited Financial Results on a quarterly basis, however, 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](http://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](http://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

#### 33rd Annual General Meeting

**Day:** Monday

**Date:** September 29, 2025

**Time:** 11:30 A.M.

**Venue:** Through Video conferencing/ Other Audio Visual means (OAVM) – Company's Registered office situated at 1/20, Asaf Ali Road, New Delhi – 110002 will be considered as venue for the purpose of 33rd 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 Rs. 1 per equity share of 10/- each i.e. @ 10% for the Financial Year ended 31st March, 2025. Date of payment of dividend would be within 30 days from the date of declaration of the dividend.

### D. Listing on Stock Exchanges and Stock Code

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

### E. Annual Fee

- Payment of Listing Fee:** The Annual Listing fee for the financial year 2025-26, 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 2025-26 has been paid by the Company to Central Depository Services Limited (CDSL) and National Securities Depository Limited (NSDL) within the stipulated time.

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

During the period under review, securities of the Company have not been suspended from trading.

### G. 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   |

**H. 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 dematerialized form such as 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, Transposition. Transmission, dematerialization of shares, dividend payment and all other investor related matters are attended to and processed through the Company's RTA.

As on March 31, 2025, all the shares of the Company are in Demat Mode only.

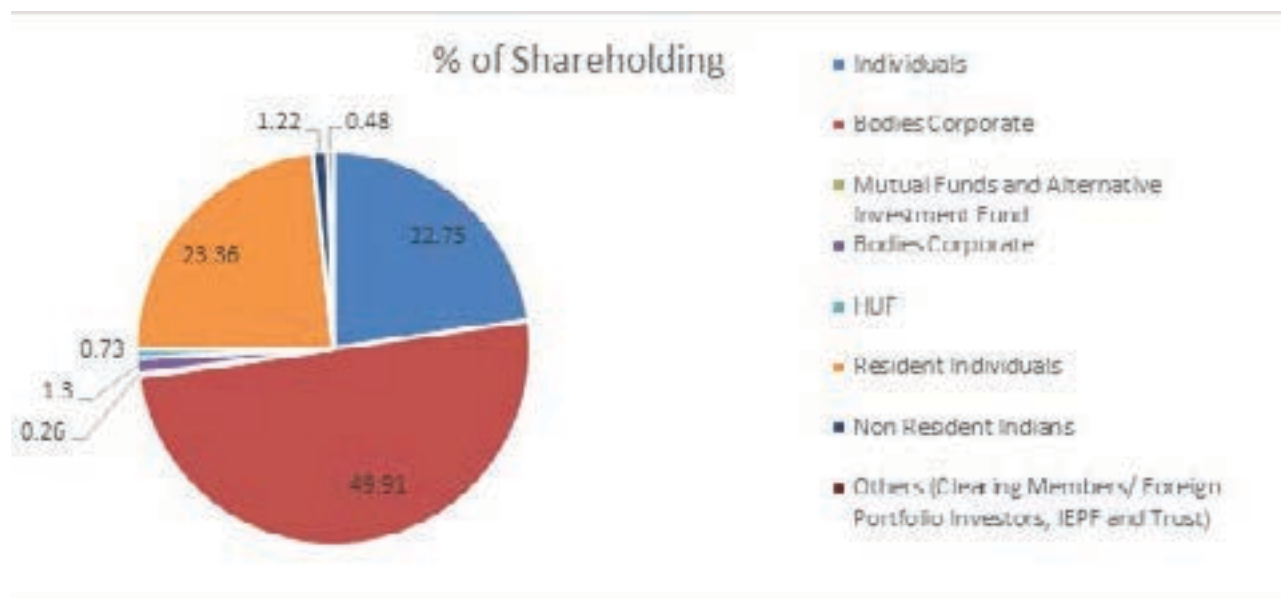
**I. Distribution of Shareholding:****a. Shareholding by size as on 31st March, 2025****(Amount in Rs.)**

| Sl           | Category         | No. of Shareholders | % of Shareholders | No. of Shares   | % To Equity   |
|--------------|------------------|---------------------|-------------------|-----------------|---------------|
| 1.           | 0001 - 5000      | 147347              | 99.83             | 13701304        | 21.31         |
| 2.           | 5001 - 10000     | 154                 | 0.10              | 1115126         | 1.73          |
| 3.           | 10001 - 20000    | 58                  | 0.04              | 828511          | 1.29          |
| 4.           | 20001 - 30000    | 16                  | 0.01              | 423144          | 0.66          |
| 5.           | 30001 - 40000    | 6                   | 0.00              | 206241          | 0.32          |
| 6.           | 40001 - 50000    | 5                   | 0.00              | 226255          | 0.35          |
| 7.           | 50001 - 100000   | 5                   | 0.00              | 368354          | 0.57          |
| 8.           | 100001 and above | 12                  | 0.01              | 47431551        | 73.77         |
| <b>Total</b> |                  | <b>147603</b>       | <b>100.00</b>     | <b>64300486</b> | <b>100.00</b> |

**Shareholding by category as on 31st March, 2025**

| Category of Shareholders   | Number of shareholders | No. of Shares   | % of Shareholding |
|--|------------------------|-----------------|-------------------|
| <b>Promoters and Promoter Group</b>                                    |                        |                 |                   |
| Individuals  | 4                      | 1,46,26,806     | 22.75             |
| Bodies Corporate   | 4                      | 3,20,92,023     | 49.91             |
| <b>Public</b>  |                        |                 |                   |
| Alternative Investment Fund  | 2                      | 1,65,368        | 0.26              |
| Bodies Corporate   | 258                    | 8,34,769        | 1.30              |
| HUF  | 1,756                  | 4,66,361        | 0.73              |
| Resident Individuals   | 1,43,829               | 1,50,21,025     | 23.36             |
| Non Resident Indians   | 1,719                  | 7,82,616        | 1.22              |
| Others (Clearing Members/ Foreign Portfolio Investors, IEPF and Trust) | 31                     | 3,11,518        | 0.48              |
| <b>Total</b>   | <b>147603</b>          | <b>64300486</b> | <b>100</b>        |





**J. 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, 2025 are as follows:

| Form         | Number of Shares | Percentage |
|--------------|------------------|------------|
| NSDL         | 13402553         | 20.84      |
| CDSL         | 50897933         | 79.76      |
| Physical     | 0                | 0.00       |
| <b>Total</b> | <b>64300486</b>  | <b>100</b> |

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

**K. 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, 2025.

**L. 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.

**M. Plant locations:**

| Sl No. | Address   |
|--------|---|
| 1.     | Plot No. 132-133, Pace City –I, Sector -37, Gurugram, Haryana                     |
| 2.     | Plot No. 357-Q, Pace City- II, Sector – 37, Gurugram, 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   |

**N. 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, Sonipat Haryana - 131028  
 Phone : 0130-3503958/3503437  
 Website [www.hplindia.com](http://www.hplindia.com)  
 E-mail : [hplcs@hplindia.com](mailto: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](mailto:einward.ris@kfintech.com)  
 Website: [www.kfintech.com](http://www.kfintech.com)

**O. List of all credit ratings obtained along with any revisions thereto during the relevant financial year:**

During the Financial year 2024-25, the instrument wise credit ratings as obtained from CRISIL Rating Limited and India Ratings and Research (Ind-Ra) an another rating agency are as follows:

|                   |                      |
|-------------------|----------------------|
| Long Term Rating  | CRISIL A/STABLE      |
| Short Term Rating | CRISIL A1            |
| Long Term Rating  | IND A+/STABLE        |
| Short Term Rating | IND A+/STABLE/IND A1 |

The details on credit ratings are available on the website of the company at [www.hplindia.com](http://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 2024-25, 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 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. 42 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) of SEBI Listing Regulations 2015 during the period under review.

**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, 2025, M/s Gupta Vinod & Co., Company Secretaries (Membership No. FCS 3648, CP No. 2148), have issued a certificate, confirming that none of 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 of Directors has 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.**

Details relating to fees paid to the Statutory Auditors are given in Note 32 of the Consolidated Financial Statements forming part 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: NA.

**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**

During the period under review, there is no material subsidiary of the Company, hence, no details are required to be given by the Company

**8. Compliance of requirement of corporate governance report of sub-paras (2) to (10) of Part C of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

The Company has complied with the requirement of corporate governance report of sub-paras (2) to (10) of Part C of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**9. 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 (i) of sub-regulation (2) of regulation 46 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**10. 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, press releases and presentations etc. on stock exchange and on website of the Company i.e. [www.hplindia.com](http://www.hplindia.com). The Results are also 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 & Mr. Gautam Seth are Managing Director and Joint Managing Director, respectively of the Company. Chairman is related to Managing Director and Joint 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.



**11. 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.

**12. 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

Date : August 13, 2025  
Place : Kundli

**Lalit Seth**  
Chairman and Whole-time Director  
DIN: 00312007



**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, 2025.

Date : 22nd May, 2025  
Place : Kundli

**RISHI SETH**  
MANAGING DIRECTOR  
DIN: 00203469

**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, 2025, 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: 25523802BMKTZQ4103

Date : 13 August, 2025  
Place : New Delhi



## 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](http://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, 2025 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: F003648G000987994

Place : Delhi  
Dated : 12th August, 2025

**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, 2025 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, 2025 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 : May 22, 2025  
Place : Kundli

**Rishi Seth**  
Managing Director  
DIN: 00203469

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

## BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORTING FORMAT

### 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 110002, India  |                        |            |
| 5.  | Corporate address:   | 76-B, Phase-IV, Sector-57, HSIIDC Industrial Area, Kundli-131028, Sonipat, 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:  | Current Financial Year  | 01-04-2024             | 31-03-2025 |
|     |  | Previous Financial Year   | 01-04-2023             | 31-03-2024 |
| 10. | Name of the Stock Exchange(s) where shares are listed:   | Bombay Stock E Limited (BSE) & National Stock Exchange 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:  | Company Secretary & Compliance Officer  | Mr. Vivek Kumar        |            |
|     |  | Telephone No:   | 0130 - 3503437/3503958 |            |
|     |  | Email ID:   | hplcs@hplindia.com     |            |
| 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 a Standalone basis.  |                        |            |
| 14. | Name of assurance provider:  | Not Applicable for the reporting period as per SEBI Circular No. SEBI/HO/CFD/CFD-SEC-2/P/CIR/2023/122 dated 12 July 2023                                  |                        |            |
| 15. | Type of assurance obtained:  | Not Applicable for the reporting period as per SEBI Circular No. SEBI/HO/CFD/CFD-SEC-2/P/CIR/2023/122 dated 12 July 2023                                  |                        |            |

#### II. Products/services

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

| S. No. | Description of Main Activity                       | Description of Business Activity  | % of Turnover of the entity |
|--------|--|---|-----------------------------|
| 1      | <b>Electrical equipment and power distribution</b> | 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. | 100%                        |

## 17. 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                 | 26513     | 62.91%                          |
| 2      | Consumables, Industrial & Services | 2710      | 37.08%                          |

\*NIC Code list link: [https://www.ncs.gov.in/Documents/NIC\\_Sector.pdf](https://www.ncs.gov.in/Documents/NIC_Sector.pdf)

## III. Operations

## 18. 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     |

Plant Location:

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

## 19. Markets served by the entity:

## a. Number of locations

| Locations                        | Number        |
|----------------------------------|---------------|
| National (No. of States)         | 28            |
| International (No. of Countries) | 42+ Countries |

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

The contribution of exports (consolidated) as a percentage of the total turnover of the entity during FY 2025 was 1.67%.

## c. A brief on types of customers

HPL Electric & Power Limited caters to a diverse customer base comprising institutional clients such as government bodies and power utilities, industrial and commercial establishments, and retail consumers. The Company's Metering & Systems segment primarily serves utilities and public sector clients through competitive tenders, while its Consumer and Industrial segment addresses the needs of industries, infrastructure developers, and individual consumers through an extensive dealer and distribution network across India. HPL also exports to over 42+ countries, offering tailored electrical and energy solutions across all customer segments.

## IV. Employees

## 20. Details as at the end of Financial Year:

## a. Employees and workers (including differently abled):

| S. No.    | Particulars              | Total<br>(A) | Male    |           | Female  |           | Other   |         |
|-----------|--------------------------|--------------|---------|-----------|---------|-----------|---------|---------|
|           |                          |              | No. (B) | % (B / A) | No. (C) | % (C / A) | No. (H) | % (H/A) |
| Employees |                          |              |         |           |         |           |         |         |
| 1.        | Permanent (D)            | 1157         | 1113    | 96.20%    | 44      | 3.80%     | 0       | 0%      |
| 2.        | Other than Permanent (E) | 211          | 210     | 99.53%    | 1       | 0.47%     | 0       | 0%      |
| 3.        | Total employees (D + E)  | 1368         | 1323    | 96.71%    | 45      | 3.29%     | 0       | 0%      |
| Workers   |                          |              |         |           |         |           |         |         |
| 4.        | Permanent (F)            | 359          | 160     | 44.57%    | 199     | 55.43%    | 0       | 0%      |
| 5.        | Other than Permanent (G) | 1180         | 974     | 82.54%    | 206     | 17.46%    | 0       | 0%      |



|    |                       |      |      |        |     |        |   |    |
|----|-----------------------|------|------|--------|-----|--------|---|----|
| 6. | Total workers (F + G) | 1539 | 1134 | 73.68% | 405 | 26.32% | 0 | 0% |
|----|-----------------------|------|------|--------|-----|--------|---|----|

**b. Differently abled Employees and workers:**

| S. No.    | Particulars              | Total (A) | Male    |           | Female  |           | Other   |         |
|-----------|--------------------------|-----------|---------|-----------|---------|-----------|---------|---------|
|           |                          |           | No. (B) | % (B / A) | No. (C) | % (C / A) | No. (H) | % (H/A) |
| Employees |                          |           |         |           |         |           |         |         |
| 1.        | Permanent (D)            | 3         | 3       | 100%      | 0       | 0%        | 0       | 0%      |
| 2.        | Other than Permanent (E) | 0         | 0       | 0%        | 0       | 0%        | 0       | 0%      |
| 3.        | Total employees (D + E)  | 3         | 3       | 100%      | 0       | 0%        | 0       | 0%      |
| Workers   |                          |           |         |           |         |           |         |         |
| 4.        | Permanent (F)            | 0         | 0       | 0%        | 0       | 0%        | 0       | 0%      |
| 5.        | Other than Permanent (G) | 0         | 0       | 0%        | 0       | 0%        | 0       | 0%      |
| 6.        | Total workers (F + G)    | 0         | 0       | 0%        | 0       | 0%        | 0       | 0%      |

**21. Participation/Inclusion/Representation of women**

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

**22. Turnover rate for permanent employees and workers: (Disclose trends for the past 3 years)**

| Particulars         | FY 2024-25 |        |        | FY 2023-24* |        |        | FY 2022-23  |        |       |
|---------------------|------------|--------|--------|-------------|--------|--------|---|--------|-------|
|                     | Male       | Female | Total  | Male        | Female | Total  | Male  | Female | Total |
| Permanent Employees | 20.13%     | 36.36% | 20.75% | 22.33%      | 9.30%  | 21.82% | Data for FY 2022-23 is currently unavailable as standardized turnover tracking for permanent employees and workers was initiated in FY 2023-24. Historical data prior to this period was not captured in a comparable format across all plants and hence is not reported to maintain consistency and accuracy in disclosures. |        |       |
| Permanent Workers   | 1.88%      | 0.00%  | 0.84%  | 2.75%       | 7.55%  | 4.32%  |   |        |       |

\*Previous year numbers have been updated incorporating a methodology change

**V. Holding, Subsidiary and Associate Companies (including joint ventures)**
**23. (a) Names of holding / subsidiary / associate companies / joint ventures**

| S. No. | Name of the holding/ subsidiary / associate companies/ joint ventures (A) | Indicate whether holding/ Subsidiary/ 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  | Joint Venture  | 0%                                | No   |
| 3      | HPL-Shriji-Trimurthi Hitech Company Pvt. Ltd.                             | Joint Venture  | 0%                                | No   |

## VI. CSR Details

24. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: (Yes/No): Yes

(ii) Turnover (in Rs.): 1684.40 Cr

(iii) Net worth (in Rs.): 899.87 Cr

## VII. Transparency and Disclosures Compliances

25. 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)<br>(If Yes, then provide link for grievance redress policy)           | FY 2024-25                                 |  |         | FY 2023-24                                 |  |         |
|---|---|--|--|---------|--|--|---------|
|   |   | 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                                       |   | 0  | 0  | NA      | 0  | 0  | NA      |
| Investors (other than shareholders)               |   | 0  | 0  | NA      | 0  | 0  | NA      |
| Shareholders                                      | <a href="https://investor.hplindia.com/investor-relation.php">https://investor.hplindia.com/investor-relation.php</a> | 07   | 0  | NA      | 0  | 0  | NA      |
| Employees and workers                             |   | 0  | 0  | NA      | 0  | 0  | NA      |
| Customers   |   | 0  | 0  | NA      | 0  | 0  | NA      |
| Value Chain                                       |   | 0  | 0  | NA      | 0  | 0  | NA      |
| Partners  |   | 0  | 0  | NA      | 0  | 0  | NA      |
| Other (please specify)                            |   | 0  | 0  | NA      | 0  | 0  | NA      |

26. 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      | Climate Strategy & GHG Emissions | R  | HPL operates energy-intensive manufacturing (DG sets, furnaces, grid power dependency). Increasing regulatory scrutiny (carbon tax, EPR), supply chain pressure, and investor demand make this a significant transitional risk. | Conducted Scope 1 and 2 inventory; site-wise hotspot mapping; exploring solar rooftop, net metering, energy efficiency, and decarbonization pathways; recommended RE100/SBTi alignment. | Negative: Higher compliance costs, exposure to future carbon pricing; Positive: Efficiency savings, long-term access to ESG-aligned capital. |

|   |  |   |  |  |  |
|---|--|---|--|--|--|
| 2 | Energy Management                      | O | With rising electricity tariffs and grid reliability challenges, energy management in plants is critical to reducing operating cost and Scope 2 emissions.                             | Energy audits across units (357Q, Karnal); investment in LED lighting, VFDs, and metering infrastructure; explore storage solutions to optimize solar usage and reduce peak loads. | Positive: Direct cost savings, improved margins, enhanced ESG scores.  |
| 3 | Product Stewardship                    | O | Increasing demand for smart, energy-efficient, and BIS-compliant electrical products across B2B and B2C segments. Mandatory standards and EPR policies make eco-design a growth lever. | Focus on R&D and BIS-compliance, IEC standards, RoHS compliance; design for energy savings and long product life; evaluate product take-back, EPR readiness.                       | Positive: Revenue growth through premium offerings; long-term market leadership; avoids regulatory penalties.                              |
| 4 | Human Capital Development              | O | Retaining and reskilling workforce is crucial to adopt Industry 4.0 and automation across plants. Sector talent is limited, so proactive skilling gives HPL an edge.                   | Internal capability building; skill development programs; technical partnerships; invest in employee engagement, appraisals, and rotation across locations.                        | Positive: Enhanced productivity, innovation, and reduced attrition costs.  |
| 5 | Employee Health and Safety             | R | Manufacturing involves thermal and electrical hazards, especially in panel assembly and DG set production. Also, compliance with OSH Code and ISO 45001 is essential.                  | Site-level EHS policies; fire safety drills; PPE training; internal safety audits; explore digitized incident tracking and behavioral safety training.                             | Negative: Non-compliance risks, injury liabilities, productivity losses;<br><br>Positive; Reduce LTIFR morale boost reputational gains     |
| 6 | Business Ethics & Corporate Governance | R | As a listed entity, non-compliance with SEBI LODR, Companies Act, or data governance lapses can impact brand and investor confidence. Ethical sourcing is also gaining traction.       | Strong internal audit mechanisms; related party monitoring; code of conduct trainings; whistleblower channels; vendor code of conduct to be extended across supply chain.          | Negative: Penalties, reputational damage if gaps occur;<br><br>Positive; ESG aligned investor confidence long-term trust with stakeholders |

## 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            |   | P1  | P2 | P3 | P4 | P5 | P6 | P7 | P8 | P9 |
|---------------------------------|---|---|----|----|----|----|----|----|----|----|
| 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   | All the policies are available on the web link: <a href="https://investor.hplindia.com/investor-relation.php">https://investor.hplindia.com/investor-relation.php</a> |    |    |    |    |    |    |    |    |

|  |  |   |   |   |   |   |   |   |   |
|--|--|---|---|---|---|---|---|---|---|
| 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)  | Y  | Y | Y | Y | Y | Y | Y | Y | Y |
| 4. Name of the national and international codes/certifications/labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustee) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle. | 1) ISO 9001:2015 – Quality Management<br>2) ISO 45001:2018 – Occupational Health & Safety<br>3) ISO 14001:2015 – Environmental Management System<br>4) ISO 27001:2022 – Information Security Management System<br>5) ISO/IEC 17025:2017 – General Requirements for the Competence of Testing and Calibration Laboratories<br>6) Bureau of Indian Standards (BIS) – Compliance with applicable Indian product and safety standards<br>7) RoHS Directive (2011/65/EU) – Restriction of Hazardous Substances in electrical and lighting equipment<br>8) SONCAP Product Certificate (Nigeria) – Compliance with IEC and NIS standards for electrical and lighting products   |   |   |   |   |   |   |   |   |
| 5. Specific commitments, goals and targets set by the entity with defined timelines, if any.   | 1. The company is assessing relevant approaches to manage its carbon footprint, with internal focus areas evolving in line with regulatory developments and sectoral best practices.<br>2. Opportunities for improving energy performance are being explored across operational units. Preliminary evaluations around efficiency and renewable integration are underway.<br>3. Product enhancement efforts continue to incorporate considerations around energy efficiency, safety, and compliance with evolving market expectations.<br>4. Environmental aspects are gradually being embedded into investment screening and project design processes, with discussions ongoing at the strategic level.<br>5. The organization maintains a focus on workplace safety and is reviewing mechanisms to further strengthen its systems in alignment with applicable standards.<br>6. Continuous efforts are being made to uphold ethical conduct and responsible business practices. Governance processes are subject to periodic review to align with emerging expectations.  |   |   |   |   |   |   |   |   |
| 6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.  | The entity is progressively aligning operations with key sustainability priorities, with formal targets under phased development.<br>1. Structured monitoring of Scope 1 and 2 emissions has begun, forming the basis for year-on-year reduction efforts, with baseline refinement and tracking improvements underway.<br>2. Feasibility and technical studies are assessing decarbonisation strategies focused on operational upgrades, resource efficiency, and low-emission technologies.<br>3. Workplace safety is being strengthened through targeted training, awareness drives, and compliance measures, fostering a stronger safety culture.<br>4. Steps to promote diversity, particularly increased participation of women, are supported by policy reviews and inclusive workplace practices.<br>5. Globally recognized management systems in quality, environment, safety, information security, and laboratory competence are enhancing compliance, product reliability, and stakeholder trust.<br>Overall, sustainability is being embedded into core operations, with remaining areas under review for structured implementation. |   |   |   |   |   |   |   |   |

|   |   |
|---|---|
| Governance, leadership and oversight  |   |
| 7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements                                  | <p>At HPL Electric &amp; Power Limited, we continue to integrate Environmental, Social, and Governance (ESG) principles into our business operations in a structured and pragmatic manner. Over the past year, our focus remained on strengthening internal processes related to energy efficiency, employee well-being, and responsible waste management. We also expanded the use of solar energy across select facilities and improved tracking of hazardous waste in line with regulatory expectations.</p> <p>While we have made steady progress in areas like occupational health and safety, stakeholder engagement, and resource optimization, we recognize that more needs to be done in terms of sustainability reporting, supplier sustainability assessments, and third-party assurance. These remain key areas of focus in the coming year.</p> <p>Our ESG journey is evolving, and we are committed to building institutional readiness through incremental improvements, guided by transparency, compliance, and stakeholder trust. We will continue aligning with applicable regulations and frameworks, while maintaining realistic and responsible ambitions that reflect our business context.</p> |
| 8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).   | <p>Mr. Gautam Seth<br/>CFO &amp; Joint Managing Director<br/>HPL Electric &amp; Power Limited</p>   |
| 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. | <p>Yes. The entity has an Executive Committee at place. This committee is responsible for overseeing and driving the organization's sustainability strategy, integrating ESG considerations into business decision-making, reviewing progress on sustainability goals, and ensuring alignment with regulatory and stakeholder expectations. The committee meets periodically to evaluate key sustainability initiatives, monitor performance, and provide strategic guidance on climate and environmental matters, social impact, and governance practices.</p>   |

#### 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   | <p>Yes, the performance against policies is reviewed by the Executive Committees.<br/>All the policies are reviewed annually by the Board/Board Committees.</p>  |     |     |     |     |     |     |     |     |  |     |     |     |     |     |     |     |     |
| Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances | <p>The Board ensures continuous evaluation of statutory compliance with relevant principles through regular assessments and internal audits, enabling timely identification of corrective actions.</p> |     |     |     |     |     |     |     |     |  |     |     |     |     |     |     |     |     |

|   |  |     |     |     |     |     |     |     |     |
|---|--|-----|-----|-----|-----|-----|-----|-----|-----|
| 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 |
|   | No, the company has not carried out independent assessment/ evaluation of the working of the policies by an external agency. |     |     |     |     |     |     |     |     |



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)   |     |     |     |     |     |     |     |     |     |

Not Applicable, all principles are covered by policies

### 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.

**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 no of training and awareness programs held | Topics / principles covered under the training and its impact   | % of people in respective category covered by the awareness programs |
|-----------------------------------|--|---|--|
| Board of Directors (BOD)          | 5  | Update on the various products Marketing initiatives undertaken, Update on various amendments / developments in various Laws/regulatory authorities as Applicable to the company, Leadership and ethical business practices | 100%   |
| Key Managerial Personnel (KMP)    | 5  | Update on the various products Marketing initiatives undertaken, Update on various amendments/ developments, Leadership and ethical business practices  | 100%   |
| Employees other than BOD and KMPs | 10   | HRMS Training, Sales Diary Training, Health and Safety, Quality, Operational excellence, etc.   | -  |
| Workers                           | 0  | -   | 0%   |

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):

| MONETARY        |                 |   |                 |               |                                    |
|-----------------|-----------------|---|-----------------|---------------|------------------------------------|
|                 | NGRBC Principle | Name of the regulatory/ enforcement agencies/ judicial institutions | Amount (In INR) | Brief of Case | Has appeal been preferred (Yes/No) |
| Penalty/ Fine   | NL              | NA  | NIL             | NA            | NA                                 |
| Settlement      | NL              | NA  | NIL             | NA            | NA                                 |
| Compounding fee | NL              | NA  | NIL             | NA            | NA                                 |
| NON - MONETARY  |                 |   |                 |               |                                    |
|                 | NGRBC Principle | Name of the regulatory/ enforcement agencies/ judicial institutions | Amount (In INR) | Brief of Case | Has appeal been preferred (Yes/No) |
| Imprisonment    | NL              | NA  | NIL             | NA            | NA                                 |
| Punishment      | NL              | NA  | NIL             | NA            | NA                                 |

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 regulatory/ enforcement agencies/ judicial institutions |
|--------------|---|
| NL           | Not Applicable  |

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.

HPL Electric & Power Ltd. has a Board-approved Anti-Corruption & Anti-Bribery Policy which outlines a zero-tolerance approach towards bribery and corruption. The policy applies to all employees, directors, contractors, consultants, interns, volunteers, and third parties associated with HPL. It defines unacceptable practices, provides procedures for reporting concerns, and ensures protection against retaliation. The policy also mandates periodic bribery and corruption risk assessments and is aligned with applicable Indian laws. <https://investor.hplindia.com/photos/investor-pdf/Anti-Corruption-&-Anti-Bribery-Policy.pdf>

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 2024-25 | FY 2023-24 |
|-----------|------------|------------|
| Directors | NIL        | NIL        |
| KMPs      | NIL        | NIL        |
| Employees | NIL        | NIL        |
| Workers   | NIL        | NIL        |

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

|   | FY 2024-25 |         | FY 2023-24 |         |
|---|------------|---------|------------|---------|
|   | Number     | Remarks | Number     | Remarks |
| No. of complaints received in relation to issues of Conflict of Interest of Directors | NIL        | NA      | NIL        | NA      |
| No. of complaints received in relation to issues of Conflict of Interest of KMPs      | NIL        | NA      | NIL        | NA      |

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.

Not applicable. During the reporting period, the Company did not encounter any incidents related to conflicts of interest, corruption, or enforcement actions by regulatory, law enforcement, or judicial authorities. As a result, no corrective measures or investigations were required.

8. Number of days of accounts payables (Accounts payable \*365) / Cost of goods/services procured) in the following format

|                                     | FY 2024-25 | FY 2023-24 |
|-------------------------------------|------------|------------|
| Number of days of accounts payables | 125        | 108        |

9. Open-ness of business

Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along with loans and advances & investments, with related parties, in the following format:

| Parameter                  | Metrics  | FY 2024-25 | FY 2023-24   |
|----------------------------|--|------------|--|
| Concentration of Purchases | a.) Purchases from trading houses as % of total purchases                            | 1.40%      | The data for FY 2023-24 was not disclosed, as the monitoring and compilation of concentration metrics in the prescribed format were not undertaken during the previous reporting period. The Company has initiated structured tracking of these parameters from FY 2024-25 in alignment with evolving disclosure requirements. |
|                            | b.) Number of trading houses where purchases are made from                           | 11         |  |
|                            | c.) Purchases from top 10 trading houses as % of total purchases from trading houses | 99.92%     |  |

|                        |   |         |
|------------------------|---|---------|
| Concentration of Sales | a.) Sales to dealers / distributors as % of total sales                                   | 25.78%  |
|                        | b.) Number of dealers / distributors to whom sales are made                               | 1190    |
|                        | c.) Sales to top 10 dealers / distributors as % of total sales to dealers / distributors  | 13.49%  |
| Share of RPTs in       | a.) Purchases (Purchases with \ related parties / Total Purchases)                        | 0.99%   |
|                        | b.) Sales (Sales to related parties / Total Sales)  | 3.41%   |
|                        | c.) Loans & advances (Loans & advances given to related parties / Total loans & advances) | 55.43%  |
|                        | d.) Investments (Investments in related parties / Total Investments made)                 | 99.00 % |

**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.

|       | FY 2024-25 | FY 2023-24 | Details of improvements in environmental and social impacts  |
|-------|------------|------------|--|
| R&D   | 96.47%     | 99.93%     | Investments in R&D were focused on developing energy-efficient, reliable, and environmentally compliant electrical products. Emphasis was placed on improving product safety, reducing energy consumption, and enhancing operational durability in line with sustainability goals. |
| CapEx | 3.53%      | 0.07%      | Capital expenditure during the period included technology upgrades, process automation, and equipment improvements aimed at minimizing resource use, improving workplace safety, and ensuring adherence to environmental norms.  |

2. (a) Does the entity have procedures in place for sustainable sourcing?

No, but we have initiated the process of collating this data and aim to begin sharing detailed disclosures.

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

The Company recognizes the importance of sustainable sourcing and is in the process of evaluating existing practices to align with relevant sustainability considerations. Internal assessments are ongoing to strengthen procedures in this area.

3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for

HPL Electric & Power Limited has institutionalized structured practices to reclaim, reuse, recycle, and responsibly dispose of products at the end of their life cycle. These processes are aligned with applicable environmental regulations and implemented across key waste categories as follows:

| Parameter                          | Process Description   |
|------------------------------------|---|
| (a) Plastics (including packaging) | We comply with the applicable Plastic Waste Management Rules and follow the Extended Producer Responsibility (EPR) mechanism  |
| (b) E-waste                        | Electronic waste is managed through certified e-waste handlers. Devices and components are dismantled, and recoverable materials are processed in accordance with regulatory norms for safe recycling and disposal.   |
| (c) Hazardous waste                | Hazardous waste is classified in accordance with the Hazardous Waste Management Rules, 2016 (as amended). Reusable waste is sent to authorised end users for recovery and conversion into useful products, while the remaining waste is safely disposed of at facilities approved by the Pollution Control Board. |
| (d) other waste                    | Non-hazardous and general waste streams are managed through appropriate segregation and disposal mechanisms, with an emphasis on reducing landfill dependency and promoting safe handling practices.  |

4.4. 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.

Yes, Extended Producer Responsibility (EPR) is applicable to our activities. The waste collection plan is in line with the EPR plan submitted to Central Pollution Control Board. HPL is fulfilling its EPR obligations in accordance with the following applicable waste management rules:

- E-Waste (Management) Rules, 2022 – for electrical and electronic equipment;
- Plastic Waste Management Rules, 2016 (as amended) – for plastic packaging; and

The company ensures compliance through authorized recyclers, timely filing of returns, and regular monitoring and fulfilling of collection and recycling targets.

**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                | 1113                      | 1113             | 100%    | 1113               | 100%    | 0                  | 0%      | 9                  | 0.81%   | 0                   | 0%      |
| Female              | 44                        | 44               | 100%    | 44                 | 100%    | 44                 | 100%    | 0                  | 0%      | 44                  | 100%    |
| Total               | 1157                      | 1157             | 100%    | 1157               | 100%    | 44                 | 3.8%    | 9                  | 0.78%   | 14                  | 3.8%    |



| Other than Permanent employees |     |     |      |     |      |   |       |   |    |   |       |
|--------------------------------|-----|-----|------|-----|------|---|-------|---|----|---|-------|
| Male                           | 210 | 210 | 100% | 210 | 100% | 0 | 0%    | 0 | 0% | 0 | 0%    |
| Female                         | 1   | 1   | 100% | 1   | 100% | 1 | 100%  | 0 | 0% | 1 | 100%  |
| Total                          | 211 | 211 | 100% | 211 | 100% | 1 | 0.47% | 0 | 0% | 1 | 0.47% |

**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 Workers            |                           |                  |         |                    |         |                    |         |                    |         |                     |         |
| Male                         | 160                       | 160              | 100%    | 160                | 100%    | 0                  | 0%      | 0                  | 0%      | 0                   | 0%      |
| Female                       | 199                       | 199              | 100%    | 199                | 100%    | 199                | 100%    | 0                  | 0%      | 0                   | 0%      |
| Total                        | 359                       | 359              | 100%    | 359                | 100%    | 199                | 55.43%  | 0                  | 0%      | 0                   | 0%      |
| Other than Permanent Workers |                           |                  |         |                    |         |                    |         |                    |         |                     |         |
| Male                         | 974                       | 974              | 100%    | 974                | 100%    | 0                  | 0%      | 0                  | 0%      | 201                 | 20.64%  |
| Female                       | 206                       | 206              | 100%    | 200                | 97.09%  | 200                | 97.09%  | 0                  | 0%      | 20                  | 9.71%   |
| Total                        | 1180                      | 1180             | 100%    | 1174               | 99.49%  | 200                | 16.95%  | 0                  | 0%      | 221                 | 18.73%  |

**c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format**

| Cost incurred on well-being measures as a % of total revenue of the company | FY 2024-25 | FY 2023-24 |
|---|------------|------------|
|   | 0.04%      | 0.04%      |

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

| Benefits         | FY 2024-25   |  |  | FY 2023-24   |  |  |
|------------------|--|--|--|--|--|--|
|                  | 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%   | Yes  | 100%   | 100%   | Yes  |
| Gratuity         | 100%   | 100%   | Yes  | 100%   | 100%   | Yes  |
| ESI              | 100%   | 100%   | Yes  | 100%   | 100%   | Yes  |
| Others - specify | NA   | NA   | NA   | NA   | NA   | NA   |

**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.

Yes, the Company has made necessary provisions to ensure workplace accessibility for employees and workers with disabilities. This includes enhanced facilities in areas such as the mess and washrooms to support their comfort and mobility.

**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.**

Yes, the Company is an equal opportunity provider. Weblink of the policy: <https://investor.hplindia.com/investor-relation.ph>

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   | 0                   | 0              | 0                   | 0              |
| Female | 0                   | 0              | 0                   | 0              |
| Total  | 0                   | 0              | 0                   | 0              |

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

| Category                       | If yes, then give details of the mechanism in brief   |
|--------------------------------|---|
| Permanent Workers              | <p>At HPL Electric &amp; Power Limited, well-defined mechanisms are in place to address grievances across all categories of employees and workers. The Company is committed to promote a respectful, transparent, and ethical workplace, and has institutionalized multiple platforms through which concerns can be raised and resolved.</p> <p>For permanent workers, grievance mechanisms are designed to ensure accessibility and responsiveness. HPL promotes a fair and supportive environment where every concern is taken seriously and resolved in a timely and impartial manner.</p> <p>Non-permanent workers are also supported through structured redressal channels. Designated HR contacts are available across facilities, and drop boxes are placed at key locations to allow anonymous submission of concerns. This ensures that contractual and temporary staff can report issues without hesitation or fear of retaliation.</p> <p>Permanent employees benefit from a comprehensive grievance handling framework. HPL has partnered with an independent third-party ethics organization to manage grievance reporting. Employees can register their concerns through various channels including phone, email, physical mail, or direct communication, ensuring both accessibility and confidentiality. Additionally, a formal whistle-blower mechanism allows anonymous reporting of ethical concerns, which are periodically reviewed by the Audit Committee to ensure transparency and accountability.</p> <p>Collectively, these systems reflect HPL's ongoing commitment to upholding high standards of workplace ethics, trust, and employee well-being.</p> |
| Other than Permanent Workers   |   |
| Permanent Employees            |   |
| Other than Permanent Employees |   |

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

| Category                  | FY 2024-25   |  |         | FY 2023-24   |  |         |
|---------------------------|--|--|---------|--|--|---------|
|                           | 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 | 1157   | 0  | 0%      | 1100   | 0  | 0%      |
| - Male                    | 1113   | 0  | 0%      | 1057   | 0  | 0%      |
| - Female                  | 44   | 0  | 0%      | 43   | 0  | 0%      |
| Total Permanent Workers   | 359  | 149  | 41.5%   | 162  | 162  | 100%    |
| - Male                    | 160  | 97   | 60.63%  | 109  | 109  | 100%    |
| - Female                  | 199  | 52   | 26.13%  | 53   | 53   | 100%    |

## 8. Details of training given to employees and workers:

| Category  | FY 2024-25 |                               |           |                      |           | FY 2023-24 |                               |           |                      |           |
|-----------|------------|-------------------------------|-----------|----------------------|-----------|------------|-------------------------------|-----------|----------------------|-----------|
|           | 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      | 1323       | 639                           | 48.3%     | 593                  | 44.82%    | 97         | 74                            | 76.29%    | 76                   | 78.35%    |
| Female    | 45         | 22                            | 48.89%    | 20                   | 44.44%    | 06         | 06                            | 100%      | 04                   | 66.67%    |
| Total     | 1368       | 661                           | 48.32%    | 613                  | 44.81%    | 103        | 80                            | 77.67%    | 80                   | 77.67%    |
| Workers   |            |                               |           |                      |           |            |                               |           |                      |           |
| Male      | 1071       | 553                           | 51.68%    | 404                  | 37.72%    | 854        | 621                           | 72.72%    | 854                  | 100%      |
| Female    | 258        | 176                           | 68.22%    | 114                  | 44.19%    | 42         | 35                            | 83.33%    | 42                   | 100%      |
| Total     | 1329       | 729                           | 54.85%    | 518                  | 38.98%    | 896        | 656                           | 73.21%    | 896                  | 100%      |

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

| Category         | FY 2024-25  |             |               | FY 2023-24 |            |             |
|------------------|-------------|-------------|---------------|------------|------------|-------------|
|                  | Total       | No.         | Percentage    | Total      | No.        | Percentage  |
| <b>Employees</b> |             |             |               |            |            |             |
| Male             | 1323        | 1323        | 100%          | 97         | 97         | 100%        |
| Female           | 45          | 45          | 100%          | 06         | 06         | 100%        |
| <b>Total</b>     | <b>1368</b> | <b>1368</b> | <b>100%</b>   | <b>103</b> | <b>103</b> | <b>100%</b> |
| <b>Workers</b>   |             |             |               |            |            |             |
| Male             | 1071        | 497         | 46.41%        | 854        | 854        | 100%        |
| Female           | 258         | 109         | 42.25%        | 42         | 25         | 59.52%      |
| <b>Total</b>     | <b>1329</b> | <b>606</b>  | <b>45.60%</b> | <b>896</b> | <b>879</b> | <b>98%</b>  |

## 10. Health and safety management system:

- Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage such system?  
Yes. HPL Electric & Power Limited has adopted an occupational health and safety management system that is operational across all manufacturing units, administrative offices, and operational sites. The system ensures 100% coverage of employees and workers, focusing on creating a safe and compliant work environment. It is aligned with the requirements of ISO 45001:2018 and incorporates structured processes for risk evaluation, emergency response planning, periodic training, and continual monitoring to uphold statutory compliance and employee well-being.
- 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:
  - Routine Inspections:** The Company conducts regular site-level inspections to proactively identify potential hazards across work areas. All observations are formally recorded, and necessary actions are taken to eliminate or control identified risks in a timely manner.
  - Risk Assessments:** Periodic and comprehensive risk assessments are carried out to evaluate operational hazards that may impact worker safety. These assessments involve cross-functional participation to ensure risks are assessed from all relevant perspectives.
  - Incident Reporting:** A structured incident reporting mechanism is in place that enables employees to immediately report unsafe conditions, near misses, or incidents. All reports are documented, investigated, and addressed through corrective actions aimed at preventing recurrence.
  - Safety Audits:** Internal safety audits are conducted at regular intervals to evaluate compliance with health and safety standards. These audits also support the identification of systemic gaps and opportunities for continuous 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 formal reporting protocols that empower employees and workers to proactively report unsafe conditions and remove themselves from potential risks. Multiple secure and accessible reporting channels are available, including direct communication with supervisors, a dedicated safety helpline, and a digital reporting system. These mechanisms operate with a strong emphasis on confidentiality and non-retaliation, reinforcing the organization's culture of safety accountability.
- d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)  
Yes. In line with its commitment to holistic employee welfare, HPL extends access to a range of non-occupational healthcare services. These include company-sponsored health insurance schemes, regular preventive health check-ups, workplace wellness programmes, and access to mental health and counselling support. The Company's approach integrates both physical and psychological health needs to promote overall employee resilience and well-being.

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

| Safety Incident/ Number   | Category  | FY 2024-25 | FY 2023-24 |
|---|-----------|------------|------------|
| Lost Time Injury Frequency Rate (LTIFR)                                   | Employees | 0          | 0          |
|   | Workers   | 0          | 0          |
| Total recordable work-related injuries                                    | Employees | 0          | 0          |
|   | Workers   | 0          | 0          |
| No. of fatalities   | Employees | 0          | 0          |
|   | Workers   | 0          | 0          |
| High consequence work-related injury or ill health (excluding fatalities) | Employees | 0          | 0          |
|   | Workers   | 0          | 0          |

**12. Describe the measures taken by the company to ensure a safe and healthy workplace.**

HPL Electric & Power Limited ensures a safe, secure, and health-conscious workplace through the implementation of a comprehensive occupational health and safety management system. This system is operational across all manufacturing units and office locations and is aligned with ISO 45001:2018 standards and other applicable regulatory requirements.

Key measures undertaken by the Company include:

- **Safety Training:** Employees are regularly trained on safe work practices, emergency protocols, and correct usage of equipment to build awareness and strengthen preparedness across all operational levels.
- **Emergency Response Protocols:** The Company has established structured emergency procedures, including drills and simulation exercises, to ensure timely and effective response in case of unforeseen incidents.
- **Risk Assessments:** Systematic risk identification and evaluation processes are conducted to detect potential workplace hazards, allowing timely implementation of preventive and corrective actions.
- **Continuous Monitoring:** HPL conducts periodic inspections and internal audits to monitor compliance with health and safety standards, ensuring alignment with ISO 45001:2018 and other statutory norms.
- **Health Insurance:** All employees are provided with comprehensive health insurance coverage that includes access to medical care and financial support during instances of illness or injury.
- **100% Coverage:** The Company ensures that all its employees and workers, without exception, are included under its health and safety programmes, reinforcing its inclusive and employee-centric approach.

These initiatives are backed by certified management systems such as ISO 45001:2018 (Occupational Health & Safety), ISO 9001:2015 (Quality), and other relevant standards, reaffirming HPL's commitment to maintaining a safe and healthy work environment.

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

|                    | FY 2024-25            |                                       |         | FY 2023-24            |                                       |         |
|--------------------|-----------------------|---------------------------------------|---------|-----------------------|---------------------------------------|---------|
|                    | 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 | 0                     | 0                                     | NA      | 0                     | 0                                     | NA      |
| Health & Safety    | 0                     | 0                                     | NA      | 0                     | 0                                     | NA      |

**Conducted Safety Audit by Third Party**

#### 14. Assessments for the year:

|                             | % of plants & offices were assessed (by entity / statutory authorities / 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 adopts a structured approach to investigate and resolve safety-related incidents and address any significant risks emerging from workplace assessments. All reported incidents are thoroughly examined, and insights derived from such investigations are shared across relevant functions to drive systemic improvements and prevent recurrence. Corrective actions are designed and implemented based on the nature and severity of the risks identified. Their effectiveness is reviewed during internal safety audits, which also serve to evaluate compliance with established safety protocols and ISO 45001:2018 standards. Any significant concerns flagged through health and safety reviews are addressed using a layered risk control approach, prioritizing measures that most effectively mitigate potential hazards and ensure a safe working environment.

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

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

HPL Electric & Power Limited follows a structured and dynamic approach to identify its key stakeholder groups. The process begins with comprehensive stakeholder mapping, covering a wide spectrum including employees, customers, suppliers, investors, regulators, communities, and civil society organisations such as NGOs.

Each stakeholder group is assessed based on its level of influence, interest, and relevance to the company's operations. This evaluation supports the prioritization of stakeholder engagement activities to ensure alignment with business objectives and stakeholder expectations.

To understand stakeholder perspectives effectively, the Company employs engagement mechanisms such as surveys, consultations, interviews, and formal meetings. Feedback gathered through these channels informs strategic planning and operational decisions. The stakeholder identification and engagement process is periodically reviewed and adapted to reflect evolving business contexts, reinforcing HPL's commitment to inclusive and responsible decision-making.

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

| Stakeholder Group          | Identified as Vulnerable & Marginalized Group (Yes/No) | Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website)   | Frequency of engagement (Annually/ Half yearly/ Quarterly / others – specify) | Purpose and scope of engagement include key topics and concerns raised during such engagement                                   |
|----------------------------|--|--|---|---|
| Employees                  | No   | <ul style="list-style-type: none"> <li>Email,</li> <li>Internal Meetings,</li> <li>Training Programs</li> </ul>  | Quarterly   | Engagement includes discussions on workplace experience, employee development, and feedback on internal processes and policies. |
| Investors and Shareholders | No   | <ul style="list-style-type: none"> <li>Quarterly results</li> <li>Annual Reports</li> <li>Earnings call</li> <li>Analysts meet</li> <li>Press releases</li> <li>Website, Email</li> <li>Intimation to stock exchanges</li> <li>Annual General Meetings</li> <li>Investor meetings / conferences</li> </ul> | Annual and as need based  | To inform the current performance of the Company and its future plans   |



|                        |     |   |                      |   |
|------------------------|-----|---|----------------------|---|
| Customers              | No  | <ul style="list-style-type: none"> <li>Email,</li> <li>Website,</li> <li>Social media,</li> <li>Surveys</li> </ul>        | Continuously         | Engagement aims to gather input on product quality and service delivery, resolve concerns, and enhance overall customer experience. |
| Suppliers              | No  | <ul style="list-style-type: none"> <li>Email,</li> <li>Supplier Meetings,</li> <li>Audits</li> </ul>                      | Annually             | Ensuring alignment with commercial terms, reviewing supplier performance, and addressing areas of operational improvement.          |
| Local Communities      | Yes | <ul style="list-style-type: none"> <li>Community Meetings,</li> <li>Local Media,</li> <li>CSR Initiatives</li> </ul>      | Annually             | Focused on identifying and responding to community expectations, and evaluating HPL's role in supporting local development.         |
| Regulatory Authorities | No  | <ul style="list-style-type: none"> <li>Official Correspondence,</li> <li>Reports,</li> <li>Compliance Meetings</li> </ul> | As required (Ad hoc) | Ensuring adherence to legal requirements, exchanging updates on regulatory changes, and fostering transparent compliance dialogue.  |

**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 2024-25  |  |             | FY 2023-24 |  |            |
|------------------------|-------------|--|-------------|------------|--|------------|
|                        | Total (A)   | No. of employees / workers covered (B) | % (B/A)     | Total (C)  | No. of employees / workers covered (D) | % (D/C)    |
| <b>Employees</b>       |             |  |             |            |  |            |
| Permanent              | 1157        | 15                                     | 1.3%        | NIL        | NIL                                    | NIL        |
| Other than Permanent   | 211         | 0                                      | 0%          | NIL        | NIL                                    | NIL        |
| <b>Total Employees</b> | <b>1368</b> | <b>15</b>                              | <b>1.1%</b> | <b>NIL</b> | <b>NIL</b>                             | <b>NIL</b> |
| <b>Workers</b>         |             |  |             |            |  |            |
| Permanent              | 359         | 0                                      | 0%          | NIL        | NIL                                    | NIL        |
| Other than Permanent   | 1180        | 0                                      | 0%          | NIL        | NIL                                    | NIL        |
| <b>Total Workers</b>   | <b>1539</b> | <b>0</b>                               | <b>0%</b>   | <b>NIL</b> | <b>NIL</b>                             | <b>NIL</b> |

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

|                      | FY 2024-25 |                       |           |                        |           | FY 2023-24 |                       |           |                        |           |
|----------------------|------------|-----------------------|-----------|------------------------|-----------|------------|-----------------------|-----------|------------------------|-----------|
|                      | 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) |
| <b>Employees</b>     |            |                       |           |                        |           |            |                       |           |                        |           |
| Permanent            | 1157       | 0                     | 0%        | 902                    | 77.96%    | 1100       | 0                     | 0%        | 208                    | 18.91%    |
| Male                 | 1113       | 0                     | 0%        | 860                    | 77.27%    | 1057       | 0                     | 0%        | 202                    | 19.11%    |
| Female               | 44         | 0                     | 0%        | 42                     | 95.45%    | 43         | 0                     | 0%        | 6                      | 13.95%    |
| Other than Permanent | 211        | 0                     | 0%        | 0                      | 0%        | 0          | 0                     | 0%        | 0                      | 0%        |
| Male                 | 210        | 0                     | 0%        | 0                      | 0%        | 0          | 0                     | 0%        | 0                      | 0%        |
| <b>Female</b>        | <b>1</b>   | <b>0</b>              | <b>0%</b> | <b>0</b>               | <b>0%</b> | <b>0</b>   | <b>0</b>              | <b>0%</b> | <b>0</b>               | <b>0%</b> |

| Workers              |      |      |        |     |        |      |   |    |     |       |
|----------------------|------|------|--------|-----|--------|------|---|----|-----|-------|
| Permanent            | 359  | 0    | 0%     | 169 | 47.08% | 0    | 0 | 0% | 0   | 0%    |
| Male                 | 160  | 0    | 0%     | 101 | 63.13% | 0    | 0 | 0% | 0   | 0%    |
| Female               | 199  | 0    | 0%     | 68  | 34.17% | 0    | 0 | 0% | 0   | 0%    |
| Other than Permanent | 1180 | 1002 | 84.92% | 403 | 34.15% | 3824 | 0 | 0% | 125 | 3.27% |
| Male                 | 974  | 805  | 82.65% | 249 | 25.56% | 3175 | 0 | 0% | 123 | 3.87% |
| Female               | 206  | 197  | 95.63% | 154 | 74.76% | 649  | 0 | 0% | 2   | 0.31% |

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

#### a. Median remuneration / wages:

|                                  | 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      | 0   |
| Key Managerial Personnel         | 1      | 3510000   | 0      | 0   |
| Employees other than BoD and KMP | 1323   | 596436  | 45     | 425172  |
| Workers                          | 1134   | 135096  | 405    | 135096  |

#### b. Gross wages paid to females as % of total wages paid by the entity, in the following format:

|   | FY 2024-25 | FY 2023-24* |
|---|------------|-------------|
| Gross wages paid to females as % of total wages | 3.07%      | 3.45%       |

\*Previous year numbers have been updated incorporating a methodology change

### 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 designated focal point for human rights at HPL Electric & Power Limited is the Human Resources team. The team is responsible for ensuring that the Company's operations and practices are aligned with internationally recognized human rights principles. It carries out periodic reviews of internal policies, conducts relevant risk assessments, and monitors overall compliance to identify and address potential human rights issues across the organization.

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

HPL Electric & Power Limited has established structured grievance redressal mechanisms to address concerns related to human rights. These systems are designed to be accessible and responsive, promoting a transparent and ethical workplace culture. The grievance process ensures that all complaints are handled fairly, with a focus on timely resolution, while maintaining confidentiality and accountability.

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

|                             | FY 2024-25            |                                       |         | FY 2023-24            |                                       |         |
|-----------------------------|-----------------------|---------------------------------------|---------|-----------------------|---------------------------------------|---------|
|                             | 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           | 0                     | 0                                     | NA      | 0                     | 0                                     | NA      |
| Discrimination at workplace | 0                     | 0                                     | NA      | 0                     | 0                                     | NA      |
| Child Labour                | 0                     | 0                                     | NA      | 0                     | 0                                     | NA      |

|                                      |   |   |    |   |   |    |
|--------------------------------------|---|---|----|---|---|----|
| Forced Labour/<br>Involuntary Labour | 0 | 0 | NA | 0 | 0 | NA |
| Wages                                | 0 | 0 | NA | 0 | 0 | NA |
| Other human rights<br>related issues | 0 | 0 | NA | 0 | 0 | NA |

**7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:**

|   | FY 2024-25 | FY 2023-24 |
|---|------------|------------|
| Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH) | NIL        | NIL        |
| Complaint on POSH as a % of female employees / workers  | NIL        | NIL        |
| Complaints on POSH upheld   | NIL        | NIL        |

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

HPL Electric & Power Limited has instituted appropriate safeguards to protect complainants in cases of discrimination and harassment. The grievance process ensures confidentiality and impartiality, with provisions for independent review to address concerns fairly and in a timely manner. Anti-retaliation measures are in place to prevent any negative consequences for individuals who report concerns or participate in related investigations.

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

Yes. HPL Electric & Power Limited integrates human rights requirements into its contractual arrangements with suppliers, partners, and stakeholders. These agreements include provisions mandating adherence to internationally recognized human rights standards. This approach is reinforced through the Company's Supplier Code of Conduct, which clearly sets expectations for ethical conduct and respect for human rights across all business engagements.

**10. Assessments for the year:**

| % of your plants and offices were assessed (by entity or statutory authorities or third parties) |   |
|--|---|
| Child labour   |   |
| Forced/ involuntary labour   |   |
| Sexual harassment  | 100% of our plants and offices are internally assessed on these parameters. |
| Discrimination at workplace  |   |
| Wages  |   |

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

Not Applicable, Internal reviews conducted during the reporting period did not indicate any significant concerns requiring corrective action.

**PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment**
**1. Details of total energy consumption (Giga Joules) and energy intensity, in the following format:**

| Parameter  | FY 2024 - 25 | FY 2023 - 24 |
|--|--------------|--------------|
| Revenue from operations (in Rs.)   | 16844050000  | 14209165000  |
| <b>From renewable sources</b>  |              |              |
| Total electricity consumption (A)  | 0            | 0            |
| Total fuel consumption (B)   | 0            | 0            |
| Energy consumption through other sources (C)   | 0            | 0            |
| Total energy consumed from renewable sources (A+B+C)   | 0            | 0            |
| Energy intensity (optional) – the relevant metric may be selected by the entity  | -            | -            |
| <b>From non-renewable sources</b>  |              |              |
| Total electricity consumption (D)  | 55793.48     | 49660        |
| Total fuel consumption (E)   | 4406.15      | 3611         |
| Energy consumption through other sources (F)   | 0            | 0            |
| Total energy consumed from non-renewable sources (D+E+F)   | 60199.63     | 53,271       |
| Total energy consumed (A+B+C+D+E+F)  | 60199.63     | 53,271       |
| Energy intensity per rupee of turnover (Total energy consumed / Revenue from operations)   | 0.000003574  | 0.000003749* |
| Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / Revenue from operations adjusted for PPP) | 0.000073087  | 0.000076068* |
| Energy intensity in terms of physical output in MT of production   | 0            | 0            |
| Energy intensity (optional) – the relevant metric may be selected by the entity  | 0            | 0            |

\*Previous year numbers have been updated, incorporating a methodology change

**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? 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.**

HPL Electric & Power Limited does not currently have any sites or facilities classified as designated consumers (DCs) under the PAT Scheme administered by the Government of India. Accordingly, no specific energy targets have been assigned under the scheme, and remedial actions are not applicable for the reporting period.

**3. Provide details of the following disclosures related to water, in the following format:**

| Parameter  | FY 2024 - 25 | FY 2023 - 24 |
|--|--------------|--------------|
| <b>Water withdrawal by source (in kilolitres)</b>                        |              |              |
| (i) Surface water  | 0            | 9100         |
| (ii) Groundwater   | 0            | 19622        |
| (iii) Third party water  | 3195         | 1890         |
| (iv) Seawater / desalinated water  | 0            | 0            |
| (v) Others   | 530000       | 0            |
| Total volume of water withdrawal (in kiloliters) (i + ii + iii + iv + v) | 561,917      | 30612        |
| Total volume of water consumption (in kiloliters)                        | 8160.5       | 21512        |

|  |             |              |
|--|-------------|--------------|
| Water intensity per rupee of turnover (Total water consumption/ Revenue from operations) | 0.000000484 | 0.000001514* |
| Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)         | -           | -            |
| (Total water consumption / Revenue from operations adjusted for PPP)                     | 0.000009907 | 0.000030718* |
| Water intensity in terms of physical output in MT of production                          | -           | -            |
| Water intensity (optional) – the relevant metric may be selected by the entity           | -           | -            |

\*Previous year numbers have been updated, incorporating a methodology change

4. Provide the following details related to water discharged:

| Parameter  | FY 2024 – 25 | FY 2023 – 24  |
|--|--------------|---|
| Water discharged by destination and level of treatment (in kiloliters) |              |   |
| (i) To Surface water   | 151.65       | No external reporting requirement in the previous year mandated disclosure of water discharge in this format, hence data in this specific categorization was not compiled at that time. |
| No treatment   | 0            |   |
| With treatment – please specify level of treatment                     | 151.65       |   |
| (ii) To Groundwater  | 1000         |   |
| No treatment   | 0            |   |
| With treatment – please specify level of treatment                     | 1000         |   |
| (iii) To Seawater  | 0            |   |
| No treatment   | 0            |   |
| With treatment – please specify level of treatment                     | 0            |   |
| (iv) Sent to third parties   | 0            |   |
| No treatment   | 0            |   |
| With treatment – please specify level of treatment                     | 0            |   |
| (v) Others   | 0            |   |
| No treatment   | 0            |   |
| With treatment – please specify level of treatment                     | 5300         |   |
| Total water discharged (in kiloliters)                                 | 6,451.65     |   |

5. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

HPL Electric & Power Limited has not implemented a formal Zero Liquid Discharge (ZLD) mechanism at present. However, the Company remains focused on strengthening its water management practices and continues to assess the technical and operational feasibility of ZLD adoption. Current efforts are directed towards optimizing water usage and improving wastewater treatment systems, in alignment with its broader sustainability objectives.

6. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

We are monitoring the air emissions in accordance with the statutory requirements and monitoring across our sites are carried out by the approved laboratories of the respective state pollution control boards. The concentration of all the parameters is within the permissible range and details of air emissions are submitted annually to the respective pollution control boards.



7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

| Parameter  | Unit   | FY 2024 - 25 | FY 2023 - 24  |
|--|--|--------------|---------------|
| Total Scope 1 emissions (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)                              | Metric tons of CO <sub>2</sub> equivalent      | 820.21       | 250*          |
| Total Scope 2 emissions<br>(Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)                           | -<br>Metric tons of CO <sub>2</sub> equivalent | 11267.18     | 11312*        |
| Total Scope 1 and Scope 2 emission intensity per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)   | t-Co2e/million turnover                        | 0.0000007176 | 0.0000008137* |
| Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP) | t-Co2e/million turnover                        | 0.0000146750 | 0.0000165100* |
| Total Scope 1 and Scope 2 emission intensity in terms of physical output   | t-Co2e/MT of production                        | -            | -             |
| Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity  |  | -            | -             |

\*Previous year numbers have been updated, incorporating a methodology change

8. Does the entity have any project related to reducing Green House Gas emission? If yes, then provide details.

Yes. HPL Electric & Power Limited continues to implement targeted initiatives to reduce Greenhouse Gas (GHG) emissions, demonstrating its commitment to environmental responsibility and energy efficiency. These efforts align with national sustainability goals and global climate action frameworks.

**Key Projects Undertaken:**

• **LED Lighting Implementation:**

HPL has undertaken a transition from conventional lighting systems to energy-efficient LED fixtures across its manufacturing units and office premises. This initiative significantly reduces electricity usage and contributes to lower carbon emissions.

• **Solar Power Deployment:**

The Company is progressively deploying solar energy systems at its manufacturing locations. This shift to renewable energy forms a strategic component of HPL's long-term vision to minimize dependence on fossil fuels and reduce its operational carbon footprint.

• **Energy-Efficient Equipment:**

Investments have been made in advanced energy-saving technologies such as BEE star-rated air conditioning systems, energy efficient lighting. These upgrades collectively contribute to substantial reductions in energy consumption across operations.

9. Provide details related to waste management by the entity, in the following format:

| Parameter  | FY 2024 - 25 | FY 2023 - 24  |
|--|--------------|---------------|
| Total Waste generated (in metric tons)   | 148.387      | -             |
| Plastic waste (A)  | 74.98        | -             |
| E-waste (B)  | 0.030        | -             |
| Bio-medical waste (C)  | 0            | -             |
| Construction and demolition waste (D)  | 0            | -             |
| Battery waste (E)  | 0            | -             |
| Radioactive waste (F)  | 0            | -             |
| Other Hazardous waste specifies (G)  | 0.267        | -             |
| Other Non-hazardous waste generated (H). Please specify  | 73.11        | 361.00        |
| Total (A+B + C + D + E + F + G +H)   | 148.387      | 361.00        |
| Waste intensity per rupee of turnover (Total waste generated in MT / Rs. Crore of Revenue)   | 0.0000000088 | 0.0000000254* |
| Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated/PPP adjusted revenue in Rs. Crore) | 0.0000001802 | 0.0000005155* |
| Each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tons)          |              |               |
| Category of waste  |              |               |
| (i) Recycled   | 148.09       | 159           |
| (ii) Re-used   | 0            | 0             |
| (iii) Other recovery operations  | 0            | 0             |
| Total  | 148.09       | 159           |
| For each category of waste generated, total waste disposed by nature of disposal method (in metric tons)                                   |              |               |
| Category of waste  |              |               |
| (i) Incineration   | 148.09       | -             |
| (ii) Landfilling   | 0            | -             |
| (iii) Other disposal operations  | 0            | -             |
| Total  | 148.09       | -             |

10. 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 waste.

HPL Electric & Power Limited follows structured waste management practices across its operational sites, focusing on minimization, segregation, and responsible disposal. Initiatives include recycling programmes, systematic waste segregation, and proper treatment methods to reduce environmental impact.

To address hazardous and toxic substances, HPL adopts a proactive approach that involves evaluating safer alternatives, improving process efficiency, and incorporating less hazardous materials in products wherever feasible. The Company adheres to established protocols for the containment, treatment, and disposal of hazardous waste, in compliance with regulatory standards. These practices are aimed at reducing health and environmental risks while supporting responsible manufacturing.

11. 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. |
|----------------|--------------------------------|--------------------|---|
| Not Applicable |                                |                    |   |

**12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:**

| Name & brief details of project | EIA Notification No. | Date | Whether conducted by independent external agency (Yes / No) | Results communicated in public domain | Relevant Web link |
|---------------------------------|----------------------|------|---|---------------------------------------|-------------------|
|---------------------------------|----------------------|------|---|---------------------------------------|-------------------|

During the reporting period, there were no projects undertaken that triggered mandatory Environmental Impact Assessments (EIA) under applicable laws. However, HPL Electric & Power Limited remains committed to maintaining environmental compliance and continues to monitor applicable legal requirements. In case of future projects requiring EIA, the company will duly ensure adherence to regulatory processes and disclosure obligations.

**13. 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:**

Yes, the Company is compliant with the applicable environmental laws/regulations/guidelines.

| 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 |
|--------|---|--|---|---------------------------------|
|--------|---|--|---|---------------------------------|

Nil

**PRINCIPLE 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent**

**1a. Number of affiliations with trade and industry chambers/ associations.**

The Company is a member of 6 trade and industry chambers/ associations.

**1b. 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 & 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 - Gurugram 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 the case | Corrective action taken |
|--|-------------------|-------------------------|
| During the reporting period, there were no adverse orders received from regulatory authorities related to anti-competitive conduct. HPL Electric & Power Limited continues to monitor its business practices to ensure alignment with applicable competition laws and maintains its commitment to fair and ethical market conduct. |                   |                         |

**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.

During the reporting period, no Social Impact Assessments (SIA) were undertaken as per applicable regulatory requirements. HPL Electric & Power Limited continues to monitor project-related social impacts and remains committed to complying with relevant SIA obligations, if and when applicable.

| 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 |
|-----------------------------------|----------------------|----------------------|---|--|-------------------|
| Not Applicable                    |                      |                      |   |  |                   |

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:

As of the reporting period, no projects necessitated Rehabilitation and Resettlement (R&R) measures under applicable laws. However, the Company remains attentive to local community considerations and will take appropriate steps in alignment with future regulatory requirements, if such situations arise.

| 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) |
|----------------|--|-------|----------|---|--------------------------|---|
| Not Applicable |  |       |          |   |                          |   |

3. Describe the mechanisms to receive and redress grievances of the community.

HPL Electric & Power Limited has in place defined mechanisms to receive and address community grievances. These include access to a grievance redressal cell and an online interface for logging concerns. The process is designed to ensure timely resolution, supported by periodic internal reviews to maintain transparency and reinforce responsiveness to community-related matters.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

The Company firmly believes that the growth and sustainability of micro, small, and medium enterprises (MSMEs) are vital to the nation's development. Accordingly, it continues to prioritize engagement with small and local vendors situated near its manufacturing units and within the region, while ensuring that the selection of goods and services aligns with its standards of sustainability, reliability, and cost-effectiveness.

|  | FY 2024-25 | FY 2023-24 |
|--|------------|------------|
| Directly sourced from MSMEs/ small producers | 9.36%      | 13.02%     |
| Directly from within India                   | 68.30%     | 68.15%     |

5. **Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost**

| Location*    | FY 2024-25 | FY 2023-24 |
|--------------|------------|------------|
| Rural        | 6.47%      | 6.01%      |
| Semi-urban   | 0.13%      | 0.2%       |
| Urban        | 82.06%     | 81.80%     |
| Metropolitan | 11.34%     | 11.99%     |

**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 put in place a structured, multi-channel system to effectively receive and address consumer complaints and feedback. These include:

1. A dedicated customer care helpline for direct support
2. A structured online feedback form available on the official company website
3. Feedback channels facilitated through authorized distribution and channel partners
4. Company's social media platforms for consumer interactions
5. AI-enabled chatbots integrated into digital platforms to provide real-time assistance and ensure prompt resolution of consumer queries

All feedback is systematically logged and reviewed by the customer service team. Periodic evaluations are undertaken to ensure timely redressal, improved responsiveness, and continuous enhancement of the customer experience.

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 | 100% of our products are energy efficient                         |
| Safe and responsible usage                                  | with guidance manual on safe, responsible usage and safe disposal |
| Recycling and/or safe disposal                              |   |

3. **Number of consumer complaints in respect of the following:**

|                                | FY 2024-25               |                                   | Remarks | FY 2023-24               |                                   | Remarks |
|--------------------------------|--------------------------|-----------------------------------|---------|--------------------------|-----------------------------------|---------|
|                                | Received during the year | Pending resolution at end of year |         | Received during the year | Pending resolution at end of year |         |
| Data privacy                   | 0                        | 0                                 | NA      | 0                        | 0                                 | NA      |
| Advertising                    | 0                        | 0                                 | NA      | 0                        | 0                                 | NA      |
| Cyber-security                 | 0                        | 0                                 | NA      | 0                        | 0                                 | NA      |
| Delivery of essential services | 0                        | 0                                 | NA      | 0                        | 0                                 | NA      |
| Restrictive Trade Practices    | 0                        | 0                                 | NA      | 0                        | 0                                 | NA      |
| Unfair Trade Practices         | 0                        | 0                                 | NA      | 0                        | 0                                 | NA      |
| Other                          | 0                        | 0                                 | NA      | 0                        | 0                                 | NA      |



4. Details of instances of product recalls on account of safety issues:

|                   | Number | Reasons for recall |
|-------------------|--------|--------------------|
| Voluntary recalls | 0      | 0                  |
| Forced recalls    | 0      | 0                  |

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 well-established framework on cyber security and data privacy. The Company actively monitors digital risks, promotes transparent communication with customers, and promptly addresses queries. Periodic reviews of the IT infrastructure are conducted to assess risk preparedness. To the best of our knowledge, there have been no material financial implications arising from cyber-related incidents. The Company remains compliant with relevant regulatory requirements and continues to strengthen its systems through regular evaluations, thereby safeguarding its IT assets and sensitive data.

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

HPL has implemented ongoing SOPs in several areas, including:

1. **Advertising:** Periodic review of promotional content to ensure adherence to advertising norms.
  2. **Delivery of Essential Services:** Enhancing protocols to ensure uninterrupted and reliable service delivery.
  3. **Cyber Security and Data Privacy:** Regular system upgrades and workforce training to maintain data protection standards.
  4. **Product Recalls:** Implementation of internal checks and process improvements to avoid quality-related issues.
  5. **Penalties/Actions by Regulatory Authorities:** Ongoing monitoring and swift action to address compliance-related matters wherever applicable.
7. Provide the following information relating to data breaches:

a. Number of instances of data breaches

During the reporting period, no confirmed data breach incidents were formally recorded through internal escalation mechanisms.

b. Percentage of data breaches involving personally identifiable information of customers

Not applicable in the absence of reported or validated breaches.

c. Impact, if any, of the data breaches

No reportable impact was identified during the year under review. The Company maintains robust data protection protocols and continues to strengthen its information security framework to mitigate emerging risks.

# 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 2025, 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, 2025, 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 Matters

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.

| Key Audit Matters   | How the matter was addressed in our Audit   |
|---|---|
| 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. | <b>Principal Audit Procedures</b><br>Our audit procedures, amongst others included the following: <ul style="list-style-type: none"> <li>➤ 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.</li> <li>➤ 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.</li> <li>➤ Evaluated the status of the recent and current tax assessments / inquiries, results of previous tax assessments and changes in the tax environment.</li> <li>➤ Verified disclosures of the tax positions, tax loss carry forwards and tax litigations in the standalone Ind AS financial statements.</li> </ul> |

### Information other than the financial statements and Auditors' 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 are also responsible for overseeing the Company's financial reporting process.

### Auditor's Responsibilities for the Audit of the 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 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

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the 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.
2. As required by Section 143 (3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account, as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The 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.
  - d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.
  - e) On the basis of the written representations received from the Directors as on 31st March, 2025 taken on record by the Board of Directors, none of the Directors is disqualified as on 31st March, 2025 from being appointed as a Director in terms of Section 164 (2) of the Act.
  - f) With respect to the adequacy of the Internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in 'Annexure B'.
  - g) 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 Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. 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.
    - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
    - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year.
    - iv. The dividend declared or paid during the year by the Company is in accordance with Section 123 of the Act.
    - v. (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;

- (b) 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
- (c) 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.

- vi. 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, the Company has used an accounting software for maintaining its books of account, which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software.

Further, during the course of our audit, we did not come across any instance of the audit trail feature being tampered with, for the period where audit trail (edit log) facility was enabled. Additionally, the audit trail, where enabled, has been preserved by the Company as per the statutory requirements for record retention.

For **SAKSHI & ASSOCIATES**

Chartered Accountants

Firm's Registration Number: 025099N

**SAKSHI KHARABANDA**

Proprietor

M.No.:523802

Place : New Delhi

Date : 22 May, 2025

UDIN : 25523802BMKTYH4438

## 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:

- |   |   |
|---|---|
| <p>(i) In respect of Company's property, plant and equipment, right-of-use assets and intangible assets:</p> <p>(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;</p> <p>(B) The Company does not have any Intangible Assets. Accordingly, Clause 3(i)(a)(B) of the order is not applicable to the Company.</p> <p>(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;</p> <p>(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.</p> <p>(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.</p> <p>(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.</p> | <p>(ii) (a) As explained to us &amp; 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.</p> <p>(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.</p> <p>(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 not made investments in, nor 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. Accordingly, provisions of clauses 3(iii)(a), 3(iii)(b), 3(iii)(c), 3(iii)(d), 3(iii)(e) and 3(iii)(f) of the Order are not applicable to the Company.</p> <p>(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.</p> <p>(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.</p> <p>(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;</p> |
|---|---|



- (vii) (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 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, 2025 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no statutory dues 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<br>31st March 2025 | As at<br>31st March 2024 |
|------|-------------------------------------|--|--------------------------|--------------------------|
| 1    | Central Excise Act, 1944            | Demand for Excise Duty before Add. Comm. LTU, New Delhi for 2008-09              | 16                       | 16                       |
| 2    | Central Excise Act, 1944            | Demand for Excise Duty before Comm. (A), New Delhi for 2009-10 to 2015-16.       | 82                       | 82                       |
| 3    | Finance Act, 1994                   | Demand for Service Tax Credit before Commissioner Appeal, LTU, Delhi for 2012-13 | 1                        | 1                        |
| 4    | Finance Act, 1994                   | Demand for Cenvat Credit before Commissioner Appeal, LTU, Delhi for 2011-12      | 1                        | 1                        |
| 5    | Haryana Vat Act, 2003               | Demand for Sales Tax before Haryana Tax, Tribunal, Chandigarh for 2008-09        | -                        | 18                       |
| 6    | Haryana Vat Act, 2003               | Demand for Sales Tax before Joint Comm., (Appeal), Rohtak for 2010-11            | -                        | 10                       |
| 7    | Haryana Vat Act, 2003               | Demand for Sales Tax before Haryana Tax, Tribunal, Chandigarh for 2009-10        | -                        | 4                        |
| 8    | Haryana Vat Act, 2003               | Demand for Sales Tax before Haryana Tax, Tribunal, Rohtak for 2011-12            | -                        | 12                       |
| 9    | Haryana Vat Act, 2003               | Demand for Sales Tax before Haryana Tax, Tribunal, Rohtak for 2012-13            | -                        | 8                        |
| 10   | Haryana Vat Act, 2003               | Demand for Sales Tax before Haryana Tax, Tribunal, Chandigarh for 2011-12        | -                        | 23                       |
| 11   | Haryana Vat Act, 2003               | Demand for Sales Tax before Joint Comm., (Appeal), Ambala for 2011-12            | -                        | 4                        |
| 12   | Employee's Provident Fund Act, 1952 | Demand for EPF before EPF appellate, Tribunal, New Delhi.                        | 2                        | 9                        |
| 13   | Haryana Vat Act, 2003               | Demand for sales tax before Haryana Tax Tribunal for 2011-12                     | -                        | 16                       |
| 14   | Haryana Vat Act, 2003               | Demand for sales tax before Haryana Tax Tribunal for 2012-13                     | -                        | 17                       |
| 15   | Haryana Vat Act, 2003               | Demand for sales tax before Haryana Tax Tribunal for 2013-14                     | 81                       | 81                       |
| 16   | Haryana Vat Act, 2003               | Demand for sales tax before Jt. Commissioner (A), Rohtak for 2013-14             | -                        | 4                        |
| 17   | Haryana Vat Act, 2003               | Demand for sales tax before Jt. Commissioner (A), Rohtak for 2014-15             | -                        | 9                        |

| S.No | Name of Statute          | Description  | As at<br>31st March 2025 | As at<br>31st March 2024 |
|------|--------------------------|--|--------------------------|--------------------------|
| 18   | Haryana Vat Act, 2003    | Haryana Tax Tribunal, Chandigarh-Final demand after Rectification on 31.07.2017 (Revision Pending)                               | 4                        | 4                        |
| 19   | Haryana Vat Act, 2003    | Haryana Tax Tribunal, Chandigarh-Pending for Rectification for 2012-13   | 2                        | 2                        |
| 20   | Haryana Vat Act, 2003    | Haryana Tax Tribunal, Chandigarh-Pending for Rectification for 2013-14   | 4                        | 4                        |
| 21   | Haryana Vat Act, 2003    | Haryana Tax Tribunal, Chandigarh-Pending for Rectification for 2014-15   | 1                        | 1                        |
| 22   | Haryana Vat Act, 2003    | Haryana Tax Tribunal-Rohtak-Appeal pending before the Jt.ETC(A),Rohtak for 2010-11   | -                        | 24                       |
| 23   | Haryana Vat Act, 2003    | Demand for sales tax before Dy. Excise & Taxation Commissioner (ST),Sonipat for 2014-15  | -                        | 7                        |
| 24   | Haryana Vat Act, 2003    | Demand for sales tax before Jt Excise Excise & Taxation Commissioner, Ambala for 2014-15   | 56                       | 56                       |
| 25   | Haryana Vat Act, 2003    | Demand for Sales Tax before Haryana Tax, Tribunal, Rohtak for 2015-16  | 42                       | 42                       |
| 26   | Haryana Vat Act, 2003    | Demand for Sales Tax before Haryana Tax, Tribunal, Rohtak for 2014-15  | -                        | 43                       |
| 27   | Haryana Vat Act, 2003    | Demand for Sales Tax before Haryana Tax, Tribunal, Rohtak for 2015-16  | -                        | 14                       |
| 28   | Central Excise Act, 1944 | Demand for Excise Duty before Deputy Comm. Central GST Gurugram for 2016-17.   | 2                        | 2                        |
| 29   | Finance Act, 1994        | Demand for Service Tax Credit before Asstt. Commissioner Gurugram for 2015-16 to 2017-18   | 15                       | 15                       |
| 30   | Custom Act,1962          | Demand for Custom Duty before Adl./Joint Comm./Customs Gr-VA,ACC Import New Custom House New Delhi for 2018-19                   | 23                       | 23                       |
| 31   | Haryana Vat Act, 2003    | Demand for Sales Tax before Haryana Tax, Tribunal, Rohtak for 2016-17  | 74                       | 74                       |
| 32   | Haryana Vat Act, 2003    | Demand for Sales Tax before Haryana Tax, Tribunal, Rohtak for 2016-17  | -                        | 15                       |
| 33   | Haryana Vat Act, 2003    | Demand for Sales Tax before Haryana Tax, Tribunal, Rohtak for 2017-18  | -                        | 24                       |
| 34   | CGST Act, 2017           | Demand for GST before Joint Excise and Taxation Commissioner Gurugram (West) Ward 1:Gurugram (West):Gurugram Haryana for 2017-18 | 55                       | -                        |
| 35   | CGST Act, 2017           | Demand for GST before Joint Excise and Taxation Commissioner Gurugram (West) Ward 1:Gurugram (West):Gurugram Haryana for 2017-18 | 69                       | -                        |
| 36   | CGST Act, 2017           | Demand for GST before Joint Excise and Taxation Commissioner Gurugram (West) Ward 1:Gurugram (West):Gurugram Haryana for 2018-19 | 6                        | -                        |

| S.No | Name of Statute | Description  | As at<br>31st March 2025 | As at<br>31st March 2024 |
|------|-----------------|--|--------------------------|--------------------------|
| 37   | CGST Act, 2017  | Demand for GST before Joint Excise and Taxation Commissioner Gurugram (West) Ward 1:Gurugram (West):Gurugram Haryana for 2019-20 | 10                       | -                        |
| 38   | CGST Act, 2017  | Demand for GST before Joint Excise and Taxation Commissioner Gurugram (West) Ward 1:Gurugram (West):Gurugram Haryana for 2020-21 | 54                       | -                        |
| 39   | CGST Act, 2017  | Demand for GST before Joint Commissioners of State tax Thane city Thane : Maharashtra for 2017-18                                | 16                       | -                        |
| 40   | CGST Act, 2017  | Demand for GST before Deputy Commissioners .Gandhi Maidan: Patna West: Bihar for 2018-19   | 18                       | -                        |

- (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, clauses 3(xii)(a), 3(xii)(b) and 3(xii)(c) of the Order is not applicable to the Company.
- (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) (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.
- (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(xxi) of the order is not applicable in respect of audit of standalone financial statements. Accordingly, no comment in respect of the said clause has been included in this report.

**For SAKSHI & ASSOCIATES**

Chartered Accountants

Firm's Registration Number: 025099N

**SAKSHI KHARABANDA**

(FCA)

M.No.:523802

Place : New Delhi

Date : 22 May, 2025

UDIN : 25523802BMKTYH4438

## 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, 2025 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 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, 2025, 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

Firm's Registration Number: 025099N

**SAKSHI KHARABANDA**

Proprietor

M.No.:523802

Place : New Delhi

Date : 22 May 2025

UDIN : 25523802BMKTYH4438



## HPL Electric & Power Limited

CIN NO.: L74899DL1992PLC048945

# Balance Sheet

as at 31<sup>st</sup> March 2025

(₹ in Lakhs)

| Particulars   | Note | As at<br>31st March 2025 | As at<br>31st March 2024 |
|---|------|--------------------------|--------------------------|
| <b>ASSETS</b>   |      |                          |                          |
| <b>Non-Current Assets</b>   |      |                          |                          |
| Property, plant and equipment   | 3    | 44,963.35                | 41,489.81                |
| Capital work in progress  | 4    | 663.34                   | 689.84                   |
| Right of use Assets   | 5    | 644.16                   | 318.18                   |
| Financial assets  |      |                          |                          |
| i. Investments  | 6    | 5,400.10                 | 5,400.10                 |
| ii. Loans   | 7    | 178.47                   | 246.72                   |
| Other non-current assets  | 8    | 562.99                   | 600.35                   |
| <b>Total Non-Current Assets</b>   |      | <b>52,412.41</b>         | <b>48,745.00</b>         |
| <b>Current assets</b>   |      |                          |                          |
| Inventories   | 9    | 66,329.27                | 55,676.84                |
| Financial assets  |      |                          |                          |
| i. Trade receivables  | 10   | 69,494.69                | 65,047.40                |
| ii. Cash and cash equivalents   | 11   | 2,202.76                 | 2,206.85                 |
| iii. Bank balances other than (ii) above  | 12   | 3,100.04                 | 2,905.64                 |
| iv. Loans   | 7    | 160.81                   | 69.55                    |
| v. Other financial assets   | 13   | 1,494.81                 | 1,277.24                 |
| Current tax assets (Net)  | 14   | -                        | 146.66                   |
| Other current assets  | 8    | 7,998.72                 | 4,833.76                 |
| <b>Total Current Assets</b>   |      | <b>150,781.10</b>        | <b>132,163.94</b>        |
| <b>Total Assets</b>   |      | <b>203,193.51</b>        | <b>180,908.94</b>        |
| <b>EQUITY AND LIABILITIES</b>   |      |                          |                          |
| <b>Equity</b>   |      |                          |                          |
| Equity share capital  | 15   | 6,430.05                 | 6,430.05                 |
| Other equity  | 16   | 83,557.13                | 75,561.85                |
| <b>Total equity</b>   |      | <b>89,987.18</b>         | <b>81,991.90</b>         |
| <b>Liabilities</b>  |      |                          |                          |
| <b>Non-Current Liabilities</b>  |      |                          |                          |
| <b>Financial liabilities</b>  |      |                          |                          |
| i. Borrowings   | 17   | 2,089.82                 | 6,916.32                 |
| ii. Lease liabilities   | 18   | 388.33                   | 236.60                   |
| iii. Other financial liabilities  | 19   | 1,175.64                 | 2,472.53                 |
| Provisions  | 20   | 1,235.56                 | 1,132.06                 |
| Deferred tax liability (Net)  | 21   | 318.12                   | 380.89                   |
| <b>Total non-current liabilities</b>  |      | <b>5,207.47</b>          | <b>11,138.40</b>         |
| <b>Current liabilities</b>  |      |                          |                          |
| <b>Financial liabilities</b>  |      |                          |                          |
| i. Borrowings   | 22   | 59,303.76                | 51,198.12                |
| ii. Lease liabilities   | 18   | 233.28                   | 114.62                   |
| iii. Trade payables   | 23   |                          |                          |
| a) total outstanding dues of micro enterprises and small enterprises                      |      | 1,563.97                 | 1,471.01                 |
| b) total outstanding dues of creditors other than micro enterprises and small enterprises |      | 40,533.24                | 27,581.62                |
| iv. Other financial liabilities   | 19   | 3,291.60                 | 5,662.80                 |
| Other current liabilities   | 24   | 2,122.95                 | 1,120.71                 |
| Provisions  | 20   | 686.86                   | 629.76                   |
| Current tax liabilities (Net)   | 14   | 263.20                   | -                        |
| <b>Total current liabilities</b>  |      | <b>107,998.86</b>        | <b>87,778.64</b>         |
| <b>Total Liabilities</b>  |      | <b>113,206.33</b>        | <b>98,917.04</b>         |
| <b>Total Equity and Liabilities</b>   |      | <b>203,193.51</b>        | <b>180,908.94</b>        |

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

F.R.N. : 025099N

UDIN : 25523802BMKTYH4438

Place : New Delhi

Dated : 22 May, 2025

For and on behalf of the Board

**Rishi Seth**

Managing Director

DIN- 00203469

**Lalit Seth**

Director

DIN-00312007

Place : Kundli

**Gautam Seth**

Joint MD and CFO

DIN- 00203405

**Vivek Kumar**

Company Secretary

M.No. A18491



## HPL Electric & Power Limited

CIN NO.: L74899DL1992PLC048945

# Statement of Profit and Loss

for the year ended 31st March 2025

(₹ in Lakhs)

| Particulars  | Note No | Year ended<br>31st March 2025 | Year ended<br>31st March 2024 |
|--|---------|-------------------------------|-------------------------------|
| <b>Income:</b>   |         |                               |                               |
| I. Revenue from operations                                   | 25      | 168,440.50                    | 142,091.65                    |
| II. Other income   | 26      | 435.04                        | 375.30                        |
| III. <b>Total income (I + II)</b>                            |         | <b>168,875.54</b>             | <b>142,466.95</b>             |
| <b>IV. Expenses:</b>   |         |                               |                               |
| Cost of materials consumed                                   | 27      | 122,541.04                    | 97,774.59                     |
| Changes in inventories of finished goods, work-in-progress   | 28      | (10,456.05)                   | (3,176.16)                    |
| Employee benefits expense                                    | 29      | 19,248.38                     | 17,328.46                     |
| Finance cost   | 30      | 8,536.09                      | 8,512.14                      |
| Depreciation and amortization expenses                       | 31      | 3,886.59                      | 3,523.04                      |
| Other expenses   | 32      | 13,433.32                     | 12,057.91                     |
| <b>Total expenses</b>  |         | <b>157,189.37</b>             | <b>136,019.98</b>             |
| V. <b>Profit before exceptional items and tax (III-IV)</b>   |         | <b>11,686.17</b>              | <b>6,446.97</b>               |
| VI. Exceptional items  |         | -                             | -                             |
| VII. <b>Profit before tax (V-VI)</b>                         |         | <b>11,686.17</b>              | <b>6,446.97</b>               |
| <b>VIII. Tax expense:</b>                                    |         |                               |                               |
| (1) Current tax  | 33      | 3,055.45                      | 1,153.07                      |
| (2) Deferred tax   | 33      | (48.88)                       | 1,167.92                      |
| IX. <b>Profit for the period (VII-VIII)</b>                  |         | <b>8,679.60</b>               | <b>4,125.98</b>               |
| X. <b>Other comprehensive income (OCI)</b>                   |         |                               |                               |
| <b>Items that will not be reclassified to profit or loss</b> |         |                               |                               |
| Remeasurement of post employment benefit obligations         |         | (55.21)                       | (364.81)                      |
| Income tax relating to these items                           |         | 13.89                         | 127.48                        |
| <b>Other comprehensive income for the period, net of tax</b> |         | <b>(41.32)</b>                | <b>(237.33)</b>               |
| XI. <b>Total comprehensive income for the period (IX+X)</b>  |         | <b>8,638.28</b>               | <b>3,888.65</b>               |
| XII. Earnings per equity share of ₹10/- each                 | 34      |                               |                               |
| (1) Basic (₹)  |         | 13.50                         | 6.42                          |
| (2) Diluted (₹)  |         | 13.50                         | 6.42                          |

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

F.R.N. : 025099N

UDIN : 25523802BMKTYH4438

Place : New Delhi

Dated : 22 May, 2025

**For and on behalf of the Board**

**Rishi Seth**

Managing Director

DIN- 00203469

**Lalit Seth**

Director

DIN-00312007

Place : Kundli

**Gautam Seth**

Joint MD and CFO

DIN- 00203405

**Vivek Kumar**

Company Secretary

M.No. A18491



## HPL Electric & Power Limited

CIN NO.: L74899DL1992PLC048945

# Cash Flow Statement

for the year ended 31st March 2025

(₹ in Lakhs)

| Particulars  | Year ended<br>31st March 2025 | Year ended<br>31st March 2024 |
|--|-------------------------------|-------------------------------|
| <b>A. Cash flow from operating activities</b>                                    |                               |                               |
| Net profit/ (loss) before tax  | 11,686.17                     | 6,446.97                      |
| Adjustments for :  |                               |                               |
| - Depreciation and amortisation expenses   | 3,886.59                      | 3,523.04                      |
| - Finance expenses   | 8,536.09                      | 8,512.14                      |
| - Interest income  | (401.51)                      | (338.24)                      |
| - Loss / (profit) on sale of fixed assets  | 79.09                         | 74.66                         |
| Operating profit before working capital changes                                  | 23,786.43                     | 18,218.57                     |
| Adjustments for :  |                               |                               |
| Decrease/(increase) in trade receivables   | (4,412.29)                    | (10,238.16)                   |
| Decrease/(increase) in other financial and non-financial assets                  | (3,471.44)                    | 276.19                        |
| Decrease/(increase) in inventories   | (10,652.44)                   | (9,061.25)                    |
| (Decrease)/increase in trade payables  | 13,044.59                     | 8,020.14                      |
| (Decrease)/increase in other financial, non financial liabilities and provisions | (2,560.45)                    | 3,402.96                      |
| Cash generated from operations   | 15,734.40                     | 10,618.45                     |
| - Taxes paid (net of refunds)  | (2,645.59)                    | (1,280.32)                    |
| <b>Net cash from operating activities (A)</b>                                    | <b>13,088.81</b>              | <b>9,338.13</b>               |
| <b>B. Cash flow from investing activities</b>                                    |                               |                               |
| - Payment for property, plant & equipment  | (7,312.38)                    | (3,948.00)                    |
| - (Increase)/ decrease in capital work in progress                               | 26.50                         | 32.17                         |
| - Payment for acquiring right of use of assets                                   | (276.20)                      | (149.80)                      |
| - Proceeds from Sale of property, plant and equipments                           | 93.76                         | 40.17                         |
| - Security Deposits (Paid)/Received  | 68.25                         | (17.21)                       |
| - Interest income received   | 401.51                        | 338.24                        |
| <b>Net cash used in investing activities (B)</b>                                 | <b>(6,998.56)</b>             | <b>(3,704.53)</b>             |
| <b>C. Cash flow from financing activities</b>                                    |                               |                               |
| - Proceeds/(Repayment) of working capital loan (net)                             | 8,105.65                      | (1,948.58)                    |
| - Proceeds/(Repayment) of secured long term loan                                 | (4,826.50)                    | 4,368.69                      |
| - Payment of lease liabilities interest portion                                  | (64.54)                       | (48.18)                       |
| - Finance expenses   | (8,471.55)                    | (8,463.95)                    |
| - Payment of dividend  | (643.00)                      | (643.00)                      |
| <b>Net cash used in financing activities (C)</b>                                 | <b>(5,899.94)</b>             | <b>(6,735.02)</b>             |
| Net changes in cash & cash equivalents (A+B+C)                                   | 190.31                        | (1,101.42)                    |
| Cash & cash equivalents at the beginning of the year                             | 5,112.49                      | 6,213.91                      |
| Cash & cash equivalents at the end of the year                                   | 5,302.80                      | 5,112.49                      |

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

F.R.N. : 025099N

UDIN : 25523802BMKTYH4438

Place : New Delhi

Dated : 22 May, 2025

For and on behalf of the Board

**Rishi Seth**

Managing Director

DIN- 00203469

**Lalit Seth**

Director

DIN-00312007

Place : Kundli

**Gautam Seth**

Joint MD and CFO

DIN- 00203405

**Vivek Kumar**

Company Secretary

M.No. A18491

**HPL Electric & Power Limited**

CIN NO.: L74899DL1992PLC048945

**Statement of changes in equity**

for the year ended 31st March 2025

**I) Equity Share Capital**

(₹ in Lakhs)

| Particulars                   | Notes | Number     | Amount   |
|-------------------------------|-------|------------|----------|
| Balance as at 1st April 2023  | 15    | 64,300,486 | 6,430.05 |
| Changes during the year       |       | -          | -        |
| Balance as at 31st March 2024 |       | 64,300,486 | 6,430.05 |
| Changes during the year       | 15    | -          | -        |
| Balance as at 31st March 2025 |       | 64,300,486 | 6,430.05 |

**II) Other equity**

(₹ in Lakhs)

| Particulars  | Notes | Security premium | General reserve | Retained earnings | Total            |
|--|-------|------------------|-----------------|-------------------|------------------|
| Balance as at 1st April 2023                         | 16    | 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)         |
| <b>Total comprehensive income</b>                    | -     | -                | -               | <b>3,888.65</b>   | <b>3,888.65</b>  |
| Transaction with owners in their capacity as owners: |       |                  |                 |                   |                  |
| Final equity dividend                                |       |                  |                 | (643.00)          | (643.00)         |
| <b>Balance as at 31st March 2024</b>                 |       | <b>36,601.35</b> | <b>2,571.31</b> | <b>36,389.19</b>  | <b>75,561.85</b> |
| Profit for the year                                  | -     | -                | -               | 8,679.60          | 8,679.60         |
| Other comprehensive income                           | -     | -                | -               | (41.32)           | (41.32)          |
| <b>Total comprehensive income</b>                    | -     | -                | -               | <b>8,638.28</b>   | <b>8,638.28</b>  |
| Transaction with owners in their capacity as owners: |       |                  |                 |                   |                  |
| Final equity dividend                                | -     | -                | -               | (643.00)          | (643.00)         |
| <b>Balance as at 31st March 2025</b>                 |       | <b>36,601.35</b> | <b>2,571.31</b> | <b>44,384.47</b>  | <b>83,557.13</b> |

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

F.R.N. : 025099N

UDIN : 25523802BMKTYH4438

Place : New Delhi

Dated : 22 May, 2025

For and on behalf of the Board

**Rishi Seth**

Managing Director

DIN- 00203469

**Lalit Seth**

Director

DIN-00312007

Place : Kundli

**Gautam Seth**

Joint MD and CFO

DIN- 00203405

**Vivek Kumar**

Company Secretary

M.No. A18491



## HPL Electric & Power Limited

CIN NO.: L74899DL1992PLC048945

# Notes forming part of the financial statements

for the year ended 31st March 2025

### 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 Gurugram, 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 Gurugram 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 22, 2025.

### 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 have been prepared on accrual and going concern basis and 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.

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 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.

##### 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 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 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.

#### 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.

##### 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.

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 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 Judgement estimate & 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 40.

### 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 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 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.

### e) Events occurring after Balance Sheet date

The Company evaluates events and transactions that occur subsequent to the balance sheet date but prior to approval of the financial statements to determine the necessity for recognition and/or reporting of any of these events and transactions in the financial statements. As of date, there are no subsequent events to be recognized or reported that are not already disclosed.

### f) 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..

# HPL Electric & Power Limited

CIN NO.: L74899DL1992PLC048945

Notes forming part of the financial statements as at and for the year ended 31st March 2025

## 3 Property, plant and equipment

(₹ in Lakhs)

| S.No. | Particulars          | 1st April<br>2024 | Gross Block<br>Additions | Deletion /<br>Adjustment | 31st March<br>2025 | 1st April<br>2024 | Accumulated Depreciation<br>For the year | Deletion /<br>Adjustment | 31st March<br>2025 | Net Block<br>31st March<br>2025 |
|-------|----------------------|-------------------|--------------------------|--------------------------|--------------------|-------------------|--|--------------------------|--------------------|---------------------------------|
| 1     | Freehold Land        | 13,132.01         | -                        | -                        | 13,132.01          | -                 | -  | -                        | -                  | 13,132.01                       |
| 2     | Building             | 9,378.92          | -                        | -                        | 9,378.92           | 1,855.28          | 204.43                                   | -                        | 2,059.71           | 7,319.21                        |
| 3     | Plant & Machinery    | 35,811.98         | 6,681.42                 | (1,432.27)               | 41,061.13          | 15,693.81         | 3,282.11                                 | (1,319.03)               | 17,656.89          | 23,404.24                       |
| 4     | Furniture & Fittings | 517.76            | 33.46                    | (77.58)                  | 473.64             | 245.70            | 43.45                                    | (73.70)                  | 215.45             | 258.19                          |
| 5     | Office Equipment's   | 183.02            | 52.22                    | (82.63)                  | 152.61             | 99.93             | 26.32                                    | (78.32)                  | 47.93              | 104.68                          |
| 6     | Vehicles             | 731.42            | 545.28                   | (324.64)                 | 952.06             | 370.58            | 109.68                                   | (273.22)                 | 207.04             | 745.02                          |
|       | <b>TOTAL</b>         | <b>59,755.11</b>  | <b>7,312.38</b>          | <b>(1,917.12)</b>        | <b>65,150.37</b>   | <b>18,265.30</b>  | <b>3,665.99</b>                          | <b>(1,744.27)</b>        | <b>20,187.02</b>   | <b>44,963.35</b>                |

(₹ in Lakhs)

| S.No. | Particulars          | 1st April<br>2023 | Gross Block<br>Additions | Deletion /<br>Adjustment | 31st March<br>2024 | 1st April<br>2023 | Accumulated Depreciation<br>For the year | Deletion /<br>Adjustment | 31st March<br>2024 | Net Block<br>31st March<br>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                                   | -                        | 1,855.28           | 7,523.64                        |
| 3     | Plant & Machinery    | 33,372.63         | 4,227.22                 | (1,787.87)               | 35,811.98          | 14,406.95         | 2,990.28                                 | (1,703.42)               | 15,693.81          | 20,118.17                       |
| 4     | Furniture & Fittings | 545.18            | 51.72                    | (79.14)                  | 517.76             | 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                                    | (112.99)                 | 99.93              | 83.09                           |
| 6     | Vehicles             | 683.40            | 155.76                   | (107.74)                 | 731.42             | 372.27            | 85.68                                    | (87.37)                  | 370.58             | 360.84                          |
|       | <b>TOTAL</b>         | <b>57,372.85</b>  | <b>4,476.65</b>          | <b>(2,094.39)</b>        | <b>59,755.11</b>   | <b>16,890.44</b>  | <b>3,354.42</b>                          | <b>(1,979.56)</b>        | <b>18,265.30</b>   | <b>41,489.81</b>                |

a) Refer note 17 and 22 for information on property, plant & equipment pledged as security by the Company





## HPL Electric & Power Limited

CIN NO.: L74899DL1992PLC048945

Notes forming part of the financial statements as at and for the year ended 31st March 2025

### 4 CWIP ageing schedule as at 31 March 2025

(₹ in Lakhs)

| S No | Particulars                    | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | Total         |
|------|--------------------------------|------------------|-----------|-----------|-------------------|---------------|
| 1    | Project in process at Gurugram | 423.55           | -         | -         | -                 | 423.55        |
| 2    | Project in process at Kundli   | 239.79           | -         | -         | -                 | 239.79        |
|      | <b>Total</b>                   | <b>663.34</b>    | <b>-</b>  | <b>-</b>  | <b>-</b>          | <b>663.34</b> |

### 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    | Project in process at Gurugram | 689.84           | -         | -         | -                 | 689.84        |
|      | <b>Total</b>                   | <b>689.84</b>    | <b>-</b>  | <b>-</b>  | <b>-</b>          | <b>689.84</b> |

### 5 Right of use assets

(₹ in Lakhs)

| Particulars                     | FY 24-25<br>Leasehold Buildings<br>and P&M | FY 23-24<br>Leasehold Buildings |
|---------------------------------|--|---------------------------------|
| <b>Gross carrying value</b>     |  |                                 |
| As at 01 April                  | 524.09                                     | 637.05                          |
| Additions                       | 546.58                                     | 567.42                          |
| Disposals                       | (59.48)                                    | (680.38)                        |
| <b>As at 31 March</b>           | <b>1,011.19</b>                            | <b>524.09</b>                   |
| <b>Accumulated depreciation</b> |  |                                 |
| As at 01 April                  | 205.91                                     | 484.19                          |
| Additions                       | 220.60                                     | 168.62                          |
| Disposals                       | (59.48)                                    | (446.90)                        |
| <b>As at 31 March</b>           | <b>367.03</b>                              | <b>205.91</b>                   |
| <b>Net carrying value</b>       |  |                                 |
| As at 31 March                  | 644.16                                     | 318.18                          |

### 6 Non-current investments

(₹ in Lakhs)

| Particulars  | As at<br>31st March 2025 | As at<br>31st March 2024 |
|--|--------------------------|--------------------------|
| <b>Investment in Subsidiary</b>  |                          |                          |
| Himachal Energy Pvt Ltd (15,000,000 Equity Shares of ₹ 10 each fully paid up)<br>(31st March 2024: 15,000,000 Equity Shares of ₹ 10 each fully paid up)  | 5,400.00                 | 5,400.00                 |
| <b>Investment in others</b>  |                          |                          |
| Apraava Bhopal Smart Meter Pvt Ltd (1,000 Equity Shares of ₹ 10 each fully paid up)<br>(31st March 2024: 1,000 Equity Shares of ₹ 10 each fully paid up) | 0.10                     | 0.10                     |
| <b>Total</b>   | <b>-</b>                 | <b>689.84</b>            |



## Notes forming part of the financial statements as at and for the year ended 31st March 2025

## 7 Loans

(Unsecured, considered good)

(₹ in Lakhs)

| Particulars       | Non-current              |                          | Current                  |                          |
|-------------------|--------------------------|--------------------------|--------------------------|--------------------------|
|                   | As at<br>31st March 2025 | As at<br>31st March 2024 | As at<br>31st March 2025 | As at<br>31st March 2024 |
| Security Deposits | 178.47                   | 246.72                   | 160.81                   | 69.55                    |
| <b>Total</b>      | <b>178.47</b>            | <b>246.72</b>            | <b>160.81</b>            | <b>69.55</b>             |

## 8 Other assets

(₹ in Lakhs)

| Particulars                                     | Non-current              |                          | Current                  |                          |
|---|--------------------------|--------------------------|--------------------------|--------------------------|
|   | As at<br>31st March 2025 | As at<br>31st March 2024 | As at<br>31st March 2025 | As at<br>31st March 2024 |
| Receivable on deferred basis to related parties | 561.74                   | 596.74                   | -                        | -                        |
| Prepaid Expenses                                | 1.25                     | 3.61                     | 1,481.74                 | 741.06                   |
| Balance with government authorities             | -                        | -                        | 1,371.27                 | 1,201.32                 |
| Advance to Suppliers*                           | -                        | -                        | 1,899.79                 | 2,883.55                 |
| Duty Drawback Recoverable                       | -                        | -                        | 8.05                     | 7.83                     |
| Project assets (net)                            | -                        | -                        | 3,237.87                 | -                        |
| <b>Total</b>                                    | <b>562.99</b>            | <b>600.35</b>            | <b>7,998.72</b>          | <b>4,833.76</b>          |

\*includes Rs. 1,052.97/- lakhs from subsidiary, joint ventures and companies, where directors are interested (PY: 1,988.85/- lakhs)

## 9 Inventories

(₹ in Lakhs)

| Particulars  | As at<br>31st March 2025 | As at<br>31st March 2024 |
|--|--------------------------|--------------------------|
| (Valued at lower of cost and net realisable value unless otherwise stated) |                          |                          |
| a. Raw Materials and components  |                          |                          |
| (i) Raw materials  | 29,841.96                | 29,728.53                |
| (ii) Material-in-transit   | 301.45                   | 218.23                   |
| b. Work-in-progress  | 22,616.30                | 15,676.51                |
| c. Finished goods  | 13,539.45                | 10,023.18                |
| d. Stores and spares   | 30.11                    | 30.39                    |
| <b>Total</b>   | <b>66,329.27</b>         | <b>55,676.84</b>         |

## 10 Trade Receivables

(₹ in Lakhs)

| Particulars  | As at<br>31st March 2025 | As at<br>31st March 2024 |
|--|--------------------------|--------------------------|
| Unsecured  |                          |                          |
| (i) Trade receivables-considered good*                 | 69,494.69                | 65,047.40                |
| (ii) Trade receivables-credit impaired                 | 1,402.69                 | 1,261.48                 |
|  | <b>70,897.38</b>         | <b>66,308.88</b>         |
| Less: Allowances for trade receivables-credit impaired | (1,402.69)               | (1,261.48)               |
| <b>Total</b>   | <b>69,494.69</b>         | <b>65,047.40</b>         |

\* includes from companies where directors are interested ₹ Nil (PY: ₹ 337.31)



## HPL Electric & Power Limited

CIN NO.: L74899DL1992PLC048945

Notes forming part of the financial statements as at and for the year ended 31st March 2025

Trade receivable ageing schedule as at March 31, 2025

(₹ in Lakhs)

| 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                       | 48,842.47  | 12,855.64          | 1,664.23           | 1,820.39        | 1,952.37        | 2,359.59          | 69,494.69        |
| Undisputed trade receivable-Credit impaired                        | -  | -                  | -                  | -               | -               | 1,402.69          | 1,402.69         |
| Disputed trade receivable-Considered good                          | -  | -                  | -                  | -               | -               | -                 | -                |
| Disputed trade receivable-Credit impaired                          | -  | -                  | -                  | -               | -               | -                 | -                |
| Less : Impairment allowance for trade receivables- Credit impaired | -  | -                  | -                  | -               | -               | (1,402.69)        | (1,402.69)       |
| <b>Total</b>   | <b>48,842.47</b>   | <b>12,855.64</b>   | <b>1,664.23</b>    | <b>1,820.39</b> | <b>1,952.37</b> | <b>2,359.59</b>   | <b>69,494.69</b> |

Trade receivable ageing schedule as at March 31, 2024

(₹ in Lakhs)

| 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)       |
| <b>Total</b>   | <b>44,492.44</b>   | <b>10,007.73</b>   | <b>2,925.04</b>    | <b>2,674.58</b> | <b>1,710.75</b> | <b>3,236.86</b>   | <b>65,047.40</b> |

### 11 Cash and Cash Equivalents

(₹ in Lakhs)

| Particulars                      | As at<br>31st March 2025 | As at<br>31st March 2024 |
|----------------------------------|--------------------------|--------------------------|
| <b>Cash and Cash equivalents</b> |                          |                          |
| Balances with banks              | 2,167.45                 | 1,852.73                 |
| Cash on hand                     | 35.31                    | 354.12                   |
|                                  | <b>2,202.76</b>          | <b>2,206.85</b>          |

### 12 Other Bank Balances

(₹ in Lakhs)

| Particulars                              | As at<br>31st March 2025 | As at<br>31st March 2024 |
|--|--------------------------|--------------------------|
| Balances with Banks held as Margin Money | 3,100.04                 | 2,905.64                 |
| <b>Total</b>                             | <b>3,100.04</b>          | <b>2,905.64</b>          |

## Notes forming part of the financial statements as at and for the year ended 31st March 2025

## 13 Other financial assets

(₹ in Lakhs)

| Particulars                 | Current                  |                          |
|-----------------------------|--------------------------|--------------------------|
|                             | As at<br>31st March 2025 | As at<br>31st March 2024 |
| Earnest money deposit       | 737.64                   | 647.00                   |
| Insurance claim Recoverable | 47.73                    | 47.74                    |
| Contract Asset Recoverable  | 709.44                   | 582.50                   |
| <b>Total</b>                | <b>1,494.81</b>          | <b>1,277.24</b>          |

## 14 Current tax assets (Net)

(₹ in Lakhs)

| Particulars                                   | As at<br>31st March 2025 | As at<br>31st March 2024 |
|---|--------------------------|--------------------------|
| Advance Income Tax (net of provision for tax) | -                        | 146.66                   |
| <b>Total</b>                                  | <b>-</b>                 | <b>146.66</b>            |

## Current tax liability (Net)

(₹ in Lakhs)

| Particulars   | As at<br>31st March 2025 | As at<br>31st March 2024 |
|---|--------------------------|--------------------------|
| Current tax liability (net of advance tax and tax deducted at source) | 263.20                   | -                        |
| <b>Total</b>  | <b>263.20</b>            | <b>-</b>                 |

## 15 Share Capital

(₹ in Lakhs)

| Particulars   | As at<br>31st March 2025 | As at<br>31st March 2024 |
|---|--------------------------|--------------------------|
| <b>(a) Authorized</b>   |                          |                          |
| 70,000,000 Equity Shares of ₹ 10/- each (31st March 2024; 70,000,000 Equity Shares of ₹ 10/- each)                          | 7,000.00                 | 7,000.00                 |
| <b>(b) Issued, Subscribed &amp; Paid Up</b>   |                          |                          |
| 64,300,486 Equity Shares of ₹ 10/- each fully paid up (31st March 2024; 64,300,486 Equity Shares of ₹ 10/- each fully paid) | 6,430.05                 | 6,430.05                 |
| <b>Total</b>  | <b>6,430.05</b>          | <b>6,430.05</b>          |

## (c) Reconciliation of share capital at the beginning and close of the accounting year ended :-

(₹ in Lakhs)

| Particulars                                      | As at 31st March 2025 |                 | As at 31st March 2024 |                 |
|--|-----------------------|-----------------|-----------------------|-----------------|
|  | Number                | Amount ₹        | Number                | Amount ₹        |
| Shares outstanding at the beginning of the year  | 64,300,486            | 6,430.05        | 64,300,486            | 6,430.05        |
| Shares Issued during the year                    | -                     | -               | -                     | -               |
| <b>Shares outstanding at the end of the year</b> | <b>64,300,486</b>     | <b>6,430.05</b> | <b>64,300,486</b>     | <b>6,430.05</b> |

## (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.

## Notes forming part of the financial statements as at and for the year ended 31st March 2025

### (e) Shareholders holding more than 5% shares in the Company :-

| Name of Shareholder           | As at 31st March 2025     |              | As at 31st March 2024     |              |
|-------------------------------|---------------------------|--------------|---------------------------|--------------|
|                               | No. of Equity Shares held | % of Holding | No. of Equity Shares held | % of Holding |
| Mr. Lalit Seth                | 8,030,228                 | 12.49        | 8,030,228                 | 12.49        |
| HPL India Ltd                 | 17,573,238                | 27.33        | 17,573,238                | 27.33        |
| Havell's Electronics Pvt. Ltd | 11,652,130                | 18.12        | 11,652,130                | 18.12        |

### (f) Shareholding of promoters:

| Name of Shareholder                  | As at 31st March 2025     |              | As at 31st March 2024     |              |
|--------------------------------------|---------------------------|--------------|---------------------------|--------------|
|                                      | No. of Equity Shares held | % of Holding | No. of Equity Shares held | % of Holding |
| Mr. Lalit Seth                       | 8,030,228                 | 12.49        | 8,030,228                 | 12.49        |
| Mr. Rishi Seth                       | 2,231,740                 | 3.47         | 2,231,740                 | 3.47         |
| Mr. Gautam Seth                      | 2,231,740                 | 3.47         | 2,231,740                 | 3.47         |
| Mrs. Praveen Seth                    | 2,133,098                 | 3.32         | 2,133,098                 | 3.32         |
| HPL India Ltd                        | 17,573,238                | 27.33        | 17,573,238                | 27.33        |
| Havell's Electronics Private Limited | 11,652,130                | 18.12        | 11,652,130                | 18.12        |
| Havell's Private Limited             | 2,842,655                 | 4.42         | 2,842,655                 | 4.42         |
| Jeson Imprex Private Limited         | 24,000                    | 0.04         | 24,000                    | 0.04         |

## 16 Other equity

### (i) Reserves and Surplus

(₹ in Lakhs)

| (a) Securities Premium                   | As at<br>31st March 2025 | As at<br>31st March 2024 |
|--|--------------------------|--------------------------|
| Opening Balance - Securities premium     | 36,601.35                | 36,601.35                |
| Add : Received on issue of equity shares | -                        | -                        |
| Less : share issue expenses              | -                        | -                        |
| <b>Closing Balance</b>                   | <b>36,601.35</b>         | <b>36,601.35</b>         |

#### Securities premium reserve

Securities premium reserve is used to record the premium on issue of securities. The reserve will be utilised in accordance with the provisions of the Companies Act, 2013

(₹ in Lakhs)

| (b) General reserve       | As at<br>31st March 2025 | As at<br>31st March 2024 |
|---------------------------|--------------------------|--------------------------|
| Opening Balance           | 2,571.31                 | 2,571.31                 |
| (+) Current Year Transfer | -                        | -                        |
| <b>Closing Balance</b>    | <b>2,571.31</b>          | <b>2,571.31</b>          |

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

## Notes forming part of the financial statements as at and for the year ended 31st March 2025

(₹ in Lakhs)

| (c) Retained earnings  | As at<br>31st March 2025 | As at<br>31st March 2024 |
|--|--------------------------|--------------------------|
| Opening balance - retained earnings  | 36,389.19                | 33,143.54                |
| (+) Net profit/(Loss) for the current year                                   | 8,679.60                 | 4,125.98                 |
| (-) Dividend on Equity Shares  | (643.00)                 | (643.00)                 |
| Items of other comprehensive income recognised directly in retained earnings |                          |                          |
| - Remeasurements of post-employment benefit obligation, net of tax           | (41.32)                  | (237.33)                 |
| <b>Closing Balance</b>   | <b>44,384.47</b>         | <b>36,389.19</b>         |
| <b>Total Reserves &amp; Surplus (a+b+c)</b>                                  | <b>83,557.13</b>         | <b>75,561.85</b>         |

## 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

## 17 Borrowings

(₹ in Lakhs)

| Particulars                | Non-Current              |                          |
|----------------------------|--------------------------|--------------------------|
|                            | As at<br>31st March 2025 | As at<br>31st March 2024 |
| <b>Secured</b>             |                          |                          |
| Term loan from banks       | 1,986.96                 | 6,842.34                 |
| Vehicle loans - from banks | 102.86                   | 73.98                    |
| <b>Total</b>               | <b>2,089.82</b>          | <b>6,916.32</b>          |

## Secured term loan

The part of outstanding term loan (including current maturity of long term borrowings as per note 22) amounting to Rs. 10.94 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 22) amounting to Rs. 56.71 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 10.94 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 10.94 crores as mentioned above and 2nd pari-passu charge on fixed assets financed by term lenders of Rs. 10.94 crores and also secured by way of personal guarantee of three promoter directors on entire term loans.

## Term loans from banks

| Nature       | As at<br>31st March 2025 | Interest rate                         | Frequency of payments | Maturity       |
|--------------|--------------------------|---------------------------------------|-----------------------|----------------|
| Term Loan 1  | 356.94                   | 6 Month T Bill + spread<br>3.35% p.a. | Quarterly             | June, 2027     |
| Term Loan 2  | 209.10                   | 6 Month MCLR + spread<br>0.60% p.a.   | Monthly               | August, 2025   |
| Term Loan 3  | 528.25                   | EBR + spread 4.60% p.a.               | Monthly               | August, 2026   |
| Term Loan 4  | 1,993.51                 | 6 Month MCLR + spread<br>2% p.a.      | Quarterly             | February, 2026 |
| Term Loan 5  | 476.78                   | 3 Month T Bill + spread<br>3.13% p.a. | Quarterly             | May, 2026      |
| Term Loan 6  | 3,200.00                 | 6 Month MCLR + spread<br>1.05% p.a.   | Quarterly             | January, 2027  |
| <b>Total</b> | <b>6,764.58</b>          |                                       |                       |                |

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 Feb, 2028. The loan carries an interest rate from 8.5% p.a. to 8.75% p.a.

### Maturity profile of term loans including current maturities is as below:

(₹ in Lakhs)

| Paticulars                              | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|---|-------------------------|-------------------------|
| Not later than one year or on demand    | 4,777.62                | 4,987.59                |
| Later than one year but not two years   | 1,980.02                | 4,792.39                |
| Later than two year but not three years | 6.94                    | 2,049.95                |
| More than 3 years                       | -                       | -                       |
| <b>Total</b>                            | <b>6,764.58</b>         | <b>11,829.93</b>        |

### Maturity profile of vehicle loans including current maturities is as below:

(₹ in Lakhs)

| Paticulars                               | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|--|-------------------------|-------------------------|
| Not later than one year or on demand     | 168.04                  | 49.47                   |
| Later than one year but not two years    | 68.14                   | 39.99                   |
| Later than two year but not three years  | 34.72                   | 33.30                   |
| Later than three year but not four years | -                       | 0.69                    |
| <b>Total</b>                             | <b>270.90</b>           | <b>123.45</b>           |

## 18 Lease liabilities

(₹ in Lakhs)

| Particulars                       | Non-current              |                          | Current                  |                          |
|-----------------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
|                                   | As at<br>31st March 2025 | As at<br>31st March 2024 | As at<br>31st March 2025 | As at<br>31st March 2024 |
| Lease Liabilities (refer note 38) | 388.33                   | 236.60                   | 233.28                   | 114.62                   |
| <b>Total</b>                      | <b>388.33</b>            | <b>236.60</b>            | <b>233.28</b>            | <b>114.62</b>            |

## 19 Other financial liabilities

(₹ in Lakhs)

| Particulars                  | Non-current              |                          | Current                  |                          |
|------------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
|                              | As at<br>31st March 2025 | As at<br>31st March 2024 | As at<br>31st March 2025 | As at<br>31st March 2024 |
| Expenses Payable             | -                        | -                        | 479.32                   | 208.36                   |
| Interest Accrued but not due | -                        | -                        | 37.70                    | 69.99                    |
| Employee Benefits Payable    | -                        | -                        | 2,091.73                 | 1,139.24                 |
| Security deposit received    | 1,175.64                 | 1,282.62                 | -                        | -                        |
| Other liability*             | -                        | 1,189.91                 | 682.85                   | 4,245.21                 |
| <b>Total</b>                 | <b>1,175.64</b>          | <b>2,472.53</b>          | <b>3,291.60</b>          | <b>5,662.80</b>          |

\*Other liability-current includes Rs 393.90/- lakhs (PY. Rs 1500.00/-) to subsidiary and companies, where directors are interested.



## Notes forming part of the financial statements as at and for the year ended 31st March 2025

## 20 Provisions

(₹ in Lakhs)

| Particulars                         | Long-term                |                          | Short-term               |                          |
|-------------------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
|                                     | As at<br>31st March 2025 | As at<br>31st March 2024 | As at<br>31st March 2025 | As at<br>31st March 2024 |
| (a) Provision for employee benefits |                          |                          |                          |                          |
| Gratuity                            | 1,048.39                 | 887.41                   | 177.99                   | 147.82                   |
| Leave Encashment                    | -                        | -                        | 470.79                   | 368.85                   |
|                                     | 1,048.39                 | 887.41                   | 648.78                   | 516.67                   |
| (b) Other Provisions                |                          |                          |                          |                          |
| Provision for Warranties            | 187.17                   | 244.65                   | 38.08                    | 113.09                   |
|                                     | 187.17                   | 244.65                   | 38.08                    | 113.09                   |
| <b>Total</b>                        | <b>1,235.56</b>          | <b>1,132.06</b>          | <b>686.86</b>            | <b>629.76</b>            |

## 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.

## (i) Movements in provisions

Movements in warranty provision during the financial year, are set out below:

(₹ in Lakhs)

| Particulars                          | Warranty      |
|--------------------------------------|---------------|
| <b>As at 1st April 2023</b>          | <b>349.86</b> |
| 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)       |
| <b>As at 31st March 2024</b>         | <b>357.74</b> |
| Charged/(credited) to profit or loss |               |
| - additional provisions recognised   | 300.31        |
| - unused amounts reversed            |               |
| - unwinding of discount              | (7.49)        |
| Amounts used during the year         | (425.31)      |
| <b>As at 31st March 2025</b>         | <b>225.25</b> |

## 21 Deferred tax assets/(liabilities)

(₹ in Lakhs)

| Particulars  | As at<br>31st March 2025 | As at<br>31st March 2024 |
|--|--------------------------|--------------------------|
| The balance comprises temporary differences attributable to: | -                        | -                        |
| Provision for employee benefits                              | 467.94                   | 630.41                   |
| Provision for warranties                                     | 56.69                    | 112.75                   |
| Provision for doubtful debts                                 | 353.03                   | 539.49                   |
| Property, plant and equipment                                | (2,107.60)               | (2,915.53)               |
| Others   | 88.63                    | 428.80                   |
| MAT credit   | 823.19                   | 823.19                   |
| <b>Total deferred tax assets/(liabilities)t</b>              | <b>(318.12)</b>          | <b>(380.89)</b>          |

## Notes forming part of the financial statements as at and for the year ended 31st March 2025

### Movement in deferred tax assets/(liabilities)

(₹ in Lakhs)

| Particulars                      | Provision for employee benefits | Provision for warranties | Provision for doubtful debts | Total    |
|----------------------------------|---------------------------------|--------------------------|------------------------------|----------|
| At 1st April 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 income  | -                               | -                        | -                            | -        |
| At 31st March 2024               | 630.41                          | 112.75                   | 539.50                       | 1,282.66 |
| (Charged)/credited:              |                                 |                          |                              |          |
| - to profit or loss              | (162.47)                        | (56.06)                  | (186.47)                     | (405.00) |
| - to other comprehensive incomes | -                               | -                        | -                            | -        |
| At 31st March 2025               | 467.94                          | 56.69                    | 353.03                       | 877.66   |

| Particulars                      | Property, plant and equipment | Others   | MAT Credit | Total      |
|----------------------------------|-------------------------------|----------|------------|------------|
| At 1st April 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 income  | -                             | -        | -          | -          |
| At 31st March 2024               | (2,915.53)                    | 428.80   | 823.19     | (1,663.54) |
| (Charged)/credited:              |                               |          |            |            |
| - to profit or loss              | 807.93                        | (340.17) | -          | 467.76     |
| - to other comprehensive incomes | -                             | -        | -          | -          |
| At 31st March 2025               | (2,107.60)                    | 88.63    | 823.19     | (1,195.78) |

## 22 Short Term Borrowings

(₹ in Lakhs)

| Particulars                                  | As at<br>31st March 2025 | As at<br>31st March 2024 |
|--|--------------------------|--------------------------|
| Loans repayable on demand                    |                          |                          |
| -Secured Loans                               |                          |                          |
| - From Banks                                 | 54,358.10                | 46,161.06                |
| - Current maturities of long term borrowings | 4,777.62                 | 4,987.59                 |
| - Current maturities of vehicle loans        | 168.04                   | 49.47                    |
| <b>Total</b>                                 | <b>59,303.76</b>         | <b>51,198.12</b>         |

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 FCNR 3M SOFR+1.9 and these working capital facilities are repayable on demand. Working capital facilities alongwith term lenders of Rs 56.71 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. 10.94 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 10.94 Crores) at Company's 6 manufacturing locations. Working capital facilities and term loans are also secured by personal guarantees of three promoter directors.

## Notes forming part of the financial statements as at and for the year ended 31st March 2025

### 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<br>31st March 2025 | As at<br>31st March 2024 |
|----------------------------|--------------------------|--------------------------|
| Cash and cash equivalentss | 5,302.80                 | 5,112.49                 |
| Long term borrowings       | (2,089.82)               | (6,916.32)               |
| Short term borrowings      | (59,303.76)              | (51,198.12)              |
| <b>Net debt</b>            | <b>(56,090.78)</b>       | <b>(53,001.95)</b>       |

(₹ in Lakhs)

| Particulars  | Cash and cash<br>equivalents | Long term<br>Borrowings | Current Borrowings | Total              |
|--|------------------------------|-------------------------|--------------------|--------------------|
| Net debt as at 31st March 2023                     | 6,213.91                     | (2,547.63)              | (53,146.69)        | (49,480.41)        |
| Cash flows   | (1,101.42)                   | -                       | -                  | (1,101.42)         |
| Repayment/(Proceeds) working capital loan<br>(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)        |
| Cash flowss  | 190.31                       | -                       | -                  | 190.31             |
| Repayment/(Proceeds) working capital loan<br>(net) | -                            | -                       | (8,105.64)         | (8,105.64)         |
| Repayment/(Proceeds) secured term loan             | -                            | 4,826.50                | -                  | 4,826.50           |
| <b>Net debt as at 31st March 2025</b>              | <b>5,302.80</b>              | <b>(2,089.82)</b>       | <b>(59,303.76)</b> | <b>(56,090.78)</b> |

Utilised amount of bank guarantees (performance and bid bonds) as at 31st March 2025 : ₹ 43,036.17/- lakhs (PY ₹ 38,541.22/- lakhs)

### 23 Trade Payables

(₹ in Lakhs)

| Particulars  | As at<br>31st March 2025 | As at<br>31st March 2024 |
|--|--------------------------|--------------------------|
| <b>Trade payables</b>  |                          |                          |
| (a) Total outstanding of Micro and Small Enterprises under MSMED Act, 2006*<br>(Refer note 39) | 1,563.97                 | 1,471.01                 |
| (b) Total outstanding of creditors other than Micro and Small Enterprises                      | 40,533.24                | 27,581.62                |
| <b>Total</b>   | <b>42,097.21</b>         | <b>29,052.63</b>         |

#### Trade payable ageing schedule as at March 31, 2025

(₹ in Lakhs)

| Particulars           | Outstanding for following periods from due date of payment |                     |           |           |                      | Total            |
|-----------------------|--|---------------------|-----------|-----------|----------------------|------------------|
|                       | Not due  | Less than<br>1 year | 1-2 years | 2-3 years | More than<br>3 years |                  |
| Trade payables-MSME   | 1,563.97   | -                   | -         | -         | -                    | 1,563.97         |
| Trade payables-Others | 10,179.59  | 30,353.65           | -         | -         | -                    | 40,533.24        |
| Disputed dues-MSME    | -  | -                   | -         | -         | -                    | -                |
| Disputed dues-Others  | -  | -                   | -         | -         | -                    | -                |
| <b>Total</b>          | <b>11,743.56</b>   | <b>30,353.65</b>    | <b>-</b>  | <b>-</b>  | <b>-</b>             | <b>42,097.21</b> |

## Notes forming part of the financial statements as at and for the year ended 31st March 2025

### Trade payable ageing schedule as at March 31, 2024

(₹ in Lakhs)

| 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  | -  | -                | -         | -         | -                 | -                |
| <b>Total</b>          | <b>7,426.63</b>  | <b>21,626.00</b> | <b>-</b>  | <b>-</b>  | <b>-</b>          | <b>29,052.63</b> |

### 24 Other Current Liabilities

(₹ in Lakhs)

| Particulars            | As at<br>31st March 2025 | As at<br>31st March 2024 |
|------------------------|--------------------------|--------------------------|
| Statutory dues payable | 2,120.19                 | 1,116.78                 |
| Unpaid Dividend*       | 2.76                     | 3.93                     |
| <b>Total</b>           | <b>2,122.95</b>          | <b>1,120.71</b>          |

\* In accordance with the provisions of section 124 of the Companies Act, 2013, during the year Company has transferred unpaid dividend balance of Rs 1.16/- lakhs (PY. Rs Nil) related to FY 2016-17 to Investor's Education and Protection Fund (IEPF) of Central Government.

### 25 Revenue from operation

(₹ in Lakhs)

| Particulars             | Year ended<br>31st March 2025 | Year ended<br>31st March 2024 |
|-------------------------|-------------------------------|-------------------------------|
| <b>Sale of Products</b> |                               |                               |
| Finished Goods          | 168,440.50                    | 142,091.65                    |
| <b>Total</b>            | <b>168,440.50</b>             | <b>142,091.65</b>             |

### Particulars of Sale of products

(₹ in Lakhs)

| Particulars                     | Year ended<br>31st March 2025 | Year ended<br>31st March 2024 |
|---------------------------------|-------------------------------|-------------------------------|
| <b>Finished goods</b>           |                               |                               |
| Metering, Systems & Services    | 105,977.02                    | 81,263.62                     |
| Consumer, Industrial & Services | 62,463.48                     | 60,828.04                     |
| <b>Total</b>                    | <b>168,440.50</b>             | <b>142,091.66</b>             |

### 26 Other Income

(₹ in Lakhs)

| Particulars   | Year ended<br>31st March 2025 | Year ended<br>31st March 2024 |
|---|-------------------------------|-------------------------------|
| Interest income from financial assets at amortised cost | 401.51                        | 338.24                        |
| Other non-operating income                              | 33.53                         | 37.06                         |
| <b>Total</b>  | <b>435.04</b>                 | <b>375.30</b>                 |

## Notes forming part of the financial statements as at and for the year ended 31st March 2025

## 27 Particulars of Raw Materials Consumed

(₹ in Lakhs)

| Particulars           | Year ended<br>31st March 2025 | Year ended<br>31st March 2024 |
|-----------------------|-------------------------------|-------------------------------|
| Copper                | 22,726.07                     | 17,755.56                     |
| Electronic Components | 68,505.21                     | 55,685.37                     |
| Engineering Plastic   | 21,406.13                     | 16,923.36                     |
| Packing               | 1,876.78                      | 1,284.02                      |
| Otherss               | 8,026.85                      | 6,126.28                      |
| <b>Total</b>          | <b>122,541.04</b>             | <b>97,774.59</b>              |

## 28 Changes in Inventories of Finished Goods and Work-in-Progress and Stock-in- Trade

(₹ in Lakhs)

| Particulars                          | Year ended<br>31st March 2025 | Year ended<br>31st March 2024 |
|--------------------------------------|-------------------------------|-------------------------------|
| <b>Inventories (at close)</b>        |                               |                               |
| Finished Goods - at close            | 13,539.45                     | 10,023.18                     |
| Work-in-Progress - at close          | 22,616.30                     | 15,676.52                     |
|                                      | <b>36,155.75</b>              | <b>25,699.70</b>              |
| <b>Inventories (at commencement)</b> |                               |                               |
| Finished Goods - at commencement     | 10,023.18                     | 8,392.75                      |
| Work-in-Progress - at commencement   | 15,676.52                     | 14,130.79                     |
|                                      | <b>25,699.70</b>              | <b>22,523.54</b>              |
| <b>Total</b>                         | <b>(10,456.05)</b>            | <b>(3,176.16)</b>             |

## 29 Employee Benefits Expense

(₹ in Lakhs)

| Particulars   | Year ended<br>31st March 2025 | Year ended<br>31st March 2024 |
|---|-------------------------------|-------------------------------|
| Salaries and wages  | 18,462.69                     | 16,585.94                     |
| Contribution to provident and other funds (* refer note 40) | 273.85                        | 261.03                        |
| Staff welfare expenses                                      | 511.84                        | 481.49                        |
| <b>Total</b>  | <b>19,248.38</b>              | <b>17,328.46</b>              |

## 30 Finance Cost

(₹ in Lakhs)

| Particulars                                     | Year ended<br>31st March 2025 | Year ended<br>31st March 2024 |
|---|-------------------------------|-------------------------------|
| Interest Expenses                               | 6,998.82                      | 7,073.54                      |
| Interest on lease liability (*refer note no 38) | 64.54                         | 48.19                         |
| Other borrowing costs- Bank Charges             | 1,472.73                      | 1,390.41                      |
| <b>Total</b>                                    | <b>8,536.09</b>               | <b>8,512.14</b>               |

## 31 Depreciation and Amortization Expenses

(₹ in Lakhs)

| Particulars                                   | Year ended<br>31st March 2025 | Year ended<br>31st March 2024 |
|---|-------------------------------|-------------------------------|
| Depreciation on property, plant and equipment | 3,665.99                      | 3,354.42                      |
| Depreciation of right-of-use assets           | 220.60                        | 168.62                        |
| <b>Total</b>                                  | <b>3,886.59</b>               | <b>3,523.04</b>               |

## Notes forming part of the financial statements as at and for the year ended 31st March 2025

### 32 Other Expenses

(₹ in Lakhs)

| Particulars  | Year ended<br>31st March 2025 | Year ended<br>31st March 2024 |
|--|-------------------------------|-------------------------------|
| Power and Fuel                                       | 1,354.28                      | 1,240.40                      |
| Rent   | 279.88                        | 142.68                        |
| Repairs & Maintenance                                | 1,549.38                      | 1,394.78                      |
| Research & Development Expenses                      | 1,012.20                      | 1,016.47                      |
| Testing Expenses                                     | 778.37                        | 738.38                        |
| Rates and taxes excluding taxes on income            | 146.58                        | 210.56                        |
| Legal & Professional Expenses                        | 782.71                        | 660.94                        |
| Travelling & Conveyance                              | 1,541.43                      | 1,502.39                      |
| Communication Expenses                               | 131.87                        | 120.39                        |
| Printing & Stationery                                | 106.25                        | 94.93                         |
| Insurance  | 306.02                        | 272.79                        |
| Membership & Subscription                            | 23.57                         | 18.65                         |
| Commision on sales                                   | 911.28                        | 954.59                        |
| Provision for expected credit loss                   | 224.42                        | 152.53                        |
| Advertisement and business promotion                 | 2,053.42                      | 1,986.77                      |
| Freight Outward                                      | 1,661.69                      | 1,230.54                      |
| Product Warranties                                   | 277.48                        | 108.97                        |
| Loss on sale of Fixed Assets                         | 79.09                         | 74.66                         |
| Donation   | 111.57                        | 69.06                         |
| Auditors remuneration                                | 24.00                         | 21.50                         |
| Contribution towards Corporate Social Responsibility | 77.00                         | 45.00                         |
| Miscellaneous Expenses                               | 0.83                          | 0.93                          |
| <b>Total</b>   | <b>13,433.32</b>              | <b>12,057.91</b>              |

### 32 (a) Auditor's Remuneration

(₹ in Lakhs)

| Particulars    | Year ended<br>31st March 2025 | Year ended<br>31st March 2024 |
|----------------|-------------------------------|-------------------------------|
| Audit Fees     | 20.50                         | 18.00                         |
| Tax Audit Fees | 3.50                          | 3.50                          |
| <b>Total</b>   | <b>24.00</b>                  | <b>21.50</b>                  |

### 32(b) 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 promoting education including special education and promoting healthcare including preventive health care.

(₹ in Lakhs)

| Details of CSR expenditure  | Year ended<br>31st March 2025 | Year ended<br>31st March 2024 |
|---|-------------------------------|-------------------------------|
| a) Gross amount required to be spent by the Company during the year           | 78.23                         | 41.22                         |
| b) Amount spent during year ended 31st March 2025                             |                               |                               |
| Construction/ acquisition of an asset   | -                             | -                             |
| Contribution to other purpose other than above                                | 77.00                         | 45.00                         |
| Add : Excess spent amount from previous year utilized during the current year | 6.86                          | 3.08                          |
| <b>Total amount spent</b>   | <b>83.86</b>                  | <b>48.08</b>                  |
| <b>Total</b>  | <b>5.63</b>                   | <b>6.86</b>                   |



## Notes forming part of the financial statements as at and for the year ended 31st March 2025

## 33 Income tax expense

(₹ in Lakhs)

| Particulars                                  | Year ended<br>31st March 2025 | Year ended<br>31st March 2024 |
|--|-------------------------------|-------------------------------|
| <b>Current tax</b>                           |                               |                               |
| Current tax on profits for the year          | 3,055.45                      | 1,153.07                      |
| <b>Total current tax expense</b>             | <b>3,055.45</b>               | <b>1,153.07</b>               |
| <b>Deferred tax</b>                          |                               |                               |
| Deferred tax expense/(income) for the period | (48.88)                       | 51.22                         |
| MAT credit entitlement/Setoff                | -                             | 1,116.70                      |
| <b>Total deferred tax expense/(benefit)</b>  | <b>(48.88)</b>                | <b>1,167.92</b>               |
| <b>Income tax expense</b>                    | <b>3,006.57</b>               | <b>2,320.99</b>               |

| (a) Reconciliation of tax expense and the accounting profit                             | Year ended<br>31st March 2025 | Year ended<br>31st March 2024 |
|---|-------------------------------|-------------------------------|
| Profit before income tax expense  | 11,686.17                     | 6,446.97                      |
| Tax at the Indian tax rate of 25.168% u/s 115BAA (31st March 2024 – 34.944%)            | 2,941.17                      | 2,252.83                      |
| Tax effect of amounts which are not deductible (taxable) in calculating taxable income: |                               |                               |
| Corporate social responsibility expenditure   | 19.38                         | 7.86                          |
| Interest on late payment  | -                             | 12.93                         |
| Loss on sale/scrap of FA  | 17.94                         | 26.09                         |
| Other items   | 28.08                         | 21.28                         |
| <b>Income tax expense</b>   | <b>3,006.57</b>               | <b>2,320.99</b>               |

## 34 Earnings per share

(₹ in Lakhs)

| Particulars   | Year ended<br>31st March 2025 | Year ended<br>31st March 2024 |
|---|-------------------------------|-------------------------------|
| (i) Profit after tax  | 8,679.60                      | 4,125.98                      |
| (ii) Weighted average number of equity shares for basic EPS     | 64,300,486                    | 64,300,486                    |
| (iii) Weighted average number of equity shares for dilutive EPS | 64,300,486                    | 64,300,486                    |
| (iv) Nominal value per Equity Shares                            | 10                            | 10                            |
| (v) Earning Per Share (Basic)                                   | 13.50                         | 6.42                          |
| (vi) Earning Per Share (Dilutive)                               | 13.50                         | 6.42                          |

## 35 Fair value measurements

(₹ in Lakhs)

| Financial instruments by category | 31st March 2025 |                  | 31st March 2024 |                  |
|-----------------------------------|-----------------|------------------|-----------------|------------------|
|                                   | FVTPL           | Amortised cost   | FVTPL           | Amortised cost   |
| <b>Financial assets</b>           | -               | 69,494.69        | -               | 65,047.40        |
| Trade receivables                 | -               | 339.28           | -               | 316.27           |
| Loans                             | -               | 5,302.80         | -               | 5,112.49         |
| Cash and Bank Balances            | -               | 1,494.81         | -               | 1,277.24         |
| Other Financial Assets            | -               | 1,192.32         | -               | 1,331.25         |
| <b>Total financial assets</b>     | -               | <b>76,631.58</b> | -               | <b>71,753.40</b> |

### Notes forming part of the financial statements as at and for the year ended 31st March 2025

|                                    |   |                   |   |                  |
|------------------------------------|---|-------------------|---|------------------|
| Financial liabilities              |   |                   |   |                  |
| Borrowings                         | - | 61,393.58         | - | 58,114.44        |
| Trade payables                     | - | 42,097.21         | - | 29,052.63        |
| Other Financial Liabilities        | - | 5,088.85          | - | 8,486.55         |
| <b>Total financial liabilities</b> | - | <b>108,579.64</b> | - | <b>95,653.62</b> |

#### (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             |
|------------------------------------|---------|---------|-------------------|-------------------|
| <b>As at March 31, 2025</b>        |         |         |                   |                   |
| Financial assets                   |         |         |                   |                   |
| Trade receivables                  | -       | -       | 69,494.69         | 69,494.69         |
| Loans                              | -       | -       | 339.28            | 339.28            |
| Cash and bank balances             | -       | -       | 5,302.80          | 5,302.80          |
| Other financial assets             | -       | -       | 1,494.81          | 1,494.81          |
| <b>Total financial assets</b>      | -       | -       | <b>76,631.58</b>  | <b>76,631.58</b>  |
| Financial liabilities              |         |         |                   |                   |
| Borrowings                         | -       | -       | 61,393.58         | 61,393.58         |
| Trade payables                     | -       | -       | 42,097.21         | 42,097.21         |
| Other financial liabilities        | -       | -       | 5,088.85          | 5,088.85          |
| <b>Total financial liabilities</b> | -       | -       | <b>108,579.64</b> | <b>108,579.64</b> |
| <b>As at March 31, 2024</b>        |         |         |                   |                   |
| 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          |
| <b>Total financial assets</b>      | -       | -       | <b>71,753.40</b>  | <b>71,753.40</b>  |
| Financial liabilities              |         |         |                   |                   |
| Borrowings                         | -       | -       | 58,114.44         | 58,114.44         |
| Trade payables                     | -       | -       | 29,052.63         | 29,052.63         |
| Other financial liabilities        | -       | -       | 8,486.55          | 8,486.55          |
| <b>Total financial liabilities</b> | -       | -       | <b>95,653.62</b>  | <b>95,653.62</b>  |

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 2025, 31st March 2024, 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.

## Notes forming part of the financial statements as at and for the year ended 31st March 2025

### 36 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, 2025:

Movement in Expected Credit Loss Allowance:

(₹ in Lakhs)

| Particulars               | 31st March 2025 | 31st March 2024 |
|---------------------------|-----------------|-----------------|
| At the beginning of year  | 1,261.48        | 1,144.88        |
| Provision during the year | 224.42          | 152.53          |
| Bad debts written off     | (83.21)         | (35.93)         |
| <b>Total ECL</b>          | <b>1,402.69</b> | <b>1,261.48</b> |

#### (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)

|                                  | Less than 1 year  | 1 to 5 years    | Total             |
|----------------------------------|-------------------|-----------------|-------------------|
| <b>31st March 2025</b>           |                   |                 |                   |
| Borrowings                       | 59,303.76         | 2,089.82        | 61,393.58         |
| Trade payables                   | 42,097.21         | -               | 42,097.21         |
| Lease liabilities (undiscounted) | 284.83            | 438.60          | 723.43            |
| Other financial liabilities      | 3,291.60          | 1,175.64        | 4,467.24          |
| <b>Total</b>                     | <b>104,977.40</b> | <b>3,704.06</b> | <b>108,681.46</b> |
| <b>31st March 2024</b>           |                   |                 |                   |
| 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      | 5,662.80          | 2,472.53        | 8,135.33          |
| <b>Total</b>                     | <b>86,058.02</b>  | <b>9,660.93</b> | <b>95,718.95</b>  |

## Notes forming part of the financial statements as at and for the year ended 31st March 2025

### (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 2025. 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 2025.

#### (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, 2025 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 2025            | 31st March 2024 |
| Interest rate (increase by 100 basis points)* | (613.94)                   | (581.14)        |
| Interest rate (decrease by 100 basis points)* | 613.94                     | 581.14          |

\* 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)

| Particulars  | March 31, 2025   |                 | March 31, 2024   |                 |
|--|------------------|-----------------|------------------|-----------------|
|  | Foreign currency | Indian Rupee    | Foreign currency | Indian Rupee    |
| Trade receivables  |                  |                 |                  |                 |
| United States Dollar (USD)                                 | 20.06            | 1,717.18        | 32.09            | 2,675.16        |
| Great Britain Pound (GBP)                                  | -                | -               | 1.00             | 105.70          |
| Australian Dollar (AUD)                                    | 0.49             | 26.51           | 0.52             | 28.36           |
| Euro (EUR)   | 0.43             | 39.40           | 0.52             | 46.48           |
| <b>Net exposure to foreign currency risk (assets)</b>      |                  | <b>1,783.09</b> |                  | <b>2,855.70</b> |
| United States Dollar (USD)                                 | 83.53            | 7,148.37        | 51.80            | 4,318.87        |
| Euro (EUR)   | 0.03             | 2.91            | 0.84             | 75.91           |
| Japanese Yen (JPY)   | 48.15            | 27.50           | -                | -               |
| <b>Net exposure to foreign currency risk (liabilities)</b> |                  | <b>7,178.78</b> |                  | <b>4,394.78</b> |

## Notes forming part of the financial statements as at and for the year ended 31st March 2025

### 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.

(₹ in Lakhs)

| Particulars               | Impact on profit after tax |                 |
|---------------------------|----------------------------|-----------------|
|                           | 31st March 2025            | 31st March 2024 |
| USD sensitivity           |                            |                 |
| INR/USD - Increase by 1%* | (54.31)                    | (16.44)         |
| INR/USD - Decrease by 1%* | 54.31                      | 16.44           |
| EUR sensitivity           |                            |                 |
| INR/EUR - Increase by 1%* | 0.36                       | (0.29)          |
| INR/EUR - Decrease by 1%* | (0.36)                     | 0.29            |
| GBP sensitivity           |                            |                 |
| INR/GBP - Increase by 1%  | -                          | 1.06            |
| INR/GBP - Decrease by 1%  | -                          | (1.06)          |
| JPY sensitivity           |                            |                 |
| INR/JPY - Increase by 1%  | (0.28)                     | -               |
| INR/JPY - Decrease by 1%  | 0.28                       | -               |
| AUD sensitivity           |                            |                 |
| INR/AUD - Increase by 1%  | 0.27                       | 0.28            |
| INR/AUD - Decrease by 1%  | (0.27)                     | (0.28)          |

\* Holding other variables constant

## 37 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 2025, 31st March 2024.

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 2025  | 31st March 2024  |
|---------------------------------|------------------|------------------|
| Borrowings                      | 61,393.58        | 58,114.44        |
| Cash and Bank Balances          | (5,302.80)       | (5,112.49)       |
| <b>Net debt</b>                 | <b>56,090.78</b> | <b>53,001.95</b> |
| <b>Equity</b>                   | <b>89,987.18</b> | <b>81,991.90</b> |
| <b>Net debt to equity ratio</b> | <b>62.33%</b>    | <b>64.64%</b>    |

## Notes forming part of the financial statements as at and for the year ended 31st March 2025

(₹ in Lakhs)

| (b) Dividends   | 31st March 2025 | 31st March 2024 |
|---|-----------------|-----------------|
| (i) Equity shares   |                 |                 |
| Final dividend for the year ended 31st March 2024 of INR 1.00 | (643.00)        | (643.00)        |
| (31 March 2023 – INR 1.00) per fully paid share               |                 |                 |

(i) 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.

### 38 Leases

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

At the date of commencement of the lease, the Company recognises a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases), variable lease and low value leases. For these short-term, variable lease and low value leases, the Company recognises the lease 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 Company 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, 2025.

(₹ in Lakhs)

| Particulars                         | FY 24-25          |          | FY 23-24  |          |
|-------------------------------------|-------------------|----------|-----------|----------|
|                                     | ROU Asset         | Leashold | ROU Asset | Leashold |
|                                     | Buildings and P&M |          | Buildings |          |
| Gross carrying value                |                   |          |           |          |
| As at 01 April                      |                   | 318.18   |           | 152.86   |
| Additions                           |                   | 546.58   |           | 567.42   |
| Deletion during the year            |                   | -        |           | (233.48) |
| Depreciation of Right of use assets |                   | (220.60) |           | (168.62) |
| Net carrying value 'As at 31 March  |                   | 644.16   |           | 318.18   |



## Notes forming part of the financial statements as at and for the year ended 31st March 2025

ii) The following is the carrying value of lease liability for the year ended March 31, 2025

(₹ in Lakhs)

| Particulars  | Leashold Buildings and P&M | Leashold Buildings |
|--|----------------------------|--------------------|
| As at 01 April   | 351.22                     | 175.28             |
| Additions  | 546.59                     | 567.42             |
| Finance cost accrued during the year                     | 64.54                      | 48.18              |
| Deletion during the year                                 | -                          | (241.68)           |
| Payment of lease liabilities                             | (340.74)                   | (197.98)           |
| <b>Net carrying value 'As at 31 March</b>                | <b>621.61</b>              | <b>351.22</b>      |
| Current maturities of Lease Liability (refer note no-18) | 233.28                     | 114.62             |
| Non-Current Lease Liability (refer note no -18)          | 388.33                     | 236.60             |

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.

### 39 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, 2025 - ₹ 1,563.97/- lakhs (P.Y. ₹ 1,471.01/- 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, 2025 – 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)
- Amount of interest accrued and remaining unpaid at the end of the accounting period ending 31st March, 2025 – Nil (P.Y. Nil)

### 40 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<br>31st March 2025 | As at<br>31st March, 2024 |
|---|--------------------------|---------------------------|
| Employer's contribution to Provident Fund | 256.12                   | 245.73                    |
| Employer's contribution to ESI            | 13.91                    | 11.77                     |
| Employer's contribution to Welfare Fund   | 3.82                     | 3.53                      |
| <b>Total</b>                              | <b>273.85</b>            | <b>261.03</b>             |

#### 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:

## Notes forming part of the financial statements as at and for the year ended 31st March 2025

### i) Reconciliation of opening and closing balance of Defined Benefit Obligation

(₹ in Lakhs)

| Particulars   | Gratuity (Non Funded)    |                           |
|---|--------------------------|---------------------------|
|   | As at<br>31st March 2025 | As at<br>31st March, 2024 |
| Defined Benefit obligation at beginning of the year                   | 1,035.23                 | 578.51                    |
| Current Service Cost  | 140.86                   | 120.51                    |
| Past Service Cost   | -                        | -                         |
| Interest Cost   | 75.05                    | 43.39                     |
| Benefits paid   | (79.96)                  | (71.98)                   |
| 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      | 55.21                    | 364.81                    |
| <b>Defined Benefit obligation at end of the year</b>                  | <b>1,226.39</b>          | <b>1,035.23</b>           |

### Net defined benefit asset/ (liability) recognised in the balance sheet

(₹ in Lakhs)

| Particulars  | As at<br>31st March 2025 | As at<br>31st March, 2024 |
|--|--------------------------|---------------------------|
| Present value of defined benefit obligation                    | 1,226.39                 | 1,035.23                  |
| <b>Amount recognised in Balance Sheet- Asset / (Liability)</b> | <b>1,226.39</b>          | <b>1,035.23</b>           |

### ii) Net defined benefit expense (Recognised in the Statement of profit and loss for the year)

(₹ in Lakhs)

| Particulars  | As at<br>31st March 2025 | As at<br>31st March, 2024 |
|--|--------------------------|---------------------------|
| Current Service Cost   | 140.86                   | 120.51                    |
| Past Service Cost  | -                        | -                         |
| Interest Cost  | 75.05                    | 43.39                     |
| <b>Net defined benefit expense debited to statement of profit and loss</b> | <b>215.91</b>            | <b>163.90</b>             |

## Notes forming part of the financial statements as at and for the year ended 31st March 2025

### iii) Remeasurement of (Gain)/loss recognised in other comprehensive income

(₹ in Lakhs)

| Particulars   | As at<br>31st March 2025 | As at<br>31st March, 2024 |
|---|--------------------------|---------------------------|
| Actuarial changes arising from changes in demographic assumptions | -                        | -                         |
| Actuarial changes arising from changes in financial assumptions   | -                        | -                         |
| Actuarial changes arising from changes in experience adjustments  | 55.21                    | 364.81                    |
| <b>Recognised in other comprehensive income</b>                   | <b>55.21</b>             | <b>364.81</b>             |

### iv) Principal assumptions used in determining defined benefit obligation

| Mortality table                         | IALM 2012-14<br>Ultimate | IALM 2012-14<br>Ultimate |
|---|--------------------------|--------------------------|
| Discount Rate                           | 7.04 % p.a               | 7.25 % 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              |

## Notes forming part of the financial statements as at and for the year ended 31st March 2025

- 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<br>31st March 2025 | As at<br>31st March, 2024 |
|---|--------------------------|---------------------------|
| Discount Rate   |                          |                           |
| Increase by 1%  | 1,129.01                 | 951.96                    |
| Decrease by 1%  | 1,330.85                 | 1,131.34                  |
| Salary Increase   |                          |                           |
| Increase by 1%  | 1,331.59                 | 1,132.53                  |
| Decrease by 1%  | 1,127.49                 | 949.55                    |

\*Sensitivities due to mortality & withdrawals are not material & hence impact of change due to these not calculated.

### vi) Maturity profile of defined benefit obligation (undiscounted)

(₹ in Lakhs)

| Particulars  | As at<br>31st March 2025 | As at<br>31st March, 2024 |
|--|--------------------------|---------------------------|
| Within the next 12 months (next annual reporting period) | 177.99                   | 147.82                    |
| Between 2 and 5 years                                    | 223.67                   | 142.00                    |
| Between 5 and 10 years                                   | 824.73                   | 745.41                    |
| <b>Total expected payments</b>                           | <b>1,226.39</b>          | <b>1,035.23</b>           |

- vii) The average duration of the defined benefit plan obligation at the end of the reporting period is 13.32 years (31st March 2024: 11 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.

## 41 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 two reportable segments viz Metering, Systems & Services and 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 "Unallocated"

## Notes forming part of the financial statements as at and for the year ended 31st March 2025

d) There are no customers having revenue exceeding 10% of the total revenues.

(₹ in Lakhs)

| Particulars  | As at<br>31st March 2025 | As at<br>31st March 2024 |
|--|--------------------------|--------------------------|
| <b>(A) Segment Revenue</b>   |                          |                          |
| Metering, Systems & Services   | 105,977.02               | 81,263.61                |
| Consumer, Industrial & Services  | 62,463.48                | 60,828.04                |
|  | <b>168,440.50</b>        | <b>142,091.65</b>        |
| <b>(B) Results</b>   |                          |                          |
| <b>Segment Results</b>   |                          |                          |
| Metering, Systems & Services   | 16,784.23                | 11,667.87                |
| Consumer, Industrial & Services  | 7,150.76                 | 6,917.61                 |
|  | <b>23,934.99</b>         | <b>18,585.48</b>         |
| <b>Unallocated expenses net of income</b>  | 3,712.73                 | 3,626.37                 |
| Operating Profit   | 20,222.26                | 14,959.11                |
| Interest Expenses  | 8,536.09                 | 8,512.14                 |
| Profit before tax  | 11,686.17                | 6,446.97                 |
| Tax Expenses   | 3,006.57                 | 2,320.99                 |
| Profit after tax   | <b>8,679.60</b>          | <b>4,125.98</b>          |
| <b>(C) Other Information</b>   |                          |                          |
| <b>Segment Assets</b>  | 121,459.42               | 100,056.53               |
| Metering, Systems & Services   | 76,333.99                | 75,305.65                |
| Consumer, Industrial & Services  | 5,400.10                 | 5,546.76                 |
| Unallocated  | 203,193.51               | 180,908.94               |
|  | <b>162,890.22</b>        | <b>156,981.69</b>        |
| <b>Segment Liabilities</b>   |                          |                          |
| Metering, Systems & Services   | 30,607.35                | 26,996.89                |
| Consumer, Industrial & Services  | 20,624.06                | 13,424.82                |
| Unallocated  | 61,974.92                | 58,495.33                |
|  | <b>113,206.33</b>        | <b>98,917.04</b>         |
| <b>Capital Expenditure</b>   |                          |                          |
| Metering, Systems & Services   | 6,588.41                 | 3,983.02                 |
| Consumer, Industrial & Services  | 723.97                   | 493.63                   |
|  | <b>7,312.38</b>          | <b>4,476.65</b>          |
| <b>Depreciation</b>  |                          |                          |
| Metering, Systems & Services   | 2,630.52                 | 2,320.89                 |
| Consumer, Industrial & Services  | 1,256.07                 | 1,202.15                 |
|  | <b>3,886.59</b>          | <b>3,523.04</b>          |
| <b>Segment Revenue</b>   |                          |                          |
| The following is the distribution of Company's revenue by geographical market :- |                          |                          |
| Domestic Market  | 165,620.80               | 137,781.92               |
| Overseas Market  | 2,819.70                 | 4,309.73                 |
|  | <b>168,440.50</b>        | <b>142,091.65</b>        |

## Notes forming part of the financial statements as at and for the year ended 31st March 2025

### 42 Related Party Disclosure

#### (i) Name of related parties with and description of relationship :

##### (A) Subsidiary Company :

- (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    |                     |

#### (ii) Key management personnel compensation

(₹ in Lakhs )

| Particulars                   | 31st March 2025 | 31st March 2024 |
|-------------------------------|-----------------|-----------------|
| Short-term employee benefits  | 698.83          | 751.33          |
| Dividend paid during the year | 124.94          | 124.94          |
| <b>Total Compensation</b>     | <b>823.77</b>   | <b>876.27</b>   |

#### (iii) Details of transactions with Related Parties:-

(₹ in Lakhs )

| Particulars                 | 31st March 2025 | 31st March 2024 |
|-----------------------------|-----------------|-----------------|
| <b>Purchase of goods</b>    |                 |                 |
| 1. Himachal Energy Pvt. Ltd | 753.13          | 247.54          |
| <b>Purchase of Services</b> |                 |                 |
| 1. HPL India Ltd            | 458.02          | 805.57          |
| <b>Purchase of Assets</b>   |                 |                 |
| 1. Himachal Energy Pvt. Ltd | 2,255.22        | -               |
| <b>Sale of goods</b>        |                 |                 |
| 1. Himachal Energy Pvt. Ltd | 5,743.96        | 4,096.29        |
| <b>Sale of Services</b>     |                 |                 |
| 1. HPL India Ltd            | -               | 290.93          |



**Notes forming part of the financial statements as at and for the year ended 31st March 2025**

|  |        |        |
|--|--------|--------|
| <b>Repayment of Loan and advances</b>                              |        |        |
| 1. Havells Electronics Pvt. Ltd                                    | -      | 32.23  |
| 2. Havells Pvt. Ltd  | -      | 7.84   |
| 3. HPL India Ltd   | -      | 48.00  |
| 4. Directors   | -      | 40.27  |
| <b>Dividend paid to entities in which directors are interested</b> |        |        |
| 1. Havells Electronics Pvt. Ltd                                    | 116.52 | 116.52 |
| 2. Havells Pvt. Ltd  | 28.43  | 28.43  |
| 3. HPL India Ltd   | 175.73 | 175.73 |
| 4. Jesons impex Pvt Ltd  | 0.24   | 0.24   |
| <b>Transaction with Key Managerial Person</b>                      |        |        |
| 1. Managerial Remuneration   | 698.83 | 751.33 |
| 2. Director sitting fees   | 12.60  | 8.60   |
| 3. Dividend Paid   | 124.94 | 124.94 |
| <b>Transaction with relatives of Key Managerial Person</b>         |        |        |
| 1. Dividend Paid   | 21.33  | 21.33  |

(v) Summary of outstanding Balances with the above Related Parties for the respective years are as given below:

(₹ in Lakhs )

| Particulars  | 31st March 2025 | 31st March 2024 |
|--|-----------------|-----------------|
| <b>Subsidiary Companies</b>                                  |                 |                 |
| Himachal Energy Pvt. Ltd.                                    | 5,400.00        | 5,400.00        |
| <b>Advance to Joint Ventures</b>                             |                 |                 |
| 1. HPL ELECTRIC & POWER PRIVATE LIMITED- THCPL-SD(JV)        | 138.96          | 143.71          |
| 2. HPL ELECTRIC & POWER PRIVATE LIMITED- SHRIJI DESIGNS (JV) | 69.85           | 69.85           |
| <b>Trade Receivables</b>                                     |                 |                 |
| 1. HPL India Ltd   | -               | 337.31          |
| <b>Deferred Receivables</b>                                  |                 |                 |
| 1. HPL India Ltd   | 561.74          | 596.74          |
| <b>Loans and advances</b>                                    |                 |                 |
| 1. Himachal Energy Pvt. Ltd                                  | -               | 1,175.76        |
| 2. HPL India Ltd   | 844.16          | 599.53          |
| <b>Other Liabilities</b>                                     |                 |                 |
| 1. Himachal Energy Pvt. Ltd                                  | 393.90          | -               |
| <b>Security Deposit</b>                                      |                 |                 |
| 1. Havells Electronics Pvt. Ltd                              | -               | 1,500.00        |



## Notes forming part of the financial statements as at and for the year ended 31st March 2025

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 2025, 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

**43** The Company do not have any outstanding commercial paper period ending 31st March, 2025. (P Y ₹ Nil)

**44** 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.

### 45 Contingent Liabilities:

(₹ in Lakhs)

| S.No | Name of Statute                     | Description  | As at<br>31st March 2025 | As at<br>31st March 2024 |
|------|-------------------------------------|--|--------------------------|--------------------------|
| 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                    |
| 6    | Haryana Vat Act, 2003               | Demand for Sales Tax before Joint Comm., (Appeal), Rohtak for 2010-11                              | -                        | 10.43                    |
| 7    | Haryana Vat Act, 2003               | Demand for Sales Tax before Haryana Tax, Tribunal, Chandigarh for 2009-10                          | -                        | 3.76                     |
| 8    | Haryana Vat Act, 2003               | Demand for Sales Tax before Haryana Tax, Tribunal, Rohtak for 2011-12                              | -                        | 11.66                    |
| 9    | Haryana Vat Act, 2003               | Demand for Sales Tax before Haryana Tax, Tribunal, Rohtak for 2012-13                              | -                        | 7.57                     |
| 10   | Haryana Vat Act, 2003               | Demand for Sales Tax before Haryana Tax, Tribunal, Chandigarh for 2011-12                          | -                        | 23.19                    |
| 11   | Haryana Vat Act, 2003               | Demand for Sales Tax before Joint Comm., (Appeal), Ambala for 2011-12                              | -                        | 4.38                     |
| 12   | Employee's Provident Fund Act, 1952 | Demand for EPF before EPF appellate, Tribunal, New Delhi.  | 2.40                     | 8.87                     |
| 13   | Haryana Vat Act, 2003               | Demand for sales tax before Haryana Tax Tribunal for 2011-12                                       | -                        | 16.37                    |
| 14   | Haryana Vat Act, 2003               | Demand for sales tax before Haryana Tax Tribunal for 2012-13                                       | -                        | 16.56                    |
| 15   | Haryana Vat Act, 2003               | Demand for sales tax before Haryana Tax Tribunal for 2013-14                                       | 80.59                    | 80.59                    |
| 16   | Haryana Vat Act, 2003               | Demand for sales tax before Jt. Commissioner (A), Rohtak for 2013-14                               | -                        | 3.93                     |
| 17   | Haryana Vat Act, 2003               | Demand for sales tax before Jt. Commissioner (A), Rohtak for 2014-15                               | -                        | 8.63                     |
| 18   | Haryana Vat Act, 2003               | Haryana Tax Tribunal, Chandigarh-Final demand after Rectification on 31.07.2017 (Revision Pending) | 3.61                     | 3.61                     |
| 19   | Haryana Vat Act, 2003               | Haryana Tax Tribunal, Chandigarh-Pending for Rectification for 2012-13                             | 1.97                     | 1.97                     |

| S.No | Name of Statute          | Description  | As at<br>31st March 2025 | As at<br>31st March 2024 |
|------|--------------------------|--|--------------------------|--------------------------|
| 20   | Haryana Vat Act, 2003    | Haryana Tax Tribunal, Chandigarh-Pending for Rectification for 2013-14   | 3.73                     | 3.73                     |
| 21   | Haryana Vat Act, 2003    | Haryana Tax Tribunal, Chandigarh-Pending for Rectification for 2014-15   | 0.52                     | 0.52                     |
| 22   | Haryana Vat Act, 2003    | Haryana Tax Tribunal-Rohtak-Appeal pending before the Jt.ETC(A),Rohtak for 2010-11   | -                        | 23.77                    |
| 23   | Haryana Vat Act, 2003    | Demand for sales tax before Dy. Excise & Taxation Commissioner (ST),Sonipat for 2014-15  | -                        | 7.10                     |
| 24   | Haryana Vat Act, 2003    | Demand for sales tax before Jt Excise Excise & Taxation Commissioner, Ambala for 2014-15   | 55.72                    | 55.72                    |
| 25   | Haryana Vat Act, 2003    | Demand for Sales Tax before Haryana Tax, Tribunal, Rohtak for 2015-16  | 41.89                    | 41.89                    |
| 26   | Haryana Vat Act, 2003    | Demand for Sales Tax before Haryana Tax, Tribunal, Rohtak for 2014-15  | -                        | 42.80                    |
| 27   | Haryana Vat Act, 2003    | Demand for Sales Tax before Haryana Tax, Tribunal, Rohtak for 2015-16  | -                        | 14.28                    |
| 28   | Central Excise Act, 1944 | Demand for Excise Duty before Deputy Comm.Central GST Gurugram for 2016-17.  | 1.72                     | 1.72                     |
| 29   | Finance Act, 1994        | Demand for Service Tax Credit before Asstt. Commissioner Gurugram for 2015-16 to 2017-18   | 14.78                    | 14.78                    |
| 30   | 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                    |
| 31   | Haryana Vat Act, 2003    | Demand for Sales Tax before Haryana Tax, Tribunal, Rohtak for 2016-17  | 73.54                    | 73.54                    |
| 32   | Haryana Vat Act, 2003    | Demand for Sales Tax before Haryana Tax, Tribunal, Rohtak for 2016-17  | -                        | 15.09                    |
| 33   | Haryana Vat Act, 2003    | Demand for Sales Tax before Haryana Tax, Tribunal, Rohtak for 2017-18  | -                        | 24.19                    |
| 34   | CGST Act, 2017           | Demand for GST before Joint Excise and Taxation Commissioner Gurugram (West) Ward 1:Gurugram (West):Gurugram Haryana for 2017-18 | 54.80                    | -                        |
| 35   | CGST Act, 2017           | Demand for GST before Joint Excise and Taxation Commissioner Gurugram (West) Ward 1:Gurugram (West):Gurugram Haryana for 2017-18 | 69.05                    | -                        |
| 36   | CGST Act, 2017           | Demand for GST before Joint Excise and Taxation Commissioner Gurugram (West) Ward 1:Gurugram (West):Gurugram Haryana for 2018-19 | 6.30                     | -                        |
| 37   | CGST Act, 2017           | Demand for GST before Joint Excise and Taxation Commissioner Gurugram (West) Ward 1:Gurugram (West):Gurugram Haryana for 2019-20 | 10.04                    | -                        |
| 38   | CGST Act, 2017           | Demand for GST before Joint Excise and Taxation Commissioner Gurugram (West) Ward 1:Gurugram (West):Gurugram Haryana for 2020-21 | 54.08                    | -                        |
| 39   | CGST Act, 2017           | Demand for GST before Joint Commissioners of State tax Thane city Thane : Maharashtra for 2017-18                                | 15.78                    | -                        |
| 40   | CGST Act, 2017           | Demand for GST before Deputy Commissioners .Gandhi Maidan: Patna West: Bihar for 2018-19   | 18.11                    | -                        |

## Notes forming part of the financial statements as at and for the year ended 31st March 2025

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

| S No | Particulars                      | Numerator                                | Denominator  | Current Year | Previous Year | Variance |
|------|----------------------------------|--|--|--------------|---------------|----------|
| 1    | Current ratio                    | Current assets                           | Current liabilities  | 1.40         | 1.51          | -7.27%   |
| 2    | Debt equity ratio                | Total Debt (Including lease liabilities) | Shareholder's equity   | 0.69         | 0.71          | -3.35%   |
| 3    | Debt service coverage ratio      | Earnings available for debt service*     | Interest exp on long term and short term borrowing during the period +Scheduled principal repayment of long term borrowing | 1.63         | 1.20          | 36.10%   |
| 4    | Return on equity ratio           | Net profits after taxes                  | Average shareholders equity  | 10.01%       | 4.85%         | 106.42%  |
| 5    | Inventory turnover ratio         | Revenue from operations                  | Average Inventory  | 2.76         | 2.78          | -0.72%   |
| 6    | Trade receivables turnover ratio | Revenue from operations                  | Average trade receivables  | 2.50         | 2.38          | 5.42%    |
| 7    | Trade payable turnover ratio     | Net credit purchases                     | Average trade payables   | 3.45         | 4.14          | -16.65%  |
| 8    | Net capital turnover ratio       | Revenue from operations                  | Average working capital  | 3.86         | 3.54          | 9.23%    |
| 9    | Net profit ratio                 | Net profits for the year                 | Revenue from operations  | 5.13%        | 2.74%         | 87.39%   |
| 10   | Return on capital employed       | Profit before interest and taxes         | Average Capital employed**   | 13.82%       | 10.91%        | 26.67%   |
| 11   | 'Return on Investments           | Profit before interest and taxes         | Average total Assets   | 10.50%       | 8.67%         | 21.11%   |

\* Net Profit after taxes+Non-cash operating expenses+Interest+Other non-cash adjustments

\*\* 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, ROCE and Net profit ratio are improved due to growth in revenue with stable margins.

(ii) Debt service coverato ratio improved due to growth in profitability of company.

### 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.
- (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, 2025.

**For and on behalf of the Board**

As per our report of even date attached  
For **Sakshi & Associates**  
Chartered Accountants  
F.R.N. : 025099N

**Rishi Seth**  
Managing Director  
DIN- 00203469

**Gautam Seth**  
Joint MD and CFO  
DIN- 00203405

**Sakshi Kharabanda**  
Proprietor  
M.No. : 523802  
UDIN : 25523802BMKTYH4438

**Lalit Seth**  
Director  
DIN-00312007

**Vivek Kumar**  
Company Secretary  
M.No. A18491

Place : New Delhi  
Dated : 22 May, 2025

Place :Kundli

# 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 2025, 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 significant 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 2025, 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), and we have fulfilled our other ethical responsibilities in accordance with the relevant provisions of the Act. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit 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  |
|--|--|
| <b>Tax Litigations:</b><br><br>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. | <b>Our audit procedures, amongst others included the following:</b> <ul style="list-style-type: none"> <li>➤ 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.</li> <li>➤ 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.</li> <li>➤ Evaluated the status of the recent and current tax assessments / inquiries, results of previous tax assessments and changes in the tax environment</li> <li>➤ Verified disclosures of the tax positions, tax loss carry forwards and tax litigations in the standalone Ind AS financial statements.</li> </ul> |

### 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 the 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 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 12,759.51 lakhs as at 31 March 2025, total revenues of Rs 10,336.20 lakhs, total net profit after tax of Rs 764.21 lakhs, total comprehensive income of Rs 761.58 lakhs, and net cash inflows of Rs 45.37 lakhs for the year ended on that date. These Ind As financial statements 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:

- a) a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
- b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
- c) 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 relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act.
- e) On the basis of the written representations received from the Directors of the Holding Company as on 31st March 2025 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 2025 from being appointed as a Director in terms of Section 164(2) of the Act.
- f) 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'.
- g) 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 has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year.

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, the Company has used an accounting software for maintaining its books of account, which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software.

Further, during the course of our audit, we did not come across any instance of the audit trail feature being tampered with, for the period where audit trail (edit log) facility was enabled. Additionally, the audit trail, where enabled, has been preserved by the Company as per the statutory requirements for record retention.

For **SAKSHI & ASSOCIATES**

Chartered Accountants

Firm's Registration No.: 025099N

**SAKSHI KHARABANDA**

(FCA)

Place : New Delhi

Membership No. 523802

Date : 22 May 2025

UDIN : 25523802BMKTYI1865

Annexure I: List of entities consolidated as at 31st March 2025:

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, 2025 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, 2025, 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  
Firm's Registration No. : 025099N

**SAKSHI KHARABANDA**  
(FCA)

Place : New Delhi  
Date : 22 May 2025

Membership No. 523802  
UDIN : 25523802BMKTY11865



## HPL Electric & Power Limited

CIN NO.: L74899DL1992PLC048945

# Consolidated Balance Sheet

as at 31st March 2025

(₹ in Lakhs)

| Particulars   | Note      | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|---|-----------|-------------------------|-------------------------|
| <b>ASSETS</b>   |           |                         |                         |
| <b>Non-current assets</b>   |           |                         |                         |
| Property, plant and equipment   | 3         | 49,194.75               | 45,743.19               |
| Capital work in progress  | 4         | 762.37                  | 1,029.79                |
| Right of use Assets   | 5         | 644.16                  | 318.18                  |
| <b>Financial assets</b>   |           |                         |                         |
| i. Investments  | 6         | 0.10                    | 0.10                    |
| ii. Loans   | 7         | 186.98                  | 255.24                  |
| Deferred tax assets (Net)   | 8         | 994.05                  | 1,073.93                |
| Other non-current assets  | 9         | 562.99                  | 600.35                  |
| <b>Total non-current assets</b>   |           | <b>52,345.40</b>        | <b>49,020.78</b>        |
| <b>Current assets</b>   |           |                         |                         |
| Inventories   | 10        | 69,666.96               | 57,283.37               |
| <b>Financial assets</b>   |           |                         |                         |
| i. Trade receivables  | 11        | 71,367.68               | 69,669.33               |
| ii. Cash and cash equivalents   | 12        | 2,717.36                | 2,636.17                |
| iii. Bank balances other than (ii) above  | 13        | 3,410.81                | 3,256.32                |
| iv. Loans   | 7         | 160.81                  | 69.55                   |
| v. Other financial assets   | 14        | 1,632.26                | 1,432.97                |
| Current tax assets (Net)  | 15        | -                       | 176.36                  |
| Other current assets  | 9         | 8,174.73                | 3,870.36                |
| <b>Total current assets</b>   |           | <b>157,130.61</b>       | <b>138,394.43</b>       |
| <b>Total assets</b>   |           | <b>209,476.01</b>       | <b>187,415.21</b>       |
| <b>EQUITY AND LIABILITIES</b>   |           |                         |                         |
| <b>Equity</b>   |           |                         |                         |
| Equity share capital  | 16        | 6,430.05                | 6,430.05                |
| Other equity  | 17        | 85,083.40               | 76,393.34               |
| Equity attributable to equity holders of the parent Company                               |           | 91,513.45               | 82,823.39               |
| Non-controlling interests   |           | 210.15                  | 188.45                  |
| <b>Total equity</b>   |           | <b>91,723.60</b>        | <b>83,011.84</b>        |
| <b>Liabilities</b>  |           |                         |                         |
| <b>Non-current liabilities</b>  |           |                         |                         |
| <b>Financial liabilities</b>  |           |                         |                         |
| i. Borrowings   | 18        | 2,089.82                | 9,008.82                |
| ii. Lease liabilities   | 19        | 388.33                  | 236.60                  |
| iii. Other financial liabilities  | 20        | 1,175.64                | 2,472.53                |
| Provisions  | 21        | 1,342.91                | 1,220.84                |
| <b>Total non-current liabilities</b>  |           | <b>4,996.70</b>         | <b>12,938.79</b>        |
| <b>Current liabilities</b>  |           |                         |                         |
| <b>Financial liabilities</b>  |           |                         |                         |
| i. Borrowings   | 22        | 61,218.71               | 53,291.81               |
| ii. Lease liabilities   | 19        | 233.28                  | 114.62                  |
| iii. Trade payables   | 23        |                         |                         |
| a) total outstanding dues of micro enterprises and small enterprises                      |           | 1,745.09                | 1,956.00                |
| b) total outstanding dues of creditors other than micro enterprises and small enterprises |           | 41,239.08               | 28,525.43               |
| iv. Other financial liabilities   | 20        | 5,126.75                | 5,744.86                |
| Other current liabilities   | 24        | 2,163.15                | 1,175.27                |
| <b>Provisions</b>   | <b>21</b> | <b>715.94</b>           | <b>656.59</b>           |
| <b>Current tax liabilities (Net)</b>  | <b>15</b> | <b>313.71</b>           | <b>-</b>                |
| <b>Total current liabilities</b>  |           | <b>112,755.71</b>       | <b>91,464.58</b>        |
| <b>Total liabilities</b>  |           | <b>117,752.41</b>       | <b>104,403.37</b>       |
| <b>Total equity and liabilities</b>   |           | <b>209,476.01</b>       | <b>187,415.21</b>       |

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

**Sakshi Kharabanda**

Proprietor

M.No. : 523802

UDIN : 25523802BMKTYI1865

For and on behalf of the Board of Directors

**Rishi Seth**

Managing Director

DIN- 00203469

**Lalit Seth**

Director

DIN-00312007

Place : Kundli

**Gautam Seth**

Joint MD and CFO

DIN- 00203405

**Vivek Kumar**

Company Secretary

M.No. A18491

Place : New Delhi

Dated : 22 May, 2025

# Consolidated Statement of profit and loss

CIN : L74899DL1992PLC048945

for the year ended 31st March 2025

(₹ in Lakhs)

| Particulars  | Note No | Year ended<br>March 31, 2025 | Year ended<br>March 31, 2024 |
|--|---------|------------------------------|------------------------------|
| <b>Income:</b>   |         |                              |                              |
| I. Revenue from operations                                   | 25      | 170,024.40                   | 146,085.81                   |
| II. Other income   | 26      | 487.95                       | 423.36                       |
| III. <b>Total income (I + II)</b>                            |         | <b>170,512.35</b>            | <b>146,509.17</b>            |
| <b>Expenses:</b>   |         |                              |                              |
| Cost of materials consumed                                   | 27      | 122,287.61                   | 99,316.03                    |
| Changes in inventories of finished goods, work-in-progress   | 28      | (11,823.86)                  | (3,239.58)                   |
| Employee benefits expense                                    | 29      | 19,937.26                    | 17,883.41                    |
| Finance cost   | 30      | 8,972.32                     | 8,963.72                     |
| Depreciation and amortization expenses                       | 31      | 4,216.36                     | 3,865.03                     |
| Other expenses   | 32      | 14,158.23                    | 12,910.62                    |
| <b>Total expenses</b>  |         | <b>157,747.92</b>            | <b>139,699.23</b>            |
| V. <b>Profit before exceptional items and tax (III-IV)</b>   |         | <b>12,764.43</b>             | <b>6,809.94</b>              |
| VI. Exceptional items  |         | -                            | -                            |
| VII. <b>Profit before tax (V-VI)</b>                         |         | <b>12,764.43</b>             | <b>6,809.94</b>              |
| <b>Tax expense:</b>  |         |                              |                              |
| (1) Current tax  | 33      | 3,270.93                     | 1,228.32                     |
| (2) Deferred tax   | 33      | 94.79                        | 1,219.08                     |
| X. <b>Other comprehensive income</b>                         |         |                              |                              |
| <b>Items that will not be reclassified to profit or loss</b> |         |                              |                              |
| Remeasurement of post employment benefit obligations         |         | (58.86)                      | (371.90)                     |
| Income tax relating to these items                           |         | 14.91                        | 129.45                       |
| Other comprehensive income for the year, net of tax          |         | (43.95)                      | (242.45)                     |
| XI. <b>Total comprehensive income for the year (IX+X)</b>    |         | <b>9,354.76</b>              | <b>4,120.09</b>              |
| Profit for the year attributable to                          |         |                              |                              |
| Equity shareholders of parent company                        |         | 9,376.93                     | 4,356.43                     |
| Non controlling interests                                    |         | 21.78                        | 6.11                         |
|  |         | <b>9,398.71</b>              | <b>4,362.54</b>              |
| Total comprehensive income for the year attributable to      |         |                              |                              |
| Equity shareholders of parent company                        |         | 9,333.06                     | 4,114.12                     |
| Non controlling interests                                    |         | 21.70                        | 5.97                         |
|  |         | <b>9,354.76</b>              | <b>4,120.09</b>              |
| XII. Earnings per equity share of ₹10/- each                 | 34      |                              |                              |
| (1) Basic  |         | 14.58                        | 6.78                         |
| (2) Diluted  |         | 14.58                        | 6.78                         |

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

**Sakshi Kharabanda**

Proprietor

M.No. : 523802

UDIN : 25523802BMKTYI1865

For and on behalf of the Board of Directors

**Rishi Seth**

Managing Director

DIN- 00203469

**Lalit Seth**

Director

DIN-00312007

Place : Kundli

**Gautam Seth**

Joint MD and CFO

DIN- 00203405

**Vivek Kumar**

Company Secretary

M.No. A18491

Place : New Delhi

Dated : 22 May, 2025



# Consolidated Cash Flow Statement

for the year ended 31st March 2025

(₹ in Lakhs)

| Particulars  | Year ended<br>March 31, 2025 | Year ended<br>March 31, 2024 |
|--|------------------------------|------------------------------|
| <b>A. Cash flow from operating activities</b>                                    | <b>(Audited)</b>             | <b>(Audited)</b>             |
| Net profit/ (loss) before tax  | 12,764.43                    | 6,809.94                     |
| Adjustments for :  |                              |                              |
| - Depreciation and amortisation expenses   | 4,216.36                     | 3,865.03                     |
| - Finance expenses   | 8,972.32                     | 8,963.72                     |
| - Interest income  | (454.41)                     | (386.15)                     |
| - Loss / (profit) on sale of fixed assets  | 79.13                        | 74.67                        |
| <b>Operating profit before working capital changes</b>                           | <b>25,577.83</b>             | <b>19,327.21</b>             |
| Adjustments for :  |                              |                              |
| Decrease/(increase) in trade receivables   | (1,663.35)                   | (9,182.07)                   |
| Decrease/(increase) in other financial and non-financial assets                  | (4,592.56)                   | (975.25)                     |
| Decrease/(increase) in inventories   | (12,383.60)                  | (8,681.01)                   |
| (Decrease)/increase in trade payables  | 12,502.75                    | 7,474.43                     |
| (Decrease)/increase in other financial, non financial liabilities and provisions | (2,839.54)                   | 3,459.51                     |
| <b>Cash generated from operations</b>  | <b>16,601.53</b>             | <b>11,422.82</b>             |
| - Taxes paid (net of refunds)  | (2,780.86)                   | (1,394.75)                   |
| <b>Net cash from operating activities (A)</b>                                    | <b>13,820.67</b>             | <b>10,028.07</b>             |
| <b>B. Cash flow from investing activities</b>                                    |                              |                              |
| - Payment for property, plant & equipment  | (7,620.22)                   | (4,038.26)                   |
| - (Increase)/ decrease in capital work in progress                               | 267.43                       | (157.47)                     |
| - Payment for acquiring right of use of assets                                   | (276.20)                     | (149.80)                     |
| - Proceeds from sale of property, plant and equipments                           | 93.76                        | 40.17                        |
| - Security deposits (paid)/received  | 68.25                        | (17.20)                      |
| - Investment in shares   | -                            | (0.10)                       |
| - Interest income received   | 454.41                       | 386.15                       |
| <b>Net cash used in investing activities (B)</b>                                 | <b>(7,012.57)</b>            | <b>(3,936.51)</b>            |
| <b>C. Cash flow from financing activities</b>                                    |                              |                              |
| - Proceeds/(repayment) from working capital loan (net)                           | 7,926.90                     | (1,825.55)                   |
| - Proceeds/(repayment) from secured long term loan                               | (4,884.00)                   | 4,200.96                     |
| - Payment of lease liabilities interest portion                                  | (64.54)                      | (48.18)                      |
| - Finance expenses   | (8,907.78)                   | (8,915.54)                   |
| - Payment of dividend  | (643.00)                     | (643.00)                     |
| <b>Net cash used in financing activities (C)</b>                                 | <b>(6,572.42)</b>            | <b>(7,231.31)</b>            |
| <b>Net changes in cash &amp; cash equivalents (A+B+C)</b>                        | <b>235.68</b>                | <b>(1,139.75)</b>            |
| Cash & cash equivalents at the beginning of the year                             | 5,892.49                     | 7,032.24                     |
| Cash & cash equivalents at the end of the period                                 | 6,128.17                     | 5,892.49                     |

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

**Sakshi Kharabanda**

Proprietor

M.No. : 523802

UDIN : 25523802BMKTYI1865

Place : New Delhi

Dated : 22 May, 2025

For and on behalf of the Board of Directors

**Rishi Seth**

Managing Director

DIN- 00203469

**Lalit Seth**

Director

DIN-00312007

Place : Kundli

**Gautam Seth**

Joint MD and CFO

DIN- 00203405

**Vivek Kumar**

Company Secretary

M.No. A18491



# Consolidated Statement of changes in equity

for the year ended 31st March 2025

## I) Equity Share Capital

(₹ in Lakhs)

| Particulars                   | Notes | Number     | Amounts  |
|-------------------------------|-------|------------|----------|
| Balance as at 1st April 2023  |       | 64,300,486 | 6,430.05 |
| Changes during the year       | 16    | -          | -        |
| Balance as at 31st March 2024 |       | 64,300,486 | 6,430.05 |
| Changes during the year       | 16    | -          | -        |
| Balance as at 31st March 2025 |       | 64,300,486 | 6,430.05 |

## II) Other equity

(₹ in Lakhs)

| Particulars  | Notes | Reserve & surplus |                 |                 |                   | Total     |
|--|-------|-------------------|-----------------|-----------------|-------------------|-----------|
|  |       | Security premium  | Capital reserve | General reserve | Retained earnings |           |
| Balance as at 1st April 2023                         | 17    | 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  |
| Other comprehensive income                           |       | -                 | -               | -               | (242.31)          | (242.31)  |
| Total comprehensive income                           |       | -                 | -               | -               | 4,114.12          | 4,114.12  |
| Transaction with owners in their capacity as owners: |       |                   |                 |                 |                   |           |
| Final equity dividend                                |       |                   |                 |                 | (643.00)          | (643.00)  |
| Balance as at 31st March 2024                        |       | 36,601.35         | (1,933.84)      | 3,788.31        | 37,937.52         | 76,393.34 |
| Profit for the year                                  |       | -                 | -               | -               | 9,376.93          | 9,376.93  |
| Other comprehensive income                           |       | -                 | -               | -               | (43.87)           | (43.87)   |
| Total comprehensive income                           |       | -                 | -               | -               | 9,333.06          | 9,333.06  |
| Transaction with owners in their capacity as owners: |       |                   |                 |                 |                   |           |
| Final equity dividend                                |       | -                 | -               | -               | (643.00)          | (643.00)  |
| Balance as at 31st March 2025                        |       | 36,601.35         | (1,933.84)      | 3,788.31        | 46,627.58         | 85,083.40 |

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

**Sakshi Kharabanda**

Proprietor

M.No. : 523802

UDIN : 25523802BMKTYI1865

For and on behalf of the Board of Directors

**Rishi Seth**

Managing Director

DIN- 00203469

**Lalit Seth**

Director

DIN-00312007

Place : Kundli

**Gautam Seth**

Joint MD and CFO

DIN- 00203405

**Vivek Kumar**

Company Secretary

M.No. A18491

Place : New Delhi

Dated : 22 May, 2025



**HPL Electric & Power Limited**  
CIN NO.: L74899DL1992PLC048945

# Notes forming part of the consolidated financial statements

for the year ended 31st March 2025

## 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 Gurugram 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 22, 2025.

## 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 have been prepared on accrual and going concern basis and 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 equipment's 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.

#### D) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less 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.

**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.

## 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 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 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.

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 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 40.

##### 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 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) Events occurring after Balance Sheet date**

The Company evaluates events and transactions that occur

subsequent to the balance sheet date but prior to approval of the financial statements to determine the necessity for recognition and/or reporting of any of these events and transactions in the financial statements. As of date, there are no subsequent events to be recognized or reported that are not already disclosed.

**f) 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.

## HPL Electric & Power Limited

CIN NO.: L74899DL1992PLC048945

Notes forming part of the Consolidated Financial Statements as at and for the year ended 31st March 2025

### 3 Property, plant and equipment

(₹ in Lakhs)

| S.No. | Particulars          | 1st April<br>2024 | Gross Block<br>Additions | Deletion /<br>Adjustment | 31st March<br>2025 | 1st April<br>2024 | Accumulated Depreciation<br>For the year | Deletion /<br>Adjustment | 31st March<br>2025 | Net Block<br>31st March<br>2025 |
|-------|----------------------|-------------------|--------------------------|--------------------------|--------------------|-------------------|--|--------------------------|--------------------|---------------------------------|
| 1     | Freehold Land        | 14,395.01         | -                        | -                        | 14,395.01          | -                 | -  | -                        | -                  | 14,395.01                       |
| 2     | Building             | 10,040.92         | -                        | -                        | 10,040.92          | 2,190.71          | 246.36                                   | -                        | 2,437.07           | 7,603.85                        |
| 3     | Plant & Machinery *  | 40,016.35         | 6,986.50                 | (1,432.31)               | 45,570.54          | 17,275.18         | 3,563.52                                 | (1,319.03)               | 19,519.67          | 26,050.87                       |
| 4     | Furniture & Fittings | 523.93            | 34.78                    | (77.58)                  | 481.13             | 248.13            | 44.64                                    | (73.70)                  | 219.07             | 262.06                          |
| 5     | Office Equipment     | 188.12            | 53.66                    | (82.63)                  | 159.15             | 101.84            | 27.15                                    | (78.32)                  | 50.67              | 108.48                          |
| 6     | Vehicles             | 768.68            | 545.28                   | (324.64)                 | 989.32             | 373.96            | 114.10                                   | (273.22)                 | 214.84             | 774.48                          |
|       | <b>TOTAL</b>         | <b>65,933.01</b>  | <b>7,620.22</b>          | <b>(1,917.16)</b>        | <b>71,636.07</b>   | <b>20,189.82</b>  | <b>3,995.77</b>                          | <b>(1,744.27)</b>        | <b>22,441.32</b>   | <b>49,194.75</b>                |

(₹ in Lakhs)

| S.No. | Particulars          | 1st April<br>2023 | Gross Block<br>Additions | Deletion /<br>Adjustment | 31st March<br>2024 | 1st April<br>2023 | Accumulated Depreciation<br>For the year | Deletion /<br>Adjustment | 31st March<br>2024 | Net Block<br>31st March<br>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                                   | -                        | 2,190.71           | 7,850.21                        |
| 3     | Plant & Machinery *  | 37,528.37         | 4,275.86                 | (1,787.88)               | 40,016.35          | 15,692.50         | 3,286.10                                 | (1,703.42)               | 17,275.18          | 22,741.17                       |
| 4     | Furniture & Fittings | 548.85            | 54.22                    | (79.14)                  | 523.93             | 275.52            | 48.39                                    | (75.78)                  | 248.13             | 275.80                          |
| 5     | Office Equipment     | 263.92            | 43.84                    | (119.64)                 | 188.12             | 188.31            | 26.52                                    | (112.99)                 | 101.84             | 86.28                           |
| 6     | Vehicles             | 683.42            | 193.00                   | (107.74)                 | 768.68             | 372.28            | 89.04                                    | (87.36)                  | 373.96             | 394.72                          |
|       | <b>TOTAL</b>         | <b>63,460.49</b>  | <b>4,566.92</b>          | <b>(2,094.40)</b>        | <b>65,933.01</b>   | <b>18,472.96</b>  | <b>3,696.41</b>                          | <b>(1,979.55)</b>        | <b>20,189.82</b>   | <b>45,743.19</b>                |

\* a) Refer note 18 and 22 for information on property, plant & equipment pledged as security by the Company



## HPL Electric & Power Limited

CIN NO.: L74899DL1992PLC048945

Notes forming part of the Consolidated Financial Statements as at and for the year ended 31st March 2025

### 4 CWIP ageing schedule as at March 31, 2025

(₹ in Lakhs)

| S No | Particulars                    | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | Total         |
|------|--------------------------------|------------------|-----------|-----------|-------------------|---------------|
| 1    | Project in process at Gurugram | 423.55           | -         | -         | -                 | 423.55        |
| 2    | Project in process at Kundli   | 239.79           | -         | -         | -                 | 239.79        |
| 3    | Project in process at Jabli    | 99.03            | -         | -         | -                 | 99.03         |
|      | <b>Total</b>                   | <b>762.37</b>    | <b>-</b>  | <b>-</b>  | <b>-</b>          | <b>762.37</b> |

CWIP ageing schedule as at March 31, 2024

(₹ in Lakhs)

| S No | Particulars                    | Less than 1 year | 1-2 years     | 2-3 years | More than 3 years | Total           |
|------|--------------------------------|------------------|---------------|-----------|-------------------|-----------------|
| 1    | Project in process at Gurugram | 539.53           | 150.31        | -         | -                 | 689.84          |
| 2    | Project in process at Jabli    | 339.95           | -             | -         | -                 | 339.95          |
|      | <b>Total</b>                   | <b>879.48</b>    | <b>150.31</b> | <b>-</b>  | <b>-</b>          | <b>1,029.79</b> |

### 5 Right of use assets

(₹ in Lakhs)

| Particulars                     | FY 24-25<br>Leasehold Buildings<br>and P&M | FY 23-24<br>Leasehold Buildings |
|---------------------------------|--|---------------------------------|
| <b>Gross carrying value</b>     |  |                                 |
| As at 01 April                  | 524.08                                     | 637.04                          |
| Additions                       | 546.58                                     | 567.42                          |
| Disposals                       | (59.48)                                    | (680.38)                        |
| <b>As at 31st March</b>         | <b>1,011.18</b>                            | <b>524.08</b>                   |
| <b>Accumulated depreciation</b> |  |                                 |
| As at 01 April                  | 205.90                                     | 484.18                          |
| Additions                       | 220.60                                     | 168.62                          |
| Disposals                       | (59.48)                                    | (446.90)                        |
| <b>As at 31st March</b>         | <b>367.02</b>                              | <b>205.90</b>                   |
| Net carrying value              |  |                                 |
| <b>As at 31st March</b>         | <b>644.16</b>                              | <b>318.18</b>                   |

### 6 Non-current investments

(₹ in Lakhs)

| Particulars  | As at<br>31st March 2025 | As at<br>31st March 2024 |
|--|--------------------------|--------------------------|
| Investment in Shares   |                          |                          |
| Apraava Bhopal Smart Meter Pvt Ltd ( 1,000 Equity Shares of ₹ 10 each fully paid up) | 0.10                     | 0.10                     |
| ( 31st March 2024: 1,000 Equity Shares of ₹ 10 each fully paid up)                   |                          |                          |
| <b>Total</b>   | <b>0.10</b>              | <b>0.10</b>              |
| <b>Aggregate amount of unquoted investments</b>                                      | <b>0.10</b>              | <b>0.10</b>              |



## Notes forming part of the Consolidated Financial Statements as at and for the year ended 31st March 2025

## 7 Loans

(Unsecured, considered good)

(₹ in Lakhs)

| Particulars       | Non-current             |                         | Current                 |                         |
|-------------------|-------------------------|-------------------------|-------------------------|-------------------------|
|                   | As at<br>March 31, 2025 | As at<br>March 31, 2024 | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
| Security Deposits | 186.98                  | 255.24                  | 160.81                  | 69.55                   |
| <b>Total</b>      | <b>186.98</b>           | <b>255.24</b>           | <b>160.81</b>           | <b>69.55</b>            |

## 8 Deferred tax assets/(liability)

(₹ in Lakhs)

| Particulars  | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|--|-------------------------|-------------------------|
| The balance comprises temporary differences attributable to: | -                       | -                       |
| Provision for employee benefits                              | 513.89                  | 670.04                  |
| Provision for warranties                                     | 56.69                   | 112.75                  |
| Provision for doubtful debts                                 | 534.88                  | 721.34                  |
| Property, plant and equipment                                | (2,227.92)              | (3,021.84)              |
| Others   | 192.05                  | 531.19                  |
| MAT credit   | 1,924.46                | 2,060.45                |
| <b>Total deferred tax assets</b>                             | <b>994.05</b>           | <b>1,073.93</b>         |

## Movement in deferred tax assets

(₹ in Lakhs)

| Particulars                      | Provision for<br>employee benefits | Provision for<br>warranties | Provision for<br>doubtful debts | Total           |
|----------------------------------|------------------------------------|-----------------------------|---------------------------------|-----------------|
| <b>At 1st April 2023</b>         | <b>368.76</b>                      | <b>112.39</b>               | <b>680.60</b>                   | <b>1,161.75</b> |
| (Charged)/credited:              |                                    |                             |                                 |                 |
| - to profit or loss              | 301.28                             | 0.36                        | 40.74                           | 342.38          |
| - to other comprehensive income  | -                                  | -                           | -                               | -               |
| <b>At 31st March 2024</b>        | <b>670.04</b>                      | <b>112.75</b>               | <b>721.34</b>                   | <b>1,504.13</b> |
| (Charged)/credited:              |                                    |                             |                                 |                 |
| - to profit or loss              | (156.15)                           | (56.06)                     | (186.46)                        | (398.67)        |
| - to other comprehensive incomes | -                                  | -                           | -                               | -               |
| <b>At 31st March 2025</b>        | <b>513.89</b>                      | <b>56.69</b>                | <b>534.88</b>                   | <b>1,105.46</b> |

| Particulars                      | Property, plant and<br>equipment | Others        | MAT Credit      | Total           |
|----------------------------------|----------------------------------|---------------|-----------------|-----------------|
| <b>At 1st April 2023</b>         | <b>(2,808.26)</b>                | <b>581.57</b> | <b>3,228.50</b> | <b>1,001.81</b> |
| (Charged)/credited:              |                                  |               |                 |                 |
| - to profit or loss              | (213.58)                         | (50.38)       | (1,168.05)      | (1,432.01)      |
| - to other comprehensive income  | -                                | -             | -               | -               |
| <b>At 31st March 2024</b>        | <b>(3,021.84)</b>                | <b>531.19</b> | <b>2,060.45</b> | <b>(430.20)</b> |
| (Charged)/credited:              |                                  |               |                 |                 |
| - to profit or loss              | 793.92                           | (339.14)      | (135.99)        | 318.79          |
| - to other comprehensive incomes | -                                | -             | -               | -               |
| <b>At 31st March 2025</b>        | <b>(2,227.92)</b>                | <b>192.05</b> | <b>1,924.46</b> | <b>(111.41)</b> |



## HPL Electric & Power Limited

CIN NO.: L74899DL1992PLC048945

Notes forming part of the Consolidated Financial Statements as at and for the year ended 31st March 2025

### 9 Other assets

(₹ in Lakhs)

| Particulars                                     | Non-current             | As at<br>March 31, 2024 | Current                 | As at<br>March 31, 2024 |
|---|-------------------------|-------------------------|-------------------------|-------------------------|
|   | As at<br>March 31, 2025 |                         | As at<br>March 31, 2025 |                         |
| Receivable on deferred basis to related parties | 561.74                  | 596.74                  | -                       | -                       |
| Prepaid Expenses                                | 1.25                    | 3.61                    | 1,541.11                | 808.40                  |
| Balance with government authorities             | -                       | -                       | 1,498.42                | 1,337.79                |
| Advance to Suppliers*                           | -                       | -                       | 1,889.28                | 1,716.34                |
| Duty drawback recoverable                       | -                       | -                       | 8.05                    | 7.83                    |
| Other project assets                            | -                       | -                       | 3,237.87                | -                       |
| <b>Total</b>                                    | <b>562.99</b>           | <b>600.35</b>           | <b>8,174.73</b>         | <b>3,870.36</b>         |

\*includes Rs. 8,44.16/- lakhs from Company, where directors are interested (PY: 5,99.53 /- lakhs)

### 10 Inventories

(₹ in Lakhs)

| Particulars  | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|--|-------------------------|-------------------------|
| (Valued at lower of cost and net realisable value unless otherwise stated) |                         |                         |
| a. Raw Materials and components  |                         |                         |
| (i) Raw materials  | 30,350.82               | 30,118.28               |
| (ii) Material-in-transit   | 630.17                  | 304.69                  |
| b. Work-in-progress  | 25,014.24               | 16,565.76               |
| c. Finished goods  | 13,634.90               | 10,259.52               |
| d. Stores and spares   | 36.83                   | 35.12                   |
| <b>Total</b>   | <b>69,666.96</b>        | <b>57,283.37</b>        |

### 11 Trade Receivables

(₹ in Lakhs)

| Particulars  | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|--|-------------------------|-------------------------|
| Unsecured  |                         |                         |
| (i) Trade receivables-considered good                  | 71,367.68               | 69,669.33               |
| (ii) Trade receivables-credit impaired                 | 1,952.50                | 1,811.29                |
|  | 73,320.18               | 71,480.62               |
| Less: Allowances for trade receivables-credit impaired | (1,952.50)              | (1,811.29)              |
| <b>Total</b>   | <b>71,367.68</b>        | <b>69,669.33</b>        |

#### Trade receivable ageing schedule as at March 31, 2025

(₹ in Lakhs)

| 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                        | 50,032.26  | 13,492.99          | 1,664.23           | 1,866.24        | 1,952.37        | 2,359.59          | 71,367.68        |
| Undisputed trade receivable-Credit impaired                        | -  | -                  | -                  | -               | -               | 1,952.50          | 1,952.50         |
| Disputed trade receivable-Considered good                          | -  | -                  | -                  | -               | -               | -                 | -                |
| Disputed trade receivable-Credit impaired                          | -  | -                  | -                  | -               | -               | -                 | -                |
| Less : Impairment allowance for trade receivables- Credit impaired | -  | -                  | -                  | -               | -               | (1,952.50)        | (1,952.50)       |
| <b>Total</b>   | <b>50,032.26</b>   | <b>13,492.99</b>   | <b>1,664.23</b>    | <b>1,866.24</b> | <b>1,952.37</b> | <b>2,359.59</b>   | <b>71,367.68</b> |

**Notes forming part of the Consolidated Financial Statements as at and for the year ended 31st March 2025****Trade receivable ageing schedule as at March 31, 2024**

(₹ in Lakhs)

| 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)       |
| <b>Total</b>   | <b>47,657.68</b>   | <b>10,641.31</b>   | <b>3,358.88</b>    | <b>2,719.21</b> | <b>1,857.80</b> | <b>3,434.45</b>   | <b>69,669.33</b> |

**12 Cash and Cash Equivalents**

(₹ in Lakhs)

| Particulars               | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|---------------------------|-------------------------|-------------------------|
| Cash and Cash equivalents |                         |                         |
| Balances with banks       | 2,680.43                | 2,279.07                |
| Cash on hand              | 36.93                   | 357.10                  |
| <b>Total</b>              | <b>2,717.36</b>         | <b>2,636.17</b>         |

**13 Other Bank Balances**

(₹ in Lakhs)

| Particulars                              | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|--|-------------------------|-------------------------|
| Balances with Banks held as Margin Money | 3,410.81                | 3,256.32                |
| <b>Total</b>                             | <b>3,410.81</b>         | <b>3,256.32</b>         |

**14 Other financial assets**

(₹ in Lakhs)

| Particulars                 | Current                 |                         |
|-----------------------------|-------------------------|-------------------------|
|                             | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
| Earnest money deposit       | 875.09                  | 802.73                  |
| Insurance claim Recoverable | 47.73                   | 47.74                   |
| Contract Asset Recoverable  | 709.44                  | 582.50                  |
| <b>Total</b>                | <b>1,632.26</b>         | <b>1,432.97</b>         |

**15 Current tax assets (Net)**

(₹ in Lakhs)

| Particulars                                   | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|---|-------------------------|-------------------------|
| Advance Income Tax (net of provision for tax) | -                       | 176.36                  |
| <b>Total</b>                                  | <b>-</b>                | <b>176.36</b>           |



## HPL Electric & Power Limited

CIN NO.: L74899DL1992PLC048945

Notes forming part of the Consolidated Financial Statements as at and for the year ended 31st March 2025

### Current tax liability (Net)

(₹ in Lakhs)

| Particulars   | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|---|-------------------------|-------------------------|
| Current tax liability (net of advance tax and tax deducted at source) | 313.71                  | -                       |
| <b>Total</b>  | <b>313.71</b>           | <b>-</b>                |

### 16 Share Capital

(₹ in Lakhs)

| Particulars  | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|--|-------------------------|-------------------------|
| (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                |
| <b>Total</b>   | <b>6,430.05</b>         | <b>6,430.05</b>         |

#### (c) Reconciliation of share capital at the beginning and close of the accounting year ended :-

(₹ in Lakhs)

| Particulars                                     | As at 31st March 2025 |          | As at 31st March 2024 |          |
|---|-----------------------|----------|-----------------------|----------|
|   | Number                | Amount ₹ | Number                | Amount ₹ |
| Shares outstanding at the beginning of the year | 64,300,486            | 6,430.05 | 64,300,486            | 6,430.05 |
| Shares Issued during the year                   | -                     | -        | -                     | -        |
| Shares outstanding at the end of the year       | 64,300,486            | 6,430.05 | 64,300,486            | 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 31st March 2025     |              | As at 31st March 2024     |              |
|-------------------------------|---------------------------|--------------|---------------------------|--------------|
|                               | No. of Equity Shares held | % of Holding | No. of Equity Shares held | % of Holding |
| Mr. Lalit Seth                | 8,030,228                 | 12.49        | 8,030,228                 | 12.49        |
| HPL India Ltd.                | 17,573,238                | 27.33        | 17,573,238                | 27.33        |
| Havell's Electronics Pvt. Ltd | 11,652,130                | 18.12        | 11,652,130                | 18.12        |

## (f) Shareholding of promoters:

| Name of Shareholder                  | As at 31st March 2025     |              | As at 31st March 2024     |              |
|--------------------------------------|---------------------------|--------------|---------------------------|--------------|
|                                      | No. of Equity Shares held | % of Holding | No. of Equity Shares held | % of Holding |
| Mr. Lalit Seth                       | 8,030,228                 | 12.49        | 8,030,228                 | 12.49        |
| Mr. Rishi Seth                       | 2,231,740                 | 3.47         | 2,231,740                 | 3.47         |
| Mr. Gautam Seth                      | 2,231,740                 | 3.47         | 2,231,740                 | 3.47         |
| Mrs. Praveen Seth                    | 2,133,098                 | 3.32         | 2,133,098                 | 3.32         |
| HPL India Ltd                        | 17,573,238                | 27.33        | 17,573,238                | 27.33        |
| Havell's Electronics Private Limited | 11,652,130                | 18.12        | 11,652,130                | 18.12        |
| Havell's Private Limited             | 2,842,655                 | 4.42         | 2,842,655                 | 4.42         |
| Jeson Imprex Private Limited         | 24,000                    | 0.04         | 24,000                    | 0.04         |

## 17 Reserves and Surplus

(₹ in Lakhs)

| (a) Securities Premium                   | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|--|-------------------------|-------------------------|
| Opening Balance                          | 36,601.35               | 36,601.35               |
| Add : Received on issue of equity shares | -                       | -                       |
| Less : share issue expenses              | -                       | -                       |
| <b>Closing Balance</b>                   | <b>36,601.35</b>        | <b>36,601.35</b>        |

## Securities premium reserve

Securities premium reserve is used to record the premium on issue of securities. The reserve will be utilised in accordance with the provisions of the Companies Act 2013.

(₹ in Lakhs)

| (b) Capital reserve               | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|-----------------------------------|-------------------------|-------------------------|
| Opening Balance                   | (1,933.84)              | (1,933.84)              |
| Add/less : Change during the year | -                       | -                       |
|                                   | -                       | -                       |
| <b>Total</b>                      | <b>(1,933.84)</b>       | <b>(1,933.84)</b>       |

(₹ in Lakhs)

| (c) General Reserve       | As at<br>31st March 2025 | As at<br>31st March 2024 |
|---------------------------|--------------------------|--------------------------|
| Opening Balance           | 3,788.31                 | 3,788.31                 |
| (+) Current Year Transfer | -                        | -                        |
| <b>Closing Balance</b>    | <b>3,788.31</b>          | <b>3,788.31</b>          |

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

## Notes forming part of the Consolidated Financial Statements as at and for the year ended 31st March 2025

(₹ in Lakhs)

| (d) Retained earnings  | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|--|-------------------------|-------------------------|
| Opening balance  | 37,937.52               | 34,466.40               |
| (+) Net Profit/(Loss) For the current year                                   | 9,376.93                | 4,356.43                |
| (-) Dividend on Equity Shares  | (643.00)                | (643.00)                |
| Items of other comprehensive income recognised directly in retained earnings |                         |                         |
| - Remeasurements of post-employment benefit obligation, net of tax           | (43.87)                 | (242.31)                |
| <b>Closing Balance</b>   | <b>46,627.58</b>        | <b>37,937.52</b>        |
| <b>Total Reserves &amp; Surplus (a+b+c)</b>                                  | <b>85,083.40</b>        | <b>76,393.34</b>        |

### 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

## 18 Borrowings

(₹ in Lakhs)

| Particulars   | Non-Current             |                         |
|---|-------------------------|-------------------------|
|   | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
| <b>Secured</b>  |                         |                         |
| Term loan from banks  | 1,986.96                | 6,899.84                |
| Vehicle loans - from banks  | 102.86                  | 73.98                   |
| 11,000,000,10% Cumulative Compulsorily Redeemable Preference Shares | -                       | 2,035.00                |
| <b>Total</b>  | <b>2,089.82</b>         | <b>9,008.82</b>         |

### Secured term loan

The part of outstanding term loan (including current maturity of long term borrowings as per note 22) amounting to Rs. 10.94 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 22) amounting to Rs. 56.71 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 10.94 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 10.94 crores as mentioned above and 2nd pari-passu charge on fixed assets financed by term lenders of Rs. 10.94 crores and also secured by way of personal guarantee of three promoter directors on entire term loans. Working capital Term Loan of Rs 0.57 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).

| Nature       | As at<br>March 31, 2025 | Interest rate                      | Frequency of<br>payments | Maturity        |
|--------------|-------------------------|------------------------------------|--------------------------|-----------------|
| Term Loan 1  | 356.94                  | 6 Month T Bill + spread 3.35% p.a. | Quarterly                | June, 2027      |
| Term Loan 2  | 209.10                  | 6 Month MCLR + spread 0.60% p.a.   | Monthly                  | August, 2025    |
| Term Loan 3  | 528.25                  | EBR + spread 4.60% p.a.            | Monthly                  | August, 2026    |
| Term Loan 4  | 1,993.51                | 6 Month MCLR + spread 2% p.a.      | Quarterly                | February, 2026  |
| Term Loan 5  | 476.78                  | 3 Month T Bill + spread 3.13% p.a. | Quarterly                | May, 2026       |
| Term Loan 6  | 3,200.00                | 6 Month MCLR + spread 1.05% p.a.   | Quarterly                | January, 2027   |
| Term Loan 7  | 57.50                   | Rate 9.25 % p.a.                   | Monthly                  | September, 2025 |
| <b>Total</b> | <b>6,822.08</b>         |                                    |                          |                 |

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 Feb, 2028. The loan carries an interest rate from 8.5% p.a. to 8.75% p.a.



**Notes forming part of the Consolidated Financial Statements as at and for the year ended 31st March 2025****Maturity profile of term loans including current maturities is as below:**

(₹ in Lakhs)

| Particulars                             | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|---|-------------------------|-------------------------|
| Not later than one year or on demand    | 4,835.12                | 5,155.10                |
| Later than one year but not two years   | 1,980.02                | 4,849.89                |
| Later than two year but not three years | 6.94                    | 2,049.94                |
| More than 3 years                       | -                       | -                       |
| <b>Total</b>                            | <b>6,822.08</b>         | <b>12,054.93</b>        |

**Maturity profile of vehicle loans including current maturities is as below:**

(₹ in Lakhs)

| Particulars                              | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|--|-------------------------|-------------------------|
| Not later than one year or on demand     | 168.04                  | 49.47                   |
| Later than one year but not two years    | 68.14                   | 39.99                   |
| Later than two year but not three years  | 34.72                   | 33.30                   |
| Later than three year but not four years | -                       | 0.69                    |
| <b>Total</b>                             | <b>270.90</b>           | <b>123.45</b>           |

**19 Lease liabilities**

(₹ in Lakhs)

| Particulars                       | Non-current             |                         | Current                 |                         |
|-----------------------------------|-------------------------|-------------------------|-------------------------|-------------------------|
|                                   | As at<br>March 31, 2025 | As at<br>March 31, 2024 | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
| Lease Liabilities (refer note 38) | 388.33                  | 236.60                  | 233.28                  | 114.62                  |
| <b>Total</b>                      | <b>388.33</b>           | <b>236.60</b>           | <b>233.28</b>           | <b>114.62</b>           |

**20 Other financial liabilities**

(₹ in Lakhs)

| Particulars                  | Non-current             |                         | Current                 |                         |
|------------------------------|-------------------------|-------------------------|-------------------------|-------------------------|
|                              | As at<br>March 31, 2025 | As at<br>March 31, 2024 | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
| Expenses Payable             | -                       | -                       | 493.61                  | 234.49                  |
| Interest Accrued but not due | -                       | -                       | 37.70                   | 69.99                   |
| Employee Benefits Payable    | -                       | -                       | 2,161.49                | 1,195.18                |
| Security deposit received    | 1,175.64                | 1,282.62                | -                       | -                       |
| Other liability*             | -                       | 1,189.91                | 2,433.95                | 4,245.20                |
| <b>Total</b>                 | <b>1,175.64</b>         | <b>2,472.53</b>         | <b>5,126.75</b>         | <b>5,744.86</b>         |

\*Includes 11,000,000,10% Cumulative Compulsorily Redeemable Preference Shares



## HPL Electric & Power Limited

CIN NO.: L74899DL1992PLC048945

Notes forming part of the Consolidated Financial Statements as at and for the year ended 31st March 2025

### 21 Provisions

(₹ in Lakhs)

| Particulars                                | Non-current             |                         | Current                 |                         |
|--|-------------------------|-------------------------|-------------------------|-------------------------|
|  | As at<br>March 31, 2025 | As at<br>March 31, 2024 | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
| <b>(a) Provision for employee benefits</b> |                         |                         |                         |                         |
| Gratuity                                   | 1,155.74                | 976.18                  | 182.47                  | 154.36                  |
| Leave Encashment                           | -                       | -                       | 495.39                  | 389.15                  |
|  | <b>1,155.74</b>         | <b>976.18</b>           | <b>677.86</b>           | <b>543.51</b>           |
| <b>(b) Other Provisions</b>                |                         |                         |                         |                         |
| Provision for Warranties                   | 187.17                  | 244.66                  | 38.08                   | 113.08                  |
|  | <b>187.17</b>           | <b>244.66</b>           | <b>38.08</b>            | <b>113.08</b>           |
| <b>Total</b>                               | <b>1,342.91</b>         | <b>1,220.84</b>         | <b>715.94</b>           | <b>656.59</b>           |

#### 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.

#### (i) Movements in provisions

Movements in warranty provision during the financial year, are set out below:

(₹ in Lakhs)

| Particulars                          | Warranty      |
|--------------------------------------|---------------|
| <b>As at 1st April 2023</b>          | <b>349.87</b> |
| Charged/(credited) to profit or loss |               |
| - additional provisions recognised   | 70.00         |
| - unused amounts reversed            |               |
| - unwinding of discount              | 6.85          |
| Amounts used during the year         | (68.98)       |
| <b>As at 31st March 2024</b>         | <b>357.74</b> |
| Charged/(credited) to profit or loss |               |
| - additional provisions recognised   | 300.31        |
| - unused amounts reversed            |               |
| - unwinding of discount              | (7.49)        |
| Amounts used during the year         | (425.31)      |
| <b>As at 31st March 2025</b>         | <b>225.25</b> |

### 22 Short Term Borrowings

(₹ in Lakhs)

| Particulars                                  | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|--|-------------------------|-------------------------|
| <b>Loans repayable on demand</b>             |                         |                         |
| -Secured Loans                               |                         |                         |
| - From Banks                                 | 56,215.55               | 48,087.25               |
| - Current maturities of long term borrowings | 4,835.12                | 5,155.09                |
| - Current maturities of vehicle loans        | 168.04                  | 49.47                   |
| <b>Total</b>                                 | <b>61,218.71</b>        | <b>53,291.81</b>        |

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 FCNR 3M SOFR+1.9 and these working capital facilities are repayable on demand. Working capital facilities alongwith term lenders of Rs 56.71 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. 10.94 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 10.94 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<br>March 31, 2025 | As at<br>March 31, 2024 |
|---------------------------|-------------------------|-------------------------|
| Cash and cash equivalents | 6,128.17                | 5,892.49                |
| Long term borrowings      | (2,089.82)              | (9,008.82)              |
| Short term borrowings     | (61,218.71)             | (53,291.81)             |
| <b>Net debt</b>           | <b>(57,180.36)</b>      | <b>(56,408.14)</b>      |

(₹ in Lakhs)

| Particulars                                     | Cash and cash<br>equivalents | Long term<br>Borrowings | Short term<br>borrowings | Total              |
|---|------------------------------|-------------------------|--------------------------|--------------------|
| <b>Net debt as at 1st April 2023</b>            | <b>7,032.24</b>              | <b>(4,697.86)</b>       | <b>(55,117.36)</b>       | <b>(52,782.98)</b> |
| Cash flows                                      | (1,139.75)                   | -                       | -                        | (1,139.75)         |
| 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)           |
| <b>Net debt as at 31st March 2024</b>           | <b>5,892.49</b>              | <b>(9,008.82)</b>       | <b>(53,291.81)</b>       | <b>(56,408.14)</b> |
| Cash flows                                      | 235.68                       | -                       | -                        | 235.68             |
| Repayment/(Proceeds) working capital loan (net) | -                            | -                       | (7,926.90)               | (7,926.90)         |
| Repayment/(Proceeds) secured term loan          | -                            | 7,029.00                | -                        | 7,029.00           |
| Interest accrued                                | -                            | (110.00)                | -                        | (110.00)           |
| <b>Net debt as at 31st March 2025</b>           | <b>6,128.17</b>              | <b>(2,089.82)</b>       | <b>(61,218.71)</b>       | <b>(57,180.36)</b> |

Utilised amount of bank guarantees (performance and bid bonds) as at 31st March 2025 : ₹ 46,333.28/- lakhs (PY ₹ 42,248.12/- lakhs)

### 23 Trade Payables

(₹ in Lakhs)

| Particulars   | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|---|-------------------------|-------------------------|
| <b>Trade Payables</b>   |                         |                         |
| (a) Total outstanding of Micro and Small Enterprises under MSMED Act, 2006* (Refer note 39) | 1,745.09                | 1,956.00                |
| (b) Total outstanding of creditors other than Micro and Small Enterprises                   | 41,239.08               | 28,525.43               |
| <b>Total</b>  | <b>42,984.17</b>        | <b>30,481.43</b>        |



## HPL Electric & Power Limited

CIN NO.: L74899DL1992PLC048945

### Notes forming part of the Consolidated Financial Statements as at and for the year ended 31st March 2025

Trade payable ageing schedule as at March 31, 2025

(₹ in Lakhs)

| 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   | 1,745.09   | -                | -         | -         | -                 | 1,745.09         |
| Trade payables-Others | 10,260.12  | 30,791.77        | -         | -         | 187.19            | 41,239.08        |
| Disputed dues- MSME   | -  | -                | -         | -         | -                 | -                |
| Disputed dues- Others | -  | -                | -         | -         | -                 | -                |
| <b>Total</b>          | <b>12,005.21</b>   | <b>30,791.77</b> | <b>-</b>  | <b>-</b>  | <b>187.19</b>     | <b>42,984.17</b> |

Trade payable ageing schedule as at March 31, 2024

(₹ in Lakhs)

| 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 | -  | -                | -           | -            | -                 | -                |
| <b>Total</b>          | <b>7,980.06</b>  | <b>22,288.34</b> | <b>0.11</b> | <b>12.11</b> | <b>200.81</b>     | <b>30,481.43</b> |

## 24 Other Current Liabilities

(₹ in Lakhs)

| Particulars            | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|------------------------|-------------------------|-------------------------|
| Statutory dues payable | 2,160.39                | 1,171.34                |
| Unpaid Dividend        | 2.76                    | 3.93                    |
| <b>Total</b>           | <b>2,163.15</b>         | <b>1,175.27</b>         |

\* As per the provisions of the Company act 2013, during the year Company has transferred unpaid dividend balance of Rs 1.16/- lakhs (PY. Rs Nil) related to FY 2016-17 to Investor's Education and Protection Fund (IEPF).

## 25 Revenue from operation

(₹ in Lakhs)

| Particulars             | Year ended<br>31st March, 2025 | Year ended<br>31st March, 2024 |
|-------------------------|--------------------------------|--------------------------------|
| <b>Sale of Products</b> |                                |                                |
| Finished Goods          | 170,024.40                     | 146,085.81                     |
| <b>Total</b>            | <b>170,024.40</b>              | <b>146,085.81</b>              |

Particulars of Sale of products

(₹ in Lakhs)

| Particulars                     | Year ended<br>31st March, 2025 | Year ended<br>31st March, 2024 |
|---------------------------------|--------------------------------|--------------------------------|
| <b>Finished goods</b>           |                                |                                |
| Metering, Systems & Services    | 107,560.92                     | 85,257.77                      |
| Consumer, Industrial & Services | 62,463.48                      | 60,828.04                      |
| <b>Total</b>                    | <b>170,024.40</b>              | <b>146,085.81</b>              |

**26 Other Income**

(₹ in Lakhs)

| Particulars   | Year ended<br>March 31, 2025 | Year ended<br>March 31, 2024 |
|---|------------------------------|------------------------------|
| Interest income from financial assets at amortised cost | 454.41                       | 386.15                       |
| Other non-operating income                              | 33.54                        | 37.21                        |
| <b>Total</b>  | <b>487.95</b>                | <b>423.36</b>                |

**27 Particulars of Raw Materials Consumed**

(₹ in Lakhs)

| Particulars           | Year ended<br>March 31, 2025 | Year ended<br>March 31, 2024 |
|-----------------------|------------------------------|------------------------------|
| Copper                | 22,726.07                    | 17,755.56                    |
| Electronic Components | 63,314.64                    | 54,042.88                    |
| Engineering Plastic   | 22,945.15                    | 17,679.46                    |
| Packing               | 1,958.83                     | 1,373.36                     |
| Others                | 11,342.92                    | 8,464.77                     |
| <b>Total</b>          | <b>122,287.61</b>            | <b>99,316.03</b>             |

**28 Changes in Inventories of Finished Goods and Work-in-Progress and Stock-in- Trade**

(₹ in Lakhs)

| Particulars                          | Year ended<br>March 31, 2025 | Year ended<br>March 31, 2024 |
|--------------------------------------|------------------------------|------------------------------|
| <b>Inventories (at close)</b>        |                              |                              |
| Finished Goods                       | 13,634.90                    | 10,259.52                    |
| Work-in-Progress                     | 25,014.24                    | 16,565.76                    |
|                                      | <b>38,649.14</b>             | <b>26,825.28</b>             |
| <b>Inventories (at commencement)</b> |                              |                              |
| Finished Goods                       | 10,259.52                    | 8,529.69                     |
| Work-in-Progress                     | 16,565.76                    | 15,056.01                    |
|                                      | <b>26,825.28</b>             | <b>23,585.70</b>             |
| <b>Total</b>                         | <b>(11,823.86)</b>           | <b>(3,239.58)</b>            |

**29 Employee Benefits Expense**

(₹ in Lakhs)

| Particulars                               | Year ended<br>March 31, 2025 | Year ended<br>March 31, 2024 |
|---|------------------------------|------------------------------|
| Salaries and wages                        | 19,074.69                    | 17,064.63                    |
| Contribution to provident and other funds | 308.49                       | 292.48                       |
| Staff welfare expenses                    | 554.08                       | 526.30                       |
| <b>Total</b>                              | <b>19,937.26</b>             | <b>17,883.41</b>             |

## Notes forming part of the Consolidated Financial Statements as at and for the year ended 31st March 2025

### 30 Finance Cost

(₹ in Lakhs)

| Particulars  | Year ended<br>March 31, 2025 | Year ended<br>March 31, 2024 |
|--|------------------------------|------------------------------|
| Interest expenses  | 7,218.29                     | 7,294.13                     |
| Interest on lease liability (*refer note no 38)                      | 64.54                        | 48.19                        |
| Other borrowing costs- Bank Charges                                  | 1,579.49                     | 1,511.40                     |
| Interest expense on financial liabilities measured at amortized cost | 110.00                       | 110.00                       |
| <b>Total</b>   | <b>8,972.32</b>              | <b>8,963.72</b>              |

### 31 Depreciation and Amortization Expenses

(₹ in Lakhs)

| Particulars                                   | Year ended<br>March 31, 2025 | Year ended<br>March 31, 2024 |
|---|------------------------------|------------------------------|
| Depreciation on property, plant and equipment | 3,995.76                     | 3,696.41                     |
| Depreciation of right-of-use assets           | 220.60                       | 168.62                       |
| <b>Total</b>                                  | <b>4,216.36</b>              | <b>3,865.03</b>              |

### 32 Other Expenses

(₹ in Lakhs)

| Particulars  | Year ended<br>31st March, 2025 | Year ended<br>31st March, 2024 |
|--|--------------------------------|--------------------------------|
| Power and Fuel                                       | 1,455.75                       | 1,343.89                       |
| Job Work Charges                                     | 230.50                         | 383.77                         |
| Rent   | 279.88                         | 142.68                         |
| Repairs & Maintenance                                | 1,727.85                       | 1,525.40                       |
| Research & Development Expenses                      | 1,012.20                       | 1,016.47                       |
| Testing Expenses                                     | 811.72                         | 793.68                         |
| Rates and taxes excluding taxes on income            | 177.62                         | 253.61                         |
| Legal & Professional Expenses                        | 857.34                         | 727.02                         |
| Travelling & Conveyance                              | 1,549.90                       | 1,509.25                       |
| Communication Expenses                               | 133.10                         | 121.60                         |
| Printing & Stationery                                | 109.23                         | 97.08                          |
| Insurance  | 315.87                         | 283.50                         |
| Membership & Subscription                            | 26.03                          | 20.72                          |
| Commission on sales                                  | 911.29                         | 962.92                         |
| Provision for expected credit loss                   | 224.42                         | 152.53                         |
| Advertisement and business promotion                 | 2,054.04                       | 1,986.92                       |
| Freight Outward                                      | 1,708.66                       | 1,260.36                       |
| Product Warranties                                   | 277.48                         | 108.97                         |
| Loss on sale of Fixed Assets                         | 79.13                          | 74.67                          |
| Donation   | 111.57                         | 69.06                          |
| Auditors remuneration                                | 26.85                          | 23.60                          |
| Contribution towards Corporate Social Responsibility | 77.00                          | 52.00                          |
| Miscellaneous Expenses                               | 0.80                           | 0.92                           |
| <b>Total</b>   | <b>14,158.23</b>               | <b>12,910.62</b>               |



**32(a) Auditor's Remuneration**

(₹ in Lakhs)

| Particulars    | Year ended<br>March 31, 2025 | Year ended<br>March 31, 2024 |
|----------------|------------------------------|------------------------------|
| Audit Fees     | 22.60                        | 19.60                        |
| Tax Audit Fees | 4.25                         | 4.00                         |

**32(b) 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 promoting education including special education and promoting healthcare including preventive health care.

**31(b) Research & Development Expenditure :-**

(₹ in Lakhs)

| Details of CSR Expenditure |   | Year ended<br>March 31, 2025 | Year ended<br>March 31, 2024 |
|----------------------------|---|------------------------------|------------------------------|
| a)                         | Gross amount required to be spent by the Company during the year              | 78.23                        | 47.75                        |
| b)                         | Amount spent during year ended 31st March 2025                                |                              |                              |
|                            | Contribution/acquisition of an asset  | -                            | -                            |
|                            | Contribution to other purpose other than above                                | 77.00                        | 52.00                        |
|                            | Add : Excess spent amount from previous year utilized during the current year | 8.19                         | 3.94                         |
| Total amount spent         |   | 85.19                        | 55.94                        |
| Excess/(short) (a-b)       | Excess spent to be carry forward to next year financial year                  | 6.96                         | 8.19                         |

**33 Income tax expense**

(₹ in Lakhs)

| Particulars                                  | Year ended<br>March 31, 2025 | Year ended<br>March 31, 2024 |
|--|------------------------------|------------------------------|
| <b>Current tax</b>                           |                              |                              |
| Current tax on profits for the year          | 3,270.93                     | 1,228.32                     |
| <b>Total current tax expense</b>             | <b>3,270.93</b>              | <b>1,228.32</b>              |
| Deferred tax expense/(income) for the period | (41.20)                      | 51.03                        |
| MAT credit entitlement/Setoff                | 135.99                       | 1,168.05                     |
| <b>Total deferred tax expense/(benefit)</b>  | <b>94.79</b>                 | <b>1,219.08</b>              |
| <b>Income tax expense</b>                    | <b>3,365.72</b>              | <b>2,447.40</b>              |

(₹ in Lakhs)

| Particulars   | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|---|-------------------------|-------------------------|
| Profit before income tax expense  | 12,764.43               | 6,809.94                |
| Tax at the Indian tax rate of 25.168% (31st March 2024 - 34.944%)                       | 3,268.28                | 2,347.67                |
| Tax effect of amounts which are not deductible (taxable) in calculating taxable income: |                         |                         |
| Corporate social responsibility expenditure   | 19.38                   | 8.84                    |
| Interest due on preference shares   | 32.03                   | 30.60                   |
| Interest on late payment  | -                       | 12.93                   |
| Loss on sale/scrap of FA  | 17.94                   | 26.09                   |
| Other items   | 28.09                   | 21.27                   |
| <b>Income tax expense</b>   | <b>3,365.72</b>         | <b>2,447.40</b>         |

## Notes forming part of the Consolidated Financial Statements as at and for the year ended 31st March 2025

### 34 Earnings per share

(₹ in Lakhs)

| Particulars   | Year ended<br>March 31, 2025 | Year ended<br>March 31, 2024 |
|---|------------------------------|------------------------------|
| (i) Profit after tax  | 9,376.93                     | 4,356.43                     |
| (ii) Weighted average number of equity shares for basic EPS     | 64,300,486                   | 64,300,486                   |
| (iii) Weighted average number of equity shares for dilutive EPS | 64,300,486                   | 64,300,486                   |
| (iv) Nominal value per Equity Shares                            | 10                           | 10                           |
| (v) Earning Per Share (Basic)                                   | 14.58                        | 6.78                         |
| (vi) Earning Per Share (Dilutive)                               | 14.58                        | 6.78                         |

### 35 Fair value measurements

(₹ in Lakhs)

| Financial instruments by category  | 31st March 2025 |                   | 31st March 2024 |                   |
|------------------------------------|-----------------|-------------------|-----------------|-------------------|
|                                    | FVTPL           | Amortised cost    | FVTPL           | Amortised cost    |
| <b>Financial assets</b>            |                 |                   |                 |                   |
| Trade receivables                  | -               | 71,367.68         | -               | 69,669.33         |
| Loans                              | -               | 347.79            | -               | 324.79            |
| Cash and Bank Balances             | -               | 6,128.17          | -               | 5,892.49          |
| Other Financial Assets             | -               | 1,632.26          | -               | 1,432.97          |
| <b>Total financial assets</b>      | -               | <b>79,475.90</b>  | -               | <b>77,319.58</b>  |
| <b>Financial liabilities</b>       |                 |                   |                 |                   |
| Borrowings                         | -               | 63,308.53         | -               | 62,300.63         |
| Trade payables                     | -               | 42,984.17         | -               | 30,481.43         |
| Other Financial Liabilities        | -               | 6,924.00          | -               | 8,568.61          |
| <b>Total financial liabilities</b> | -               | <b>113,216.70</b> | -               | <b>101,350.67</b> |

#### (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)

| As at March 31, 2025               | Level 1 | Level 2 | Level 3           | Total             |
|------------------------------------|---------|---------|-------------------|-------------------|
| <b>Financial assets</b>            |         |         |                   |                   |
| Trade receivables                  | -       | -       | 71,367.68         | 71,367.68         |
| Loans                              | -       | -       | 347.79            | 347.79            |
| Cash and bank balances             | -       | -       | 6,128.17          | 6,128.17          |
| Other financial assets             | -       | -       | 1,632.26          | 1,632.26          |
| <b>Total financial assets</b>      | -       | -       | <b>79,475.90</b>  | <b>79,475.90</b>  |
| <b>Financial liabilities</b>       |         |         |                   |                   |
| Borrowings                         | -       | -       | 63,308.53         | 63,308.53         |
| Trade payables                     | -       | -       | 42,984.17         | 42,984.17         |
| Other financial liabilities        | -       | -       | 6,924.00          | 6,924.00          |
| <b>Total financial liabilities</b> | -       | -       | <b>113,216.70</b> | <b>113,216.70</b> |
| <b>As at March 31, 2024</b>        |         |         |                   |                   |
| <b>Financial assets</b>            |         |         |                   |                   |

**Notes forming part of the Consolidated Financial Statements as at and for the year ended 31st March 2025**

|                                    |          |          |                   |                   |
|------------------------------------|----------|----------|-------------------|-------------------|
| 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          |
| <b>Total financial assets</b>      | <b>-</b> | <b>-</b> | <b>77,319.58</b>  | <b>77,319.58</b>  |
| <b>Financial liabilities</b>       |          |          |                   |                   |
| Borrowings                         | -        | -        | 62,300.63         | 62,300.63         |
| Trade payables                     | -        | -        | 30,481.43         | 30,481.43         |
| Other financial liabilities        | -        | -        | 8,568.61          | 8,568.61          |
| <b>Total financial liabilities</b> | <b>-</b> | <b>-</b> | <b>101,350.67</b> | <b>101,350.67</b> |

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 2025 and 31st March 2024 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.

**36 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, 2025.

Movement in ECL on trade receivable:

(₹ in Lakhs)

| Particulars               | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|---------------------------|-------------------------|-------------------------|
| At the beginning of year  | 1,811.29                | 1,694.70                |
| Provision during the year | 224.42                  | 152.52                  |
| Bad debts written off     | (83.21)                 | (35.93)                 |
| <b>Total ECL</b>          | <b>1,952.50</b>         | <b>1,811.29</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.



## HPL Electric & Power Limited

CIN NO.: L74899DL1992PLC048945

### Notes forming part of the Consolidated Financial Statements as at and for the year ended 31st March 2025

#### (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             |
|----------------------------------|-------------------|------------------|-------------------|
| <b>31st March 2025</b>           |                   |                  |                   |
| Borrowings                       | 61,218.71         | 2,089.82         | 63,308.53         |
| Trade payables                   | 42,984.17         | -                | 42,984.17         |
| Lease liabilities (undiscounted) | 284.83            | 438.60           | 723.43            |
| Other financial liabilities      | 5,126.75          | 1,175.64         | 6,302.39          |
| <b>Total</b>                     | <b>109,614.46</b> | <b>3,704.06</b>  | <b>113,318.52</b> |
| <b>31st March 2024</b>           |                   |                  |                   |
| 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          |
| <b>Total</b>                     | <b>89,662.57</b>  | <b>11,753.43</b> | <b>101,416.00</b> |

#### 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 2025. 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 2025.

#### (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 2025            | 31st March 2024 |
| Interest rate (increase by 100 basis points)* | (633.09)                   | (623.01)        |
| Interest rate (decrease by 100 basis points)* | 633.09                     | 623.01          |

\* 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)

| Particulars  | As at March 31, 2025 |                 | As at March 31, 2024 |                 |
|--|----------------------|-----------------|----------------------|-----------------|
|  | Foreign currency     | Indian Rupee    | Foreign currency     | Indian Rupee    |
| Trade receivables  |                      |                 |                      |                 |
| United States Dollar (USD)                                 | 20.06                | 1,717.18        | 32.09                | 2,675.16        |
| Great Britain Pound (GBP)                                  | -                    | -               | 1.00                 | 105.70          |
| Australian Dollar (AUD)                                    | 0.49                 | 26.51           | 0.52                 | 28.36           |
| Euro (EUR)   | 0.43                 | 39.40           | 0.52                 | 46.48           |
| <b>Net exposure to foreign currency risk (assets)</b>      |                      | <b>1,783.09</b> |                      | <b>2,855.70</b> |
| Trade payables   |                      |                 |                      |                 |
| United States Dollar (USD)                                 | 83.53                | 7,148.37        | 51.80                | 4,318.87        |
| Euro (EUR)   | 0.03                 | 2.91            | 0.84                 | 75.91           |
| Japanese Yen (JPY)   | 48.15                | 27.50           | -                    | -               |
| <b>Net exposure to foreign currency risk (liabilities)</b> |                      | <b>7,178.78</b> |                      | <b>4,394.78</b> |

#### 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.

(₹ in Lakhs)

| Particulars               | Impact on profit after tax |                 |
|---------------------------|----------------------------|-----------------|
|                           | 31st March 2025            | 31st March 2024 |
| <b>USD sensitivity</b>    |                            |                 |
| INR/USD - Increase by 1%* | (54.31)                    | (16.44)         |
| INR/USD - Decrease by 1%* | 54.31                      | 16.44           |
| <b>EUR sensitivity</b>    |                            |                 |
| INR/EUR - Increase by 1%* | 0.36                       | (0.29)          |
| INR/EUR - Decrease by 1%* | (0.36)                     | 0.29            |
| <b>GBP sensitivity</b>    |                            |                 |
| INR/GBP - Increase by 1%* | -                          | 1.06            |
| INR/GBP - Decrease by 1%* | -                          | (1.06)          |
| <b>JPY sensitivity</b>    |                            |                 |
| INR/JPY - Increase by 1%  | (0.28)                     | -               |
| INR/JPY - Decrease by 1%  | 0.28                       | -               |
| <b>AUD sensitivity</b>    |                            |                 |
| INR/AUD - Increase by 1%  | 0.27                       | 0.28            |
| INR/AUD - Decrease by 1%  | (0.27)                     | (0.28)          |

\* Holding other variables constant

## Notes forming part of the Consolidated Financial Statements as at and for the year ended 31st March 2025

### 37. 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 2025, 31st March 2024.

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 2025  | 31st March 2024  |
|--------------------------|------------------|------------------|
| Borrowings               | 63,308.53        | 62,300.63        |
| Cash and Bank Balances   | (6,128.17)       | (5,892.49)       |
| <b>Net debt</b>          | <b>57,180.36</b> | <b>56,408.14</b> |
| Equity                   | 91,723.60        | 83,011.84        |
| Net debt to equity ratio | 62.34%           | 67.95%           |

(₹ in Lakhs)

| (b) Dividends  | 31st March 2025 | 31st March 2024 |
|--|-----------------|-----------------|
| (i) Equity shares  |                 |                 |
| Final dividend for the year ended March 31, 2024 of INR 1.00 | (643.00)        | (643.00)        |
| (March 31, 2023 – INR 1.00) per fully paid share             |                 |                 |

#### (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.

### 38. Leases

The Group's lease asset classes primarily consist of leases for buildings and plant & machineries. 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



## Notes forming part of the Consolidated Financial Statements as at and for the year ended 31st March 2025

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, 2025. (₹ in Lakhs)

| Particulars                         | FY 24-25                                    | FY 23-24                         |
|-------------------------------------|---|----------------------------------|
|                                     | ROU Asset<br>Leasehold Buildings<br>and P&M | ROU Asset<br>Leasehold Buildings |
| Gross carrying value                |   |                                  |
| As at 01 April                      | 318.18                                      | 152.86                           |
| Additions                           | 546.58                                      | 567.42                           |
| Deletion during the year            | -   | (233.48)                         |
| Depreciation of Right of use assets | (220.60)                                    | (168.62)                         |
| Net carrying value 'As at 31 March  | 644.16                                      | 318.18                           |

- ii) The following is the carrying value of lease liability for the year ended March 31, 2025 (₹ in Lakhs)

| Particulars  | Leasehold Buildings<br>and P&M | Leasehold Buildings |
|--|--------------------------------|---------------------|
| As at 01 April   | 351.22                         | 175.28              |
| Additions  | 546.59                         | 567.42              |
| Finance cost accrued during the year                     | 64.54                          | 48.18               |
| Deletion during the year                                 | -                              | (241.68)            |
| Payment of lease liabilities                             | (340.74)                       | (197.98)            |
| Net carrying value 'As at 31 March                       | 621.61                         | 351.22              |
| Current maturities of Lease Liability (refer note no-19) | 233.28                         | 114.62              |
| Non-Current Lease Liability (refer note no -19)          | 388.33                         | 236.60              |

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.

### 39 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 2025 ₹ Lakhs 1,745.09/- (P.Y. ₹ 1,956.00/- 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 2025 – 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)
- Amount of interest accrued and remaining unpaid at the end of the accounting period ending 31st March 2025 – Nil (P.Y. Nil)

## Notes forming part of the Consolidated Financial Statements as at and for the year ended 31st March 2025

### 40 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<br>31st March 2025 | As at<br>31st March 2024 |
|---|--------------------------|--------------------------|
| Employer's contribution to Provident Fund | 284.86                   | 271.75                   |
| Employer's contribution to ESI            | 19.81                    | 17.20                    |
| Employer's contribution to Welfare Fund   | 3.82                     | 3.53                     |
| <b>Total</b>                              | <b>308.49</b>            | <b>292.48</b>            |

#### 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<br>31st March 2025 | As at<br>31st March 2024 |
| Defined Benefit obligation at beginning of the year                   | 1,130.54                 | 655.77                   |
| Current Services Cost   | 150.87                   | 129.32                   |
| Interest Cost   | 81.96                    | 49.18                    |
| Past Service Cost   | -                        | -                        |
| Benefit paid  | (84.02)                  | (75.63)                  |
| 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      | 58.86                    | 371.90                   |
| <b>Defined Benefit obligation at end of the year</b>                  | <b>1,338.21</b>          | <b>1,130.54</b>          |

##### Net defined benefit asset/ (liability) recognised in the balance sheet

(₹ in Lakhs)

| Particulars  | As at<br>31st March 2025 | As at<br>31st March 2024 |
|--|--------------------------|--------------------------|
| Present value of defined benefit obligation                    | 1,338.21                 | 1,130.54                 |
| <b>Amount recognised in Balance Sheet- Asset / (Liability)</b> | <b>1,338.21</b>          | <b>1,130.54</b>          |

##### ii) Net defined benefit expense (Recognised in the Statement of profit and loss for the year)

(₹ in Lakhs)

| Particulars  | As at<br>31st March 2025 | As at<br>31st March 2024 |
|--|--------------------------|--------------------------|
| Current Service Cost   | 150.87                   | 129.32                   |
| Past Service Cost  | -                        | -                        |
| Interest Cost  | 81.96                    | 49.18                    |
| <b>Net defined benefit expense debited to statement of profit and loss</b> | <b>232.83</b>            | <b>178.50</b>            |

## iii) Remeasurement of (Gain)/loss recognised in other comprehensive income

(₹ in Lakhs)

| Particulars   | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|---|-------------------------|-------------------------|
| Actuarial changes arising from changes in demographic assumptions | -                       | -                       |
| Actuarial changes arising from changes in financial assumptions   | -                       | -                       |
| Actuarial changes arising from changes in experience adjustments  | 58.86                   | 371.90                  |
| <b>Recognised in other comprehensive income</b>                   | <b>58.86</b>            | <b>371.90</b>           |

## iv) Principal assumptions used in determining defined benefit obligation

| Mortality table                         | IALM 2012-14<br>Ultimate | IALM 2012-14<br>Ultimate |
|---|--------------------------|--------------------------|
| Discount Rate                           | 7.04 % p.a               | 7.25 % 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              |

1. 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.
2. 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<br>March 31, 2025 | As at<br>March 31, 2024 |
|---|-------------------------|-------------------------|
| <b>Discount Rate</b>  |                         |                         |
| Increase by 1%  | 1,229.37                | 1,039.24                |
| Decrease by 1%  | 1,455.15                | 1,235.98                |
| <b>Salary Increase</b>  |                         |                         |
| Increase by 1%  | 1,456.08                | 1,237.29                |
| Decrease by 1%  | 1,227.58                | 1,036.60                |

\*Sensitivities due to mortality & withdrawals are not material & hence impact of change due to these not calculated.

## vi) Maturity profile of defined benefit obligation (undiscounted)

(₹ in Lakhs)

| Particulars  | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|--|-------------------------|-------------------------|
| Within the next 12 months (next annual reporting period) | 182.47                  | 154.36                  |
| Between 2 and 5 years                                    | 242.78                  | 158.75                  |
| Between 5 and 10 years                                   | 912.96                  | 817.43                  |
| <b>Total expected payments</b>                           | <b>1,338.21</b>         | <b>1,130.54</b>         |

- vii) The average duration of the defined benefit plan obligation at the end of the reporting period is 13.32 years (31st March 2024: 11 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.

## Notes forming part of the Consolidated Financial Statements as at and for the year ended 31st March 2025

### 41 Segment Reporting

- 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 and Consumer, Industrial & Services on the basis of the nature of products, the risk return profile of individual business and the internal business reporting systems.
- 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".
- 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 "Unallocated"
- There are no customers having revenue exceeding 10% of the total revenues.

(₹ in Lakhs)

| Revenue  | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|--|-------------------------|-------------------------|
| <b>(A) Segment Revenue</b>   |                         |                         |
| Metering, Systems & Services   | 107,560.92              | 85,257.77               |
| Consumer, Industrial & Services  | 62,463.48               | 60,828.04               |
|  | <b>170,024.40</b>       | <b>146,085.81</b>       |
| <b>(B) Results</b>   |                         |                         |
| <b>Segment Results</b>   |                         |                         |
| Metering, Systems & Services   | 18,298.72               | 12,482.42               |
| Consumer, Industrial & Services  | 7,150.76                | 6,917.61                |
|  | <b>25,449.48</b>        | <b>19,400.03</b>        |
| Unallocated expenses net of income   | 3,712.73                | 3,626.37                |
| Operating Profit   | 21,736.75               | 15,773.66               |
| Interest Expenses  | 8,972.32                | 8,963.72                |
| Profit before tax  | 12,764.43               | 6,809.94                |
| Tax Expenses   | 3,365.72                | 2,447.40                |
| Profit after tax   | <b>9,398.71</b>         | <b>4,362.54</b>         |
| <b>(C) Other Information</b>   |                         |                         |
| <b>Segment Assets</b>  |                         |                         |
| Metering, Systems & Services   | 131,767.08              | 110,521.69              |
| Consumer, Industrial & Services  | 76,333.99               | 75,305.65               |
| Unallocated  | 1,374.94                | 1,587.87                |
|  | <b>209,476.01</b>       | <b>187,415.21</b>       |
| <b>Segment Liabilities</b>   |                         |                         |
| Metering, Systems & Services   | 31,030.82               | 30,332.03               |
| Consumer, Industrial & Services  | 20,624.06               | 13,424.82               |
| Unallocated  | 66,097.53               | 60,646.52               |
|  | <b>117,752.41</b>       | <b>104,403.37</b>       |
| <b>Capital Expenditure</b>   |                         |                         |
| Metering, Systems & Services   | 6,896.25                | 4,073.28                |
| Consumer, Industrial & Services  | 723.97                  | 493.64                  |
|  | <b>7,620.22</b>         | <b>4,566.92</b>         |
| <b>Depreciation</b>  |                         |                         |
| Metering, Systems & Services   | 2,960.29                | 2,662.88                |
| Consumer, Industrial & Services  | 1,256.07                | 1,202.15                |
|  | <b>4,216.36</b>         | <b>3,865.03</b>         |
| <b>Segment Revenue</b>   |                         |                         |
| The following is the distribution of Company's revenue by geographical market :- |                         |                         |
| Domestic Market  | 167,204.70              | 141,776.08              |
| Overseas Market  | 2,819.70                | 4,309.73                |
|  | <b>170,024.40</b>       | <b>146,085.81</b>       |

## 42 Related Party Disclosure

### (i) Name of related parties with and 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                   | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|-------------------------------|-------------------------|-------------------------|
| Short-term employee benefits  | 698.83                  | 751.33                  |
| Dividend paid during the year | 124.94                  | 124.94                  |
| <b>Total Compensation</b>     | <b>823.77</b>           | <b>876.27</b>           |

### (iv) Details of transactions with Related Parties:-

(₹ in Lakhs)

| Particulars   | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|---|-------------------------|-------------------------|
| <b>Purchase of services</b>   |                         |                         |
| 1. HPL India Ltd  | 458.02                  | 805.57                  |
| <b>Sale of Services</b>   |                         |                         |
| 1. HPL India Ltd  | -                       | 290.93                  |
| <b>Repayment of Loan and advances</b>                                 |                         |                         |
| 1. Havells Electronics Pvt. Ltd                                       | -                       | 32.23                   |
| 2. Havells Pvt. Ltd   | -                       | 7.84                    |
| 3. HPL India Ltd  | -                       | 48.00                   |
| 4. Directors  | -                       | 40.27                   |
| <b>Dividend paid to entities in which directors are interested</b>    |                         |                         |
| 1. Havells Electronics Pvt. Ltd                                       | 116.52                  | 116.52                  |
| 2. Havells Pvt. Ltd   | 28.43                   | 28.43                   |
| 3. HPL India Ltd  | 175.73                  | 175.73                  |
| 4. Jesons impex Pvt Ltd   | 0.24                    | 0.24                    |
| <b>Transaction with Key Managerial Person Managerial Remuneration</b> |                         |                         |
| 1. Managerial Remuneration  | 698.83                  | 751.33                  |
| 2. Director sitting fees  | 12.60                   | 8.60                    |
| 3. Dividend Paid  | 124.94                  | 124.94                  |
| <b>Transaction with relatives of Key Managerial Person</b>            |                         |                         |
| 1. Dividend Paid  | 3.20                    | 3.20                    |

## Notes forming part of the Consolidated Financial Statements as at and for the year ended 31st March 2025

(v) Summary of outstanding Balances with the above Related Parties for the respective years are as given below:

(₹ in Lakhs)

| Particulars   | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|---|-------------------------|-------------------------|
| <b>Trade receivables</b>  |                         |                         |
| 1. HPL India Ltd  | -                       | 337.31                  |
| <b>Deferred receivables</b>   |                         |                         |
| 1. HPL India Ltd  | 561.74                  | 596.74                  |
| <b>Loans and advances</b>   |                         |                         |
| 1. HPL India Ltd  | 844.16                  | 599.53                  |
| <b>Other financial liability</b>                                    |                         |                         |
| 11,000,000,10% Cumulative Compulsorily Redeemable Preference Shares |                         |                         |
| Mr Lalit Seth   | 750.75                  | 712.25                  |
| Mr Praveen Seth   | 536.25                  | 508.75                  |
| Mr Rishi Seth   | 429.00                  | 407.00                  |
| Mr Gautam Seth  | 429.00                  | 407.00                  |

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 2025, 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

### 43 a) Interests in other entities

The entities on which the group exercises control as at 31st March 2025 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/<br>country of incorporation | Ownership interest held by the group (in %) |
|--|----------------------|--|---|
|  |                      |  | As at<br>March 31, 2025                     |
| Himachal Energy Private Limited  | Manufacturing        | India  | 97.15                                       |
| HPL Electric & Power Pvt.Ltd.-<br>Shriji Designs                                   | Lighting Projects    | India  | 97  |
| HPL Electric & Power Pvt.Ltd.<br>Trimurthi Hitech Co. Pvt. Ltd.-<br>Shriji Designs | Lighting Projects    | India  | 94  |

| Name of entity   | Principal activities | Place of business/<br>country of incorporation | Ownership interest held by non-controlling<br>interests (in %) |
|--|----------------------|--|--|
|  |                      |  | As at<br>March 31, 2025  |
| Himachal Energy Private Limited  | Manufacturing        | India  | 2.85   |
| HPL Electric & Power Pvt.Ltd.-<br>Shriji Designs                                   | Lighting Projects    | India  | 3  |
| HPL Electric & Power Pvt.Ltd.<br>Trimurthi Hitech Co. Pvt. Ltd.-<br>Shriji Designs | Lighting Projects    | India  | 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.

(₹ in Lakhs)

| Summarised balance sheet | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|--------------------------|-------------------------|-------------------------|
| Current assets           | 6,807.28                | 7,458.17                |
| Current liabilities      | 5,132.77                | 4,831.68                |
| Net current assets       | 1,674.51                | 2,626.49                |
| Non-current assets       | 5,807.04                | 6,167.47                |
| Non-current liabilities  | 107.35                  | 2,181.27                |
| Net non-current assets   | 5,699.69                | 3,986.20                |
| <b>Net assets</b>        | <b>7,374.20</b>         | <b>6,612.69</b>         |
| <b>Accumulated NCI</b>   | <b>210.15</b>           | <b>188.45</b>           |

(₹ in Lakhs)

| Summarised statement of profit & loss | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|---------------------------------------|-------------------------|-------------------------|
| Revenue                               | 10,336.20               | 8,299.70                |
| Profit for the year                   | 764.13                  | 214.44                  |
| Other comprehensive income            | (2.63)                  | (5.12)                  |
| <b>Total comprehensive income</b>     | <b>761.50</b>           | <b>209.32</b>           |
| Profit allocated to NCI               | 21.70                   | 5.97                    |
| Dividends paid to NCI                 | -                       | -                       |

(₹ in Lakhs)

| Particulars  | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|--|-------------------------|-------------------------|
| Cash flows from operating activities                         | 777.45                  | 689.95                  |
| Cash flows from investing activities                         | (59.33)                 | (231.99)                |
| Cash flows from financing activities                         | (672.44)                | (496.28)                |
| <b>Net increase/ (decrease) in cash and cash equivalents</b> | <b>45.68</b>            | <b>(38.32)</b>          |

**44 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          |
| <b>Parent Company</b>   |   |                  |                                    |                 |
| HPL Electric & Power Ltd  | 92.84%  | 84,431.03        | 92.35%                             | 8,679.60        |
| <b>Subsidiary Companies</b>   |   |                  |                                    |                 |
| Himachal Energy Pvt Ltd   | 8.04%   | 7,374.20         | 7.65%                              | 719.04          |
| HPL Electric & Power Pvt Ltd-Shriji Designs                                 | -0.05%  | (45.34)          | 0.00%                              | (0.07)          |
| HPL Electric & Power Pvt.Ltd. Trimurthi Hitech Co. Pvt. Ltd.-Shriji Designs | -0.04%  | (36.29)          | 0.00%                              | 0.14            |
| <b>Total</b>  | <b>100.00%</b>  | <b>91,723.60</b> | <b>100.00%</b>                     | <b>9,398.71</b> |

## Notes forming part of the Consolidated Financial Statements as at and for the year ended 31st March 2025

| 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  | 94.02%                              | (41.32)        | 92.34%                              | 8,638.28        |
| Subsidiary Companies  |                                     |                |                                     |                 |
| Himachal Energy Pvt Ltd   | 5.98%                               | (2.63)         | 7.66%                               | 716.41          |
| HPL Electric & Power Pvt Ltd-Shriji Designs                                 | 0.00%                               | -              | 0.00%                               | (0.07)          |
| HPL Electric & Power Pvt.Ltd. Trimurthi Hitech Co. Pvt. Ltd.-Shriji Designs | 0.00%                               | -              | 0.00%                               | 0.14            |
| <b>Total</b>  | <b>100.00%</b>                      | <b>(43.95)</b> | <b>100.00%</b>                      | <b>9,354.76</b> |

**45** The Company do not have any outstanding commercial paper period ending 31st March, 2025. (P Y ₹ Nil)

### 46 Operating leases

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.

### 47 Contingent Liabilities:

(₹ in Lakhs)

| S.No | Name of Statute          | Description  | As at<br>31st March 2025 | As at<br>31st March 2024 |
|------|--------------------------|--|--------------------------|--------------------------|
| 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                    |
| 6    | Haryana Vat Act, 2003    | Demand for Sales Tax before Joint Comm., (Appeal), Rohtak for 2010-11            | -                        | 10.43                    |
| 7    | Haryana Vat Act, 2003    | Demand for Sales Tax before Haryana Tax, Tribunal, Chandigarh for 2009-10        | -                        | 3.76                     |
| 8    | Haryana Vat Act, 2003    | Demand for Sales Tax before Haryana Tax, Tribunal, Rohtak for 2011-12            | -                        | 11.66                    |
| 9    | Haryana Vat Act, 2003    | Demand for Sales Tax before Haryana Tax, Tribunal, Rohtak for 2012-13            | -                        | 7.57                     |
| 10   | Haryana Vat Act, 2003    | Demand for Sales Tax before Haryana Tax, Tribunal, Chandigarh for 2011-12        | -                        | 23.19                    |

| S.No | Name of Statute                     | Description  | As at<br>31st March 2025 | As at<br>31st March 2024 |
|------|-------------------------------------|--|--------------------------|--------------------------|
| 11   | Haryana Vat Act, 2003               | Demand for Sales Tax before Joint Comm., (Appeal), Ambala for 2011-12  | -                        | 4.38                     |
| 12   | Employee's Provident Fund Act, 1952 | Demand for EPF before EPF appellate, Tribunal, New Delhi.  | 2.40                     | 8.87                     |
| 13   | Haryana Vat Act, 2003               | Demand for sales tax before Haryana Tax Tribunal for 2011-12   | -                        | 16.37                    |
| 14   | Haryana Vat Act, 2003               | Demand for sales tax before Haryana Tax Tribunal for 2012-13   | -                        | 16.56                    |
| 15   | Haryana Vat Act, 2003               | Demand for sales tax before Haryana Tax Tribunal for 2013-14   | 80.59                    | 80.59                    |
| 16   | Haryana Vat Act, 2003               | Demand for sales tax before Jt. Commissioner (A), Rohtak for 2013-14   | -                        | 3.93                     |
| 17   | Haryana Vat Act, 2003               | Demand for sales tax before Jt. Commissioner (A), Rohtak for 2014-15   | -                        | 8.63                     |
| 18   | Haryana Vat Act, 2003               | Haryana Tax Tribunal, Chandigarh-Final demand after Rectification on 31.07.2017 (Revision Pending)             | 3.61                     | 3.61                     |
| 19   | Haryana Vat Act, 2003               | Haryana Tax Tribunal, Chandigarh-Pending for Rectification for 2012-13   | 1.97                     | 1.97                     |
| 20   | Haryana Vat Act, 2003               | Haryana Tax Tribunal, Chandigarh-Pending for Rectification for 2013-14   | 3.73                     | 3.73                     |
| 21   | Haryana Vat Act, 2003               | Haryana Tax Tribunal, Chandigarh-Pending for Rectification for 2014-15   | 0.52                     | 0.52                     |
| 22   | Haryana Vat Act, 2003               | Haryana Tax Tribunal-Rohtak-Appeal pending before the Jt.ETC(A),Rohtak for 2010-11                             | -                        | 23.77                    |
| 23   | Haryana Vat Act, 2003               | Demand for sales tax before Dy. Excise & Taxation Commissioner (ST),Sonipat for 2014-15                        | -                        | 7.10                     |
| 24   | Haryana Vat Act, 2003               | Demand for sales tax before Jt Excise Excise & Taxation Commissioner, Ambala for 2014-15                       | 55.72                    | 55.72                    |
| 25   | Haryana Vat Act, 2003               | Demand for Sales Tax before Haryana Tax, Tribunal, Rohtak for 2015-16  | 41.89                    | 41.89                    |
| 26   | Haryana Vat Act, 2003               | Demand for Sales Tax before Haryana Tax, Tribunal, Rohtak for 2014-15  | -                        | 42.80                    |
| 27   | Haryana Vat Act, 2003               | Demand for Sales Tax before Haryana Tax, Tribunal, Rohtak for 2015-16  | -                        | 14.28                    |
| 28   | Central Excise Act, 1944            | Demand for Excise Duty before Deputy Comm.Central GST Gurugram for 2016-17.                                    | 1.72                     | 1.72                     |
| 29   | Finance Act, 1994                   | Demand for Service Tax Credit before Asstt. Commissioner Gurugram for 2015-16 to 2017-18                       | 14.78                    | 14.78                    |
| 30   | 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                    |

## Notes forming part of the Consolidated Financial Statements as at and for the year ended 31st March 2025

| S.No | Name of Statute                     | Description  | As at<br>31st March 2025 | As at<br>31st March 2024 |
|------|-------------------------------------|--|--------------------------|--------------------------|
| 31   | Haryana Vat Act, 2003               | Demand for Sales Tax before Haryana Tax, Tribunal, Rohtak for 2016-17  | 73.54                    | 73.54                    |
| 32   | Haryana Vat Act, 2003               | Demand for Sales Tax before Haryana Tax, Tribunal, Rohtak for 2016-17  | -                        | 15.09                    |
| 33   | Haryana Vat Act, 2003               | Demand for Sales Tax before Haryana Tax, Tribunal, Rohtak for 2017-18  | -                        | 24.19                    |
| 34   | CGST Act, 2017                      | Demand for GST before Joint Excise and Taxation Commissioner Gurugram (West) Ward 1:Gurugram (West):Gurugram Haryana for 2017-18 | 54.80                    | -                        |
| 35   | CGST Act, 2017                      | Demand for GST before Joint Excise and Taxation Commissioner Gurugram (West) Ward 1:Gurugram (West):Gurugram Haryana for 2017-18 | 69.05                    | -                        |
| 36   | CGST Act, 2017                      | Demand for GST before Joint Excise and Taxation Commissioner Gurugram (West) Ward 1:Gurugram (West):Gurugram Haryana for 2018-19 | 6.30                     | -                        |
| 37   | CGST Act, 2017                      | Demand for GST before Joint Excise and Taxation Commissioner Gurugram (West) Ward 1:Gurugram (West):Gurugram Haryana for 2019-20 | 10.04                    | -                        |
| 38   | CGST Act, 2017                      | Demand for GST before Joint Excise and Taxation Commissioner Gurugram (West) Ward 1:Gurugram (West):Gurugram Haryana for 2020-21 | 54.08                    | -                        |
| 39   | CGST Act, 2017                      | Demand for GST before Joint Commissioners of State tax Thane city Thane : Maharashtra for 2017-18                                | 15.78                    | -                        |
| 40   | CGST Act, 2017                      | Demand for GST before Deputy Commissioners .Gandhi Maidan: Patna West: Bihar for 2018-19   | 18.11                    | -                        |
| 41   | Employee's Provident Fund Act, 1952 | Demand for EPF before EPF appellate, Tribunal, New Delhi for July 2011-Jan 2016  | -                        | 3.02                     |

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

| S No | Particulars       | Numerator                                   | Denominator          | As at<br>31st March 2025 | As at<br>31st March 2024 | Variance |
|------|-------------------|---|----------------------|--------------------------|--------------------------|----------|
| 1    | Current ratio     | Current assets                              | Current liabilities  | 1.39                     | 1.51                     | -7.95%   |
| 2    | Debt-Equity ratio | Total Debt<br>(Including lease liabilities) | Shareholder's equity | 0.69                     | 0.75                     | -8.00%   |

**Notes forming part of the Consolidated Financial Statements as at and for the year ended 31st March 2025**

|    |                                  |                                      |   |        |        |         |
|----|----------------------------------|--------------------------------------|---|--------|--------|---------|
| 3  | Debt service coverage ratio      | Earnings available for debt service* | Interest exp on long term and short term borrowing during the period + Scheduled principal repayment of long term borrowing | 1.64   | 1.22   | 34.43%  |
| 4  | Return on equity ratio           | Net profits after taxes              | Average shareholders equity   | 10.89% | 5.48%  | 98.72%  |
| 5  | Inventory Turnover Ratio         | Revenue from operations              | Average Inventory   | 2.68   | 2.76   | -2.90%  |
| 6  | Trade receivables turnover ratio | Revenue from operations              | Average trade receivables   | 2.41   | 2.25   | 7.11%   |
| 7  | Trade payable turnover ratio     | Net credit purchases                 | Average trade payables  | 3.34   | 3.92   | -14.80% |
| 8  | Net capital turnover ratio       | Revenue from operations              | Average working capital   | 3.72   | 3.43   | 8.45%   |
| 9  | Net profit ratio                 | Net profits for the year             | Revenue from operations   | 5.53%  | 2.99%  | 84.95%  |
| 10 | Return on capital employed       | Profit before interest and taxes     | Average Capital employed**  | 14.49% | 11.20% | 29.38%  |
| 11 | 'Return on Investments           | Profit before interest and taxes     | Average total Assets  | 10.95% | 8.82%  | 24.15%  |

\* Net Profit after taxes+Non-cash operating expenses+Interest+Other non-cash adjustments

\*\* 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, ROCE and Net profit ratio are improved due to growth in revenue with stable margins.
- (ii) Debt service coverato ratio improved due to growth in profitability of company.

**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.
- (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 year ending 31st March, 2025.

For and on behalf of the Board of Directors

As per our report of even date attached  
**For Sakshi & Associates**  
Chartered Accountants  
F.R.N. : 025099N

**Rishi Seth**  
Managing Director  
DIN- 00203469

**Gautam Seth**  
Joint MD and CFO  
DIN- 00203405

**Sakshi Kharabanda**  
Proprietor  
M.No. : 523802  
UDIN : 25523802BMKTYI1865

**Lalit Seth**  
Director  
DIN-00312007

**Vivek Kumar**  
Company Secretary  
M.No. A18491

Place : New Delhi  
Dated : 22 May, 2025

Place : Kundli



# NOTICE

**NOTICE** is hereby given that the 33rd Annual General Meeting of the Members of HPL Electric & Power Limited will be held on Monday, September 29, 2025 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

1. To receive, consider and adopt the Audited Financial Statements including the Consolidated Financial Statements of the Company for the Financial Year ended 31st March, 2025 together with the Reports of the Board of Directors and Auditors thereon.
2. 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, 2025.
3. To appoint a director in place of Mr. Gautam Seth (DIN:00203405), 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. 1,50,000 (Rupees One Lakh Fifty Thousand only) plus Service Tax/GST & re-imbursement 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, 2026.

**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. Appointment of Secretarial Auditor and fixation of remuneration.

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 204(1) of the Companies Act, 2013 and the rules made thereunder and other applicable provisions, if any, of the Companies Act 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and on the recommendation of the Audit Committee and Board of Directors, M/s AVA Associates, Company Secretaries, be and is hereby appointed as Secretarial Auditors of the Company for a period of 5 (five) consecutive Financial Years commencing from April 01, 2025 till March 31, 2030 at remuneration of Rs. 75,000/- (Rupee Seventy Five Thousand Only) for Financial Year 2025-26 plus Service Tax/GST and out-of-pocket expenses incurred in connection with the audit of the Company.

**RESOLVED FURTHER THAT** the Chairman of the Company be and is hereby authorised to fix the remuneration for the rest of tenure of the appointment and also authorized to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required and to delegate all or any of its powers herein conferred to any Committee of Directors or Director(s), to give effect to the aforesaid Resolution.

**RESOLVED FURTHER THAT** any of the directors of the Company be and is hereby authorized to issue appointment letter and to file necessary forms with Registrar of Companies and to do all such act, deeds and things as may be considered necessary to give effect to the above said resolution.”

By order of the board  
For HPL Electric & Power Limited

**Vivek Kumar**  
Company Secretary and  
Compliance officer  
M. No. A18491

Date : 13th August, 2025  
Place : Kundli

Regd. Office: 1/20, Asaf Ali Road,  
New Delhi – 110002

## NOTES:

1. 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, 09/2023 dated 25th September 2023 and 09/2024 dated September 19, 2024 ("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, SEBI/HO/CFD/CFD-PoD-2/P/CR/2023/167 dated 7th October, 2023 and SEBI Circular SEBI/HO/CFD/CFD-PoD-2/P/CIR/2024/133 dated October 03, 2024 ("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.
2. In compliance with the aforesaid 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.
3. 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.
4. 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.
5. The business as 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.
6. 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](mailto:deepak.kukreja@dmkassociates.in) or [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com)
7. An explanatory statement pursuant to Section 102 (1) of the Companies Act, 2013 in respect of Special business specified above is annexed hereto.
8. Information required under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Listing Regulations') in respect of re-appointment of directors is furnished in this Notice as Annexure A
9. In terms of MCA and SEBI notifications, Notice of the 33rd AGM along with the Annual Report 2024-25 are being sent only by electronic mode to those members whose email addresses are registered with the Company/ Depository participants ('DPs'). A letter providing the web-link, including the exact path, where complete details of the Annual Report is available are being sent to those shareholder(s) who have not so registered their email addresses. 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](http://www.hplindia.com) The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com) and National Stock Exchange of India Ltd at [www.nseindia.com](http://www.nseindia.com) The same is also available on the website of KFin at <https://evoting.kfintech.com>
10. The dividend on the equity shares, if declared at the Annual General Meeting, will be paid subject to deduction of tax at source within 30 days from the date of the AGM to those members:
  - a) Whose names appear as member in the register of member of the company on September 22, 2025; and
  - b) Whose names appear as Beneficial Owners in the list of Beneficial Owners on September 22, 2025 furnished by National Security Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) for this purpose.
11. Shareholders who have not yet en-cashed their dividend warrant(s) for the financial year 2017-18 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.
12. 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.
13. 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](mailto:hplcs@hplindia.com)

14. 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](mailto:einward.ris@kfintech.com). Members holding shares in dematerialized form may send such communication to their respective DPs.
15. 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](mailto:einward.ris@kfintech.com) to facilitate electronic remittance of dividend.
16. 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.
17. 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 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/ updation thereof.

Members may also note that SEBI vide its Circular dated January 25, 2022, as amended, 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> 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 33rd AGM is being held in an electronic mode through VC / OAVM, the route map is not provided.

**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) was appointed as the Cost Auditors of the Company by the Board in its meeting held on August 13, 2025, on the recommendation of the Audit Committee, to conduct the audit of the cost records maintained by the Company in connection with manufacture of Switch Gears, Cables and Lights for the Financial Year ending 31st March, 2026 at a remuneration of Rs. 1,50,000 (Rupees One Lakh Fifty Thousand only) plus Service Tax/GST & re-imbursement 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. 1,50,000/- (Rupees One Lakh Fifty Thousand only) plus Service Tax/GST & re-imbursement of out-of-pocket expenses incurred in connection with the cost audit of the Company.

Accordingly, approval 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, 2026.

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**

M/s AVA Associates, Company Secretaries was appointed as Secretarial Auditors of the Company for conducting the Secretarial Audit for the Financial Year ending 31st March, 2025.

In terms of Section 204 of the Companies Act, 2013 and rules made

thereunder read with Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, Company is required to appoint Secretarial Auditor in Annual General Meeting to conduct the Secretarial Audit of the Company.

On the recommendation of Audit Committee and Board of Directors in their respective meetings held on August 13, 2025 recommended the re-appointment of M/s. AVA Associates, Company Secretaries, for a period of 5 consecutive years commencing from April 01, 2025 till March 31, 2030 at remuneration of Rs. 75,000/- (Rupee Seventy Five Thousand Only) for Financial Year 2025-26 plus Service Tax/ GST and out-of-pocket expenses incurred in connection with the audit of the Company, Further, chairman of Company is authorized to fix the remuneration for remaining tenure as Secretarial Auditor of the Company.

M/s. AVA Associates, Company Secretaries, is a team of young and dynamic corporate consultants serving the industry in the field of Corporate law, Governance, Auditing and Corporate Secretarial & regulatory compliances etc.

In this regard, the consent of the Secretarial Auditor alongwith a Certificate of eligibility for such appointment and Profile were also placed before the Board for its kind perusal.

Accordingly, approval of the members is being sought for passing an Ordinary Resolution as set out at Item No. 5 of the Notice.

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. 5 of the Notice.

The Board recommends the Resolution set forth at Item No. 5 of the Notice for approval of the members as an Ordinary Resolution.

By order of the board  
For HPL Electric & Power Limited

**Vivek Kumar**  
Company Secretary and  
Compliance officer  
M. No. A18491

Date : August 13, 2025  
Place : Kundli

Regd. Office: 1/20, Asaf Ali Road,  
New Delhi – 110002

## 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**

|   |   |
|---|---|
| Name of the Director  | <b>Mr. Gautam Seth</b><br>(Jt. Managing Director)   |
| Age   | 53 years  |
| DIN   | 00203405  |
| Qualification(s)  | Chartered Accountant  |
| Experience  | 28 years  |
| Expertise in Specific functional area/Brief Profile                                 | Mr. Gautam Seth is responsible for the overall functioning and management of the administration. With over 28 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       | In terms of Section 152(6) of the Companies Act, 2013, Mr. Gautam Seth is an Executive Director and liable to retire by rotation at forthcoming Annual General Meeting.   |
| Remuneration Last Drawn   | Please refer Corporate Governance Report  |
| Date of first appointment on the Board  | 15.02.2008  |
| Relationship with other Directors/ Manager/ Key Managerial Personnel of the Company | Mr. Gautam Seth is Son of Mr. Lalit Seth, Chairman & Whole time Director of the Company and Brother of Mr. Rishi Seth, Managing Director of the Company   |
| Number of Board Meetings attended during the year                                   | Please refer Corporate Governance Report  |
| Listed Companies from which Director has resigned in the past 3 years.              | Nil   |
| Other Directorships held (including listed entity, if any)                          | 1. HPL India Ltd.<br>2. Havells Electronics Pvt. Ltd.<br>3. Jesons Impex Pvt. Ltd.<br>4. HPL Power Corporation Ltd.<br>5. Amerex Private Limited<br>6. Homepunch Private Limited  |
| Chairmanship/ Membership of the Committee of the Board of other Companies           | Nil   |
| Number of Shares held in the Company including shareholding as a beneficial owner.  | 22,31,740 equity shares of Rs. 10/- face value  |

**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 scrutinize 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,

September 22, 2025 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. September 22, 2025.

The remote e-voting facility begins on Friday, September 26, 2025 (9:00 a.m. IST) and ends on Sunday, September 28, 2025 (5:00 p.m. IST). 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 September 22, 2025 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](mailto: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."


#### 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:

##### I) 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><b>A. Instructions for existing Internet-based Demat Account Statement ("IDeAS") facility Users:</b></p> <ol style="list-style-type: none"> <li>i) Visit the e-services website of NSDL <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a personal computer or on a mobile.</li> <li>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.</li> <li>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.</li> <li>iv) Click on company name, i.e. 'HPL ELECTRIC &amp; POWER LIMITED', or e-voting service provider, i.e. KFin.</li> <li>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.</li> </ol> |



| Type of member  | Login Method   |
|---|--|
|   | <p><b>B. Instructions for those Members who are not registered under IDeAS:</b></p> <ol style="list-style-type: none"> <li>Visit <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> for registering.</li> <li>Select "Register Online for IDeAS Portal" or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a>.</li> <li>Proceed with completing the required fields</li> <li>Follow steps given in point A.</li> </ol> <p><b>C. Alternatively, instructions for directly accessing the e-voting website of NSDL</b></p> <ol style="list-style-type: none"> <li>Visit the e-voting website of NSDL <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a>.</li> <li>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.</li> <li>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.</li> <li>After successful authentication, members will be redirected to NSDL Depository site wherein they can see e-voting page.</li> <li>Click on company name, i.e. HPL ELECTRIC &amp; 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.</li> <li>Members can also download the NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience.</li> </ol> <div style="text-align: center;"> <p>NSDL Mobile App is available on</p>  </div> |
| Individual members holding securities in demat mode with CDSL | <p><b>A. Instructions for existing users who have opted for Electronic Access To Securities Information ("Easi / Easiest") facility:</b></p> <ol style="list-style-type: none"> <li>Visit <a href="https://web.cdslindia.com/myeasi/home/loginor www.cdslindia.com">https://web.cdslindia.com/myeasi/home/loginor www.cdslindia.com</a></li> <li>Click on New System MyEasi.</li> <li>Login to MyEasi option under quick login.</li> <li>Login with the registered user ID and password.</li> <li>Members will be able to view the e-voting Menu.</li> <li>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.</li> </ol>  |

| Type of member   | Login Method  |
|--|---|
|  | <p><b>B. Instructions for users who have not registered for Easi / Easiest</b></p> <ul style="list-style-type: none"> <li>i) Visit <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistrationfor">https://web.cdslindia.com/myeasi/Registration/EasiRegistrationfor</a> registering.</li> <li>ii) Proceed to complete registration using the DP ID, Client ID (BO ID), etc.</li> <li>iii) After successful registration, please follow the steps given in point no.A above to cast your vote.</li> </ul> <p><b>C. Alternatively, instructions for directly accessing the e-voting website of CDSL</b></p> <ul style="list-style-type: none"> <li>i) Visit <a href="http://www.cdslindia.com">www.cdslindia.com</a></li> <li>ii) Provide demat Account Number and PAN</li> <li>iii) System will authenticate user by sending OTP on registered mobile and email as recorded in the demat Account.</li> <li>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 &amp; POWER LIMITED' or select KFin.</li> <li>v) Members will be re-directed to the e-voting page of KFin to cast their vote without any further authentication.</li> </ul> |
| Individual members login through their demat accounts / Website of Depository Participant  | <p><b>A. Instructions for login through Demat Account / website of Depository Participant</b></p> <ul style="list-style-type: none"> <li>i) Members can also login using the login credentials of their demat account through their DP registered with the Depositories for e-voting facility.</li> <li>ii) Once logged-in, members will be able to view e-voting option.</li> <li>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.</li> <li>iv) Click on options available against HPL ELECTRIC &amp; POWER LIMITED or KFin.</li> <li>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.</li> </ul>   |
| 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 <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at: <b>022-4886 7000</b> and <b>022-2499 7000</b>   |
| Securities held with CDSL  | Please contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at toll free no.: <b>1800 22 55 33</b>   |

**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><b>A. Instructions for Members whose email IDs are registered with the Company / Depository Participants(s),</b></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"> <li>Launch internet browser by typing the URL: <a href="https://evoting.kfintech.com/">https://evoting.kfintech.com/</a></li> <li>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.</li> <li>After entering these details appropriately, click on "LOGIN".</li> <li>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.</li> <li>Members would need to login again with the new credentials.</li> <li>On successful login, the system will prompt the member to select the "EVEN" i.e., 'HPL ELECTRIC &amp; POWER LIMITED - AGM' and click on "Submit"</li> <li>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.</li> <li>Members holding multiple folios / demat accounts shall choose the voting process separately for each folio / demat account.</li> <li>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.</li> <li>A member may then cast their vote by selecting an appropriate option and click on "Submit".</li> <li>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).</li> </ol> |

| Type of member  | Login Method   |
|---|--|
| Members whose email IDs are not registered with the Company / Depository Participant(s) | <p><b>B. Instructions for Members whose email IDs are not registered with the Company / Depository Participant(s), and consequently the Notice of Meeting and e-voting instructions cannot be serviced</b></p> <ol style="list-style-type: none"> <li>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 <a href="https://www.hplindia.com/photos/investor-pdf/Form%20ISR-1.pdf">https://www.hplindia.com/photos/investor-pdf/Form%20ISR-1.pdf</a> &amp; on the website of KFin <a href="https://ris.kfintech.com/clientservices/isc/default.aspx">https://ris.kfintech.com/clientservices/isc/default.aspx</a>) 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.</li> <li>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.</li> <li>After due verification, the Company/Kfintech will forward your login credentials to your registered e-mail address.</li> <li>Follow the instructions at II(A)(i) to (xi) to cast your vote.</li> <li>Members can also update their mobile number and e-mail address in the “user profile details” in their e-voting login on <a href="https://evoting.kfintech.com">https://evoting.kfintech.com</a></li> </ol> |

### 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><b>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:</b></p> <ol style="list-style-type: none"> <li>Members will be able to attend the Meeting through VC / OAVM platform provided by KFin. Members may access the same at <a href="https://emeetings.kfintech.com/">https://emeetings.kfintech.com/</a> by using the e-voting login credentials provided in the email received from the Company / KFin.</li> <li>After logging in, click on the Video Conference tab and select the EVEN of the Company.</li> <li>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.</li> <li>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.</li> <li>The e-voting window shall be activated upon instructions of the Chairman of the Meeting during the Meeting.</li> <li>E-voting during the Meeting is integrated with the VC / OAVM platform and no separate login is required for the same.</li> </ol> |

**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, smart phones, 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 September 25, 2025 (09:00 a.m. IST) up to September 26, 2025 (05.00 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 September 25, 2025 to 5:00 PM on September 26, 2025.
- 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. Nageshwar Rao, Senior Manager at [evoting@kfintech.com](mailto: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, September 22, 2025, being the cut-off date, are entitled to vote 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](mailto: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](http://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](http://www.hplindia.com)

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HPL Electric & Power Limited