QRG GROUP

HAVELLS

29th May, 2024

The National Stock Exchange of India Limited Exchange Plaza, 5th Floor Plot No. C/1, G Block Bandra Kurla Complex Bandra (E) **Mumbai- 400 051** **NSE Symbol : HAVELLS**	BSE Limited Phiroze Jeejeebhoy Towers Dalal Street **Mumbai- 400 001** **Scrip Code : 517354**

Sub: Integrated Annual Report for FY 2023-24 alongwith the Notice of AGM

Dear Sir,

Please find enclosed herewith the **41st Annual Report of Havells India Limited** ('the Company') for the financial year 2023-24 as the **6th Integrated Report** of the Company alongwith the **Notice convening the 41st Annual General Meeting** scheduled to be held on the 28th day of June, 2024.

Please note that the Integrated Report also contains the Business Responsibility and Sustainability Report (BRSR) alongwith the Report on Reasonable Assurance undertaken on BRSR Core.

This may be taken as due compliance of relevant provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Kindly acknowledge receipt.

Thanking you.

Yours faithfully,
for **Havells India Limited**

SANJAY KUMAR GUPTA

Digitally signed by SANJAY KUMAR GUPTA
Date: 2024.05.29 10:01:06 +05'30'

(Sanjay Kumar Gupta)
Company Secretary

Encl: As above

HAVELLS INDIA LIMITED

Regd. Office: 904, 9th Floor, Surya Kiran Building, K G Marg, Connaught Place, New Delhi - 110 001
Corp. Office: QRG Towers, 2D, Sector – 126, Expressway, Noida (U.P.) – 201 304
Tel. No.: 0120-3331000, Fax No.: 0120-3332000, E-mail: investors@havells.com
Website: www.havells.com, CIN: L31900DL1983PLC016304

NOTICE

NOTICE is hereby given that the 41st (Forty First) Annual General Meeting of Havells India Limited will be held on 28th June, 2024, Friday at 2:00 pm through Video Conferencing (VC) or Other Audio Visual Means (OAVM) for which purpose the Registered Office of the Company situated at 904, 9th Floor, Surya Kiran Building, K.G. Marg, Connaught Place, New Delhi – 110 001 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 of the Company for the Financial Year ended 31st March, 2024, the Reports of the Board of Directors and Auditors thereon and the Audited Consolidated Financial Statements of the Company for the Financial Year ended 31st March, 2024 and the Report of Auditors thereon.

2. To confirm the payment of Interim Dividend of ₹ 3.00 per equity share of ₹ 1/- each already paid during the year as Interim Dividend for the Financial Year 2023-24.

3. To declare a Final Dividend of ₹ 6.00 per equity share of ₹ 1/- each, for the Financial Year 2023-24.

4. To appoint a Director in place of Shri Ameet Kumar Gupta (DIN: 00002838), who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS

5. Re-appointment of Shri Surjit Kumar Gupta (DIN: 00002810) as Director, who retires by rotation and being eligible, offers himself for re-appointment

   To consider and if thought fit, to pass with or without modification(s), the following Resolution as a **SPECIAL RESOLUTION:**

   "RESOLVED THAT Shri Surjit Kumar Gupta (DIN: 00002810), who retires by rotation at this Annual General Meeting (AGM) and being eligible, offers himself for re-appointment, be and is hereby re-appointed as a Director liable to retire by rotation."

6. Ratification of Cost Auditor's 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 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 Cost Auditors appointed by the Board of Directors of the Company, to conduct the audit of the cost records of the Company for the Financial Year ending 31st March, 2025, be paid the remuneration as set out in the Statement annexed to the Notice convening this Meeting."

7. Re-appointment of Shri Ameet Kumar Gupta (DIN: 00002838) as the Whole-time Director of the Company

   To consider and if thought fit, to pass with or without modification(s), the following Resolution as an **ORDINARY RESOLUTION:**

   "RESOLVED THAT in line with the Nomination and Remuneration Policy of Directors, Key Managerial Personnel and Other Employees of the Company and pursuant to the provisions of Sections 196, 197, 198, 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s), enactment(s) or re-enactment(s) thereof for the time being in force), consent be and is hereby accorded for the re-appointment of **Shri Ameet Kumar Gupta (DIN: 00002838)** as a Whole-time Director of the Company for a further period of 5 (Five) years from 1st January, 2025 to 31st December, 2029 on the following terms and conditions including remuneration (and also including the remuneration to be paid in the event of loss or inadequacy of profits in

HAVELLS

Enriching Homes

Havells India Limited

6th Integrated Report

41st Annual Report | 2023-24

Contents

To download please visit:
www.havells.com

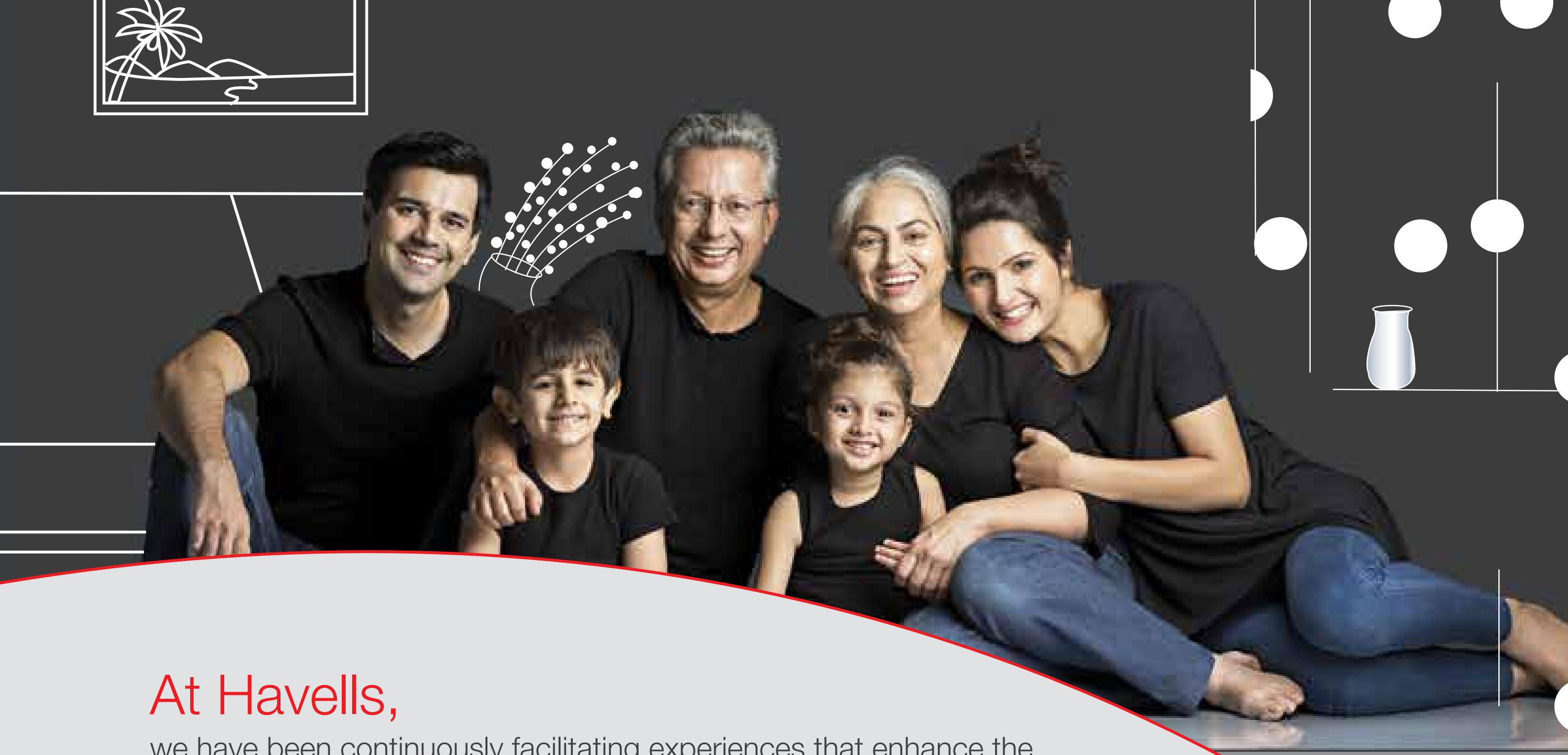
FINANCIAL HIGHLIGHTS

₹ 18,550 crores
Net Revenue

₹ 1,273 crores
PAT

₹ 1,845 crores
EBITDA

₹ 20.32
Earnings Per Share



At Havells,

we have been continuously facilitating experiences that enhance the comfort and aesthetics of modern homes. Through quality, innovative solutions, and thoughtful designs, we are not just providing homes with products but enriching the lives of those within.

Enriching Homes...

Driven by the philosophy of 'Making a Difference' to the lives of our consumers, Havells is strengthened by its large in-house manufacturing, focussed R&D efforts, digitisation and a deep pool of human talent. The in-house manufacturing, comprising 15 factories, ensures full control over quality, design and supply chain, alongside delivering all our products at scale. Our Centre for Research & Innovation (CRI), with its four R&D centres, spearheads customer-centric innovations. A dedicated Customer Experience & Design (CXD) Studio focusses on ground-breaking design development, driving product differentiation. Our digital initiatives, aimed at enhancing customer journey, leverages the latest technologies, adding value to our business operations. The entire endeavour is supported by a strong team of talented individuals, committed to the goal of enriching consumers' lives in meaningful ways.

Enriching Homes by:

- Ensuring the safety of loved ones
- Celebrating every moment of life
- Blending technology, comfort and efficiency
- Redefining the way home looks & feels
- Enhancing availability through omni-channel presence
- Creating a lasting experience

...in multiple ways

Ensuring the safety of loved ones

At Havells, our high-quality products are designed with safety assurance of your loved ones, providing peace of mind to every household. Our commitment to quality is delivered through use of top-grade raw materials, well-documented manufacturing processes, and rigorous quality control through internal programs, coupled with seamless IT integration across business operations. Additionally, NABL-accredited labs help us fulfil our quality promise by enabling stringent product testing before it reaches our consumers. High levels of automation across our plants ensures delivery of high productivity at global quality standards.

Our focus on product quality and in-house manufacturing ensures the reliability, longevity, and consistent performance of our products. Over the years, Havells has instilled its commitment to consumer safety in the mind of its consumers through campaigns like ‘Totally Shockproof Life’ and ‘Wires That Don’t Catch Fire’, continually setting new benchmarks for excellence.

Celebrating every moment of life

Embracing the ‘Deeper into Homes’ philosophy, Havells has added and nurtured multiple categories, and caters to over 70% of sockets inside a home. Our goal is not only to be a part of every significant moment in the life of our consumers but to also enhance those experiences.

Our modular switches, featuring a wide range, stunning designs and innovative technologies, uniquely cater to every emotion, décor and home. From daily tasks to special occasions, our broad product spectrum plays an integral part in enriching every moment. Our presence spans every room and corner of the home, in one form or another.

Building on this, in FY 2023-24, we launched a range of products including premium string celebration lights to further elevate occasions and make homes even more welcoming.

Blending technology, comfort and efficiency

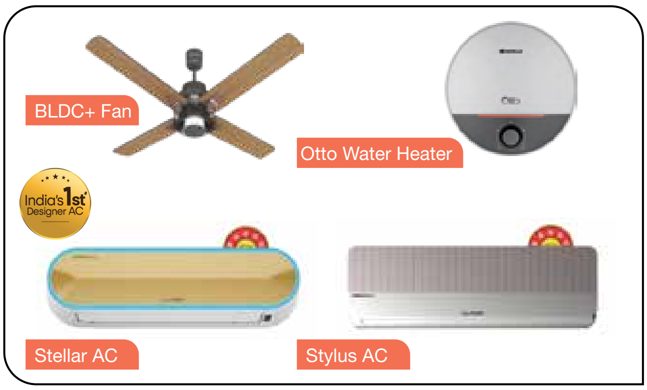
Havells constantly strives to integrate technologies into its products that provide comfort while seamlessly and efficiently blending into the home. Our range of climate control appliances ensures that our consumers' home remains a place of comfort, regardless of the season or weather extremities. Our commitment to energy efficiency, demonstrated through BEE star-rated products, facilitates modern-day comforts for our customers while optimising electricity savings; while our IoT (Internet of Things) products place us at the forefront of home automation, enabling smart home capabilities for consumers.

Redefining the way home looks & feels

Havells aims its products to also serve as pieces of home décor rather than just electrical items. With this perspective, our offerings are crafted to fulfil both functional and aesthetic roles.

Lighting has become a crucial element of modern home décor, transitioning from basic utility to design-centric fixtures. Havells plays a significant role in uplifting the look and feel of every room with aesthetically superior lighting options, whether these lights are switched on or off. Our lighting range is designed keeping in mind the tastes and preferences of our diverse consumers and has something to offer for every home. Our exclusive Havells Home Art Lights stores provide a one-stop solution for all decorative lighting needs of every household.

The design ethos extends beyond lighting to include other categories as well. Our BLDC+ designer fans, uniquely-styled water heaters, switch plates with metal and glass finishes, are just a few examples of our extensive product offerings. Lloyd also launched India's first designer Stellar & Stylus air conditioner range. Stellar features a unique design with innovative ambi-lighting and mood lighting. Stylus offers interchangeable fascia allowing customisation of the appearance of AC unit to match home's décor, with options like grey, turquoise, and wood patterns.



HAVELLS

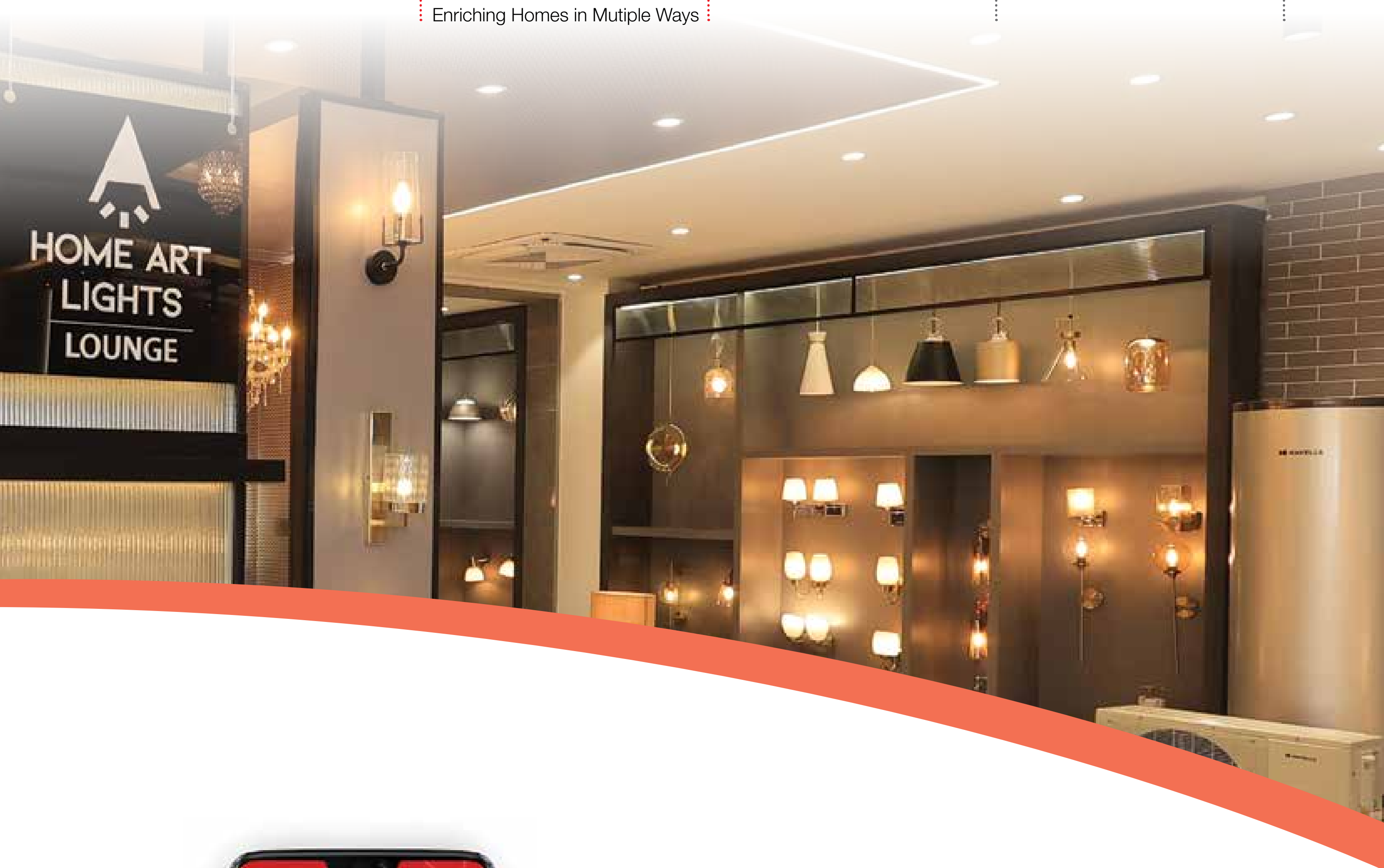
Enhancing availability through omni-channel presence

Havells ensures that all its products are seamlessly delivered to the consumers through a wide omni-channel approach. We follow the consumers wherever they wish to be by ensuring availability through channel penetration, digitisation and geographical expansion.

Channels used by Havells

HAVELLS

- Dealers/ Distributors
- E-Commerce
- Quick Commerce
- CPC/CSD Canteens
- Projects
- Modern Format Retail (MFR)
- Brand Shops/ Exclusive Stores
- Rural Channels
- Exports



Creating
a lasting experience

Havells is characterised by high-quality products and services that ensure consumer delight. We pride ourselves in pioneering on-site after-sales services in the electricals segment to cater to consumer convenience, thereby, ensuring best-in-class customer service. The Havells Sync mobile app serves as an integrated platform for the consumers to manage all their products and ensures a seamless experience throughout the product's lifecycle.

In essence, Havells stands as a brand its consumers can rely on, focussed on enriching homes and lives through its wide range of products. Fuelled by our key strategic choices, we not only target to meet consumer expectations, but also exceed them. As we continue to strengthen our offerings, we stay committed in contributing towards a better home environment and reinforcing our positioning as a trusted member of every household.

About this report

Reporting Period

This Report is for the period April 1, 2023 to March 31, 2024, and is released annually.

Reporting Boundary

The reporting boundary covers the operations of Havells India Limited on a standalone basis. This includes all eight manufacturing locations - Alwar (Rajasthan), Neemrana (Rajasthan), Ghiloth (Rajasthan), Baddi (Himachal Pradesh), Faridabad (Haryana), Haridwar (Uttarakhand), Sahibabad (Uttar Pradesh) and Sri City (Andhra Pradesh) and one corporate office (Noida, Uttar Pradesh). From FY 2023-24 onwards, we have also included all our branch offices (25), warehouses (23) and one CRI office (Noida, Uttar Pradesh), in addition to our manufacturing locations and Corporate office as part of our reporting boundary. Accordingly, previous year data/numbers are not comparable to that extent.

Proactive Approach

We follow a proactive approach while manufacturing products through sustainable measures that minimise environmental impacts while conserving energy and natural resources. We have implemented ESG Systems in our plants which are regularly audited by independent auditors to ensure their effectiveness and accuracy.

Frameworks, Guidelines, and Standards

This Report is prepared in accordance with the guiding principles of Integrated Reporting Framework developed by the erstwhile International Integrated Reporting Council and maintained by the IFRS Foundation. Further, the Report has been prepared with reference to the GRI Standards and the requirements of Business Responsibility and Sustainability Reporting issued by the Securities and Exchange Board of India (SEBI). The GRI Content Index is available as part of this Report.

This Report also aligns with:

- The Companies Act, 2013 (and the rules made thereunder)
- National Guidelines on Responsible Business Conduct
- Indian Accounting Standards
- Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
- Secretarial Standards issued by the Institute of Company Secretaries of India
- Sustainability Reporting Standards Board of the ICAI and the International Standard on Assurance Engagement ("ISAE") 3000 (Revised)

Data Integrity

We collected and analysed relevant data through our integrated data management system applying strict internal controls to support the disclosures in this Report. Our goal is to present accurate, reliable, unbiased, comparable, and comprehendible information concisely.

Materiality

On periodic basis, we conduct materiality assessment to identify material topics. It helps in disclosing information that is relevant and alongside framing strategies for reliable growth.

External Assurance

Reasonable assurance on BRSR Core KPIs and limited assurance on the Identified Sustainability Information in the BRSR & Integrated Annual Report respectively has been provided by Price Waterhouse & Co Chartered Accountants LLP, in accordance with the Standard on Sustainability Assurance Engagements 3000 "Assurance Engagements on Sustainability Information" and the Standard on Assurance Engagements 3410 "Assurance Engagements on Greenhouse Gas Statements", both issued by the Sustainability Reporting Standards Board of the ICAI and the International Standard on Assurance Engagement ("ISAE") 3000 (Revised) "Assurance Engagements other than Audits or Reviews of Historical Financial Information" and the ISAE 3410 "Assurance Engagements on Greenhouse Gas Statements". The assurance reports attached contains details of the subject matter, criteria, procedures performed, and reasonable assurance opinion and limited assurance conclusion, as applicable.

Feedback

We welcome feedback on our Report to ensure that we continue to disclose information that is pertinent and conducive to stakeholder decision-making.

sustainability@havells.com | investors@havells.com

Navigate Our Report

Capitals covered

- Financial Capital
- Human Capital
- Intellectual Capital
- Manufactured Capital
- Social and Relationship Capital
- Natural Capital

Stakeholder groups

- Shareholders/investors
- Dealers
- Bankers and other financial institutions
- Employees
- Vendors
- Government and regulatory agencies
- Customers
- Communities
- Media

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- S2 Channel
- S3 Innovation
- S4 Digitisation
- S5 Talent

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- Human Capital Development
- Governance and Ethical Business Conduct
- Water Stewardship and Air Quality Improvement
- Occupational Health and Safety
- Product Stewardship
- Circular Economy and Waste Management
- Innovation R&D
- Capacity Utilisation & Market Presence
- Distribution Network & Channels
- Sustainable Sourcing and Vendor Management
- Human Rights and CSR
- Responsible Digitalisation & Technology Use
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- Brand Integrity & Salience
- Sustainable Packaging
- Biodiversity
- Sustainable Manufacturing to Achieve Low Carbon Footprint Product

Havells at a glance

Founded in 1958 as a small trading business at Bhagirath Palace in Delhi, over the years Havells has evolved into a leading Fast Moving Electrical Goods (FMEG) and Consumer Durables company, serving 70+ countries globally. With a portfolio comprising multiple prestigious brands, Havells offers a wide range of high-quality products across various categories and consumer segments.

Through an omni-channel approach, Havells ensures accessibility and convenience for consumers with presence in general trade and brand/exclusive stores, and in emerging channels such as modern format retail, e-commerce and quick commerce. Supported by continued investments in R&D, Havells delivers innovative products with distinct features and thoughtful designs that set them apart in the market. Havells manufactures 90% of its finished products in-house through a large base of 15 manufacturing plants across 8 locations in India. Backed by robust corporate governance practices and healthy balance sheet, Havells has been consistently rated well by independent credit rating agencies, currently holding AAA (long-term) and A1+ (short term) ratings by CARE.

Havells is present in every corner of a home with its wide product portfolio, and over the years, it has gone beyond the homes by also extending its offerings to offices, commercial spaces, industries and infrastructure projects. From industrial switchgear ensuring safe reliable manufacturing environment to underground power cables supporting infrastructure projects, and professional lighting illuminating modern offices and retail spaces, Havells serves diverse B2B customers. Additionally, its street lighting solutions address the growing demand spurred by government initiatives focussed on road and highway infrastructure development. In essence, Havells has gone deeper into homes and also well beyond the homes to cater to a much larger consumer base.

Home and Beyond

Ethos

Vision

To be a globally recognised corporation for excellence, governance, consumer delight and fairness to each stakeholder including the society and environment we operate

Mission

To achieve our vision through business ethics, global reach, technological expertise, building long-term relationships with all our associates, customers, partners, and employees

Values

Customer Delight

A commitment to surpass our customer expectations

Integrity and Transparency

A commitment to be ethical, sincere, and open in our dealings

Leadership by Example

A commitment to set standards for our business and transactions based on mutual trust

Pursuit of Excellence

A commitment to strive relentlessly, to constantly improve ourselves, our teams, our services, and products so as to become the best-in-class

Numbers That Define Us

20
Product verticals

48
Offices

6,712
Employees

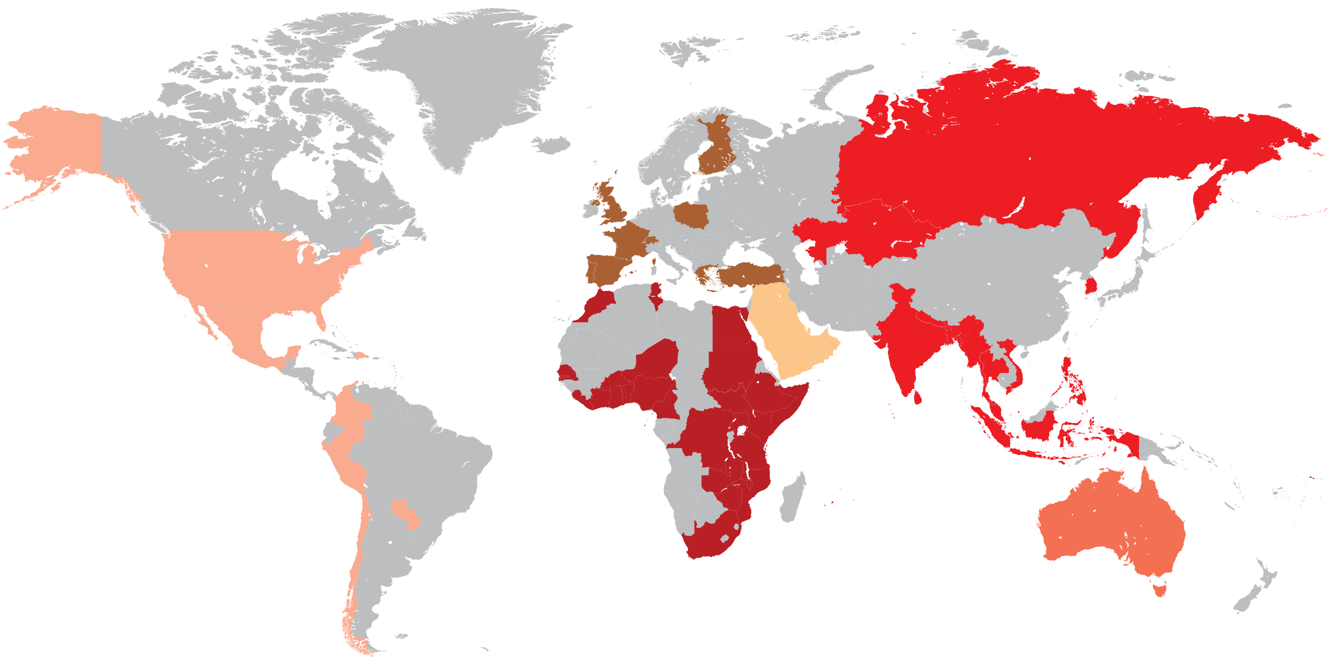
4
Research centres

6
Brands

15
Manufacturing units

~18,000
Strong dealer network

Our Presence



Map not to scale

Asia · Europe · Americas · Middle East · Australia · Africa

Diverse product portfolio

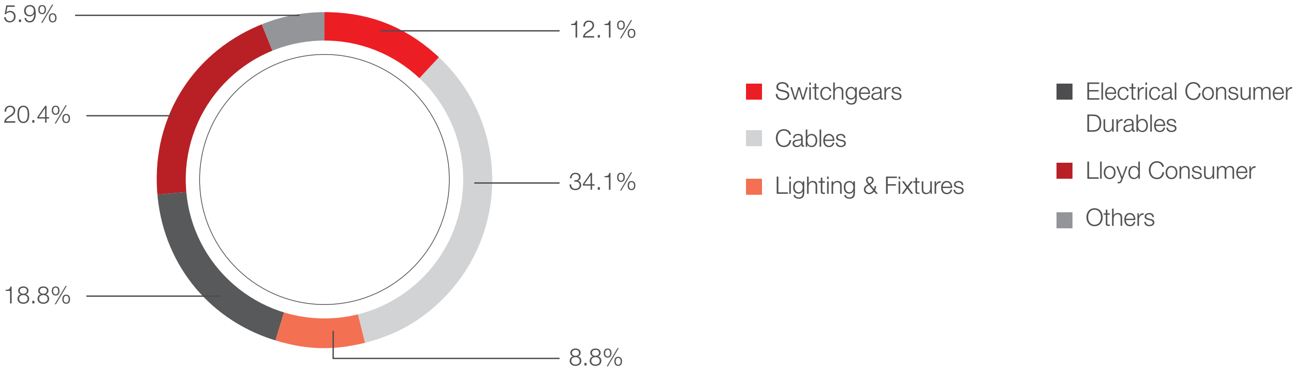
Backed by our steadfast focus on innovation, differentiation and quality, our extensive product range is crafted to enrich each and every home in multiple ways. Havells has emerged as a house of brands with six brands, allowing us to cater to different consumer segments and their need state.

Our Brands

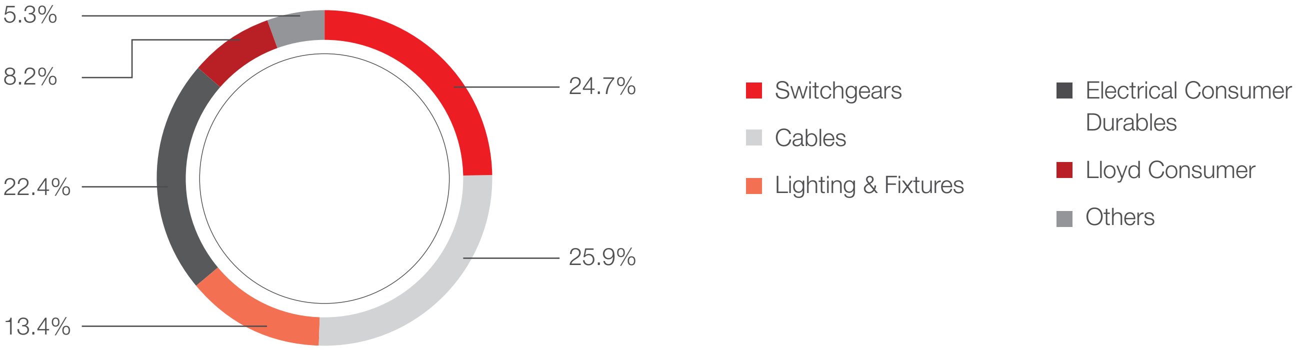
HAVELLS | LLOYD | HAVELLS Crabtree — Switching solutions since 1918

STANDARD | REO | HAVELLS STUDIO

Revenue Mix (FY 2023-24)



Contribution Mix (FY 2023-24)



Product Segments

Switchgears

Domestic switchgears | Capacitors | Switches | Industrial switchgears

Cables

Power cables | Flexible cables

Lighting and Fixtures

Professional Luminaires | Consumer Luminaires

Electrical Consumer Durables (ECDs)

Fans | Appliances | Water Heaters

Others

Motors | Solar | Pump | Water Purifiers | Personal Grooming Products (PGPs)

Lloyd Consumer

Air conditioners | Televisions | Washing machines | Refrigerators

Message from the Chairman and Managing Director

Dear Valued Shareholders,

I am pleased to present the Integrated Report of your Company for FY 2023-24.

Your Company demonstrated resilient performance this year. While our infrastructure-led segments demonstrated robust growth, driven by government's sustained infrastructure thrust, our B2C segments navigated through sluggish consumer demand environment.

On the profitability front, your Company expanded margins on the back of premiumisation, cost efficiencies and softening of commodity prices. We maintained a robust financial health, remained debt-free and continued to deliver on our dividend payout track record, supported by strong cash flow generation.

Enriching Homes

Building upon a strong foundation, we are continuously enhancing our offerings to transform homes into places where moments are cherished and lives are enriched. Our products leverage latest technologies to enhance comfort and convenience for our consumers. Havells commitment to quality not only ensures the functionality of our products, but also a safe home environment. Our wide variety of products and proximity to the consumer, allows us to go deeper into homes. We strive to provide a lasting experience at the time of purchase as well as throughout the lifespan of our products with a robust after-sales service.

Investing for Sustained Growth

Your Company continued its strategic investments in long-term growth drivers. These investments are designed to drive sustainable long-term growth with operating leverage.

Brand

Your Company's sustained focus and investment on brand building has yielded results in form of enhanced brand resonance and strong consumer preference. We have transitioned from a single brand to 'house of brands' catering to diverse consumers and price segments. Havells tapped into the most premium advertising platforms across traditional and new-age digital mediums.

Omni-channel

With an aim to ensure accessibility for our products, we extended our reach into emerging channels by enhancing our presence in modern format retail & e-commerce while also launching in quick commerce. As part of the Rural Vistaar programme, emphasis was laid on creating retail presence in towns with <10,000 population through expansion of UTSAV stores. This year alone, over 250 stores were added, taking the total to 600+ UTSAV stores.

Innovation

Aiming to simplify the lives of our consumers, we continue to focus on development of innovative products. Integrating IoT capabilities into our product lineup remained a key tool to enhance the ease of use. Our R&D capabilities enables us to deliver aesthetically- & functionally-unique solutions. We are taking initiatives to expand our R&D facilities and further strengthen our existing talent pool.

Digitisation

During the year, significant investments were made towards digitisation initiatives covering various facets of the organisation across functions. It enabled us to drive efficiencies and enhance ease of working, both internally as well as across the value chain.

Manufacturing

Capacity expansion was undertaken across categories, underscoring our commitment towards in-house manufacturing. Establishing capacities closer to our customers in the Southern part of the country not only enhances our competitiveness and responsiveness, but also aligns with our ESG goals. We believe such manufacturing capabilities unlocks the required flexibility to create products that stand out in the market, drive premiumisation, and strengthen our brand positioning. We aspire to enhance our global competitiveness by creating capacities, developing products and achieving cost efficiencies. Furthermore, deployment of Manufacturing Execution Systems (MES) in various plants is helping improve transparency and productivity.

Talent

Your Company has made significant investments in human capital. The focus remains on nurturing internal talent as well as on strategic new additions. Additional emphasis was laid on placing strong talent behind emerging categories.

International Business

Several new initiatives were undertaken to fuel our aspiration of growing the international business. With an aim to take our priority products to key geographies, we intend to partner with locally entrenched players in these geographies for a long-term success story. As part of this approach, we have formed a JV for air conditioner business in US and continue to explore options for other products and geographies.

> **We continue to be excited about the opportunity which India offers in the categories we play in, and are confident about our ability to deliver shared value for all our stakeholders.**

ESG

As we progress on our sustainability journey, we remain steadfast in our commitment to ESG principles. By integrating sustainability into our business strategy and decision-making processes, we aim to generate long-term value for our stakeholders.

Through our environmental management initiatives, we are committed towards minimising our carbon footprint, reducing waste, and conserving natural resources. We have started a journey towards embracing a net-zero target, serving as a foundation for setting clear and ambitious targets. During the year, we achieved a significant milestone by receiving ‘Zero Waste to Landfill’ certification across all our plants and corporate office. As a part of our green initiatives, we are piloting cleaner alternatives to traditional fossil fuels, thus reducing greenhouse gas emissions and air pollutants. Energy efficiency remains a key objective in our product development process, leading to substantial electricity savings for consumers.

Committed to the betterment of community, our initiatives are aligned with ideology of ‘Padhega India, tabhi to badhega India’. Through association with Plaksha University, we are working towards making a significant impact on the education & technology journey of students by setting up research building with cutting-edge labs and facility. Our ongoing mid-day meal initiative in Rajasthan helps in improving school enrolments and attendance. Our collaboration with Central Square Foundation (CSF) enabled upskilling of teachers across 1,700+ schools, contributing towards the foundation of quality education. During the year, we partnered with Chanakya University (Bangalore) for setup of data centre to enable IT facilities for the students.

Outlook

As we enter FY 2024-25 with expectations of a strong summer, and robust real estate activity, we are hopeful for consumer demand pickup. We endeavour to create long-term value by leveraging our diverse product portfolio and making continued investment in the key pillars of growth. With our initiatives starting to yield promising outcomes, we remain optimistic about Lloyd’s journey and its potential in an expanding consumer durables space. We continue to be excited about the opportunity which India offers in the categories we play in, and are confident about our ability to deliver shared value for all our stakeholders.

In closing, I extend my sincere gratitude to our board of directors, employees, customers, channel partners, suppliers and all our shareholders for their continuous faith and support, empowering us at each step of our journey and contributing to our growth.

Regards,

Anil Rai Gupta
Chairman and Managing Director

Business Model

Driving excellence. Enriching lives.

INPUTS

Financial Capital

Equity: ₹ **7,438 crores**
Cash (net of debt): ₹ **3,015 crores**

Manufactured Capital

Manufacturing units: **15**
Warehousing space: **~42 lakh sq. ft.**
Offices: **48**
Gross block value: ₹ **4,414 crores**
Capex: ₹ **713 crores**

Human Capital

Total employees: **6,712**
New employee hire: **1,831**
Average hours of training per employee: **13.6 hours**

Intellectual Capital

R&D spend: ₹ **206 crores**
R&D team strength: **713**
R&D centres: **4**
Investment in brand building: ₹ **527 crores**
New designs applied in FY 2023-24: **232**
Patents applied in FY 2023-24: **48**

Social and Relationship Capital

Dealers: **~18,000**
Retailers: **2.47 lakhs**
Electricians: **2.98 lakhs**
Total active vendors: **8,718**
CSR spend: ₹ **30 crores**

Natural Capital

Installed solar power capacity: **11.26 MW**
Energy consumed: **1,80,887 MWh**
Water consumption: **283.05 mega litres**
Waste generated: **53,958 MT**

HOW WE WORK

Business Activities

Research and Development

- Consumer-centric R&D capabilities focussing on futuristic technologies, smart connected solutions, quality & reliable products, and unique designs
- Addresses consumer pain points and preferences while keeping the user experience seamless
- Drives premiumisation and differentiation

Procurement

- Establishing long-term strategic relationships with suppliers
- Partnering with suppliers in their growth journey
- Digitising procurement aspects for better efficiency and visibility
- Higher sourcing from domestic suppliers, aligned with Make in India initiative

Manufacturing

- Continuous investment in scaling up manufacturing capabilities
- In-housing key products for better control and clear product differentiation

Supply chain and logistics

- Omni-channel distribution approach to offer products to consumer wherever they are, and at their convenience
- Products available through dealers/distributors, brand shops/exclusive stores, modern format retail (MFR) stores, CPC/CSD canteens, rural Utsav stores, e-commerce and quick commerce

After sales service

- Ensure customer delight with on-time prompt after sales services
- Using technology and people engagement as levers for lasting customer relationships

Ethos

Vision

To be a globally recognised corporation for excellence, governance, consumer delight and fairness to each stakeholder including the society and environment we operate.

Mission

To achieve our vision through business ethics, global reach, technological expertise, building long-term relationships with all our associates, customers, partners, and employees.

Values

Customer delight | Integrity and transparency | Leadership by example | Pursuit of excellence

Our business model enables value creation across every aspect of the business chain, ensuring a sustainable and consistent growth. From building exceptional R&D capabilities for product differentiation to manufacturing high-quality products in-house and ensuring customer delight, our strategies are woven around the fabric of our ethos to drive excellence and meet stakeholders' expectations.

Product development

- Full control over quality and design of the product through in-house manufacturing
- Alignment between innovation, business and manufacturing to ensure seamless journey from ideation to implementation to delivery

Sales and marketing

- House of brand with six brands in FMEG & consumer durables space
- Strong focus on brand building efforts with healthy advertising and sales promotion spends
- Strategic collaborations and campaigns including national & regional brand ambassadors, cricketing event partnerships, digital campaigns, in-shop advertising, etc.

Strategic priorities

Brand

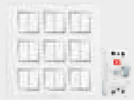
Channel

Innovation

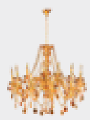
Digitisation

Talent

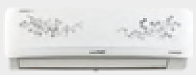
OUTPUT


Switchgears


Cable


Lighting and Fixtures


Electrical Consumer Durables


Lloyd


Others

Brands

HAVELLS

LLOYD

HAVELLS Crabtree

REO

HAVELLS STUDIO

STANDARD

OUTCOME

Financial Capital

Revenue: ₹ **18,550 crores**
EBITDA: ₹ **1,845 crores**
PAT: ₹ **1,273 crores**
EPS: ₹ **20.32 per share**
Contribution to exchequer: ₹ **4,361 crores**

Manufactured Capital

Total number of product category: **20**
Active SKUs: **20,000+**

Human Capital

Employees associated with the Company for 5+ years: **39.81%**
Attrition rate (Permanent Employees): **18.89%**

Intellectual Capital

Brands owned: **6**
Patents granted till now: **94**

Social and Relationship Capital

Net promoter score: **75**
Daily mid-day meal enrolments: **70,000 students**
Tree plantation: **4,07,500 Teak trees**
Sanitary kits distributed: **2,20,000 kits**
Education infrastructure building & scholarship: **350+ students**
Foundation learning & numeracy programme: **86,000+ students across 1,700+ schools**
Skill development programme: **5,000 electricians**

Natural Capital

Total solar energy generated: **11,296.60 MWh**
Total renewable energy consumed: **11,159.29 MWh**
Total water recycled: **33%**
Total waste recycled: **49%**

Strategy

Comprehensive strategy for long-term growth and value creation

Our strategic blueprint is built around five key pillars, each designed to fortify our market presence and drive sustainable value creation for all our stakeholders. From reinforcing our brand identity to leveraging latest digital technologies, we are committed to delivering excellence across every facet of the business operations. Through significant investments in research and development, we aim at developing innovative and differentiated products, enhancing our competitive edge in the market. Implementing a long-term approach towards forging stronger connections with our existing channel partners while continuously adding new channels to reach the consumers, we ensure better accessibility and experience for our consumers. Further, additional emphasis is laid on building a strong talent pool through a mix of leaders from within and infusion of new talent.

Brand

Our actions

- Reinforcing the ethos of brand 'Havells'
- Straddling across different consumer groups and socio economic/income with clear positioning of each of the brand
- Sustained investments in the brand to deepen connect with stakeholders
- Enhancing brand reach across multiple channels with customised and unique targeting

Capitals impacted

Channel

Our actions

- Strengthening the relationship with our dealer network
- Getting closer to the consumers through strong tie-ups with multi-brand outlets, regional retailers, and modern formats. Expanding in e-commerce and quick commerce
- Going deeper by exploring new markets in the semi-urban and rural regions; adding touchpoints in smaller towns through Utsav stores
- Widening the customer base by catering a diverse set of base

Capitals impacted

Innovation

Our actions

- Product extension & expansion with focus on innovation and product development and continued investments in R&D
- Capability building that cuts across the businesses through centre of excellence
- Increasing alignment between business & innovation
- Thought leadership and development of breakthrough products serving consumer aspirations

Capitals impacted

Digitisation

Our actions

- Leveraging IT infrastructure for digital transformation, improving overall product experience and enhancing consumer journey
- Deploying new-age digital technologies in all functions to drive consistent value-creation for stakeholders
- Making technology an enabler and partner of business

Capitals impacted

Talent

Our actions

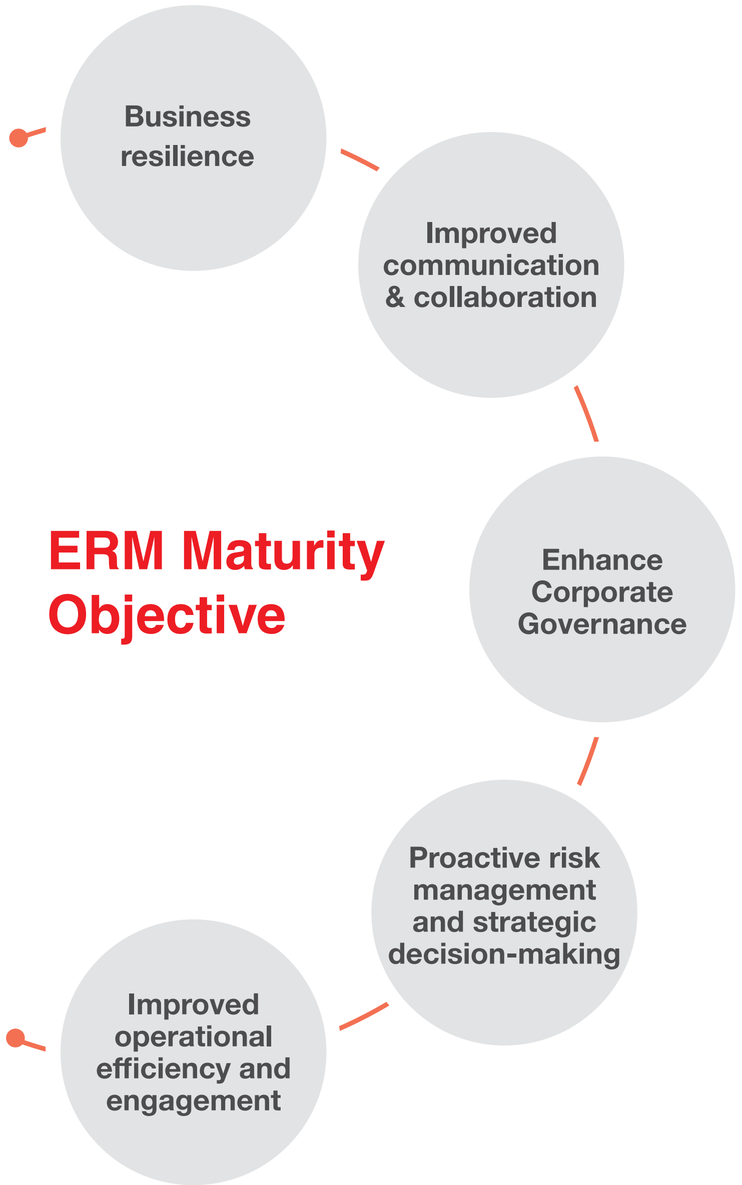
- Integrating individual & company aspirations
- Entrepreneurial with distributed leadership
- Developing leaders from within; focus on placing strong talent behind emerging categories
- Instituting wealth creation opportunity

Capitals impacted

Enterprise Risk Management (ERM) Framework

The internationally-recognised COSO framework serves as the foundation for Havells' risk management, facilitating the integration of risk management functions into business processes and verticals throughout the organisation. Strong emphasis is placed on the adoption of Next-Gen technologies, which support an enterprise-wide view of risks, compliance and governance, and enable a more holistic approach for risk optimisation. Our integrated approach offer agility, improve productivity, enhance efficiency, and enable well-informed decision-making to the stakeholders.

The integrated risk management framework proves instrumental in helping the management to identify the best possible option to mitigate identified risks, in line with the organisation's strategy, objectives, and risk appetite.



To oversee the Company's risk management strategy, the Board of Directors have established the Enterprise Risk Management (ERM) Committee. The ERM Committee plays a pivotal role in supervising the way in which management oversees adequacy, adherence & effectiveness to the Company's risk management framework, considering the risks the business challenges and opportunities.

A business-centric approach to risk management is used to identify potential risks. Based on materiality of the risk, response strategies are developed and assigned to concerned risk owner. Head of risk management works closely with all business and functional team in carrying out identification, evaluation, monitoring and reporting of risk response, under the guidance of Leadership Council and ERM Council. Update on risk management is presented before ERM Committee at least twice a year.

During the year, ERM software was implemented, and a business and function-specific risk maturity assessment was initiated for self-benchmarking. To strengthen business resilience, company's Information Security Management System (ISMS) has been certified with ISO 27001:2022.

ERM Journey

2010-11

- 1st ERM meeting
- Refreshment/ Development of SOPs across business function and location

2011-15

- Implementation of SOPs
- Adopted COSO Framework
- Deployment of Compliance Management Solution
- Risk-Based Audit
- Risk Register & Risk Control Matrix
- Fraud Assessment

2015-20

- Implementation of SAP GRC
- Adoption of Advanced Data Analytics and Forensic Tools
- Test of Design & Effectiveness - RCM for IFC
- Focus on Process & Control Automation
- Exceptional Reporting & Alert

2020-24

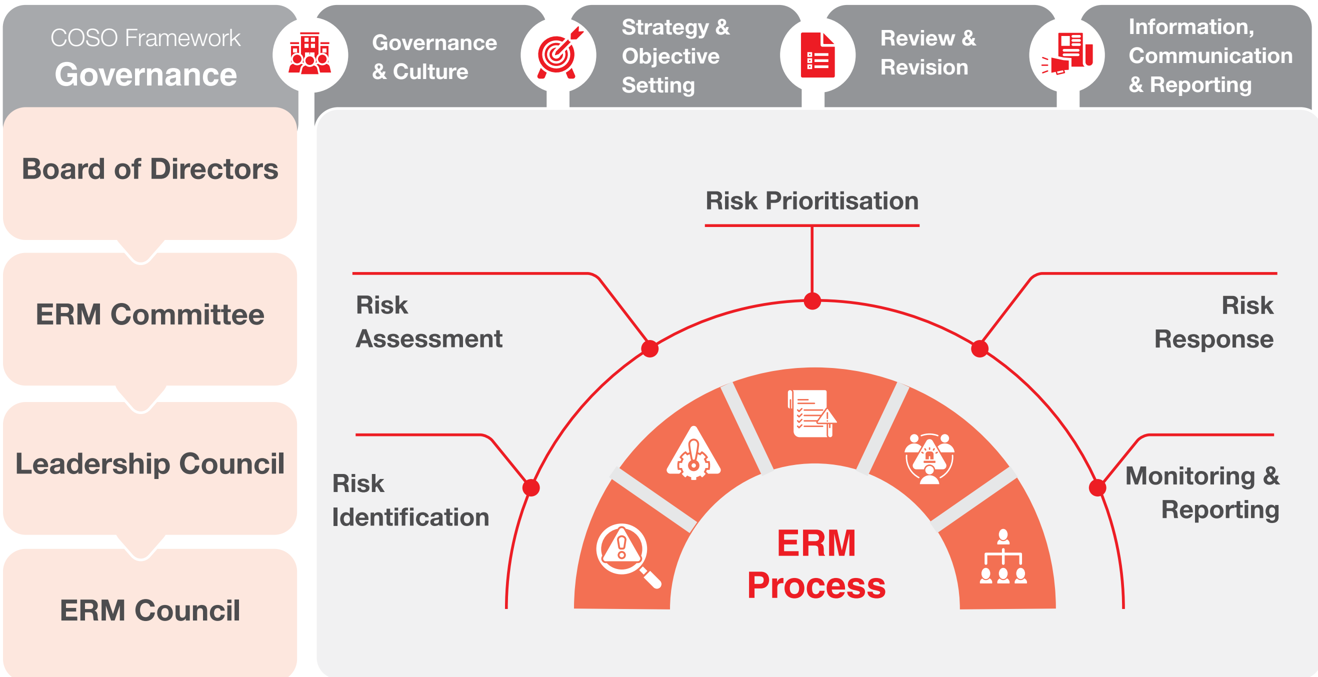
- ISO 27001 : 2022 Certification
- ERM Software implemented
- Adoption of Emerging Technologies
- ERM Policy Refresh
- ERM Maturity Survey
- ERM Maturity Assessment
- Benchmarking with Global Peers

COSO = Committee of Sponsoring Organisation of the Treadway Commission

RCM = Risk Control Matrix

SOP = Standard Operating Procedure

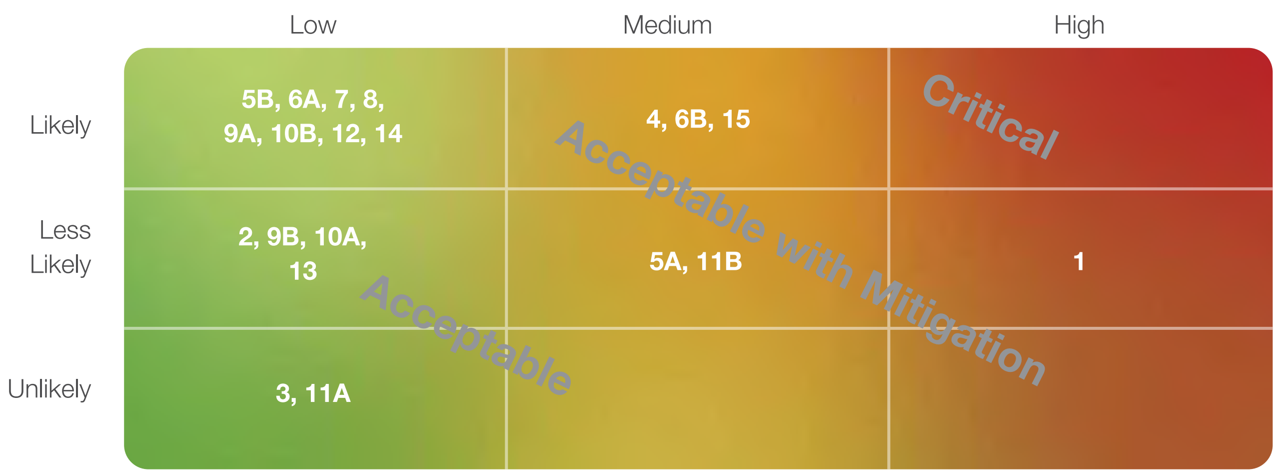
IFC = Internal Financial Control



Risk Rating Matrix

S No	Critical Risk	Likelihood	Impact	Velocity	Risk Rating
1	Risk of business disruption due to Natural Disaster, Geopolitical Conflicts & Relations	Likely	Medium	Very Rapid	
2	Risk of Geographical & Channel concentration	Less Likely	Medium	Low	
3	Risk Relating to Lloyd segment	Likely	Low	Low	
4	Risk due to dependency on a Single Plant Location	Likely	Medium	Rapid	
5A	Risk of lag in meeting emerging consumer trends	Likely	Medium	Slow	
5B	Risk due to dependency on third party for critical technologies	Less Likely	Medium	Rapid	
6A	Risk on Brand Positioning	Less Likely	Medium	Rapid	
6B	Risk on account of Brand Reputation & Social Media	Likely	Medium	Rapid	
7	Risk due to unsatisfactory customer service	Less Likely	Medium	Rapid	
8	Risk factors in Product Quality Management – Product Performance vs Brand Perception	Less Likely	Medium	Rapid	
9A	Risk of Import Dependency - RM & Traded products	Less Likely	Medium	Rapid	
9B	Financial Risk - Commodity & Currency Fluctuation	Likely	Low	Rapid	
10A	Risk of Supply Disruption (Supply Chain Management)	Less Likely	Medium	Slow	
10B	Working Capital Management - Inventory Management	Less Likely	Medium	Rapid	
11A	Risk factors of ineffective succession planning in Critical roles	Less Likely	Low	Slow	
11B	Risk factors of Employees Attrition	Likely	Medium	Slow	
12	Cyber threats	Likely	Low	Very Rapid	
13	Risk to Intellectual Property & Counterfeit Products Risk	Likely	Low	Rapid	
14	Risk of Non-Compliance to Statutory & Regulatory Provisions	Less Likely	Medium	Rapid	
15	Risk factors - Environmental, Social & Governance (ESG)	Likely	Medium	Rapid	

Risk Heat Map - Residual Risks



** Risk Heat Map is depicting current status of the identified risks after counter measures (Risk Nos. as per Risk Rating Matrix)*

Summary - Key Risks & their response

A brief summary of the key identified risks and their response is mentioned below. We have also mapped the key risks to respective capitals highlighting the potential impact.

Sales & Marketing

Risk of Geographical & Channel Concentration

Risk Response

Multiple strategies put together help us to meet customer preference, market trend and competition:

- Through Rural Vistaar initiative, Havells has become the most penetrated FMEG brand in rural markets with presence of rural distributors in 3,000+ towns (10k-50k population)
- In our endeavour to reach <10K population towns, a new rural retail initiative has been started called Havells Utsav exclusive store, wherein 637 stores have been opened till FY 2023-24
- Focus on emerging channels such as MFR/RR, CPC/CSD, E-Commerce and quick commerce
- Adopted DMDC (Different models for different channels) to avoid conflict with existing channels

Marketing (Marcom)

Risk on Brand Positioning, Social Media & Brand Reputation

Risk Response

The organisation consistently prioritises social media, brand positioning, and reputation. Various creative measures are implemented to address the relevant business risk, such as –

- Continuous brand health tracking to drive brand consideration & preference
- Positive sentiment monitoring is conducted via digital media activities and B2B engagements, including seminars and exhibitions
- Establishment of digital command & control centre for engaging with both online & offline customers and other stakeholders
- A system for online reputation management has been set-up, enabling timely resolution of customer grievances, sentiment analysis and user feedback
- More than 25 digital campaigns were launched in FY 2023-24
- Digital marketing tools are used to amplify the reach and impact of TV advertisements

Centre for Research & Innovations

- **Risk of lag in meeting emerging consumer trends**
- **Risk due to dependency on third party for critical technologies**

Risk Response

The Company initiates several projects to increase its technological capabilities and innovative products in order to keep up with market trends and consumer needs. These initiatives includes:

- World-class product innovations powered by leading technology, design & UX (User Experience)
- Customer-centric innovations led by deep understanding of consumer's pain, preferences and business opportunities
- Incorporation of emerging mindshare like sustainability in product development
- In-house ownership of critical technologies through a CoE (centres of excellence) and platform approach
- To support innovation, >1% of our Net sales is invested on R&D annually
- CRI headcount has grown to 700+
- Process, infrastructure and advanced methodology updates to increase the efficiency and effectiveness of new product development

Quality Management

Risk factors in Product Quality – Product Performance vs Brand Perception

Risk Response

We have established a robust mechanism for Quality Maturity Progression through well-defined organisation metrics and score cards. Other measures to uphold our quality standards include:

- Well-documented process, system and IT integration
- Strategic initiatives to drive customer-centric quality, trade & distribution quality, customer experience labs and built-in-quality
- Maintaining a high level of people and supplier engagement through various initiatives

After-Sales Service

Risk of Brand Reputation due to unsatisfactory customer service

Risk Response

To exceed consumer expectations and improve their experience, proactive steps are implemented as:

- Registration of service requests is available 24*7 throughout the year via various channels
- Continuous monitoring for customer loyalty cum satisfaction index through NPS methodology
- Extensive use of new-edge technologies for customer experience
- Service personnel are trained through online and offline medium on both aspects – technical and soft skills
- ~81% of customer calls are resolved within 24 hours and up to 96% are resolved within 72 hours

Supply Chain Management

Risk of Supply Disruption & Inventory Obsolescence

Risk Response

Supply Chain Management is considered as one of the critical focus area, some of the steps taken to address risk of supply disruption & efficient working capital management are:

- Usage of advanced forecasting tools
- SKU rationalisation & liquidation of aged inventories
- Established an integrated and flexible network to meet business requirements
- Calendarising of recurring and planned events
- Focus on adoption of new-age technology to enhance productivity and efficiency

Procurement & Supplier Management

- **Risk of Import Dependency**
- **Financial Risks - Commodity & Currency Fluctuation**

Risk Response

Measures to mitigate import dependency and reduce the impact of currency and commodity price fluctuations include:

- To ensure a sustainable supply chain, identification of alternate sourcing avenues for critical parts and raw materials is regularly evaluated
- Import dependency has been reduced to less than 15% of total sourcing
- Buying of commodity items is based on an average price model, linked to LME or related indexes
- Average price is further benchmarked against current market prices (domestic/international) on a periodic basis

Information & Cyber Security

Risk of Cyber Threats

Risk Response

Defense in depth strategy is adopted to create cyber security resilience. The safeguard measures includes:

- Deployment of next-gen tools & technologies to protect from sophisticated cyber-attacks
- Deployment of role-based access control and zero trust network access
- Deployment of SASE (Security Access Service Edge) and Next-Gen SIEM
- Attack surface monitoring
- Data leakage and privacy protection
- Dedicated SOC (Security Operation Centre) and NOC (Network Operation Centre)
- 3rd party risk management solution

Measures to enhance cyber resilience include:

- Company's information security management system is ISO 27001:2022 certified
- Implementation of Business Continuity Plan (BCP) for business applications
- DC & DR sites are in different seismic zones
- Deployment of digital risk, brand protection platform, threat intelligence & cyber risk rating platform
- Conducting regular user education & awareness programme which includes both online & offline trainings, Email flyers and phishing attack Mock Drills

Human Resources Management

Risk factors of ineffective succession planning in Critical roles

Risk Response

To take care of the risk of succession planning in critical roles and timely onboarding, a number of initiatives have been undertaken. These include:

- Leadership development program
- Grooming future leaders
- Empowering, engaging and sharpening skillset
- Process automation

Risk of employee attrition

There are various programmes/ initiatives undertaken by the Company with respect to job satisfaction, skill enhancement, employee retention, rewards and recognition. Some of the initiatives to minimise employee attrition are highlighted below:

- Structured and systematic functional induction
- Enhancing employee experience through various welfare and development initiatives
- Competency development framework for career pathing
- Reward and recognition programmes

Legal

Risk to Intellectual Property & Counterfeit Products

Risk Response

Counterfeit goods and intellectual property are both protected by a well-established system:

- IP's such as trademarks, logos, patents, and design of our products are protected by registering under relevant Acts
- To protect intellectual property, appropriate measures are taken with respect to civil & criminal actions, both in India and internationally
- To reduce product counterfeit, spot raids are conducted on manufacturers of fake products

Audit & Compliance

Risk of Non-Compliance to Statutory & Regulatory Provisions

Risk Response

Strict policies and measures are in place to ensure compliance with the relevant laws and regulations:

- The Company follows a 'Zero Tolerance' policy with respect to non-compliance
- Quarterly compliance status, along with exception (if any) is reported to senior management, Audit Committee & Board of Directors
- Consequence Management Grid has been established
- Quarterly review by the Internal Audit team (both in-house as well as outsourced) is conducted
- Compliance refresh is done as and when applicable or on half yearly basis, whichever is earlier

Environmental, Social & Governance (ESG)

Risk relating to Environmental, Social & Governance which include:

- **Climate Change Risk**
- **Occupational, Health & Safety Risk, Fire Safety**
- **Governance Risk**

Risk Response

We embed ESG principles across every aspect of our operations through measures such as:

- Initiation of Net Zero journey to address climate change risk
- Roll out of Supplier ESG Assessment Framework
- Attained Zero Waste to Landfill Certification
- Continued recognition by leading framework and Indices like CDP, MSCI ESG, DJSI, CRISIL
- Our manufacturing plants are ISO 14001, 45001 and 50001 certified

Building value with effective stakeholder engagement

Effective engagement with stakeholders is a crucial aspect of our business process, enabling us to formulate and implement robust initiatives for shared value creation. Keeping this in mind, we have in place diverse engagement channels facilitating timely and open communication with our stakeholders on relevant topics to meet their expectations and build trust.

Stakeholders	Engagement channels	Engagement topics
Shareholders / Investors	• Annual general meeting • Results press release • Earnings / analysts calls • Disclosures tools (annual report, BRSR, websites)	• Company performance • Profitability • Sustainable business model • Long-term growth strategy • Value creation • Cost efficiencies • Transparent and ethical business practices • Strong governance
Employees	• Company newsletter • Internal emails • Intranet • Training and safety programmes • Employee surveys • Rewards and recognitions	• Organisational purpose • Employee benefits and policy • Career development opportunities • Learning and development • Diversity and inclusion • Equal opportunities • Occupational health and safety • Wealth creation
Customers	• Customer service • Marketing campaigns • Social media engagements • Webinars • Website • Customer feedback • Offline engagement activities	• Product quality and sustainability • Product innovation • Proactive grievance handling • Superior customer experience • Quick response to pricing and technical queries

Stakeholders	Engagement channels	Engagement topics
Dealers	• Dealer meets • Dealer surveys • Dealer feedbacks • Welfare schemes • Training and education	• Building long-term relationship • Sustained growth prospects • Ethical contract terms and transparent practices • Technical knowledge exchange and other collaborations
Vendors	• Supplier meetings • Contract negotiations • Supplier code of conduct, policies and standards	• Strategic and enduring collaborations • Sustained growth prospects • Dissemination of relevant information • Sharing technical knowledge and other collaborations • Skill development support
Communities	• CSR activities • Surveys to assess community impact • Public hearings • Complaints and grievance redressal	• Creating livelihood opportunities • Skilling and upskilling beneficiaries • Community welfare initiatives for better education and health, hygiene and sanitation facilities • Sustainable operations
Bankers and other financial institutions	• Credit rating surveys • Annual report	• Credit rating • Sustainable business model • Transparent financial disclosures • Governance • Timely debt servicing
Government and regulatory agencies	• Regular compliance report • Statutory audit	• Timely disclosures as mandated by the government • Effective compliance to laws • Initiatives taken towards protecting the environment, employee generation and nation development
Media	• Press conferences • Management interviews • Media meets • Thought leadership • Thematic articles • Media queries response	• Sharing important announcements and relevant information meant for mass stakeholders

ESG Journey

ESG 1.0

2012-13

Published First Sustainability Report including reporting of GHG Emission (Scope 1 & 2) in line with GRI standards

2016-18

First step towards renewable energy "Installation of First Solar Plant at Alwar"

2018-19

- Ranked 7th globally in Electrical category (Dow Jones)
- Started publishing Scope 3 GHG Emissions (Employee computing)

2019-21

All Havells operation sites were ISO 14001 & 50001 certified

2021-23

- Published our first BRSR report with leadership indicators (voluntarily)
- Rated "A" by Morgan Stanley ESG Rating & Indices
- Member of FTSE4Good Indices family
- CRISIL rated Havells "highest in the sector"
- Installed capacity of 9 MW (Solar Energy)
- Published ESG targets in annual report

2023-24

- Filed CDP disclosures with "B" rating in water security disclosure (above global average) and "C" in Climate change disclosure (global average)
- Roll out of Supplier ESG Assessment framework
- Attained Zero-waste to landfill certification
- Increased our reporting boundaries from plants to include Branch Offices and Warehouses
- Initiated our Net-zero roadmap journey (Including Scope 3 inventorisation)

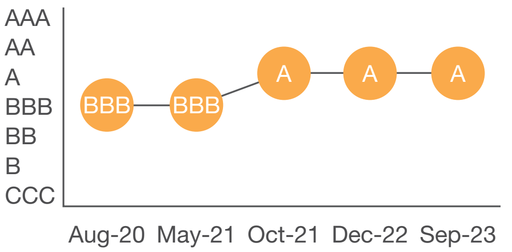
ESG 2.0

ESG Ratings and Recognitions

Our structured ESG efforts have been consistently recognised by reputed ESG rating agencies

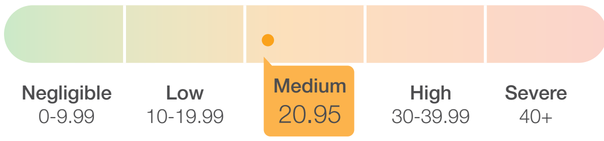
MSCI (Global) ESG Rating

ESG Rating history



Sustainalytics (Global)

ESG Risk Rating

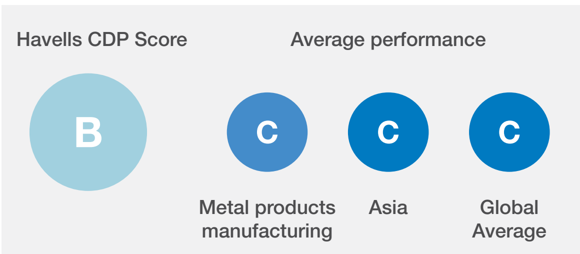


S&P (Global) ESG ranking

We have been consistently ranked in the top 10 global companies in the electrical equipment sector

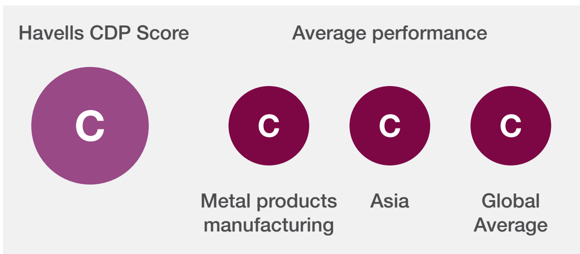
CDP Reporting

"Water Security Disclosure 2023"



The "B" rating in water security is higher than the Asia regional average of "C", and higher than the Metal products manufacturing sector average of "C"

"Climate Change Disclosure 2023"



The "C" rating in climate change suggests that Havells' performance in addressing climate-related issues is comparable to the average performance of reporting companies

FTSE4Good (Global)


CERTIFICATE
OF MEMBERSHIP
Havells India
FTSE4Good

The FTSE4 Good Index Series identifies companies that demonstrate strong environmental, social and governance practices measured against globally recognised standards

CRISIL

CRISIL
An S&P Global Company

CRISIL has rated "Havells" highest in its sector in the recently published Sustainability Yearbook

Zero Waste to Landfill Certificate by Intertek

intertek
Total Quality. Assured.


CERTIFICATE OF VERIFICATION

Certification Number: ZWL-2024-06
Initial Verification Date: 06 March 2024
Date of Certification Decision: 06 March 2024
Certificate Issued: 15 March 2024
Certificate Valid Until: 05 March 2027

Intertek does hereby certify that an independent assessment has been conducted on behalf of:
HAVELLS INDIA LIMITED
and has been assessed and verified by Intertek to:
ZERO WASTE TO LANDFILL

Main Address: QRG Towers, 2D, Sector 126, Expressway, NOIDA, Uttar Pradesh, 201304, India

See appendix for additional sites and additional site scopes

Conformance Criteria:
Overall Scope: Zero Waste to landfill diversion rate of at least 99% is applicable to corporate activities and manufacturing of cables, wires, industrial & domestic products, control panels, distribution board, air conditioner, MCB and EWA, fan, small domestic appliances, washing machine, motor, lighting, geyser, ACB, MCCB, control gear, starters, load bank and capacitors.

Calin Moldovean
President
Intertek Testing Services NA, Inc.
4700 Broadmoor SE, Suite 200
Kentwood, Michigan 49512, United States

Business World Magazine Awards

India's most Sustainable Business of the year Award 2023

Havells India Limited was ranked at 2nd position all over India in 2023 as India's Most Sustainable Companies in the category of Capital goods

CarbonNeutral® Certified by HP


CarbonNeutral® Certified

This is to verify that
HAVELLS INDIA LIMITED
prints using HP Managed Print Services, a CarbonNeutral® service certified through the CarbonNeutral Protocol.

BK Kumar
Director,
Print Sustainability Program

Xavi Llorens
Head of Managed Print Services
Product Management

CERTIFIED CARBON NEUTRAL service
CarbonNeutral.com

Corporate Governance Rating by CareEdge

CareEdge
ADVISORY

CareEdge Advisory Research and Training (CART) assigned Corporate Governance Rating of 'CG 2+' (CG Two plus) to Havells India Limited

ESG Goals Status

Havells India Limited, in its pursuit of sustainable development, had set ambitious ESG targets for FY 2023-24. These targets encompass various aspects of environmental stewardship, including emission management, waste management, sustainable sourcing, zero ODS (Ozone Depleting Substances), and Life Cycle Assessment (LCA).

By focussing on reducing emissions, optimising waste management practices, ensuring sustainable sourcing of materials, eliminating ODS, and conducting LCA training, Havells aims to minimise its environmental footprint while maximising its positive impact.

The table below illustrates the Company's achievements in meeting these targets during FY 2023-24.

Category	Target Undertaken	FY 2012-13 Base Year	Target for FY 2023-24	FY 2023-24 Performance
Emission Management	Scope 3 Emissions Inventorisation	Not measured	100% measurement	**Completed***
	Diesel Consumption (ltr) Reduction	22.3 Lakh	11.20 Lakh (50%)	**11.15 Lakh (50%)**
Waste Management	Zero Waste to Landfill	70%	0%	**0%**
	End user disposal authentication in all types of organic waste	Not obtained	100%	**100%**
Sustainable Sourcing	Assessment of ESG Risks of all critical suppliers	Not measured	100%	**100%**
Product	Zero Ozone Depleting Substance (R22 Gas) in manufacturing (Kg)	600	0	**0**
LCA	Lifecycle Assessment (LCA)	Not Carried out	LCA for high revenue products	**Initiated****

**Scope 3 emissions inventorisation for base year 2022-23 has been completed with 100% measurement*

***LCA training and awareness sessions carried out along with LCA study of two major SKUs*

HAVELLS

Managing what matters most to our people and the planet

Identifying material topics and managing them effectively across our business activities is integral to create sustained value for our stakeholders. A five-step methodology to identify, strategise, manage, score and rank the material topics, together with our sustainability model, helps us to prioritise our stakeholder needs and build strong and reliable partnerships.

Process for Materiality Assessment

We conducted an ESG materiality survey. 100+ participants, including the management and senior leadership team, participated in the survey and various material topics were shortlisted for consideration.

- Each of these topics were assigned a framework score, industry score, survey score, risk score and management score
- The frameworks considered included Business Responsibility and Sustainability Report (BRSR), Global Reporting Initiative (GRI), Sustainability Accounting Standards Board (SASB), Dow Jones Sustainability Indices (DJSI), Morgan Stanley Capital International (MSCI) & Sustainalytics
- The industry score was determined after considering various domestic and international companies in the electrical equipment and appliances space

Five-Step Methodology

IDENTIFY	STRATEGISE	MANAGE	SCORE	RANK
Used ESG frameworks and standards, ESG ratings, and peer benchmarking to recognise potentially relevant issues	Incorporate these factors in the overall business strategy	Recognise significant environmental, social and governance risks and opportunities	Fresh ranking of issues based on the weighted average score achieved by each issue	Issues ranked according to importance based on management and employee surveys
	Communicate the new strategy to all relevant stakeholders	Determine areas for target setting to improve business and sustainability performance	Separate score assigned to each material issue based on the response	100+ responses received from participants

Material Topics

- G Innovation R&D
- S Occupational health and safety
- S Human capital development
- E Climate strategy & action
- G Capacity utilisation & market presence
- E Product stewardship
- G Governance and ethical business conduct
- G Distribution network & channels
- E Circular economy and waste management
- E Water stewardship and air quality improvement

In increasing order of priority

- E Sustainable packaging
- G Customer and other stakeholders' delight
- S Human rights and CSR
- G Sustainable sourcing and vendor management
- E Biodiversity
- G Brand integrity & salience
- S Responsible digitalisation & technology use
- E Sustainable manufacturing to achieve low carbon footprint product

E Environmental S Social G Governance

Environmental

Climate strategy and action

Build resilience to minimise the impact of climate change on business activities and supply chain. Ensure that manufacturing and usage of our products yield low carbon footprints and carbon intensity.

Water and air quality

Conserving water and using it judiciously is our key priority. We are also committed to maintaining air quality in and around our premises.

Product stewardship

Manufacture high-quality products that are safe, durable, repairable and serviceable. Foster sustainability by optimising resource utilisation across the product lifecycle.

Circular economy and waste management

We aspire to achieve zero waste to landfill by responsible end-of-life disposal of our products. The 5Rs approach (reduce, reuse, recycle, recover and residual management) is adopted to enable this.

Social

Human capital development
Empower our employees through effective learning & development, leadership and succession planning, employee engagement, fair treatment and diversity and inclusion, among other favourable initiatives and policies.

Responsible digitalisation and technology use
Ensure business continuity and protect personal data integrity through efficient IT risk management and robust contingency planning.

Occupational health and safety
Foster employee well-being by providing a safe, sound and healthy work environment to all employees.

Human rights and CSR
Uphold human rights and undertake ongoing initiatives for uplifting the society as per the UN Declaration of Human Rights.

Governance

Governance and ethical business conduct
Drive accountability and maintain ethical integrity while pursuing our economic interests.

Customer and other stakeholders' delight
Our stakeholders form the core of our value creation. We believe in creating value and equitable wealth for our stakeholders through our business process.

Brand integrity and salience
Enhance consumer trust, ensure strong brand recall and build a positive image of the Company and its products across different categories in the consumers' mind.

Distribution network and channels
Implement an omni-channel strategy to reach out to a larger consumer base across diverse locations.

Innovation and R&D
Continuously focus on innovation to stay current and relevant in the ever-evolving business landscape, meet consumer expectation and achieve sustained growth.

Capacity utilisation and market presence
Capacity utilisation is directly correlated to market demand and Company's presence. It is the percentage a plant is actually generating compared to its maximum potential.

Sustainable sourcing and vendor management
Sustainable procurement, supply chain resilience, local vendor management.

Sustainability Model

Our sustainability model has been developed to maximise stakeholder value creation, an aspect central to all our business activities and key decisions. Thoughtful consideration of our material topics, in discussion with our stakeholders, has helped us to arrive at the sustainability model. Aligned with our core corporate governance values – ethics, integrity and transparency, the model also considers our business objectives and stakeholder expectations.

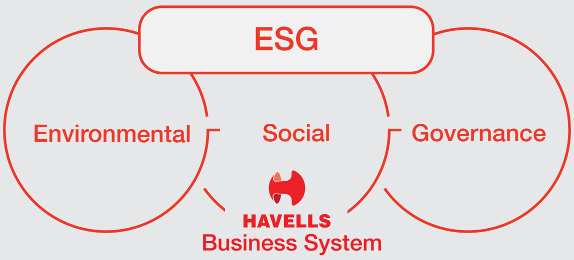
Strategy → **Material topics**

Policies & procedures

- Climate strategy & action
- Human capital development
- Governance and ethical business conduct
- Water and air quality
- Occupational health and safety
- Product stewardship
- Circular economy and waste management

Stakeholder value creation

Resource input



Long-term performance

Stakeholder engagement

- Innovation R&D
- Sustainable sourcing and vendor management
- Human rights and CSR
- Responsible digitalisation & technology use
- Customer and other stakeholders' delight
- Brand integrity & salience
- Capacity utilisation & market presence
- Distribution network & channels

Societal impact

Focus on Compliance

We are governed by a robust compliance mechanism that ensures adherence to the relevant statutory laws and regulations. The mechanism ensures no discrimination and child labour or forced labour within the Company.

During the year, no material fines or non-monetary sanctions were imposed on the Company for non-compliance with environmental laws and regulations. There were no incidents of non-compliance or fines levied with respect to the regulations or voluntary codes relating to the health and safety impacts of Havells' products and services, products-related communication and product information disclosure and labelling.

Financial Capital

Practising Financial Prudence

At Havells, financial discipline is at the forefront of our focus. Leveraging our strong financial position, we have been able to capitalise on sectoral opportunities, expand into new markets, and enhance our product offering to maximise stakeholder value. Additionally, through our balanced capital allocation, we have been able to foster long-term growth across categories.

Prudent Capital Allocation for Sustainable Growth

We are committed to maintaining a robust financial position that supports our growth strategies and delivers sustainable value to our stakeholders. During the year, we stepped up investments in strategic pillars and ensured prudent capital allocation to capture future opportunities.

Since our foray into the electrical consumer business in 2003 with fans and lighting products, we have significantly expanded our offerings. Over the years, we have introduced multiple categories, including consumer durables, into our portfolio. We have not only broadened our product range but have also strengthened new categories with significant investments, developing them into distinct business units. This strategic approach has enabled Havells to establish six categories, each generating revenue exceeding ₹ 1,000 crores. Additionally, our other categories are rapidly scaling and exhibiting growth. Our presence in multiple diverse categories has enabled us to thrive and sustain a strong financial position through various business and economic cycles.

At Havells, we continue to bolster our in-house manufacturing through consistent capital expenditure in both existing and new capacities. Over the past 5 years, we have invested ₹ 2,122 crores as capital expenditure, with ₹ 1,172 crores directed towards Havells FMEG portfolio and ₹ 768 crores towards Lloyd. During this period, we invested in two greenfield plants – Sri City for Lloyd and Tumkur for Cables. Additionally, we expanded our capacities across our product categories, enabling a decent capacity headroom to support future growth trajectory. This balanced capital allocation approach, with dedicated resources for each of the product category, underscores our commitment to drive growth across our product portfolio.

Capital Expenditure (In ₹ crores)

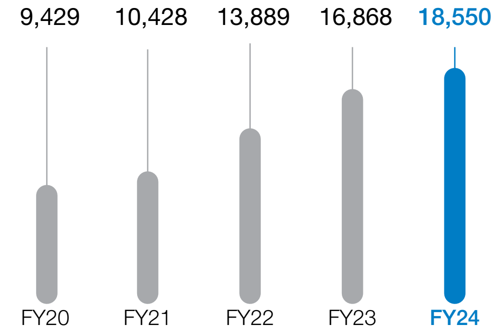
Segments	FY24	FY23	FY22	FY21	FY20	Last 5Y
Switchgears	54	27	37	26	52	197
Cables	251	20	21	27	105	424
Lighting and Fixtures	109	22	13	2	3	150
Electrical Consumer Durables	65	42	70	36	136	349
Others	29	7	7	4	4	52
	509	**118**	**149**	**95**	**301**	**1,172**
Lloyd Consumer	162	404	78	91	32	768
	671	**522**	**228**	**186**	**333**	**1,939**
Common Capital Expenditure	42	49	28	25	39	183
Total	**713**	**571**	**256**	**211**	**371**	**2,122**

Economic Value Creation

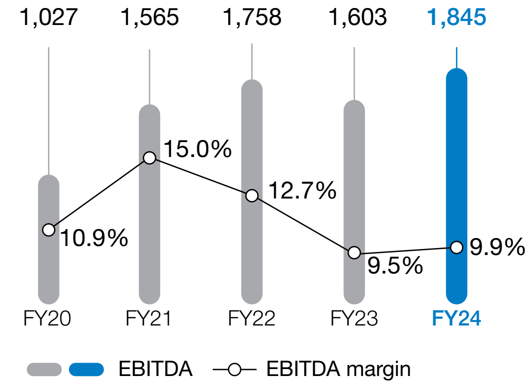
Particulars (₹ crores)	FY24	FY23
Revenue generated (includes other income)	18,799	17,045
Economic value distributed (i+ii+iii+iv+v)	17,951	16,457
Operating costs (i)	15,472	14,260
Employee benefits (ii)	1,541	1,275
Payments to providers of capital (iii)	516	504
Direct taxes paid (iv)	392	392
CSR expenditure (v)	30	27
Economic value generated	848	588

Our Performance

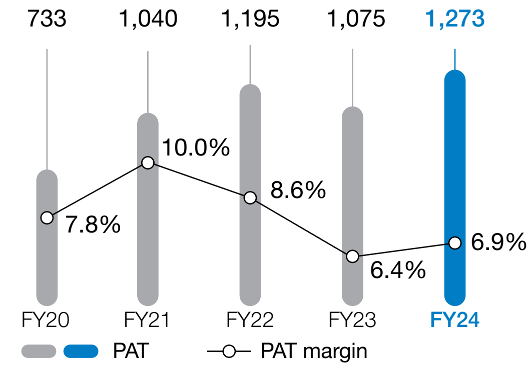
Revenue (in ₹ crores)



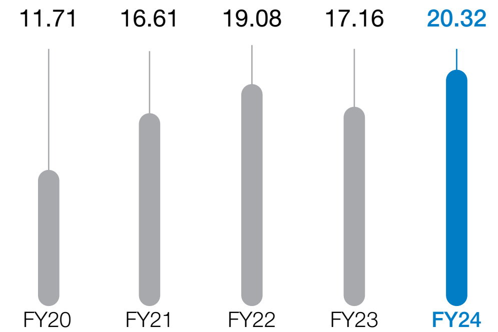
EBITDA (in ₹ crores) **and EBITDA margin** (%)



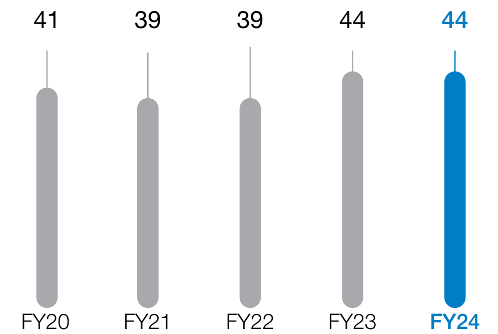
PAT (in ₹ crores) **and PAT margin** (%)



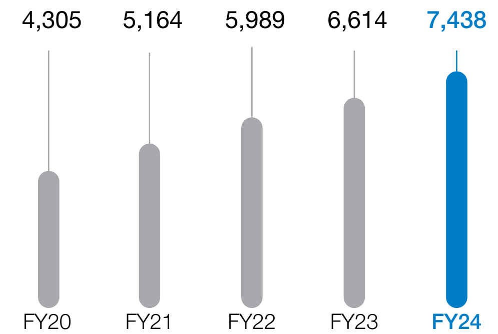
Earnings per share (in ₹)



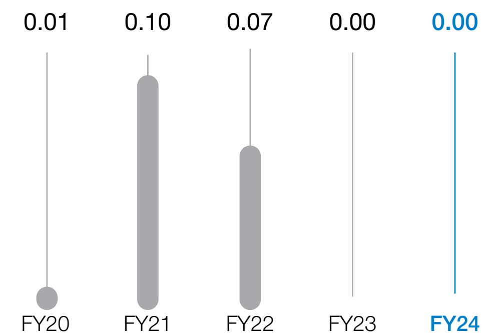
Dividend payout (%)



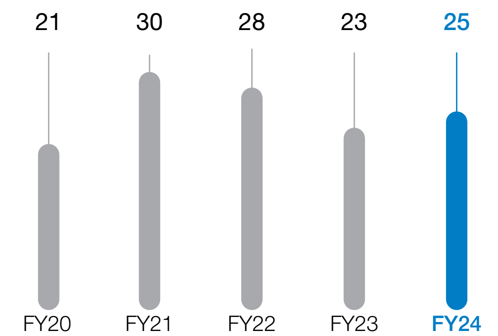
Net worth (in ₹ crores)



Debt:Equity



ROCE (%)*



** ROCE (%) = EBIT / Average Capital Employed (Net Worth + Gross Debt)*

Manufactured Capital

Focussed on Excellence in Operations

At Havells, we are making substantial investments in advanced manufacturing processes and systems to develop a portfolio of products that meet and exceed customer expectations. Our aim is to deliver superior value and innovation, ensuring that each product serves as a testament to our manufacturing and quality excellence.

Integrated Manufacturing Operations

Integrated manufacturing operations is the core strength of Havells. Investments in latest technologies, mass production processes, and robust operations facilitate production of reliable and high-quality products. Havells has long practised the philosophy of 'Make in India', manufacturing 90% of its products in-house. All manufacturing plants are unique, based on different technologies, but have fully integrated manufacturing setups.

Each plant is equipped with a high depth of in-house manufacturing, with all major components produced under the same roof. We have procured automatic high-tech machines from Japan, Europe, and other leading manufacturers across the globe.

All manufacturing plants operate with high efficiency, reliability, and the creation of a workplace of excellence. We make regular investments, in upgrading and establishing cutting-edge manufacturing units. Our employees are also encouraged to bring new ideas for continuous improvement of operational parameters and creating a safe workplace.

Industry 4.0

Industry 4.0, the fourth industrial revolution, marks the integration of digital technologies into manufacturing processes, revolutionising efficiency, productivity, and competitiveness. Manufacturing Execution Systems (MES) play a crucial role in this transformation by facilitating real-time monitoring, control, and optimisation of production processes. Robotics and Autonomous Mobile Robots (AMRs) have emerged as key technologies driving innovation and efficiency across industries.

While setting up the new plant at Sri City, we explored the role of MES, Industry 4.0, robotics, and AMRs and their impact on operations, productivity, and future growth. Industry 4.0 encompasses the adoption of technologies like the Internet of Things (IoT), Artificial Intelligence (AI), big data analytics, and robotics to create smart factories. Sri City leverages interconnected systems to enable autonomous decision-making, predictive maintenance, and customisation at scale. As we navigate an era of rapid technological advancement, we continue to leverage cutting-edge solutions to enhance our competitive edge and meet evolving customer demands. Robotics and AMRs represent a significant area of focus, offering opportunities to streamline processes, improve efficiency, and deliver improved value to stakeholders.

With more than 20,000 live SKUs across the plants, we believe that operational excellence at the factory is paramount. Hence, a roadmap is drawn for the implementation and strengthening of various key initiatives. MES is being deployed in various plants for real-time data management, predictive analysis, workflow automation, reliability in each operation and traceability. We adopt Industry 4.0 standards for continuous upgradation of manufacturing setups. We also undertake section-by-section analysis across the plants for promoting digitisation and the use of IoT.

Impact on Operations

The adoption of Industry 4.0 and MES has profound implications on operations:

Improved Efficiency

Real-time monitoring and optimisation lead to increased equipment uptime, reduced cycle times, and higher throughput.

Enhanced Flexibility

MES enables agile manufacturing by facilitating quick changeovers, customisation, and adaptation to market demands.

Cost Reduction

Predictive maintenance and optimised resource utilisation result in lower maintenance costs, reduced scrap rates, and improved inventory management.

Quality Enhancement

MES-driven quality control processes minimise defects, leading to higher customer satisfaction and brand reputation.

Quality Excellence & Skill Development

Quality Excellence is at the core of everything we do. We have embarked on a journey – Quality Transformation 2.0, aimed at driving quality excellence through four strategic pillars, viz., Customer Centric Quality, Process Discipline and Simplification, Supplier Quality, and Competence & Engagement.

'Built in Quality' is the mantra of Havells manufacturing which ensures consistent product quality for our customers. Under the 'Built in Quality' initiative, Failure Mode and Effects Analysis (FMEA) is effectively used for all manufacturing processes to ensure necessary robust controls through automation, fool-proofing, and availability of skilled and competent workforce.

Additionally, people competence and engagement are vital elements of our overall manufacturing strategy. This is enforced through various programmes like 'Wise Hands', Golden Hands, Kaizen, and Quality Circles.

'Quality Circles' and 'Kaizens' play a vital role in spreading a culture of continuous improvement by engaging and empowering employees to identify problems related to their work and resolve them through the PDCA cycle. It also supports the implementation of ideas for uplifting quality standards and innovative ideas for 'mistake proofing'. To motivate, recognise and nurture skill, we conduct intra- and inter-plant competitions and reward the best teams. Our Quality Circle Teams and Kaizen Teams have participated and secured prestigious awards in quality circle competitions at various forums such as CII, QCFI, among others.

Learning and Development of Operators at 'Takshila'

The Takshila Room, a new way of learning, is designed to provide a supportive and innovative environment for our teams. This recent concept was developed at our Water Heater Plant in Neemrana. The space is dedicated to education, empowerment, and growth for both new and existing employees, including visitors. It is a place where we can come together to learn, collaborate, and enhance our skills. This learning environment is meticulously crafted to foster collaboration, hands-on practice, and skill mastery. It focusses on safety learnings, new techniques, improving our problem-solving abilities, and honing our communication skills.

The focus areas of 'My Takshila' are safety, productivity, quality and HR hub. The key features of Takshila include inculcating a safety culture with the help of safety simulators and models, and enhancing skills through models or simulations. It provides both theoretical and practical lessons in the basic concepts of manufacturing. Knowledge about POSH (Prevention of Sexual Harassment) is also imparted through videos and QA mechanisms. A trainee receives the Green Card named 'Takshila Parinam' and will only be allowed to work on the floor after the certification. We plan to implement its horizontal deployment across the plants with digitisation and online data monitoring.

AC Plant Operational at Sri City

The manufacturing activities at Sri City Plant are now fully operational. The plant is set up to handle a capacity of 1 million AC units per annum. This state-of-the-art plant has fully integrated manufacturing operations and in-house production of all critical items. Plant machinery and processes are well equipped with MES, with major operations being handled by women employees.

New Manufacturing Plant at Tumkur

Havells is establishing a Cables plant at Tumkur in Karnataka. The upcoming state-of-the-art factory reflects a strong commitment to excellence and innovation in the segment. The new plant at Tumkur will bolster our manufacturing and supply chain capabilities in South India, demonstrating strategic foresight and dedication to meeting the growing market demands. The greenfield manufacturing plant is expected to become operational in FY 2024-25. Spanning 3,00,000 sq. ft., the initial focus of the plant will be on manufacturing LT, Instrumentation, Control Cables under one roof, aimed at streamlining operations and optimising production processes to maximise output and meet customer requirements effectively.

New EMS Manufacturing Facility at Neemrana

Our new Lighting & EMS Division offers a comprehensive solution for all electronics manufacturing service needs, including PCB Design, PCB Assembly, Product Assembly and Testing under one roof for our multiple business units. This new Lighting & EMS Plant exemplifies an ultra-modern facility equipped with SMT lines featuring multi-mounters and MI Wave soldering lines, complemented by multi-product assembly lines.

Our capabilities encompass a ‘Total Product Solution’, starting from concept finalisation, prototyping, testing and validation to manufacturing or customising products based on market inputs. This includes assembly of Printed Circuit Boards (PCBs) for our captive requirements for in-house use across various product lines at all plants. The PCB assembly process is fully automated, ensuring deskilling of operations and high productivity at global quality standards. These processes are carried out on the world’s best standard Japanese & German machines. The “Quality first” approach is embedded in our operations, ensuring the production of reliable products with longer life and consistent performance.

The facility is capable of manufacturing innovative and smart lighting products, including a wide range of LED drivers from 3W to 250W, and smart LED drivers with features such as dimming, & tuneable white using DALI, Bluetooth, Wi-Fi, GSM and GPRS technology.

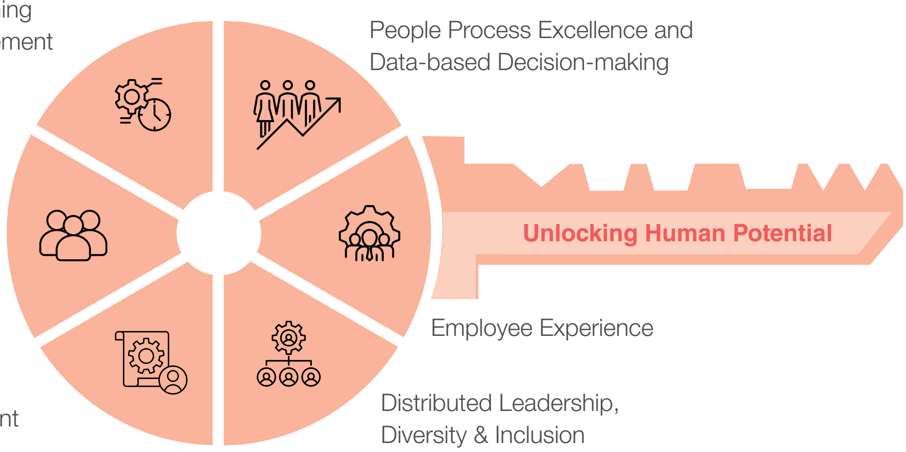
Human Capital

Nurturing a Thriving Workforce

Our employees are the cornerstone of our operations, driving our continued success. Their remarkable ingenuity, unwavering commitment, and resilient spirit has propelled us to emerge as India's leading FMEG and Consumer Durables Company. Our policies and practices are meticulously designed to foster an inclusive workplace where everyone feels valued and empowered.

Driven by Care and Empathy

We take pride in our diverse culture, firmly rooted in the values of transparency, inclusion, collaboration, and excellence. Our success is deeply embedded in a commitment to fostering care and empathy across the organisation. Our people are our greatest assets, and their fulfilment and safety are critical to our pursuit of excellence. Central to our ethos lies an unwavering commitment to meeting our employees' aspirations while prioritising their safety, health, and well-being.



FY 2023-24 Key Highlights

6,712
Employee strength#

90,000+
Training hours on skill-updating and learning

1,831
New employee hires

Employee demographics (male/female)

6,347
Male

365
Female

Excluding Directors, KMPs, Trainees and Apprentices

New Hire and Turnover Rate for FY 2023-24

Category	Unit	Age Group			Gender		Region			Annual Trend		
		<30	30-50	>50	Male	Female	Corporate offices	Plants	Branch offices	FY 2023-24	FY 2022-23	FY 2021-22
New Employees hired	No.	508	1,296	27	1,673	158	461	327	1,043	**1,831**	1,137	1,163
Rate of New Hires (%)	Rate	66.97%	25.26%	5.27%	27.50%	49.76%	32.22%	28.32%	27.34%	**28.60%**	19.87%	22.40%
Employees separated	No.	201	937	71	1,146	63	206	228	775	**1,209**	1,022	865
Turnover Rate for Employees (%)	Rate	26.50%	18.26%	13.87%	18.84%	19.84%	14.40%	19.75%	20.31%	**18.89%**	17.86%	16.66%

Note: We follow a transparent hiring process and do not discriminate concerning sexual orientation, race, or ethnicity. The table above provides a breakdown of our new hires and employee turnover in FY 2023-24 with respect to gender, age and region.

Pillars of Our Human Capital Philosophy

P1 Entrepreneurial in Spirit

Inspiring our people with meaningful work and passionate teams, we foster an entrepreneurial spirit that enables them to find purpose and make an impact

P2 Innovation in Thinking

Embracing innovative thinking to redefine possibilities and drive transformative change

P3 Excellence in Workplace

Creating a dynamic, rewarding and inclusive environment where our people thrive and excel at Havells

P4 Care for Employees

Prioritising the well-being and growth of our employees through personalised care and support

P1 Entrepreneurial in Spirit

We are committed to fostering an entrepreneurial mindset that drives relentless growth and innovation. We encourage our employees to embrace an owner's mindset, striving to deliver best-in-class products and services. This approach is more than a slogan; it is a culture of thinking and acting that resonates throughout the organisation.

We empower our employees to think creatively, take the initiative, and actively seek opportunities for growth and innovation. We understand the importance of taking calculated risks and encourage our teams to experiment, learn from failures, and view risks as avenues for growth and development.

Our culture enables employees at all levels to assume responsibility for their work, make impactful decisions, and contribute significantly to our success. This fosters a sense of responsibility and accountability, propelling our entrepreneurial spirit.

KHJJS - Aspiration to Achievement

Our philosophy, "Khelen Hum Jee Jaan Se (KHJJS)" - Aspiration to Achievement, embodies our entrepreneurial spirit. At Havells, target setting is not imposed from the top; instead, it is driven by the employees themselves. This approach encourages our employees to plan and achieve their aspirations and act like entrepreneurs in pursuit of innovative solutions.

Employee Ownership Plan (EOP)

Aligned with our entrepreneurial spirit, we have made all employees part of our Employee Ownership Plan (EOP). This initiative aims to instil a sense of ownership and offer employees an opportunity for future wealth creation as their association with the Company grows. Launched in January 2022, this EOP underscores our commitment to building an entrepreneurial culture at Havells.

P2 Innovation in Thinking

We strive to build and sustain an innovation-driven workplace by offering our employees a combination of practices that enable them to participate in both the structural aspects of how work is organised and the cultural elements, which encompass staff empowerment, motivation, and attitudes.

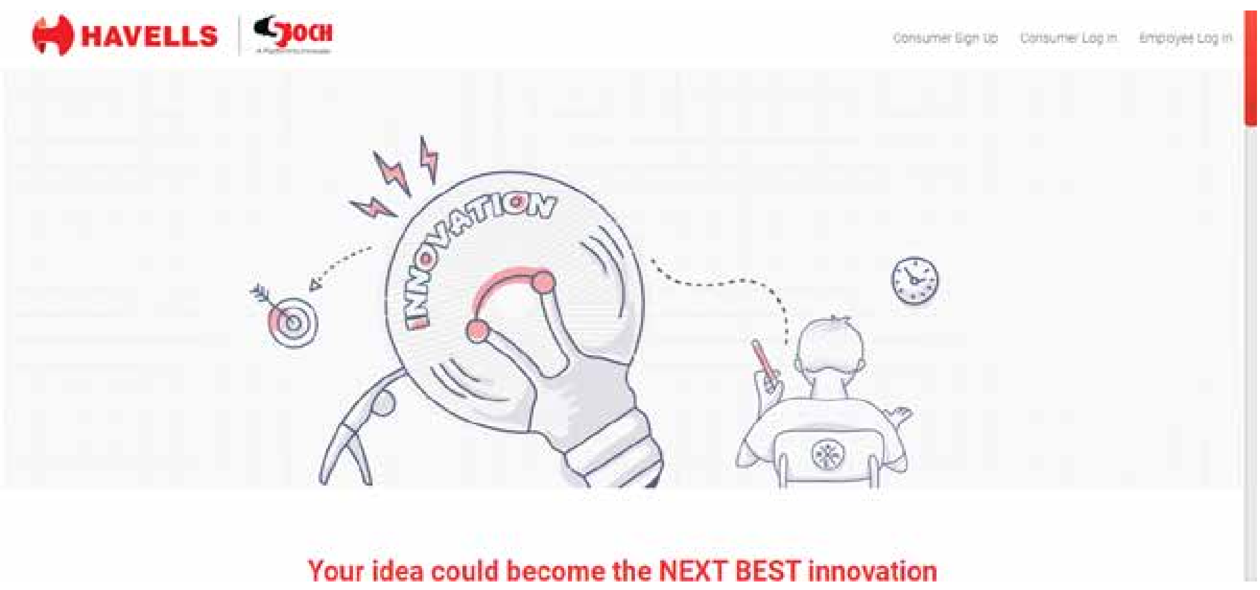
Our approach to workplace innovation is fuelled by open dialogue, knowledge sharing, experimentation, and continuous learning. We ensure that all stakeholders—employees, staff and customers—have a voice in shaping new models of collaboration and social relationships.

Innovation in Thinking: Cultivating a Landscape of Limitless Possibilities

At Havells, innovation is at the forefront in our culture, deeply ingrained within every aspect of our organisation. It is not merely a strategy, but a foundational element that propels us to continuously redefine the boundaries of what is possible. This relentless pursuit of innovation shapes our approach to work, fuels our growth, and inspires us to set new industry standards. By nurturing a workplace where innovative thinking is celebrated and novel ideas are brought to life, we ensure that our commitment to innovation permeates every project, every team, and in every initiative.

SOCH: Unleashing Creative Potentials

Our platform SOCH is a prime example of how we foster an innovative culture. It provides a dynamic space for employees across all levels to share their ideas and solutions, directly impacting our products and processes. The interactive nature of SOCH has made it a popular tool within Havells, allowing us to harness a diverse range of thoughts and innovations that drive us forward. This platform not only enhances our business operations but also boosts our sustainability efforts, making innovation a cornerstone of our corporate ethos.



Kaizen: Celebrating Continuous Improvement

In our manufacturing processes, the Kaizen philosophy is deeply embedded. It is not just about incremental improvements; it's about thinking outside the box and making impactful changes. In FY 2023-24, a remarkable 37,047 Kaizens were implemented, demonstrating our proactive approach and dedication to continuous enhancement. This practice not only improves our operational efficiency but also fosters a sense of ownership and pride among our employees.

Architect & Interior's Design Debates: Shaping the Future of Design

We're not only focussed to grow as an organisation, but believe in taking the industry further ahead in the pursuit of innovative excellence. Further enriching our culture of innovation, the Architect & Interior's Design Debates organised by our Professional Lighting division provide a platform to industry experts for sharing cutting-edge ideas and sustainable practices.

These debates bring together creative minds to discuss and develop forward-thinking design solutions, ensuring that Havells remains at the forefront of the lighting industry with innovations that are both practical and inspiration.

Through these initiatives, Havells has established a robust ecosystem of innovation. Our approach to continuous evolution ensures that every idea has the potential to initiate change, and every individual has the opportunity to contribute significantly.

Our commitment to cultivating an innovative culture remains firm. By encouraging creativity and embracing new ideas, Havells is not just leading the industry but is also paving the way for a more sustainable and innovative future. Together, we are pushing the boundaries of what's possible, setting new standards, and inspiring future generations. This commitment to exceeding expectations is the true essence of innovation at Havells.

P3 Excellence at Workplace

The GPTW (The Great Place to Work) India, has recognised Havells as India's Best Workplaces for the fifth consecutive year, underscoring our dedication to establishing a high-trust, high-performance organisation. We have also been named one of India's top workplaces in Manufacturing for 2024 by Great Place to Work® India, and India's Best Workplaces dedicated to building a culture of innovation by All. Our investment in leadership development through programmes like Havells Young Leaders Programme demonstrates our steadfast commitment to nurturing young talent and grooming future leaders. We are eager to continue our journey of excellence, ensuring Havells remains a workplace where each employee feels valued, engaged, and empowered.

Empowering Growth Through Learning & Development

At Havells, we have introduced a comprehensive leadership programme, Sankalp, designed to enhance the skills and capabilities of our workforce. Our commitment to fostering a strong, people-centric culture that emphasises performance forms the bedrock of this initiative. Sankalp aims to foster a culture of continuous learning and develops high-performance teams by equipping our managers with the tools and knowledge to build trust and drive performance.

The learning journey extends beyond the workshops to include E-learning modules, mentor access, and community learning opportunities to ensure continuous growth and development of our people managers. Sankalp not only develops leaders for critical positions but also enhances the personal brand of our managers by providing them with opportunities for recognition by Great Manager Institute (GMI).

We are also committed to empowering our employees by equipping them with essential skills in key development areas. To address these needs, we have developed targeted product training programmes. By investing in our employees' development, we ensure that they are well-equipped to excel in their roles and make meaningful progress.

HAVELLS Sankalp THE PROGRESSIVE LEADERSHIP

Gurukul - Learning Management System

We take pride in introducing **'Gurukul'**. Havells' innovative Learning Management System (LMS). Gurukul is a comprehensive resource hub designed to foster continuous learning and development across the organisation. It acts as a centralised knowledge repository, offering E-Learning modules on Mandatory Trainings, Functional Induction and vital safety protocols.

Employees can access interactive training modules to enhance their skills with key features including robust safety training modules. Gurukul is more than just an LMS; it's a catalyst for growth, empowerment, and excellence, enabling employees to contribute meaningfully to our success. With Gurukul, the path to knowledge is boundless, paving the way for a brighter future at Havells.

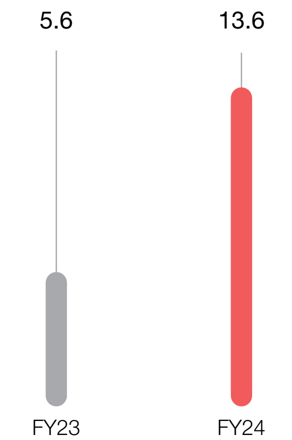
The average training hours per Full Time Employee for FY 2023-24 are shown below in the table:

FY 2023-24

Training and development	Hours
Total Number of training hours	91,375.5
Average hours of training per employee	13.6
Male	13.2
Female	20.2
Average hours of training per employee	13.6
Senior Management	17.6
Middle Management	10.0
Junior Management	25.0

Breakdown of hours per employee category	Percentage
Senior/Middle Management	59.63%
Junior Management	40.37%

Average hours of training per employee



The total hours of training increased from 34,104 hours in FY 2022-23 to 91,375.5 hours in FY 2023-24 with average hours of training per employee increasing from 5.6 hours to 13.6 hours.

Note:

1. *Details of the total and average number of training hours provided to employees are presented in the table above.*
2. *The average hours of training per employee has increased by more than 100% compared to the previous financial year.*

HAVELLS

People Review & Development Priorities

Our employees engage in structured performance conversations to receive regular feedback on their performance and areas for improvement. We have established a people review process to evaluate and identify development opportunities, specifically for our managerial employees. This feedback informs the creation of personalised and functional development journeys that contribute to our growth. For self-development, we provide our employees with access to various e-learning courses. 1,000+ managers have utilised performance conversations tool for having constructive dialogues with their respective employees and helping them curate a development plan for themselves.

Percentage of employees receiving regular performance and career development reviews

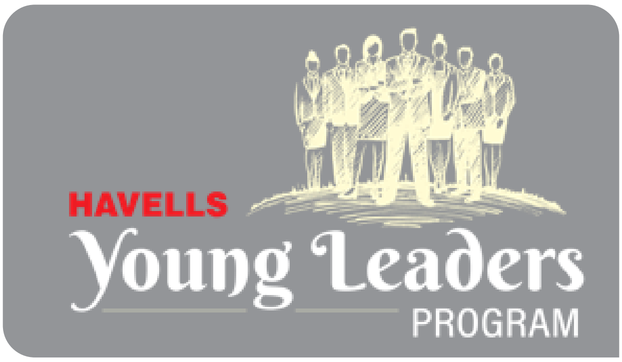
Category	FY 2023-24		FY 2022-23	
	Male	Female	Male	Female
Senior Management	93.41%	100.00%	92.56%	66.67%
Middle Management	93.28%	91.92%	89.90%	80.14%
Junior Management	97.03%	96.30%	85.43%	73.55%

Note:

1. *Details of the Reporting Managers having performance conversations with their respective employees in the FY 2023-24 are mentioned in the above table.*

Havells Young Leaders Programme

At Havells, we understand the importance of building a talent pipeline and attracting the best talent. To fulfil this objective, we've developed the Havells Young Leaders Programme (HYLP), which entails recruiting management trainees from premier institutes. This programme enables us to recognise and nurture future leaders who resonate with Havells' vision. This programme is thoughtfully designed to provide young management trainees with an expedited path to leadership roles aligned with our business requirements.



Developing Leaders from Within

Havells is an equal opportunity employer committed to fostering an enabling work environment. Our talent strategy revolves around inclusivity and meritocracy to align professional and business goals to achieve excellence. Our aim is to build strong human relationships at the workplace, keep our people energised, and promote unity, as every employee is an integral member of our large, close-knit family.

Diversity at Havells

We recognise diversity as a powerful catalyst for innovation and inclusivity, essential for fostering a vibrant work environment that enhances business performance. This expansive outlook on diversity not only enriches our collective experience but also empowers us to attract, develop, and retain specialised skills and competencies in a highly competitive industry. Our Neemrana Lighting and Sri City plants serve as prime examples, embodying a rich diversity among our blue-collar workforce of 515 & 490 women respectively. They also underscore our unwavering dedication to inclusivity and manufacturing excellence. However, we acknowledge that there's still a long road ahead. It is through this commitment that we continue to propel our Company towards new heights of success, fully aware that the journey towards true inclusivity and excellence is ongoing.

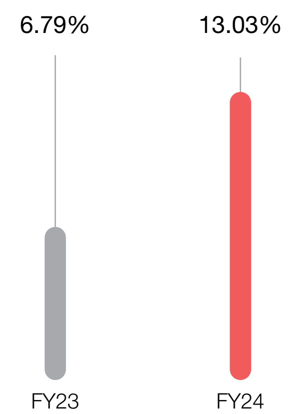
Diversity of Governance Bodies and Employees

Category	FY 2023-24					FY 2022-23				
	Gender		Age Group			Gender		Age Group		
	Male	Female	<30	30-50	>50	Male	Female	<30	30-50	>50
Senior Management	98.10%	1.90%	-	52.47%	47.53%	98.62%	1.38%	-	52.75%	47.25%
Middle Management	96.02%	3.98%	4.02%	88.42%	7.56%	96.72%	3.28%	3.55%	88.82%	7.63%
Junior Management	89.00%	11.00%	42.43%	54.99%	2.58%	91.47%	8.53%	37.66%	59.38%	2.96%
Board of Directors - (ED + Independent Directors + Non Independent Directors)	92.86%	7.14%	-	-	100.00%	92.86%	7.14%	-	-	100.00%
Key Management Personnel (KMP)	100.00%	-	-	-	100.00%	100.00%	-	-	-	100.00%

Note:

1. *Details of the Representation of Women (in percentage) are presented in the table above.*

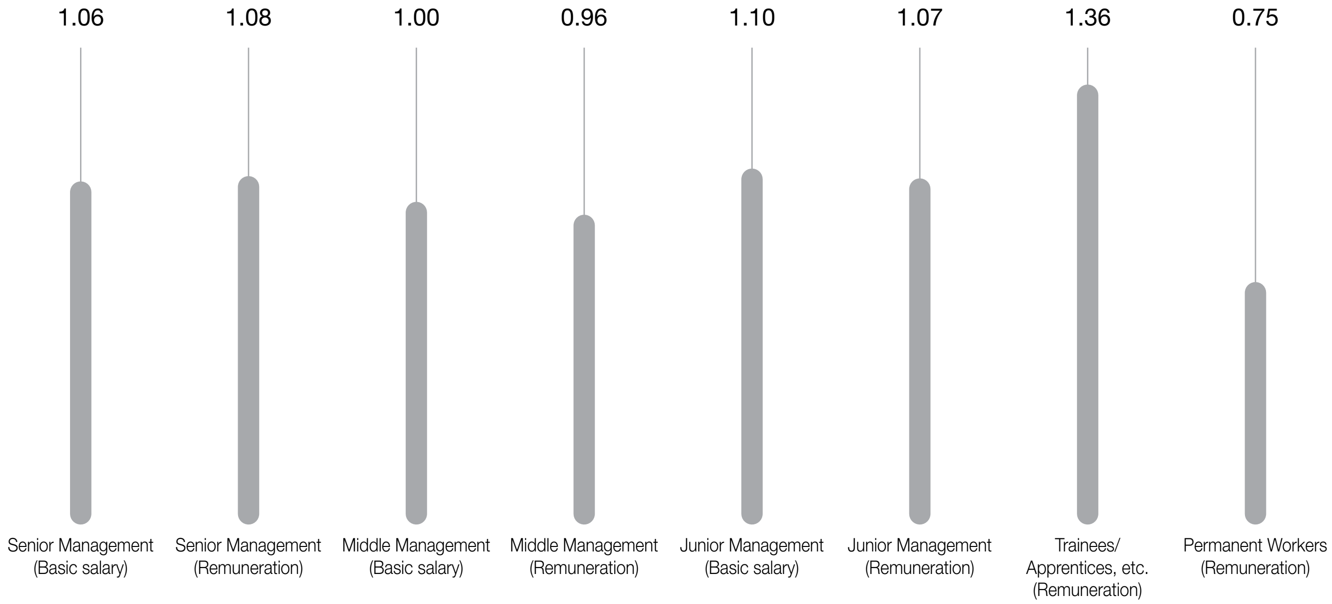
Gender diversity in the overall workforce



Note:

1. *Details of the representation of Women inclusive of Employees and Workers are presented in the graph above.*

Ratio of basic salary and remuneration of women to men



**Details of Remuneration of Women w.r.t. Men bifurcated on the lines of Employee Category in Havells for FY 2023-24 has been mentioned in the graph.*

The salaries and remunerations we provide are based on the qualifications and experience of our employees. We also have a Remuneration Guidelines for employees at the executive level.

Our policies and processes recognise the importance of diversity and the way it enriches perspectives, encourages creativity, and brings together a variety of talents and experiences. Attracting the right talent and ensuring their long-term association with Havells is at the core of our recruitment process. We uphold a strict non-discrimination policy during hiring and provide equal opportunity and fair remuneration to all candidates. This philosophy facilitates a culture of inclusivity among our people.

Gender diversity is a key component of our talent strategy. We have been focussing on improving diversity among our young engineer intakes by hiring more women. Moreover, we are planning to initiate diversity and inclusion visioning programme in which we will collaborate with many stakeholders from various groups to understand their perspectives, aspirations, and belief systems.

P4 Care for Employees

Employee Well-being

We place utmost attention to the well-being of our employees, which is fundamental to our commitment to sustainable operations and our promise of 'care'. We actively engage in various initiatives aimed at promoting positivity, wellness, and good health among our employees and their families.

One key initiative is the 'Wellness Wednesday' programme, where employees can voluntarily participate in wellness-related seminars, enhancing their knowledge and promoting healthy living. Additionally, we have enhanced our insurance coverage to provide comprehensive support to our employees and their families in times of need.

Another notable programme is the 'Care Leave' initiative, which offers paid leave to enrolled members for self-care or to attend to immediate family members during medical emergencies. This programme underscores our collaborative workplace culture, emphasising trust, teamwork, and empathy.

In line with our commitment to fostering a supportive and inclusive work environment, we prioritise the well-being of our employees across all operations in India. Our comprehensive benefits package, encompassing maternity leave, life insurance, accident insurance, and healthcare coverage, reflects this dedication. Additionally, we offer retirement provisions to ensure the long-term financial security of our employees.

These benefits extend to all the employees, demonstrating our firm belief in equality and care for every member of the Havells family. While paternity leave and stock ownership options are exclusively available to full-time employees, our overarching goal is to cultivate a workplace where everyone feels valued and supported, both personally and professionally.

These initiatives reflect our unwavering commitment to ensuring the well-being of our employees, ensuring that they feel supported, valued, and empowered to lead healthy and fulfilling lives both at work and at home.

Details of permanent employees who availed parental leaves and returned to work in the same year have been given in the table below:

Employee Parental Leave - Entitlement, Return to Work, and Retention Rate

Parameters	FY 2023-24			FY 2022-23		
	Male	Female	Total	Male	Female	Total
Employees entitled for parental leaves	6,347	365	6,712	5,820	270	6,090
Total employees who took parental leave	257	16	273	209	23	232
Total number of employees who returned to work in the reporting period after parental leave ended	257	10	267	209	16	225
Total number of employees who returned to work after parental leave ended and are still employed 12 months after their return to work	156	11	167	91	19	110
Return to work rate*	100.00%	90.91%	99.63%	100.00%	69.57%	96.98%
Retention rate**	74.64%	68.75%	74.22%	100.00%	100.00%	100.00%

** Return to work rate is the ratio of the total number of employees that returned to work after parental leave ended by the total number of employees due to return to work after parental leave ended.*

*** Retention rate is the ratio of employees retained 12 months after returning to work following parental leave by the total number of employees returning from parental leave in the previous reporting period.*

Building a Safety Culture

Occupational Health and Safety (OHS) is paramount to Havells with a focus on prevention, intervention, and collaboration. We have invested in cutting-edge technologies and processes to mitigate risks associated with manual interactions with machinery. Our manufacturing and operational processes adhere to stringent frameworks, protocols, and training to promote safe practices and behaviours.

Key learnings from incidents are shared across units to prevent recurrence and enhance our safety track record. The Havells' OHS management system is aligned with the highest standards, meeting the 5-Star Integrated Audit standards of renowned safety councils.

We are committed to fostering a safety culture through a variety of training programmes tailored for employees. Digitalised and gamified modules complement our regular training sessions. We regularly conduct safety awareness initiatives like presentations, newsletters, and toolbox talks.

Our 'Safety Champion' initiative recognises and incentivises positive safety practices, while events like Safety Week further reinforces safety awareness. We also ensure that safety messages reach the families of our employees through informative booklets and displays, covering road and home safety measures.

At Havells, safety is our highest priority. Safety training is typically conducted by the EHS Head or our Safety Marshals. Moreover, we practice a Train-the-Trainer approach across all manufacturing facilities, focussing on risk identification, mitigation, and emergency response. This strategy ensures that knowledge is effectively passed, particularly in jobs of high criticality. Our Front Line Catalyst programme is vital in supporting this knowledge transfer, with safety as a fundamental aspect.

Additionally, we engage in safety mock drills and behaviour based safety training to foster a culture of safety beyond conventional classroom environments. Regular sessions on Hazard Identification and Risk Assessment (HIRA), Chemical Handling, Material Safety Data Sheets (MSDS), Waste Management, etc. are also conducted. Safety Marshals provide general safety training to shop floor workers weekly, emphasising the practical use of Personal Protective Equipment (PPE) to mitigate risks, a practice deeply embedded in our culture.

Furthermore, we are boosting safety awareness through various training modules integrated into our Learning Management System Portal, Gurukul.

Safety Performance

Safety Incident/Number	Category	FY 2023-24	FY 2022-23
Total recordable work-related injuries*	Employee	2	2
	Worker	7	4
Rate of Total recordable work-related injuries	Employee	0.08	0.68
	Worker	0.18	0.11
No. of fatalities as a result of work-related injury	Employee	0	0
	Worker	1	1
Rate of fatalities as a result of work-related injury	Employee	0	0
	Worker	0.03	0.03
High consequence work-related injury or ill-health (excluding fatalities)	Employee	-	-
	Worker	-	-
Rate of high consequence work-related injury or ill-health (excluding fatalities)	Employee	-	-
	Worker	-	-
Total number of hours worked	Employee	2,64,91,005	-
	Worker	3,93,25,112	-

** The main type of work-related injuries involved fractures, cut injuries, and other wounds.*

Note: The rates have been calculated basis of 10,00,000 hours worked.

Looking Forward

As we move forward, we remain committed to nurturing our human capital, recognising that our employees are the cornerstones of our success. We will continue to invest in their growth and well-being, ensuring that Havells remains a place where creativity, innovation, and excellence thrive.

Our journey in FY 2023-24 has been marked by significant achievements and a steadfast commitment to our employees. We look forward to building on this foundation, driving continuous improvement, and fostering a culture where every member of the Havells family can thrive and contribute to our collective success.

GLOSSARY

Employees/ Full-time Employees	Permanent employees including Senior, Middle, and Junior management. This excludes Directors, KMP, Trainees/apprentices, and Other than permanent employees and workers.
Senior Management	Management-level from General Manager to Executive President
Middle Management	Management-level from Assistant Manager to Joint General Manager
Junior Management	Management level from Receptionist to Senior Executive
Temporary Employees	Other than Permanent Employees
Workers	Permanent Workers and Contractual Workers
Workforce	Workforce includes the Permanent employees, Other than permanent employees, Permanent workers, and Other than permanent workers at all significant locations of operations of Havells India Limited. This excludes Directors, KMP, and Trainees/apprentices.
Basic Salary	Fixed, minimum amount paid to an employee for performing his or her duties. It excludes any additional remuneration, such as payments for overtime work or bonuses.
Remuneration	Basic salary plus additional amounts/incentives paid to employees (Employees+ Contractual workers)
Significant location of operations	HO, CRI, Plants, Branch offices, and Warehouses

Intellectual Capital

Our intellectual capital is powered by extensive knowledge base, deep understanding of the consumer needs and valuable market insights. This helps us to embrace cutting-edge technologies, innovate new and unique solutions, and quickly adapt to the evolving business landscape, ensuring customer delight and sustained progress.

₹ 206 crores

Amount spent on R&D activities in FY 2023-24

Three Pillars of R&D Vision

- Consumer centricity
- Technology ownership
- End-to-end product responsibility

Havells research and development is led by our DSIR recognised Centre for Research & Development (CRI). As a unique and world-class R&D organisation, CRI strives making technology seamless and making a difference consumer lives.

Continued R&D efforts have yielded results over the last year as well. We developed differentiated and innovative solutions for our consumers in different segments and by leveraging cutting-edge technology.

Introduction of Solar Dual Mode Micro Invertor (DMMI): Backed by four US patents, DMMI brings the possibility of harnessing clean Solar energy at individual homes level. With its unique modular design, it can be scaled for residential to commercial applications and incompatible with various inverter and grid configurations.

BLDC+ fans: Havells launched wide range of technologically-advanced energy saving fans under its BLDC+ range. The range combines BLDC motor technology, premium material and aesthetics, and direct voice command capabilities.

Hello Lloyd: Allows convenience of controlling AC with just voice commands, without requiring any remote, smartphone or any other smart interface device. Simply use the voice command “Hello Lloyd” and change power, temperature, fan speed and ambient settings.

India’s 1st Designer AC range: Lloyd flagship Stellar and Stylus ACs, with the design principle of tech. meeting art to create desirability and feature loaded with mood lighting and in-built air purifier.

Havells Nutrigrinder: The unique grinder combines traditional stone grinding methods with modern technology. It uses natural stones, customised motor, and a special gear system to get the right speed and power for both dry and wet types of grinding.

Recognitions

2023

reddot award
brands & communication design 2023

Red Dot Brand & Communication

Meditate Air Purifier - Product UX

GOOD DESIGN AWARD 2023

Good Design Award Japan

Elante Washing Machine
Bianca Water Heater
Zella Immersion Rod

IF Award

Meditate Air Purifier - Product UX

DESIGN EXCELLENCE AWARDS

CII Design Excellence Award

Otto Storage Water Heater

CII INDUSTRIAL INNOVATION AWARDS 2023

CII Industrial Innovation Award

Top 50 Innovative Companies

Golden Peacock Award

Meditate Air Purifier - Innovative Product

GERMAN DESIGN AWARD

German Design Award

Meditate
Amaya Fan
Qtron MCCB - Concept
Essence Wet & Dry Grinder - Concept

2024

GERMAN DESIGN AWARD

German Design Award

Nutrigrind Wet & Dry Grinder

Leading the way through Smart Products

We are committed to leveraging the benefits of advanced technology to create truly innovative products that prioritise the needs and wants of everyday consumers. In this endeavour, we have completed over 30 large scale lighting projects across India in FY 2023-24.

CASE STUDY

Lighting Shri Ram Mandir in all its glory

Context

- Shri Ram Mandir, Ayodhya, a cultural and architectural marvel, required a strong lighting strategy to fully illuminate the temple
- The lighting project presented unique challenges due to its intricate architecture and carvings, arousing the need for customised lighting solutions to accentuate them
- Tough journey in transformation from artistic approach to realistic approach, considering strong structural and Vaastu challenges such as non-usage of non-ferrous material across the entire site
- Considering the high influx of devotees and outdoor settings of the project, the solutions were required to be impact resistant and durable
- Need of small form factor yet not compromising on the lighting performance

Solution

- Havells pushed the boundaries of innovation to integrate aesthetics and functionality in the lighting design and application
- Minimalistic designs were used, with special attention to the shape, size and colour of luminaires, to enhance the work of art without any visual hindrance – a perfect fusion of light and dark scenario
- Special optics were created to direct light beam towards the intended application area
- To enhance comfort of devotees, direct glare of LEDs was eliminated with high quality diffusers





The intricate details and majestic architecture of the temple were thoughtfully illuminated at multiple areas

Garbh Griha

- Highlighted the Ram Lalla idol and the surrounding architecture of Garbh Griha
- In-ground luminaires in both linear and circular shapes for illuminated walls and pillars

Pillars & Columns

- With each pillar being unique, highlighted the design and carvings of the pillars with high impact resistant in-ground-up lighters
- Installed spotlight-framing projectors to draw attention to the columns

Ceiling

- High-end optics with minimal glare highlighted the ceiling elegance while ensuring general lighting
- Customised colour of the fixtures body to beautifully blend into the architecture

Gummat

- Critical temple architecture required flexible optics to illuminate intricate carvings
- Special cables designed for lighting capitals and arches

Steps

- Designed bespoke step lights with aesthetic appeal and high efficacy
- Enhanced visitors comfort as well as elevated overall temple illumination

Implemented through innovative products specially crafted to address the unique lighting needs

Step Light

- High brightness and long reach ensure clear visibility on steps and pathways with a reduced upward light component
- Ideal choice for outdoor environments owing to compact size, dust and water resistance

Inground Burial-Engross GenX

- Designed for both outdoor and indoor spaces, ensures durability and lighting comfort
- Compact, trim-less product provides glare-free illumination equipped with voltage stabiliser and versatile tilt options, without impeding the movement of devotees

Wall and Ceiling Profile Light System

- Innovative spilt design and screwless mounting for easy installation and maintenance
- Enables glare-free illumination while the stone-coloured channels harmonises with the temple's aesthetics

Gold-plated Spotlights

- Custom-built spotlight, with 24-carat gold plating, highlights the idol of Ram Lalla
- Variable tilt angles to precisely direct the beam of light

Reinforcing Trust to Touch Lives Across the Nation

As a part of our ongoing commitment to brand enhancement, we continue to invest in reinforcing the mass premium image of our brand, which is synonymous with trust, durability, design and premiumness. As the brand has become even more customer-centric, we have crafted numerous iconic advertising campaigns, contributing to sustained improvement in consumer awareness and consideration. Our strategic focus includes building a diverse portfolio to cater to the ever-changing needs of different consumer groups and households, thereby enhancing brand relevance.. Over the years, Havells has transformed into a house of 6 brands, each with a defined role of catering to different consumer segments of a diverse India. Our efforts have involved collaborating with multiple brand ambassadors on national and regional levels, engaging with influencers in emerging digital platforms, and executing year-round advertising initiatives.

₹ 527 crores

Advertisement & Sales Promotion spend in FY 2023-24

2.8%

Revenue share directed towards Advertisement and Sales Promotion in FY 2023-24

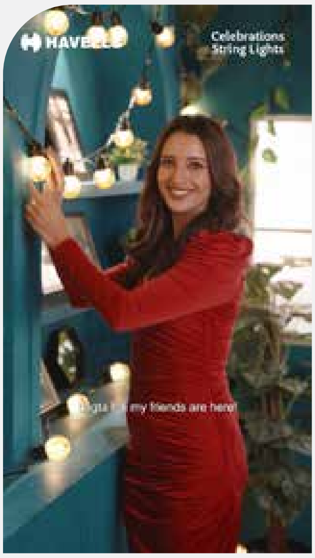
Brand Ambassadors

Havells X Influencer Collaborations

Vikrant Massey

Aditi Rao Hydari

Harmanpreet Kaur



Tripti Dimri

Mandira Bedi

Karan Wahi

Shruti Haasan

Raima Sen

Key advertising campaigns and initiatives during the year

Havells BLDC+ Fans - Look Up To Havells

Havells Lighting - Har light mein Delight

Havells Crabtree Switches - Har pal ke liye switch

Havells Appliances - Zindagi ki sharing

Havells Water Purifiers - Sahi Paani Ka Sign Havells Alkaline

Havells Water Heaters - What-A-Heater

Lloyd Stellar - India's First Designer AC

Lloyd Washing Machine - The Art of Washing,
The Essence of Caring

Havells Studio Meditate Air Purifier - Feel Beyond

Havells Personal Grooming - Rishton Ki Grooming

Fan Innovation - Ganesh Chaturthi

Lloyd - Taarak Mehta Ka Ooltah Chashmah

Havells - Anamorphic outdoor content

Havells Air Cooler - Garmi ko jao bhool, Be Mr. Cool

Lloyd Stellar - CGI Videos

Lloyd Refrigerator - The Ultimate Choice For Freshness

Social and Relationship Capital

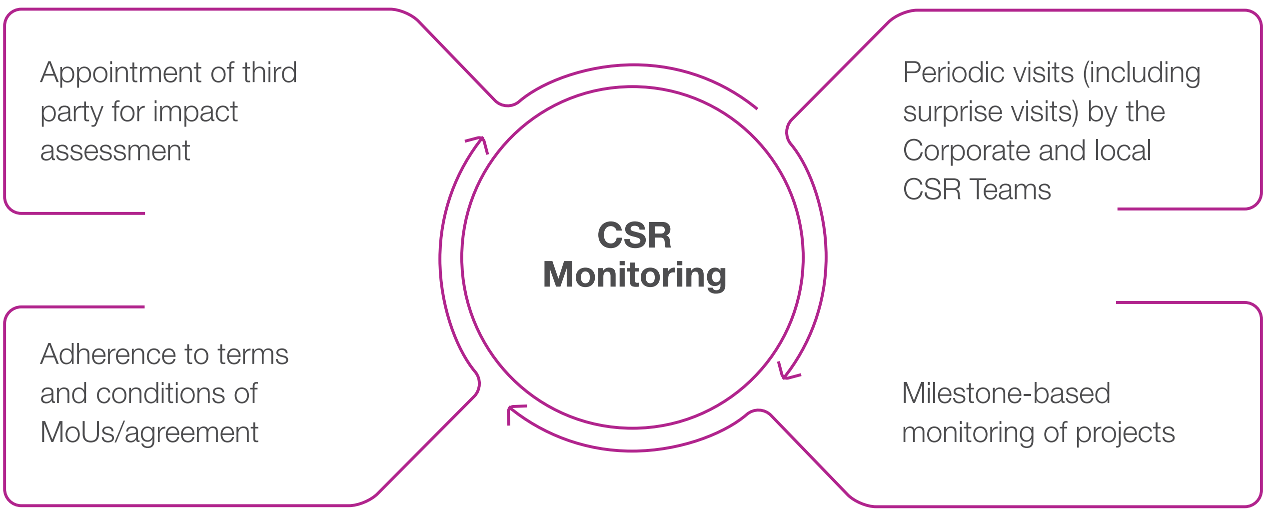
Havells sustained efforts to promote a sustainable and inclusive ecosystem with equal opportunities for all and a healthier planet for future generations underscores its commitment to creating enhanced value for all stakeholders and the communities that it operates in and serves.

Community Development & Sustainable Initiatives Through CSR

Havells' Corporate Social Responsibility (CSR) initiatives are designed to support the nation's goal of inclusive growth and the United Nations Sustainable Development Goals (SDGs). The initiatives are focussed on the areas of generating environmental benefits, reducing carbon footprint, conducting educational and skill development programmes, fostering diversity and inclusion, eradicating hunger / augmenting nutrition, and organising women empowerment and sensitisation workshops. Aligned with the Company's business models, the initiatives are creating a profound impact on the communities we serve and operate in, and contributing significantly to environmental conservation.

Our sustainability ethos focusses on the welfare of the communities we work with, especially those linked with our business segments & manufacturing operations. Havells follows powerful CSR strategies & framework according to OECD (Organisation for Economic Co-operation and Development) comprising key areas of Health & Nutrition, Sanitation, Education, Environment, Skill Development and Heritage Conservation.

Robust Review Mechanism



Mid-day Meal & Free Coaching Classes in Alwar (Rajasthan)

Keeping up with our ethos to give back to the society, Havells Mid-day meal programme aims to improve the health and nutrition levels of students in government schools and improve their attendance and learning outcomes. Since 2005, when it was first introduced, the programme has benefited over 95 million students across 300+ Villages in 7 Blocks of Alwar District (Rajasthan), vis. Laxmangarh, Ramgarh, Kishangarh Bas, Umrain, Alwar City, Malakhera and Govindgarh. The programme has resulted in a jump in attendance and child enrolment as well as a reduction in drop-out rates within government schools, positively impacting the lives of school children. Another positive outcome has been an increase in enrolment of girl child, reducing discrimination and inequality within the society. Additionally, free coaching classes were provided to over 900 students across 10+ schools of Alwar (Rajasthan), where mid-day meals are served, in FY 2023-24.

For the 7th consecutive time, Havells Mid-day Meal programme was awarded with Bhamashah Award for Outstanding CSR performance from State Education Minister of Rajasthan, on September 11, 2023.

Mid-day Meal Kitchen

Empowering through Education

In 2021, Havells collaborated with Plaksha University to make a meaningful impact in technological change and evolution. Havells Research Building was built as a part of this CSR initiative and offers scholarships to needy students. Through association with Plaksha University, we are working towards making a significant impact on the education & technology journey of students by setting up research building with cutting-edge labs and facility. The initiative aims to create a vibrant ecosystem of innovation and research, and is fully committed to enrol a socially, geographically and gender diverse batch of students, cultivating diversity and inclusion. 350+ students, researchers and faculty members have been using the Havells Research Building.

With the aim to facilitate learning and growth of underprivileged children up to Grade 3, Havells associated with Central Square Foundation (CSF) to implement FLN program in Aligarh (U.P.), in FY 2023-24. The program provides special education training & capacity building for government teachers, under the spectrum of Foundation Learning & Numeracy (FLN) program, as per Nipun Bharat guidelines. Havells emerged as a key contributor, benefiting 86,000+ students across 1,700+ schools in Aligarh district through this intervention. The program inculcated among the teachers a 'Structured Pedagogy' approach to teaching and efficient use of teacher guides and also created an ecosystem to support teachers via State Resource Group.

In FY 2023-24, we associated with the Chanakya University, Bangalore and contributed towards the construction of its Data centre and Core IT area. Support for exploring the IT Facility within the university was also extended to the students.

Hygiene and Sanitation (Project Baala)

Havells 'Project Baala' empowers and educates women and girls about menstrual health and hygiene. With over 2,800+ menstrual hygiene workshops, the project has impacted over 6 lakh women and girls in 23 States & 4 UTs across 50 districts. In January 2024, Havells received the National Award for Eminence for Project Baala from the Ministry of Commerce & Industry, under the category of Best CSR Project.

Environment Conservation

Since 2018, Havells has planted over 21 lakh teak trees in the Sagar, Sehore, Vidisha and Raisen districts of Bhopal, reaping immense ecological benefits for communities and the planet, and achieving the twin purpose of environmental conservation and preservation of flora and fauna. The survival rate of trees exceeds 85% as per a survey conducted by MPRVVN and the Indian Institute of Forest Management (Bhopal). The high survival rate is supported by regular monitoring and continuous availability of water supply, among other favourable factors. As per a study conducted by IIFM, the total amount of CO_2 sequestration potential of the plantation after the final harvest (60 years) would be 4,30,687 tonnes. The plantation drive is conducted in association with Madhya Pradesh Rajya Van Vikas Nigam Limited (MPRVVN).

Skill Development Programme (Maharath Programme)

To support upskilling and create livelihood opportunities for the underprivileged youth, and to meet the UN Sustainable Development Goal (UNSDG), Maharath programme was launched by Havells in January 2024. The program is run in collaboration with Electronic Sector Skill Council of India (ESSCI) to explore the various facets of the industry and equip young electricians from marginalised communities with future-ready skills. During the year, 5,000 electricians across the nation have been certified under the program, who enjoy benefits such as pan India and international recognition, improved career prospects, knowledge enhancement, and awareness about new products and technology. The certified candidates won accolades and appreciation, and are ready to start their entrepreneurial journey.

Junior Golf Training programme (National Sports)

To promote national sports, Havells organised a junior golf training program for children of caddies, in association with the Delhi Golf Club. The program has given young kids an ideal platform to pursue their interest in golf, with young Golfers expressing great enthusiasm to learn the sport. The program helped participants to champion the basics and understand the nuances, getting inspired in the process, to master the game.

Diversity and Inclusion in Manufacturing Plants

Central to our ethos is our commitment to diversity and inclusion. Through well-structured policies and procedures, we lay down a solid framework for women empowerment and build a gender-neutral workforce. As part of our gender equality initiative, over 350 female employees have been deployed at Sri City plant, Bangalore.

Key Initiatives for Go-To-Market (GTM) Excellence in FY 2023-24

Augmenting Electrician Enrolment

Key focus was maintained on onboarding new electricians during the year, leading to a significant growth in new registrations across the branches. On an average, a 5% increase in new electrician enrolments was observed every month.

Personalised Offers For Electricians

At Havells, effective partner engagement is at the forefront of our priority. As an industry-first concept, we launched B2C personalised monthly offers for the electricians, encouraging them to align their performance in respect to achievable targets and earn bonus points. The electricians were segregated in different cohorts based on their past performance and were assigned achievable monthly targets, customised to their unique capabilities and performance. This exercise, helped us not only build a strong connection with the electricians, but also resulted in a significant improvement in monthly conversions and member retention. The monthly average for unique accumulating electricians has increased by 20%.

Introducing QR Codes For Process Efficiency

Keeping with our dedication to streamline operations and continually enhance partner experience, we shifted from barcode to QR code for all our products in September 2023. The initiative simplified the scanning process, making it more user-friendly, easy and quick for our partners, along with improving the traceability. Being a crucial step performed by the retailers and electricians while selling our products, QR code scanning also helps in reducing the time lag between sale and point accumulation and provides a more realistic accumulation data on monthly basis. The accumulated points can be used by dealers and electricians to redeem various rewards.

Upskilling 6,500 In-Store Professionals

We started an initiative to train and upskill 6,500 in-store professionals across 45 cities in India. The move aims to improve the point-of-sales experience and foster customer delight as well as improve employee productivity and build a reliable talent supply chain. Through this initiative, Havells in-store sales professionals will get the opportunity to learn innovative techniques and sales skills based on detailed on-field analysis involving technology and human interventions.

We are proud to win the 'Making India Employable Awards' by India Education Forum and India Employer Forum in the 'Corporate Excellence' category for our training and upskilling programme and other front-line engagement activities.

Expanding Our Brand Store Footprint

Designed to provide best-in-class consumer experience, Havells brand stores significantly strengthens the Company's brand image as well as drives its business in the urban, semi-urban and rural markets of India. Continuing our focus on expanding our brand store footprint, we added 200 new brand stores in the urban and semi-urban markets and 250+ UTSAV stores in the rural markets (under 10,000 population towns). New brand stores set-up in the urban and semi-urban areas are larger in size, enabling a wider range of product display and enhanced customer experience.

Embracing the power of digital technology, we have embarked on an ambitious journey to implement ePOS (a point-of-sale software) across our brand stores. This will help organise CRM/loyalty initiatives through secondary sales tracking. The project will also enable the brand shop partners to better manage their inventory for improved margins.

Brand stores will continue to be an important channel in Havells portfolio. With accelerated thrust on rural markets supported by our growing UTSAV brand store footprint, we intend Havells offerings to the last-mile and deliver a seamless product experience for customers in rural India as well.

Urban Distribution: Channel Expansion in Urban Areas

To fortify our market presence in the urban territories, 'Urban Distribution', an innovative channel expansion initiative, was launched by Havells. With a strategic focus on enhancing accessibility and availability of our products and in a quest to serve urban communities better, a range of essential trade products including Switches, MCBs, Flexible Cables, and Fans were introduced under the initiative.

By expanding our reach, diversifying our product offerings, and forging strong partnerships, we are poised to emerge as the preferred brand for essential electrical products in the urban markets.

Objectives of 'Urban Distribution' initiative

Channel Expansion Strategy:
By leveraging a network of over 100 distributors to be appointed in the financial year, Urban Distribution aims to penetrate deep into urban markets, reaching customers at their doorsteps.

Enhanced Market Presence:
Establish a robust presence at retail outlets across urban towns, ensuring widespread availability of our trade products.

Improved Accessibility:
Facilitate easier access for customers to procure essential electrical products, thereby addressing their diverse needs conveniently.

Strengthened Partnerships:
Forge long-lasting partnerships with distributors, empowering them with quality products and extensive support to foster mutual growth.

Empowering Our Supply Chain Partners

In our efforts to ensure continuous engagement with our partners, over 45 strategic suppliers were invited to Havells 'Samanvay' meetings in FY 2023-24. During these meetings, a purchase fair was organised to showcase our wide range of products to the suppliers and to identify new opportunities for business growth of suppliers. Additionally, open discussion sessions and factory tours were also arranged with our senior management. The events played a key role in establishing long-term strategic alliances between the suppliers and Havells.

In order to impart ESG (Environmental, Social, and Governance) consciousness, evaluate supplier performance and assess business practices, supplier self-assessments were also conducted during the year. Leveraging India's strong ecosystem, empowered by initiatives such as Production Linked Incentive Scheme and Make in India, 80% of our products were sourced domestically. Equally, incremental sourcing from near to factory continues to be a vital element of our sourcing strategy.

Customer Service

With a commitment to providing a lasting experience, customer service remains among the top priorities for the Company. We bolstered our service network, now comprising 1,980 channel partners having a strong workforce of 7,000+ well trained and highly dedicated technicians, extending coverage to more than 20,000 pin codes nationwide. This backbone of our service infrastructure, our service partners, were actively engaged through Service Partner Meets and a unique engagement programme SAHYOG.

Havells SAHYOG

Launched in August 2023 with 2 new programmes:

QRG Growth Fund – Industry's first & only wealth creation plan for Service Partners

Industry's First Comprehensive Personal Accident Insurance for Field Technicians up to ₹ 5 Lakhs

Additional emphasis was placed on promptly addressing customer queries and issues. During the year, 81% of the service calls were closed within 24 hours, with 96% within 72 hours. Further, 99.9% of the escalations were closed within 24 hours, underscoring our highly responsive customer support. We continue to enhance our customer service which is evident in our improving KPIs such as Net Promoter Score of 75% and average technician rating by customer 4.6 out of 5.

Natural Capital

Environmental conservation and sustainability are at the core of everything we do. This is exemplified by our focussed endeavours to reduce our carbon footprint through responsible product stewardship, optimised resource utilisation, enhanced renewable energy usage, minimised waste, biodiversity initiatives and circular-economy approach. A robust policy framework and responsible practices drive our progress towards our sustainability goals.

8.4%

Share of renewable energy in total electricity consumed in FY 2023-24

11.26 MW

(33% of total contract demand)

Solar power generation capacity in FY 2023-24

7,971 tCO_2e

Emissions mitigated with solar usage in FY 2023-24

1,989 tCO_2e

Reduction in GHG Emissions through the transition from diesel to PNG in the manufacturing process in FY 2023-24

45%

Reduction in total Scope 1 & 2 intensity as compared to base year 2012-13

902 tCO_2e

Reduction in GHG emissions through 39 energy management initiatives in FY 2023-24

59%

Reduction in energy intensity as compared to base year 2012-13

50%

Reduction in diesel consumption from base year

21 Lakh

Number of trees planted till date

1,259 MWh

Energy saving through energy management initiatives

Zero

Waste to Landfill Certification in FY 2023-24

11,159 MWh

Total Renewable Energy Generated including Solar Energy and Biogas Energy in FY 2023-24

Energy and Emission Management

Our ESG strategy is centred on energy efficiency and emissions reduction to address climate change. We leverage technology-driven innovations to minimise our carbon footprint, improve fuel efficiency, optimise electricity usage, and incorporate renewable energy sources to decrease indirect energy consumption.

Over the years, a significant amount of CO_2 emissions has been offset by Havells through various initiatives, including renewable energy utilisation, deployment of energy-saving projects, tree plantations, and implementation of Extended Producer Responsibility (EPR). Our commitment to sustainability has resulted in a substantial reduction of 39,086 $MTCO_2e$ emissions during the period FY 2012-13 to FY 2023-24 through renewable solar energy. Implementation of many energy-efficient measures such as maximising natural light usage, deploying sensor-triggered lighting systems, and adopting the ISO:50001 energy management system has also helped us reduce our carbon footprints and combat climate change. In FY 2023-24, we successfully completed 39 energy-saving projects, leading to a total energy savings of 1,259.14 MWh and CO_2 mitigation of 902 $MTCO_2e$.

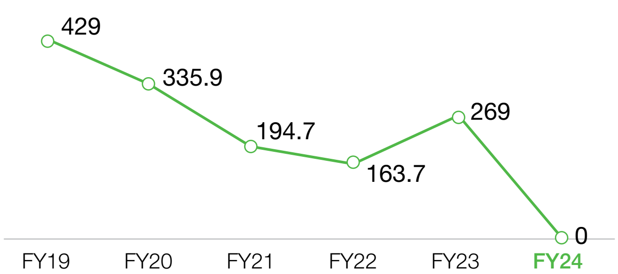
We have successfully shifted from using Light Diesel Oil (LDO) to Piped Natural Gas (PNG) at our four manufacturing locations in Faridabad, Ghiloth, Neemrana, and Haridwar Fan. This transition enabled us to reduce our carbon emissions by 1,989 tCO_2e in FY 2023-24. At our Neemrana plant, we use bio-based fuels. In the future, we plan to expand the use of bio-based fuels to our other plants.

In the upcoming fiscal year, we plan to scale up our solar power capacity to 16 MW approximately by installing a 4.6 MW solar power plant at our Alwar facility. This move shall equip us to meet 67% of our total electricity demand through renewable energy sources, thereby, reducing Scope 2 emissions considerably.

Ozone Depleting Substances (ODS)

Ozone-depleting substances (ODS) are mainly used in air conditioners, chillers, refrigerators, and dryers as gas refills. Last financial year, we made a commitment to phase out ODS from all our manufacturing units by FY 2023-24. In FY 2023-24, our manufacturing operations resulted in zero kilograms of CFC-11eq. We have replaced R22 with refrigerants that have zero ozone depletion potential (ODP).

Ozone Depleting Substances (ODS) (Kg of CFC-11eq.)



Net-Zero Journey

Havells has taken a significant step towards sustainability by embarking on its net-zero journey, marking a pivotal moment in its commitment to environmental stewardship. In line with this initiative, Havells has meticulously inventoried its Scope 1, 2, and 3 emissions with base year 2022-23, ensuring a comprehensive understanding of its carbon footprint across all operational facets. Leveraging this data, Havells is strategically aligning its future roadmap with the Science Based Targets initiative (SBTi) framework, aiming to set a definitive net-zero target year. This proactive approach underscores Havells' dedication to reducing greenhouse gas emissions and fostering a more sustainable future for generations to come.

Biodiversity

Havells biodiversity focus aligns with its core values of environmental stewardship and sustainability. By implementing a range of initiatives and programmes, we have

effectively addressed biodiversity conservation challenges, while promoting ecological resilience and community engagement.

We refrain from engaging in any business activities that would cause irreversible or negative harm to biodiversity. Further, we ensure that our operational sites are not located near areas of high biodiversity value or protected areas. To preserve the ecosystem and mitigate the accelerated loss of biodiversity, tree plantation drives are being organised by the Company.

By integrating biodiversity considerations into our core business practices and engaging with stakeholders at all levels, we play a crucial role in protecting and preserving biodiversity for the current and future generations.

EPR

Havells' commitment to responsible product stewardship and environmental conservation is exemplified by its Extended Producer Responsibility (EPR) initiatives. The initiatives involve various programs and strategies to bring down waste generation, promote resource efficiency, and ensure proper management and disposal of products, especially at the end of their lifecycle.

One of the key pillars of our EPR efforts is the implementation of take-back and recycling programme for our products. The programmes provide convenient and accessible channels for consumers to return end-of-life products, including drop-off locations, and partnerships with retailers. By providing these collection avenues, we ensure that our products are diverted from landfills and properly recycled, lowering their environmental impact and contributing to the circular economy.

For a higher impact, the EPR principles have also been integrated into our product design and innovation processes. Our design team prioritises materials that are recyclable, reusable, and environmentally friendly, facilitating the recovery and recycling of valuable resources at the end of a product's life. By designing products with disassembly and recyclability in mind, we minimise waste generation and promote the efficient use of resources throughout the product lifecycle.

We also participate in industry associations and working groups focussed on EPR and product stewardship. Such participation enables sharing of best practices and advocating for policy reforms to strengthen EPR regulations and promote sustainable waste management practices across the industry.

Overall, 5,478 MT of Plastic, 25,046 MT of E-Waste, and 513 MT of Battery Waste have been collected and channelised through tie-ups with waste management agencies. The channelisation is in line with EPR rules for E-Waste, Plastic Waste, and Battery Waste.

Waste Management

Waste management is a core component of Havells' sustainability strategy. We aim to minimise waste generation and promote responsible disposal practices throughout our operations. To achieve this goal, the Company has implemented a series of initiatives focussed on waste reduction, recycling, and circular economy principles.

One of the primary strategies employed by us is 'waste minimisation through process optimisation and resource efficiency'. By implementing lean manufacturing principles and initiatives for continuous improvement, we have identified opportunities to reduce waste at every stage of the production cycle. This includes optimising raw material usage, reducing packaging waste, and streamlining manufacturing processes to minimise scrap and offcuts. Moreover, we have collaborated with various governmental and non-governmental organisations to develop integrated systems, processes, and controls to manage both hazardous and non-hazardous waste and comply with the national and state-level waste regulations.

A comprehensive recycling programme to divert waste from landfills and promote the reuse of materials has also been

implemented by the Company. The programme encourages partnerships with local recycling facilities and waste management providers to ensure that recyclable materials such as paper, plastics, metals, and glass are properly sorted, collected, and recycled.

In recognition of our waste management efforts, we have been awarded with zero-waste to landfill certificate by Intertek for all our manufacturing plants and corporate offices.

Product Stewardship

Havells is deeply committed to product stewardship and recognises its responsibility to ensure the safety, sustainability, and proper management of its products, throughout their lifecycle. To fulfil this responsibility, a product stewardship programme, encompassing design, manufacturing, distribution, use, and end-of-life disposal, has been instituted by the Company.

A key aspect of our approach to product stewardship is the integration of environmental considerations into product design and innovation. By using materials that are non-toxic, recyclable, and environmentally friendly, the Company aims to reduce the environmental impact of its products from the outset. We also plan to incorporate life cycle assessments as a part of new product development to evaluate their environmental footprint and identify opportunities for improvement in their early stages.

Other than integrating sustainability and innovation at the product development stage, we actively engage with our suppliers to ensure responsible sourcing of materials and promote sustainable manufacturing practices. Through supplier assessments, audits, and partnerships, the Company addresses social and environmental issues throughout its supply chain.

During distribution, the next phase of the product lifecycle, customers are provided with the necessary resources and information for safe and responsible usage of our products. This includes guidance on proper storage, handling, and disposal practices to minimise environmental and health risks.

Towards the end of a product's life, we facilitate take-back programmes for proper disposal of products. Recycling initiatives are also instituted to promote reuse or recycling of materials, whenever possible.

Water Stewardship

We understand that water is a shared resource and are committed to using it responsibly. With a clear focus on achieving resource-neutral operations, the Company promotes water treatment, recycling, and reuse of this precious resource, thus lowering its consumption as well as wastage and ensuring its availability for the future generations.

Our effluent treatment systems use a reverse osmosis process to improve water quality and prepare it for recycling. Such systems ensure that the level of effluents remain well below the prescribed regulatory requirements. The recycled water is then utilised for various unit-level operations.

To gauge water savings, automatic water recirculation systems have been installed in the kitchens of select plants for the purpose of cleaning utensils. In addition to equipping all our manufacturing facilities with Sewage Treatment Plants (STP) except Sri City, five manufacturing facilities also have Effluent Treatment Plants (ETP) for a more comprehensive approach to wastewater management. Nearly all of the treated water is reused within our premises to flush toilets or develop greenbelts and plantations. All applicable guidelines and directions to maintain the required STP and ETP standards as required by Central Pollution Control Board (CPCB) and State Pollution Control Boards (SPCBs) are strictly followed.

In addition to wastewater treatment, we also lay emphasis on rainwater harvesting for groundwater recharge. Rainwater harvesting structures have been installed at all our facilities to fulfil this objective.

Water Withdrawal and Consumption

Source (In Megalitres)	FY 2023-24		FY 2022-23	
	All Locations	Stress Area	All Locations	Stress Area
Water Withdrawal by Source				
Ground Water	226.94	181.88	155.06	82.87
Third Party	117.10	49.39	56.43	56.43
Others	-	-	-	-
Total Water Withdrawal	**344.04**	**231.27**	**211.49**	**139.30**
Water Consumption	**283.05**	**218.54**	**211.49**	**139.30**

Category (In Megalitres)	FY 2023-24		FY 2022-23	
	Fresh Water	Other Water	Fresh Water	Other Water
Water Withdrawal	232.72	111.32	145.51	44.55

Furthering our dedication to responsible water stewardship, Havells initiated its participation in the CDP's water security framework, and secured a 'B' rating in water security. The participation underscores our unwavering resolve to manage water-related risks, improve water stewardship practices, and enhance long-term resilience.

Circular Economy

By implementing the principles of circular economy across all aspects of our operations, we aim to transform our business model into one that is regenerative, sustainable, and resource-efficient. One of the central strategies employed by us is product redesign. The strategy emphasises on integrating durability, reparability, and recyclability of products as crucial factors into the design process itself. By adopting modular designs and utilising eco-friendly materials, the Company ensures that its products can be easily disassembled, repaired, and recycled at the end of their lifecycle, thus minimising waste and maximising resource utilisation.

Additionally, our take-back and refurbishment programme encourages customers to return used products for refurbishment and resale. This not only extends the lifespan of the products but also reduces the demand for new resources, diminishing the environmental impact associated with manufacturing of new goods. For maximum impact, any damaged or warranty-expired products are dismantled and recycled within a circular economy framework, after undergoing adequate safety tests and quality checks.

Hazardous & Non-Hazardous Waste

Responsible management of hazardous and non-hazardous waste is a priority at Havells. To ensure this, we have deployed a rigorous waste management system that ensures that all waste is segregated at source. Special emphasis is placed on storage, handling, transportation, and disposal of hazardous waste to safeguard human health and the environment. All hazardous waste is disposed through authorised dealers approved by the Central/State Pollution Control Boards.

Waste diverted from disposal

Type of utilisation	FY 2023-24	FY 2022-23
Hazardous waste diverted from disposal (MT)		
Recycled	1,442.05	246.06
Re-used	-	13.15
Other recovery options	53.92	8.82
Non-Hazardous waste diverted from disposal (MT)		
Recycled	25,058.69	15,382.16
Re-used	3,682.11	2,421.82
Other recovery options	295.52	12.73

Waste directed to disposal

Type of utilisation	FY 2023-24	FY 2022-23
Hazardous waste diverted to disposal (MT)		
Incineration (with energy recovery)	-	-
Incineration (without energy recovery)	4.18	317.64
Landfilling	2.68	8.10
Other disposal	-	-
Non-Hazardous waste diverted to disposal (MT)		
Incineration (with energy recovery)	-	-
Incineration (without energy recovery)	-	-
Landfilling	-	-
Other disposal	23,419.17	-

HAVELLS

Governance

Board of Directors

1. Siddhartha Pandit
Whole-time Director

2. Ashish Bharat Ram
Independent Director
N

3. Jalaj Ashwin Dani
Independent Director
C R S

4. Namrata Kaul
Independent Director
A N

5. T.V. Mohandas Pai
Non-Executive Non-Independent Director
R

6. Anil Rai Gupta
Chairman and Managing Director
R

7. Rajesh Kumar Gupta
Whole-time Director and Group CFO
C

Committees

Audit Committee	A
Nomination and Remuneration Committee	N
Corporate Social Responsibility & Environmental, Social and Governance Committee	C
Enterprises Risk Management Committee	R
Stakeholders Relationship/ Grievance Redressal Committee	S

○ Member ● Chairman

8. Puneet Bhatia
Non-Executive
Non-Independent Director
N

9. Surjit Kumar Gupta
Non-Executive
Non-Independent Director
C S

10. Subhash S. Mundra
Independent Director
R S

11. Vivek Mehra
Independent Director
C

12. Ameet Kumar Gupta
Whole-time Director
A

13. B. Prasada Rao
Independent Director
A

14. Upendra Kumar Sinha
Independent Director
A

Board summary

Board Independence

Chief Executive Officer	1	Whole-time Director	3
Non-Executive Non-Independent Director	3	Independent Director	7

Corporate Information

Company Secretary
Sanjay Kumar Gupta

Auditors
Statutory Auditors
Price Waterhouse & Co
Chartered Accountants LLP

Internal Auditors
Ernst & Young LLP

Cost Auditors
Chandra Wadhwa & Co
Cost Accountants

Secretarial Auditors
Balika Sharma and Associates
Company Secretaries

Bankers
Yes Bank Limited
HSBC Limited
Citi Bank
Standard Chartered Bank
DBS Bank Limited
HDFC Bank Limited
IDBI Bank Limited
ICICI Bank Limited
IndusInd Bank Limited

Registrars and Share Transfer Agent
Link Intime India Private Limited
Noble Heights, 1st Floor,
Plot No. NH 2, LSC, C-1 Block,
Near Savitri Market,
Janakpuri, New Delhi - 110 058
Tel: 011-41410592, 93
011-49411000
Fax: 011-41410591
Email id: delhi@linkintime.co.in
Website: www.linkintime.co.in

Listed on
National Stock Exchange of India Ltd.
BSE Limited

Registered Office
904, 9th Floor, Surya Kiran Building,
K G Marg, Connaught Place,
New Delhi - 110 001

Corporate Office
QRG Towers, 2D, Sector - 126,
Expressway, Noida - 201 304 (U.P.)
Tel: +91-120-3331000
Website: www.havells.com
CIN: L31900DL1983PLC016304

Directors' Report

Your Directors are pleased to present the 41st Annual Report (Integrated) on the business and operations of the Company and the audited financial statements for the financial year ended 31st March, 2024.

1. Financial Summary or Highlights

The Board's Report is prepared based on the standalone financial statements of the Company. The Company's financial performance for the year under review alongwith previous year's figures are given hereunder –

Financial Summary

(₹ in Crores)

Particulars	Standalone		Consolidated	
	2023-24	2022-23	2023-24	2022-23
Revenue from Operations	18,550	16,868	18,590	16,911
Other Income	249	177	249	178
Total income	**18,799**	**17,045**	**18,839**	**17,088**
Cost of Material Consumed	12,537	11,671	12,569	11,705
Employee Benefits Expense	1,541	1,275	1,549	1,282
Other Expenses				
- Advertisement & Sales Promotion	527	437	527	437
- Others	2,100	1,882	2,103	1,887
EBITDA	2,094	1,780	2,092	1,777
Less: Depreciation & Amortisation Expenses	338	296	339	296
Finance Cost	46	34	46	34
Profit before Tax & Exceptional Expenses	**1,710**	**1,450**	**1,707**	**1,447**
Exceptional Items				
a) Loss due to fire	-	113	-	113
b) Insurance claim receivable	-	(113)	-	(113)
Profit Before Tax	**1,710**	**1,450**	**1,707**	**1,447**
Less: Tax	437	375	437	375
Profit for the Year	**1,273**	**1,075**	**1,271**	**1,072**
Other Comprehensive Income	(5)	(8)	(5)	(8)
Total Comprehensive Income for the Year, net of Tax	**1,268**	**1,068**	**1,266**	**1,064**

Havells FY 2023-24 revenue grew 10% over the previous year with operating profit expanding faster than the revenue growth. This Profit expansion has been achieved along with higher investments in brand and talent building. Capacity expansion across verticals involving an investment of ₹ 713 crores led to increase in depreciation during the year. The profit after tax increased by 18% to ₹ 1,273 crores in FY 2023-24 from ₹ 1,075 crores in FY 2022-23.

2. Brief Description of the Company's Working During the Year/ State of Company's Affairs

During the year, Havells continued to strengthen its position as a diversified electrical and consumer durables player. In a challenging operating environment, your Company reported a resilient performance. While B2B segments did well on the back of the government's continued emphasis on infrastructure development, the consumer demand remained tepid with persistent inflation.

Segment wise performance (standalone):

(₹ in Crores)

Segments	2023-24			2022-23		
	Revenue	Segment Results	Segment Results (%)	Revenue	Segment Results	Segment Results (%)
Switchgears	2,245	596	26.5%	2,120	553	26.1%
Cables	6,318	716	11.3%	5,533	523	9.5%
Lighting and Fixtures	1,627	247	15.2%	1,602	245	15.3%
Electrical Consumer Durables	3,482	387	11.1%	3,296	416	12.6%
Lloyd Consumer	3,785	(164)	(4.3)%	3,369	(223)	(6.6)%
Others	1,094	25	2.2%	950	34	3.5%
Total	**18,550**	**1,807**	**9.7%**	**16,868**	**1,548**	**9.2%**

Switchgear segment recorded modest growth of 5.9%, we remain optimistic that the uptick in new real estate launches will contribute positively towards the demand for switchgear and other electrical categories, though with a time lag.

Cables segment achieved a revenue growth of 14.2%, maintaining its double-digit growth momentum driven by continued infrastructure-led demand for power cables and flexible cables.

Lighting segment delivered healthy volume growth led by professional lighting, however, value growth was marginal at 1.6% due to industry wide persistent price erosion in LED components.

For Electrical Consumer Durables (ECDs), FY 2023-24 was the year of stabilisation post the transition of fans from non-rated to BEE energy efficiency rating. Affected by lower consumer demand and unseasonal rains in the summer, the ECD segment revenue grew modestly by 5.6%.

Core to our strength, we sustained our investments in seeding & expanding new categories. The “others” segment which includes motor, solar, pumps, personal grooming and water purifier grew by 15.1%.

During the year, Lloyd scaled up production in the newly commissioned manufacturing plant in Sri City, Andhra Pradesh. Lloyd cemented its position among the key players in the air conditioner market in India and grew the revenue by 12.4% YoY.

In FY 2023-24, we intensified efforts to develop our international business, leading to a healthy growth in export revenues, especially in cables. As part of this focus, we established subsidiaries in the US for air conditioners and lighting products.

The Company strategically invested in its core growth pillars–Brand, Omni-Channel, Innovation, Digitisation and Talent. Brand building efforts continued as advertisement and sales promotion expenses increased to ₹ 527 crores i.e., 2.8% of revenue. As the existing channels were bolstered, the Company expanded further into alternate channels to enhance its omni-channel presence.

Progressing on our premiumisation agenda, we introduced several innovative and premium products across various categories. Our range of BLDC+ fans, home art lights and designer Lloyd Stellar & Stylus ACs are among the notable launches driving the premiumisation. Additionally, delivering innovative and unique lighting solutions at the Shri Ram Mandir in Ayodhya was one of the highlights of the year.

Havells adopted on a holistic approach towards digitisation, spanning across all business functions with an emphasis on improving revenue, managing costs, mitigating risks and fortifying the Company foundation. Development of internal talent along with capability building with an infusion of external talent has been key in shaping Havells of tomorrow. During the year, your Company was recognised as one of the top 50 Best Workplaces in India for ‘Building a Culture of Innovation by All – Large’ and recognised as one of India’s top workplaces in the Manufacturing sector by Great Place to Work® India.

The Company ensured financial discipline and strong corporate governance. With a robust balance sheet and healthy cash flow generation, the Company remains debt-free and with consistent dividend payout to shareholders.

Subsidiary Companies, Joint Venture and Consolidated Financial Statements

As on 31st March 2024, the Company has four subsidiary companies, two being direct subsidiaries and the other two being step-down subsidiaries, all of which are registered outside India. The two Direct subsidiaries are:

- Havells Guangzhou International Limited based at China and
- Havells International Inc based in United States of America (USA).

The Consolidated Profit and Loss Account for the period ended 31st March, 2024, includes the Profit and Loss Account for the subsidiary Havells Guangzhou International Limited for the complete Financial Year ended 31st March, 2024 and Profit and Loss Account for the subsidiary Havells International Inc for the period starting from 19th October, 2023. The Board of Directors of the Company has, by Resolution passed in its Meeting held on 30th April, 2024, given consent for not attaching the Balance Sheet of the subsidiaries concerned. The Consolidated Financial Statements of the Company including the subsidiaries are presented in the Integrated Annual Report. The consolidated financial statements have been prepared in strict compliance with applicable Accounting Standards and wherever applicable, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as prescribed by the Securities and Exchange Board of India. A Report on Performance and Financial Position of the subsidiaries included in the Consolidated Financial Statements is presented in a separate section in this Integrated Annual Report. Please refer (Form No. AOC-1) annexed to the Financial Statements in the Integrated Annual Report.

The standalone annual accounts of the subsidiary companies and the detailed related information shall be made available to Shareholders of the Company and of its subsidiary companies upon request and it shall also be made available on the website of the Company i.e. https://havells.com/en/discover-havells/investor-relation/financials/balance-sheet.html. The annual accounts of the subsidiary companies shall also be kept for inspection by any shareholder in the Head Office of the Company and the office of its subsidiary companies.

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

During the financial year 2023-24 Havells International Inc has been incorporated in USA to promote sales of Electrical and Electronic goods in USA. Havells International Inc is a wholly-owned subsidiary of Havells India Limited registered in the state of Delaware. Two step down subsidiaries have been incorporated by Havells International Inc:

- Havells HVAC LLC registered in the state of Delaware, USA. Purpose of this entity is to market and sell Air conditioning units and related accessories within the United States of America.

- Havells Lighting LLC registered in the state of Delaware, USA. Purpose of this entity is to market and sell Lighting products within the United States of America.

During February 2024, JV agreement was entered into between Havells International Inc and Salesmark Ventures, LLC ("SMV") to take SMV as a 20% JV partner in its subsidiary, Havells HVAC LLC. SMV carries relevant market understanding to launch and expand distribution of Air conditioning product and service business in the United States of America. Closure of the said JV agreement was done post the balance sheet date on 12th April, 2024.

Apart from the above, there are no other companies which have become or ceased to be subsidiaries and/ or associate of the Company during the financial year 2023-24.

4. Reserves

Your Directors do not propose to transfer any amount to the general reserves and the entire amount of profit for the year forms part of the 'Retained Earnings'.

5. Dividend

In line with the Dividend Policy of the Company which is available in the 'Codes & Policies' section in the Investors section on the website of the Company and can be accessed at https://havells.com/media/wysiwyg/PDF/Code-and-policies/Dividend_policy.pdf the Board of Directors, in its Meeting held on 23rd January, 2024, declared an interim dividend of ₹ 3/- per equity share of face value of ₹ 1/- each, to all the Shareholders who were recorded on the Register of Members as on 1st February, 2024, being the record date fixed for this purpose.

In addition to the Interim Dividend, your Directors are pleased to recommend a Final Dividend @ ₹ 6/- per equity share for the financial year 2023-24.

The proposed dividend, subject to approval of Shareholders in the ensuing Annual General Meeting of the Company, would result in appropriation of ₹ 376.01 crores (inclusive of TDS). The dividend would be payable to all Shareholders whose names appear in the Register of Members as on the Book Closure Date. The Register of Members and Share Transfer books shall remain closed from 3rd June, 2024, Monday to 7th June, 2024, Friday (both days inclusive).

6. Share Capital

During the year, the Company issued and allotted 1,73,292 Equity Shares of ₹ 1 each of the Company, pursuant to the Employee Stock Purchase Plans of the Company. As a result of the allotment, the paid-up share capital increased to ₹ 62,66,83,030 comprising 62,66,83,030 Equity Shares of ₹ 1 each. The shares so allotted rank *pari passu* with the existing share capital of the Company. Apart from the same, there was no other change in the share capital of the Company.

7. 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

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which these financial statements relate and the date of this Report.

However, in terms of the Employee Stock Purchase Schemes of the Company, which are administered by Havells Employees Welfare Trust, 3,57,034 Equity Shares of ₹ 1/- each, were approved for Grant on 30th April, 2024 and Vested (pursuant to the respective Employee Stock Purchase Schemes as hereunder) to the eligible employees, which, if exercised, shall result in an equivalent no. of Equity Shares of ₹ 1/- each to be allotted/ transferred to the eligible employees under the respective schemes.

A summary is given below:

	No. of Shares Granted	No. of Shares Vested
Havells Employees Stock Purchase Plan 2014	54,274	54,274
Havells Employees Stock Purchase Scheme 2015	1,50,000	1,50,000
Havells Employees Stock Purchase Scheme 2016	41,529	32,157*
Havells Employees Stock Purchase Scheme 2022	1,11,231	23,244**

** Out of 41,529 Shares Granted for FY 2023-24, 13,842 Shares Vested out of Grants for FY 2023-24, 11,135 Shares Vested out of Grants for FY 2022-23 and 7,180 Shares Vested out of Grants for FY 2021-22.*

*** Out of 1,11,231 Shares Granted for FY 2023-24, 11,125 Shares Vested out of Grants for FY 2023-24, 9,018 Shares Vested out of Grants for FY 2022-23 and 3,101 Shares Vested out of Grants for FY 2021-22.*

8. Change in the nature of business, if any

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

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

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

Retirement by rotation and subsequent re-appointment

Pursuant to the provisions of Section 152 of the Companies Act, 2013, Shri Ameet Kumar Gupta (DIN: 00002838) and Shri Surjit Kumar Gupta (DIN: 00002810), are due to retire by rotation at the ensuing Annual General Meeting, and being eligible, offer themselves for re-appointment. The Board recommends their re-appointment.

In view of Regulation 17 (1A) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the re-appointment of Shri Surjit Kumar Gupta, aged 82 years, is recommended at this AGM as Special Business by way of Special Resolution instead of Ordinary Business in compliance with Section 102 of the Act read with the amended SEBI (LODR) Regulations 2015. Shri Surjit Kumar Gupta is a member of the Promoter Group and is one of the First Directors of the Company. Under his guidance, the Company has emerged as a leading organisation in the Electrical Industry with an outstanding prominence for high-quality engineered products. The Board has benefited from his relevant specialisation and expertise.

Re-appointment of Whole-time Directors

Shri Ameet Kumar Gupta (DIN: 00002838), was last re-appointed by the Shareholders as a Whole-time Director of the Company in the Annual General Meeting held on 27th July, 2019 for a period of 5 (Five) years with effect from 1st January, 2020. His term is due to expire on 31st December, 2024.

Accordingly, the Board of Directors, upon the recommendation of the Nomination and Remuneration Committee, in its Meeting held on 30th April, 2024, approved the re-appointment of Shri Ameet Kumar Gupta, as a Whole-time Director of the Company for a further period of 5 (Five) years to take effect from 1st January, 2025 to 31st December, 2029. The re-appointment is subject to approval of the shareholders in the general meeting and the Board recommends the same at the ensuing AGM.

Shri Rajesh Kumar Gupta (DIN: 00002842), was last re-appointed by the Shareholders as the Whole-time Director & Group CFO of the Company in the Annual General Meeting held on 27th July, 2019 for a period of 5 (Five) years with effect from 1st April, 2020. His term is due to expire next year on 31st March, 2025.

Accordingly, the Board of Directors, upon the recommendation of the Nomination and Remuneration Committee, in its Meeting held on 30th April, 2024, approved the re-appointment of Shri Rajesh Kumar Gupta, as the Whole-time Director & Group CFO of the Company for a further period of 5 (Five) years to take effect from 1st April, 2025 to 31st March, 2030. The re-appointment is subject to approval of the shareholders in the general meeting by way of a Special Resolution and the Board recommends the same at the ensuing AGM.

Re-appointment of Independent Directors for the Second Term

Shri Bontha Prasada Rao (DIN: 01705080), Shri Subhash S Mundra (DIN: 00979731) and Shri Vivek Mehra (DIN: 00101328) were appointed as Independent Directors for a first term of 5 (Five) years with effect from the date of AGM held during the calendar year 2020 i.e. 22nd June, 2020. Accordingly, the First Term is due to expire next year on 21st June, 2025.

The Board upon recommendation of the Nomination and Remuneration Committee, in its Meeting held on 30th April, 2024, has thus approved the re-appointment of Shri Bontha Prasada Rao, Shri Subhash S Mundra and Shri Vivek Mehra, for a Second Term of 5 (Five) years upon the expiry of their first term. The re-appointment(s) are subject to the approval of the shareholders by way of Special Resolution(s) in general meeting and the Board recommends the same at the ensuing AGM.

The Company has received declarations from the Independent Directors that they meet the criteria of independence as prescribed u/s 149(6) of the Companies Act, 2013 and the SEBI Listing Regulations. In the opinion of the Board, they fulfil the condition for re-appointment as Independent Directors on the Board. Further, in the opinion of the Board, the Independent Directors also possess the attributes of integrity, expertise and experience as required to be disclosed under Rule 8(5)(iiia) of the Companies (Accounts) Rules, 2014.

The details of Directors being recommended for re-appointment as required under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are contained in the accompanying Notice convening the ensuing Annual General Meeting of the Company. Appropriate Resolution(s) seeking your approval for the re-appointment of Directors are also included in the Notice.

Changes in Key Managerial Personnel (KMP)

During the year under review, there were no changes in the Key Managerial Personnel of the Company.

Pursuant to the provisions of Section 203 of the Act, the following are the Key Managerial Personnel of the Company as on March 31, 2024:

1. Shri Anil Rai Gupta, Chairman and Managing Director & CEO
2. Shri Ameet Kumar Gupta, Whole-time Director
3. Shri Rajesh Kumar Gupta, Whole-time Director & Group CFO
4. Shri Siddhartha Pandit, Whole-time Director
5. Shri Sanjay Kumar Gupta, Senior Vice President & Company Secretary

10. Number of Meetings of the Board of Directors

During the financial year 2023-24, five meetings of the Board of Directors of the Company were held. For details of meetings of the Board, please refer to the Corporate Governance Report, which forms part of this Integrated Annual Report.

Pursuant to the requirements of Schedule IV to the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, separate Meetings of the Independent Directors of the Company were also held on 14th December, 2023 and 27th March, 2024, without the presence of Non-Independent Directors and members of the management, to *inter alia* review the performance of Non-Independent Directors and the Board as a whole, the performance of the Chairperson of the Company, taking into account the views of Executive Directors, Non-Executive Non-Independent Directors and also to assess the quality, quantity and timeliness of flow of information between the Company Management and the Board.

11. Directors' Responsibility Statement

Pursuant to Section 134(3)(c) of the Companies Act, 2013, the Directors to the best of their knowledge hereby state and confirm that:

a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures, if any;

b) the Directors had selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;

c) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d) the Directors had prepared the annual accounts on a going concern basis;

e) the Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and

f) the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

12. Declaration by Independent Director(s) and re-appointment, if any

All the Independent Directors have submitted their disclosures to the Board that they fulfil all the requirements as stipulated in Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, so as to qualify themselves to be appointed as Independent Directors under the provisions of the Companies Act, 2013 and the relevant rules thereof.

In the opinion of the Board, they fulfil the condition for appointment/ re-appointment as Independent Directors on the Board. Further, in the opinion of the Board, the Independent Directors also possess the attributes of integrity, expertise and experience as required to be disclosed under Rule 8(5)(iiia) of the Companies (Accounts) Rules, 2014.

13. Policy on Directors' appointment and remuneration and other matters provided under Section 178(3)

Assessment and appointment of members to the Board is based on a combination of criteria that includes ethics, personal and professional stature, domain expertise, gender diversity and specific qualifications required for the position. For appointment of an Independent Director, the independence criteria defined in Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations are also considered.

The Nomination and Remuneration Committee of the Board of Directors is dedicatedly ensuring the continuance of a dynamic and forward-thinking Board and recommend to the Board qualified candidates for directorship.

The Company's Policy relating to appointment of Directors, payment of managerial remuneration, Directors' qualifications, positive attributes, independence of Directors and other matters as provided under Section 178(3) of the Companies Act, 2013 is furnished in **ANNEXURE – 1** and forms part of this Report.

The Policy is also available in the Investors section, under the 'Codes & Policies' tab, on the website of the Company and can be accessed at the web-link https://www.havells.com/en/discover-havells/investor-relation/codes-and-policies.html

14. Formal Annual Evaluation

Pursuant to the provisions of the Companies Act, 2013 and Regulation 17(10) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and in accordance with the parameters suggested by the Nomination and Remuneration Committee, the Board of Directors carried out an annual evaluation for the financial year 2023-24, of its own performance, its Committees and Individual Directors. The evaluation was undertaken by way of internal assessments, based on a combination of detailed questionnaires and verbal discussions.

Performance Evaluation of the Board and Committees

The performance of the Board was evaluated by the Board Members after considering inputs from all the Directors primarily on:

- Board composition and quality with emphasis on its size, diversity, skill set of members;
- Periodic review of the Company's management and internal control system for appropriateness and relevance;
- Board process and procedure with emphasis on the frequency of meetings, attendance thereof and flow of information;
- Oversight of the Financial Reporting process including Internal Controls and Audit Functions;
- Engagement in Corporate Governance, ethics and compliance with the Company's code of conduct.

The Board evaluated the performance of the Committees on the following parameters:

- Appropriateness of size and composition;
- Clarity of mandate and well-defined agenda;
- Reporting to the Board on the Committee's activities;
- Availability of appropriate internal and external support or resources to the Committees.

Performance Evaluation of Individual Directors

The performance evaluation of the Individual Directors were carried out by the Board and other Individual Directors, considering aspects such as:

- Display of effective leadership qualities and skill;
- Implementation of observations/ recommendations of Board Members;
- Effective and timely resolution of grievances of Board Members;
- Ability to bring convergence in case of divergent views and conflict of interest situation tabled at Board meetings;
- Sufficient knowledge of Company strategy and objective;
- Understand their role as Director, as distinct from management;
- Adequate and productive use of knowledge and experience of the Independent Directors for the functioning of Board;
- Efforts for professional development to enable better fulfilment of their responsibilities;
- Ask questions/ critique proposals with confidence;
- Open and effective participation in Board discussions;
- Keep stakeholder interest as the touchstone in endorsing decisions.

Evaluation Outcome

The evaluation exercise brought forth that the Board is well-balanced and knowledgeable and the management keeps the Board sufficiently informed. The suggestions of Board members are taken seriously and actioned. The Board is well structured, has high quality independent members and the management is committed to good corporate governance.

The committees are well facilitated and given full support and freedom to undertake their tasks, discuss various issues thoroughly and present them to the Board. Key highlights of the Committee Meetings are presented before the Board by each Committee Chair adding value to the Board proceedings.

The independent directors are eminent persons from their respective fields bringing in a mix of knowledge of the sector, manufacturing processes, accounting, regulatory, leadership and governance areas. Their experience reflects in asking the right questions and providing meaningful suggestions.

The non-independent directors, led by the Board Chairman are industry leaders in their own right and match the best global leaders in knowledge, understanding and commitment.

The Chairman demonstrates a high level of visionary leadership, drives formulation of Company's long-term growth plans, is focussed on maintaining the highest governance standards and keeps the interest of all stakeholders on top of his agenda.

15. 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://havells.com/en/discover-havells/investor-relation/disclosures.html

16. Auditors

1. Statutory Auditors

As per provisions of Section 139(1) of the Companies Act, 2013, the Company has appointed M/s Price Waterhouse & Co Chartered Accountants LLP (Registration No. 304026E/E300009) as Statutory Auditors for a period of 5 (Five) years in the AGM of the Company held on 30th June, 2021.

Statutory Auditors' Report

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

Details in respect of frauds reported by auditors

There were no instances of fraud reported by the auditors.

2. 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 141 read with Section 148 of the Companies Act, 2013 and Rules made thereunder, M/s Chandra Wadhwa & Co., Cost Accountants (Firm Regn. No. 000239) were appointed as the Cost Auditor of the Company for the year ending 31st March, 2024.

The due date for filing the Cost Audit Report of the Company for the financial year ended 31st March, 2023 was 31st May, 2023 and the same was filed in XBRL mode by the Cost Auditor within the due date.

Disclosure on maintenance of Cost Records

The Company made and maintained the Cost Records under Section 148 of the Companies Act, 2013 (18 of 2013) for the financial year 2023-24.

3. Secretarial Auditors

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with corresponding Rules framed thereunder, M/s Balika Sharma & Associates, Company Secretaries, were appointed as the Secretarial Auditors of the Company to carry out the secretarial audit for the year ending 31st March, 2024.

Secretarial Audit Report

In terms of Section 204 of the Companies Act, 2013 and Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a Secretarial Audit Report given by the Secretarial Auditors in Form No. MR-3 is annexed with this Report as **ANNEXURE – 2.** There are no qualifications, reservations or adverse remarks made by Secretarial Auditors in their Report.

Annual Secretarial Compliance Report

A Secretarial Compliance Report for the financial year ended 31st March, 2024 on compliance of all applicable SEBI Regulations and circulars/guidelines issued thereunder, was obtained from M/s Balika Sharma & Associates, Company Secretaries, Secretarial Auditors.

17. Particulars of Loans, Guarantees or Investments under Section 186

The particulars of loans given, investments made and guarantees provided by the Company under Section 186 of the Companies Act, 2013, have been disclosed in the financial statements provided in this Integrated Annual Report. Please refer to Note No. 33(14) of the Standalone Financial Statements.

18. Particulars of Contracts or Arrangements with Related Parties

All contracts or arrangements entered into by the Company with its related parties during the financial year were in accordance with the provisions of the Companies Act, 2013 and the SEBI Listing Regulations.

The Policy on Materiality of Related Party Transactions and on dealing with Related Party Transactions as approved by the Board is available on the Company's website and can be accessed at https://havells.com/media/wysiwyg/PDF/Code-and-policies/Related_Party_Transactions_Policy.pdf

There were no materially significant related party transactions which could have potential conflict with the interests of the Company at large. The Company did not enter into any contract/ arrangement/ transaction with related parties which is required to be reported in Form No. AOC-2 in terms of Section 134(3)(h) read with Section 188 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014.

Members may refer to Note No. 33(6) of the Standalone Financial Statements which sets out related party disclosures pursuant to Ind AS.

19. Contribution to Exchequer

The Company is a regular payer of taxes and other duties to the Government. During the year under review your Company paid ₹ 387.88 crores towards Corporate Income Tax as Compared to ₹ 395.85 Crores paid during the last financial year.

The Company has also paid an amount of ₹ 3,973.11 crores on account of GST and Custom duty as compared to ₹ 3,618.55 crores paid during last Financial Year.

20. Details relating to deposits covered under Chapter V of the Companies Act, 2013

The Shareholders vide their Special Resolution dated 9th June, 2014, passed by way of Postal Ballot, have approved inviting/ accepting/ renewing deposits, in terms of the provisions of the Companies Act, 2013, making the Company eligible for the same. However, the Company has not accepted any deposits during the year under review.

21. Corporate Social Responsibility (CSR)

Havells strongly believes in its social responsibility being an important part of business philosophy which is reflected in our business accountability and our commitment to the well-being of communities and society through our various environmental and social interventions. The Company has in place a CSR Policy framed in accordance with the requirements of Section 135 of the Companies Act and Rules framed thereunder. The CSR Policy is available on the website of the Company at https://havells.com/media/wysiwyg/PDF/Code-and-policies/CSR_Policy.pdf

During the year, the Company undertook CSR activities in the areas of Health and Nutrition, Education, Skill Development, Sanitation, Environment and National Sports. The details are available in the Social Capital section of this Integrated Annual Report.

An Annual Report on CSR, setting out the disclosures as per Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 alongwith the executive summary of Impact Assessment Report is annexed herewith as **ANNEXURE – 3**.

22. Audit Committee

As at 31st March, 2024, the Audit Committee of the Board of Directors of the Company comprised 4 (Four) Members, namely Shri Upendra Kumar Sinha, Smt. Namrata Kaul, Shri Bontha Prasada Rao and Shri Ameet Kumar Gupta, majority of them being Independent Directors except for Shri Ameet Kumar Gupta, who is a Whole-time Director. Shri Upendra Kumar Sinha, an Independent Director, is the Chairman of the Audit Committee. The Board accepted the recommendations of the Audit Committee whenever made by the Committee during the year.

23. Integrated Risk Management Framework

The internationally recognised COSO framework serves as the foundation for Havells' risk management framework, which facilitates the integration of risk management functions into business processes and verticals throughout the organisation. The Company places a strong emphasis on the adoption of Next Generation Technologies, which support an enterprise-wide view of risk and compliance and enable a more holistic approach. These technologies offer agility and improve productivity, efficiency and well-informed decision-making.

Integrated risk management framework helps the management in identifying the best possible option to mitigate identified risks in line with the organisation's strategy, objectives and risk appetite.

To oversee the Company's risk management strategy, the Board of Directors established the Enterprises Risk Management (ERM) Committee. The ERM Committee of the Company supervises the way in which management keeps an eye on adherence to the Company's risk management policies and procedures and evaluates the suitability of the risk management framework considering the risks the Company faces.

The Company's ERM framework addresses critical risks related to each business, function and location within the organisation. A business-centric approach to risk management is used to identify potential business risks. Risk response strategies are then developed and assigned to the business and functional risk owners. The business, functional and location teams work closely with the head of risk management to identify risks, monitor performance and carry out decided-upon actions. The ERM Committee is informed twice a year on the status of all identified risks.

RISK MATURITY LEVELS

1. Ad hoc	2. Initial	3. Repeatable	4. Managed	5. Leadership
• Reactive • No risk strategy	• Some siloed risk management • Inconsistent	• Established ERM processes • Not fully integrated	• ERM processes fully integrated • ERM tools are used	• Strategic ERM implemented at all levels • Proactive
2010-11		2011-15	2015-20	2020-24

The ERM Council and Leadership Council provide direction for the assessment of risk maturity level and the identification of merging business challenges. During the year, ERM software has been implemented and a business and function-specific risk maturity assessment has been initiated for self-benchmarking. The Company's information security management system is ISO 27001:2022 certified.

24. Details with respect to the adequacy of internal financial controls with reference to the Financial Statements

The Company has robust internal financial controls (IFC) systems, which is in line with requirement of the Companies Act, 2013, which is intended to increase transparency & accountability in an organization's process of designing and implementing a system of internal control. The Company has a clearly defined Governance, Risk & Compliance Framework, Policies, Standard Operating Procedures (SOP), Financial & Operational Delegation of Authority (DOA). Our SAP ERP & GRC system facilitate mapping with role based authority to business & functional team to ensure smooth conduct of their operations across the organization. The company has a well-established Three Line of Defence Governance Framework Model for managing risks that commensurate with the nature and size of its business considering both financial & non-financial controls.

The company has a well-established Internal Audit function. Risk-based audits are carried out across all organizations, departments and sites. The Audit Committee at the start of the year approves the Internal Audit Plan and Scope of work. In addition, the Audit Committee receives a quarterly update of the key findings and the action taken report.

The Company has laid down its Internal Financial Controls (IFC) in compliance with the Companies Act, 2013. All the critical processes have been documented commensurate with the nature of its business and the size and complexity of its operations. These internal financial controls with reference to the Financial Statements are adequate. This ensures orderly and efficient conduct of its business, including adherence to the Company's policies, safeguarding of its assets, prevention of errors, accuracy and completeness of the accounting records and the timely preparation of reliable financial information.

25. Details of the establishment of Vigil Mechanism for Directors and Employees

The Company has created a mechanism i.e. 'SATARK' which helps its stakeholders to disclose malpractices, share complaints, grievances or suggestions of any nature. This encourages openness, promotes transparency and creates a culture of 'Right Doing' ensuring high standards of ethics, integrity and objectivity in individual conduct. A designated team conducts unbiased investigations into the reported issues and takes the necessary measures to address the issues along with maintaining a confidential conduct. The Chairman of the Audit committee/ Head Risk Management & Governance at its Discretion considers involving any investigator for the purpose of investigation. All reports of the investigations are presented to the Audit Committee on a Quarterly basis. The SATARK policy can also be found on the company's website, **www.havells.com**.

26. Details of significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future

There was no significant and material order passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.

27. Compliance with Secretarial Standards

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

28. Prevention of Sexual Harassment

As a responsible employer, Havells has always been conscious of its duty towards prevention and control of sexual harassment at workplace. The Company has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (the POSH Act) and has in place a "Nirbhaya" policy for women employees. An Internal Complaints Committee has been constituted as per the Policy to provide a forum to all female personnel to lodge complaints (if any) and seek redressal. The Committee conducts interactive sessions, from time to time, to sensitise female employees about the provisions of the POSH Act. The Committee submits an Annual Report to the Audit Committee of the Board of Directors on the complaints received and actions taken by it during the relevant financial year. During the financial year 2023-24, no complaint was lodged with the Internal Complaints Committee (ICC). Besides, digital training for all the employees of the Company was also conducted during the year to apprise them of the provisions of the POSH Act.

29. Details pursuant to Section 197(12) of the Companies Act, 2013

Details pursuant to Section 197(12) of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forms part of this Report and are annexed herewith as **ANNEXURE – 4.**

30. Employees Stock Purchase Schemes

The Company has in place 4 (Four) employee benefit schemes, namely, Havells Long Term Incentive Plan 2014 (LTIP 2014), Havells Stock Purchase Scheme 2015 (ESPS 2015), Havells Stock Purchase Scheme 2016 (ESPS 2016) and Havells Stock Purchase Scheme 2022 (ESPS 2022).

All the existing and proposed benefit schemes are administered by Havells Employees Welfare Trust under the supervision of the Nomination and Remuneration Committee.

Promoters, Independent Directors, Directors directly or indirectly holding 10% or above of the equity share capital of the Company, Employees not residing in India or Non-Resident Indians (NRIs) are not eligible for the grant of options/ issue of shares under any of the Schemes.

The Company has received a certificate dated 25th April, 2024 from the Secretarial Auditors of the Company that the Schemes have been implemented in accordance with the applicable SEBI Guidelines and the Resolutions passed by the shareholders dated 9th June, 2014 (further amended on 8th July, 2022), 4th December, 2015, 13th July, 2016 and 8th July, 2022 in respect of LTIP 2014, ESPS 2015, ESPS 2016 and ESPS 2022 respectively. The Certificate will be placed at the Annual General Meeting for inspection by Members. There has been no material change in any of the subsisting Schemes. Disclosures pursuant to SEBI (Share Based Employee Benefits) Regulations, 2014, in respect of LTIP 2014, ESPS 2015, ESPS 2016 and ESPS 2022 as at 31st March, 2024 are available on the website of the Company at https://www.havells.com/en/discover-havells/investor-relation/disclosures.html

31. Credit Ratings

CARE Ratings

CARE has yet again assigned a CARE AAA [Triple A] rating to the long-term facilities of your Company during the current Financial Year. This rating is applicable to facilities having a tenure of more than one year. Instruments with this rating are considered to have the highest degree of safety regarding timely servicing of financial obligations.

CARE has also reaffirmed the CARE A1+ [A One Plus] rating assigned to the short-term facilities of your Company. This rating is applicable to facilities having a tenure up to one year. Instruments with this rating are considered to have a very strong degree of safety regarding the timely payment of financial obligations.

CARE has also reaffirmed the CARE A1+ [A One Plus] rating assigned to the Commercial Paper.

The Corporate Governance practices of the Company are also rated by CareEdge Advisory Research and Training (CART) as **CG2+**. Grading is assigned on a six-point scale with CG 1 being the highest and CG 6 being the lowest. CART's CG grading is a measure of the overall performance of the corporate governance on a broad range of parameters such as Board Composition and Functioning, Ownership Structure, Organisation Structure and MIS, Shareholder Relationship, Disclosures and Transparency, Financial Prudence and Statutory & Regulatory Compliance.

32. Global Certifications

The list of certifications in FY 2023-24 for international markets is given below:

- Various UL certifications for Lighting, Cables and Air Conditioners
- SLSI Certifications for Fans
- G-Mark Certifications for various Small Domestic Appliances

33. Corporate Governance

The Company is committed to the highest level of corporate governance standards by applying the best management practices, compliance with the law in true letter and spirit and adherence to ethical standards for effective management and distribution of wealth and discharge of social responsibility for the sustainable development of all stakeholders.

Parameters of statutory compliances evidencing the standards expected from a listed entity have been duly observed and a Report on Corporate Governance as well as the Certificate from Statutory Auditors confirming compliance with the requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") forms part of the Integrated Annual Report.

A Certificate of the Chief Executive Officer and Chief Financial Officer of the Company in terms of the SEBI Listing Regulations, *inter alia*, confirming the correctness of the financial statements and cash flow statements, adequacy of the internal control measures and reporting of matters to the Audit Committee, is also annexed to the Corporate Governance Report.

34. Management Discussion and Analysis Report

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

35. Environment, Health and Safety

Havells India Limited prioritises Environment, Health and Safety (EHS) as crucial components of its overarching Environmental, Social and Governance (ESG) initiatives. The Company's EHS strategies aim to achieve the most environmentally sustainable and safest operations across all manufacturing units by optimising natural resource usage and ensuring a secure and healthy workplace.

To address the broader ESG agenda, Havells has already established a Board-level ESG Committee, led by an Independent Director.

In line with its commitment to EHS management, Havells has implemented fully integrated EHS management systems at all manufacturing sites, certified according to internationally recognised ISO 14001 and ISO 45001 standards. The Company places utmost importance on the health and safety of its workforce, as evident from its clearly outlined EHS Policy, which is regularly reinforced through specialised third-party fire safety audits. We have also implemented EnMS (ISO 50001), thus achieving improved operational efficiencies.

Safety remains a top priority for Havells and we are committed to providing a safe and productive environment for our workforce, we continue to maintain the best health and safety measures across all our manufacturing locations. 100% of our employees and workers at manufacturing sites are covered by our occupational health and safety management system which is audited by an external party on a periodic basis. We strive to upgrade our workforce skill levels through various learning & development programmes throughout the year. Further, at the time of induction, basic safety trainings are given to all employees and workers at all our manufacturing sites.

Despite not being classified as an energy-intensive sector, Havells remains cognizant of its environmental impact and actively takes progressive steps to minimise it. Our dedication to environmental conservation drives our efforts to enhance the Company's ecological impact. Examples of initiatives include installation of 11 MW solar capacity, zero waste to landfill and plantation of 21 lakhs tree saplings within the last five years. We are actively pursuing opportunities to amplify the utilisation of recycled water and decrease water usage across our facilities. Additionally, all our manufacturing plants are outfitted with rooftop rainwater harvesting systems.

Havells has been consistently ranked in the top 10 global companies for ESG performance in the electrical sector for the last four years, in addition to being featured in the S&P Global Sustainability Yearbook. Havells has maintained its "A" rating in the Morgan Stanley formulated MSCI ESG Rating. MSCI ESG methodology is formulated to evaluate a company's resilience in the long term and gauge companies' exposure to ESG risks.

In 2023, Havells India Limited made its inaugural filing with the CDP, focussing on water security and climate change. This strategic move underscores the Company's commitment to addressing pressing environmental challenges and aligning its business practices with global sustainability goals. Water security and climate change, in particular, have emerged as two critical issues globally. Upon filing for the first time, Havells India Limited received a "B" rating in water security and a "C" rating in climate change from the CDP.

The "B" rating in water security is higher than the Asia regional average of "C" and higher than the Metal products manufacturing sector average of "C". This signifies that Havells is transparent about the water issues, has knowledge of impacts on, and of, water issues and is taking coordinated action on the same.

On the other hand, the "C" rating in climate change suggests that Havells' performance in addressing climate-related issues is comparable to the average performance of reporting companies. This is the same as the Asia regional average of "C" and the same as the Metal products manufacturing sector average of "C". While this indicates room for improvement, it also highlights the Company's transparency and knowledge of impacts on, and of, climate issues.

36. Research and Development

Our journey for strategic transformation of R&D, focused around the 3 pillars of consumer centricity, technology ownership and end-to-end product responsibility, continues to deliver significant performance.

We have maintained a strong momentum towards the vision of becoming a World-class R&D organisation with sustained investment is R&D which equates to 1.1% of

Net sales in FY 2023-24 and in turn delivering 42% of total Net sales through NPD (New product development) in the same period.

Our strive for long term IP (Intellectual Property) creation for the organisation saw a major leap in FY 2023–24 with filing of 48 Patents and 232 Design registrations. Our cumulative tally of filed patents stands at 193, out of which 94 are already granted and the total of design registrations filed till date stands at 1,132 numbers.

It was a proud moment for Havells to be recognised for the contribution to IP creation by Govt. of India and invited as a special guest in the 75th Republic Day parade.

Time and again we have demonstrated the complete cycle of understanding consumer pains, crafting technology driven solutions and delivering consumer delight through seamless user experience in our products and solutions. In this regard, some of the highlights from the year include design lead Innovations in Lloyds ACs, progression in technologies like BLDC+ in Fans and On device voice (ODV) feature, Instashift switch platform with category leading features.

Looking into the future, Sustainable technologies will be a key area of focus in our next phase of strategy. During FY 2023–24, 46% of our R&D spends were done on sustainable technologies and products development. We introduced Solar DMMI (Dual mode micro inverter), a unique product with the potential of making clean solar electricity assessable to every household. Further, we have embarked into the journey to reduce our Carbon footprint by 50% by 2030 with a robust roadmap.

Our R&D efforts continues to be recognised by various acclaimed institutions. The key highlight of the year includes renewal of registration of our Customer Experience & Design Studio, Bangalore Innovation centre and Noida R&D centre as Govt. recognized R&D Centres by Department of Science of Technology (DSIR), Ministry of Science and Technology (MST) and CII Top 50 Most Innovative company 2023 award – being the only electrical goods company to receive this accolade.

37. Transfer to Investor Education and Protection Fund

(A) Transfer of Unpaid Dividend

Pursuant to the provisions of Section 124(5) of the Companies Act, 2013, your Company has transferred ₹ 23,82,915 during the year to the Investor Education and Protection Fund.

These amounts were lying unclaimed/ unpaid with the Company for a period of 7 (Seven) years after declaration of Final Dividend for FY ended 2015-16.

(B) Transfer of Shares underlying Unpaid Dividend

During the Financial Year, the Share Allotment and Transfer Committee in its Meeting held on 29th August, 2023, transmitted 405 Equity Shares on account of Unclaimed Dividend (Final) for FY 2015-16 into the DEMAT Account of the IEPF Authority held with NSDL (DPID/ Client ID IN300708/10656671) in terms of the provisions of Section 124(6) of the Companies Act, 2013 and the IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended from time to time. These Equity Shares were the Shares of such 14 Shareholders whose unclaimed/ unpaid dividend pertaining to Financial Year 2015-16 (Final) had been transferred into the IEPF and who had not encashed their dividends for 7 (Seven) consecutive years.

Individual reminders were sent to concerned Shareholders advising them to encash their dividend and the complete list of such Shareholders whose Shares were due for transfer to the IEPF was also placed in the Unclaimed Dividend Section of the Investors Section on the website of the Company at https://havells.com/corporate/investors/unclaimed-dividends

With the transfer of above-said shares into IEPF, a total of 2,33,690 Shares of the Company (after taking into account the shares claimed back out of IEPF) were lying in the Demat A/c of the IEPF Authority, hereinabove mentioned, after considering the valid claims made therefrom.

Concerned Shareholders may still claim the shares or apply for refund to the IEPF Authority in Web Form No. IEPF-5 available on www.iepf.gov.in. The voting rights on shares transferred to the IEPF Authority shall remain frozen until the rightful owner claims the shares. The shares held in such DEMAT account shall not be transferred or dealt with in any manner whatsoever except for the purpose of transferring the shares back to the claimant as and when he approaches the Authority. All benefits except rights issue accruing on such shares e.g. bonus shares, split, consolidation, fraction shares etc., shall also be credited to such DEMAT account. Any further dividend received on such shares shall be credited to the IEPF Fund.

38. Shares lying in Unclaimed Suspense Account in electronic mode

As at 31st March, 2024, a total 1,60,100 Shares were lying in the Unclaimed Suspense Account in dematerialised form in the Havells India Limited Unclaimed Suspense A/c held with IDBI Bank Limited (DP). The voting rights on the said shares shall remain frozen till the rightful owner of such shares claims the shares. The rightful owner can still claim his/ her shares from the suspense account after complying with the procedure laid down in the statute regarding the same. The Company had so far transferred 2,27,100 (Two Lakhs Twenty-Seven Thousand and One Hundred Only) Equity Shares into Unclaimed Share Suspense Account in terms of Regulation 39(4) read with Schedule VI to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Subsequently, 67,000 Shares of ₹ 1/- each was transferred to the rightful owners as approved by the Share Transfer and Allotment Committee. Further, the payment of unpaid/ unclaimed dividend for the last 7 (Seven) years has also been made to the said shareholders.

39. Listing of shares

The equity shares of the Company are listed on the National Stock Exchange of India Ltd. (NSE) and BSE Limited (BSE). The listing fee for the year 2024-25 has already been paid to the credit of both the Stock Exchanges.

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

The information pertaining to conservation of energy, technology absorption, foreign exchange earnings and outgo as required under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is furnished in **ANNEXURE – 5** and forms part of this Report.

41. Business Responsibility and Sustainability Report (BRSR)

As the significance of environmental, social and governance (ESG) issues grows within the corporate landscape, how companies report on these matters has evolved. With an increasing global awareness of business impacts on society and the environment, the practice of ESG reporting demands considerable attention. Throughout its history, Havells has maintained a commitment to transparently communicating its ESG performance in alignment with international standards to stakeholders.

We take pride in presenting our third BRSR for the fiscal year 2023-24. This report adheres to the format outlined in the amendment to Regulation 34(2)(f) of the SEBI Listing Obligations and Disclosure Requirements (LODR) Regulations, as specified in Gazette Notification No. SEBI/LAD-NRO/GN/2021/22 dated May 05, 2021 and is integrated within our Annual Report. Aligned with the nine principles of the National Guidelines on Responsible Business Conduct issued by the Ministry of Corporate Affairs, Government of India, the BRSR for the financial year 2023-24 has been developed. We have bolstered our existing robust reporting structure and mechanisms to ensure the accurate and reliable capture of data for BRSR disclosures. Additionally, commencing this year, the BRSR core indicators (aligned with GRI standards) will undergo validation as part of the mandated reasonable assurance framework by SEBI in Circular No. SEBI/HO/CFD/CFD-SEC2/P/CIR/2023/122 dated July 12, 2023.

Havells firmly upholds the belief that sustainable and inclusive growth can only be achieved through a robust foundation of environmental and social responsibility, complemented by effective governance. Our report serves as evidence of our ongoing endeavours to adopt and enact a balanced approach to ESG criteria within our business operations, a commitment we transparently communicate to stakeholders. In addition to our annual voluntary sustainability disclosures, which adhere to globally recognised Global Reporting Initiative (GRI) standards and the Value Reporting Foundation's Integrated Reporting framework based on six capitals, accessible on our website www.havells.com, we have also provided the necessary alignment between Sustainability Disclosures and the Business Responsibility & Sustainability Report as mandated by SEBI. This information is also readily available on our website.

We have also provided the requisite mapping of information and principles between the Sustainability Disclosures and the Business Responsibility & Sustainability Report as prescribed by SEBI. The same is also available on the website www.havells.com.

42. Other Disclosures

There were no transactions on the following matters during the year under review and hence no reporting or disclosure is required:

- Issue of equity shares with differential rights as to dividend, voting or otherwise.
- Issue of shares (including sweat equity shares) to employees of the Company under any scheme save and except Employees' Stock Option Scheme referred to in this Report.
- There is no proceeding pending under the Insolvency and Bankruptcy Code, 2016.
- There was no instance of one-time settlement with any Bank or Financial Institution.

43. Acknowledgements

Our heartfelt gratitude to our customers, whose sustained support and feedback has always enabled Havells to take account of their unique and evolving needs, and accordingly diversify the product portfolio to drive utmost customer satisfaction. We thank our employees, core contributors to our goodwill and growth, for their dedicated efforts and unwavering commitment in achieving our shared goals and helping us to navigate every challenge. Our success would not be possible without the dedication of our vendors, whose continued partnership has helped us to forge an extensive global footprint and reinforce our industry leadership.

Our sincere appreciation to the stewards of good governance and responsible practices - the regulatory authorities, bankers, financial institutions, rating agencies, stock exchanges and depositories, auditors, legal advisors, consultants and other stakeholders. You have played an instrumental role in creating a level playing field, enforcing transparency, ethics and accountability within every aspect of our operations.

For and on behalf of
Board of Directors of Havells India Limited

Anil Rai Gupta
Chairman and Managing Director

Noida, April 30, 2024

ANNEXURE – 1

NOMINATION AND REMUNERATION POLICY OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND OTHER EMPLOYEE

Principle and Rationale

Section 178 of the Companies Act, 2013 and the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 require the Nomination and Remuneration Committee of the Board of Directors of every listed entity, among other classes of companies, to

- formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees.
- identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal.
- carry out evaluation of every director's performance.
- formulate the criteria for evaluation of Independent Directors and the Board.

Accordingly, in adherence to the abovesaid requirements and in line with the Company philosophy towards nurturing its human resources, the Nomination and Remuneration Committee of the Board of Directors of Havells India Limited hereinbelow recommends to the Board of Directors for its adoption the Nomination and Remuneration Policy for the directors, key managerial personnel and other employees of the Company as set out below:

Company Philosophy

Havells is an equal opportunities employer. The organization does not discriminate on grounds of age, gender, colour, race, ethnicity, language, caste, creed, economic or social status or disability. The global workforce spread across continents, which has over the years transformed Havells into a global organisation forms the backbone of the entity. Pay revisions and other benefits are designed in such a way to compensate good performance of the employees of the Company and motivate them to do better in future. Employee recognition schemes in the form of ESOPs/ ESPS have also been introduced as successful tools in acknowledging their contribution and making them partners in the wealth created by Havells. The endeavour of the organization is to acknowledge the contributions of its directors, key managerial personnel and other employees with best compensation and benefits that appropriately reward performance in line with the regulatory and industry best practices.

Guiding Principles

In the formulation of this Policy, the Nomination and Remuneration Committee has also endeavoured to ensure the guiding principles as prescribed u/s 178(4) of the Companies Act, 2013 and the section on Responsibilities of Board under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, summarized hereunder:

a) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate human resource including directors of the quality required to run the company successfully;

b) relationship of remuneration to performance is clear and meets appropriate performance benchmarks;

c) remuneration to directors, key managerial personnel and senior management reflecting short and long-term performance objectives appropriate to the working of the company and its goals;

d) facilitating effective shareholder participation in key Corporate Governance decisions such as the nomination and election of board members;

e) aligning key executive and board remuneration with the longer term interests of the company and its shareholders;

f) ensuring a transparent board nomination process with the diversity of thought, experience, knowledge, perspective and gender in the Board.

Nomination of the Directors

The Nomination and Remuneration Committee of the Board of Directors is dedicated to ensuring the continuance of a dynamic and forward-thinking Board and recommend to the Board qualified candidates for directorship.

Before recommending a nominee's candidature to the Board for being appointed as a Director, the following criteria set out may be applied as guidelines in considering potential nominees to the Board of Directors.

General Criteria

The background and qualifications of the Directors considered as a group should provide a significant breadth of experience, knowledge and abilities to assist the Board in fulfilling its responsibilities.

- Directors should be selected so that the Board of Directors should remain as a diverse body, with diversity reflecting gender, ethnic background, country of citizenship and professional experience. Because a mix of viewpoints and ideas enhances the Board's ability to function effectively, the Committee shall consider the diversity of the existing Board when considering potential nominees, so that the Board maintains a body of directors from diverse professional and personal backgrounds.

- Potential nominees shall not be discriminated against on the basis of race, religion, national origin, sex, disability, or any other basis prohibited by law.
- Any nominee should be free of any conflict of interest which would violate any applicable law or regulation or interfere with the performance of the responsibilities of a director. - Commitment of the nominee to understanding the Company and its industry, embracing the organization's values to help shape its vision, mission and strategic direction including oversight of risk management and internal control.
- Commitment of the nominee to spending the time necessary to function effectively as a Director, including attending and participating in meetings of the Board and its Committees.

Specific Criteria

- Demonstrated business acumen, experience and ability to use sound judgment and to contribute to the effective oversight of the business and financial affairs of a large, multifaceted, global organization.
- The nominee reflects the right corporate tone and culture and excels at board-management relationships.
- Experience in strategic planning and managing multidisciplinary responsibilities, the ability to navigate among diverse professional groups and points of view, a track record of communicating effectively in a global environment and high standards of integrity and professional conduct.
- Nominees understand and endeavour to balance the interests of shareholders and/ or other stakeholders and put the interests of the company or organization above self-interest. He/ she has demonstrated a commitment to transparency and disclosure.
- He/ she is committed to superior corporate performance, consistently striving to go beyond the legal and/or regulatory governance requirements to enhance, not just protect, shareholder value.
- Nominee contributes to effective governance through superior, constructive relationships with the Executive Directorate and management.

Remuneration of the Directors

The Company strives to provide fair compensation to directors, taking into consideration industry benchmarks, Company's performance vis-à-vis the industry, responsibilities shouldered, performance/ track record, macroeconomic review on remuneration packages of heads of other organizations.

The remuneration payable to the directors of the company, shall at all times be determined, in accordance with the provisions of the Companies Act, 2013.

Appointment and Remuneration of Managing Director and Whole-time Director

The terms and conditions of appointment and remuneration payable to a Managing Director and Whole-time Director(s) shall be recommended by the Nomination and Remuneration Committee to the Board for its approval which shall be subject to approval by shareholders at the next general meeting of the Company and by the Central Government in case such appointment is at variance to the conditions specified in Schedule V to the Companies Act, 2013. Approval of the Central Government is not necessary if the appointment is made in accordance with the conditions specified in Schedule V to the Act.

In terms of the provisions of the Companies Act, 2013, the Company may appoint a person as its Managing Director or Whole-time Director for a term not exceeding 5 (Five) years at a time.

The executive directors may be paid remuneration either by way of a monthly payment or at a specified percentage of the net profits of the Company or partly by one way and partly by the other.

The break-up of the pay scale, performance bonus and quantum of perquisites including, employer's contribution to P.F, pension scheme, medical expenses, club fees etc. shall be decided and approved by the Board on the recommendation of the Committee and shall be within the overall remuneration approved by the shareholders and Central Government, wherever required.

While recommending the remuneration payable to a Managing/ Whole-time Director, the Nomination and Remuneration Committee shall, inter alia, have regard to the following matters:

- Financial and operating performance of the Company;
- Relationship between remuneration and performance;
- Industry/ sector trends for the remuneration paid to executive directorate.

Annual Increments to the Managing/ Whole-time Director(s) shall be within the slabs approved by the Shareholders. Increments shall be decided by the Nomination and Remuneration Committee at times it desires to do so but preferably on an annual basis.

Insurance Premium as Part of Remuneration

Where any insurance is taken by a company on behalf of its Managing Director, Whole-time Director, Manager, Chief Executive Officer, Chief Financial Officer or Company Secretary for indemnifying any of them against any liability in respect of any negligence, default, misfeasance, breach of duty or breach of trust for which they may be guilty in relation to the company, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel.

However, if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.

Remuneration of Independent Directors

Independent Directors may receive remuneration by way of

- Sitting fees for participation in the Board and other meetings;
- Reimbursement of expenses for participation in the Board and other meetings;
- Commission as approved by the Shareholders of the Company;

Independent Directors shall not be entitled to any stock options.

Based on the recommendation of the Nomination and Remuneration Committee, the Board may decide the sitting fee payable to independent directors. Provided that the amount of such fees shall not exceed the maximum permissible under the Companies Act, 2013.

Remuneration to Directors in other Capacity

The remuneration payable to the directors including managing or whole-time director or manager shall be inclusive of the remuneration payable for the services rendered by him in any other capacity except the following:

(a) the services rendered are of a professional nature; and

(b) in the opinion of the Nomination and Remuneration Committee, the director possesses the requisite qualification for the practice of the profession.

Evaluation of the Directors

As members of the Board, the performance of the individual Directors as well as the performance of the entire Board and its Committees is required to be formally evaluated annually.

Section 178(2) of the Companies Act, 2013 also mandates the Nomination and Remuneration Committee to carry out evaluation of every director's performance.

In developing the methodology to be used for evaluation on the basis of best standards and methods meeting international parameters, the Board / Committee may take the advice of an independent professional consultant.

Nomination and Remuneration of the Key Managerial Personnel (Other than Managing/ Whole-time Directors), Key Executives and senior management

The executive management of a company is responsible for the day to day management of a company. The Companies Act, 2013 has used the term "key managerial personnel" to define the executive management.

The KMPs are the point of first contact between the company and its stakeholders. While the Board of Directors are responsible for providing the oversight, it is the key managerial personnel and the senior management who are responsible for not just laying down the strategies as well as its implementation.

The Companies Act, 2013 has for the first time recognized the concept of Key Managerial Personnel. As per section 2(51) "key managerial personnel", in relation to a company, means—

(i) the Chief Executive Officer or the Managing Director or the Manager;

(ii) the Whole-time Director;

(iii) the Chief Financial Officer;

(iv) the Company Secretary;

(v) such other officer, not more than one level below the directors who is in whole-time employment, designated as key managerial personnel by the Board and

(v) such other officer as may be prescribed.

Among the KMPs, the remuneration of the CEO or the Managing Director and the Whole-time Director(s), shall be governed by the Section on REMUNERATION OF THE DIRECTORS of this Policy dealing with "Remuneration of Managing Director and Whole-time Director".

Apart from the directors, the remuneration of

- All the Other KMPs such as the company secretary or any other officer that may be prescribed under the statute from time to time; and
- "Senior Management" of the Company which here means, the core management team comprising of such members of management as determined by the Company under Layer 1 of the System-Driven Disclosures in respect of Regulation 7(2)(b) of PIT Regulations, shall be determined by the Human Resources Department of the Company in consultation with the Managing Director and/ or the Whole-time Director Finance.

  The remuneration determined for all the above said senior personnel shall be in line with the Company's philosophy to provide fair compensation to key - executive officers based on their performance and contribution to the Company and to provide incentives that attract and retain key executives, instill a long-term commitment to the Company and develop a pride and sense of Company ownership, all in a manner consistent with shareholder interests.

  The break-up of the pay scale and quantum of perquisites including, employer's contribution to P.F, pension scheme, medical expenses, club fees etc. shall be decided by the Company's HR department.

  Decisions on Annual Increments of the Senior Personnel shall be decided by the Human Resources Department in consultation with the Managing Director and/ or the Whole-time Director Finance of the Company.

Remuneration of Other Employees

Apart from the Directors, KMPs and Senior Management, the remuneration for rest of the employees is determined on the basis of the role and position of the individual employee, including professional experience, responsibility, job complexity and local market conditions.

The Company considers it essential to incentivize the workforce to ensure adequate and reasonable compensation to the staff. The Human Resources Department shall ensure that the level of remuneration motivates and rewards high performers who perform according to set expectations for the individual in question.

The various remuneration components, basic salary, allowances, perquisites etc. may be combined to ensure an appropriate and balanced remuneration package.

The annual increments to the remuneration paid to the employees shall be determined based on the annual appraisal carried out by the HoDs of various departments.

Decisions on Annual Increments shall be made on the basis of this annual appraisal.

General

This Policy shall apply to all future employment of Company's Senior Management including Key Managerial Personnel and Board of Directors.

Any or all the provisions of this Policy would be subject to the revision/ amendment in the Companies Act, 2013, related rules and regulations, guidelines and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 on the subject as may be notified from time to time. Any such amendment shall automatically have the effect of amending this Policy without the need of any approval by the Nomination and Remuneration Committee and/ or the Board of Directors.

HAVELLS

ANNEXURE – 2

Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2024

[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]

To
The Members,
Havells India Limited
904, 9th Floor, Surya Kiran Building,
KG Marg, Connaught Place, New Delhi 110001

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **HAVELLS INDIA LIMITED [CIN L31900DL1983PLC016304]** (hereinafter called "the Company"). Secretarial Audit has been 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, we hereby report that in our opinion, the company has, during the audit period covering the financial year commencing from April 1, 2023 and ended on March 31, 2024 ("Audit Period") 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 maintained by the Company for the financial year ended March 31, 2024 according to the provisions of:

1) The Companies Act, 2013 (the Act) and the rules made thereunder to the extent notified and came into force;
2) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
3) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
4) Foreign Exchange Management Act, 1999 (FEMA) & the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
5) 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;
    e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 and The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;
    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 (Listing Obligation and Disclosure Requirement) Regulations, 2015;
    h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018
    i) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009
6) The Employees State Insurance Act, 1948
7) Employees Provident Fund and Miscellaneous Provisions Act, 1952
8) Employers Liability Act, 1938
9) Environment Protection Act, 1986 and other environmental laws
10) Air (Prevention and Control of Pollution) Act, 1981
11) Factories Act, 1948
12) Industrial Dispute Act, 1947
13) Payment of Wages Act, 1936 and other applicable labour 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 Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited read with Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the audit Period under review, the Company has complied with the provisions of the Acts, Laws and Regulations and guidelines, to the extent applicable, as mentioned above.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. There were no changes in the composition of the Board of Directors or the Committees thereof during the period under review.

Adequate notice is given to all directors to schedule the Board Meetings. Agenda and detailed notes on agenda were sent at least seven days 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.

I further report that 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.

Majority decisions were carried out with unanimous consent and therefore no dissenting views were captured and recorded as part of the minutes

We further report that 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 as stated above.

We further report that during the period under review:

- The Company has allotted 8680 Equity Shares for Financial Year 2022-23 to Havells Employees Welfare Trust under the Havells Employees Stock Purchase Scheme 2022.
- The Company has allotted 50,945 Equity Shares for Financial Year 2022-23 to Havells Employees Welfare Trust under the Havells Employees Long Term Incentive Plan 2014.
- The Company has allotted 93,040 Equity Shares for Financial Year 2022-23 to the Havells Employees Welfare Trust under the Havells Employees Stock Purchase Scheme 2015, which alongwith the 41960 Equity Shares lying with the Trust, were transferred to eligible employees against exercise of 1,35,000 Equity Shares.
- The Company has allotted 20,627 Equity Shares for Financial Year 2022-23 to eligible Employees under the Havells Employees Stock Purchase Scheme 2016.

For **Balika Sharma & Associates**
Company Secretaries

Place: New Delhi
Date: April 25, 2024

Balika Sharma
Proprietor
FCS No: 4816
C P No: 3222
UDIN: F004816F000236168

Note: This report is to be read with our letter of even date which is annexed as **Annexure 1** and forms an integral part of this report.

ANNEXURE - 1

To
The Members,
Havells India Limited
904, 9th Floor, Surya Kiran Building,
KG Marg, Connaught Place, New Delhi 110001

Our report of even date is to be read along with this letter:

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the 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 followed provide a reasonable 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 & happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company not the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **Balika Sharma & Associates**
Company Secretaries

Place: New Delhi
Date: April 25, 2024

Balika Sharma
Proprietor
FCS No: 4816
C P No: 3222

ANNEXURE – 3

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

The CSR programmes and pursuits of the Company are illustrated in the Social & Relationship Capital section of the Integrated Report on page no. 66-72

1. Brief outline on CSR Policy of the Company

In adherence to Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, the Board of Directors upon the recommendation of CSR Committee, in its meeting held on 23rd April, 2014, approved a CSR Policy of the Company. The CSR Policy was last reviewed by the Board on 20th October, 2021.

In accordance with the primary CSR philosophy of the group and the specified activities under Schedule VII to the Companies Act, 2013, the CSR activities of the Company cover certain thrust areas such as mid-day meals, education, sanitation facilities, preservation of heritage monuments, afforestation etc.

The Corporate Social Responsibility Policy of the Company is available on the website of the Company https://havells.com/media/wysiwyg/PDF/Code-and-policies/CSR_Policy.pdf in the 'Investors Section' under 'Codes & Policies'.

2. Composition of CSR & ESG committee

As at 31st March, 2024, the Corporate Social Responsibility & Environmental, Social and Governance Committee comprised of 4 (Four) Members of the Board, 2 (Two) of which were Independent Directors, 1 (One) Non-Executive and 1 (One) was Executive. The Chairman of the Committee is an Independent Director.

S. No.	Name and Designation/ Nature of Directorship	Total No. of CSR & ESG Committee Meetings held during the year – 2	
		Attendance in CSR & ESG Committee Meetings held on	
		2-May-23	14–Dec–23
1	Shri Vivek Mehra Independent Director, Chairman	✓	✓
2	Shri Jalaj A Dani Independent Director, Member	✓	✓
3	Shri Surjit Kumar Gupta, Non-Executive Director, Member	✓	✓
4	Shri Rajesh Kumar Gupta, Executive Director, Member	✓	✓

3. Provide the web-link(s) where Composition of CSR Committee, CSR Policy and CSR Projects approved by the Board are disclosed on the website of the Company.

CSR & ESG Committee – https://www.havells.com/en/aboutus/committees.html

CSR Policy – https://havells.com/media/wysiwyg/PDF/Code-and-policies/CSR_Policy.pdf

CSR Programmes – https://www.havells.com/en/corporate-social-responsibility.html

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.

An executive summary of the Impact Assessment Report is attached as an annexure to this Report on CSR and the complete Impact Assessment Report can be accessed at https://havells.com/corporate/csr/csr-overview.

5.

(a)	Average net profit of the Company as per sub-section (5) of Section 135	:	**₹ 1,510.54 Cr**
(b)	Two percent of average net profit of the company as per sub-section (5) of Section 135	:	**₹ 30.21 Cr**
(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	:	**₹ 0.93 Cr**
(e)	Total CSR obligation for the financial year [(b)+(c)-(d)]	:	**₹ 29.28 Cr**

6.

(a)	Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project)	:	**₹ 29.88 Cr**
(b)	Amount spent in Administrative Overheads	:	**NIL**
(c)	Amount spent on Impact Assessment, if applicable	:	**₹ 0.05 Cr**
(d)	Total amount spent for the Financial Year [(a)+(b)+(c)]	:	**₹ 29.93 Cr**

(e) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year (₹ In Cr)	Amount Unspent (₹ In Cr)				
	Total Amount transferred to Unspent CSR Account as per sub-section (6) of Section 135		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of Section 135		
	Amount	Date of Transfer	Name of the Fund	Amount	Date of Transfer
29.93 crores	NIL	NA	NA	NIL	NA

(f) Excess amount for set off, if any:

S. No.	Particulars	Amount (₹ in Cr)
(i)	Two percent of average net profit of the company as per sub-section (5) of Section 135	**30.21 Cr**
(ii)	Total amount spent for the Financial Year (including amount required to be set off for the financial year as referred in Pt. No. 5(d) above)	**30.86 Cr**
(iii)	Excess amount spent for the financial year [(ii)-(i)]	**0.65 Cr**
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	**NIL**
(v)	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	**0.65 Cr**

7. Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years:

S. No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under sub-section (6) of section 135 (₹ In Cr)	Balance Amount in Unspent CSR account under sub-section(6) of section 135 (₹ In Cr)	Amount Spent in the Financial Year (₹ In Cr)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to sub-section (5) of section 135, if any		Amount remaining to be spent in succeeding Financial Years (₹ In Cr)	Deficiency, if Any
					Amount (₹ In Cr)	Date of Transfer		
1	2021-22	12 Cr	12 Cr	4 Cr	0.09	29.09.2021	8 Cr	NIL
2	2022-23	-	8 Cr	4 Cr			4 Cr	NIL
3	2023-24	-	4 Cr	4 Cr			NIL	NIL

Note: *The Company earned an interest of ₹ 0.16 crores (₹ 0.41 crores in March 2023) on the funds in CSR unspent bank account during the year. Further, the Company has made an additional payment of ₹ 0.79 crores to Ashoka University, on account of interest earned (net of taxes) on amount deposited in separate CSR Bank account including ₹ 0.16 crores interest earned during the year.*

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

Yes

If Yes, enter the No. (amount) of Capital assets created/ acquired: ₹ **14.72 Cr**

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

S. 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 amount spent (₹ In Cr)	Details of entity/ Authority/ beneficiary of the registered owner		
					CSR Registration Number, if applicable	Name	Address of beneficiary
(1)	(2)	(3)	(4)	(5)	(6)		
1	04 Active IT Networking (Chanakya University, Global Campus, Haraluru & Polanahalli Villages, NH648, Devanahalli Taluk, Bangalore Rural District)	562165	21-03-2024	4.08	CSR00042868	Chanakya University	Chanakya University Global Campus, Haraluru & Polanahalli Villages, NH648, Devanahalli Taluk, Bangalore Rural District, 562165
2	27 Laptops and 70 Desktops (Chanakya University, Global Campus, Haraluru & Polanahalli Villages, NH648, Devanahalli Taluk, Bangalore Rural District)	562165	29-12-2023	0.54	CSR00042868	Chanakya University	Chanakya University Global Campus, Haraluru & Polanahalli Villages, NH648, Devanahalli Taluk, Bangalore Rural District, 562165
3	03 Installation & Integration of IBMS (Chanakya University, Global Campus, Haraluru & Polanahalli Villages, NH648, Devanahalli Taluk, Bangalore Rural District)	562165	31-01-2024	0.36	CSR00042868	Chanakya University	Chanakya University Global Campus, Haraluru & Polanahalli Villages, NH648, Devanahalli Taluk, Bangalore Rural District, 562165
4	Attendance Management (Chanakya University, Global Campus, Haraluru & Polanahalli Villages, NH648, Devanahalli Taluk, Bangalore Rural District)	562165	29-03-2024	0.02	CSR00042868	Chanakya University	Chanakya University Global Campus, Haraluru & Polanahalli Villages, NH648, Devanahalli Taluk, Bangalore Rural District, 562165
5	Building Infrastructure (Work-in-Progress) (Plaksha University, Block B, Sector 101, Alpha, SAS Nagar, Punjab)	140306	01-04-2023	9.24	CSR00002211	Reimagining Higher Education Foundation	302, Gopal Heights, Netaji Subhash Place, New Delhi – 110034
6	12 CCTV Camera System with Hard Disk and NVR (QRG Foundation, F-36 to 41, Agro Food Park, M.I.A., Alwar)	301030	18-01-2024	0.04	CSR00001995	QRG Foundation	QRG Foundation, F-36 to 41, Agro Food Park, M.I.A., Alwar-301030
7	16 New CNG Pick Up Vehicle New Body and Paint Work (QRG Foundation, F-36 to 41, Agro Food Park, M.I.A., Alwar)	301030	19-05-2023	0.09	CSR00001995	QRG Foundation	QRG Foundation, F-36 to 41, Agro Food Park, M.I.A., Alwar-301030

S. 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 amount spent (₹ In Cr)	Details of entity/ Authority/ beneficiary of the registered owner		
					CSR Registration Number, if applicable	Name	Address of beneficiary
(1)	(2)	(3)	(4)	(5)	(6)		
8	850 kg Steam Boiler Duel Fuel (Thermax) (QRG Foundation, F-36 to 41, Agro Food Park, M.I.A., Alwar)	301030	26-06-2023	0.16	CSR00001995	QRG Foundation	QRG Foundation, F-36 to 41, Agro Food Park, M.I.A., Alwar-301030
9	Aluminium Store Extended in Kitchen (QRG Foundation, F-36 to 41, Agro Food Park, M.I.A., Alwar)	301030	06-07-2023	0.01	CSR00001995	QRG Foundation	QRG Foundation, F-36 to 41, Agro Food Park, M.I.A., Alwar-301030
10	Borewell (QRG Foundation, F-36 to 41, Agro Food Park, M.I.A., Alwar)	301030	20-11-2023	0.05	CSR00001995	QRG Foundation	QRG Foundation, F-36 to 41, Agro Food Park, M.I.A., Alwar-301030
11	Chapati Machine (QRG Foundation, F-36 to 41, Agro Food Park, M.I.A., Alwar)	301030	12-12-2023	0.03	CSR00001995	QRG Foundation	QRG Foundation, F-36 to 41, Agro Food Park, M.I.A., Alwar-301030
12	Networking/ wi-fi equipments (QRG Foundation, F-36 to 41, Agro Food Park, M.I.A., Alwar)	301030	18-01-2024	0.05	CSR00001995	QRG Foundation	QRG Foundation, F-36 to 41, Agro Food Park, M.I.A., Alwar-301030
13	Office Revolving Chairs (QRG Foundation, F-36 to 41, Agro Food Park, M.I.A., Alwar)	301030	09-08-2023	0.00	CSR00001995	QRG Foundation	QRG Foundation, F-36 to 41, Agro Food Park, M.I.A., Alwar-301030
14	Water Tank-50000 Ltrs (QRG Foundation, F-36 to 41, Agro Food Park, M.I.A., Alwar)	301030	03-02-2024	0.05	CSR00001995	QRG Foundation	QRG Foundation, F-36 to 41, Agro Food Park, M.I.A., Alwar-301030

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

NA

Anil Rai Gupta
Chairman and Managing Director

Vivek Mehra
Chairman CSR & ESG Committee

Noida, April 29, 2024

Encl: Executive Summary on Impact Assessment Report

IMPACT ASSESSMENT OF CSR SUPPORT TO PLAKSHA UNIVERSITY

(Executive Summary)

Prepared by Grant Thornton Bharat LLP

About the project

Introduction

- Science, technology, engineering and mathematics (STEM) education in India encounters the **challenge of requisite technology and infrastructure** to provide quality education; suitable infrastructure for STEM education is cost intensive as it includes procurement of STEM kits, equipment and setting up of laboratories
- As per the 2021-2022 All India Survey on Higher Education (AISHE) report, among undergraduate-level programmes, **only 7.6% of gross enrollment rate (GER) is in B. Tech courses;** additionally, as per the latest Annual Status of Education (ASER) report, only 31.7% of youth enrolled in class XI or higher education opt for STEM courses
- Plaksha University was founded in 2015 with a **mission to change the landscape of engineering** in India and the world; its **cutting-edge programmes** (B.Tech in robotics and cyber-physical systems, B.Tech in computer science and artificial intelligence, B.Tech in biological systems engineering and B.Tech in data science, economics and business) and activities are helping to close the gap in STEM education
- Havells India Limited entered a partnership with Reimagining Higher Education Foundation (RHEF), the sponsoring body of Plaksha University in 2021; through this partnership, Havells India Limited, as part of its Corporate Social Responsibility (CSR), has committed to support Plaksha University with a funding of ₹ 50 crore **to develop infrastructure, research facilities and provide scholarships** for socio-economically disadvantaged students for a period of six years
- Till March 2024, ₹ 35 crore were allocated to Plaksha University for building the Havells Research Building and supporting scholarship of meritorious students

Havells' Support to Plaksha University for Stem Education

Need for STEM education

- 80% of the jobs created in the next decade will require math and science skills, as per the National Science Foundation's research

Challenges to STEM Education

The biggest impediments to STEM education are:

- Lack of infrastructure, curriculum and pedagogy
- Lack of funds to support maker spaces and do-it-yourself (DIY) tools
- Lack of renowned faculty to facilitate STEM learning among students

Support from Havells

- Construction of Havells Research Building consisting of makers labs and state-of-the-art equipment to promote STEM learning
- Scholarship support programme for undergraduate and postgraduate students with a focus on STEM learning

Theory of Change

Programme and its need

Infrastructure support

- Lack of infrastructure and research facilities for students and faculty

Activities conducted

- Constructed buildings as per government guidelines
- Took all necessary permissions to ensure safety
- Installed safety equipment and ensured regular maintenance of the same

Outputs

- 06 certifications/ clearances received
- 10 laboratories developed for the practical learning of students

Outcomes

- Enhanced learning space due to an increase in the number of classrooms
- Improved academic performance
- Increased student and faculty satisfaction

Impact

- **Improved the quality of education by providing better infrastructure for students**

Measure of Outcomes

Rating scale basis the allocation of average scores on key indicators

Rating	Description	Avg. %
5	Very high	> 90%
4	High	80-89%
3	Medium	70-79%
2	Fair	60-69%
1	Low	<60

Infrastructure support

Havells' Support to Plaksha University for STEM Education

Evaluation criteria	Ratings	Details
Relevance (Needs and priorities)	Very high	• Plaksha University offers new-age courses to B.Tech students and the Havells Research Building boasts modern facilities highly relevant to students and faculty • 97% students who were interviewed shared that the equipment was very relevant to their course requirements, as it helped them gain conceptual clarity
Effectiveness (Objectives' achievement)	High	• All students mentioned that the Havells Research Building has been a primary learning space; hence, there is high utility of the infrastructure • All the students interviewed felt that the classrooms and laboratories are conveniently located within the building with quick access and movement to and from classrooms, helping in the optimum utilisation of time • 87% students stated that the labs in the Havells Research Building were well-equipped and at par with universities offering similar courses • Areas of improvement included accessibility of the building for people with disabilities (PWDs) and increasing co-working spaces in the building
Efficiency (Resource optimisation)	Very high	• It was observed and reported by students and faculty that the classrooms are designed to promote interactive teaching and learning, with clear acoustics, visibility and good lighting to ensure a comfortable classroom experience • Lab technicians interviewed shared that all labs facilitate long cycles of experiments without disruption, which promotes innovative thinking • Additionally, the cross-exchange of resources between labs, considering one full floor is designated for labs, is very convenient; it promotes cross-learning between different courses
Impact (Impact on learning outcomes and society)	High	• 74% students interviewed shared that the facilities in the building have contributed towards improved academic performance and understanding of concepts • Students mentioned that the availability of modern equipment aids in promoting innovation and critical thinking • 87% students shared that the research undertaken by them as part of their undergraduate dissertation will benefit the larger community
Sustainability (Continuity after withdrawal)	Very high	• Operational expenses of the Havells Research Building will be covered by the Plaksha University

Scholarship support

Scholarship Support Details

Havells also supports meritorious students in pursuing education at the Plaksha University

- Havells India Limited provided scholarships to 21 students during FY 22-24 - four in undergraduate and 17 in postgraduate courses, coming from different states and demographic profiles. The average GPA of undergraduate students was 3.51/4 and that of postgraduate students was 3.54/4.

All students shared that the support helps them across various academic and research fields. Tuition fees is the major component of their education expense for their respective courses and the scholarship offsets this major expense.

This summary needs to be read in conjunction with the detailed report

ANNEXURE – 4

(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 (excluding Commission) of each director to the median remuneration of the employees of the company for the financial year	- Ratio of the remuneration of Shri Anil Rai Gupta, Chairman and Managing Director to the median remuneration of the employees – **84:1** - Ratio of the remuneration of Shri Ameet Kumar Gupta, Whole-time Director to the median remuneration of the employees – **33:1** - Ratio of the remuneration of Shri Rajesh Kumar Gupta, Whole-time Director & Group CFO – **74:1** - Ratio of the remuneration of Shri Siddhartha Pandit, Whole-time Director – **12:1**
(ii)	Percentage increase in remuneration (excluding Commission) of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year	- Shri Anil Rai Gupta, CMD – **10.34 %** - Shri Ameet Kumar Gupta, WTD – **10.87 %** - Shri Rajesh Kumar Gupta, WTD & Group CFO – **8.53 %** - Shri Siddhartha Pandit, WTD – **7.96 %** - Shri Sanjay Kumar Gupta, CS – **7.15 %**
(iii)	Percentage increase in the median remuneration of employees in the financial year	**1.69 %**
(iv)	Number of permanent employees on the rolls of company	**7,449** Employees
(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 – **9.5 %** - Average increase in remuneration of employees other than the Managerial Personnel – **10.45 %** The top-level compensation is linked to Profit Before Tax.
(vi)	Affirmation that the remuneration is as per the remuneration policy of the company	The remuneration is as per the Nomination and Remuneration Policy for the Directors, Key Managerial Personnel and Other Employees of the Company, formulated pursuant to the provisions of Section 178 of the Companies Act, 2013.

(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.

Details of employee remuneration as required under provisions of Section 197 of the Companies Act, 2013 and Rule 5(2) and 5(3) of the Rules are available to any shareholder for inspection on request. Such details are also available on your Company's website at https://havells.com/corporate/investors/disclosure

ANNEXURE – 5

Disclosure pursuant to Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014

(A) Conservation of Energy

(i) Steps taken or impact on conservation of energy

Energy saving through various improvement projects is a way of life at Havells. We look at each and every opportunity to optimise the operations, utilisation of assets, striving for higher productivity and efficiency thus optimising the energy requirements for the manufacturing in all plants. We do it through implementing one of the best Energy Management Systems (ISO 50001-EnMs), Cutting Edge Technology and Innovation. Havells undertook 39 projects towards conservation of energy. For optimising the energy requirement, replacing the motors and pumps with energy efficient motors, usage of variable speed drives, etc are some of the key projects. Also, initiatives are taken up for saving energy through control of idle running of machines, operating efficiency and controlled use of conveyors. Through our initiatives, we were able to mitigate 902 tons of CO_2 emissions thereby contributing to combatting climate change. Details for the projects is given below:

Description of the project	Energy saved per year (kWh)	Capital Expenditure incurred in purchase of energy conservation equipment (₹)
Energy Saved due to Optimization of motors and pumps	3.27 Lacs kWh	8.81 Lacs
Process Optimization and Elimination of Ideal running of machines and equipment	2.71 Lacs kWh	15.31 Lacs
Savings through Installation of New machines, technology (dryer installation, energy efficient fans, etc.)	6.61 Lacs kWh	28.75 Lacs
Total	**12.59 Lacs kWh**	**52.87 Lacs**

(ii) Steps taken by the Company for utilising alternate sources of energy

Energy saving using Solar Energy is a continuous drive to utilize the natural resources. At Havells, through addition of solar power, at present solar power generation capacity is 11.26 MW, which is about 8.4% of total electricity consumption. Through our initiatives, we were able to offset 7971 tons of CO_2 emission by Solar. Year wise addition of Projects to enhance Solar generation system are identified.

(iii) Capital investment on energy conservation equipment

During the financial year the company has invested ₹ 52.87 Lacs for alternate sources of energy and new technology. A focused action is ON to identify opportunity for identifying all such equipment and machinery wherever new technologies are available which can help in optimizing energy requirements.

(B) Technology Absorption

(i) Efforts made towards technology absorption

Havells R&D Strategy

Our R&D strategy is focused around 3 strategic pillars of Consumer centric Innovations, Ownership of critical technologies and end-to-end Product responsibility. We have built capabilities in these areas with our Customer experience and Design Studio forming the basis of Consumer and ethnographic understanding; Bangalore Innovation centre housing the futuristic technologies for Smart and connected solutions and Noida R&D Center taking the responsibility of quality and reliability of our products through advanced and robust development processes.

The sustained investment behind R&D infrastructure, processes and people competency over the years has enabled significant in-house competence development in critical technologies which translated into development of novel and experiential product and solutions addressing consumer pains and preferences while keeping the user experience seamless.

These leaps are well visible through demonstrated performance that can be summarized into 3 key areas of Technological differentiation, Sustainability & Self-reliance and Novelty & customization.

Technological Differentiation

For solving the issue of network connectivity in spatially distributed smart devices network, **Zigbee protocol based on Bluetooth mesh platform** is in-house developed and introduced to connected lights and smart switches.

iSense Smart switches Monoblock with BLE Mesh gateway

In the industrial products segment, in-house developed and manufactured **Instashift switch platform** was introduced with category leading features in terms of switching options, flexibility of load connection and usability across multiple use cases and enclosure protection.

Instashift platform in four frame sizes across 40A to 800A

Flameproof motors platform, capable of working in hazardous and explosive conditions are now available up to 160 frames with all leading safety certifications like BIS (Bureau of Indian standards) and PESO (Petroleum and Explosives Safety Organization).

Flameproof motors range

To further maintain the lead on critical technology ownership, we are continually upgrading our infrastructure creating space of newer capabilities. One such highlight of the year is operationalization of **NVH (Noise, Vibration and Harshness) R&D facility** at Ghiloth. It is set up with the vision of researching sensorial characterises of our products like noise and engineer sophisticated solutions and USPs.

NVH R&D Facility at Ghiloth

Sustainability and Self reliance

Materials technology will continue to a critical role for achieving our sustainability goals. In this regard, the key highlights from this year are as below:

- Implementation of eco-friendly and energy efficient chemical solution at Baddi for anti-tarnish coating of small metallic components
- Re-cycling of injection moulding plastic waste by use of special additives
- In switches, replacement of Polycarbonate material by engineered ABS with lower carbon footprint and higher cost efficiency
- Introduction of recycled plastic materials in Air Conditioner front panel.

Furthermore, in-line with our philosophy of **Self-reliance and Make in India growth story**, we continued to make good progress in reduction of import dependence with key highlights as below:

- Local development of Hair dryer series 3151/52 and 7181
- Local development of Food processor, Sandwich maker and Inclino room heater
- In-house manufacturing of Heat pump type water heater
- In-house manufacturing of Solar Inverter PCUs up to 10Kw

Hair Dryer 3152

Inclino Room heater

Around the year, we have ensured meeting compliance with all applicable regulations including BEE Star ratings, RoHS and CPCB.

Novelty and customization

With the deep understanding of consumer pain and preferences and embedding multiple technologies to create seamless solution and experiences, we created a diverse plethora of Innovations.

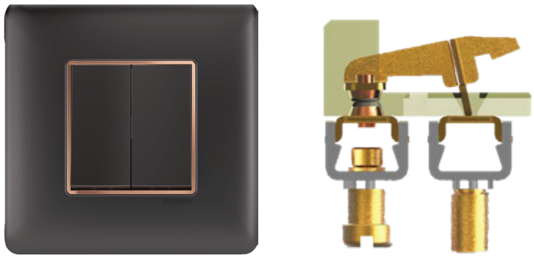
Continuing our journey of **breaking design monotones and offering unconventional designs** to consumers, we introduced Loop alkaline water purifier in a refreshing round facia.

Loop alkaline air purifier

As Indoor air pollution continues to be an area of concern for consumers, we have introduced **Indoor Air Quality (IAQ)** display feature along with **Puro air Ionizer** in LLOYD Fresca AC series. The visual Air quality sensor and Ionizer works in sync to provide both information of air quality as well as measures to clean suspended particulate matter from the air.

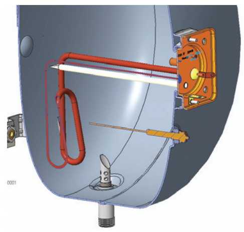
LLOYD Fresca AC series

In switch range, we introduced Adiva range, **democratizing soft touch and low noise features** along with premium finishes to a wider consumer base.



Adiva switch range with soft touch and low noise features

Yet another highlight of novel technology application to solve consumer pains, is introduction **of Impressed current cathodic protection (ICCP) technology** in Adonia Plus water heater that uses a Titanium anode inside the storage tank to improve its protection against corrosion and scaling of tank, heating element and thermostat sensor pocket. This anode technology stays effective for a much longer time versus conventional one during the lifecycle of the product, thereby enhancing the life of the water heater.



Side cross-section of Adonia plus with e-anode

(ii) Benefits derived from these R&D efforts

The benefits derived from R&D efforts have been detailed in the 'Intellectual Capital' and the 'Research and Development' section in the Directors' Report, which form part of this Integrated Annual Report.

(iii) Technology import and absorption (imported during the last three years reckoned from the beginning of the financial year)

We have more than 20 active domestic and international technology collaborations with various academia, technology companies, start-ups etc. for further accelerating our agenda of technology ownership.

Following is a list of Key technology absorption initiatives during last 3 years:

No.	Technology	Country of Import	Year of Import	Absorption Status	Description and Usage
1.	Anechoic research and Engineering	USA and Belgium	2023	Fully absorbed	For NVH (Noise, Vibration and Harshness) research in appliances and creation of sophisticated sensory superior features.
2.	Space Tech.	USA (Adapted)	2021	Fully absorbed	TiO2 based photocatalytic disintegration technology for Air purification of VOCs (Volatile organic compounds) and PM (Particulate matter).
3.	Arc Fault Detection	Ireland	2019	Fully absorbed	Technology for fault detection and protection in electrical circuits, used in the AFDD range of circuit breakers.

The Company shall continue its endeavour to adopt technologies for its product range to meet the requirements of a globally competitive market.

The expenditure incurred on Research and Development

(₹ in Crores)

Particulars	2023-24	2022-23
(a) Capital	25.93	15.09
(b) Recurring	180.18	148.09
Total	**206.11**	**163.18**
Total R&D Expenditure as % of Total Turnover	**1.11%**	**0.97%**

(C) Foreign Exchange Earnings and Outgo

International Business remains a focussed area of the organisation. As we advance our initiatives in brand building and channel expansion across the Middle East, Africa and SAARC regions, we're now poised to enter the developed economies of Europe, the United States and Australia. Our efforts on product development and obtaining certifications emphasizes our commitment to delivering excellence in these new territories. This strategic move will not only strengthen our global presence but also position us for sustained growth and success in diverse markets. The demand for "Made in India" is fuelling our product development and product certification to international standards. Air Conditioners, Cables, Switchgear and Lighting are spearheading our new product developments for International markets.

The details of foreign exchange earnings and outgo during the period under review is as under:

(₹ in Crores)

Particulars	2023-24	2022-23
Foreign Exchange earned	504.52	364.58
Foreign Exchange used	2,629.49	2,937.63

For and on behalf of
Board of Directors of Havells India Limited

Anil Rai Gupta
Chairman and Managing Director

Noida, April 30, 2024

Business Responsibility & Sustainability Reporting

FOREWORD

As we navigate through an era marked by unprecedented global challenges, the imperative for businesses to embrace responsibility and sustainability has never been more paramount.

Climate change stands as one of the most critical challenges of the time, posing substantial risks to both, the environment, and the sustainability of business. At Havells, we acknowledge the urgent need for action and embrace the responsibility to drive change.

As a pioneer in the electrical and consumer durables industry, Havells is committed to a bold and concrete plan to achieve net-zero greenhouse gas emissions. This commitment to net zero is not a singular promise; it is a transformative journey. It calls for innovation across all facets of the business, from optimizing operations and transitioning to clean energy sources to developing cutting-edge, energy-efficient products and empowering consumers to contribute to their own sustainability journey.

In the subsequent sections, you will discover our journey towards integrating environmental, social, and governance (ESG) principles into our business operations and decision-making processes. From reducing our carbon footprint and enhancing energy efficiency to promoting social inclusivity and fostering community engagement, each initiative outlined herein reflects our dedication to making a positive impact on society and the environment. During FY 24 we had undertaken key measures to reduce carbon footprint, increase energy efficiency, reduce waste generation and proper disposal of waste such as:

- Conducted certification training program on Life Cycle Assessment (LCA) for our R&D team with the help of globally renowned certification agency. We will now be incorporating Life Cycle Assessment (LCA) as part of new product development process through which we will be able to calculate the environmental impact of our product.

- We are thrilled to announce that Havells have been awarded the prestigious Zero Waste to Landfill certification, marking a significant milestone in our sustainability journey. This achievement underscores our unwavering commitment to environmental stewardship and our relentless pursuit of waste reduction and resource efficiency. By diverting all wastes from landfill sites and implementing innovative waste management practices across our operations, we are not only minimizing our environmental footprint but also contributing to the preservation of natural resources and the protection of ecosystems.

Furthermore, this report underscores our unwavering belief that sustainable business practices are not merely a checkbox exercise but a catalyst for innovation, resilience, and competitive advantage. By embracing sustainability as a core driver of our business strategy, we are not only mitigating risks but also unlocking new opportunities for growth and differentiation in an ever-evolving marketplace. As we continue this journey toward a more sustainable future, we recognize that our efforts cannot be realized in isolation. Collaboration and partnership are integral to driving meaningful change, and we are committed to working hand-in-hand with our stakeholders – including customers, employees, suppliers, investors, and communities – to collectively address the most pressing challenges facing our planet.

We are proud to publish our 3rd BRSR report of the Company for the year 2023-24. The BRSR for FY 2024 is aligned with the nine principles of the National Guidelines on Responsible Business Conduct notified by the Ministry of Corporate Affairs, Government of India. Our BRSR report is in line with the SEBI mandate for top 150 listed companies for undertaking Reasonable assurance of the BRSR Core KPIs. The same was carried out by Price Waterhouse & Co Chartered Accountants LLP

Regards,
Ameet Kumar Gupta
Whole-time Director

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SECTION A: GENERAL DISCLOSURES

I. DETAILS OF THE LISTED ENTITY

1	**Corporate Identity Number (CIN) of the Listed Entity**	L31900DL1983PLC016304
2	**Name of the Listed Entity**	Havells India Limited
3	**Year of incorporation**	1983
4	**Registered office address**	904, 9th Floor, Surya Kiran Building, KG Marg, Connaught Place, New Delhi – 110001
5	**Corporate address**	QRG Towers, 2D, Sector – 126, Expressway, Noida – 201304
6	**E-mail**	sustainability@havells.com
7	**Telephone**	0120-3331000
8	**Website**	www.havells.com
9	**Financial year for which reporting is being done**	FY 2024
10	**Name of the Stock Exchange(s) where shares are listed**	a. The National Stock Exchange of India Limited b. BSE Ltd.
11	**Paid-up Capital**	₹ 62,66,83,030 as of March 31, 2024
12	**Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report**	Nitin Singh Telephone no.: 0120-3331000 e-mail id: sustainability@havells.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 disclosures are made on Standalone basis and covers the operations of Havells India Limited. This includes all eight manufacturing locations - Alwar (Rajasthan), Neemrana (Rajasthan), Ghiloth (Rajasthan), Baddi (Himachal Pradesh), Faridabad (Haryana), Haridwar (Uttarakhand), Sahibabad (Uttar Pradesh) and Sri City (Andhra Pradesh) and one corporate office (Noida, Uttar Pradesh). With effect from FY 2024, we have also included our branch offices (25), warehouses (23) and one CRI office (Noida, Uttar Pradesh), in addition to our manufacturing locations and Corporate office as part of our reporting boundary. Accordingly, previous year data/numbers are not comparable to that extent.
14	**Name of assurance provider**	Price Waterhouse & Co Chartered Accountants LLP
15	**Type of assurance obtained**	Reasonable

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.	Switchgears	Switches, Domestic Switchgears, Industrial Switchgears, Capacitors, Automation and Control	12.10%
2.	Cables	Power Cable and Flexible Cables	34.06%
3.	Lighting and Fixture	Professional Luminaires and Consumer Luminaires	8.77%
4.	Electrical Consumer Durables	Fans, Small domestic appliances and Water Heaters	18.77%
5.	Lloyd Consumer	Air Conditioners, Refrigerator, Washing Machine Televisions, and other domestic appliances	20.40%
6.	Others	Motors, Solar, Pump, water purifiers and Personal Grooming Products	5.90%

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.	Cables	27320	34.06%
2.	Switchgears	26513, 27104 & 27331	12.10%
3.	Electrical Consumer Durable	27501, 27502, 28132, 27503, 25931, 27504, 28195 & 27103	18.77%
4.	Lighting and Fixtures	27400, 26101, 26104 & 35105	8.77%
5.	Lloyd Consumer	28192, 27501 & 26401	20.40%

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 (Standalone)	15	48	63
International (Subsidiaries)	-	4	4

Note: Number of offices include branches and warehouses

19. Markets served by the entity:

a. Number of locations (Including through Subsidiaries)

Locations	Number
National (No. of States)	Pan India
International (No. of Countries)	70+

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

Havells International Business presently contributes around 3% of the overall business of the company. We currently supply our products to more than 70 countries worldwide and have invested heavily in HR resources, products, and channels to achieve the desired growth in our International Business. Additionally, we have expanded our business by entering in US market and we are in the process of developing a roadmap to enter other developed markets as well, including Europe, and Australia.

c. A brief on types of customers

Havells is a well-known Fast Moving Electrical Goods Company and a major manufacturer of power distribution equipment with a strong presence around the world. We have a strong market presence in a variety of products, both industrial and domestic. We were the first to introduce exclusive brand showrooms in the electric industry with 'Havells Galaxy'. Now, We have over 900+ Brand shop across the country, allowing customers of both domestic and commercial customers to select from a wide range of products for various purposes. We are the most popular FMEG Company in rural markets, where we have gained market share in various categories and increased their distribution penetration under the "Rural Vistaar" initiative. We have also opened 600+ exclusive stores "Havells utsav" for reaching towns with less than 10,000 inhabitants. For urban markets, Havells has multiple channels, including dealers, distributors, e-commerce, quick commerce, brand shops, modern format retail, canteens, and projects.

IV. EMPLOYEES

20. Details as at the end of Financial Year:

a. Employees and workers (including differently abled):

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
	EMPLOYEES					
1.	Permanent (D)	6,712	6,347	94.56%	365	5.44%
2.	Other than Permanent (E)	8,293	7,255	87.48%	1,038	12.52%
3.	Total employees (D + E)	15,005	13,602	90.65%	1,403	9.35%
	WORKERS					
4.	Permanent (F)	441	411	93.20%	30	6.80%
5.	Other than Permanent (G)	17,151	14,335	83.58%	2,816	16.42%
6.	Total workers (F + G)	17,592	14,746	83.82%	2,846	16.18%

Note : The figure of permanent employee does not include directors, KMP and apprentices

During the year, we continued to focus on building a diverse and inclusive workforce culture. As part of our diversity goals there has been an increase in overall female workforce from 6.79% in FY 2023 to 13.03% in FY 2024.We will continue to work towards the goal of diversity.

b. Differently abled Employees and workers:

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
	DIFFERENTLY ABLED EMPLOYEES					
1.	Permanent (D)	6	6	100.00%	-	-
2.	Other than Permanent (E)	-	-	100.00%	-	-
3.	Total employees (D + E)	6	6	100.00%	-	-
	DIFFERENTLY ABLED WORKERS					
4.	Permanent (F)	5	5	100.00%	-	-
5.	Other than Permanent (G)	8	8	100.00%	-	-
6.	Total workers (F + G)	13	13	100.00%	-	-

21. Participation/Inclusion/Representation of women

Particulars	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	14	1	7.14%
Key Management Personnel*	1	-	-

**Excluding BOD*

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

In the FY 2024, we have implemented numerous initiatives to enhance talent retention and engagement. To retain existing talent at the managerial level, we have introduced a Talent Mapping exercise to identify employees with potential for larger roles in the future, thus creating career paths for them. Additionally, we have launched a career development center called "Pragati" for our frontline salespeople, enabling them to progress to first-level managers. Furthermore, a management development program named "Unnati" has been initiated for our first-level sales managers. To assess the performance and gather feedback, we have implemented a 360-degree survey for senior leaders.

In order to meet our future talent requirements, we have established a strong connection with campuses, ensuring a pipeline of young talent. To align with our growth aspirations and ensure our workforce is prepared for the future, we have developed a comprehensive learning and development strategy that caters to the learning needs at all levels of the organizational hierarchy.

Our initiatives are delivered through a combination of instructor-led training and an online portal utilizing our Learning Management System (LMS) platform called Saksham. We are proud to announce that for the fifth consecutive year, we have been recognized as a "Great Place to Work" in India. Our scores have consistently improved over the years, leading to Havells India Limited being acknowledged as one of India's Best WorkplacesTM among the top 50 large organizations. This recognition highlights our success in inspiring our employees to innovate and fostering a culture that encourages and empowers them to explore new and improved ways of doing things.Please refer to the trend for the past three years below:

Particulars	FY 2024			FY 2023			FY 2022		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	18.84%	19.84%	18.89%	17.41%	27.91%	17.86%	16.41%	22.11%	16.66%
Permanent Workers	5.12%	37.50%	7.46%	3.38%	10.34%	3.84%	4.21%	4.08%	4.21%

V. HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES (INCLUDING JOINT VENTURE)

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.	Havells Guangzhou Limited, China	Subsidiary	100.00%	No
2.	Havells International Inc., USA	Subsidiary	100.00%	No
3.	Havells HVAC LLC, USA	Subsidiary of Havells International Inc., USA	100.00%	No
4.	Havells Lighting LLC, USA	Subsidiary of Havells International Inc.,USA	100.00%	No

VI. CSR DETAILS

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

(ii) Turnover (in ₹): 18,549.90 Cr

(iii) Net Worth (in ₹): 7,430.74 Cr

VII. TRANSPARENCY AND DISCLOSURE 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)	FY 2024			FY 2023		
	(If yes, then provide web-link for grievance redress policy)	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	YES	-	-		-	-	
Investors (other than shareholders)	YES	-	-		-	-	
Shareholders	YES	9	-	Source: Stakeholder Relationship Committee	3	-	

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No)	FY 2024			FY 2023		
	(If yes, then provide web-link for grievance redress policy)	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
Employees and workers	YES	24	-	Concerns and suggestions received through various formal and informal modes	10	-	
Customers*	YES	8,535	-	Concerns and suggestions received on social media, Consumer email id and central feedback number	7,701	-	Concerns and suggestions received on social media, Consumer email id and central feedback number
Value Chain Partners	YES	3	-		2	-	
Other (please specify)	-						

**Number includes only grievances / escalations.*

Havells places great emphasis on customer service and satisfaction, and we firmly believe in delivering the best service to our valued customers. Our primary goal is to minimize instances of customer complaints and grievances through effective service delivery and regular reviews. We are dedicated to promptly addressing and resolving any customer concerns or complaints. Havells has implemented a well-structured mechanism for addressing grievances. We are committed to fostering openness, promoting transparency, and reporting improvements without the fear of reprisal. Havells strictly adheres to 'Zero Tolerance' Policies regarding non-compliance and is dedicated to cultivating a culture that upholds high ethical standards and ensures safe working conditions for all employees. We have established a comprehensive system to safeguard our intellectual property, including trademarks, logos, patents, and product designs, by registering them under relevant acts. Additionally, we have a process in place for reporting whistleblower complaints, known as "Satark," to the Board on an annual basis and to our external auditors quarterly. Grievance redressal policy to be found on the link: https://havells.com/media/wysiwyg/PDF/Code-and-policies/VigilMechanism_SatarkPolicy.pdf For detailed information on our grievance redressal process, please refer to page 158 of the IAR.

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.

Please refer to the materiality page and risk management page in IAR 22 and 36

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	https://havells.com/en/discover-havells/investor-relation/codes-and-policies.html								
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, Trusted) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	The below ISO certifications have been taken up at an organization wide level: ISO 9001, ISO 14001, ISO 50001, ISO 45001 ISO 27001. We are BIS compliant.								
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	Please refer to IAR, page 35								
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	Please refer to IAR, page 35								
Governance, leadership and oversight									
7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure) - Please refer to IAR Chairman Statement, page 17									
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	Name: Shri Ameet Kumar Gupta Designation: Whole-time Director DIN: 00002838								
9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	Yes Name: Shri Ameet Kumar Gupta Designation: Whole-time Director DIN: 00002838								

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)
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1 P2 P3 P4 P5 P6 P7 P8 P9
Performance against above policies and follow up action	Y	Y	Y	Y	Y	Y	Y	Y	Y	On a periodic basis, the ESG performance of the company is reported to the executive committee of the Board and follow up actions are mapped out.
Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	Y	Y	Y	Y	Y	Y	Y	Y	Y	Compliance report across all statutory requirements is submitted to the Directors on a monthly basis and to audit committee on a quarterly basis. In addition, the Control Manager tool is used to track and enforce 100% compliance.

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.

P1	P2	P3	P4	P5	P6	P7	P8	P9
Y	Y	Y	Y	Y	Y	Y	Y	Y

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

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the principles material to its business (Yes/No)	NA	NA	NA	NA	NA	NA	NA	NA	NA
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)	NA	NA	NA	NA	NA	NA	NA	NA	NA
The entity does not have the financial or/human and technical resources available for the task (Yes/No)	NA	NA	NA	NA	NA	NA	NA	NA	NA
It is planned to be done in the next financial year (Yes/No)	NA	NA	NA	NA	NA	NA	NA	NA	NA
Any other reason (please specify)	NA	NA	NA	NA	NA	NA	NA	NA	NA

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.

Essential Indicators

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

Segment	Total number of training and awareness programmes held	Topics / principles covered under the training and its impact	Percentage of persons in respective category covered by the awareness Programs
Board of Directors	6	A comprehensive presentation of various topics, such as enterprise risk management, environment, social, governance (ESG) cybersecurity and information security, brand and marketing strategy, etc., is carried out in the context of the familiarization programme.	100%
Key Managerial Personnel	6		100%
Employees other than BoD and KMPs	22	All employees are required to undergo and sign off the Code of Conduct, Human Rights Policy, Anti-Corruption and Anti-Bribery Policy, Idea (Innovative thinking and creativity in the group / for any suggestions), Satark (for Right Doing under Vigil Mechanism) and Nirbhaya training (under POSH). Technical trainings for R&D includes Agile Methodology, Altium Tool Training, Basics of Patents, Benchmarking Workshop, CETOL Software Training, DFMEA Training, Ideation Workshop, LCA Training, LS-DYNA Training, NX Training, PCB Training.	100%
Workers	13	Workers are required to undergo training on the Safety, Skill uprgradation, Human Rights Policy and Code of Conduct	100%

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):

   There were no material fines/ penalties/punishment/ award/compounding fees/ settlement amount of material paid in proceedings by the directors/ KMPs to regulators/ law enforcement agencies/ judicial institutions during FY 2024.

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.**

   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.**

   Yes, Havells India Limited has implemented a comprehensive policy to combat corruption and bribery. The policy can be accessed from the following link: https://havells.com/media/wysiwyg/PDF/Code-and-policies/Anti-corruption-and-Anti-bribery-policy.pdf. Havells maintain a zero-tolerance stance towards corruption and bribery in any form. We expect all our employees to fully comply with the relevant anti-corruption laws, Havells' Code of Conduct, and this policy demonstrating strict adherence with ethical and transparent business practices with zero violations. Our employees are expected to strictly refrain from accepting donations, discounts, favors, or services from existing or potential clients, competitors, suppliers, or service providers. Furthermore, every employee is required to provide an annual declaration confirming their adherence to these policies.

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

   No disciplinary action was taken against any Directors/KMPs/employees/workers by any law enforcement agency for charges of bribery/ corruption.

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

   No complaints received in relation to issues of Conflict of Interest of the Directors in FY 2024.

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.**

   There were no cases of corruptions or conflicts of interest which required action by regulators/ law enforcement agencies/ judicial institutions.

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

	FY 2024	FY 2023
Number of days of accounts payables*	65.85 Days	62.28 Days

Note: An independent assurance has been carried out by Price Waterhouse & Co Chartered Accountants LLP on the FY 2024 indicators in the table above. Please find the assurance report on page no. 348.

**For the purpose of calculating the Cost of goods/services procured, all procurements in the nature of capital expenditures have been excluded. Trade payables as disclosed in the audited standalone financial statements for the year ended March 31, 2024 have been considered as the numerator (accounts payable).*

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	FY 2023
Concentration of Purchases*	a.	Purchases from trading houses as % of total purchases	0.56%	0.50%
	b.	Number of trading houses where purchases are made from	72	89
	c.	Purchases from top 10 trading houses as % of total purchases from trading houses	69.54%	62.00%
Concentration of Sales	a.	Sales to dealers/ distributors as % of total sales	79.69%	83.00%
	b.	Number of dealers/distributors to whom sales are made	15,035	14,695
	c.	Sales to top 10 dealers/distributors as % of total sales to dealers/ distributors	3.45%	3.85%
Share of RPTs in	a.	Purchases (Purchases with related parties / Total Purchases)	0.97%	0.15%
	b.	Sales (Sales to related parties / Total Sales)	0.05%	0.05%
	c.	Loans & advances (Loans & advances given to related parties/ Total loans & advances)**	-	-
	d.	Investments^ (Investments in related parties / Total Investments made)**	51.43%	2.20%

Note: An independent assurance has been carried out by Price Waterhouse & Co Chartered Accountants LLP on the FY 2024 indicators in the table above. Please find the assurance report on page no. 348.

^ Including investment in subsidiary

**For the purpose of classification of vendors as Trading houses, we have considered all parties who are categorised as such in the vendor master.*

***For loans and advances and Investments, closing balances disclosed in the audited standalone financial statements for the year ended March 31, 2024 have been considered.*

Leadership Indicators

1. Awareness programmes conducted for value chain partners on any of the Principles during the financial year:

Total Number of awareness programmes held	Topics/Principle covered under the training	% of value chain partner covered (by value of business done with such partners) under the awareness programs
Multiple training/Awareness sessions carried out during the year	P1, P2, P3, P4, P5, P6, P7, P8, P9	100% of upstream, downstream value chain partners and employees have been covered.

2. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No) If Yes, provide details of the same.

Yes, we have implemented various codes and policies to effectively handle conflicts of interest involving members of the Board. Havells requires all Board members to submit a mandatory declaration, ensuring their compliance with the Code of Ethics. This requirement applies to all Directors, Senior Management, and employees across the entire Havells Group. By adhering to these standards, we aim to uphold and enforce proper business conduct. The Code serves as a deterrent against misconduct and promotes ethical behavior within the organization. For more information, please visit the following link: https://www.havells.com/en/discover-havells/investor-relation/codes-and-policies.html

PRINCIPLE 2

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

Essential Indicators

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.

Havells India is committed to being a responsible corporate citizen, and we take product stewardship seriously. Our R&D team is dedicated to developing products with a systematic approach that prioritizes the environment. We aim to improve energy efficiency, reduce water usage, minimize waste generation, adopt Lean manufacturing with reduced material use, and continuously improve the quality, durability, and performance of our products. We are going to Incorporate Life Cycle Assessment (LCA) into our product development process to ensure environmental sustainability. It will help us identify potential environmental hotspots throughout the product's life cycle, from raw material extraction to disposal, allowing us to make informed decisions to minimize environmental impact.

We adopt a focused approach to using clean technology in our processes and product stewardship during the design phase. Our R&D efforts are centered around key focus areas such as energy efficiency, quality, durability, and the usage of sustainable materials in our products.

In FY 2024, our recurring expenditure and capital expenditure on R&D were ₹ 180.18 Cr. and ₹25.93 Cr. respectively. In total, we spent ₹ 206.11 Cr, with 46% of the percentage of our R&D expenditure dedicated to improving the environmental and social impacts of our products and processes. We also invested in capex to improve technology and build capacity for innovation.

At Havells India, we are committed to designing and developing products that not only meet customer needs but also contribute to a better world. We strive to reduce our environmental impact and create a more sustainable future for all.

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

If yes, what percentage of inputs were sourced sustainably?

Yes, 80% of our sourcing was through sustainable sourcing in FY 2024 which will be continuing to improve further. Havells India Limited is committed to have sustainable supply chain on social, ethical and environment aspects and established sustainable practices for our suppliers. We do capacity building for our suppliers periodically where ESG guidelines and expectations were shared with all strategic suppliers. We have established a procedure to follow Sourcing agreement and Vendor Code of conduct, in addition to contractual ESG obligations to encourage vendors to adhere to ESG guidelines. A stringent process is put in place to evaluate all new suppliers on ESG parameters such as Statutory and Regulatory compliances under Environment, Energy, Waste Management, Health and Safety working conditions etc.

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

Havells has forged partnership with government authorized recyclers as part of its E-Waste & Battery Waste recycling initiative as well as plastic waste management collection program. A detailed MOU has been signed for E-Waste, Battery Waste, and plastic waste management with the identified treatment value-chain player. Havells offers e-waste drop-off centers and ensures environmentally safe management of electronics that have reached their end-of-life or are defective spare parts. All necessary legal authorizations required for the processing facilities have been obtained and approved by relevant governmental agencies. The recycling and disposal of e-waste are crucial in protecting the environment from hazardous consequences.

We encourage our channel partners, consumers, and bulk consumers to contribute to environmental preservation by properly disposing of their old consumer durable products, accessories, or defective spares. We have various avenues for customers to reach us for end-of-life disposal, including a dedicated customer care number (1800 1020 666), website visit, or email at ewaste@havells.com. Once we receive end-of-life products at our collection center, we direct them to e-waste recyclers authorized by the Central Pollution Control Board/State Pollution Control Board for further processing.

In the FY 2024, we reclaimed 25,046 MT of e-waste, 512 MT of Battery Waste and 5,478 MT of plastic packaging waste.

All our manufacturing facilities are Zero Waste to Landfill (ZWL) certified by renowned third party agency. It shows that our company is committed to sustainable practices and reducing its environmental impact. It's reassuring to say that any hazardous waste generated at the factories is securely disposed of with authorized hazardous waste management and disposal agencies approved by State Pollution Control Boards (SPCB). Additionally, disposing of non-hazardous solid waste and biomedical waste with authorized waste recyclers and biomedical waste disposal agencies ensures secured disposal and minimizes any negative impact on the environment.

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, we have adhered to government regulations and submitted the Extended Producer Responsibility plan, which is now accessible in the public domain. In the FY 2024, we successfully achieved the 100% EPR Target for plastic waste by collecting and sustainably disposing of 5,478 MT of plastic waste nationwide. Additionally, we fulfilled our E-Waste EPR obligations by reaching the 100% Target through the collection and recycling of 25,046 MT of e-waste and 513 MT of Battery Waste.

Leadership Indicators

1. **Has the entity conducted Life Cycle Perspective/ Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)?**

In FY 2024, we conducted LCA training for our R&D Project Managers who are also the sustainability champions for respective product verticals. During this extensive training, LCA has been performed for two of our product categories - Air Conditioners and Fan on a sample basis, with key data.

From FY 2025, LCA will be incorporated into our New Product Development process for all the product categories.

2. **If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products/services, as identified in the Life Cycle Perspective/Assessments (LCA) or through any other means, briefly describe the same along with action taken to mitigate the same**

Not Applicable

3. **Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).**

Recycled or re-used Input material to total material	
FY 2024	**FY 2023**
2.64% Recycled Paper Used	2.46 % Recycled Paper Used
10 % reuse or recycled thermoplastic material	10% Thermoset Recycled Plastic Used

4. Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed

	FY 2024			FY 2023		
	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed
Plastics (including packaging)	-	5,478 MT	-	-	3,617 MT	-
E-Waste	-	25,046 MT	-	-	5,187 MT	-
Hazardous waste	-	513 MT	-	-	-	-
Other waste	**-**	**-**	**-**	**-**	**-**	**-**

5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category.

Please refer to responses to Question 3 and 4 above

PRINCIPLE 3

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

Essential Indicators

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

Category	Total (A)	% of employees covered by									
		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	6,347	5,975	94.14%	6,347	100.00%	-	-	6,347	100.00%	6,347	100.00%
Female	365	309	84.66%	365	100.00%	365	100.00%	-	-	365	100.00%
Total	**6,712**	**6,284**	**93.62%**	**6,712**	**100.00%**	**365**	**5.44%**	**6,347**	**94.56%**	**6,712**	**100.00%**
Other than Permanent employees											
Male	7,255	2,519	34.72%	7,255	100.00%	-	-	-	-	-	-
Female	1,038	157	15.13%	1,038	100.00%	399	38.44%	-	-	-	-
Total	**8,293**	**2,676**	**32.27%**	**8,293**	**100.00%**	**399**	**4.81%**	**-**	**-**	**-**	**-**

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

Category	Total (A)	% of workers covered by									
		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	411	79	19.22%	-	-	-	-	-	-	411	100.00%
Female	30	1	3.33%	-	-	30	100.00%	-	-	30	100.00%
Total	**441**	**80**	**18.14%**	**-**	**-**	**30**	**6.80%**	**-**	**-**	**441**	**100.00%**
Other than Permanent workers											
Male	14,335	-	-	-	-	-	-	-	-	-	-
Female	2,816	-	-	-	-	2,816	100.00%	-	-	2,816	100.00%
Total	**17,151**	**-**	**-**	**-**	**-**	**2,816**	**16.42%**	**-**	**-**	**2,816**	**16.42%**

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

	FY 2024	FY 2023
Cost incurred on well-being measures as a % of total revenue of the company*	0.13	0.17

Note: An independent assurance has been carried out by Price Waterhouse & Co Chartered Accountants LLP on the FY 2024 indicators in the table above. Please find the assurance report on page no. 348.

**For the purpose of calculating the spending on measures towards well being of employees and workers, we have considered the expense incurred towards employees/workers Health Insurance, Accidental Insurance, Life Insurance, Parental Leaves and Creche Facilities, net of any recoveries made from the employees/workers.*

We place utmost attention to the well-being of our employees, which is fundamental to our commitment to sustainable operations and our promise of 'care'. We actively engage in various initiatives aimed at promoting positivity, wellness, and good health among our employees and their families.

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

Benefits	FY 2024 No. of employees covered as a % of total employees	FY 2024 No. of workers covered as a % of total workers	FY 2024 Deducted and deposited with the authority (Y/N/N.A.)	FY 2023 No. of employees covered as a % of total employees	FY 2023 No. of workers covered as a % of total workers	FY 2023 Deducted and deposited with the authority (Y/N/N.A.)
PF	100%	5.92%	Y	100%	7.27%	Y
Gratuity	100%	5.50%	N	100%	7.37%	N
ESI	1.49%	3.75%	Y	2.67%	4.45%	Y
NPS	3.19%	-	Y	4.15%	-	Y
LTRI	1.46%	-	N	2.38%	-	N
ESOP 2014	2.12%	-	N	2.02%	-	N
ESOP 2015	0.03%	-	N	0.03%	-	N
ESOP 2016	0.55%	-	N	0.54%	-	N
ESOP 2022	3.17%	-	N	2.59%	-	N

Majority of the workers are covered under the Employee State Insurance (ESI). For those workers who are not covered under ESI, we have voluntarily provided them with a medical insurance policy. Ensuring the health and well-being of employees is critical for their overall productivity and job satisfaction. The availability of such policies can provide employees with the necessary support and care when needed, which can help improve their morale and productivity.

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 premises and offices of Havells have been designed with the accessibility of differently-abled employees in mind. Ramps have been built to facilitate easy movement, and separate washrooms have been created specifically for differently-abled people to improve usability and access.

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. Havells is dedicated to ensuring that all of its employees, job applicants, and workers are treated fairly in a discrimination-free environment. We have established a policy that guarantees non-discrimination based on age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race (including color, nationality, and ethnic origins), religion, belief, sexual orientation, and illness. We are an equal opportunity workplace that follows gender-neutral compensation policies and norms. To learn more about our diversity and equal opportunity policy, please visit

https://havells.com/media/wysiwyg/PDF/Code-and-policies/Diversity_Policy.pdf

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

Gender	FY 2024 Permanent employees Return to work rate	FY 2024 Permanent employees Retention rate	FY 2024 Permanent worker* Return to work rate	FY 2024 Permanent worker* Retention rate
Male	100.00%	74.64%	-	-
Female	90.91%	68.75%	-	-
Total	99.63%	74.22%	-	-

Note: We believe in instilling work life balance in our work environment, in FY 2024, 257 male employee and 16 female employee availed parental leave.

The paternity leave at present does not cover the male workers. Also, none of the female worker availed maternity benefit.

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

	Yes (details of the mechanism in brief)
Permanent Workers Other than Permanent Workers Permanent Employees Other than Permanent Employees	Yes, we have implemented a structured grievance redressal system called SATARK to address any concerns that may arise. This system is designed to promote transparency, encourage feedback, and facilitate improvements without any fear of retaliation. Various channels of communication are available for employees and workers to raise their grievances. These include a suggestion box or drop box, which is not under camera surveillance, placed at all our locations. Additionally, individuals can also share their concerns via email at a dedicated email address specifically created for this purpose. Our grievance redressal policy is applicable to all stakeholders, including directors, employees, partners, customers, vendors, contractors, clients, internal or external auditors, and any other third parties associated with Havells India Limited, both in India and overseas. Anyone mentioned above is encouraged to make a protected disclosure if they have any grievances. If the complaint falls under the jurisdiction of a separate redressal committee or forum, it will be handled accordingly by the respective committee or forum.

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

At our company, we believe in respecting the rights of our employees. While we may not have any trade unions, we wholeheartedly acknowledge and support the freedom of association and collective bargaining.

8. Details of training given to employees and workers

Category	FY 2024					FY 2023				
	Total (A)	On Health and safety measures		On Skill Upgradation		Total (X)	On Health and safety measures		On Skill Upgradation	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (Y)	% (Y/ X)	No. (Z)	% (Z / X)
Employees										
Male	6,347	3,498	55.11%	6,347	100.00%	5,754	3,855	67.00%	5,754	100.00%
Female	365	271	74.25%	365	100.00%	262	201	76.72%	262	100.00%
Total	**6,712**	**3,769**	**56.15%**	**6,712**	100.00%	**6,016**	**4,056**	**67.42%**	**6,016**	**100.00%**
Workers										
Male	411	411	100.00%	411	100.00%	413	413	100.00%	413	100.00%
Female	30	30	100.00%	30	100.00%	24	24	100.00%	24	100.00%
Total	**441**	**441**	**100.00%**	**441**	**100.00%**	**437**	**437**	**100.00%**	**437**	**100.00%**

Note: For more details on our training programs and human capital development initiative, please refer to Human capital section in IAR page 46 to 57.

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

Category	FY 2024			FY 2023		
	Total (A)	No. (B)	% (B / A)	Total (C)	No. (D)	% (D / C)
Employees						
Male	6,347	5,970	94.06%	5,820	5,180	89.00%
Female	365	343	93.97%	270	208	77.04%
Total	**6,712**	**6,313**	**94.06%**	**6,090**	**5,388**	**88.47%**
Workers						
Male	411	411	100.00%	409	402	98.29%
Female	30	30	100.00%	34	21	61.76%
Total	**441**	**441**	**100.00%**	**443**	**423**	**95.49%**

10. Health and safety management system:

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

Yes. We have implemented ISO 45001 for the health and well-being of its workforce. Various awareness sessions/ trainings are conducted on safety related aspects for the workforce. Training related to Hazard Identification and Risk Assessment (HIRA) and Total Productive Maintenance are also provided. Back-to-basics initiatives with respect to the coverage of safety parameters have been initiated to maintain a safe workplace culture. Audits with respect to EHS are conducted in all our manufacturing units. Scheduled Medical Examinations have been conducted for workers engaged in Hazardous work activities. Monthly Safety Review has been facilitated by HO and Chaired by Manufacturing Site

Head/Plant Head on a rotation basis and learning has been implemented across all units to avoid the reoccurrence of incidents. We are focused on both, the physical and mental well-being of its workforce and organising various programs and discussions with well-being experts and medical practitioners. 100% of our employees and workers at manufacturing sites are covered by an occupational health and safety management system that has been audited or certified by an external party.

The operations conducted at our branch offices and warehouses do not perceive any occupational risks and hazards, therefore, they are not covered under our occupational health and safety management system. However, their health and safety is our priority, and we are committed to ensuring that they have a safe working environment.

b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity? Please refer to IAR section for detailed description.

Havells has implemented various measures and initiatives to identify work-related hazards and evaluate risks, both on a routine and non-routine basis.

- Gemba walk
- Hazard identification and Risk assessment (HIRA)
- Internal and External audit
- Work permit system
- Incident Reporting System
- Workplace Monitoring

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

Yes, we have multiple kaisens at all manufacturing locations and other mechanisms for workers to report the work-related hazards and to remove themselves from such risks.

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

Yes, we prioritize the health and well-being of our workforce above everything else. Our aim is to create a workplace environment that is supportive and promotes happiness and good health. To achieve this, we have partnered with healthcare providers across India to offer high-quality healthcare services to our workforce and their dependents 24/7. Our partnership with these hospitals includes coverage for outpatient services, health check-ups, and hospitalization services at discounted rates. Additionally, each of our empanelledhospitals has assigned a single point of contact to provide priority services and address any queries in case of hospitalization.

To further promote the health and well-being of our workforce, we offer access to various wellness workshops in all plant locations, including our headquarters. Our wellness program, known as "Wellness Wednesday," focuses on helping individuals lead healthier, more balanced, and purposeful lives. We have developed a strategic and structured wellness approach with our impaneled hospitals and partners to provide services such as Gynecology, Cardiology, Orthopedics, Gastroenterology, and more.

Please refer to our health and safety section in the IAR on page 54 to 55 for more details on the above disclosure.

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

Safety Incident/Number	Category	FY 2024	FY 2023
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0.08	0.68
	Workers	0.18	0.11
Total recordable work-related injuries	Employees	2	2
	Workers	7	4
No. of fatalities	Employees	-	-
	Workers	1	1
High consequence work-related injury or ill-health (excluding fatalities) / No. of Permanent Disabilities*	Employees	-	-
	Workers	-	-

Note : Rates have been calculated basis 10,00,000 hours worked

An independent assurance has been carried out by Price Waterhouse & Co Chartered Accountants LLP on the FY 2024 indicators in the table above. Please find the assurance report on page no. 348.

**The BRSR Core requires disclosure of ''Number of Permanent Disabilities", however, it does not include the definition of 'Permanent Disabilities'. We, in the absence of any other guidance, have considered High Consequence Work-related injury or ill health, which results in an injury from which the employee / worker cannot or is not expected to recover fully to the previous health status, this does not include fatalities.*

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

Yes, we have numerous measures in place to establish a safe workplace and culture. Please refer to our IAR page 56 to 57 for more details

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

Benefits	FY 2024			FY 2023		
	Filed during the year	Pending resolution at the end of year	Remark*	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	3	-	-	-	-	
Health and Safety	-	-	-	-	-	

14. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100% of the plants were assessed by company and 3rd party Internal auditors
Working Conditions	100% of the plants were assessed by company and 3rd party Internal auditors

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.

A. We have established Safety Command centres in all our plants to monitor and promote safety culture.

B. Root Cause Analysis (RCA) is conducted for all the safety-related incidences and suitable corrective actions are taken. Safety Inspections and Safety Audits are conducted periodically. Corrective actions are implemented for all the observations observed by the auditors (internal as well as external).

C. Senior Management conducts a Monthly Safety Review. The key takeaways from the meeting are shared and implemented across all manufacturing sites. Personal Protective Equipment (PPEs) are identified based on available hazards, and regular training programs are conducted to ensure their proper use. A risk control measure implementation program is in place to ensure their effectiveness.

D. We augmented the number of safety placards, posters, and signs at strategic locations to enhance safety awareness and remind everyone that safety is a collective responsibility.

Please refer to IAR section 56 to 57 for more details

Leadership Indicators

1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N).

Havells strongly believes that good health is an essential part of life, and having a healthy workforce contributes to the productivity. Prioritizing the well-being of our employees and their families, we provide medical health insurance, accident insurance, and group term life insurance coverage for all our permanent employees and their declared dependents from the very first day of their joining at Havells.

To promote and support employee wellness, we have established the 'Live Healthy' program, which includes free consultations with renowned doctors in various medical fields at our Head Office. Through our partnerships with reputable hospitals and health labs across the country, we offer employees discounts on annual health checks and facilitate tests, treatments, and health checks.

During the untimely and unfortunate demise of our employee, we extended the following support to immediate family –

- Mediclaim benefits to continue for the Dependent Family for 5 years from the year of demise of the employee.
- Education fee reimbursement on an actual basis or up to ₹ 1 Lac per year per child (max 2 children), till his/her

graduation or 5 years, whichever is earlier.

2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.

All the partners involved in Havells' value chain are covered under the Provident Fund (PF) Act and the Employees' State Insurance (ESI) Act. As per the law, these partners are responsible for deducting and depositing the statutory dues. Additionally, the service contract between Havells and the service provider includes a clause under the 'payment terms' section, which mandates the service provider to make necessary statutory payments such as PF and ESI.

3. Provide the number of employees / workers having suffered high consequence work- related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

	Total Number of affected Employee/Worker		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2024	FY 2023	FY 2024	FY 2023
Employees	-	-	-	-
Workers	1	1	-	-

4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No)

No.

5. Details on assessment of value chain partners:

	% of value chain partner (by value of business done with such partners) that were assessed
Health and safety practices	100.00%
Working Conditions	100.00%

6. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.

We have implemented a methodical approach to establish a proactive safety program and foster a robust safety culture within the organization. Several progressive steps have been taken, including:

i. Formation of a management safety review team consisting of site heads, plant heads, factory safety officers, factory HR heads, and engineering team members.

ii. Finalization of safety metrics for review, along with their definitions, by site heads. This includes five lagging indicators such as lost time incident, reportable accident, lost time incident rate, no lost time injury, and fire incident, as well as two leading indicators of near miss and unsafe acts and unsafe conditions.

iii. Reviews are conducted on a rotational basis by site heads and plant heads.

iv. Introduction of the "One Point Lesson" accident investigation format, with horizontal deployment of all lessons.

v. Revision of the PPE Matrix, preparation of plant-wise PPE training modules, ongoing training programs, introduction of safety challans, and surprise checks by shop floor supervisors.

vi. Modification of the approval matrix in the Compliance Manager to standardize the approval authority following the transfer of the safety function reporting from the HR function to the Plant Heads.

vii. Establishment of a central repository of safety resources on Share Point accessible across the network.

viii. Initiation of an inter-plant safety assessment exercise by the Factory Safety Officers.

ix. Participation in Safety Training programs through Tata Steel Digishala.

PRINCIPLE 4

Businesses should respect the interests of and be responsive to all its stakeholders.

Essential Indicators

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

   We have structured our stakeholder identification process around the core principles of inclusivity, materiality, and responsiveness. Our stakeholder categories consist of those who are affected by Havells either directly or indirectly. This encompasses stakeholders to whom Havells holds legal, financial, or moral obligations. Furthermore, we have assessed the viewpoint of stakeholders who have the ability to influence or impact Havells' strategic direction and decision-making processes. These efforts are rooted in our commitment to establishing trust-based relationships with our stakeholders and recognizing their priorities in fostering shared value for everyone.

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

   Please refer to the stakeholder engagement page 30 and risk management page 22 in IAR.

Leadership Indicator

1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.

   The principles of governance, ethics, integrity, and transparency form a solid foundation that guides our progress. Havells Board of Directors committees are responsible for overseeing and evaluating our Sustainability strategy and Climate Action Plan. These committees, namely the CSR and ESG Committee and the Risk Management Committee, ensure effective governance in relation to material ESG aspects, including climate-related risks and opportunities. Havells has its CSR committee to encompass a broader ESG agenda, in addition to its CSR responsibilities. The CSR and ESG Committee will play a crucial role in supporting Havells India Ltd.'s commitment to sustainable and inclusive development, by integrating ESG considerations into the decision-making process. The Enterprises Risk Management Committee is tasked with identifying risks that may impact our operations and developing policies and strategies to minimize and mitigate these risks as part of our risk management efforts.

2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.

   Yes, various functions of the Company systematically engage the stakeholders, as stated in the stakeholder section of essential indicator 2 in this principle. Our sustainability model is centered around creating value for stakeholders by identifying the material topics of Havells through consultation. In order to align long-term thinking and goal orientation, Environmental, Social, Governance (ESG) related key performance indicators (KPIs) have been identified for the inclusion of ESG metrics in the measurement of senior management's performance-linked compensation.

3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups.

   Havells' Corporate Social Responsibility philosophy is driven by the idea that small actions can bring about significant changes in people's lives, encapsulated in the motto "Chhote Kadam Badi Soch". This guiding principle has inspired targeted initiatives by us in the areas of Health and Nutrition, Education, Skill Development, Sanitation, Environment, Heritage Conservation, and other charitable causes. These focus areas not only complement the government's objectives but also align with the United Nations Sustainable Development Goals. Through its corporate citizenship programs, Havells has been making a positive impact on communities throughout India, providing access to food and nutrition, healthcare, sanitation, education, and livelihood opportunities for underprivileged children and families.

PRINCIPLE 5

Businesses should respect and promote human rights.

Essential Indicators

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

Category	FY 2024			FY 2023		
	Total (A)	No. of employees / workers covered (B)	% (B/A)	Total (C)	No. of employees / workers covered (D)	% (D/C)
Employees						
Permanent	6,712	6,712	100.00%	6,090	6,090	100.00%
Other than permanent	8,293	8,293	100.00%	7,224	7,224	100.00%
Total	**15,005**	**15,005**	**100.00%**	**13,314**	**13,314**	**100.00%**
Workers						
Permanent	441	441	100.00%	443	443	100.00%
Other than permanent	17,151	17,151	100.00%	17,101	17,101	100.00%
Total	**17,592**	**17,592**	**100.00%**	**17,544**	**17,544**	**100.00%**

Havells India Limited has implemented a Code of Conduct (COC) and a Human Rights Policy to safeguard the rights of its employees and ensure appropriate working conditions. Regular awareness sessions are conducted on the Code of Conduct and Human Rights Policy, which includes induction training, annual declaration, and other discussion platforms for all our employees (including third-party security personnel). To further support this effort, we have launched the Havells Gurukal Digivarsity portal for training on human rights and other related topics in the FY 2024.

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

Category	FY 2024					FY 2023				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Permanent	6,712	-	-	6,712	100.00%	6,090	-	-	6,090	100.00%
Male	6,347	-	-	6,347	100.00%	5,820	-	-	5,820	100.00%
Female	365	-	-	365	100.00%	270	-	-	270	100.00%
Other Than Permanent	8,293	-	-	8,293	100.00%	7,224	-	-	7,224	100.00%
Male	7,255	-	-	7,255	100.00%	6,530	-	-	6,530	100.00%
Female	1,038	-	-	1,038	100.00%	694	-	-	694	100.00%
Workers										
Permanent	441	-	-	441	100.00%	443	-	-	443	100.00%
Male	411	-	-	411	100.00%	409	-	-	409	100.00%
Female	30	-	-	30	100.00%	34	-	-	34	100.00%
Other Than Permanent	17,151	-	-	17,151	100.00%	17,101	-	-	17,101	100.00%
Male	14,335	-	-	14,335	100.00%	16,002	-	-	16,002	100.00%
Female	2,816	-	-	2,816	100.00%	1,099	-	-	1,099	100.00%

Our organization upholds the compliance with the Minimum Wage Act and ensures that both on-roll workers and contractual workers are paid accordingly. In addition to this, we have initiated programs that recognize and reward workers for their good efforts. Through these special components and benefits, we provide additional compensation to deserving employees. It is important to note that our employees are paid as per industry standards, and they do not fall in the category of hourly wages.

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)	13#	₹ 5,04,56,000	1^	-
Key Managerial Personnel	1	₹ 99,65,136	-	-
Employees other than BoD and KMP	6,347	₹ 11,03,040	365	₹ 12,40,209
Workers	411	₹ 2,83,380	30	₹ 2,97,549

**Annual Median Salary/Remuneration*

^We have only one female independent director, who is paid sitting fee and annual commission. Please refer corporate governance report for details

#We have 4 executive directors who are paid compensation, rest are independent directors who only receive sitting fee and annual commission

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

	FY 2024	FY 2023
Gross wages paid to females as % of total wages	3.74%	2.95%

Note: An independent assurance has been carried out by Price Waterhouse & Co Chartered Accountants LLP on the FY 2024 indicators in the table above. Please find the assurance report on page no. 348.

For the purpose of calculation of gross wages paid to females, expenses such as Provisions for Bonus, Performance Incentive and long term retirement incentives have been distributed in the ratio of salary as per salary register between male and female employees.

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 management committee over sees the HR function covering the afore mentioned aspects.

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

Havells is strongly committed to preventing any violation of human rights. To ensure compliance with our policy, we have implemented a mechanism monitored regularly by an internal committee within the HR department. Both the HR departments at plants and the HO conduct regular human rights risk assessments. All stakeholders have 24x7 access to report any breaches of the Human Rights Policy anonymously through the Vigilance and 'Satark' mechanism, which provides complete anonymity.

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

Complaint Type	FY 2024			FY 2023		
	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	-	-	-	-	-	-
Discrimination at workplace	-	-	-	-	-	-
Child Labour	-	-	-	-	-	-
Forced Labour/Involuntary Labour	-	-	-	-	-	-
Wages	-	-	-	-	-	-
Other human rights related issues	-	-	-	-	-	-

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

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

Note: (a) An independent assurance has been carried out by Price Waterhouse & Co Chartered Accountants LLP on the FY 2024 indicators in the table above. Please find the assurance report on page no. 348.

(b) There were no POSH Complaints during the year.

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

Havells is dedicated to fostering an organizational culture that upholds a commitment to supporting the internationally recognized human rights outlined in the Universal Declaration of Human Rights. Furthermore, we strive to avoid any involvement in human rights violations. Our Whistleblower policy provides clear guidelines to prevent any negative consequences for individuals who come forward with complaints. We ensure that complainants have the right to remain completely anonymous, unless mandated by law enforcement agencies. Our Whistleblower Policy can be accessed from https://havells.com/en/discover-havells/investor-relation/codes-and-policies.html.

The organization strictly prohibits any form of retaliation against complainants, including threats of physical harm, termination of employment, punitive work assignments, or adverse effects on salary or wages. If a complainant believes they have experienced retaliation, they have the option to submit a written complaint to the chairman of the Audit committee.

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

Indeed, our dedication lies in fostering an organizational environment that firmly embraces universally acknowledged human rights. Furthermore, we ensure the promotion of social welfare and the cultivation of a human rights-oriented culture through contractual obligations and a Supplier Code of Conduct. Our company's directive on human rights is meticulously adhered to, and we conduct informative sessions on a regular basis to enhance awareness in this regard. Additionally, our manufacturing sites undergo periodic human rights assessments, with various department heads assuming responsibility for different facets of human rights.

10. Assessments for the year:

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

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

An important observation from the assessment highlighted the lack of understanding of the law among the workers, contractors, and subcontractors. Thus, in the FY 2024, we have introduced more comprehensive awareness sessions for contractual workers and suppliers on relevant topics.

Leadership Indicators

1. **Details of a business process being modified / introduced as a result of addressing human rights grievances/ complaints.**

   Havells is committed to preventing any human rights violations and ensures compliance with its policy through a mechanism implemented by the HR department. This mechanism is regularly monitored by the Audit Committee at the board level. The HR departments at the plants and Head Office conduct regular human rights risk assessments and generate monthly reports. These reports are shared with the Audit Committee on a half-yearly basis. All stakeholders have secure and 24/7 access to report any breaches anonymously through the Vigilance and the 'Satark' mechanism, which provides complete anonymity. For more information, please refer to our Human Rights Policy: https://www.havells.com/HavellsProductImages/HavellsIndia/pdf/About-Havells/Investor-Relations/Codes_Policies/Human_Rights_Policy.pdf.

2. **Details of the scope and coverage of any Human rights due-diligence conducted.**

   100% scope and coverage has been conducted for all value chain partners.

3. **Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?**

   Yes, the facilities at Havells are specifically designed to ensure easy access for visitors with disabilities. Ramps for smooth movement, dedicated washrooms, and specially designated parking spaces for differently abled individuals have been incorporated into all our offices to enhance usability and accessibility.

4. **Details on assessment of value chain partners:**

Sexual Harassment	100.00%
Discrimination at workplace	100.00%
Child Labour	100.00%
Forced Labour/Involuntary Labour	100.00%
Wages	100.00%
Others – please specify	-

5. **Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.**

   NIL

PRINCIPLE 6

Businesses should respect and make efforts to protect and restore the environment.

Essential Indicators

1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

   As a growing company we are very conscious of our carbon footprint and strongly believe in responsible growth. Our energy consumption from renewable source has increased by 22% demonstrating our focus on renewable energy. Our electricity consumption has increased by 16% primarily on account of commissioning of our new factory at Sri City and inclusion of branches and warehouses as part of our reporting boundary. We will continue to increase our solar generation capacity and reduce dependency on grid electricity as part of our overall GHG reduction targets.

   It may be noted that we have sold 591.88 GJ of solar energy back to the grid using net metering.

   Furthermore, percentage of energy consumed through renewable sources is 6.17%.

Parameter	FY 2024	FY 2023
From renewable sources^		
Total electricity consumption (A)GJ	40,075.88	32,988.00
Total fuel consumption (B)GJ	97.41	48.16
Energy consumption through other sources (C)GJ	-	-
Total energy consumed from renewable sources (A+B+C) GJ	**40,173.29**	**33,036.16**
From non-renewable sources^		
Total electricity consumption (D) GJ	4,35,226.38	3,76,578.13
Total fuel consumption (E) GJ	1,75,789.37	1,50,870.00
Energy consumption through other sources (F) GJ	-	-
Total energy consumed from non-renewable sources (D+E+F) GJ	**6,11,015.75**	**5,27,448.13**
Total energy consumed (A+B+C+D+E+F) GJ**	**6,51,189.04**	**5,60,484.29**
Energy intensity per crore rupee of turnover (Total energy consumed / Revenue from operations)	35.10	33.27
Energy intensity per crore rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / Revenue from operations adjusted for PPP)*	803.20	761.15
Energy intensity in terms of physical output (Crore units)#	23,817.14	22,285.66
Energy intensity (optional) – the relevant metric may be selected by the entity		

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, an independent assurance has been carried out by Price Waterhouse & Co Chartered Accountants LLP on the FY 2024 indicators in the table above, other than Energy Intensity per crore rupees of turnover (total energy consumed/ revenue from operations) and any optional energy intensity indicator. Please find the assurance report on page no. 348.

**For the purpose of calculation of revenue adjusted Purchasing power parity (PPP), conversion factor @22.88 ₹/USD as per World Bank website (Source: https://data.worldbank.org/indicator/PA.NUS.PPP) has been considered.*

#For the purpose of Output of Products, number of units of various products manufactured by Havells have been considered. For calculation of number of units with respect to power cables and flexible cables, the conversion factor of one drum equivalent to one unit and 90 metres equivalent to one unit have been considered for power cables and flexible cables respectively.

***Total Energy consumed for certain leased branches and warehouses, outsourced canteens and leased equipment (being forklifts and hydra cranes) have been estimated by calculating the actual per unit energy consumed in other leased branches and warehouses, company owned canteens and equipments which were multiplied with sitting capacity, areas under lease, total headcount of the location and actual lease hours in case of leased branches, leased warehouses, outsourced canteens and leased equipment respectively, in the absence of actual data for these locations/sources. We are in the process of putting in place a mechanism to capture the actual numbers of all these locations/ sources in the upcoming year.*

^Types of Renewable and Non- Renewable sources :

Renewable – Solar and Bio-Gas, Non-Renewable – Grid Electricity, Diesel, Petrol, LPG, PNG

2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

   No, we don't fall under PAT scheme of Government of India.

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

Environment conservation through resource management is not only a business practice but also a driving force that motivates us to constantly push ourselves to enhance our efficiency and quality in every aspect of manufacturing. Despite not being a water-intensive industry, we recognize that India is a water-stressed region. Therefore, we prioritize maintaining a water balance and ensuring responsible water usage, as demonstrated by our specific water consumption metric.

Our water withdrawal has increased from previous year due to ongoing civil work within our plants, aimed at enhancing our infrastructure and capacity for improved production. Additionally, the recent commissioning of our new manufacturing facility for Air Conditioners in Sri City, Tamil Nadu, and for Washing Machine in Ghiloth has contributed to the increase in water withdrawal. The other reason for increase in water withdrawal is that we have expanded our scope boundary by including branch and warehouse operations.

Please find below the trend for the last two years

Parameter	FY 2024	FY 2023
Water withdrawal by source (in kiloliters)		
(i) Surface water	-	-
(ii) Groundwater	2,26,936.50	1,55,058.51
(iii) Third party water	1,09,699.62	56,429.75
(iv) Seawater / desalinated water	-	-
(v) Others (Treated Water)	7,400.00	-
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	**3,44,036.12**	**2,11,488.26**
Total volume of water consumption (in kilolitres)**	**2,83,053.04**	**2,97,856.19**
Water intensity per crore rupee of turnover (Total water consumption / Revenue from operations)	15.26	17.68
Water intensity per crore rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / Revenue from operations adjusted for PPP)*.	349.13	404.50
Water intensity in terms of physical output (crore units)#	10,353.07	11,843.18
Water intensity (optional) – the relevant metric may be selected by the entity	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, an independent assurance has been carried out by Price Waterhouse & Co Chartered Accountants LLP on the Total volume of water consumption, Water intensity per crore rupee of turnover adjusted for Purchasing Power Parity (PPP) and Water intensity in terms of physical output (crore units) for the FY 2024 indicators in the table above.

Please find the assurance report on page no. 348.

**For the purpose of calculation of revenue adjusted Purchasing Power Parity (PPP), conversion factor @22.88 ₹/USD as per World Bank website (Source: https://data.worldbank.org/indicator/PA.NUS.PPP) has been taken in consideration.*

#For the purpose of Output of Products, number of units of various products manufactured by Havells have been considered. For calculation of number of units with respect to power cables and flexible cables, the conversion factor of one drum equivalent to one unit and 90 metres equivalent to one unit have been considered for power cables and flexible cables respectively.

***Water consumption and discharge quantity for certain leased branches and warehouses have been estimated based on actual per unit consumption and discharge reported in other leased branches and warehouses which are multiplied with sitting capacity and area under lease in case of leased branches and leased warehouses respectively, in the absence of actual data for these locations. We are in the process of putting in place a mechanism to capture the actual numbers of all these locations/sources in the upcoming year. Further the untreated water discharged for these locations are considered as 80% of the water withdrawal from source based on CPCB database report dated 24th December, 2009.*

4. Provide the following details related to water discharged:

We have observed an increase in water discharge due to the expansion of our scope boundary, which now includes branch and warehouse operations. With the exception of our Faridabad and Sri City manufacturing facilities, all of our manufacturing facilities utilize 100% of the treated water from Sewage Treatment Plants (STP) and Effluent Treatment Plants (ETP) for horticulture and toilet flushing within the premises. The Faridabad unit discharges treated water (meeting the minimum discharge standards) into the municipal sewage line with consent from the relevant authorities. We adhere to all applicable guidelines and directives to ensure that the STP and ETP standards required by the Central Pollution Control Board (CPCB) and State Pollution Control Boards (SPCBs) are maintained.

Parameter	FY 2024	FY 2023
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water		
- No treatment	21,183.08	
- With treatment – Secondary treatment	8,110.00	8,088.00
(ii) To Groundwater		
- No treatment	-	-
- With treatment	-	-
(iii) To Seawater		
- No treatment	-	-
- With treatment	-	-
(iv) Sent to third-parties		
- No treatment	31,690.00	-
- With treatment – Secondary treatment	-	-
(v) Others		
- No treatment	-	-
- With treatment	-	-
Total water discharged (in kilolitres)	**60,983.08**	**8,088.00**

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency

Yes, an independent assurance has been carried out by Price Waterhouse & Co Chartered Accountants LLP on the FY 2024 indicators in the table above. Please find the assurance report on page no. 348.

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

All of our manufacturing facilities use 100% treated water from sewage treatment plants (STP) or effluent treatment plants (ETP) for horticulture and toilet flushing. Furthermore, we have a Zero Liquid Discharge (ZLD) facility with a capacity of 43 Kiloliters Per Day at our newly commissioned Air Conditioners plant in Sri City, Tamil Nadu. We are currently in the process of carrying out feasibility assessment of ZLD in all of our manufacturing facilities. We strictly adhere to all relevant guidelines and standards mandated by the Central Pollution Control Board (CPCB) and State Pollution Control Boards (SPCB) to maintain STP and ETP standards.

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

Our main source of NOx and SOx emissions is the use of fossil fuels, especially diesel, in our production technique and genset. Although our emissions are presently minimum and inside the limits, we are dedicated to improving our environmental performance. To obtain this goal, we are evaluating various techiniques inlcuding changing diesel gensets with cleanser gasoline alternatives, enforcing extra filtration structures at our emission stores to seize pollutants, and transitioning to using PNG wherever adequate infrastructure is available. Additionally, we also are exploring the choice of securing a dependable power deliver with minimum electricity interruptions and cargo dropping to reduce the reliance on gensets.

Parameter	Please specify Unit	FY 2024	FY 2023
NOx	Metric Tons	8.45	6.29
SOx	Metric Tons	0.25	0.27
Particulate matter (PM)	-	We conduct third-party laboratory testing for all air emission parameters, such as Nox and Sox, at our seven plant locations according to a specified schedule to ensure compliance with permissible limits. These tests complement our internal monitoring systems. Furthermore, we submit the test reports to the relevant regulatory authorities and pollution control boards.	
Persistent organic pollutants (POP)	-		
Volatile organic compounds (VOC)	-		
Hazardous air pollutants (HAP)	-		
Others – please specify	-		

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No independent assurance has been carried out for these indicators.

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

From FY 2024, we have increased our reporting boundary to include both branches and warehouses as part of emission reporting which has resulted in increase in emissions. Further, we have also included Fugitive emissions. Out of the total scope 1 emissions ~ 80% pertains to R32 and R410a gases only which are used for refilling and manufacturing of air conditioners. It may be noted that both R32 and R410a otherwise have Zero Ozone Depletion potential.

Parameter	Unit	FY 2024	FY 2023
Total Scope 1 emissions (Break-up of the GHG into CO_2, CH_4, N_2O, HFCs, PFCs, SF_6, NF_3, if available)**	Metric tonnes of CO_2 equivalent	59,517.30	9,861.00
Total Scope 2 emissions (Break-up of the GHG into CO_2, CH_4, N_2O, HFCs, PFCs, SF_6, NF_3, if available)**	Metric tonnes of CO_2 equivalent	86,561.69	83,684.00
Total Scope 1 and Scope 2 emission intensity per crore rupee of turnover (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)		7.87	5.55
Total Scope 1 and Scope 2 emission intensity per crore rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP)*		180.18	127.04
Total Scope 1 and Scope 2 emission intensity in terms of physical output (Crore units)#		5,342.82	3,719.48
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity			

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, an independent assurance has been carried out by Price Waterhouse & Co Chartered Accountants LLP on the FY 2024 indicators in the table above other than total Scope 1 + Scope 2 emission intensity per crore rupee of turnover and optional emission intensity. Please find the assurance report on page no. 348.

We have considered DEFRA version 1.1 dated 28th June,2023 as a base for the emission factor.

**For the purpose of calculation of revenue adjusted Purchasing power parity (PPP), conversion factor @22.88 ₹/USD as per World Bank website (Source: https://data.worldbank.org/indicator/PA.NUS.PPP) has been considered.*

#For the purpose of Output of Products, number of units of various products manufactured by Havells have been considered. For calculation of number of units with respect to power cables and flexible cables, the conversion factor of one drum equivalent to one unit and 90 metres equivalent to one unit have been considered for power cables and flexible cables respectively.

***Scope 1 and Scope 2 emission numbers for certain leased branches and warehouses, outsourced canteens and leased equipment (being forklifts and hydra cranes) have been estimated by calculating the actual per unit emissions reported in other leased branches and warehouses, company owned canteens and equipments which were multiplied with sitting capacity, areas under lease, total headcount of the location and actual lease hours in case of leased branches, leased warehouses, outsourced canteens and leased equipment respectively, in the absence of actual data for these locations/sources. We are in the process of putting in place a mechanism to capture the actual numbers of all these locations/sources in the upcoming year*

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

Yes, Havells considers energy saving through various improvement projects to be a way of life. We explore every opportunity to optimize operations, and asset utilization, and strive for higher productivity and efficiency, ultimately reducing energy requirements across all manufacturing plants. We have accomplished this by implementing one of the best Energy Management Systems (ISO 50001-EnMs), utilizing cutting-edge technology, and pursuing innovation. Havells has successfully completed 39 energy conservation projects, including replacing inefficient motors and pumps with energy-efficient alternatives and using variable speed drives to optimize energy usage. We have also taken initiatives to control the idle running of machines, improve operating efficiency, and limit the use of conveyors to further save energy. Our efforts have resulted in mitigation of 902 tons of CO2 emissions, significantly contributing to the fight against climate change.

In addition to these initiatives, we are continuously driving the use of solar energy to conserve resources. At present, Havells' solar power generation capacity is 11.26 MW, which accounts for approximately 8.4% of our total electricity consumption. Through our solar initiatives alone, we have offset 7,971 tons of CO_2 emissions. We have identified new projects to further enhance our solar generation system, and we are committed to pursuing these initiatives year after year.

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

Parameter	FY 2024	FY 2023
Total Waste generated (in metric tonnes)		
Plastic waste (A)	1,947.52	2,001.66
E-waste (B)	604.29	793.59
Bio-medical waste (C)	0.04	0.04
Construction and demolition waste (D)**	26,875.97	-
Battery waste (E)	76.54	90.10
Radioactive waste (F)	-	-
Other Hazardous waste. Please specify, if any. (G)	821.95	366.92
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	23,631.99	17,868.82
Total (A+B + C + D + E + F + G + H)	**53,958.30**	**21,121.13**
Waste intensity per crore rupee of turnover (Total waste generated / Revenue from operations)	2.91	1.25
Waste intensity per crore rupee of turnover adjusted for Purchasing Power Parity (PPP)* (Total waste generated / Revenue from operations adjusted for PPP)*.	66.55	28.68
Waste intensity in terms of physical output (Crore units)#	1,973.52	839.81
Waste intensity (optional) – the relevant metric may be selected by the entity	-	-
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	26,500.73	2,956.72
(ii) Re-used	3,682.11	13.15
(iii) Other recovery operations	349.43	8.82
Total	**30,532.27**	**2,978.69**
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	4.18	317.64
(ii) Landfilling	2.68	8.10
(iii) Other disposal operations	23,419.17	-
Total	**23,426.03**	**325.74**

Waste Intensities (MT of Waste Recovered /Total Waste generated) and (MT of Waste Disposed /Total Waste generated) are 0.57 and 0.43 respectively.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, an independent assurance has been carried out by Price Waterhouse & Co Chartered Accountants LLP on the FY 2024 indicators in the table above other than waste intensity per crore of rupees and optional waste intensity. Please find the assurance report on page no. 348.

**For the purpose of calculation of revenue adjusted Purchasing power parity (PPP), conversion factor @22.88 ₹/USD as per World Bank website (Source: https://data.worldbank.org/indicator/PA.NUS.PPP) has been considered.*

 # For the purpose of Output of Products, number of units of various products manufactured by Havells have been considered. For calculation of number of units with respect to power cables and flexible cables, the conversion factor of one drum equivalent to one unit and 90 metres equivalent to one unit have been considered for power cables and flexible cables respectively.

*** Waste is accounted for at the time of disposal and therefore waste disposed has been considered as waste generated.*

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 wastes.

Please refer to Natural capital section of the IAR pages 75 and 77 for detailed description of our waste management practices.

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:

No, we do not have any office or plant location around ecologically sensitive areas.

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

Not applicable

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, we are compliant with the applicable laws and there were no material fines paid in FY 2024.

Leadership Indicators

1. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):

For each facility / plant located in areas of water stress, provide the following information:

(i) Name of the Area : Haridwar, Sahibabad, Faridabad, Alwar, Neemrana, Ghiloth, Noida

(ii) Name of operations : Manufacturing location and Head Office & Plant

(iii) Water withdrawal, consumption, and discharge in the following format:

Parameter	FY 2024	FY 2023
Water withdrawal by source (in kilolitres)		
(i) Surface water	-	-
(ii) Groundwater	1,81,883.08	82,869.00
(iii) Third party water	49,394.76	56,430.00
(iv) Seawater / desalinated water	-	
(v) Others	-	-
Total volume of water withdrawal (in kilolitres)	**2,31,277.84**	**1,39,299.00**
Total volume of water consumption (in kilolitres)	**2,18,539.84**	**1,39,299.00**
Water intensity per crore rupee of turnover (Water consumed / turnover)	11.78	8.26
Water intensity (optional) – the relevant metric may be selected by the Entity	-	-
Water discharge by destination and level of treatment (in kilolitres)	-	
(i) Into Surface water	-	-
- No treatment	4,628.00	
- With treatment – Secondary treatment	8,110.00	8,088.00
(ii) Into Groundwater	-	-
- No treatment	-	-
- With treatment	-	-
(iii) Into Seawater	-	-
- No treatment	-	-
- With treatment	-	-
(iv) Sent to third-parties	-	-
- No treatment	-	-
- With treatment	-	-
(v) Others	-	-
- No treatment	-	-
- With treatment	-	-
Total water discharged (in kilolitres)	**12,738.00**	**8,088.00**

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No independent assurance has been carried out on these indicators.

2. Please provide details of total Scope 3 emissions & its intensity, in the following format:

We have Initiated the inventorization of Scope 3 emissions within our organization by doing so we are expanding the scope of our reporting boundary and will start reporting it from FY 2025. We are proactively addressing the broader impact of our operations beyond our direct control. By increasing the scope of our reporting boundary, we aim to capture a more complete picture of our environmental footprint and identify areas where we can reduce them. This initiative is a part of our Net-Zero journey.

3. With respect to the ecologically sensitive areas reported at Question 11 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.

We at Havells ensures that none of our business activities have a negative or irreversible impact on biodiversity. All our operational sites are not located in or near areas of high biodiversity value or protected areas.

4. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

S. No.	Initiative Undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
1.	Carbon Emission Reduction using light weight material	In the consumer lighting segment in FY 2024, the bulb holder has been made using 23% lighter weight material with reduced pre-drying step during moulding of the product. This initiative is set to reduce the carbon emission drastically.	Resource reduction by 23%
2.	Resource Reduction	In EWA range, we have reduced the weight of inner plates in all Havells and Crabtree products by 12%, including the painted plates, during FY 2024	Resource Reduction by 12%
3	Polybag Weight Reduction	Air Conditioners weight reduced by 89%	Overall, 4,474 kg of polybag reduced
	Polybag Weight Reduction	Air Conditioners weight reduced by 89%	Overall, 1,944 kg of polybag reduced
	Reduction of R32 Consumption	Reduced the consumption of R32 refrigerant in various Air Conditioners models	Overall, 7,985 Kg of R32 consumption reduced
4	Induction Heating in Water Heaters	The induction heating in water heaters helps to keep the performance of the product unaffected due to scaling.	Low energy consumption

5. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.

Havells' IT Continuity Policy ensures the uninterrupted provision of its IT services and aims to achieve the following objectives:

a. Ensuring the business contingency of critical IT processes and allocating appropriate resources for this purpose.

b. Providing training to IT personnel on effectively managing disaster recovery scenarios.

c. Informing all stakeholders about the organization's ability to maintain IT operations in the event of a disaster.

We have also obtained ISO 27001 certification for our Information Security Management System (ISMS) for the continual improvement, development, and protection of information assets and sensitive data. This certification validates our implementation of appropriate risk assessments, policies, and controls. Additionally, we regularly conduct cybersecurity awareness training sessions for our employees and have established a clear escalation process to report any suspicious activities.

Furthermore, our business continuity and contingency plans, along with our incident response procedures, undergo periodic testing to enhance the resilience of our digital infrastructure. The risk management committee oversees the management and strategy of our Information Technology function, ensuring the confidentiality, integrity, and availability of computer systems, networks, and data by safeguarding against cyber-attacks and unauthorized access.

6. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard.

NA

7. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.

100%

PRINCIPLE 7

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

Essential Indicators

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

17

(b) List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.

S. No	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1	Electric Lamp and Component Manufacturers Association of India	National
2	Indian Fan Manufacturers Association	National
3	The Associated Chamber of Commerce and Industry of India	National
4	Consumer Electronics and Appliances Manufactures Association	National
5	Refrigeration and Airconditioning Manufacturers Association	National
6	PHD Chambers of Commerce and Industry	National
7	Confederation of Indian Industry	National
8	Indian Electrical and Electronics Mfrs' Association	National
9	Water Quality India Association	National
10	National Safety Council	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.

There were no legal actions against the entity for issues related to anti-competitive behavior, anti-trust, and monopoly practices.

Leadership Indicators

1. Details of public policy positions advocated by the entity:

S. No.	Public Policy advocated	Method resorted for such advocacy	Whether information available in public domain yes/no	Frequency of review by board (annually/half yearly/quarterly/ other)	Weblink
1	We have promoted the implementation of environmental standards related to its supply in matters related to the management of electronic waste, plastic waste and battery waste, renewable energy, business ethics and competence development. We constantly strives to increase its impact on certain sustainable business activities.	We actively participates in the activities of trade and industry associations to share comments on related topics, as in the adjacent box. In addition, whenever government requests feedback from industry, we provide feedback through industry associations.	This is part of Stakeholder consultation by the respective Industry Associations.	Reviewed by relevant business management on as and when basis	Not applicable

PRINCIPLE 8

Businesses should promote inclusive growth and equitable development.

Essential Indicators

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

   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:

   Not Applicable.

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

   Havells has established multiple modes of communication for the community to raise their concerns and express their needs and requirements. For more information regarding our CSR activities and community interactions, please refer to the Social Capital section in the IAR on page 67.

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

	FY 2024	FY 2023
Directly sourced from MSMEs/ small producers	12.17%	10.00%
Directly from within India	83.05%	83.73%

Note: An independent assurance has been carried out by Price Waterhouse & Co Chartered Accountants LLP on the FY 2024 indicators in the table above. Please find the assurance report on page no. 348.

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

	FY 2024	FY 2023
Rural	20.27%	8.76%
Semi-Urban	-	-
Urban	60.53%	69.22%
Metropolitan	19.20%	22.02%

Note: An independent assurance has been carried out by Price Waterhouse & Co Chartered Accountants LLP on the FY 2024 indicators in the table above. Please find the assurance report on page no. 348.

For the purpose of categorisation of people employed at locations into Rural / Semi-Urban / Urban / Metropolitan the following mechanism has been adopted along with RBI Classification System:

(a) Metropolitan cities considered are the nine cities, namely Mumbai, Pune, Delhi, Ahmedabad, Surat, Chennai, Kolkata, Bangalore, and Hyderabad.

(b) All manufacturing locations (Plants) are mapped basis their respective actual addresses.

(c) All branch office and in-shop demonstrator employees are mapped as metropolitan or urban, as the case may be, as all these locations are in major cities

HAVELLS

Leadership Indicators

1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):

   Not applicable as per Question 1 in Essential indicators

2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:

S. No.	State	Aspirational District	Amount Spent (In Cr)
1	Madhya Pradesh	Sagar	3.28

3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? (Yes/No)

   No

   (b) From which marginalized /vulnerable groups do you procure?

   Not applicable

   (c) What percentage of total procurement (by value) does it constitute?

   Not applicable

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:

   Havells do not own or acquired intellectual property based on traditional knowledge

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.

   NA

6. Details of beneficiaries of CSR Projects

   Refer to Annexure - 3 on page no. 100 to Annual report.

PRINCIPLE 9

Businesses should engage with and provide value to their consumers in a responsible manner

Essential Indicators

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

   We have established multiple channels of communication, including online service requests, a central helpline, WhatsApp support, app-based interaction, and email, to facilitate customer convenience in reaching us. We actively monitor and gather customer feedback on a real time basis through the social media platforms such as Facebook and Twitter. We have set up a structured data management system and Service Level Agreements (SLAs) to ensure addressing the customer query within the stipulated timeframe. Customers have the option to escalate the case to the nominated grievance officer, who takes up the case and communicates with the customer to provide the closure.

   'Khushiyon Ki Guarantee (KKG)' initiative has been in place for some time now to address the post sales issues and requests such as on Lloyd products wherein the KKG process kicks off as soon as the customer contacts our service center. The customer is provided with a unique KKG (Khushiyon Ki Guarantee) number which is then shared with the service engineer upon completion of the service. If the number is not provided, it alerts the Company immediately regarding further efforts required to ensure customer satisfaction. This triggers our special KKG Cell at Head Office to attempts every possible way to provide satisfactory closure on the service request, effectively closing the loop on the interaction.

   HAVELLS SUPPORT

   WhatsApp Support
   9711773333

   Havells Sync App
   Download: Android | iOS

   Online
   Service Request

   Email-ID
   customercare@havells.com

   Customer Care No.
   08045 77 1313

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	48.00%
Safe and responsible usage	100.00%
Recycling and/or safe disposal	100.00%

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

   We have received NIL complaints in FY2023-24 in the areas of Data privacy, Advertising, Cyber-security, Restrictive Trade Practices and Unfair Trade Practices. Our products and services do not fall under the category for delivery of essential services. Majority of the complaints received are related to the queries about product performance.

   For more details on our customer interactions, please refer to the page 72 of the IAR.

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

   There has been no instance of product recall, whether voluntary or forced, on account of safety issues in FY 2024. Our products undergo rigorous testing and quality assurance to ensure safety in both usage and handling. Additionally, our product information such as manual, leaflet and product packaging carry instructions for safe usage.

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, our organization has implemented an Enterprise Risk Management Policy that encompasses the identification and mitigation of risks related to Cyber threats and data protection/privacy. To ensure comprehensive risk management, our Company's Integrated Risk Management Framework adheres to the globally recognized COSO (Committee of Sponsoring Organizations of the Treadway Commission) Framework. In addition to this, users are granted roles-based access rights, and we have implemented various cutting-edge solutions such as Data Leakage Protection (DLP), Advanced Email Threat Protection, Data and End Point Encryption, Privileged Identity Management (PIM), SIEM, among others. To further emphasize our commitment to data privacy, our company's website prominently displays the Data Privacy Policy. For more details, please visit our website at: https://havells.com/corporate/about-us/corporate-governance.

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.

   Not Applicable.

7. Provide the following information relating to data breaches:
   a. Number of instances of data breaches: Nil
   b. Percentage of data breaches involving personally identifiable information of customers: Nil
   c. Impact, if any, of the data breaches: Not Applicable

Note: An independent assurance has been carried out by Price Waterhouse & Co Chartered Accountants LLP.
Please find the assurance report on page no. 348.

Leadership Indicators

1. Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).

   Information on Havells products and services can be accessed at www.havells.com

2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.

   We offer instructional guides along with our products and installation services to educate customers on how to use the products correctly and what precautions to take. The operation of our products and services is demonstrated in user manuals and videos accessible on the Havells website (www.havells.com). Additionally, we include QR codes for product information on select items, as well as do-it-yourself installation videos to enhance the overall product servicing experience.

3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.

   Havells maintains continuous connect with its customers ensuring seamless operations through various touchpoints such as Havells Customer Care No. (08045771313), Email, WhatsApp, Havells Sync Mobile App.

4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)

   Yes, paying close attention to product information, labelling and consumer engagement by business is considered pivotal to Havells' consumer satisfaction focus. We do provide consumers with manuals containing information about products and installation services to make them aware of the do's and don'ts of the product.

   Havells Digital Marketing team consistently monitors the Online Reputation Management (ORM), tracking and responding to real time feedback, posts and complaints, etc., across major online platforms such as Twitter, Facebook, Instagram, Linked-in, etc. We examine more than 1mn+ customer comments every year and ensure that every query is responded within a stipulated timeframe.

Management Discussion and Analysis

Overview & Outlook

With GDP growth of 7.5% in FY24, India continues to be among the fastest-growing countries globally. Amidst global economic uncertainties, India showcased resilience and continued its growth trajectory. The growth was buoyed by policy initiatives aimed at strengthening the financial sector alongside focus on development of physical and digital infrastructure. Embracing the vision of 'Atmanirbhar Bharat', India emphasised indigenous manufacturing, supported by schemes like the Production Linked Incentive (PLI). With government's enhanced focus on infrastructure and manufacturing, the electricals industry also witnessed strong demand for categories like industrial switchgears, professional lighting and power cables.

The year witnessed heightened activity in the residential real estate market. The demand for electrical goods is yet to fully benefit from these real estate projects. As construction on these projects progresses, the industry is expected to see demand pick up, starting with switchgears and flexible cables, followed by lighting and consumer durables.

Despite healthy GDP growth, consumer demand was weak largely due to persistent high inflation. At an overall level, a higher impact was observed on the affordable and rural segments as compared to premium and urban segments. Consequently, the B2C electrical category experienced subdued growth during FY24. However, the medium-to-long term consumption potential in India remains intact.

Favourable demographics, rising urbanisation and electrification, premiumisation and under-penetration remain key macro drivers for sustainable growth in the electricals and consumer durables categories. Brand power and aspirational shift towards the organised players are key themes which continue to play out in the market. Havells is well-positioned to capitalise on these opportunities, leveraging its diverse portfolio of innovative products.

Segment-wise overview including industry structure, developments and outlook

Switchgear

The Strategic Business Unit (SBU) comprises Building Circuit Protection (BCP) equipment, switches and automation solutions, also called Electrical Wiring Accessories (EWA) and industrial switchgear.

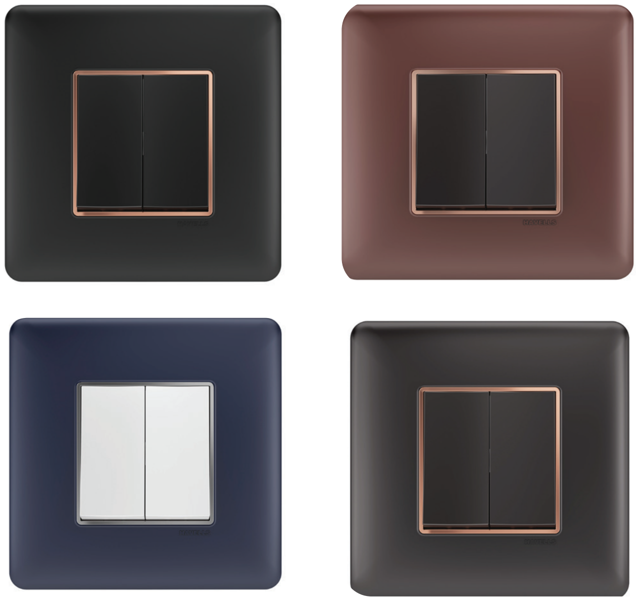
In the switches and automation category, Havells' focus remains on customer-centric solutions, with automation solutions leading the way. With the launch of new innovative products like i-Sense, we aim to make home automation solutions more accessible and affordable to a larger customer base.

i-Sense

These solutions are also relevant for home renovation projects, enabling more users to prospectively upgrade their manual switches to automation solutions easily.

In the premium segment, we further enriched our Signia Smart range by introducing Grey Finish, enabling a seamless blend with home décor and in turn elevating interior ambience.

In the switches category, we made significant strides by launching two new ranges – Adiva and Magnus. The Adiva switches set new standards in terms of operational feel and sound within its category. The new Magnus range ensures easier compatibility with existing switches in customers' homes, allowing a seamless upgrade to the Magnus' range.



Adiva Range

With these new offerings, we aim to drive stronger growth in the mid-market segment, while maintaining our focus on the premium segment.

In residential switchgear, alongside a growing existing portfolio, the introduction of new products remains a key focus area. Recognising the emerging need to protect against electrical fires resulting from overloaded old infrastructure and the risk of electrocution, during the year, Havells launched its range of AFDD (Arc Fault Detection Devices).

AFDD

The Switchgear segment registered net revenues of ₹ 2,245 crores during FY24 with contribution margins at 40.2% compared with net revenues of ₹ 2,120 crores with contribution margins at 38.4% during FY23.

Cable

The Strategic Business Unit (SBU) comprises power cables and flexible cables. The category witnessed growth on the back of rapidly-growing investment by the government towards the development of infrastructural projects as well as private manufacturing capex.

The robust demand in the residential real estate sector, coupled with key government initiatives like Housing for All, Pradhan Mantri Awas Yojana and PM Gati Shakti National Master Plan, Multimodal Logistics Parks are expected to be significant drivers for the growth of the cables segment. Furthermore, the growing deployment of renewable energy sources such as solar, wind, and hydropower, aimed at addressing climate change and enhancing energy security, represents a crucial trend in the Indian power cables and flexible cables market.

While the demand for power cables continues to be on the rise, Havells' growth was limited given the capacity constraints during the year. Addressing that, the Company is working towards a greenfield expansion of its power cables capacity in Tumkur, Karnataka and expects the commissioning in early FY25.

In flexible cables, during the year, the Company's focus was on going deeper with an enhanced presence in semi-urban and rural markets and expanding existing channels. Multi-brand strategy with Havells, Standard and REO was leveraged to play in different customer segments and establish a clear product ladder.

The cables division registered net revenues of ₹ 6,318 crores during FY24 with contribution margins at 15.0% compared with net revenues of ₹ 5,533 crores with contribution margins at 12.9% during FY23.

Havells

Standard

REO

Lighting

Havells' Lighting business comprises two business units (BUs) – consumer lighting and professional lighting. In FY24, while the lighting industry faced challenges in form of significant price erosion in LEDs, Havells continued its focus on customer centricity and product innovation to strengthen its market position even further and remain resilient.

The professional Lighting business registered strong overall growth and established Havells as a brand of choice for varied customers that includes leading Industries, renowned modern workspaces and diverse Government segments including the Railways, NHAI, MES, Smart Cities, many more. With a strong customer segment strategy, Havells successfully executed projects in areas of Public & Infrastructure, Industry and Office Lighting. During the year, Havells delivered its lighting solutions to several prestigious projects such as Shri Ram Mandir, Ayodhya and Central Vista projects. Havells became a premier brand of choice for many National Highways projects which required superior products and optical performance. In Industry segment, Havells solved customer problems with custom designed products such as Highbays, Cleanroom luminaires and weather-proof industrial lighting solutions.

In the consumer lighting business, Havells has established itself as a leading innovative lighting brand through a series of differentiated product launches.

Today's consumers, embracing their own uniqueness, have a choice of designs that reflect their personalities and match their décor, whether at home or work. Lighting designs play a vital role in enhancing the living spaces. The consumer lighting business launched a variety of products and categories focussed towards emerging consumer trends and lifestyles. Starting with the thematic product lines under Johari, Rangmanch, Aakrati and Adaa collections which blend light rays with elegant designs inspired by royal touch, heritage art and minimalism creating unique masterpieces, with each having an enticing tale to it.


Zambra Purple


Spanishe Bluebells


Guardapelo Purple


Gema


Wish LED Strings

Harnessing the power of the Sun, we launched SunLit Series – Our consumer solar range, blending the finest form factors with high-performance chips. With the emerging Ceiling category, we also reimagined and launched an extension to our bezel glow Nimbus range with 'L & I' shaped panels. Lastly, focussing on consumer journeys, we redesigned our Smart Range products to meet the evolving needs of our consumers.

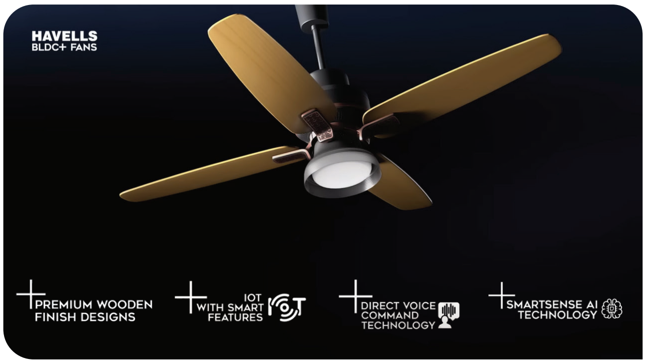
The demand for premium lighting is on the rise. Havells' Home Art Light is a one-stop shop for all things lighting – from basic to high-end, from minimalistic to opulent or ornate, as well as luxury lighting solutions. We have ~50 Home Art Light Brand stores with experiential zones that provide consumers an opportunity for the real light experience.

The Lighting division registered net revenues of ₹ 1,627 crores during FY24 with contribution margins at 30.1% compared with net revenues of ₹ 1,602 crores with contribution margins at 29.8% during FY23.

Electrical consumer durables (ECDs)

This SBU comprises fans, small domestic appliances and water heaters. Beginning of FY24, the industry faced headwinds due to unseasonal rains disrupting summer season consumer offtake leading to higher channel inventories which were built up during the BEE transition. Amidst lower consumer demand, the fan industry witnessed heightened competition. However, by the second half of the year, we witness offshoots of growth with summer picking up.

At Havells, with our philosophy of premiumisation in all segments, we focussed on the continued enhancement of our BLDC and Super premium BLDC+ range. BLDC+ offers BLDC technology but in addition to this, it provides superior aesthetics and features to consumers with design and technology at its core. With exclusive technologies like "Smart Sense AI" and "Direct Voice command", Havells provides tech which enhances the consumer's comfort, convenience and well-being and features like premium under-light and unique designs add to the décor of the house. With the enhancement of the BLDC range to almost 40 models, Havells has the largest range of BLDC fans with differentiated offerings and has consistently increased BLDC share to 20%+. Our new advertising campaign also focusses on communicating these features to our consumers.

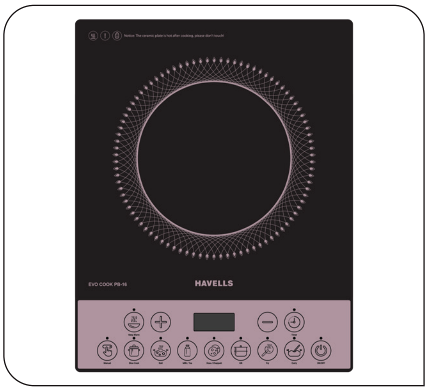


BLDC+ Fans

Amidst lower consumer demand, small domestic appliances witnessed muted performance during the year. However, premium offerings and emerging channels such as modern format retail, e-commerce and quick commerce did relatively well. As consumer preferences gravitate towards premium products, ensuring an optimal consumer experience remains key. Factors such as store ambience, product displays, ease of installation and after-sales support are gaining importance in today's consumer landscape. Consumers are increasingly seeking products from trusted brands that offer innovative features and a compelling blend of affordability and premium proposition.

Havells further reinforced its market position by introducing consumer-centric appliances featuring the latest technologies and innovative features. The year marked the launch of several ground-breaking products, including India's first 6000V surge protection in the new Evo Cook Induction range, the 2 kg heavy-weight dry iron Blaze and the Foodo (MG + Food Processor), etc.

During the year, entry into Kitchen Appliances such as Cooktops, Hobs, Chimneys and other built-in appliances was announced. The foray is expected to leverage business synergies with the existing range of small domestic appliances.



Evo Cook Induction

Blaze Dry Iron

Foodo (MG & Food Processor)

The electrical consumer durables (ECDs) division registered net revenues of ₹ 3,482 crores during FY24 with contribution margins at 23.5% compared with net revenues of ₹ 3,296 crores with contribution margins at 23.3% during FY23.

Lloyd

Lloyd continues to strengthen its position as a consumer durable player offering a range of products – Air Conditioners, Washing Machines, Refrigerators and Televisions. While maintaining healthy revenue growth, Lloyd expanded its margins during the year.

Since the acquisition, Lloyd has worked towards premiumisation through in-house manufacturing, an innovative product portfolio, accelerated brand investments and foray into modern format retail. We have set up manufacturing facilities for air conditioners and washing machines. Backed by strong R&D, Lloyd has expanded its portfolio with the introduction of unique feature and design-led products such as Indoor Air Quality (IAQ) and Intelli-Logic Air Conditioners. We began the 2024 summer season with the launch of the industry-first designer Lloyd Stellar & Stylus air conditioner range, along with Rapid Cool Technology refrigerators and the latest Novante Fully Automatic Washing Machines. Lloyd's designer air conditioner range not only complements the interior décor but also delivers a top-notch cooling performance with unique features such as mood lighting, direct voice command, an in-built air purifier and door open alert.

Brand investments remained a key tool for establishing premium brand imagery. Supported by a robust product portfolio, the brand investments consistently yield positive outcomes in terms of brand recall and consideration. Lloyd leverages its strong association with celebrities such as Deepika Padukone, Ranveer Singh, Sourav Ganguly, Mahesh Babu, Tamannaah Bhatia and Mohanlal, enabling a balanced mix for national and regional communication.

Lloyd - Sourav Ganguly

Lloyd - Mohanlal

Lloyd - Mahesh Babu & Tamannaah Bhatia

Lloyd increased its penetration in general trade and expanded into emerging channels such as organised retail and e-commerce. In organised retail, the emphasis was on expanding the counter share through investments in in-store demonstrators (ISDs). We also added the Sales & Service Dealership (SSD) channel through the establishment of 'Lloyd Gallery' exclusive stores across India.

Lloyd progressed on its journey to be a profitable full-stack consumer durable player over the coming years. We continue to be excited about the opportunity Lloyd unlocks in a largely under-penetrated consumer durables industry and the space it has created for itself in the market.

The Lloyd consumer division registered net revenues of ₹ 3,785 crores during FY24 with contribution margins at 7.9% compared with net revenues of ₹ 3,369 crores with contribution margins at 4.4% during FY23.

Opportunities

A. Presence in growing and under-penetrated product categories: Electricals and consumer durables categories continue to provide strong growth opportunities on the back of under-penetration, increasing urbanisation and higher personal disposable income.

B. Increasing electrification: Enhanced electricity availability in semi-urban and rural areas and stability of electricity in urban areas is translating into higher demand for electrical and consumer durable products across the country.

C. Infrastructure expansion: The government's continued thrust towards infrastructure building including highway construction, railway modernisation and airport additions is leading to a healthy demand for electrical goods such as power cables, professional lighting and industrial switchgears.

D. Favourable demographics: India's population is among the youngest globally. With a median age of less than 29 years and ~67% of the population in the working age group of 15-64 years, this is a key demographic dividend for India.

E. Exports: With geopolitical challenges and supply chain disruptions in particular regions, India continues to emerge as a lucrative player for exports. The government's focus on domestic manufacturing with policies around Make in India and PLI, created India as a strong competitor to other Asian countries, unlocking export opportunities for the players.

F. Large product portfolio: Over the years, Havells has nurtured multiple categories in FMEG and consumer durables to position itself as a strong player to capitalise on opportunities across different segments. Equally, a bouquet of 6 consumer brands allows it to cater to multiple consumer segments across multiple price points.

G. Premiumisation: Over the years, the demand for smart IoT products has increased with a focus on connected tech and ease of use. Consumers are looking for technologically-advanced appliances which also elevate their home décor, thus improving the market for innovative and premium products.

H. Accelerated shift from unorganised to organised: Increasing formalisation and brand consciousness along with the emergence of unguided e-commerce journey of consumers, beneficial to the organised brands. Opportunity to move consumers from unorganised players to organised branded players.

Risk and Threats

A. Economic slowdown: A reduction in GDP growth of the Indian economy, driven by global factors, may impede short-term growth prospects.

B. Commodity price fluctuations: Commodity price escalation could impact the cost of finished goods, potentially impacting affordability and consumer sentiment.

C. Competitive intensity: Heightened competitive dynamics, irrational market behaviour and any entry of disruptive players with access to low-cost capital, could lead to industry-wide value erosion.

D. Power disruptions: Any disruption in power distribution and electricity delivery may adversely affect the demand for electrical products.

E. Pandemic: Disruptions such as the Covid-19 pandemic pose significant risks to supply chains and demand dynamics, potentially disrupting business operations.

F. Geopolitical crisis: Increased volatility in commodity and foreign currency markets, stemming from geopolitical tensions in various global regions, may disrupt raw material availability and supply chains.

Also, kindly refer to the section Risk Management of this Integrated Report.

Awards and Accolades

Havells received the following awards during the Financial Year ended 31st March, 2024:

- Best Annual Report in the Electrical Equipment category at India's Best Annual Report Awards 2023, organised by The Free Press Journal along with its knowledge partner CareEdge
- Red Dot Brand & Communication 2023 Award for Meditate (Air Purifier)
- Good Design Award (Japan) 2023 to Elante Washing Machine, Bianca Water Heater and Zella Immersion Rod
- IF Award 2023 to Meditate (Air Purifier) UX
- CII Design Excellence Award 2023 for Otto Storage Water Heater
- German Design Award 2023 for Meditate, Amaya Fan, Qtron MCCB and Essence Wet & Dry Grinder
- German Design Award 2024 for Nutrigrind Wet & Dry Grinder
- CII Industrial Innovation Award 2023 for Centre for Research & Innovation
- Golden Peacock Award 2023 – Innovative Product - Meditate
- Mice Affairs - Corporate Excellence Award (2022-23)
- MTM Star Award 2023 - Best Incentive Programme for Distributors/Dealers
- MILT Excellence Awards 2023
- Acetech Grand Stand Award, Platinum Winner – Oct '23
- Acetech Grand Stand Award, Silver Winner – Nov '23
- Acetech Grand Stand Award, Platinum Winner – Dec '23
- Acetech Design Conclave Award, Bronze Winner – Dec '23

Key Ratios

	Ratio	As at 31 March 2024	As at 31 March 2023	Change	Explanation for change in the ratio by more than 25% as compared to the previous year
(a)	Current Ratio (times) = Current assets/ Current liabilities	1.84	1.84	0.03%	Not Applicable
(b)	Debt-Equity Ratio (times) = Total Borrowings/ Shareholder's equity*	0.00	0.00	-	Not Applicable
(c)	Debt Service Coverage Ratio = Earnings available for debt service/ Debt service	19.18	3.00	540.05%	Full debt repaid in previous year
(d)	Return on Equity Ratio % = Net Profits after taxes/ Average shareholder's equity	18.12%	17.06%	1.06%	Not Applicable
(e)	Inventory turnover ratio (times) = Revenue from operations/ Average inventory	5.21	5.05	3.15%	Not Applicable
(f)	Trade receivables turnover ratio (times) = Net revenue from operations/ Average trade receivables	17.40	19.37	-10.17%	Not Applicable
(g)	Trade payables turnover ratio (times) = Net purchases/ Average trade payables	5.57	5.82	-4.35%	Not Applicable
(h)	Net capital turnover ratio (times) = Revenue from operations/ Working capital	5.17	5.25	-1.58%	Not Applicable
(i)	Net profit ratio % = Net profit/ Revenue from operations	6.87%	6.38%	0.49%	Not Applicable
(j)	Return on capital employed % = EBIT/ Capital employed {refer note ii}	19.33%	18.73%	0.59%	Not Applicable
(k)	Return on investment % = EBIT/ Average total assets	12.79%	12.07%	0.72%	Not Applicable

Notes:

(i) Debt service = Interest & Lease Payments + Principal Repayments

(ii) Capital Employed = Tangible Net Worth + Total Borrowings + Deferred Tax Liability

(iii) Tangible Net worth is computed as Total Assets - Total Liabilities.

**Borrowings does not includes Lease liabilities*

Human Resources

Kindly refer to the section Human Capital of this Integrated Report page no. 46

Internal Control Mechanism

Kindly refer to the section Risk Management of this Integrated Report page no. 22

Disclaimer Clause

Statements in the Management Discussion and Analysis Report describing the Company's objectives, projections, estimates, and expectations may be 'forward-looking statements' within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include economic conditions affecting demand/supply and price conditions in the domestic and overseas markets in which the Company operates, changes in the Government regulations, tax laws and other statutes and incidental factors.

Report on Corporate Governance

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

(1) A Brief Statement on Listed Entity's Philosophy on Code of Governance

Who we are is defined by what we do and how we do

This simple philosophy underlines our approach to Corporate Governance. So, if growth is our intention, how we achieve this growth is a part of our Corporate Governance. For us, Corporate Governance goes beyond philanthropy and compliance but actually deals with how we manage our triple bottom lines – economic, social and environmental. It monitors our role as well as the quality of our relationships in key spheres of influence including the workplace, the market place, the supply chain, the community and the public policy realm.

As a Company, we distinguish ourselves in the market by offering a portfolio of ecologically responsible electrical products and services that deliver powerful, sustainable and energy efficient solutions that do not compromise on capacity or security.

Our eco-friendly approach is evident in our efforts to develop an alternate energy strategy so as to reduce the environmental impact from our business. We are equally committed to managing a responsible supply chain in a manner that is consistent and compliant with our high standards for environment and business practices.

We recognise that there are barriers that constrain innovation, both, in individuals and communities and we work to overcome them. We build communities and promote the exchange of ideas through assistive technologies; participative programs and standardization that transforms the way people experience our products. Our energy efficient solutions enable people to save money and protect their capital investment while also lowering their energy usage and protecting the environment.

This contributes to our social responsibility of sustenance of depleting environmental resources.

Corporate Governance and Ethics

As a Company we have always worked on the side of ethics and have shunned expediency in any form. We believe that if something is important enough to be done, it is important that we do it ethically. We supplement our traditionally held values of ethical behaviour and moral conduct with explicit rules and regulations that guide our efforts in financial, propriety, customer care and business excellence.

We uphold the policy of "Leadership with trust" that has come to play a vital role in how our customers perceive us. This is important, given the climate of unparalleled public distrust of people in positions of power and authority in contemporary business and politics.

(2) Board of Directors

The Board of Directors has an optimum combination of Executive and Non-Executive Directors with One Woman Director while fifty per cent of the Board of Directors comprises of Independent Directors (IDs). The Chairperson of the Board is an Executive Director. The profiles of Directors can be accessed on the Company's website at https://www.havells.com/en/aboutus/directors.html

The Board meets at least 4 (Four) times a year and more often if Company needs merit additional oversight and guidance. During the financial year 2023-24, the time gap between any two Board Meetings did not exceed 120 (One Hundred and Twenty) days. None of the Directors on the Board hold the office of Director in more than 20 companies, including 10 public companies, as disclosed under Section 184 of the Act read with Rules framed thereunder. None of the IDs serve as IDs in more than 7 listed entities and none of the IDs who are Whole-time Directors/ Managing Directors in a Listed Entity serves as ID in more than 3 listed entity. Furthermore, none of the Whole-time Directors of the Company serve as IDs in any listed entities. In accordance with Regulation 26 of the SEBI Listing Regulations, none of the Directors are members in more than 10 committees or act as chairperson of more than 5 committees (the committees being, Audit Committee and Stakeholders' Relationship Committee) across all public limited companies in which he/ she is a Director. All Non Independent Directors are liable to retire by rotation.

The Board of Directors periodically reviews compliance reports pertaining to all laws applicable to the Company. All statutory and other matters of significance including information as mentioned in Part A of Schedule II to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are informed to the Board to enable it to discharge its responsibility of strategic supervision of the Company.

Tenure of Independent Directors

The Board has adopted the provisions with respect to appointment and tenure of Independent Directors consistent with the Companies Act, 2013 and the Listing

Regulations. As per the provisions of the Companies Act, 2013, the Independent Directors shall be appointed for not more than two terms of maximum of five years each and shall not be liable to retire by rotation. At the time of appointment of an Independent Director, the Company issues a formal letter of appointment outlining his/ her role, function, duties and responsibilities as a Director. The template of the letter of appointment is available on our website.

Lead Independent Director

The Independent Directors of the Board had nominated Shri Upendra Kumar Sinha as the Lead Independent Director of the Company. The role of the Lead Independent Director is to provide leadership to the Independent Directors, liaise on their behalf and ensure effective functioning of the Board.

(a) Composition and category of Directors (e.g. Promoter, Executive, Non-Executive, Independent Non-Executive, Nominee Director - institution represented and whether as lender or as equity investor)

As at 31st March, 2024, the composition of the Board of Directors of the Company was as follows:

S. No.	Name of the Director		Category
1	Shri Anil Rai Gupta	Promoters	Executive Chairman and Managing Director & CEO
2	Shri Surjit Kumar Gupta		Non-Executive Non-Independent Director
3	Shri Ameet Kumar Gupta		Executive Whole-time Director
4	Shri Rajesh Kumar Gupta	Non-Promoters	Executive Whole-time Director & Group CFO
5	Shri Siddhartha Pandit		Executive Whole-time Director
6	Shri T. V. Mohandas Pai		Non-Executive Non-Independent Director
7	Shri Puneet Bhatia		Non-Executive Non-Independent Director
8	Shri Jalaj Ashwin Dani		Independent Director
9	Shri Upendra Kumar Sinha		Independent Director
10	Shri Subhash S Mundra		Independent Director
11	Shri B Prasada Rao		Independent Director
12	Shri Vivek Mehra		Independent Director
13	Smt. Namrata Kaul		Independent Director
14	Shri Ashish Bharat Ram		Independent Director

(b) Attendance of each Director at the Meetings of the Board of Directors and the last Annual General Meeting

S. No.	Name of the Director	Attendance in Board Meetings					AGM 27 June 23
		3 May 23	20 July 23	19 Oct 23	23 Jan 24	26 & 27 Mar 24	
1	Shri Anil Rai Gupta	✓	✓	✓	✓	✓	✓
2	Shri Surjit Kumar Gupta	✓	✓	✓	✓	✓	✓
3	Shri Ameet Kumar Gupta	✓	✓	✓	✓	✓	✓
4	Shri Rajesh Kumar Gupta	✓	✓	✓	✓	✓	✓
5	Shri T. V. Mohandas Pai	✓	✓	✓	✓	✓	✓
6	Shri Puneet Bhatia	×	✓	✓	✓	✓	✓
7	Shri Jalaj Ashwin Dani	✓	✓	✓	✓	✓	✓
8	Shri Upendra Kumar Sinha	✓	✓	✓	✓	✓	✓
9	Shri Siddhartha Pandit	✓	✓	✓	✓	✓	✓
10	Shri Subhash S Mundra	✓	✓	✓	✓	✓	✓
11	Shri B Prasada Rao	✓	✓	✓	✓	✓	✓
12	Shri Vivek Mehra	✓	✓	✓	✓	✓	✓
13	Smt. Namrata Kaul	✓	✓	✓	✓	✓	✓
14	Shri Ashish Bharat Ram	✓	✓	×	✓	✓	✓

(c) Number of other Board of Directors or Committees in which a Director is a member or chairperson as on 31st March, 2024

S. No.	Name of the Director	Directorships in Other Board of Directors*	Membership of Committees of Other Boards**	Chairmanship of Committees of Other Boards**
1	Shri Anil Rai Gupta	3	1	0
2	Shri Surjit Kumar Gupta	3	1	0
3	Shri Ameet Kumar Gupta	3	1	0
4	Shri Rajesh Kumar Gupta	1	0	0
5	Shri T. V. Mohandas Pai	1	0	0
6	Shri Puneet Bhatia	5	0	0
7	Shri Jalaj Ashwin Dani	5	3	1
8	Shri Upendra Kumar Sinha	8	9	4
9	Shri Siddhartha Pandit	1	0	0
10	Shri Subhash S Mundra	4	3	3
11	Shri B Prasada Rao	4	3	0
12	Shri Vivek Mehra	7	5	2
13	Smt. Namrata Kaul	5	7	4
14	Shri Ashish Bharat Ram	7	2	1

Data presented above is after taking into account the disclosures furnished by the Directors till the first board meeting of the Company held during the Financial Year 2024-25.

* *Directorships are reported for listed and unlisted public companies (including Havells India Limited) but excludes private limited companies, foreign companies, section 8 companies and alternate directorships.*

** *Committee Memberships/ Chairmanships are reported for listed and unlisted public companies put together (including Havells India Limited) in terms of Regulation 26(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Committee Memberships include Chairmanship, if any. Committees considered for the purpose are those prescribed under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 viz. Audit Committee and Stakeholders' Relationship Committee.*

Names of the Listed entities where the person is a Director and the category of Directorship as on 31st March, 2024

S. No.	Name of Director	Name of Listed Entity in which Director	Category of Directorship
1	Shri Anil Rai Gupta	Havells India Limited	Chairman and Managing Director & CEO
2	Shri Surjit Kumar Gupta	Havells India Limited	Non-Executive Non-Independent Director
3	Shri Ameet Kumar Gupta	Havells India Limited	Whole-time Director
4	Shri Rajesh Kumar Gupta	Havells India Limited	Whole-time Director & Group CFO
5	Shri Siddhartha Pandit	Havells India Limited	Whole-time Director
6	Shri T. V. Mohandas Pai	Havells India Limited	Non-Executive Non-Independent Director
7	Shri Puneet Bhatia	Havells India Limited	Non-Executive Non-Independent Director
8	Shri Jalaj Ashwin Dani	Havells India Limited	Independent Director
		Greenlam Industries Limited	Non-Executive Non-Independent Director
9	Shri Upendra Kumar Sinha	Havells India Limited	Independent Director
		Vedanta Limited	Independent Director
		Nippon Life India Asset Management Limited	Independent Director
		SIS Limited	Independent Director
		New Delhi Television Limited (NDTV)	Independent Director
		Cube Highways Fund Advisors Private Limited	Independent Director
10	Shri Subhash S Mundra	Havells India Limited	Independent Director
		Indiabulls Housing Finance Limited	Independent Director
11	Shri B Prasada Rao	Havells India Limited	Independent Director
		Poonawala Fincorp Limited	Independent Director
		Titagarh Rail Systems Limited	Independent Director

S. No.	Name of Director	Name of Listed Entity in which Director	Category of Directorship
12	Shri Vivek Mehra	Havells India Limited	Independent Director
		HT Media Limited	Independent Director
		Jubilant Pharmova Limited	Independent Director
		Chambal Fertilisers and Chemicals Limited	Independent Director
		DLF Limited	Independent Director
13	Smt. Namrata Kaul	Havells India Limited	Independent Director
		Schneider Electric Infrastructure Limited	Independent Director
		Fusion Micro Finance Limited	Independent Director
14	Shri Ashish Bharat Ram	Havells India Limited	Independent Director
		SRF Limited	Chairman and Managing Director
		Kama Holdings Limited	Non-Executive Non-Independent Director
		Bharat Forge Limited	Non-Executive Non-Independent Director

1. *The count for the number of listed entities on which a person is a Director/ Independent Director is of only those whose equity shares are listed on a Stock Exchange.*
2. *Data presented above is after taking into account the disclosures furnished by the Directors till the first Board Meeting of the Company held during the Financial Year 2024-25.*

(d) Number of Meetings of the Board of Directors held and dates on which held

During the financial year 2023-24, 5 (Five) Board Meetings were held. The dates on which these Meetings were held are given in the Table provided in pt. no. (b) hereinabove.

(e) Disclosure of relationships between directors inter-se

Shri Ameet Kumar Gupta, Whole-time Director on the Board of Directors is the son of Shri Surjit Kumar Gupta, Non-Executive Non-Independent Director.

(f) Number of shares and convertible instruments held by Non-Executive Directors

None of the Non-Executive Directors holds any share in the Company.

(g) Web link where details of familiarisation programmes imparted to Independent Directors is disclosed

All Independent Directors are familiarized with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, etc. from time to time. The Company makes consistent efforts to acquaint the Board with the overall business performance covering all Business verticals, by way of presenting specific performance of each Plant, Product Category and Corporate Function from time to time. The entire Board including Independent Directors has access to Product Heads/ Factory Heads and other commercial/ technical staff, wherever required for informed decision making. Detailed agenda are sent well in advance to all the Directors in order for the Board to perform its function and fulfill its role effectively.

The details regarding Independent Directors' Familiarisation Programmes are given under the 'Codes & Policies' in the "Corporate Governance" section on the website of the Company and can be accessed at https://havells.com/media/wysiwyg/PDF/Code-and-policies/Familiarisation_Programmes_for_Independent_Directors_1.pdf

(h) 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 is a Fast Moving Electrical Goods (FMEG) Company with the individual Members of its Board of Directors bringing in knowledge and experience from a variety of sectors, demonstrating breadth and depth of management and leadership experience in the following competence areas:

- Financial and business acumen;
- Guiding and setting the pace for Company's Operations and future development by aiding implementation of best systems and processes;
- Building effective Sales & Marketing strategies, Corporate Branding and Advertising functions;
- Overseeing the development and implementation of Risk Management/ GRC tools;
- Management and strategy of the Information Technology Function; and
- Human Resources Management
- Corporate Governance and Sustainability

The Nomination and Remuneration Policy of Directors, KMPs and Other Employees of the Company sets out the criteria which serve as guidelines in considering potential nominees to the Board of Directors to ensure the continuance of a dynamic and forward-thinking Board.

Expertise/ Skill of Directors

S. No.	Name of the Director	Skill/ Expertise/ Competence
1	Shri Anil Rai Gupta	Strategic Marketing, Brand transformation and Finance.
2	Shri Surjit Kumar Gupta	Technical planning and foreign alliances.
3	Shri Ameet Kumar Gupta	Business development, spearheading new projects.
4	Shri Rajesh Kumar Gupta	Finance and allied fields, standardization of systems and processes across the organization.
5	Shri Siddhartha Pandit	Contract Drafting & Negotiations, Litigation Management, Dispute Resolution, M&A Statutory Compliances, Intellectual Property Rights (IPR) etc.
6	Shri T. V. Mohandas Pai	IT reforms, Human Resources, Education & Research, Social Reforms and betterment of the nation in areas of Trade and Industry.
7	Shri Puneet Bhatia	Strategic private equity investment and Business Management.
8	Shri Jalaj Ashwin Dani	Supply Chain, Human Resources, Corporate Quality and Sustainability (including Safety Functions), Advanced Management and Skill Development.
9	Shri Upendra Kumar Sinha	Asset Management, Securities Laws, Corporate Governance, Banking, Finance, Foreign Investment, Corporate Bond Management and Investor Protection.
10	Shri Subhash S Mundra	Banking, Risk Management, Corporate Governance, Operations and Process Optimization.
11	Shri B Prasada Rao	Corporate Management, Planning & Development activity, Capacity & Capability building.
12	Shri Vivek Mehra	Tax and Regulatory reforms, Cross-border Investments and Transaction Structuring, Corporate Governance and Sustainability.
13	Smt. Namrata Kaul	Banking & Finance, Treasury Operations, Debt Capital Market & Corporate Finance, Risk and Credit Management, Social Development.
14	Shri Ashish Bharat Ram	Strategic Planning, Entrepreneurial and Commercial Acumen, Brand Building and M&A.

(i) Confirmation that in the opinion of the Board, the Independent Directors fulfill the conditions specified in these Regulations 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 fulfills the conditions specified in these regulations and are independent of the management.

(j) Detailed reasons for the resignation of the Independent Director who resigns before the expiry of his tenure along with a confirmation by such director that there are no other material reasons other than those provided

None.

Separate Meeting of the Independent Directors

Abiding the highest norms of Corporate Governance, separate Meeting of the Independent Directors of the Company are held every year in terms of the Schedule IV to the Companies Act, 2013 and Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, whereat, inter-alia, the following prescribed items are discussed:

a) Review of performance of Non-Independent Directors and the Board as a whole;

b) Review of performance of the Chairperson of the Company, taking into account the views of the Executive and Non-Executive Directors;

c) 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.

In respect of the financial year 2023-24, the Independent Directors met twice on 14th December, 2023 and 27th March, 2024 without the presence of any Non-Independent Director or representatives of management.

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 said policy was last updated by the Board of Directors on 21st July, 2021 pursuant to SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2019.

The full text of the Code is available on the website of Company under 'Codes & Policies' in the Corporate Governance section and can be accessed at https://havells.com/en/aboutus/corporate-governance.html

For the purpose of monitoring the Policy, the Company uses a system-based software through which reports and analytics are made available based on the criteria defined in the SEBI (Prohibition of Insider Trading) Regulations, 2015.

Subsidiary

The Company has 4 (Four) Subsidiary Companies which are incorporated outside India.

Please refer to the Directors' Report for further details regarding subsidiaries.

The Board has approved a "Policy for determining Material Subsidiaries" of the Company viz. Havells India Limited and the same is available on the website of the Company under 'Codes & Policies' in the Corporate Governance section and can be accessed at https://havells.com/media/wysiwyg/PDF/Code-and-policies/Policy-for-determining-material-subsidiaries.pdf.

The Audit Committee of the Company reviews the financial statements, in particular, the investments made by the unlisted foreign subsidiary companies.

The Minutes of the Board Meetings of the unlisted foreign subsidiary companies are placed at the Board Meeting(s) of the Company held at the end of every quarter for approval of financial results.

The Management periodically brings to the attention of the Board of Directors, a statement of all significant transactions and arrangements entered into by the unlisted foreign subsidiary companies.

Related Party Transactions

The Board of Directors has approved a Policy on "Related Party Transactions" and also on dealing with Related Party Transactions and the same was last reviewed by the Board of Directors on 20th January, 2022.

The Policy is available on the website of the Company under 'Codes & Policies' in the Corporate Governance section and can be accessed at https://havells.com/media/wysiwyg/PDF/Code-and-policies/Related_Party_Transactions_Policy.pdf.

The shareholders of the Company vide Special Resolution passed on 9th June, 2014 approved per annum limits (beginning 1st April, 2014) for certain Related Party Transactions of the Company.

Within the permissible limits under the Companies Act, 2013 and/ or shareholder approved limits, the Audit Committee and Board approve the annual limits for related party transactions projected for the next financial year.

Further, a statement on all related party transactions is presented before the Audit Committee on a quarterly basis for its review.

(3) Audit Committee

(a) Brief description of terms of reference

The terms of reference of the Audit Committee are as per the governing provisions of the Companies Act, 2013 (Section 177) and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (specified in Part C of Schedule II).

The Role of the Audit Committee includes the following:

(i) oversight of the 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 the 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 auditor's 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 Companies Act, 2013;

   (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;

   (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 issue or rights issue or preferential issue or qualified institutions placement 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 the 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) considering such other matters the Board may specify;

(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 listed entity and its shareholders;

(xxiii) reviewing other areas that may be brought under the purview of role of Audit Committee as specified in SEBI Regulations and the Companies Act, from time to time.

The Audit Committee has been granted powers as prescribed under Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, to investigate any activity within its terms of reference, seek information from any employee, obtain outside legal or other professional advice and secure attendance of outsiders with relevant expertise, if it considers necessary. The Committee also mandatorily reviews the information as specified in the SEBI Regulations – management discussion and analysis of financial condition and results of operations, management letters/ letters of internal control weaknesses issued by the statutory auditors, if any, internal audit reports relating to internal control weaknesses, the appointment, removal and terms of remuneration of the chief internal auditor and statement of deviations.

(b) Composition, Name of Members and Chairperson

The Audit Committee comprises of 4 (Four) Directors as Members. All Members are financially literate and possess sound knowledge of accounts, finance and audit matters. The Company Secretary of the Company acts as Secretary to the Audit Committee. The Internal/ Statutory Auditors of the Company attend the Meetings of the Audit Committee on invitation of the Chairman of the Committee. The Composition of Audit Committee as on 31st March, 2024, is given below:

S. No.	Name	Category	Designation
1	Shri Upendra Kumar Sinha	Non-Executive Independent	Chairman
2	Shri B Prasada Rao	Non-Executive Independent	Member
3	Smt. Namrata Kaul	Non-Executive Independent	Member
4	Shri Ameet Kumar Gupta	Executive	Member

(c) Meetings and attendance during the year

S. No.	Name	Attendance in Audit Committee Meetings held on					
		2 May 23	20 Jul 23	21 Sep 23	19 Oct 23	23 Jan 24	26 Mar 24
1	Shri Upendra Kumar Sinha	✓	✓	✓	✓	✓	✓
2	Smt. Namrata Kaul	✓	✓	✓	✓	✓	✓
3	Shri B Prasada Rao	✓	✓	✓	✓	✓	✓
4	Shri Ameet Kumar Gupta	✓	✓	✓	✓	✓	✓

(4) Nomination and Remuneration Committee

(a) Brief description of terms of reference

The Nomination and Remuneration Committee determines on behalf of the Board and on behalf of the Shareholders, the Company's policy governing remuneration payable to the Managing Director and Whole-time Directors as well as the nomination and appointment of Directors.

The terms of reference of the Nomination and Remuneration Committee are as per the governing provisions of the Companies Act, 2013 (Section 178) and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (specified in Part D of Schedule II).

Further, in terms of the SEBI (Share Based Employee Benefits) Regulations, 2014, the Nomination and Remuneration Committee also supervises the various ESOP/ ESPS Plans of the Company.

(b) Composition, Name of Members and Chairperson

The Nomination and Remuneration Committee comprises of 3 (Three) Non-Executive Directors, the Chairman being Non-Executive and Independent. The Company Secretary of the Company acts as Secretary to the Nomination and Remuneration Committee. The Composition of Nomination and Remuneration Committee as on 31st March, 2024, is given below:

S. No.	Name	Category	Designation
1	Shri Ashish Bharat Ram	Non-Executive Independent	Chairman
2	Smt. Namrata Kaul	Non-Executive Independent	Member
3	Shri Puneet Bhatia	Non-Executive Non-Independent	Member

(c) Meeting and attendance during the year

S. No.	Name	Attendance in Nomination and Remuneration Committee Meeting held on
		2 May 23
1	Shri Ashish Bharat Ram	✓
2	Smt. Namrata Kaul	✓
3	Shri Puneet Bhatia	✓

(d) Performance evaluation criteria for Independent Directors

The Nomination and Remuneration Committee of the Board has laid out the evaluation criteria for performance evaluation of the Board, its Committees and all the individual directors, in adherence of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Brief synopsis of the performance evaluation carried out for the financial year is provided in the Directors' Report Section of this Report.

(5) Stakeholders Relationship/ Grievance Redressal Committee

The terms of reference and the ambit of powers of Stakeholders Relationship/ Grievance Redressal Committee are as per the governing provisions of the Companies Act, 2013 (Section 178) and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (specified in Part D of Schedule II). The status of shareholder correspondences, queries, grievances etc. are endeavoured to be addressed instantaneously by the secretarial department and status thereof is also placed before the Stakeholders Relationship/ Grievance Redressal Committee.

(a) Name of Non-Executive Director heading the committee

The Stakeholders Relationship/ Grievance Redressal Committee comprises of 3 (Three) members of which, 2 (Two) are Non-Executive and Independent Directors, the Chairman being Non-Executive and Independent. The Company Secretary of the Company acts as Secretary to the Stakeholders Relationship/ Grievance Redressal Committee. The Composition of Stakeholders

Relationship/ Grievance Redressal Committee as on 31st March, 2024, is given below:

S. No.	Name	Category	Designation
1	Shri Subhash S Mundra	Non-Executive Independent	Chairman
2	Shri Jalaj A Dani	Non-Executive Independent	Member
3	Shri Surjit Kumar Gupta	Non-Executive Non-Independent	Member

(b) Name and designation of compliance officer

Shri Sanjay Kumar Gupta, Senior Vice President & Company Secretary is the Compliance Officer of the Company.

(c) Number of shareholders' complaints received during the financial year

The number of shareholders' complaints received and resolved during the financial year 2023-24 is given below:

(i) Number of shareholders' complaints received – 9

(ii) Number of shareholders' complaints resolved – 9

(d) Number of complaints not solved to the satisfaction of shareholders

None. All complaints were resolved to the satisfaction of shareholders.

(e) Number of pending complaints

As at 31st March, 2024, no complaint was pending unresolved.

(f) Meetings and attendance during the year

S. No.	Name	Attendance in Stakeholders Relationship/ Grievance Redressal Committee Meetings held on	
		2 May 23	14 Dec 23
1	Shri Subhash S Mundra	✓	✓
2	Shri Jalaj A Dani	✓	✓
3	Shri Surjit Kumar Gupta	✓	✓

(6) Enterprises Risk Management Committee

(a) Brief description of terms of reference

The role of the Enterprises Risk Management Committee is as per the Companies Act, 2013 and corresponding Rules framed thereunder and the applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as may be in force from time to time.

(b) Composition, Name of Members and Chairperson

The Committee comprises of 4 (Four) members out of which 3 (Three) are Non-Executive Directors. The Chairman being Non-Executive and Independent Director. The Company Secretary of the Company acts as Secretary to the Enterprises Risk Management Committee. The Composition of Enterprises Risk Management Committee as on 31st March, 2024 is given below:

S. No.	Name	Category	Designation
1	Shri Jalaj A Dani	Non-Executive Independent	Chairman
2	Shri T.V. Mohandas Pai	Non-Executive Non-Independent	Member
3	Shri Subhash S Mundra	Non-Executive Independent	Member
4	Shri Anil Rai Gupta	Executive	Member

(c) Meetings and attendance during the year

S. No.	Name	Attendance in Enterprises Risk Management Committee Meetings held on	
		4 Jul 23	14 Dec 23
1	Shri Jalaj A Dani	✓	✓
2	Shri T.V. Mohandas Pai	✓	✓
3	Shri Subash S Mundra	✓	✓
4	Shri Anil Rai Gupta	✓	✓

(7) Senior Management

Particulars of Senior Management including the changes therein during the Financial Year 2023-24:

S. No.	Name	Designation	Changes, if any,
1	Shri Alok Tickoo	Executive Vice President – Sales Lloyd	-
2	Shri Anil Kumar	Executive Vice President – Operations	Appointed on 19th January, 2024
3	Shri Deepak Bansal	Executive Vice President – Electrical Consumer Durables	-
4	Shri Mukul Saxena	President – Center for Research & Innovation	-
5	Shri Pramod Mundra	Executive Vice President – Information Technology	-
6	Shri Prag Kumar Bhatnagar	President – Consumer Lighting	-
7	Smt. Preemita Singh	Executive Vice President & CHRO – Human Resource & Personnel	-
8	Shri Rakesh Mehrotra	Executive Director*	-
9	Shri Rakesh Moza	Executive Vice President – Modern Retail	-
10	Shri Rakesh Rajput	Executive Vice President – Operations – Cables	-
11	Shri Rajesh Kumar Gupta	Chief Financial Officer (Whole-time Director)	-
12	Shri Rajesh Rathi	Executive Vice President – Sales Lloyd	-
13	Shri Rajiv Goel	Executive Director*	-
14	Shri Rajiv Kenue	Executive Vice President – Small Domestic Appliances	-
15	Shri Ravinder Zutshi	President - Business Development & Corporate Affairs	Resigned on 1st May, 2023
16	Shri Rohit Kapoor	Executive Vice President – Marketing & Communication	-
17	Shri Sameer Kirit Anjaria	President – Standard	-
18	Shri Sanjay Kumar Gupta	Company Secretary	-
19	Shri Saurabh Goel	Executive President – Building Segment	-
20	Shri Saurabh Kumar	Executive Vice President – E-Commerce	-
21	Shri Shrikant Pandit	Executive Vice President – Operations	Promoted on 1st April, 2023
22	Shri Vivek Yadav	Executive Vice President – Building Segment	-
23	Shri Yogesh Kumar Gupta	Executive Director*	-

**Not a Board position in terms of the Companies Act, 2013.*

(8) Remuneration of Directors

(a) All pecuniary relationship or transactions of the Non-Executive Directors vis-à-vis the listed entity

None, except for the Sitting Fee or the payment of Commission to Non-Executive Directors (except for promoter director).

(b) Criteria of making payments to Non-Executive Directors

The Company has adopted a Nomination and Remuneration Policy for Directors, Key Managerial Personnel and other Employees; regulated by the Nomination and Remuneration Committee of the Board. The Policy is also available on the website of the Company at https://havells.com/en/aboutus/corporate-governance.html in the 'Code & Policies' section in Corporate Governance.

The Non-Executive Directors, except for promoter director, are entitled to Sitting fees for attending Meetings of the Board, its Committees and the Shareholders. The Non-Executive Directors, except promoter directors are also paid an annual commission of ₹ 20 lakhs per annum in addition to the fee payable to such Directors for attending the Board and other Meetings or reimbursement of expenses, if any.

The remuneration to the Managing Director and Whole-time Director(s) is paid on the scale determined by the Nomination and Remuneration Committee within the limits approved by the Shareholders at the General Meeting.

(c) Disclosures with respect to Remuneration

(i) Details of remuneration/ sitting fees paid to Directors during the Financial Year 2023-24 are given below:

(₹ in lakhs)

S. No.	Name of Director	Service Term	No. of shares allotted/ transferred under ESPS	Sitting Fee (A)	Salary (B)	Perks (C)	Commission (D)	Total (A+B+C+D)
1	Shri Anil Rai Gupta* (Chairman and Managing Director & CEO)	1-4-19 to 31-3-24	0	NA	860.16	0.40	2,192.05	3,052.61
2	Shri Ameet Kumar Gupta** (Whole-time Director)	1-1-20 to 31-12-24	0	NA	342.72	0.40	876.82	1,219.94
3	Shri Rajesh Kumar Gupta** (Whole-time Director & Group CFO)	1-4-20 to 31-3-25	90,000	NA	759.73	0.40#	876.82	1,636.95
4	Shri Surjit Kumar Gupta	-	0	NA	-	-	-	-
5	Shri Siddhartha Pandit (Whole-time Director)	29-5-22 to 28-5-25	831#	NA	119.89	-#	-	119.89
6	Shri T. V. Mohandas Pai	-	0	8.00	-	-	20.00	28.00
7	Shri Puneet Bhatia	-	0	6.00	-	-	20.00	26.00
8	Shri Jalaj Ashwin Dani	-	0	14.00	-	-	20.00	34.00
9	Shri Upendra Kumar Sinha	-	0	14.00	-	-	20.00	34.00
10	Shri Subhash S Mundra	-	0	12.00	-	-	20.00	32.00
11	Shri B Prasada Rao	-	0	14.00	-	-	20.00	34.00
12	Shri Vivek Mehra	-	0	10.00	-	-	20.00	30.00
13	Smt. Namrata Kaul	-	0	15.00	-	-	20.00	35.00
14	Shri Ashish Bharat Ram	-	0	8.00	-	-	20.00	28.00

* *Entitled to Commission @ 1.25% of the profit before tax.*

** *Entitled to Commission @ 0.50% of the profit before tax.*

\# *Excluding the value of shares i.e. ₹ 1,107.18 lakhs exercised by Shri Rajesh Kumar Gupta and ₹ 4.08 lakhs exercised by Shri Siddhartha Pandit during the financial year 2023-24 under the Employees Stock Purchase Schemes of the Company.*

(ii) Details of fixed component and performance linked incentives, along with the performance criteria:

The details of fixed component is as provided in the table above and there are no other incentives paid to any Director of the Company.

(iii) Service contracts, notice period, severance fees:

The appointment of the Executive Directors is governed by Resolutions passed by 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 fee is payable to any Director.

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

During the financial year 2023-24, 90,000 Equity Shares of ₹ 1/- each were allotted to Shri Rajesh Kumar Gupta and 831 Equity Shares of ₹ 1/- each were allotted to Shri Siddhartha Pandit under various Employees Stock Purchase Schemes of the Company.

Besides the above, the Board of Directors has Corporate Social Responsibility & Environmental, Social and Governance Committee, Share Allotment and Transfer Committee and an Executive Committee. In respect of these Committees brief details of the role, terms of reference, composition and No. of Meetings held etc. are given below:

Corporate Social Responsibility & Environmental, Social and Governance Committee

(a) Brief description of terms of reference

The Corporate Social Responsibility & Environmental, Social and Governance Committee was formed pursuant to Section 135 of the Companies Act, 2013 as amended read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 and the Companies (Corporate Social Responsibility Policy) Amendment Rules, to formulate and recommend to the Board, a Corporate Social Responsibility Policy indicating the activities to be undertaken by the Company as specified in Schedule VII to the Act, to recommend the amount of expenditure to be incurred on such activities, action plan and to monitor the Corporate Social Responsibility Policy of the Company from time to time.

The Corporate Social Responsibility Policy of the Company ("CSR Policy") is available on the website of the Company under 'Codes & Policies' in the Corporate Governance section and can be accessed from https://havells.com/media/wysiwyg/PDF/Code-and-policies/CSR_Policy.pdf.

The details of the Corporate Social Responsibility Policy of the Company have also been disclosed in the Directors' Report section of the Integrated Annual Report.

(b) Composition, Name of Members and Chairperson

The Corporate Social Responsibility & Environmental, Social and Governance Committee comprises of 4 (Four) members of which 2 (Two) are Non-Executive and Independent, the Chairman being Non-Executive and Independent. The Company Secretary of the Company acts as Secretary to the Corporate Social Responsibility & Environmental, Social and Governance Committee. The Composition of Corporate Social Responsibility & Environmental, Social and Governance Committee as on 31st March, 2024, is given below:

S. No.	Name	Category	Designation
1	Shri Vivek Mehra	Non-Executive Independent	Chairman
2	Shri Jalaj A Dani	Non-Executive Independent	Member
3	Shri Surjit Kumar Gupta	Non-Executive Non-Independent	Member
4	Shri Rajesh Kumar Gupta	Executive	Member

(c) Meetings and attendance during the year

S. No.	Name	Attendance in Corporate Social Responsibility & Environmental, Social and Governance Committee Meetings held on	
		2 May 23	14 Dec 23
1	Shri Vivek Mehra	✓	✓
2	Shri Jalaj A Dani	✓	✓
3	Shri Surjit Kumar Gupta	✓	✓
4	Shri Rajesh Kumar Gupta	✓	✓

Share Allotment and Transfer Committee

The Share Allotment and Transfer Committee meets regularly to consider requests of share transfer/ transmission/ transposition/ split/ consolidation/ sub-division/ duplicate share certificate/ IEPF/ Unclaimed Suspense etc. and also to take note of the investor grievances. The summary of number of requests/ grievances received and resolved in every quarter is also placed before the Stakeholders Relationship/ Grievance Redressal Committee for its information and review.

The Committee comprises of 1 (One) Non-Executive Director and 2 (Two) Executive Directors. Shri Surjit Kumar Gupta being Non-Executive Director is the Chairman of the Committee. The Company Secretary of the Company acts as Secretary to the Share Allotment and Transfer Committee. The Composition of Share Allotment and Transfer Committee as on 31st March, 2024, is given below:

S. No.	Name	Category	Designation
1	Shri Surjit Kumar Gupta	Non-Executive Non-Independent	Chairman
2	Shri Anil Rai Gupta	Executive	Member
3	Shri Rajesh Kumar Gupta	Executive	Member

During the financial year 2023-24, the Share Allotment and Transfer Committee met 11 (Eleven) times.

Executive Committee

The role of the Executive Committee is to expeditiously decide business matters of routine nature and implementation of strategic decisions of the Board. The Committee functions within the approved framework and directions of the Board. The Committee also performs other activities as per the terms of reference of the Board. The Committee comprises of 1 (One) Non-Executive Director and 3 (Three) Executive Directors. Shri Surjit Kumar Gupta being Non-Executive Director is the Chairman of the Committee. The Company Secretary of the Company acts as Secretary to the Executive Committee. The Composition of Executive Committee as on 31st March, 2024, is given below:

S. No.	Name	Category	Designation
1	Shri Surjit Kumar Gupta	Non-Executive Non-Independent	Chairman
2	Shri Anil Rai Gupta	Executive	Member
3	Shri Ameet Kumar Gupta	Executive	Member
4	Shri Rajesh Kumar Gupta	Executive	Member

During the financial year 2023-24, the Executive Committee met 11 (Eleven) times.

(9) General Body Meetings

(a) Location and time, where last three Annual General Meetings held:

Date of AGM	Location	Time
27th June, 2023	Through Video Conferencing (VC) or Other Audio Visual Means (OAVM)	10:00 a.m.
8th July, 2022	Through Video Conferencing (VC) or Other Audio Visual Means (OAVM)	10:00 a.m.
30th June, 2021	Through Video Conferencing (VC) or Other Audio Visual Means (OAVM)	10:00 a.m.

(b) Whether any Special Resolutions passed in the previous three Annual General Meetings

Date of AGM	Details of Special Resolutions passed, if any
27th June, 2023	None
8th July, 2022	Approval of the Havells Employees Stock Purchase Scheme 2022 and its implementation through Trust
	Authorization for Havells Employees Welfare Trust to Subscribe to Shares for and under the Havells Employees Stock Purchase Scheme 2022
	Provisioning of money by the Company to the Havells Employees Welfare Trust/ Trustees for Subscription of Shares under the Havells Employees Stock Purchase Scheme, 2022
	Amendment to the Part B – "Havells Employees Stock Purchase Plan 2014" of Havells Employees Long Term Incentive Plan 2014 and related modifications thereto
30th June, 2021	Appointment of a Director in place of Shri Surjit Kumar Gupta (DIN:00002810), who retires by rotation and being eligible, offers himself for re-appointment
	Re-appointment of Shri Jalaj Ashwin Dani (DIN: 00019080) as an Independent Director for a Second Term
	Re-appointment of Shri Upendra Kumar Sinha (DIN: 00010336) as an Independent Director for a Second Term

(c) Special Resolution passed last year through postal ballot – details of voting pattern and procedure thereof

Nil

(d) Person who conducted the postal ballot exercise

Not Applicable

(e) Special Resolution proposed to be conducted through postal ballot

No Resolution requiring Postal Ballot as required by the Companies (Passing of Resolution by Postal Ballot) Rules, 2011, has been placed for Shareholder's approval at this Annual General Meeting.

(10) Means of Communication

(a) Quarterly Results

The Company publishes limited reviewed un-audited standalone & consolidated financial results on a quarterly basis. In respect of the fourth quarter, the Company publishes the audited financial results both standalone & consolidated for the complete financial year.

(b) Newspapers wherein results normally published

The quarterly, half-yearly and annual financial results are published in Economic Times in English and Jansatta Hindi Daily editions.

(c) Website, where displayed

The financial results and the official news releases are also placed on the Company's website www.havells.com in the Investors section and can be accessed from https://www.havells.com/en/discover-havells/investor-relation/financials/quarterly-results.html.

(d) Official news releases

Yes, the Company regularly publishes an information update on its financial results and also displays official news releases in the Investors section.

(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.

(11) General Shareholder Information

(a) Annual General Meeting - Date, Time and Venue

Day : Friday

Date : 28th June, 2024

Time : 02:00 pm

Venue : Through Video Conferencing (VC) or Other Audio Visual Means (OAVM) or as permitted by the relevant Statutory Authorities

Company's Registered Office i.e. 904, 9th Floor, Surya Kiran Building, K.G. Marg, Connaught Place, New Delhi – 110001 will be considered as Venue for the purpose of this Annual General Meeting

(b) Financial year

The Financial year of the Company starts from 1st April of a year and ends on 31st March of the following year. The tentative calendar of Meeting of Board of Directors for consideration of quarterly financial results for the Financial Year 2024-25 are as follows:

First Quarter Results	:	July 2024
Second Quarter and Half yearly Results	:	October 2024
Third Quarter Results	:	January 2025
Fourth Quarter and Annual Results	:	April 2025

(c) Dividend Payment Date

The Board of Directors of your Company declared an interim dividend of ₹ 3.00 per equity share of ₹ 1/- each i.e. @300% during the financial year 2023-24. Payment of dividend was done within 30 days from date of declaration i.e. 23rd January, 2024.

The Board of Directors of your Company has also recommended a Final Dividend of ₹ 6.00 per equity share of ₹ 1/- each i.e. @600% for the financial year 2023-24. Date of payment of dividend would be within 30 days from the date of AGM.

(d) Name and address of each stock exchange(s) at which the listed entity's securities are listed and a confirmation about payment of annual listing fee to each of such stock exchange(s)

The equity shares of the Company are listed at:

- The National Stock Exchange of India Ltd. (NSE), Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E), Mumbai- 400 051
- BSE Limited (BSE), Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400 001

The annual listing fee for the FY 2024-25 has been paid by the Company to both the stock exchanges within the stipulated time.

(e) Stock code

NSE	BSE	ISIN
HAVELLS	517354	INE176B01034 (Shares)

(f) Market price data- high, low during each month in last financial year

Monthly high & low prices and volumes of the equity shares of the Company at the National Stock Exchange of India Ltd. (Nifty) and BSE Limited (Sensex) during the financial year 2023-24 are as under:

(Amount in ₹)

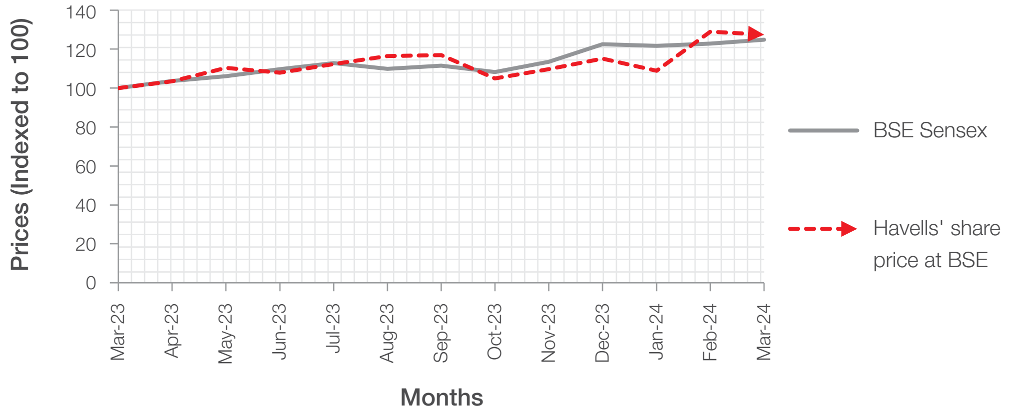
Period	NSE			BSE		
	High	Low	Volume (No. of shares)	High	Low	Volume (No. of shares)
Apr 2023	1,237.75	1,158.15	1,05,18,679	1,237.40	1,158.50	3,63,625
May 2023	1,322.90	1,211.85	1,61,35,970	1,322.65	1,211.05	5,13,310
Jun 2023	1,373.70	1,276.00	1,80,61,748	1,390.00	1,276.15	6,11,036
Jul 2023	1,408.30	1,258.60	2,74,35,491	1,408.00	1,259.00	8,51,457
Aug 2023	1,399.00	1,262.95	1,48,77,782	1,393.00	1,263.30	5,04,903
Sep 2023	1,465.85	1,348.20	1,78,06,161	1,466.00	1,340.90	12,27,143
Oct 2023	1,425.00	1,240.25	1,83,31,039	1,425.35	1,240.05	5,19,923
Nov 2023	1,315.00	1,232.85	1,25,49,965	1,314.95	1,233.10	4,74,754
Dec 2023	1,395.00	1,305.00	1,23,14,275	1,395.00	1,299.95	4,61,302
Jan 2024	1,472.00	1,280.00	1,95,44,351	1,471.75	1,280.20	10,06,187
Feb 2024	1,550.00	1,292.90	2,48,87,522	1,549.95	1,292.50	9,00,842
Mar 2024	1,591.35	1,435.05	1,67,16,999	1,590.90	1,435.05	4,17,726

(Source: NSE and BSE website)

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

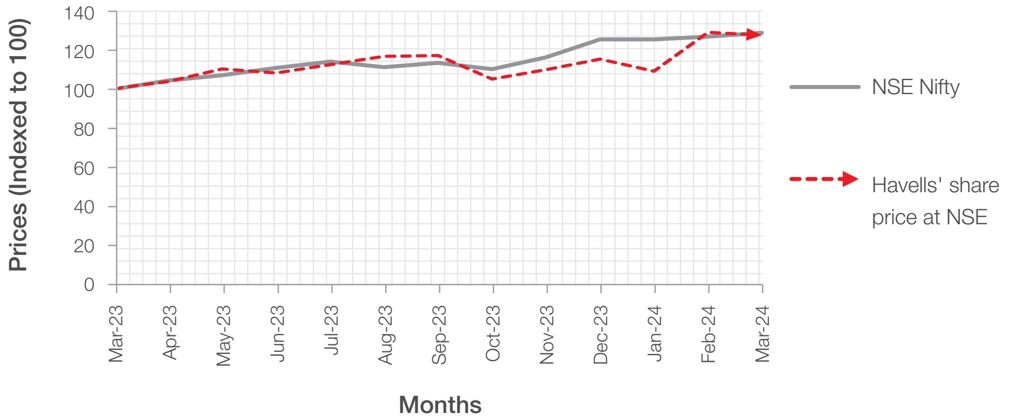
(g) Performance in comparison to broad-based indices such as BSE Sensex, CRISIL Index etc.

Havells share price vis-à-vis BSE Sensex



Note: The graph indicates monthly closing positions. Share prices and BSE Sensex are indexed to 100 as on 31st March, 2023.

Havells Share Price vis-à-vis NSE Nifty



Note: The graph indicates monthly closing positions. Share prices and NSE Nifty are indexed to 100 as on 31st March, 2023.

(h) In case the securities are suspended from trading, the Directors' Report shall explain the reason thereof

Not applicable.

(i) Registrar to an issue and share transfer agents

Link Intime India Private Limited
Noble Heights, 1st Floor, Plot No. NH 2,
LSC, C-1 Block, Near Savitri Market,
Janakpuri, New Delhi-110058
Telephone: 011-41410592,93, 011-49411000
Fax: 011-41410591
Email: delhi@linkintime.co.in
Website: www.linkintime.co.in

(j) Share transfer system

The Board has delegated the authority for approving transfer, transmission of shares etc. to the Share Allotment and Transfer Committee. The Company obtains an annual certificate from Practising Company Secretary as per the requirement of Regulation 40(9) of Listing Regulations and the same is filed with the Stock Exchanges and is available on the website of the Company.

In terms of amended Regulation 40 of the SEBI Listing Regulations w.e.f. 1st April, 2019, transfer of securities in physical form are not processed unless the securities are held in the dematerialised mode with a Depository Participant. Further, with effect from 24th January, 2022, SEBI has made it mandatory for listed companies to issue securities in dematerialised mode only while processing any investor service request viz. issue of duplicate securities certificates, 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. Further, SEBI vide its Circular dated 25th January, 2022, clarified that the RTA/ listed company shall verify and process the service requests and thereafter issue a 'Letter of Confirmation' in lieu of physical securities certificate(s), to the securities holder/ claimant within 30 days of its receipt of such request after removing objections, if any. The 'Letter of Confirmation' shall be valid for a period of 120 days from the date of its issuance, within which the securities holder/ claimant shall make a request to the Depository Participant for dematerializing the said securities.

(k) Distribution of shareholding as on 31st March, 2024

Shareholding of Nominal Value of ₹ 1/- each	Shareholders (Numbers)	% of Total Share Holders	No. of Shares	Nominal Value (in ₹)	% of Nominal Value
Upto 5,000	2,27,940	99.24	1,75,72,753	1,75,72,753	2.81
5,001 - 10,000	713	0.31	52,89,206	52,89,206	0.84
10,001 - 20,000	310	0.14	44,90,281	44,90,281	0.72
20,001 - 30,000	148	0.07	36,29,297	36,29,297	0.58
30,001 - 40,000	74	0.03	25,90,372	25,90,372	0.41
40,001 - 50,000	54	0.02	23,89,206	23,89,206	0.38
50,001 - 1,00,000	145	0.06	1,06,67,289	1,06,67,289	1.70
1,00,001 & Above	302	0.13	58,00,54,626	58,00,54,626	92.56
Grand Total	**2,29,686**	**100.00**	**62,66,83,030**	**62,66,83,030**	**100.00**

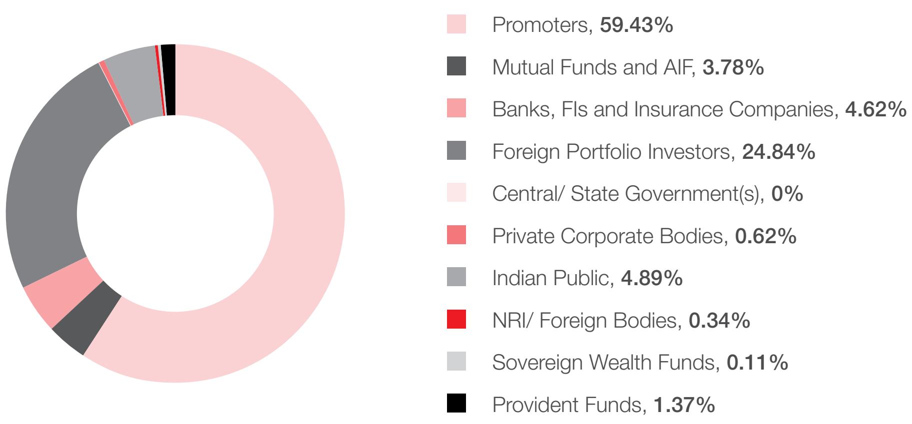
Ownership Pattern as on 31st March, 2024

Category	No. of Shareholders	No. of Shares Held	% of Total Holding
Promoters			
Indian Promoters	3	37,24,57,920	59.43
Non Promoters			
Institutional Investors			
Mutual Fund and Alternative Investment Funds	39	2,36,68,795	3.78
Foreign Portfolio Investors	754	15,56,30,031	24.84
Bank, Financial Institutions and Insurance Companies	27	2,89,45,501	4.62
Central Government/ State Government(s)	2	2,037	0.00
Sovereign Wealth Funds	2	7,08,983	0.11
Provident Funds/ Pension Funds	1	85,97,570	1.37
Non-Institutions			
Indian Public*	2,16,941	3,06,67,848	4.89
NRI & FN	5,530	21,43,842	0.34
Bodies Corporate	1,129	38,60,503	0.62
Grand Total	**2,24,428**	**62,66,83,030**	**100.00**

**Indian Public shareholding includes shareholdings of individuals, Directors & their relatives, KMP, shares with IEPF Authority, Trusts, HUF, Unclaimed Suspense A/c and Clearing Members.*

Details of Ownership Pattern given above are based on the Shareholding Pattern filed with the Stock Exchanges as at 31st March, 2024, wherein the Shareholding is consolidated on the basis of PAN.

Ownership Pattern as on 31st March 2024 (%)



List of Shareholders other than Promoters holding more than 1% as on 31st March, 2024

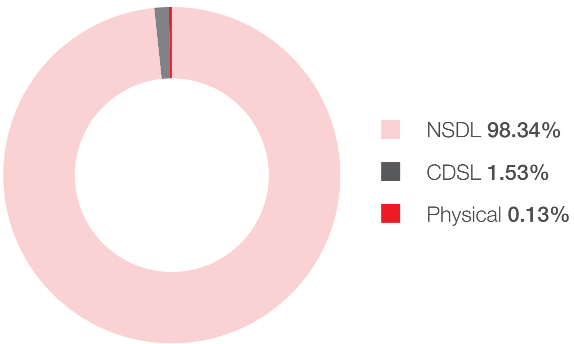
S. No.	Name of Shareholder	No. of Shares held	% of Total Shareholding
1	Nalanda India Equity Fund Limited	3,30,44,930	5.27
2	Life Insurance Corporation of India	1,87,46,432	2.99
3	Government Pension Fund Global	1,50,41,615	2.40
4	Invesco Developing Markets Fund	71,27,075	1.14
5	Life Insurance Corporation of India - P & Gs Fund	63,31,226	1.01

(l) Dematerialization of shares and liquidity

The shares of the Company are in compulsory demat segment and are available for trading in the depository systems of both the National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). As at 31st March, 2024, 62,58,42,372 Equity shares out of 62,66,83,030 Equity Shares of the Company, forming 99.87% of the Company's paid-up capital is held in the dematerialized form. Majority of demat shares are with National Securities Depository Limited. The status of shares held in demat and physical format is given below. The Company's shares are liquid and actively traded on the NSE and BSE.

Particulars	As on 31st March, 2024		As on 31st March, 2023	
	Number of Shares	Percentage	Number of Shares	Percentage
Shares in Demat Form	62,58,42,372	99.87	62,54,59,660	99.83
NSDL	61,62,48,122	98.34	61,47,23,107	98.12
CDSL	95,94,250	1.53	1,07,36,553	1.71
Shares in Physical Form	8,40,658	0.13	10,50,078	0.17
Total	**62,66,83,030**	**100.00**	**62,65,09,738**	**100.00**

Ownership in Demat and Physical Mode (%)



(m) Outstanding global depository receipts or American depository receipts or warrants or any convertible instruments, conversion date and likely impact on equity

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

(n) Commodity price risk or foreign exchange risk and hedging activities

In order to manage the Company's Foreign Exchange exposure, the Company has in place a Board approved Policy on Foreign Exchange for the management of corporate foreign exchange risk by defining its exposures, measuring them and defining appropriate actions to control the risk. The intent of this Policy is to minimise the financial statement impact of fluctuating foreign currency exchange rates.

(o) Plant locations

S. No.	Unit/ Plant	Products
1	Distt. Solan, Baddi, Himachal Pradesh	Electrical Wire Accessories and Switchgears
2	Plot No. 2 and 2A, Sector - 12, SIDCUL Industrial Area, Haridwar, Uttarakhand	Water Purifier and Appliances
3	14/3, Mathura Road, Faridabad, Haryana	Switchgears
4	Plot No.6, Site - IV, Sahibabad Industrial Area, Sahibabad (U.P.)	Switchgears and Capacitors
5	SP-181 – 189 & 191(A) Industrial Area, Phase II, Neemrana, Alwar, Rajasthan	Motor and Pump Lighting & Fixture, Water Heater and Water Cooler
6	A/461-462, & SP – 215, 204 & 204(A) Matsya Industrial Area, Alwar, Rajasthan	Industrial & Domestic Cable
7	Sector-10, Plot No 2A & 2D, Sidcul Industrial Area, Haridwar, Uttrakhand-243249	Fan
8	SP1-133, Rico Industrial Area, Behror, Ghiloth, Alwar, Rajasthan-301706	Air Conditioner & Washing Machine
9	10050, Central Expressway, Sri City- 517646	Air Conditioner

(p) Address for correspondence

The Company Secretary
Havells India Limited
(Secretarial Department)
QRG Towers, 2D, Sector-126,
Expressway, Noida (U.P.) Pin-201304
Telephone No.: 0120-3331000
Fax No.: 0120-3332000
Email: investors@havells.com

Address for Correspondence with the Registrar and Transfer Agents

Link Intime India Private Limited
Noble Heights, 1st Floor, Plot No. NH 2,
LSC, C-1 Block, Near Savitri Market,
Janakpuri, New Delhi-110058
Telephone: 011-41410592,93, 011-49411000
Fax: 011-41410591
Email: delhi@linkintime.co.in

(q) List of all credit ratings obtained by the entity along with any revisions thereto during the relevant financial year, for all debt instruments of entity or any fixed deposit programme or any scheme or proposal of the listed entity involving mobilization of funds, whether in India or abroad

The Company has obtained the following Credit Ratings from CARE:

Long-term Bank Facilities	:	CARE AAA (Triple A)
Short-term Bank Facilities	:	CARE A1+ (A One Plus)
Commercial Paper	:	CARE A1+ (A One Plus)
Corporate Governance	:	CareEdge CG 2+

The details on credit ratings are provided in the Directors' Report and are also available on the website of the Company in the Investors section and can be accessed at https://www.havells.com/en/discover-havells/investor-relation/credit-rating.html

During the year ended 31st March, 2024, there was no change in the above ratings by CARE.

(12) Other Disclosures

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

During the financial year 2023-24, there was no materially significant related party transaction that may have potential conflict with the interests of the Company at large. For reference, the details of related party transactions in accordance with IND AS–24 are given in Note No. 6 of Other Notes on Accounts of the Integrated 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, SEBI 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 adopted a Whistle Blower Policy called 'Satark' which means alert/ vigilant empowering any person associated with the organization to file a grievance if he/ she notices any irregularity. 'Satark' Policy is available on the website of the Company at https://havells.com/media/wysiwyg/PDF/Code-and-policies/VigilMechanism_SatarkPolicy.pdf.

No person has been denied access to the Audit Committee for any grievance.

The Company has in addition to Whistle Blower Policy also adopted a policy named 'Idea' to promote a culture of innovative thinking, creativity and vigilance in all areas of its business. The ideas may be related to technical aspects of business, non-technical aspects, commercial aspects, administrative aspects, processes, cost saving or any such other aspect that may benefit the Company.

(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 'Codes & Policies' in the Corporate Governance section and can be accessed at https://havells.com/media/wysiwyg/PDF/Code-and-policies/Policy-for-determining-material-subsidiaries.pdf.

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

The policy on dealing with related party transactions is available on the website of the Company under 'Codes & Policies' in the Corporate Governance section and can be accessed at https://havells.com/media/wysiwyg/PDF/Code-and-policies/Related_Party_Transactions_Policy.pdf.

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

In order to manage the Company's Foreign Exchange exposure, the Company has in place a Board approved Policy on Foreign Exchange Management for the management of corporate foreign exchange risk by defining its exposures, measuring them and defining appropriate actions to control the risk. The intent of this Policy is to minimise the financial statement impact of fluctuating foreign currency exchange rates.

Policy on Foreign Exchange Risk and Commodity Price Risk alongwith Foreign Currency exposure is given under Note No. 10 of Other Notes on Accounts of the Integrated Annual Report.

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

The Company did not raise any funds through preferential allotment or qualified institutions placement during the year.

(i) **Certificate from a 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 March 31, 2024, M/s Balika Sharma & Associates, Company Secretaries (Membership No. FCS 4816, CP No. 3222), 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 and the same also forms part of this Report.

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

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

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

The details of total fees for all services paid by the Company 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, are as follows:

Type of Service	Amount (₹ in crores)
Audit Fee	1.35
BRSR Core and Other Indicators Assurance Report	0.32
Certification Fee	0.15
Reimbursement of expenses	0.16
Total	**1.98**

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

The Company is committed to providing and promoting a safe and healthy work environment for all its employees. A Nirbhaya policy which is in line with the statutory requirements is in place.

a. number of complaints filed during the financial year– 0

b. number of complaints disposed off during the financial year – 0

c. number of complaints pending as on end of the financial year – 0

(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:**

None

(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:**

The Company does not have any material subsidiary.

(13) Disclosure of the extent to which the Discretionary Requirements as Specified in Part E of Schedule II have been Adopted

(a) The Board: Chairman of the Company being on Executive position, 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 Rights: Quarterly financial statements are published in leading newspapers and uploaded on Company's website https://www.havells.com/en/discover-havells/investor-relation/financials/quarterly-results.html

(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 the Managing Director or the CEO: Presently, Shri Anil Rai Gupta is the Chairman and Managing Director of the Company. He is also the CEO of the Company.

(e) Reporting of Internal Auditor: The Company appointed E&Y as the Internal Auditors for conducting the internal audit for the FY 2023-24, representatives whereof report to the Head, Risk Management and Governance Department who reports to the Whole-time Director & Group CFO and has direct access to the Audit Committee.

(14) Disclosures of the Compliance with Corporate Governance Requirements Specified in Regulations 17 to 27 and Clauses (B) to (I) of Sub-Regulation (2) of Regulation 46

The Company has complied with all the mandatory requirements specified in Regulations 17 to 27 and clauses (b) to (i) of sub – regulation (2) of Regulation 46 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Declaration Signed by the Chief Executive Officer Stating that the Members of Board of Directors and Senior Management Personnel have Affirmed Compliance with the Code of Conduct of Board of Directors and Senior Management

The Company is committed to conduct its business in accordance with the applicable laws, rules and regulations and with the highest standards of business ethics. Havells' Code of Ethics is intended to provide guidance and help in recognizing and dealing with ethical issues, mechanisms to report unethical conduct and to help foster a culture of honesty and accountability.

The Board has adopted a Code of Ethics for Directors, Senior Management and other Employees of the Company.

The Code is available on the website of the Company under 'Codes & Policies' in the Corporate Governance section and can be accessed at https://havells.com/media/wysiwyg/PDF/Code-and-policies/Code-of-Conduct.pdf.

Declaration pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

All Board Members and Senior Management Personnel have affirmed compliance with the code of ethics for the financial year ended 31st March, 2024.

Anil Rai Gupta
Chairman and Managing Director

Noida, April 30, 2024

Compliance Certificate from Either the Auditors or Practicing Company Secretaries Regarding Compliance of Conditions of Corporate Governance

The Certificate from the Statutory Auditors of the Company regarding compliance of conditions of Corporate Governance is annexed with the Directors' Report and forms an integral part of the Integrated Annual Report.

Disclosures with Respect to Demat Suspense Account/ Unclaimed Suspense Account

The Company has 1,60,100 Equity Shares of ₹ 1/- each in respect of 22 Shareholders, lying into the Unclaimed Suspense A/c of the demat account held with NSDL (IN30045014669162). Further, the dividend accruing on such Shares was also credited to Unpaid Dividend Account.

The requisite disclosures as per Schedule V (F) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in this regard are given below:

(a) Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the Year – 24 (No. of shareholders) 1,72,100 (No. of shares) respectively.

(b) Number of shareholders who approached listed entity for transfer of shares from suspense account during the year – 2 (No. of shareholders) 12,000 (No. of shares).

(c) Number of shareholders to whom shares were transferred from suspense account during the year – 2 (No. of shareholders) 12,000 (No. of shares).

(d) Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of year – 22 (No. of shareholders) 1,60,100 (No. of shares) respectively.

(e) that the voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares.

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.

Other useful Information for Shareholders

Mandatory furnishing of PAN, KYC details and Nomination by holders of physical securities

Pursuant to SEBI mandate, it is mandatory for all holders of physical securities in listed companies to furnish PAN, Nomination, Contact details, Bank A/c details and Specimen signature for their corresponding folio numbers.

In case of non-updation of PAN, Choice of Nomination, Contact Details including Mobile Number, Bank Account Details and Specimen Signatures in respect of the physical folios, no dividend shall be paid to the investor until all of the aforesaid KYC details are updated by the investor.

Once updated, all the unclaimed dividend previously declared by the Company shall be paid to the shareholder electronically.

Forms for availing various Investor services

Investors holding securities in physical mode interface with the RTAs, inter-alia, for registering/ updating the KYC details and for the processing of various service requests. The service requests along with requisite forms, as prescribed by SEBI are available on the website of the Company in the Investors section.

Unclaimed Dividend and shares

In terms of the provisions of the Companies Act, 2013, dividends remaining unpaid/ unclaimed for a period of seven years have to be statutorily transferred to the Investor Education and Protection Fund (IEPF) and such shares in respect of which dividend entitlements remained unclaimed for seven consecutive years or more are also required to be transferred by the Company to the Investor Education and Protection Fund, administered by the Central Government. To ensure maximum disbursement of unclaimed dividend, the Company regularly sends reminder to the relevant investors.

Unclaimed Dividend in respect of the financial year 2016-17 (Final) and the shares in respect of which dividend entitlements remain unclaimed for seven consecutive years will be due for transfer to the IEPF on 14th August, 2024 in terms of Section 124 of the Companies Act, 2013 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016. Members who have not encashed their Final Dividends in respect of the financial year ended 31st March, 2017 or any subsequent year(s) are requested to lodge their claims with the Company.

A separate communication in this regard has already been sent to the Shareholders of the Company who have not encashed their dividend warrants, providing them details of the unencashed warrants and requesting them to comply with the procedure for seeking payment of the same.

In respect of Final Dividend for the financial year ended 31st March, 2017, it will not be possible to entertain claims which are received by the Company after 14th August, 2024.

Members are advised that in terms of the provisions of Section 124 of the Companies Act, 2013, once unclaimed dividend and shares are transferred to IEPF, no claim shall lie against the Company in respect thereof. However members may apply for the same with the IEPF authority by making an application in the prescribed web Form No. IEPF-5.

Financial Year	Dividend Type	Dividend Per Share (₹)	Date of Declaration	Due date of transfer to IEPF
2016-17	Final	3.50	07.07.2017	14.08.2024
2017-18	Final	4.00	20.07.2018	26.08.2025
2018-19	Final	4.50	27.07.2019	31.08.2026
2019-20	Interim	4.00	06.03.2020	10.04.2027
2020-21	Interim	3.00	20.01.2021	24.02.2028
2020-21	Final	3.50	30.06.2021	06.08.2028
2021-22	Interim	3.00	20.10.2021	26.11.2028
2021-22	Final	4.50	08.07.2022	14.08.2029
2022-23	Interim	3.00	19.01.2023	25.02.2030
2022-23	Final	4.50	27.06.2023	03.08.2030
2023-24	Interim	3.00	23.01.2024	28.02.2031

For and on behalf of
Board of Directors of Havells India Limited

Anil Rai Gupta
Chairman and Managing Director

Noida, April 30, 2024

CEO'S/ CFO'S CERTIFICATE

We, Anil Rai Gupta, Chairman and Managing Director & CEO and Rajesh Kumar Gupta, Whole-time Director & Group CFO of Havells India Limited, to the best of our knowledge and belief, certify that:

a. We have reviewed the financial statements and the cash flow statement for the year ended 31st March, 2024 and that to the best of our knowledge and belief:

   i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

   ii. 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 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 that 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, wherever applicable, 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 the auditors and the Audit Committee, wherever applicable,

   i. significant changes in internal control over financial reporting during the year;

   ii. significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and

   iii. instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or any employee having a significant role in the Company's internal control system over financial reporting.

For Havells India Limited	**For Havells India Limited**
(Anil Rai Gupta)	**(Rajesh Kumar Gupta)**
Chairman and Managing Director & CEO	Whole-time Director & Group CFO

Noida, April 30, 2024

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
Havells India Limited

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Havells India Limited** having **CIN L31900DL1983PLC016304** and having Registered Office at 904, 9th Floor, Surya Kiran Building, K G Marg, Connaught Place, New Delhi Central Delhi-110001 (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 Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

S. No.	Name of Director	DIN	Date of Appointment
1	Shri Anil Rai Gupta	00011892	30/09/1992
2	Shri Surjit Kumar Gupta	00002810	08/08/1983
3	Shri Ameet Kumar Gupta	00002838	22/12/2014
4	Shri Rajesh Kumar Gupta	00002842	21/03/1992
5	Shri Upendra Kumar Sinha	00010336	01/03/2018
6	Shri Jalaj Ashwin Dani	00019080	16/08/2017
7	Shri Bontha Prasada Rao	01705080	12/05/2020
8	Shri Subhash Sheoratan Mundra	00979731	12/05/2020
9	Shri Vivek Mehra	00101328	12/05/2020
10	Smt Namrata Kaul	00994532	20/01/2021
11	Shri Ashish Bharat Ram	00671567	20/05/2021
12	Shri Mohandas Tellicheery Venkataraman Pai	00042167	22/12/2014
13	Shri Puneet Bhatia	00143973	22/12/2014
14	Shri Siddhartha Pandit	03562264	29/05/2019

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 **Balika Sharma & Associates**
Company Secretaries

Balika Sharma
Proprietor
FCS No: 4816
C P No: 3222
UDIN: F004816F000236003

Place: New Delhi
Date: April 25, 2024

PRICE WATERHOUSE & CO CHARTERED ACCOUNTANTS LLP

To the Members of Havells India Limited

Auditor’s Certificate on compliance with conditions of Corporate Governance

1. This certificate is issued in accordance with the terms of our agreement dated April 23, 2024.

2. The accompanying Statement containing the details of compliance with the conditions of Corporate Governance of Havells India Limited (the “Company") for the year ended March 31, 2024 (the “Statement”) has been prepared by the Management of the Company in connection with the requirements for the Company’s compliance with the conditions of Corporate Governance set out in Regulations 17, 17A, 18, 19, 20, 21, 22, 23, 24, 24A, 25, 26, 26A, 27 and clauses (b) to (i) and (t) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V ("the Conditions of Corporate Governance") in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) (“the SEBI Listing Regulations, 2015”) as communicated to us by the Management vide its email dated March 11, 2024 (“the Management’s communication”). We have initialled the Statement for identification purposes only.

Management’s Responsibility for the Statement

3. The preparation of the Statement is the responsibility of the Management of the Company including the creation and maintenance of all accounting and other records supporting its contents. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the Company’s compliance with the Conditions of Corporate Governance listed in SEBI Listing Regulations, 2015.

4. The Management is also responsible for ensuring that the Company complies with the Conditions of Corporate Governance in the SEBI Listing Regulations 2015 and that it provides complete and accurate information as requested.

Auditors’ Responsibility

5. Pursuant to the Management’s communication, it is our responsibility to examine the Statement and the underlying audited books of account and records of the Company and certify whether the Company has complied with the Conditions of Corporate Governance as stipulated in SEBI Listing Regulations, 2015, as set out in the Statement.

6. The financial statements relating to the books of account and records referred to in paragraph 5 above have been audited by us pursuant to the requirements of the Companies Act, 2013, on which we issued an unmodified audit opinion vide our report dated April 30,2024. Our audit of these financial statements has been conducted in accordance with the Standards on Auditing referred to in Section 143(10) of the Companies Act, 2013 and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India (“ICAI”). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

7. We conducted our examination in accordance with the ‘Guidance Note on Reports or Certificates for Special Purposes’ and, to the extent considered applicable, the ‘Guidance Note on Certification of Corporate Governance’ both issued by the ICAI. The ‘Guidance Note on Reports or Certificates for Special Purposes’ requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

8. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1 ‘Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information and Other Assurance and Related Services Engagements’.

9. Our examination, as referred to in paragraph 7 above, is neither an audit nor an expression of opinion on the financial statements of the Company.

Conclusion

10. Based on our examination as set out in paragraphs 7 and 9 above and the information and explanations given to us, we certify that the Company has complied with the Conditions of Corporate Governance as stipulated in SEBI Listing Regulations, 2015, as set out in the Statement.

11. We 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.

Restrictions on Use

12. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the obligations under SEBI Listing Regulations, 2015. Our Deliverable to be annexed with the Director's Report should not be used by any other person or for any other purpose. Our obligations in respect of this certificate are entirely separate from and our responsibility and liability is in no way changed by, any other role we may have as auditors of the Company or otherwise. Nothing in this certificate, nor anything said or done in the course of or in connection with the services that are the subject of this certificate, will extend any duty of care we may have in our capacity as auditors of the Company.

13. This certificate has been issued solely at the request of the Board of Directors of the Company to whom it is addressed and shall be used only to be annexed with the Director's Report and should not be used by any other person or for any other purpose. We do not accept or assume any liability or duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come, save where expressly agreed by our prior consent in writing.

For **Price Waterhouse & Co Chartered Accountants LLP**
Firm Registration Number: 304026E/ E-300009

Sougata Mukherjee
Partner
Membership Number: 057084
UDIN: 24057084BKFOAY5338

Place: Noida
Date: April 30, 2024

Independent Auditor's Report

To the Members of Havells India Limited

Report on the Audit of the Standalone Financial Statements

Opinion

1. We have audited the accompanying standalone financial statements of Havells India Limited ("the Company"), which comprise the Standalone Balance Sheet as at March 31, 2024, and 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 for the year then ended, and notes to the financial statements, including material accounting policy information and other explanatory information.

2. 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 ("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 state of affairs of the Company as at March 31, 2024, and total comprehensive income (comprising of profit and other comprehensive income), changes in equity and its cash flows for the year then ended.

Basis for Opinion

3. 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 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 together with the ethical requirements that are relevant to our audit of the 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.

Key audit matters

4. Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matter to be communicated in our report.

Key audit matter	How our audit addressed the key audit matter
Assessment of impairment of goodwill, intangible assets with indefinite useful lives and other non-financial assets of Lloyd Consumer business (Refer Note 4 to the standalone financial statements) As at March 31, 2024, the standalone financial statements include goodwill, intangible assets with indefinite useful lives and other non-financial assets pertaining to Lloyd Consumer business amounting to ₹ 310.47 crores, ₹ 1,029 crores and ₹ 882.08 crores respectively. As the Lloyd Consumer business has incurred losses, considering the requirements of Indian Accounting Standard (Ind AS) - 36 'Impairment of Assets', the management tested the above-mentioned assets for impairment using a Discounted Cash Flow (DCF) model. Based on such test, the recoverable amount of the CGU is higher than the carrying amount of the said assets and, accordingly, no adjustment for impairment is necessary. We considered this as a key audit matter because of the significant carrying amount of the above-mentioned assets and high estimation uncertainty in assumptions used such as discount rate, rate of growth over the estimation period and terminal growth rate which are affected by future market and economic conditions and, hence, are inherently uncertain.	**Our audit procedures among others, included the following:** a. Understanding and evaluating the design and operating effectiveness of internal controls over the impairment assessment process, including preparation of the DCF model; b. Evaluating the Company's accounting policy in respect of impairment assessment of goodwill, intangible assets with indefinite useful lives and other non-financial assets; c. Understanding the cash flow projections and assumptions used in the DCF model, testing the mathematical accuracy and reviewing the report of the management expert; d. Together with auditor's valuation experts, testing the appropriateness of the DCF model and key assumptions therein and performing sensitivity analysis over key assumptions within a reasonable and foreseeable range to corroborate that the recoverable amount of the CGU is not materially different to the Company's valuation; and e. Testing related presentation and disclosures in the standalone financial statements. Based on the above procedures performed, the management's impairment assessment of the goodwill, intangible assets and other non-financial assets of Lloyd Consumer Business was found to be reasonable.

Other Information

5. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of management and those charged with governance for the financial statements

6. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for 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.

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

Auditor's responsibilities for the audit of the financial statements

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

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

   - Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

   - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

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

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

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

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

11. 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.

12. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

13. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure B a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

14. 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, except for the matters stated in paragraph 14(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended) ("the Rules").

    (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 Accounting Standards specified under Section 133 of the Act.

    (e) On the basis of the written representations received from the directors as on March 31, 2024, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024, from being appointed as a director in terms of Section 164(2) of the Act.

    (f) With respect to the maintenance of accounts and other matters connected therewith, reference is made to our remarks in paragraph 14(h)(vi) below on reporting under Rule 11(g) of the Rules.

    (g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".

    (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 (as amended) in our opinion and to the best of our information and according to the explanations given to us:

        i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 32A to the standalone financial statements;

        ii. The Company was not required to recognise a provision as at March 31, 2024 under the applicable law or accounting standards, as it does not have any material foreseeable losses on long-term contract. The Company did not have any derivative contracts as at March 31, 2024.

        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. (a) The management has represented that, to the best of its knowledge and belief, other than as disclosed in Note 33(19)(ii) 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, as disclosed in the Note 33(19)(ii) 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 we 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 (a) and (b) contain any material misstatement.

v. The dividend declared and paid during the year by the Company is in compliance with Section 123 of the Act.

vi. Based on our examination, which included test checks, the Company has used accounting software for maintaining its books of account which have a feature of recording audit trail (edit log) facility and that have operated throughout the financial year for all relevant transactions recorded in the software except: (a) for modification, if any, made by certain users having specific access; and (b) that the audit trail, which was enabled at database level in the last month of the financial year, contains only the modified values. During the course of performing our procedures, we did not notice any instance of audit trail feature being tampered with for the period the audit trail was enabled. Also, refer note 33(21) to the financial statements.

15. The Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

For **Price Waterhouse & Co Chartered Accountants LLP**
Firm Registration Number: 304026E/E-300009

Sougata Mukherjee
Partner
Membership Number: 057084
UDIN: 24057084BKFOAW9462

Place: Noida
Date: April 30, 2024

Annexure A to Independent Auditor's Report

Referred to in paragraph 14(g) of the Independent Auditor's Report of even date to the members of Havells India Limited on the standalone financial statements for the year ended March 31, 2024

Report on the Internal Financial Controls with reference to Financial Statements under clause (i) of sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls with reference to financial statements of Havells India Limited ("the Company") as of March 31, 2024 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

2. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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.

Auditor's Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing deemed to be prescribed under Section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, 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.

5. 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 with reference to financial statements.

Meaning of Internal Financial Controls with reference to financial statements

6. A company's internal financial controls with reference to financial statements 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 controls with reference to financial statements 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 unauthorised 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 with reference to financial statements

7. Because of the inherent limitations of internal financial controls with reference to financial statements, 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 with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by ICAI.

For **Price Waterhouse & Co Chartered Accountants LLP**
Firm Registration Number: 304026E/ E-300009

Sougata Mukherjee
Partner
Membership Number: 057084
UDIN: 24057084BKFOAW9462

Place: Noida
Date: April 30, 2024

Annexure B to Independent Auditor's Report

Referred to in paragraph 13 of the Independent Auditors' Report of even date to the members of Havells India Limited on the standalone financial statements as of and for the year ended March 31, 2024

In terms of the information and explanations sought by us and furnished by the Company, and the books of account and records examined by us during the course of our audit, and to the best of our knowledge and belief, we report that:

i. (a) (A) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of Property, Plant and Equipment.

(B) The Company is maintaining proper records showing full particulars of Intangible Assets.

(b) The Property, Plant and Equipment of the Company have been physically verified by the Management during the year. The discrepancies noticed on such verification were not material and have been properly dealt with in the books of account. In our opinion, the frequency of verification is reasonable.

(c) 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), as disclosed in Note 3 to the standalone financial statements, are held in the name of the Company, except for the following:

Description of property	Gross carrying value (₹ crores)	Held in the name of	Whether promoter, director or their relative or employee	Period held	Reason for not being held in the name of the Company
Freehold land in Delhi	15.89	Late Shri Qimat Rai Gupta, on behalf of M/s Guptajee & Company	Erstwhile Promoter/ Director	From March 31, 2011	Refer Note 3(viii) to the standalone financial statements.
Building in Bengaluru	0.04	Mrs. Shakereh Shraddhanand	No	From April 01, 2012	

Further, the Company has taken the following immovable properties on lease, but the lease agreement has not been duly executed in favour of the Company:

Description of property	Gross carrying value (right-of-use asset) (₹ crores)	Held in the name of	Whether promoter, director or their relative or employee	Period held	Reason for lease agreement not executed with the Company
Building in Sahibabad	43.20	QRG Enterprises Limited	Promoter	From August 01, 2007	Refer Note 3(ix) to the standalone financial statements.
Building in Noida	96.79	QRG Enterprises Limited	Promoter	From July 01, 2008	

(d) The Company has chosen cost model for its Property, Plant and Equipment (including Right of Use assets) and intangible assets. Consequently, the question of our commenting on whether the revaluation is based on the valuation by a Registered Valuer, or specifying the amount of change, if the change is 10% or more in the aggregate of the net carrying value of each class of Property, Plant and Equipment (including Right of Use assets) or intangible assets does not arise.

(e) Based on the information and explanations furnished to us, no proceedings have been initiated or are pending against the Company for holding benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) (formerly the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)) and Rules made thereunder, and therefore the question of our commenting on whether the Company has appropriately disclosed the details in the financial statements does not arise.

ii. (a) The physical verification of inventory excluding stocks with third parties has been conducted at reasonable intervals by the Management during the year and, in our opinion, the coverage and procedure of such verification by Management is appropriate. In respect of inventory lying with third parties, these have substantially been confirmed by them. The discrepancies noticed on physical verification of inventory as compared to book records were not 10% or more in aggregate for each class of inventory.

(b) During the year, the Company has not been sanctioned working capital limits in excess of ₹ 5 crores, in aggregate from banks and financial institutions on the basis of security of current assets and accordingly, the question of our commenting on whether the quarterly returns or statements are in agreement with the unaudited books of account of the Company does not arise.

iii. (a) The Company has made an investment in one company during the year. The Company has not granted secured/ unsecured loans/advances in nature of loans, or stood guarantee, or provided security to any parties. Therefore, the reporting under clause 3(iii), (iii)(a), (iii)(c), (iii)(d), (iii)(e) and (iii)(f) of the Order are not applicable to the Company.

(b) In respect of the aforesaid investment, the terms and conditions under which such investment were made are not prejudicial to the Company's interest.

iv. The Company has not granted any loans or provided any guarantees or security to the parties covered under Section 185. Further, in our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of Section 186 of the Companies Act, 2013 in respect of the investment made by it and the Company has not provided any loans, guarantees or security to the parties covered under Section 186 of the Act.

v. The Company has not accepted any deposits or amounts which are deemed to be deposits referred in Sections 73, 74, 75 and 76 of the Act and the Rules framed there under.

vi. Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as specified under Section 148(1) of the Act in respect of its products. We have broadly reviewed the same and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.

vii. (a) In our opinion, the Company is regular in depositing the 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 other material statutory dues, as applicable, with the appropriate authorities.

(b) There are no statutory dues of provident fund, employees' state insurance and cess, service tax which have not been deposited on account of any dispute. The particulars of other statutory dues referred to in sub-clause (a) as at March 31, 2024 which have not been deposited on account of a dispute, are as follows:

Name of the statute	Nature of dues	Amount of demand without netting-off amount paid under protest (₹ crores)	Amount paid under protest (₹ crores)	Period to which the amount relates (Financial Year)	Forum where the dispute is pending
Income Tax Act, 1961	Income tax	10.17	0.36	2008-09, 2010-11, to 2014-15, 2016-17	High Court of Delhi,
Income Tax Act, 1961	Income tax	6.52	-	2010-11	Income Tax Appellate Tribunal, New Delhi
Income Tax Act, 1961	Income tax	13.89	-	2009-10	Commissioner of Income Tax (Appeal), New Delhi
Income Tax Act, 1961	Income tax	0.01	0.01	2018-19	Assessing Officer, New Delhi
Central Excise Act, 1944	Excise duty	0.23	-	2007-08 to 2009-10	CESTAT, Chandigarh
Central Excise Act, 1944	Excise duty	15.96	0.60	2015-16 to 2017-18	CESTAT, (Karnataka)

Name of the statute	Nature of dues	Amount of demand without netting-off amount paid under protest (₹ crores)	Amount paid under protest (₹ crores)	Period to which the amount relates (Financial Year)	Forum where the dispute is pending
Central Excise Act, 1944	Excise duty	0.39	0.01	1994-95 to 1996-97	Central Excise and Service Tax, Add. Commissioner CGST Delhi
The Customs Act, 1962	Custom duty	0.13	-	2017-18 and 2019-20	Commissioner of Customs (Appeals), New Delhi
The Customs Act, 1962	Custom duty	3.85	0.06	2017-18	Central Excise and Service Tax Appellate Tribunal (CESTAT), Allahabad
The Customs Act, 1962	Custom duty	5.98	2.40	2018-19 to 2020-21	Central Excise and Service Tax Appellate Tribunal (CESTAT), Delhi*
Bihar Value Added Tax Act, 2005	Sales tax	0.62	0.41	2016-17	Commissioner (Appeal) Patna
Haryana Value Added Tax Act, 2003	Sales tax	0.25	0.15	2003-04, 2005-06 to 2006-07	High Court (Punjab and Haryana)
Kerala Value Added Tax Act, 2003	Sales tax	0.33	0.28	2005-06	Appellate Tribunal, Commercial Tax, Ernakulam, (Kerala)
Tamil Nadu Value Added Tax Act, 2006	Sales tax	0.05	0.03	2007-08	Appellate Tribunal, Commercial Tax, (Tamil Nadu)
Orissa Entry Tax Act, 1999	Entry Tax	0.77	0.30	2008-09 to 2011-12	High Court, Orissa
Haryana Local Area Development Tax Act, 2000	Local Area Development Tax	0.12	-	2001-02	Joint Commissioner (Appeal), Faridabad
State Tax Act (Octroi Tax Act, Maharashtra)	Octroi	0.03	0.03	2010-11	Nagpur Municipal Corporation
Goods and Services Tax Act, 2017	Goods and Services Tax	0.58	0.06	2017-18	High Court (Uttar Pradesh)
Goods and Services Tax Act, 2017	Goods and Services Tax	0.11	-	2019-20	Additional Commissioner (A), Dehradun, UK
Goods and Services Tax Act, 2017	Goods and Services Tax	2.38	0.05	2022-23, 2017-18	Joint Commissioner of State tax, Alwar, Rajasthan
Goods and Services Tax Act, 2017	Goods and Services Tax	0.08	-	2017-18	Joint Commissioner (A), SGST, Kerala
Goods and Services Tax Act, 2017	Goods and Services Tax	0.01	0.00	2017-18	Commissioner (A), CGST, Ranchi, Jharkhand
Goods and Services Tax Act, 2017	Goods and Services Tax	0.44	0.02	2017-18	Joint Commissioner (A), CGST, Hyderabad, Telangana
Goods and Services Tax Act, 2017	Goods and Services Tax	52.73	4.79	2019-20, 2022-23	Joint Commissioner (A), SGST, Chennai, Tamilnadu
Goods and Services Tax Act, 2017	Goods and Services Tax	0.24	0.02	2017-18	Commissioner (A) CGST, Guwahati
Goods and Services Tax Act, 2017	Goods and Services Tax	0.02	0.00	2017-18	Commissioner (A) CGST, J&K
Goods and Services Tax Act, 2017	Goods and Services Tax	0.06	-	2017-18	Commissioner (A) CGST, Vijaywada*

**Pending appeal filling*

The above amounts contain interest and penalty where included in the order issued by the taxation authority to the Company.

viii. There are no transactions previously unrecorded in the books of account that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

ix. (a) As the Company did not have any loans or other borrowings from any lender during the year, the reporting under clause 3(ix)(a) of the Order is not applicable to the Company.

(b) On the basis of our audit procedures, we report that the Company has not been declared Wilful Defaulter by any bank or financial institution or government or any government authority.

(c) The Company has not obtained any term loans. Accordingly, reporting under clause 3(ix)(c) of the Order is not applicable to the Company.

(d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, the Company has not raised funds on short-term basis. Accordingly, reporting under clause 3(ix)(d) of the Order is not applicable to the Company.

(e) On an overall examination of the financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries. The Company did not have any joint venture or associate company during the year.

(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. The Company did not have any joint venture or associate company during the year.

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, the reporting under clause 3(x)(a) of the Order is not applicable to the Company.

(b) The Company has not made any preferential allotment or private placement of shares or fully or partially or optionally convertible debentures during the year. Accordingly, the reporting under clause 3(x)(b) of the Order is not applicable to the Company.

xi. (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, we have neither come across any instance of material fraud by the Company or on the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.

(b) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, a report under Section 143(12) of the Act, in Form ADT-4, as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 was not required to be filed with the Central Government. Accordingly, the reporting under clause 3(xi)(b) of the Order is not applicable to the Company.

(c) During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India, the Company has received whistle-blower complaints during the year, which have been considered by us for any bearing on our audit and reporting under this clause.

xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the reporting under clause 3(xii) of the Order is not applicable to the Company.

xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of related party transactions have been disclosed in the financial statements as required under Indian Accounting Standard 24 “Related Party Disclosures” specified under Section 133 of the Act.

xiv. (a) In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.

(b) The reports of the Internal Auditor for the period under audit have been considered by us.

xv. In our opinion, the Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the reporting on compliance with the provisions of Section 192 of the Act under clause 3(xv) of the Order is not applicable to the Company.

xvi. (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the reporting under clause 3(xvi)(a) of the Order is not applicable to the Company.

(b) The Company has not conducted non-banking financial / housing finance activities during the year. Accordingly, the reporting under clause 3(xvi)(b) of the Order is not applicable to the Company.

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting under clause 3(xvi)(c) of the Order is not applicable to the Company.

(d) Based on the information and explanations provided by the management of the Company, the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) does not have any CICs, which are part of the Group. We have not, however, separately evaluated whether the information provided by the management is accurate and complete. Accordingly, the reporting under clause 3(xvi)(d) of the Order is not applicable to the Company.

xvii. The Company has not incurred any cash losses in the financial year or in the immediately preceding financial year.

xviii. There has been no resignation of the statutory auditors during the year and accordingly the reporting under clause 3(xviii) of the Order is not applicable.

xix. On the basis of the financial ratios (Also refer Note 33(17)) to the standalone financial statements, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, 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 the 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. As at balance sheet date, the Company does not have any amount remaining unspent under Section 135(5) of the Act. Accordingly, reporting under clause 3(xx) of the Order is not applicable.

xxi. The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of Standalone Financial Statements. Accordingly, no comment in respect of the said clause has been included in this report.

For **Price Waterhouse & Co Chartered Accountants LLP**
Firm Registration Number: 304026E/ E-300009

Sougata Mukherjee
Partner
Membership Number: 057084
UDIN: 24057084BKFOAW9462

Place: Noida
Date: April 30, 2024

HAVELLS

HAVELLS INDIA LIMITED
(CIN: L31900DL1983PLC016304)

Balance Sheet

as at March 31, 2024

(₹ in crores)

	Notes	As at March 31, 2024	As at March 31, 2023
ASSETS			
1 **Non-current assets**			
Property, plant and equipment	3	2,606.18	2,227.77
Capital work in progress	3	296.91	163.42
Goodwill	4	310.47	310.47
Other intangible assets	4	1,071.16	1,082.33
Intangible assets under development	4	1.79	2.99
Investment in subsidiaries	5	21.18	0.45
Financial assets	7		
(i) Investments	7(A)	20.00	20.00
(ii) Trade receivables	7(B)	0.25	1.59
(iii) Other financial assets	7(C)	32.86	148.86
Contract assets	6(B)	11.55	25.57
Other non-current assets	8	146.62	78.94
Non Current tax assets (net)	9	34.92	29.03
Total non current assets		**4,553.89**	**4,091.42**
2 **Current assets**			
Inventories	10	3,408.52	3,708.47
Financial assets	11		
(i) Investments	11(A)	-	180.87
(ii) Trade receivables	11(B)	1,157.20	971.33
(iii) Cash and cash equivalents	11(C)	243.35	456.86
(iv) Bank balances other than (iii) above	11(D)	2,772.07	1,405.01
(v) Other financial assets	11(E)	20.99	116.89
Contract assets	6(B)	27.54	26.67
Other current assets	12	234.09	175.15
Total current assets		**7,863.76**	**7,041.25**
Assets classified as held for sale	13	2.18	10.53
		7,865.94	**7,051.78**
Total assets		**12,419.83**	**11,143.20**
EQUITY AND LIABILITIES			
1 **Equity**	14		
Equity share capital	14(A)	62.67	62.65
Other equity	14(B)	7,375.78	6,551.83
Total equity		**7,438.45**	**6,614.48**
2 **Liabilities**			
Non-current liabilities			
Financial liabilities	15		
(i) Lease liabilities	15(A)	242.44	186.91
(ii) Other financial liabilities	15(B)	4.05	7.21
Contract liabilities	6(C)	4.64	4.10
Provisions	16	87.72	136.72
Deferred tax liabilities (net)	17	357.52	361.51
Other non-current liabilities	18	6.48	-
Total non current liabilities		**702.85**	**696.45**
Current liabilities			
Financial liabilities	19		
(i) Lease liabilities	19(A)	60.72	36.19
(ii) Trade payables	19(B)		
a) Total outstanding dues of micro enterprises and small enterprises; and		203.70	154.96
b) Total outstanding dues of creditors other than micro enterprises and small enterprises		2,487.00	2,487.58
(iii) Other financial liabilities	19(C)	787.68	624.85
Contract liabilities	6(C)	98.73	82.53
Provisions	20	277.67	274.91
Current tax liabilities (net)	21	85.20	32.26
Other current liabilities	22	277.83	138.99
Total current liabilities		**4,278.53**	**3,832.27**
Total liabilities		**4,981.38**	**4,528.72**
Total equity and liabilities		**12,419.83**	**11,143.20**
Summary of material accounting policies	2		
Commitments and contingencies	32		
Other notes to accounts	33		

The above standalone balance sheet should be read in conjunction with the accompanying notes.

As per our report of even date

For Price Waterhouse & Co Chartered Accountants LLP
Firm Registration No. 304026E/E-300009

Sougata Mukherjee
Partner
Membership No. 057084

Date: April 30, 2024
Place: Noida

For and on behalf of Board of Directors

Anil Rai Gupta
Chairman and Managing Director
DIN: 00011892

Ameet Kumar Gupta
Director
DIN: 00002838

Date: April 30, 2024
Place: Noida

Rajesh Kumar Gupta
Whole-time Director & Group CFO
DIN: 00002842

Sanjay Kumar Gupta
Company Secretary
FCS No.: F 3348

Pankaj Jain
Vice President - Finance

HAVELLS INDIA LIMITED
(CIN: L31900DL1983PLC016304)

Statement of Profit and Loss

for the year ended March 31, 2024

(₹ in crores)

		Notes	Year ended March 31, 2024	Year ended March 31, 2023
I	**INCOME**			
	Revenue from operations	23	18,549.90	16,868.38
	Other income	24	248.73	177.02
	Total Income		**18,798.63**	**17,045.40**
II	**EXPENSES**			
	Cost of raw materials and components consumed	25	9,873.77	9,317.92
	Purchase of traded goods	26	2,420.02	2,994.58
	Changes in inventories of finished goods, traded goods and work in progress	27	242.73	(641.20)
	Employee benefits expense	28	1,541.06	1,274.98
	Finance costs	29	45.71	33.62
	Depreciation and amortization expenses	30	338.48	296.11
	Other expenses	31	2,609.41	2,300.71
	Net impairment losses on financial and contract assets	31A	17.62	18.43
	Total expenses		**17,088.80**	**15,595.15**
III	**Profit before exceptional items and tax**		**1,709.83**	**1,450.25**
IV	**Exceptional Items**	33(15)		
	Loss due to fire		-	112.52
	Insurance claim receivable		-	(112.52)
	Profit before tax		**1,709.83**	**1,450.25**
V	**Income tax expense**	17		
	Current tax		440.61	364.41
	Deferred tax {(refer note 17(d)}		(3.99)	10.89
	Total tax expense		**436.62**	**375.30**
VI	**Profit for the year**		**1,273.21**	**1,074.95**
VII	**Other comprehensive income**			
	Items that will not be reclassified to profit or loss			
	i) Re-measurement gain / (loss) on defined benefit plans {refer note 33(4)}		(6.43)	(10.25)
	ii) Income tax effect on above {refer note no 17(b)}		1.62	2.58
	Other comprehensive income/(loss) for the year, net of tax		**(4.81)**	**(7.67)**
VIII	**Total comprehensive income for the year**		**1,268.40**	**1,067.28**
IX	**Earnings per equity share (EPS) {refer note no. 33 (12)}**			
	(nominal value of share ₹1/-)			
	Basic EPS (₹)		20.32	17.16
	Diluted EPS (₹)		20.32	17.16
	Summary of material accounting policies	2		
	Commitments and contingencies	32		
	Other notes to accounts	33		

The above standalone statement of profit and loss should be read in conjunction with the accompanying notes.

As per our report of even date

For Price Waterhouse & Co Chartered Accountants LLP
Firm Registration No. 304026E/E-300009

Sougata Mukherjee
Partner
Membership No. 057084

Date: April 30, 2024
Place: Noida

For and on behalf of Board of Directors

Anil Rai Gupta
Chairman and Managing Director
DIN: 00011892

Rajesh Kumar Gupta
Whole-time Director & Group CFO
DIN: 00002842

Ameet Kumar Gupta
Director
DIN: 00002838

Sanjay Kumar Gupta
Company Secretary
FCS No.: F 3348

Date: April 30, 2024
Place: Noida

Pankaj Jain
Vice President - Finance

HAVELLS

Statement of Changes in Equity

For the year ended March 31, 2024

A) Equity Share Capital

(₹ in crores)

Particulars	Notes	Numbers	Amount
As at April 1, 2022	**14(A)**	**62,63,03,067**	**62.63**
Add: Exercise of employee stock purchase plan - proceeds received		2,06,671	0.02
As at March 31, 2023		**62,65,09,738**	**62.65**
Add: Exercise of employee stock purchase plan - proceeds received		1,73,292	0.02
As at March 31, 2024		**62,66,83,030**	**62.67**

B) Other Equity

(₹ in crores)

Particulars	Reserves and surplus						
	Notes	Capital reserve	Securities premium	General reserve	Share options outstanding account	Retained earnings	Total
As at April 1, 2022	**14(B)**	**7.63**	**121.50**	**722.72**	**0.53**	**5,073.63**	**5,926.01**
Profit for the year		-	-	-	-	1,074.95	1,074.95
Other comprehensive income for the year							
Re-measurement gains / (losses) on defined benefit plans net of tax		-	-	-	-	(7.67)	(7.67)
Total comprehensive income for the year		**-**	**-**	**-**	**-**	**1,067.28**	**1,067.28**
Transactions with owners in their capacity as owners:							
Final and interim dividend paid during the year		-	-	-	-	(469.88)	(469.88)
Equity shares issued under employee stock purchase plan		-	26.65	-	3.23	-	29.88
Options vested and exercised during the year		-	-	-	(1.46)	-	(1.46)
As at March 31, 2023		**7.63**	**148.15**	**722.72**	**2.30**	**5,671.03**	**6,551.83**
Profit for the year		-	-	-	-	1,273.21	1,273.21
Other comprehensive income for the year							
Re-measurement gains / (losses) on defined benefit plans net of tax		-	-	-	-	(4.81)	(4.81)
Total Comprehensive income for the year		**-**	**-**	**-**	**-**	**1,268.40**	**1,268.40**
Transaction with owners in their capacity as owners:							
Final and interim dividend paid during the year		-	-	-	-	(470.01)	(470.01)
Equity shares issued under employee stock purchase plan		-	21.30	-	7.67	-	28.97
Options vested and exercised during the year		-	-	-	(3.41)	-	(3.41)
As at March 31, 2024		**7.63**	**169.45**	**722.72**	**6.56**	**6,469.42**	**7,375.78**

Summary of material accounting policies	2
Commitments and contingencies	32
Other notes to accounts	33

The above standalone statement of changes in equity should be read in conjunction with the accompanying notes.

As per our report of even date

For Price Waterhouse & Co Chartered Accountants LLP
Firm Registration No. 304026E/E-300009

Sougata Mukherjee
Partner
Membership No. 057084

Date: April 30, 2024
Place: Noida

For and on behalf of Board of Directors

Anil Rai Gupta
Chairman and Managing Director
DIN: 00011892

Ameet Kumar Gupta
Director
DIN: 00002838

Date: April 30, 2024
Place: Noida

Rajesh Kumar Gupta
Whole-time Director & Group CFO
DIN: 00002842

Sanjay Kumar Gupta
Company Secretary
FCS No.: F 3348

Pankaj Jain
Vice President - Finance

Statement of Cash Flows

For the year ended March 31, 2024

(₹ in crores)

		Year ended March 31, 2024	Year ended March 31, 2023
A.	CASH FLOWS FROM OPERATING ACTIVITIES		
	Profit before tax	1,709.83	1,450.25
	Adjustments for		
	Depreciation and amortisation expense	338.48	296.11
	Loss /(gain) on disposal of property, plant and equipment (net)	(10.27)	0.14
	Unrealized foreign exchange loss /(gain) (net)	(0.31)	(6.25)
	Net impairment losses on financial and contract assets	17.62	18.43
	Impairment/ (reversal of impairment) on investment in subsidiary	-	(2.85)
	Employee stock purchase plan expense	4.26	1.77
	Lease rent concession	-	(0.12)
	Interest income on bank deposits and investment	(184.88)	(123.23)
	Finance cost	45.55	33.44
	Operating Profit	**1,920.28**	**1,667.69**
	Change in operating assets and liabilities		
	(Increase)/ Decrease in trade receivables	(200.65)	(223.47)
	(Increase)/ Decrease in contract assets	12.39	13.14
	(Increase)/ Decrease in other financial assets	63.07	(88.11)
	(Increase)/ Decrease in non current assets	10.92	4.47
	(Increase)/ Decrease in other current assets	(58.94)	(67.26)
	(Increase)/ Decrease in inventories	299.95	(740.39)
	Increase/ (Decrease) in trade payables	52.27	272.72
	Increase/ (Decrease) in financial liabilities	161.00	74.50
	Increase/ (Decrease) in other current liabilities	138.84	(50.06)
	Increase/ (Decrease) in contract liabilities	16.74	27.34
	Increase/ (Decrease) in provisions	(64.78)	66.11
	Cash generated from operations	**2,351.09**	**956.68**
	Income tax paid (net of refunds)	(391.94)	(391.94)
	Net cash inflow from operating activities (A)	**1,959.15**	**564.74**
B.	CASH FLOWS FROM INVESTING ACTIVITIES		
	Payment for property, plant and equipment and intangible assets	(786.05)	(587.77)
	Receipt of grant related to assets	3.21	-
	Proceeds from liquidation of subsidiary	-	4.03
	Investment in subsidiary	(20.73)	-
	Proceeds from sale of property, plant and equipment	23.80	2.27
	Investment in fixed deposits with bank and financial institution	(1,037.08)	520.43
	Receipt of insurance claim related to assets	31.27	-
	Payment for investments	-	(20.00)
	Interest on fixed deposit and investment received	151.01	120.12
	Net Cash inflow /(outflow) from Investing Activities (B)	**(1,634.57)**	**39.08**
C.	CASH FLOWS FROM FINANCING ACTIVITIES		
	Proceeds from exercise of employee stock purchase plan - share capital and securities premium received	21.32	26.67
	Payment of principal portion of lease liabilities	(51.33)	(44.28)
	Payment of interest portion of lease liabilities	(25.82)	(18.35)
	Repayment of long term borrowings	-	(393.69)
	Interest paid	(7.62)	(6.98)
	Dividends paid to Company's shareholders	(470.10)	(470.30)
	Net cash inflow /(outflow) from Financing Activities (C)	**(533.55)**	**(906.93)**

Statement of Cash Flows

For the year ended March 31, 2024

(₹ in crores)

	Year ended March 31, 2024	Year ended March 31, 2023
Net increase / (decrease) in cash and cash equivalents (A+B+C)	**(208.97)**	**(303.11)**
Cash and cash equivalents at the beginning of the year	456.86	763.70
Effect of foreign exchange rate changes on cash and cash equivalents held in foreign currency	(4.54)	(3.73)
Cash and cash equivalents at the end of the year	**243.35**	**456.86**
Non Cash financing and investing activities		
Acquisition of right-of-use assets	**133.72**	**51.86**

Notes :

1 *The above statement of cash flows has been prepared under the "Indirect Method" as set out in Indian Accounting Standard-7, "Statement of Cash Flows".*

2 *Components of cash and cash equivalents :-*

(₹ in crores)

	As at March 31, 2024	As at March 31, 2023
Cash and cash equivalents		
Balances with banks:		
Current accounts	33.92	63.24
Cash credit accounts	69.94	29.92
Deposits with original maturity of less than three months	139.36	363.57
Cash on hand	0.13	0.13
	243.35	**456.86**

The above standalone statement of cash flows should be read in conjunction with the accompanying notes.

As per our report of even date

For Price Waterhouse & Co Chartered Accountants LLP
Firm Registration No. 304026E/E-300009

Sougata Mukherjee
Partner
Membership No. 057084

Date: April 30, 2024
Place: Noida

For and on behalf of Board of Directors

Anil Rai Gupta
Chairman and
Managing Director
DIN: 00011892

Rajesh Kumar Gupta
Whole-time Director &
Group CFO
DIN: 00002842

Ameet Kumar Gupta
Director
DIN: 00002838

Sanjay Kumar Gupta
Company Secretary
FCS No.: F 3348

Date: April 30, 2024
Place: Noida

Pankaj Jain
Vice President - Finance

Notes to Financial Statements

for the year ended March 31, 2024

1. Corporate Information

Havells India Limited ('the Company') is a public limited Company domiciled in India and incorporated on August 08, 1983 under the provisions of the Companies Act, 1956 having its registered office at 904, 9th Floor, Surya Kiran Building, K.G. Marg, Connaught Place, New Delhi-110001. The Company is listed on BSE Limited and National Stock Exchange of India Limited. The CIN of the Company is L31900DL1983PLC016304.

The Company is consumer electrical/electronics and power distribution equipment manufacturer with products ranging from Industrial and Domestic Circuit Protection Switchgears, Cables, Motors, Pumps, Solar Products, Fans, Power Capacitors, LED Lamps and Luminaries for Domestic, Commercial and Industrial applications, Modular Switches, Water Heaters, Coolers and Domestic Appliances, Personal Grooming, Air Purifier,Water Purifier, Air conditioner, Television, Washing machine and Refrigerator covering the entire range of household, commercial and industrial electrical needs.

The Company's manufacturing facilities are located at Faridabad in Haryana, Alwar, Ghiloth and Neemrana in Rajasthan, Haridwar in Uttarakhand, Sahibabad in Uttar Pradesh, Baddi in Himachal Pradesh, Sri City in Andhra Pradesh. The research and development facilities are located at Noida (Uttar Pradesh), Bangalore and Ghiloth (Rajasthan).

2. Summary of material accounting policies

This note provides a list of the material accounting policies adopted in the preparation of these Indian Accounting Standards (Ind-AS) Standalone financial statements. These policies have been consistently applied to all the years except where newly issued accounting standard is initially adopted.

These standalone financial statement are separate financial statements including Havells Employees Welfare Trust prepared in accordance with Ind AS-27 "Separate Financial Statements".

2.01 Basis of preparation of Standalone Financial Statements

These standalone financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III).

The financial statements have been prepared on a historical cost convention, except for the following assets and liabilities:

i) Certain financial assets and liabilities that is measured at fair value

ii) Assets held for sale-measured at fair value less cost to sell

iii) Defined benefit plans-plan assets measured at fair value

iv) Share based payments.

2.02 Property, plant and equipment

Freehold Land is carried at historical cost. All other items of Property, Plant and equipment are stated at cost, less accumulated depreciation and accumulated impairment losses, if any.

Depreciation on property, plant and equipment is calculated on prorata basis on straight-line method using the useful lives of the assets estimated by management. The useful life is as follows:

Assets	Useful life (in years)
Building	30 and 60
Plant and Equipment	15
Moulds and Dies	6
Furniture and Fixtures	10
Vehicles	8 and 10
R &D Equipment	5 and15
Office Equipment	3 and 5
Mobile Phones	3
Electric Fans and Installations	10
Computers	3
Laptops	4

The useful lives of all the assets except moulds and dies, mobile phones and laptops have been determined as those specified by part 'C' of Schedule II to the Companies Act, 2013. In respect of moulds and dies and mobile phones, useful lives are lower than those specified by schedule II to the Companies Act 2013 and are depreciated over the estimated useful lives of 6 years and 3 years respectively, in respect of laptop useful life is more than those specified by schedule II to the Company Act 2013 and are depreciated over the estimated useful life of 4 years, in order to reflect the actual usage of assets. The residual values are not more than 5% of the original cost of the assets. The asset's residual values and useful lives are reviewed, and adjusted if appropriate.

Lease hold improvements are depreciated on straight line basis over shorter of the asset's useful life and their lease term unless the entity expects to use the asset beyond the lease term.

Leasehold land is amortized on a straight line basis over the unexpired period of their respective lease ranging from 90-99 years.

2.03 Intangible assets

Separately acquired intangible assets

Intangible assets with finite useful life are amortized on a straight line basis over their estimated useful life as under

Assets	Useful life (in years)
Computer Software	6
R&D Software	6
Distributor/ Dealer Network	8
Non-Compete Fee	7
Brand and Trademarks	Indefinite

Brand and Trademarks

Brand and Trademarks acquired in business combination are initially recognised at fair value at the date of acquisition. Following initial recognition, brand and trademark are carried at the above recognised value less accumulated amortization and accumulated impairment losses, if any. These Brand and trademarks have been in existence for considerable period and Company intends to continue use this intangible assets. Consequently it is believed that they have an indefinite life and are not amortised. Instead impairment testing is performed annually and whenever a triggering event has occurred to determine whether the carrying value exceeds the recoverable amount.

Distributor/ Dealer Network

Distributor/ Dealer Network acquired in business combination are initially recognised at fair value at the date of acquisition. Following initial recognition, Distributor/ Dealer Network are carried at the above recognised value less accumulated amortization and accumulated impairment losses, if any. They are amortised on a straight line basis over their estimated useful life of 8 years assessed by the management.

Goodwill

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred over the fair value of net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Company re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in other comprehensive income and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognizes the gain directly in equity as capital reserve, without routing the same through other comprehensive income.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses, if any. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Company's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquire are assigned to those units.

A cash generating unit to which goodwill has been allocated is tested for impairment annually or earlier, when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

Where goodwill has been allocated to a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

2.04 Impairment of non- financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may

Notes to Financial Statements

for the year ended March 31, 2024

be impaired. If any 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. The 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 or groups of assets. When 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 no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the Company operates, or for the market in which the asset is used.

Impairment losses of continuing operations, including impairment on inventories, are recognised in the statement of profit and loss, except for properties previously revalued with the revaluation surplus taken to OCI. For such properties, the impairment is recognised in OCI up to the amount of any previous revaluation surplus.

Goodwill is tested for impairment annually and when circumstances indicate that the carrying value may be impaired. Impairment is determined for goodwill by assessing the recoverable amount of each CGU (or group of CGUs) to which the goodwill relates. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognised. Impairment losses relating to goodwill cannot be reversed in future periods.

Intangible assets with indefinite useful lives are tested for impairment annually as at March 31 at the CGU level, as appropriate, and when circumstances indicate that the carrying value may be impaired.

2.05 Financial instruments

(i) Financial Assets

The Company classifies its financial assets in the following measurement categories:

- Those to be measured subsequently at fair value through profit or loss
- Those measured at amortized cost

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them.

Initial recognition measurement

With the exception of trade receivables that do not contain a material financing component or for which the Company has applied the practical expedient, the Company initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs.

Trade receivables that do not contain a material financing component or for which the Company has applied the practical expedient are measured at the transaction price determined under Ind AS 115. Refer to the accounting policies in section 'Revenue from contracts with customers'.

Financial assets at amortised cost (debt instruments)

A 'financial asset' is measured at the amortised cost if both the following conditions are met:

a) **Business Model Test :** The objective is to hold the financial asset to collect the contractual cash flows (rather than to sell the instrument prior to its contractual maturity to realize its fair value changes) and;

b) **Cash flow characteristics test:** The contractual terms of the financial asset give rise on specific dates to cash flows that are solely payments of principal and interest on principal amount outstanding.

This category is most relevant to the Company.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are carried in the balance sheet at fair value with net changes in fair value recognised in the statement of profit and loss.

ECLs are recognised in two stages. For credit exposures for which there has not been a material increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a material increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

The Company follows "simplified approach" for recognition of impairment loss allowance on:

- Trade receivables or contract revenue receivables; Trade receivables which are held to collect and sale basis accounted for as FVTPL.

Under the simplified approach, the Company does not track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. The Company uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix is based on its historically observed default rates over the expected life of trade receivable and is adjusted for forward looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward looking estimates are analysed.

2.06 Inventories

The costs of individual items of inventory are determined on a moving weightage average basis. Volume rebates or discounts are taken into account when estimating the cost of inventory if it is probable that they have been earned and will take effect. See note 2.12(i) for the other accounting policies for inventories.

2.07 Revenue from contract with customers

The Company manufactures/ trades and sells a range of consumer electrical and electronic products. Revenue from contracts with customers involving sale of these products is recognized at a point in time when control of the product has been transferred, and there are no unfulfilled obligation that could affect the customer's acceptance of the products which usually happen on delivery/ despatch of the goods as applicable. The Company also provides installation, annual maintenance and warranty services that are either sold separately or bundled together with the sale of goods. The Company recognizes these service revenue from sales of services over a period of time, because the customer simultaneously receives and consumes the benefits provided by the Company. The Company has objective evidence that all criterion for acceptance has been satisfied. A receivable is recognised when the control of the product is transferred as the consideration is unconditional and payment becomes due upon passage of time as per the terms of contract with customers.

(a) Sale of goods

Revenue from sale of goods is recognised at the point in time when control of the goods is transferred to the customer, generally on delivery of the goods and there are no unfulfilled obligations.

The Company considers, whether there are other promises in the contract in which their are separate performance obligations, to which a portion of the transaction price needs to be allocated. In determining the transaction price for the sale of goods, the Company allocates a portion of the transaction price to different performance obligations goods bases on its relative standalone prices and also considers the following:-

(i) Variable consideration

The Company recognizes revenue from the sale of goods measured at the

Notes to Financial Statements

for the year ended March 31, 2024

standalone selling price of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates. If the consideration in a contract includes a variable amount, the Company estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a material revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved. The Company operates several sales incentive programmes wherein the customers are eligible for several benefits on achievement of underlying conditions as prescribed in the scheme programme such as credit notes, reimbursement, investments etc. Revenue from contract with customer is presented after deducting cost of all these schemes.

(ii) Warranty obligations

The Company generally provides for warranties for general repair of defects. These warranties are assurance-type warranties under Ind AS 115, which are accounted for under Ind AS 37 (Provisions, Contingent Liabilities and Contingent Assets). However, in certain non-standard contracts in respect of sale of consumer durable goods, the Company provides extended warranties and such warranties are termed as service-type warranties and therefore, accounted for as separate performance obligations to which the Company allocates a portion of the transaction price. Revenue from service-type warranties is recognised over the period in which the service is provided based on the time elapsed.

(iii) Singificant Financing Components

In respect of short-term advances from its customers, using the practical expedient in Ind AS 115, the Company does not adjust the promised amount of consideration for the effects of a material financing component if it expects, at contract inception, that the period between the transfer of the promised good or service to the customer and when the customer pays for that good or service will be within normal operating cycle.

In respect of long term contracts, the transaction price for these contracts is discounted, using the interest rate implicit in the contract (i.e., the interest rate that discounts the cash selling price of the equipment to the amount paid in advance).

No material element of financing is deemed present as the sales are made with a credit term of 21 to 90 days, which is consistent with market practice.

(b) Sale of services

The Company provides installation, annual maintenance and extended warranty services that are sold separately. The Company recognizes revenue from sales of services over time, because the customer simultaneously receives and consumes the benefits provided by the Company. Revenue from services related activities is recognised as and when services are rendered and on the basis of contractual terms with the parties.

(c) Contract balances

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. Contract assets are in the nature of unbilled receivables, which arises when Company satisfies a performance obligation but does not have an unconditional rights to consideration. A receivables represents the Company's right to an amount of consideration that is unconditional. Contract assets are subject to impairment assessment. Refer to accounting policies on impairment of financial assets in section (Financial instruments – initial recognition and subsequent measurement).

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 (i.e., transfers control of the related goods or services to the customer).

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).

(d) Income from Service Concession Arrangement

Revenue related to Street Lights Upgrade services provided under service concession arrangement is recognized as per the agreement with the grantor. The Company recognizes a financial asset arising from the service concession agreement when it has an unconditional contractual right to receive cash or another financial asset from or at the direction of the grantor of the concession for the upgrade services provided. Such financial assets are measured at fair value upon initial recognition.

2.08 Other Income

(a) Interest Income

For all debt instruments measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. 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. Interest income is included in other income in the statement of profit and loss.

2.09 Leases

Company as a lessee

The Company's lease asset classes primarily comprise of lease for land and building. The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

(i) Right-of-use assets (ROU)

The Company classifies ROU assets as part of Property plant and equipment in Balance Sheet and lease liability in "Financial Liability".

(ii) Lease Liabilities

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.

(iii) 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.

2.10 Provisions and Contingent Liabilities

Warranty Provisions

Provision for warranty-related costs are recognized when the product is sold or service is provided to customer. Initial recognition is based on historical experience. the Company periodically reviews the adequacy of product warranties and adjust warranty percentage and warranty provisions for actual experience, if necessary. The timing of outflow is expected to be with in one to seven years.

Provision for E-Waste/Plastic-Waste

Provision for E-Waste/Plastic-Waste management costs are recognized when the liability in respect of products sold to customer is established in accordance with E- Waste (Management) Rules, 2022 as notified by Government of India. Initial recognition is based on liability computed based on Extended Producer Responsibility as promulgated in said Rules including cost to comply the said regulation and as reduced by expected realisation of collectable waste. The Company has assessed the liability to arise on year to year basis.

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2.11 Material accounting judgments, estimates and assumptions

The preparation of these standalone financial statements requires the management to make judgments, use estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these judgements, assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

a) Leases

The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Company has several lease contracts that include extension and termination options. The Company applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Company reassesses the lease term if there is a material event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction of material leasehold improvements or material customisation to the leased asset).

b) Taxes

Uncertainties exist with respect to the interpretation of tax regulations, changes in tax laws, and the amount and timing of future taxable income. Given the wide range of business relationships differences arising between the actual results and the assumptions made, or future changes to such assumptions, could necessitate future adjustments to tax income and expense already recorded. The Company establishes provisions, based on reasonable estimates. The amount of such provisions is based on various factors, such as experience of previous tax assessments and differing interpretations of tax regulations by the taxable entity and the responsible tax authority. (Refer Note 17)

c) Gratuity benefit and Leave obligation

The cost of defined benefit plans (i.e. Gratuity benefit) and other long term employee obligations (i.e Leave obligation) 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 and leave 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 India. Future salary increases and pension increases are based on expected future inflation rates for India. Further details about the assumptions used, including a sensitivity analysis, are given in Note 33(4).

d) Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset including intangible assets having indefinite useful life and goodwill may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An assets recoverable amount is the higher of an asset's CGU'S fair value less cost of disposal and its value in use. 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 estimated based on past rend and 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 no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, or other fair value indicators.

e) Provision for warranty

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. The warranty claims may not exactly match the historical warranty percentage, so such estimates are reviewed annually for any material changes in assumptions and likelihood of occurrence. The assumptions are consistent with prior years. (Refer Note 20)

f) Provision for expected credit losses (ECL) of trade receivables and contract assets

The Company uses a provision matrix to calculate ECLs for trade receivables and contract assets. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns (i.e., by geography, product type, customer type and rating, and coverage by letters of credit and other forms of credit insurance). The provision matrix is initially based on the Company's historical observed default rates. The Company will calibrate the matrix to adjust the historical credit loss experience with forward-looking information. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a material estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Company's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future. The information about the ECLs on the Company's trade receivables and contract assets is disclosed in Note 33(10).

g) Property, Plant and Equipment and intangible assets

Property, Plant and Equipment represent material portion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of assets expected useful life and expected value at the end of its useful life. The useful life and residual value of Company's assets are determined by Management at the time asset is acquired and reviewed periodically including at the end of each year. The useful life is based on historical experience with similar assets, in anticipation of future events, which may have impact on their life such as change in technology.

Other accounting policy

This note provides a list of other accounting policies adopted in the preparation of these standlone/ financial statements to the extent they have not already been disclosed in the other notes above. These policies have been consistently applied to all the years presented, unless otherwise stated. The financial statements are for the group/Company consisting of Havells India Limited (the 'Company') and its subsidiaries.

2.12 Description

a) Rounding Off

These standalone financial statements are presented in INR and all values are rounded to the nearest crore (INR 0,000,000), except when otherwise indicated.

b) Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/non- current classification. An asset is treated as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle
- Held primarily for purpose of trading
- Expected to be realized within twelve months after the reporting period, or
- cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

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All other liabilities are classified as non current.

Deferred tax assets and deferred tax liabilities are classified as non- current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. the Company has identified twelve months as its operating cycle.

c) Property Plant and Equipment

The historical 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 input tax credit availed wherever applicable. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When material parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred. 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 asset's carrying amount or recognised as separate assets, as appropriate, only when it is probable that future economic benefit associated with the item will flow to the Company and the cost of item can be measured reliably.

An item of property, plant and equipment and any material part initially recognised is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised.

Capital work- in- progress includes cost of property, plant and equipment under installation / under development as at the balance sheet date.

Capital work in progress is stated at cost, net of accumulated impairment loss, if any.

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

Separately acquired intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Cost of intangible assets acquired in business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use.

The useful lives of intangible assets are assessed as either finite or indefinite. Intangible assets with finite lives are amortized over their useful lives and assessed for impairment whenever there is an indication that the intangible asset may be impaired. 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 recognized in the statement of profit and loss.

Intangible assets with indefinite useful lives are not amortized, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis. The Company has assessed indefinite life for such brand considering the expected usage, expected investment on brand, business forecast and challenges to establish a premium electronic segment. These are carried at historical cost and tested for impairment annually.

Research and development cost

Research costs are expensed as incurred. Development expenditure incurred on an individual project is recognized as an intangible asset when the Company can demonstrate all the following:

i) The technical feasibility of completing the intangible asset so that it will be available for use or sale;

ii) Its intention to complete the asset;

iii) Its ability to use or sale the asset;

iv) How the asset will generate future economic benefits;

v) The availability of adequate resources to complete the development and to use or sale the asset; and

vi) The ability to measure reliably the expenditure attributable to the intangible asset during development.

Following the initial recognition of the development expenditure as an asset, the cost model is applied requiring the asset to be carried at cost less any accumulated amortization and accumulated impairment losses. Amortization of the asset begins when development is complete and the asset is available for use. It is amortized on straight line basis over the estimated useful life and is recognised in the statement of profit and loss. During the period of development, the asset is tested for impairment annually.

e) Impairment of non- financial assets

For assets excluding goodwill and intangible assets having indefinite life, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit and loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

f) Financial instruments

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

Initial recognition measurement

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows while financial assets classified and measured at fair value through OCI are held within a business model with the objective of both holding to collect contractual cash flows and selling.

Financial assets at amortised cost (debt instruments)

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. 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. EIR is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the 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 but does not consider the expected credit losses. The EIR amortization is included in other income in profit or loss. The losses arising from impairment are recognized in the profit or loss. This category generally applies to trade and other receivables.

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Financial assets at fair value through OCI (FVTOCI) (debt instruments)

Debt instrument included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI), except for the recognition of interest income, impairment gains or losses and foreign exchange gains or losses which are recognized in statement of profit and loss and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in OCI. Upon derecognition, the cumulative fair value changes recognised in OCI is reclassified from the equity to profit or loss.

Financial assets designated at fair value through OCI (equity instruments)

Upon initial recognition, the Company can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under Ind AS 32 Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument-by-instrument basis. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS103 applies are classified as at FVTPL.

Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognised as other income in the statement of profit and loss when the right of payment has been established, except when the Company benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

Derecognition

A financial asset (or,where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised (i.e. removed from the Company's statement of financial position) when:

- The rights to receive cash flows from the asset have expired, or
- the Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass through" arrangement and either;

(a) the Company has transferred substantially all the risks and rewards of the asset, or

(b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the group could be required to repay.

Impairment of financial assets

In accordance with IND AS 109, the Company applies expected credit losses (ECL) model for measurement and recognition of impairment loss on the following financial asset and credit risk exposure

- Financial assets measured at amortized cost;
- Financial assets measured at fair value through other comprehensive income(FVTOCI);

ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss. This amount is reflected under the head 'other expenses' in the statement of profit and loss. The balance sheet presentation for various financial instruments is described below:

(a) Financial assets measured as at amortised cost: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the group does not reduce impairment allowance from the gross carrying amount.

(b) Loan commitments and financial guarantee contracts: ECL is presented as a provision in the balance sheet, i.e. as a liability.

(c) Debt instruments measured at FVTOCI: For debt instruments measured at FVTOCI, the expected credit losses do not reduce the carrying amount in the balance sheet, which remains at fair value. Instead, an amount equal to the allowance that would arise if the asset was measured at amortised cost is recognised in other comprehensive income as the accumulated impairment amount.

g) Financial liabilities:

Initial recognition and measurement

Financial liabilities are classified at initial recognition as financial liabilities at fair value through profit or loss, loans and borrowings, and payables, net of directly attributable transaction costs. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Company financial liabilities include loans and borrowings, trade payables, trade deposits, retention money, liabilities towards services, sales incentive and other payables.

Subsequent measurement

For purposes of subsequent measurement, financial liabilities are classified in two categories:

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

(ii) Financial liabilities at amortised cost (loans and borrowings)

Financial liabilities at fair value through profit or loss

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

Gains or losses on liabilities held for trading are recognized in the statement of profit and loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in IND AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to profit and loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognized in the statement of profit or loss. the Company has not designated any financial liability as at fair value through profit and loss.

Financial liabilities at amortised cost (Loans and borrowings)

After initial recognition, interest-bearing borrowings are subsequently measured at amortized cost using the Effective interest rate method. Gains and losses are recognized in profit or loss when the liabilities are derecognised as well as through the Effective interest rate amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the Effective interest rate. The Effective interest rate amortization is included as finance costs in the statement of profit and loss.

Trade Payables

These amounts represents liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid per the term of contract with suppliers. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognized initially at fair value and subsequently measured at amortized cost using Effective interest rate method.

Financial guarantee contracts

Financial guarantee contracts issued by the Company are those contracts that require a

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payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognized initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of IND AS 109 and the amount recognized less cumulative amortization.

Derecognition

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

Offsetting of financial instruments

Financials assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

Reclassification of financial assets/ financial liabilities

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are material to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is material to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

h) Investment in Subsidiaries

The investment in subsidiary 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) the ability to use its power over the investee to affect the amount of the returns.

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.

i) Inventory

Basis of valuation:

Inventories other than scrap materials are valued at lower of cost and net realizable value after providing cost of obsolescence, if any. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. The comparison of cost and net realizable value is made on an item-by-item basis.

Inventory of scrap materials have been valued at net realizable value.

Method of Valuation:

Cost of raw materials has been determined by using moving weighted average cost method and comprises all costs of purchase, duties, taxes (other than those subsequently recoverable from tax authorities) and all other costs incurred in bringing the inventories to their present location and condition.

Cost of finished goods and work-in-progress includes direct labour and an appropriate share of fixed and variable production overheads. Fixed production overheads are allocated on the basis of normal capacity of production facilities. Cost is determined on moving weighted average basis.

Cost of traded goods has been determined by using moving weighted average cost method and comprises all costs of purchase, duties, taxes (other than those subsequently recoverable from tax authorities) and all other costs incurred in bringing the inventories to their present location and condition.

j) Non-current assets held for sale

The Company classifies non-current assets as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use and the sale is considered highly probable. Such non-current assets classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Any expected loss is recognized immediately in the statement of profit and loss.

The criteria for held for sale classification is regarded as met only when the assets is available for immediate sale in its present condition, subject only to terms that are usual and customary for sales of such assets, its sale is highly probable; and it will genuinely be sold. The Company treats sale of the asset to be highly probable when:

i) The appropriate level of management is committed to a plan to sell the asset

ii) An active programme to locate a buyer and complete the plan has been initiated (if applicable)

iii) The asset is being actively marketed for sale at a price that is reasonable in relation to its current fair value

iv) The sale is expected to qualify for recognition as a completed sale within one year from the date of classification, and

v) Actions required to complete the plan indicate that it is unlikely that material changes to the plan will be made or that the plan will be withdrawn.

The criteria for held for sale classification is regarded as met only when the sale is highly probable and the asset is available for immediate sale in its present condition and the assets must have actively marketed for sale at a price that is reasonable in relation to its current fair value. Actions required to complete the sale should indicate that it is unlikely that material changes to the plan to sale these assets will be made. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Property, plant and equipment and intangible assets once classified as held for sale are not depreciated or amortized. Assets and liabilities classified as held for sale are presented separately as current items in the balance sheet.

k) 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. Income Tax expense for the year comprises of current tax and deferred tax.

Current income tax

Current income tax, assets and liabilities are measured at the amount expected to be paid to or recovered from the taxation authorities in accordance with the Income Tax Act, 1961 and the Income Computation and Disclosure Standards (ICDS) enacted in India by using tax rates and the tax laws that are enacted at the reporting date.

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 in the countries where the company operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The group measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

Current income tax relating to item recognized outside the statement of profit and loss is

Notes to Financial Statements

for the year ended March 31, 2024

recognized outside profit or loss (either in other comprehensive income or equity).Current tax items are recognized in correlation to the underlying transactions either in OCI or directly in equity.

Deferred Tax

Deferred tax is provided in full using the balance sheet method on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

i) When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss

ii) In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognized outside the statement of profit and loss is recognized outside the statement of profit and loss (either in other comprehensive income or in equity). Deferred tax items are recognized in correlation to the underlying transaction either in OCI or direct in equity.

Tax benefits acquired as part of a business combination, but not satisfying the criteria for separate recognition at that date, are recognised subsequently if new information about facts and circumstances change. Acquired deferred tax benefits recognised within the measurement period reduce goodwill related to that acquisition if they result from new information obtained about facts and circumstances existing at the acquisition date. If the carrying amount of goodwill is zero, any remaining deferred tax benefits are recognised in OCI/ capital reserve depending on the principle explained for bargain purchase gains. All other acquired tax benefits realized are recognised in profit or loss.

l) Other Operating Revenues

(a) Export benefit

Revenue from export benefits arising from duty drawback scheme, merchandise export incentive scheme, Remission of duties and taxes on exported product scheme are recognised on export of goods in accordance with their respective underlying scheme at fair value of consideration received or receivable.

(b) Government Grants

Government Grants are recognized at their fair value when there is reasonable assurance that the grant will be received and all the attached conditions will be complied with.

When the grant relates to an expense item, it is recognized as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. Government grant related to the non-monetary asset are recognised at nominal value and presented by deducting the same from carrying amount of related asset and the grant is then recognised in profit or loss over the useful life of the depreciable asset by way of a reduced depreciation charge.

m) Retirement and other employee benefits

(i) Short-term obligations

Liabilities for wages and salaries, including non monetary benefits that are expected to be settled wholly within twelve months after the end of the period in which the employees render the related service are recognized in respect of employee service upto the end of the reporting period and are measured at the amount expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

(ii) Post employment

a) Gratuity

The Employee's Gratuity Fund Scheme, which is defined benefit plan, is managed by Trust with its investments maintained with Bajaj Allianz Life Insurance Co.Ltd. The liabilities with respect to Gratuity Plan are determined by actuarial valuation on projected unit credit method on the balance sheet date, based upon which the Company contributes to the Gratuity Scheme. The difference, if any, between the actuarial valuation of the gratuity of employees at the year end and the balance of funds is provided for as assets/ (liability) in the books. Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognizes the following changes in the net defined benefit obligation under Employee benefit expense in statement of profit or loss:

a) Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements

b) Net interest expense or income

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognized immediately in the Balance Sheet with a corresponding debit or credit to retained earnings through other comprehensive income in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

b) Provident fund

Retirement benefit in the form of provident fund is a defined contribution scheme. the Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable through provident fund scheme as an expense, when an employee renders the related services. If the contribution payable to scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excesses recognized as an asset to the extent that the prepayment will lead to, for example, a reduction in future payment or a cash refund.

(iii) Other employee benefits

Employees (including senior executives) of the Company receive remuneration in the form of share based payment transactions, whereby employees render services as consideration for equity instruments. In accordance with the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and the Ind-AS 102 Share based payments, the fair value of options granted under the Havells Long Term cumulative expense recognized for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest. The expense or credit recognized in the Statement of Profit and Loss for a period represents the movement in cumulative expense recognized as

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for the year ended March 31, 2024

at the beginning and end of that period and is recognized in employee benefits expense.

Where the terms of an equity-settled transaction award are modified, the minimum expense recognized is the expense as if the terms had not been modified, if the original terms of the award are met. An additional expense is recognized for any modification that increases the total intrinsic value of the share-based payment transaction, or is otherwise beneficial to the employee as measured at the date of modification. The Employee stock option scheme is administered through Havells Employee Welfare Trust.

The Company provides long term incentive plan to employees via equity settled share based payments as enumerated below:

(a) Havells Employee Stock Purchase Plan: The fair value of options granted under this option plan is recognised as an employee benefit expense with corresponding increase in equity in accordance with recognition and measurement principles as prescribed in Ind AS 102 Share Based Payments when grant is made. The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At end of the reporting period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognizes the impact of the revision to original estimates, if any, in profit or loss, with corresponding adjustment to equity.

(b) Havells Employees Long term Incentive plan : These are in nature of employee benefit wherein employees (including senior executives) of the Company purchase shares of the Company at fair value on the grant cum allotment date and receives remuneration in the form of ex-gratia equivalent to predefined percentage of purchase price paid by designated employee subject to serving of relevant period of service after the grant cum allotment date. These are recognised at fair value of shares granted and allotted as employee benefit expense over the period of employee serving relevant period.

c) Leave Obligation

Leave obligations: The Company has liabilities for earned leave that are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. These obligations are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the appropriate market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

n) Leases

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.

Right-of-use assets (ROU)

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.

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 non-financial 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.

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.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. Variable lease payments that depend on sales are recognised in profit or loss in the period in which the condition that triggers those payments occurs.

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

o) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the decision making authority. The Board of directors monitors the operating results of all product segments separately for the purpose of making decisions about resource allocation and performance assessment.

p) Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) if any that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effect of all potentially dilutive equity shares.

q) Borrowing Costs

Borrowing cost includes interest and other costs incurred in connection with the borrowing of funds and charged to Statement of Profit & Loss on the basis of effective interest rate (EIR) method. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing cost.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are recognized as expense in the period in which they occur.

r) Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, that are readily convertible to a known amount of cash and subject to an inmaterial risk of changes in value.

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposit held at call with financial institutions, 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 inmaterial risk of changes in value, and bank overdrafts. Bank overdrafts are shown within

Notes to Financial Statements

for the year ended March 31, 2024

borrowings in current liabilities in the balance sheet.

s) Foreign currency translation

(i) Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The Company's financial statements are presented in Indian rupee (INR) which is also the Company's functional and presentation currency.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rate prevailing at the date of the transaction. Foreign exchange gains and losses resulting from the settlement of such transaction and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rate are generally recognised in the statement of profit and loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined.

(iii) Exchange differences

Exchange differences arising on settlement or translation of monetary items are recognized as income or expense in the period in which they arise with the exception of exchange differences on gain or loss arising on translation of non-monetary items measured at fair value which is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognized in OCI or profit or loss are also recognized in OCI or profit or loss, respectively).

t) Provisions and Contingent Liabilities

Provisions (including reimbursement)

A provision is recognized when the Company has a present obligation (legal or constructive) as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Insurance claims are accounted for on the basis of claims admitted / expected to be admitted and to the extent that the amount recoverable can be measured reliably and realisation in respect thereof is virtually certain.

Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized 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 recognized because it cannot be measured reliably. the Company does not recognize a contingent liability but discloses its existence in the financial statements unless the probability of outflow of resources is remote.

Provisions, contingent liabilities, contingent assets and commitments are reviewed at each balance sheet date.

u) Fair value measurement

The Company measures financial instruments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an ordinary transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

(i) In the principal market for asset or liability, or

(ii) In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non- financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimizing the use of unobservable inputs.

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

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

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

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

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is material to fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

v) Exceptional items

The Company recognises exceptional item when items of income and expenses within Statement of Profit and Loss from ordinary activities are of such size, nature or incidence that their disclosure is relevant to explain the performance of the enterprise for the period.

w) Dividend Distributions

The Company recognizes a liability to make the payment of dividend to owners of equity, when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

Notes to Financial Statements

for the year ended March 31, 2024

3. Property, plant and equipment

(₹ in crores)

Particulars	Freehold Land	Buildings	Leasehold Improvements	Plant and Machinery	Moulds and Dies	Furniture and fixtures	Vehicles	R & D Equipment's	Office Equipment's	Electrical Installations	Right of use asset: Leasehold Land	Right of use asset: Leasehold Buildings	Total	Capital Work in progress	Grand Total
Gross carrying amount (at cost)															
At April 01, 2022	27.77	789.89	15.12	975.91	372.18	73.38	16.18	46.33	119.25	50.75	230.15	302.06	3,018.97	56.75	3,075.72
Additions	-	95.11	0.03	200.51	97.65	11.28	5.87	9.97	26.83	6.56	1.34	51.86	507.01	514.87	1,021.88
Disposals/Adjustments	-	(9.50)	(1.10)	(28.77)	(13.41)	(4.37)	(0.72)	(1.66)	(5.01)	(1.64)	-	(8.85)	(75.03)	(408.20)	(483.23)
At March 31, 2023	27.77	875.50	14.05	1,147.65	456.42	80.29	21.33	54.64	141.07	55.67	231.49	345.07	3,450.95	163.42	3,614.37
Additions	-	158.93	0.04	184.66	92.11	32.39	1.95	20.18	54.47	19.98	0.30	133.72	698.73	660.85	1,359.59
Recognition of grant related to assets {Refer note 3 (iv)}	-	(0.02)	-	(1.98)	(0.82)	(0.26)	-	-	(0.13)	-	-	-	(3.21)	-	(3.21)
Disposals/adjustments*	-	-	-	(11.35)	(3.40)	(1.13)	(2.38)	(0.32)	(10.13)	(0.85)	(0.18)	-	(29.74)	(527.36)	(557.10)
At March 31, 2024	27.77	1,034.41	14.09	1,318.98	544.31	111.29	20.90	74.50	185.28	74.80	231.61	478.79	4,116.73	296.91	4,413.65
Accumulated Depreciation															
At April 01, 2022	-	177.69	8.42	379.52	167.62	25.96	6.56	22.44	86.13	24.74	6.24	92.31	997.63	-	997.63
Charge for the year	-	30.88	1.81	90.18	61.37	7.22	1.66	7.07	15.20	3.98	2.54	48.07	269.98	-	269.98
Disposals/adjustments	-	(2.75)	(0.95)	(14.54)	(11.33)	(2.48)	(0.64)	(1.55)	(4.47)	(1.09)	-	(4.63)	(44.43)	-	(44.43)
At March 31, 2023	-	205.82	9.28	455.16	217.66	30.70	7.58	27.96	96.86	27.63	8.78	135.75	1,223.18	-	1,223.18
Charge for the year	-	35.30	1.39	97.72	62.86	9.03	2.24	9.94	20.43	4.75	2.54	65.73	311.93	-	311.93
Disposals/adjustments*	-	-	-	(8.63)	(2.30)	(0.96)	(2.15)	(0.24)	(9.47)	(0.78)	(0.03)	-	(24.56)	-	(24.56)
At March 31, 2024	-	241.12	10.67	544.25	278.22	38.77	7.67	37.66	107.82	31.60	11.29	201.48	1,510.55	-	1,510.55
Net carrying amount															
At April 01, 2022	27.77	612.20	6.70	596.39	204.56	47.42	9.62	23.89	33.12	26.01	223.91	209.75	2,021.34	56.75	2,078.09
At March 31, 2023	27.77	669.68	4.77	692.49	238.76	49.59	13.75	26.68	44.21	28.04	222.71	209.32	2,227.77	163.42	2,391.19
At March 31, 2024	27.77	793.29	3.42	774.73	266.09	72.52	13.23	36.84	77.46	43.20	220.32	277.31	2,606.18	296.91	2,903.10

** Disposal includes assets held for sale amounting to ₹ 2.18 crores (March 31,2023 ₹10.53 Crores), and includes transfers in relation to Capital work in progress.*

Notes: -

(i) Right of Use Asset includes :-

(a) "Leasehold Land" represents land obtained on long term lease from various Government authorities.

(b) Leasehold Buildings represent properties taken on lease for its offices and warehouses accounted for in accordance with principle of Ind AS 116 'Leases'. Refer Note 33(3)

(ii) Capital work in progress as at March 31, 2024 consists of assets under construction mainly related to plant & machinery, buildings etc. at various plants of the Company. Adjustment in relation to capital work in progress relates to addition in property, plant and equipment made during the year.

(iii) Disclosure of Contractual commitment for the acquisition of property plant and equipment has been provided in note 32B.

(iv) The grant related to assets incudes: Subsidy of ₹ 3.21 crores for the year ended March 31, 2024(March 31,2023 Nil) is on account of Modified Special Incentive Package (MSIP) scheme for making capital investment at Ghiloth District, General Zone Industrial Area RIICO in the state of Rajasthan.

(v) The Company has not revalued its Property Plant and Equipment (Including Right of use assets) or Intangible assets during the year

(vi) *The following has been recognised as Exceptional Items in the previous year towards loss on account of fire at Neemrana plant on July 27 2022 of the Company (Refer note33(15)).*

(₹ in crores)

Particulars	Plant and machinery	Moulds and Dies	Furniture and fixtures	R & D Equipment's	Office Equipment's	Electrical Installations	Capital Work in progress	Grand Total
Gross carrying amount (at cost)	17.90	0.58	3.05	0.04	2.13	1.32	0.55	25.58
Accumulated Depreciation	(6.72)	(0.46)	(1.56)	(0.02)	(1.77)	(0.89)	-	(11.42)
Net Block - July 27,2022	**11.18**	**0.12**	**1.49**	**0.02**	**0.37**	**0.43**	**0.55**	**14.16**

(vii) Capital work-in-progress ("CWIP") Ageing schedule

As at March 31, 2023

(₹ in crores)

Capital Work in progress	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More Than 3 Year	
Projects in progress	163.42	-	-	-	**163.42**

As at March 31, 2024

(₹ in crores)

Capital Work in progress	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More Than 3 Year	
Projects in progress	294.94	1.97	-	-	**296.91**

Completion Schedule for capital work-in-progress whose completion is overdue as at March 31, 2024

	To be completed In				Total
	Less than 1 year	1-2 years	2-3 years	More Than 3 Year	
Cables plant at Tumkur, Karnataka	184.82	-	-	-	**184.82**

Note: There are no projects under capital work in progress where the completion is overdue or has exceeded its cost compared to its original plan in previous year. In current year there are no projects which have exceeded its cost compared to its original plan.

(viii) Title deeds of Immovable Property not held in the name of the Company

Relevant line item in the Balance Sheet	Description of item of property	Gross carrying value (₹ in crores)	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter/director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the company
Property, plant and equipment	Freehold land in Delhi	15.89	Late Shri Qimat Rai Gupta, on behalf of M/s Guptajee & Company	Erstwhile Promoter/ Director	March 31, 2011	The possession and the original agreement to sell of the property is in the name of Company. Further, title deeds will be registered in the name of the Company once the state government's policy on registry is changed.
Property, plant and equipment	Building In Bengaluru	0.04	Shakereh Shraddhanand	No	April 01, 2012	The possession and the original agreement to sell, of the property is in the name of Company. Further, the Company is taking adequate legal steps to get the title deeds registered with appropriate authority.

Notes to Financial Statements

for the year ended March 31, 2024

(ix) Property where the Company is a lessee but agreements are not executed

(₹ in crores)

Relevant line item in the Balance Sheet	Description of item of property	Gross carrying value (₹ in crores)	Net carrying value	Net lease liability	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter/ director or employee of promoter/director	Property held since which date	Reason for lease agreement not executed with the company
Property, plant and equipment	Building in Sahibabad	43.20	37.77	41.11	QRG Enterprises Limited	Promoter {refer note 33(6)}	August 01, 2007	Rent is being paid based on the mutual understanding and the monthly invoice for usage charges is raised by QRG Enterprises {refer note 33(6)}
Property, plant and equipment	Building in Noida	96.79	72.58	79.64	QRG Enterprises Limited	Promoter {refer note 33(6)}	July 01, 2008	

4. Goodwill and other Intangible assets

(₹ in crores)

Particulars	Computer Software	R & D Software	Trademarks	Distributor/ Dealer Network	Non-compete Fee	Total Other Intangible Assets	Goodwill	Intangibles assets under development	Total Intangible Assets
Gross carrying amount (at cost)									
At April 01, 2022	**52.67**	**11.51**	**1,029.00**	**82.40**	**58.50**	**1,234.08**	**310.47**	**0.46**	**1,545.01**
Additions	2.88	3.89	-	-	-	**6.77**	-	2.99	**9.76**
Disposals/adjustments	-	-	-	-	-	**-**	-	(0.46)	**(0.46)**
At March 31, 2023	**55.55**	**15.40**	**1,029.00**	**82.40**	**58.50**	**1,240.85**	**310.47**	**2.99**	**1,554.31**
Additions	12.26	3.12	-	-	-	**15.38**	-	5.12	**20.50**
Disposals/adjustments	(0.19)	-	-	-	-	**(0.19)**	-	(6.32)	**(6.51)**
At March 31, 2024	**67.62**	**18.52**	**1,029.00**	**82.40**	**58.50**	**1,256.04**	**310.47**	**1.79**	**1,568.30**
Accumulated amortization									
At April 01, 2022	**34.00**	**6.95**	**-**	**50.50**	**40.94**	**132.39**	**-**	**-**	**132.39**
Charge for the year	5.75	1.72	-	10.30	8.36	**26.13**	-	-	**26.13**
Disposals/adjustments	-	-	-	-	-	**-**	-	-	**-**
At March 31, 2023	**39.75**	**8.67**	**-**	**60.80**	**49.30**	**158.52**	**-**	**-**	**158.52**
Charge for the year	5.64	2.26	-	10.30	8.35	**26.55**	-	-	**26.55**
Disposals/adjustments	(0.19)	-	-	-	-	**(0.19)**	-	-	**(0.19)**
At March 31, 2024	**45.20**	**10.93**	**-**	**71.10**	**57.65**	**184.88**	**-**	**-**	**184.88**
Net carrying amount									
At April 01, 2022	**18.67**	**4.56**	**1,029.00**	**31.90**	**17.56**	**1,101.69**	**310.47**	**0.46**	**1,412.62**
At March 31, 2023	**15.80**	**6.73**	**1,029.00**	**21.60**	**9.20**	**1,082.33**	**310.47**	**2.99**	**1,395.79**
At March 31, 2024	**22.42**	**7.59**	**1,029.00**	**11.30**	**0.85**	**1,071.16**	**310.47**	**1.79**	**1,383.42**

Note:-

Impairment testing of goodwill and intangible assets with indefinite lives

Lloyd Consumer business is a single Cash Generating Unit ("CGU") engaged in the business of manufacturing, trading and distribution of consumer electronics products under the 'Lloyd' brand. Goodwill and Trademarks having indefinite useful lives, pertains to the acquisition of Lloyd Consumer business, and have accordingly been allocated to the said business. As the Lloyd Consumer business has incurred losses, considering the requirements of Indian Accounting Standard (Ind AS) - 36 'Impairment of Assets, the Company has performed an impairment test to ascertain the recoverable amount of goodwill, intangible assets as well as other non-financial assets, viz., property, plant and equipment, capital work-in-progress etc. of Lloyd Consumer business. The recoverable amount is determined based on value in use calculation. This calculation uses management assumptions and pre-tax cash flow projections, based on financial budgets approved by management, covering a 5 year period. Cash flow projections beyond 5 years' time period are extrapolated using the estimated growth rate which is consistent with the forecasts included in industry reports specific to the industry in which the CGU operates.

Notes to Financial Statements
for the year ended March 31, 2024

Management has considered the following assumptions for impairment testing of the CGU:-

Assumption	March 31, 2024	March 31, 2023	Approach used in determining value
Weighted average Cost of capital % (WACC) after tax (discount rate)	15.24%	15.30%	It has been determined basis risk free rate of return adjusted for equity risk premium.
Long Term Growth Rate	5.00%	5.00%	Long term growth rate has been taken basis on overall economic growth rate, industry trend & expected long-term inflation in India.

The management has determined budgeted gross margin based on past performance and its expectations of the future market scenario. The revenue and profit growth rates used are consistent with the forecasts included in industry reports. Management has performed a sensitivity analysis on the above mentioned key assumptions, based on which the management believes that the recoverable amount of the above-mentioned assets of the CGU is more than the carrying amount and a reasonably possible change in the assumptions would not cause the carrying amount to exceed its recoverable amount.

Intangible assets under development

As at March 31, 2024

(₹ in crores)

Intangible assets under development	Amount in intangible assets under development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More Than 3 Year	
Projects in progress	1.79	-	-	-	**1.79**

As at March 31, 2023

(₹ in crores)

Intangible assets under development	Amount in intangible assets under development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More Than 3 Year	
Projects in progress	2.99	-	-	-	**2.99**

Note: There are no projects under Intangible assets under development where the completion is overdue or has exceeded its cost compared to its original plan.

5. Investments in Subsidiaries - Financial Assets

(₹ in crores)

	As at March 31, 2024	As at March 31, 2023
Investments in equity instruments of subsidiary companies (non-traded unquoted)		
(valued at cost, unless stated otherwise) {refer note 33(1)}		
Havells International Inc.*	20.73	-
2,500 equity shares of face value $ 1,000 each (March 31, 2023: nil)		
Havells Guangzhou International Limited		
(100% contribution fully paid in capital) (March 31, 2023: 100% contribution fully paid in capital)	0.45	0.45
Aggregate amount of unquoted investments	**21.18**	**0.45**

** Havells International Inc., a wholly owned subsidiary of the Company, situated in United States of America was incorporated on October 19, 2023.*

Notes to Financial Statements

for the year ended March 31, 2024

6. Contract Balances

(₹ in crores)

	As at March 31, 2024	As at March 31, 2023
(A) Trade Receivables {refer note (a) below and note 11(B) }	1,157.45	972.92
	1,157.45	**972.92**
(B) Contract Assets {refer note (b)}		
Unsecured, considered good	39.85	52.24
Less : loss allowance	0.76	-
	39.09	**52.24**
Non-current portion	11.55	25.57
Current portion	27.54	26.67
(C) Contract Liability {refer note (c) and note 23(v)}	103.37	86.63
	103.37	**86.63**
Non-current portion	4.64	4.10
Current portion	98.73	82.53

Note:

(a) *Trade Receivables represent the amount of consideration in exchange for goods or services transferred to the customers that is unconditional.*

(b) *During the earlier years, the Company had entered into agreements with customers wherein the Company had identified multiple performance obligations as per Ind AS 115 "Revenue from contracts with customers". The Company's right to receive consideration is conditional upon satisfaction of all performance obligations. Accordingly, the Company has recognised contract assets in respect of performance obligations satisfied during the year. The contract asset arises when the Company satisfies a performance obligation but does not have an unconditional right to consideration. Contract assets have decreased in the current year due to change in the time frame for a right to consideration to become unconditional (i e. for a contract asset to be reclassified to trade receivable).*

(c) *The Company has entered into the agreements with customer for sale of goods and services. The Company has identified these performance obligations and recognised the contract liabilities in respect of contracts, where the Company has obligation to deliver the goods and perform specified services to a customer for which the Company has received consideration. There has been no significant change in the contract liabilities.*

7. Non-Current Financial Assets

(₹ in crores)

	As at March 31, 2024	As at March 31, 2023
(A) NON-CURRENT INVESTMENT (valued at fair value through profit and loss)		
Investment in preference shares (fully paid-up)		
Unquoted		
1,72,563 compulsorily convertible cumulative participative preference shares in Singularity Furniture Pvt Ltd. (March 31, 2023 1,72,563)	20.00	20.00
	20.00	**20.00**
(B) TRADE RECEIVABLES (valued at amortised cost)		
Unsecured {refer note 11(B)}		
Trade receivables from contracts with customers - considered good	0.25	1.59
	0.25	**1.59**
(C) OTHER FINANCIAL ASSETS (valued at amortised cost)		
Unsecured, considered good		
Earnest money and Security Deposits	32.86	33.62
Others		
Bank deposits with original and remaining maturity of more than twelve months	-	115.24
	32.86	**148.86**

Notes to Financial Statements
for the year ended March 31, 2024

8. Other Non-Current Assets

(₹ in crores)

	As at March 31, 2024	As at March 31, 2023
Capital advances	126.30	47.70
Others		
Prepaid expenses	4.58	4.71
Deposits with Statutory and Government authorities	15.74	26.53
	146.62	**78.94**

Note:

(a) Capital advances include an amount of ₹ 96.45 crores given to Noida Authority (U.P.) towards acquisition of land.

(b) Prepaid expenses include an amount of ₹ 0.65 crores representing excess spent of Corporate Social Responsibility

9. Non Current Tax Assets (Net)

(₹ in crores)

	As at March 31, 2024	As at March 31, 2023
Current tax assets, net of current tax payable	34.92	29.03
	34.92	**29.03**

10. Inventories

(₹ in crores)

	As at March 31, 2024	As at March 31, 2023
(Valued at lower of cost and net realisable value unless otherwise stated)		
Raw materials and components	770.97	836.69
Work-in-progress	165.62	165.56
Finished goods	1,760.91	1,764.20
Traded goods	611.21	851.64
Stores and spares	57.06	46.19
Loose tools	3.26	4.21
Packing materials	22.45	23.87
Scrap materials	17.04	16.11
	3,408.52	**3,708.47**

Notes:

(₹ in crores)

		As at March 31, 2024	As at March 31, 2023
(a)	The above includes goods in transit as under:		
	Raw materials	99.60	148.92
	Finished goods	197.59	201.21
	Traded goods	29.72	73.05
(b)	The stock of scrap materials have been taken at net realisable value.		
(c)	During the year ₹ 35.83 crores (March 31, 2023: ₹ 15.06 crores) was recognised as an expense for inventory carried at net realisable value.		

Notes to Financial Statements

for the year ended March 31, 2024

11. Current Financial Assets

(A) CURRENT INVESTMENT (valued at amortised cost)

(₹ in crores)

	As at March 31, 2024	As at March 31, 2023
Deposits account with financial institution with original maturity of more than twelve months but remaining maturity less than 12 months	-	180.87
	-	**180.87**
Aggregate amount of unquoted investments	**-**	**180.87**

Note:

(a) The deposits maintained by the Company with financial institution comprise of the time deposits and are made for varying periods between one year to two years depending on the cash requirements of the Company and earn interest at the respective deposit rates.

(B) Trade Receivables (valued at amortised cost)

(₹ in crores)

	As at March 31, 2024	As at March 31, 2023
Unsecured		
Trade receivables from contract with customers - considered good	1,216.87	1,031.69
Trade receivables - credit impaired	37.12	28.89
Trade receivables (gross)	**1,253.99**	**1,060.58**
Less : loss allowance	96.54	87.66
Trade receivables (net)	**1,157.45**	**972.92**
Current portion	1,157.20	971.33
Non - current portion {refer note 7(B)}	0.25	1.59

Note:

Trade receivables includes from related parties ₹ 0.03 crores (March 31, 2023 Nil) refer note 33(6)(D)

(I) Trade receivables ageing schedule as at March 31,2024

	Particulars	Outstanding for following periods from due date of payment							
		Unbilled dues	Not due	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
(i)	Undisputed Trade receivables - considered good	-	641.89	418.87	29.96	45.19	30.06	50.90	1216.87
(ii)	Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii)	Undisputed Trade receivables - credit impaired	-	-	-	-	-	-	-	-
(iv)	Disputed Trade receivables - considered good	-	-	-	-	-	-	-	-
(v)	Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi)	Disputed Trade receivables - credit impaired	-	0.00	2.51	1.74	6.33	4.94	21.60	37.12
	Total	-	641.89	421.38	31.70	51.52	35.00	72.50	1253.99
	Less : Allowance for trade receivables	-	(0.00)	(2.51)	(2.24)	(10.28)	(19.21)	(62.30)	(96.54)
	Total	-	641.89	418.87	29.46	41.24	15.79	10.20	1157.45

Notes to Financial Statements

for the year ended March 31, 2024

(II) Trade receivables ageing schedule as at March 31,2023

Particulars		Outstanding for following periods from due date of payment							
		Unbilled dues	Not due	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
(i)	Undisputed Trade receivables - considered good	-	266.47	597.93	44.39	47.29	24.05	51.56	1,031.69
(ii)	Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii)	Undisputed Trade receivables - credit impaired	-	-	-	-	-	-	-	-
(iv)	Disputed Trade receivables - considered good	-	-	-	-	-	-	-	-
(v)	Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi)	Disputed Trade receivables - credit impaired	-	-	0.18	1.59	5.03	1.53	20.56	28.89
	Total	-	266.47	598.11	45.98	52.31	25.58	72.12	1,060.58
	Less : Allowance for trade receivables	-	(0.01)	(0.21)	(5.03)	(4.47)	(13.13)	(64.81)	(87.66)
	Total	-	266.46	597.91	40.95	47.84	12.45	7.31	972.92

Notes:

(a) *Trade receivables are usually on trade terms based on credit worthiness of customers as per the terms of contract with customers.*

(b) *Trade receivables includes from related parties ₹ 0.03 crores (March 31, 2023 Nil) refer note 33(6)(D)*

(C) Cash and Cash Equivalents

(₹ in crores)

	As at March 31, 2024	As at March 31, 2023
Balances with banks:		
Current accounts (net) {refer note (c)}	33.92	63.24
Cash credit accounts	69.94	29.92
Deposits with original maturity of less than three months {refer notes (b) and (d)}	139.36	363.57
Cash on hand	0.13	0.13
	243.35	**456.86**

Note:

(a) *There are no restrictions with regard to cash and cash equivalents as at the end of the reporting period and prior period.*

(b) *Short-term deposits are made for varying periods between one day to three months depending on the immediate cash requirements of the Company and earn interest at the respective short-term deposits rates.*

(c) *Includes amount of ₹ Nil (March 31, 2023 ₹ 0.47 cr) related to Unspent CSR amount kept in separate bank account as per provision in section 135(6) of Companies Act, 2013.*

(d) *Includes Fixed Deposit amounting ₹ 0.53 crores (March 31, 2023 ₹ 1.03 crores) related to Havells Employees Welfare Trust.*

Notes to Financial Statements

for the year ended March 31, 2024

(e) Net debts reconciliation

Particulars	Cash and Cash Equivalents		Long Term Borrowing		Lease Liabilities	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Opening balance	456.86	763.70	-	395.53	223.10	220.87
Addition on account of new leases during the year {refer note 33(3)}	-	-	-	-	131.39	50.73
Deletion on account of termination of leases during the year {refer note 33(3)}	-	-	-	-	-	(4.10)
Lease rent concession	-	-	-	-	-	(0.12)
Effect of foreign exchange rate changes on cash and cash equivalents held in foreign currency	(4.54)	(3.73)	-	-	-	-
Cash flows	(208.97)	(303.11)	-	(393.69)	(51.33)	(44.28)
Interest expense	-	-	-	5.14	25.82	18.35
Interest paid	-	-	-	(6.98)	(25.82)	(18.35)
Closing balance	**243.35**	**456.86**	**-**	-	**303.16**	**223.10**
Non-current lease liability {refer note 15 (A)}	-	-	-	-	242.44	186.91
Current maturity of long term lease liability {refer note 19 (A)}	-	-	-	-	60.72	36.19

(D) Other Bank Balances

(₹ in crores)

	As at March 31, 2024	As at March 31, 2023
Deposits account with original maturity of more than three months but expiring less than twelve months {refer notes (a) and (e)}	1,228.72	551.59
Deposits account with original maturity of more than twelve months {refer notes (b),(d) and (f)}	1,541.18	851.16
Unpaid dividend account {refer note (c)}	2.17	2.26
	2,772.07	**1,405.01**

Notes:

(a) The deposits maintained by the Company with banks comprise of the time deposits, which may be withdrawn by the Company at any point of time without prior notice and are made for varying periods between one day to twelve months depending on the immediate cash requirements of the Company and earn interest at the respective short-term deposit rates.

(b) Fixed deposit with original maturity of more than twelve months but remaining maturity of less than twelve months have been disclosed under other bank balances.

(c) The Company can utilise the balance towards settlement of unclaimed dividend.

(d) Includes Fixed Deposit amounting ₹ Nil (March 31, 2023 ₹ 4.34 crores) related to Unspent CSR amount kept in separate bank account as per provision in section 135(6) of Companies Act, 2013.

(e) Includes Fixed Deposit amounting ₹ 12.31 crores (March 31, 2023 ₹ 5.93 crores) related to Havells Employees Welfare Trust.

(f) Includes Fixed Deposit amounting ₹ 0.69 crores (March 31, 2023 ₹ 0.52 crores) related to Havells Employees Welfare Trust.

Notes to Financial Statements
for the year ended March 31, 2024

(E) OTHER FINANCIAL ASSETS (valued at amortised cost)

(₹ in crores)

	As at March 31, 2024	As at March 31, 2023
Earnest money and security deposits	4.30	3.71
Contractual claims and other receivables {refer note (a)}	16.69	113.18
	20.99	**116.89**

Notes:

(a) Contractual claims and other receivables includes claims in accordance with contract with vendors and insurance company {refer note 33(15)}

12. Other Current Assets

(₹ in crores)

	As at March 31, 2024	As at March 31, 2023
Advances other than capital advances		
Advances for materials and services	99.76	27.22
Others		
Prepaid expenses	44.64	46.37
Duty free licenses in hand	0.47	4.19
Right to returned goods (refer note 22)	30.13	-
Government grant receivable	13.58	4.98
Balance with Statutory and Government authorities/Others	45.51	92.39
	234.09	**175.15**
Movement of Government grant receivable		
Opening balance	4.98	9.34
Accrual of grant related to income (credited to statement of profit and loss account) (refer note 3,23 and 24)	25.72	10.13
Grant related to asset realised	(3.21)	-
Grant related to income realised	(13.91)	(14.49)
Closing Balance	**13.58**	**4.98**

Note:

(a) Government grant receivable includes export incentives, budgetary support for refund of Goods and Service Tax, Production linked incentive scheme and Modified special incentive package scheme.

(b) Prepaid expenses include excess expenditure incurred under Corporate Social Responsibility

13. Assets Classified as Held for Sale

(₹ in crores)

	As at March 31, 2024	As at March 31, 2023
Assets retired from active use	2.18	10.53
	2.18	**10.53**

Note:

Assets retired from active use consists of property plant & equipment, dies and tools, furniture and fixtures, office equipments and electrical installations.

Notes to Financial Statements

for the year ended March 31, 2024

14. Equity

(A) Share capital

(₹ in crores)

		As at March 31, 2024	As at March 31, 2023
a)	**Authorized Share Capital**		
	1,03,20,00,000 equity shares of ₹1/- each (March 31, 2023: 1,03,20,00,000 equity shares of ₹1/- each)	**103.20**	**103.20**
	5,50,000 preference shares of ₹10/- each (March 31, 2023: 5,50,000 preference shares of ₹10/- each)	**0.55**	**0.55**
		103.75	**103.75**
b)	**Issued, subscribed and fully paid-up**		
	62,66,83,030 equity shares of ₹1/- each (March 31, 2023: 62,65,09,738 equity shares of ₹1/- each)	**62.67**	**62.65**

c) Reconciliation of the shares outstanding at the beginning and at the end of the year

	As at March 31, 2024		As at March 31, 2023	
	No. of shares	₹ in crores	No. of shares	₹ in crores
At the beginning of the year	62,65,09,738	62.65	62,63,03,067	62.63
Add: Exercise of employee stock purchase plan {refer note 33(7)}	1,73,292	0.02	2,06,671	0.02
	62,66,83,030	62.67	62,65,09,738	62.65

d) Shareholding of promoters

S. No	Shares held by promoters at the end of the year	As at March 31, 2024		As at March 31, 2023		% change during the year
	Promoter Name	No. of equity shares	% of Total shares	No. of equity shares	% of Total shares	
1	Shri Anil Rai Gupta (as Managing Trustee of ARG Family Trust)	7,74,25,200	12.35%	7,74,25,200	12.35%	0.00%
2	Shri Surjit Kumar Gupta (as Trustee of SKG Family Trust)	3,64,32,180	5.81%	3,64,32,180	5.82%	0.00%
3	QRG Investments and Holdings Limited	25,86,00,540	41.26%	25,86,00,540	41.28%	0.00%
	Total	**37,24,57,920**	**59.42%**	**37,24,57,920**	**59.45%**	

S. No	Shares held by promoters at the beginning of the year	As at March 31, 2023		As at March 31, 2022		% change during the year
	Promoter Name	No. of equity shares	% of Total shares	No. of equity shares	% of Total shares	
1	Shri Anil Rai Gupta (as Managing Trustee of ARG Family Trust)	7,74,25,200	12.35%	7,74,25,200	12.36%	-
2	Shri Surjit Kumar Gupta (as Trustee of SKG Family Trust)	3,64,32,180	5.82%	3,64,32,180	5.82%	-
3	QRG Investments and Holdings Limited	25,86,00,540	41.28%	6,87,41,660	10.98%	276.19%
4	QRG Enterprises Limited	-	0.00%	18,98,58,880	30.31%	-100.00%
	Total	**37,24,57,920**	**59.45%**	**37,24,57,920**	**59.47%**	

Notes to Financial Statements

for the year ended March 31, 2024

e) Terms/rights attached to equity shares

The Company has only one class of issued share capital i.e. equity shares having a par value of ₹1/- per share (March 31,2023 : ₹1/- per share). Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian rupees. The 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 will be entitled to receive remaining assets of the Company after distribution of all preferential amounts, if any. The distribution will be in proportion to the number of equity shares held by the shareholders.

f) Details of shareholders holding more than 5% shares in the Company is set out below (representing legal and beneficial ownership):

Name of Shareholders	As at March 31, 2024		As at March 31, 2023	
	No. of shares	% holding	No. of shares	% holding
Shri Anil Rai Gupta as Managing Trustee of ARG Family Trust	7,74,25,200	12.35%	7,74,25,200	12.35%
Shri Surjit Kumar Gupta as Trustee of SKG Family Trust	3,64,32,180	5.81%	3,64,32,180	5.82%
QRG Investments and Holdings Limited	25,86,00,540	41.26%	25,86,00,540	41.28%
Nalanda India Equity Fund Limited	3,30,44,930	5.27%	3,30,44,930	5.28%

g) Shares reserved for issue under Employee stock purchase plan

Information relating to Employee stock purchase plan, including details of options issued, exercised and lapsed during the financial year and options outstanding as at the end of the reporting period are set out in note 33 (7).

(B) Other Equity

(₹ in crores)

		As at March 31, 2024	As at March 31, 2023
	Capital reserve	7.63	7.63
	Securities premium	169.45	148.15
	Share option outstanding account	6.56	2.30
	General reserve	722.72	722.72
	Retained earnings	6,469.42	5,671.03
	Total other equity	**7,375.78**	**6,551.83**
a)	**Capital reserve**	**7.63**	**7.63**
b)	**Securities premium**		
	Opening balance	148.15	121.50
	Add: Exercise of Employee stock purchase plan - proceeds received	21.30	26.65
	Closing balance	**169.45**	**148.15**
c)	**Stock options outstanding account**		
	Opening balance	2.30	0.53
	Add : Options recognised during the year	7.67	3.23
	Less : Options vested and exercised during the year	(3.41)	(1.46)
	Closing balance	**6.56**	**2.30**
d)	**General reserve**	**722.72**	**722.72**

Notes to Financial Statements

for the year ended March 31, 2024

(₹ in crores)

		As at March 31, 2024	As at March 31, 2023
e)	**Retained earnings**		
	Opening balance	5,671.03	5,073.63
	Net profit for the year	1,273.21	1,074.95
	Items of other comprehensive income recognised directly in retained earnings		
	Re-measurement gains / (losses) on defined benefit plans (net of tax)	(4.81)	(7.67)
	Dividends		
	Final Dividend of ₹ 4.50 per share for FY 2022-23 (₹ 4.50 per share for FY 2021-22)	(282.01)	(281.93)
	Interim dividend of ₹ 3.00 per share for FY 2023-24 (₹ 3.00 per share for FY 2022-23)	(188.00)	(187.95)
	Closing balance	**6,469.42**	**5,671.03**

(C) Nature and Purpose of Reserves

(a) Capital reserve

During amalgamation/ merger approved by honourable court, the excess of net assets taken over the consideration paid, if any, is treated as capital reserve. This capital reserve has arisen as a result of scheme of amalgamation in the past periods.

(b) **Securities premium**

Securities premium is used to record the premium on issue of shares. The reserve can be utilised only for limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013.

(c) **General reserve**

Under the erstwhile Companies Act 1956, general reserve was created through an annual transfer of net income at a specified percentage in accordance with applicable regulations adjusted by utilisation of reserve in accordance with scheme of Amalgamation in earlier years. The requirement to mandatorily transfer a specified percentage of the net profit to general reserve before declaration of dividend has been withdrawn. However, the amount previously transferred to the general reserve can be utilised only in accordance with the specific requirements of Companies Act, 2013.

(d) **Share options outstanding account**

The share option outstanding account is used to recognise the grant date fair value of options issued to employees under Employee stock purchase plan.

Nil number of share (March 31, 2023: 41,960 shares) is held by employee welfare trust included in the financial statements

(e) **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.

15. Non Current Financial Liabilities

(A) Lease Liabilities

(₹ in crores)

	As at March 31, 2024	As at March 31, 2023
Lease Liabilities {refer note 33(3)}	242.44	186.91
	242.44	**186.91**

Notes to Financial Statements
for the year ended March 31, 2024

(B) Other Financial Liabilities (valued at amortised cost)

(₹ in crores)

	As at March 31, 2024	As at March 31, 2023
Employees payable pursuant to employee stock purchase plan	0.67	0.54
Long term employee retention scheme	0.45	0.67
Employees ownership plan	-	3.23
Other Liabilities (retention money)	2.93	2.77
	4.05	**7.21**

16. Non Current Provisions

(₹ in crores)

	As at March 31, 2024	As at March 31, 2023
Provision for Gratuity	5.98	4.15
Provision for other employee benefit plans*	11.34	-
Product warranties and E-waste {Refer note 20(a)}	70.40	132.57
	87.72	**136.72**

** Other employee benefit represents compensated absences*

17. Income Taxes

The major components of income tax expense for the year ended March 31, 2024 and March 31, 2023 are:

(₹ in crores)

	As at March 31, 2024	As at March 31, 2023
(a) Income tax expense in the statement of profit and loss comprises :		
Current tax charge	440.84	361.17
Adjustment in respect of current tax of previous year	(0.23)	3.24
Total current income tax	**440.61**	**364.41**
Deferred tax charge / (credit)		
Relating to origination and reversal of temporary differences	(3.99)	10.89
Income tax expense reported in the statement of profit or loss	**436.62**	**375.30**
(b) Other Comprehensive Income		
Current income tax related to items recognised in OCI during the year:		
Current income tax on re-measurement loss on defined benefit plans	1.62	2.58
Income tax related to items recognised in OCI during the year	**1.62**	**2.58**
(c) Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate :		
Accounting Profit before tax	1,709.83	1,450.25
Applicable tax rate	25.168%	25.168%
Computed Tax Expense	**430.33**	**365.00**
Expenses not allowed for tax purpose	9.80	8.53
Additional allowances for tax	(0.17)	(0.08)
Provisons for litigation	-	2.97
Utilisation of previously unrecognised tax losses	-	-
Others	(3.34)	(1.12)
Income tax charged to Statement of Profit and Loss at effective rate of 25.54% (March 31, 2023: 25.88%) {Refer Note (ii) below}	**436.62**	**375.30**

Notes to Financial Statements
for the year ended March 31, 2024

(d) Deferred tax liabilities comprises :

(₹ in crores)

	Balance Sheet		Statement of profit and loss	
	As at March 31, 2024	As at March 31, 2023	Year ended March 31, 2024	Year ended March 31, 2023
Accelerated depreciation for tax purposes	404.63	393.84	10.79	11.12
Right of Use as per Ind AS 116	69.79	52.68	17.11	(0.11)
Lease liability as per Ind AS 116	(76.30)	(56.15)	(20.15)	(0.56)
Expenses allowable on payment basis	(17.97)	(9.82)	(8.15)	2.87
Allowance for doubtful debts	(24.48)	(22.06)	(2.42)	(4.02)
Other Items giving rise to temporary differences	1.85	3.02	(1.17)	1.59
Deferred tax liabilities (net)	**357.52**	**361.51**	**(3.99)**	**10.89**

(e) Deferred tax liabilities (net)

(₹ in crores)

	As at March 31, 2024	As at March 31, 2023
Opening balance as per last balance sheet	361.51	350.62
Deferred tax charged/(credited) to profit and loss account during the year	(2.62)	3.17
Adjustment in respect of deferred tax of previous year	(1.37)	7.72
Closing balance	**357.52**	**361.51**

Notes:

(i) The Company has unabsorbed capital loss of ₹ 171.09 crores as on March 31, 2024 (March 31, 2023: ₹ 390.84 crores) out of which capital loss of ₹ 122.30 crores will expire in financial year 2025-26, capital loss of ₹ 27.51 crores will expire in financial year 2029-30 and capital loss of ₹ 21.28 crores will expire in financial year 2030-31, on which no deferred tax asset has been created by the management due to lack of probability of future capital gain against which such deferred tax assets can be realised. If the Company were able to recognise all unrecognised deferred tax assets, the profit after tax would have increased by ₹ 39.15 crores (March 31, 2023: ₹ 89.28 Crore). The capital losses of ₹211 crores has been expired during the year.

(ii) Effective tax rate has been calculated on profit before tax.

18. Other Non-Current Liabilities

(₹ in crores)

	As at March 31, 2024	As at March 31, 2023
Other non-current liabilities (pertain advance discount received)	6.48	-
	6.48	**-**

19. Current Financial Liabilities

(₹ in crores)

	As at March 31, 2024	As at March 31, 2023
(A) Lease Liabilities		
Current maturities of Lease liability {refer note 33 (3)}	60.72	36.19
	60.72	**36.19**
(B) Trade Payables		
Total outstanding dues of micro enterprises and small enterprises; and	203.70	154.96
Total outstanding dues of creditors other than micro enterprises and small enterprises	2,487.00	2,487.58
	2,690.70	**2,642.54**

Notes to Financial Statements

for the year ended March 31, 2024

Notes:

(i) Trade Payables include due to related parties ₹ 24.87 crores (March 31, 2023 : ₹16.00 crores) {refer note 33(6)(D)}

(ii) The amounts are unsecured and non interest-bearing and are usually on varying trade term.

(iii) For terms and conditions with related parties. {refer to note 33(6)}

(iv) The amounts falling in the category of more than 1 year are related to pending obligations on the part of the supplier as per agreed terms and conditions mentioned in respective contracts.

a) Information as required to be furnished as per section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) for the year ended March 31, 2024 is given below. This information has been determined to the extent such parties have been identified on the basis of information available with the Company.

		March 31, 2024	March 31, 2023
i)	Principal amount and interest due thereon remaining unpaid to any supplier covered under MSMED Act, 2006 as at the end of each accounting year		
	Principal	203.70	154.96
	Interest	-	-
ii)	The amount of interest paid by the buyer in terms of section 16, of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
iii)	The 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 year) but without adding the interest specified under MSMED Act, 2006	-	-
iv)	The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-
v)	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006.	-	-
The total dues of Micro and Small Enterprises which were outstanding for more than stipulated period are ₹ Nil (March 31, 2023 : ₹ Nil)		-	-

Trade payables ageing schedule as at March 31, 2024

Particulars		Outstanding for following periods from due date of payment						
		Unbilled dues	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i)	MSME	-	195.80	7.90	-	-	-	203.70
(ii)	Others	125.09	2,002.58	349.39	7.61	0.84	-	2,485.51
(iii)	Disputed dues - MSME	-	-	-	-	-	-	-
(iv)	Disputed dues - Others	-	-	-	0.10	-	1.39	1.49
	Total	**125.09**	**2,198.38**	**357.29**	**7.71**	**0.84**	**1.39**	**2,690.70**

Trade payables ageing schedule as at March 31, 2023

Particulars		Outstanding for following periods from due date of payment						
		Unbilled dues	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i)	MSME	-	150.32	4.64	-	-	-	**154.96**
(ii)	Others	120.11	2,167.69	188.62	9.77	-	-	**2,486.19**
(iii)	Disputed dues - MSME	-	-	-	-	-	-	-
(iv)	Disputed dues - Others	-	-	-	-	-	1.39	**1.39**
	Total	**120.11**	**2,318.01**	**193.26**	**9.77**	**-**	**1.39**	**2,642.54**

Notes to Financial Statements

for the year ended March 31, 2024

(C) Other Financial Liabilities (valued at amortised cost)

(₹ in crores)

	As at March 31, 2024	As at March 31, 2023
Unpaid dividend {refer note (a)}	2.17	2.26
Other payables		
ESPP compensation payable	2.25	2.04
Creditors for capital goods	50.54	45.30
Deposits from customers	55.18	48.48
Retention Money	39.40	18.62
Other liabilities		
Employee benefit obligations	162.53	121.54
Sales incentives payable	468.34	381.23
Others	7.27	5.38
	787.68	**624.85**

Notes:

(a) Investor Education and Protection Fund is being credited by the amount of unclaimed dividend after seven years from the due date. The Company has transferred ₹ 0.24 crores (March 31,2023 : ₹0.26 crores) out of unclaimed dividend to Investor Education and Protection Fund of Central Government in accordance with the provisions of section 124 of the Companies Act, 2013.

20. Current Provisions

(₹ in crores)

		As at March 31, 2024	As at March 31, 2023
i) **Provision for employee benefits**			
Gratuity employee benefit plans {refer note no. 33(4)}		30.56	31.21
Other employee benefit plans		1.48	-
	(A)	**32.04**	**31.21**
ii) **Other provisions**			
Product warranties {refer note (a)}		236.53	237.00
Litigations {refer note (b)}		9.10	6.70
	(B)	**245.63**	**243.70**
	(A) + (B)	**277.67**	**274.91**

a) Provision for warranties

(i) Warranties

A provision is recognized for expected warranty claims and after sales services on products sold during the last one to seven years, based on past experience of the level of repairs and defective returns. It is expected that significant portion of these costs will be incurred in the next financial year and all will be incurred within seven years after the reporting date. Assumptions used to calculate the provisions for warranties are based on current sales levels and current information available about defective returns based on one to seven years warranty period for all products sold and are consistent with those in the prior years. The assumptions made in relation to the current year are consistent with those in the prior year.

Notes to Financial Statements

for the year ended March 31, 2024

(ii) The table below gives information about movement in Warranty and E-waste provision

(₹ in crores)

	As at March 31, 2024	As at March 31, 2023
At the beginning of the year	369.57	313.55
Charged/(credited) to profit or loss		
- additional provisions recognized (refer note 31)	235.53	292.44
- unwinding of discount {refer note no. 29 }	12.11	5.78
Amounts used during the period	(310.28)	(242.20)
At the end of year	**306.93**	**369.57**
Current portion	236.53	237.00
Non-current portion {refer note no. 16}	70.40	132.57

b) **Provision for litigations**

Provision for litigation amounting to ₹ 9.10 Crores (March 31, 2023: ₹6.70 Crores) is created against demands raised in various ongoing litigations in ordinary course of business. Based on the facts of the case and legal precedents, the management believes there would be a probable outflow of resources and accordingly, has created a provision in books of account.

The table below gives information about movement in litigation provisions:

(₹ in crores)

	As at March 31, 2024	As at March 31, 2023
At the beginning of the year	6.70	7.28
Charged/(credited) to profit or loss	2.40	2.97
Amounts used during the period	-	(3.55)
At the end of year	**9.10**	**6.70**
Current portion	9.10	6.70
Non-current portion	-	-

21. Current Tax Liabilities

(₹ in crores)

	As at March 31, 2024	As at March 31, 2023
Current tax liabilities (net of advance tax and tax deducted at source amounting to ₹ 354.06 crores (March 31, 2023 ₹ 334.38 crores)	85.20	32.26
	85.20	**32.26**

22. Other Current Liabilities

(₹ in crores)

	As at March 31, 2024	As at March 31, 2023
Advance against Land	-	0.50
Others		
Refund Liability*	42.59	-
Goods and Services Tax Payable	156.98	55.69
Other statutory dues payable	76.09	82.80
Others	2.17	-
	277.83	**138.99**

** The Company has recognised a refund liability for the Sales return from customers amounting to ₹ 42.59 crores, which is in the normal course of business. The Company has also recognised a right to recover the returned goods ₹ 30.13 crores. The costs to recover the products are not material because the customers usually return the product in a saleable condition.*

Notes to Financial Statements
for the year ended March 31, 2024

23. Revenue From Operations:

(₹ in crores)

		Year ended March 31, 2024	Year ended March 31, 2023
Revenue from contract with customers:			
Sale of products		18,358.88	16,694.74
Sales of services		74.32	68.63
	(A)	**18,433.20**	**16,763.37**
Other operating revenues			
Export Incentive		13.50	10.13
Scrap sales		103.20	94.88
	(B)	**116.70**	**105.01**
Total revenue from operations	**(A) + (B)**	**18,549.90**	**16,868.38**
(i) Timing of revenue recognition			
Goods transferred at a point in time		18,462.08	16,789.62
Services transferred over the time		74.32	68.63
Total revenue from contract with customers		**18,536.40**	**16,858.25**
Add : Export Incentive		13.50	10.13
Total revenue from operations		**18,549.90**	**16,868.38**
(ii) Disaggregation of revenue based on product or service			
Switchgears		2,239.19	2,114.89
Cables		6,312.11	5,529.16
Lighting and fixtures		1,626.65	1,601.42
Electrical consumer durables		3,480.18	3,294.21
Lloyd Consumer*		3,784.83	3,368.43
Others		1,093.44	950.14
Total revenue from contract with customers		**18,536.40**	**16,858.25**
(iii) Revenue by location of customers			
India		17,933.17	16,372.67
Outside India		603.23	485.58
Total revenue from contract with customers		**18,536.40**	**16,858.25**
Add : Export Incentive		13.50	10.13
Total revenue from operations		**18,549.90**	**16,868.38**
(iv) Reconciliation of revenue recognised in statement of profit and loss with contracted price			
Revenue as per contracted price		18,644.50	16,967.20
Less: Cash discount		(108.10)	(108.95)
Total revenue from contract with customers		**18,536.40**	**16,858.25**
Add : Export Incentive		13.50	10.13
Total revenue from operations		**18,549.90**	**16,868.38**

** Includes revenue from installation services and service-type warranties.*

(v) Performance obligation

Sale of products: Performance obligation in respect of sale of goods is satisfied when control of the goods is transferred to the customer, generally on delivery/ despatch of the goods as applicable and payment is generally due as per the terms of contract with customers.

Sales of services: The performance obligation in respect of maintenance services is satisfied over a period of time and acceptance of the customer. In respect of these services, payment is generally due upon completion of maintenance period based on time elapsed and acceptance of the customer. In certain non-standard contracts, where the Company provides warranties in service of consumer durable goods, the same is accounted for as a separate performance obligation and a portion of the transaction price is allocated based on its relative standalone prices. The performance obligation for the warranty service is satisfied over a period of time based on time elapsed.

The transaction price allocated to remaining performance obligation (unsatisfied performance obligation) pertaining to sales of goods and services as at March 31, 2024 and expected time to recognise the same as revenue is as follows:-

(₹ in crores)

	Year ended March 31, 2024	Year ended March 31, 2023
Within one year	98.73	82.53
More than one year	4.64	4.10
	103.37	**86.63**

Note: *The remaining performance obligation expected to be recognised in more than one year relates to amounts received from customers against which performance obligation is to be satisfied over a period of one to four years. All other remaining performance obligations are expected to be recognised within one year. During the year ended March 31, 2024, revenue recognised from amount included in contract liability at the beginning of year is ₹ 82.53 crores (March 31, 2023: ₹ 54.30 crores).*

(vi) Disclosure pursuant to Appendix C of Ind AS 115

The Company was awarded a contract for replacement of existing conventional street/ park lights with LED street/ park lights by a Municipal Corporation in April 2017. As per the agreement, the Company shall also be responsible for the operation and maintenance of LED street/ park lights for a period of 7 years after installation. The consideration received by the Company under the contract is based on the energy savings resulting from the LED street/ park lights. The revenue recognised during the year and the contract assets balance as at year-end from such contract amounts to ₹ 46.02 Crores (March 31, 2023: ₹ 45.89 crores) and ₹ 30.32 Crores (March 31, 2023: ₹ 43.57 crores) respectively.

24. Other Income

(₹ in crores)

	Year ended March 31, 2024	Year ended March 31, 2023
Interest received on financial assets carried at amortised cost:		
Deposits with banks	173.87	104.17
Investment	2.25	12.99
Others - Finance Income and Interest	8.76	6.07
Other non-operating income		
Exchange fluctuations (net)	33.45	21.58
Lease rent concession {refer note 33(3)}	-	0.12
Profit on sale of Property, Plant and Equipment	10.27	-
Discount on License utilised	0.34	9.43
Government Grant*	9.01	2.36
Miscellaneous income	10.78	20.30
	248.73	**177.02**

**Government grant includes export incentives, Budgetary support for refund of Goods and Service Tax, Production linked incentive scheme and Modified special incentive package scheme.*

Notes to Financial Statements

for the year ended March 31, 2024

25. Cost Of Raw Materials and Components Consumed

(₹ in crores)

	Year ended March 31, 2024	Year ended March 31, 2023
Copper	3,660.53	3,361.20
Aluminium	1,134.00	1,009.60
General plastic and Engineering Plastic	463.58	438.02
Paints and chemicals	477.60	509.45
Steel	323.43	275.73
Packing materials	390.52	374.42
Other material	3,424.11	3,349.50
	9,873.77	**9,317.92**

26. Purchase of Traded Goods

(₹ in crores)

	Year ended March 31, 2024	Year ended March 31, 2023
Switchgears	129.02	175.23
Lighting and fixtures	410.79	523.90
Electrical consumer durables	659.27	506.07
Lloyd Consumer	792.61	1,427.53
Cables	0.59	1.02
Others	427.74	360.83
	2,420.02	**2,994.58**

27. Change in Inventories of Finished Goods, Traded Goods and Work-in-Progress

(₹ in crores)

	As at March 31, 2024	As at March 31, 2023	(Increase)/ Decrease
Inventories at the end of the year			
Finished goods	1,760.91	1,764.20	3.29
Traded goods	611.21	851.64	240.43
Work in progress	165.62	165.56	(0.06)
Scrap materials	17.04	16.11	(0.93)
	2,554.78	**2,797.51**	**242.73**

(₹ in crores)

	As at March 31, 2023	As at March 31,2022	(Increase)/ Decrease
Inventories at the beginning of the year			
Finished goods	1,764.20	1,359.07	(405.13)
Traded goods	851.64	581.31	(270.33)
Work in progress	165.56	202.06	36.50
Scrap materials	16.11	13.87	(2.24)
	2,797.51	**2,156.31**	**(641.20)**

Notes to Financial Statements
for the year ended March 31, 2024

28. Employee Benefits Expenses

(₹ in crores)

	Year ended March 31, 2024	Year ended March 31, 2023
Salaries, wages, bonus, commission and other benefits	1,415.31	1,161.61
Contribution towards Provident Fund, Family Pension and ESI	55.72	47.72
Employee stock purchase plan expense {refer note no. 33(7)}	27.00	25.33
Gratuity expense {refer note no. 33(4)}	24.78	25.11
Staff welfare expenses	18.25	15.21
	1,541.06	**1,274.98**

Note:

The company has reclassified medical insurance expenses amounting to ₹ 20.38 crores (March 31, 2023: ₹ 13.32 crores) related to its employees from "Insurance" (other expenses) to "Employee benefits expenses".

29. Finance Costs

(₹ in crores)

	Year ended March 31, 2024	Year ended March 31, 2023
Interest expense on Security Deposits and others	1.44	5.14
Interest on Income tax	6.18	4.17
Interest on lease liability {refer note no. 33(3)}	25.82	18.35
Miscellaneous financial expenses	0.16	0.18
Total interest expense	**33.60**	**27.84**
Unwinding of discount on long term provisions {refer note no. 20(a)(ii)}	12.11	5.78
Total Finance cost	**45.71**	**33.62**

30. Depreciation and Amortisation Expenses

(₹ in crores)

	Year ended March 31, 2024	Year ended March 31, 2023
Depreciation of property, plant and equipment {refer note 3}	243.66	219.37
Amortization of intangible assets {refer note 4}	26.55	26.13
Depreciation of Right of use assets (refer note 3)	68.27	50.61
	338.48	**296.11**

31. Other Expenses

(₹ in crores)

	Year ended March 31, 2024	Year ended March 31, 2023
Consumption of stores and spares	59.92	53.25
Power and fuel	135.33	119.27
Job work and service charges	377.14	332.96
Rent	48.47	31.57
Repairs and maintenance:		
Plant and machinery	40.57	41.04
Buildings	4.60	4.63
Others	29.87	19.65

Notes to Financial Statements
for the year ended March 31, 2024

(₹ in crores)

	Year ended March 31, 2024	Year ended March 31, 2023
Information technology expenses	84.41	48.97
Rates and taxes	8.73	2.41
Insurance	32.42	15.00
Trade mark fee and royalty	0.63	0.42
Travelling and conveyance	145.76	123.87
Communication expenses	5.42	5.95
Legal and professional charges	30.56	23.12
Payment to Auditors		
Audit fee	1.35	1.35
Certification and other service fee	0.47	0.03
Reimbursement of expenses	0.16	0.16
Payment to Tax Auditors		
Tax audit fee	0.04	0.04
Contribution towards Corporate Social Responsibility (CSR) {refer note no. 33(8)}	30.21	26.68
Directors sitting fees	1.01	0.90
Freight and forwarding expense	605.66	547.07
Advertisement and sales promotion	527.36	437.40
Commission on sales	130.34	120.66
Product warranties and after sales services	235.53	292.44
Bank Charges	38.43	21.34
Loss on sale/ discard of property, plant and equipment (net)	-	0.14
Impairment/ (reversal of impairment) on investment in subsidiary	-	(2.85)
Miscellaneous expenses	35.02	33.24
	2,609.41	**2,300.71**

31A. Net Impairment Losses on Financial and Contract Assets

(₹ in crores)

	Year ended March 31, 2024	Year ended March 31, 2023
Net Impairment Losses on Financial and Contract Assets	17.62	18.43
	17.62	**18.43**

32. Commitments and Contingencies

(₹ in crores)

		As At March 31, 2024	As At March 31, 2023
A	**Contingent liabilities (to the extent not provided for)**		
a	Claims / Suits filed against the Company not acknowledged as debts (Refer point (i))	6.67	6.83
b	Disputed tax liabilities in respect of pending litigations before appellate authorities {Amount deposited under protest ₹ 10.20 crores (March 31, 2023: ₹ 13.04 crores), included in “Deposit with Statutory and Government authorities” in note no. 8) {refer point (ii)}	110.25	54.74

Notes:

i) Claims / suits filed against the Company not acknowledged as debts which represents various legal cases filed against the company. The Company has disclaimed the liability and defending the action. The Company has been advised by its legal counsel that its position is likely to be upheld in the litigation process and accordingly no provision for any liability has been made in the financial statement.

Notes to Financial Statements

for the year ended March 31, 2024

ii) The various disputed tax litigations are as under :

(₹ in crores)

Sl.	Description {refer note below}	Period to which relates	Disputed amount As At March 31, 2024	Period to which relates	Disputed amount As At March 31, 2023
a)	**Excise / Customs / Service Tax**				
	Demands raised by Excise and Custom department.	1994-97, 2007-08 to 2009-10, 2015-16 to 2020-21	24.13	2007-08 to 2009-10, 2015-16 to 2017-18 and 2019-20	16.32
b)	**Income Tax***				
	Disallowances / additions made by the income tax department.	2008-09 to 2014-15 and 2016-17	27.52	2005-06, 2008-09 to 2014-15, 2016-17 to 2017-18 and 2019-20	35.17
c)	**Goods and Service Tax**				
	Demands raised by GST Department	2017-18, 2019-20 and 2022-23	56.58	2017-18 and 2019-20	1.23
d)	**Sales Tax / VAT**				
	Demands raised by Sales tax / VAT department	2003-04, 2005-06 to 2011-12 and 2016-17	1.87	2003-04, 2005-06 to 2011-12 and 2016-17	1.87
e)	**Others**				
	Demand of local area development tax by the concerned authorities	2001-02	0.12	2001-02	0.12
	Demand of octroi along with penalty in the state of Maharashtra by the concerned authorities	2010-11	0.03	2010-11	0.03
			110.25		**54.74**

Notes:

The above figures are net of provisions made by the Company. The Company is contesting these demands and the management believe that its position is likely to be upheld in the appellate process. The management believes that the ultimate outcome of this proceeding will not have a material adverse effect on the Company's financial position and results of operations.

** Based on favourable decisions in similar cases, the Company does not expect any liability against these matters in accordance with principles of Ind AS -12 'Income taxes' read with Ind AS -37; Provisions, Contingent Liabilities and Contingent Assets' and hence no provision has been considered in the books of accounts except for provision created in respect of few years {refer note 20(ii)}.*

The above amounts contain interest and penalty where included in the order issued by the department to the Company.

B. Commitments

(₹ in crores)

	As at March 31, 2024	As at March 31, 2023
Estimated amount of capital contracts remaining to be executed and not provided for (Net of Advances amounting to ₹ 131.98 crores (March 31, 2023: ₹ 52.52 crores))	268.86	476.73
	268.86	**476.73**

Notes to Financial Statements

for the year ended March 31, 2024

C **Undrawn committed borrowing facility**

During the Year, the company has availed fund and non fund based unsecured working capital limit amounting to ₹ 1,142.50 Crores (March 31, 2023: 1,382.50 Crores) under multiple banking arrangements from IDBI Bank Limited, Yes Bank Limited, Standard Chartered Bank Limited, HSBC Bank, ICICI Bank Limited, IndusInd Bank Limited, HDFC Bank Limited, DBS Bank Limited and CITI Bank N.A. An amount of ₹ 836.75 crores (March 31, 2023: 1,102.86 Crores) remain undrawn as at March 31, 2024. Drawn amount is related to non fund based bank guarantee and letter of credit.

D **Other Litigations**

The company has taken provisions amounting ₹ 9.10 Cr (March 31, 2023 : ₹ 6.70 Cr) against the income tax and other sales tax related litigations. These provisions represent estimates made where liability has been assessed as probable. The probability and the timing of the outflow with regard to these matters depend on the final outcome of the litigations/disputes. Hence, the Company is not able to reasonably ascertain the timing of the outflow.

E The Company has outstanding obligation amounting to ₹ 0.72 crores (March 31, 2023: ₹ 0.51 crores) in respect of bonds given to central tax department against import of goods at concessional rate of basic custom duty. The Company expects to fulfil the obligation in due course of time.

F The Company has export obligation of ₹ 236.44 crores (March 31, 2023: ₹ 158.68 crores) on account of import duty exemption of ₹ 12.56 crores (March 31, 2023: ₹8.72 crore) on capital goods under the Export Promotion Capital Goods (EPCG) and ₹ 0.79 crores (₹ 0.15 crores March 31, 2023) Advance Authorisation scheme laid down by the Government of India. The Company expects to fulfil the obligation in due course of time.

33. Other Notes on Accounts

1 **Investment in subsidiaries**

The Company's investments in subsidiaries are as under:

Name of the subsidiaries	Country of incorporation	Portion of ownership interest as at March 31, 2024	Portion of ownership interest as at March 31, 2023	Method used to account for the investment
Havells International Inc.*	United States of America	100%	-	At cost
Havells Guangzhou International Limited	China	100%	100%	At cost

** Incorporated on Oct,19th 2023*

2 During the year, the Company has capitalised the following expenses directly relatable to the cost of property, plant and equipment and capital work-in progress, being expenses related to projects and development of Dies and Fixtures. Consequently, expenses disclosed under the respective notes are net of amounts capitalised by the Company.

(₹ in crores)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Cost of material consumed	14.48	13.33
Employee benefits expense*	4.39	11.76
Other expenses	5.31	4.83
	24.18	**29.92**

**Employee benefits expense includes overheads*

3 **Leases**

i The Company's lease asset primarily consist of leases for land and buildings for branch offices and warehouses having the various lease terms. The Company also has certain leases of with lease terms of 12 months or less. The Company applies the 'short-term lease' recognition exemption for these leases. Payment made towards leases of low value assets (lease of assets worth less than ₹ 2 Lakhs) other than building and warehouse are recognized in the statement of Profit and Loss as rental expenses over the tenure of such leases.

Notes to Financial Statements

for the year ended March 31, 2024

ii Following is carrying value of right of use assets and the movements thereof :

(₹ in crores)

Particulars	Right of Use Asset		Total
	Leasehold Land	Leasehold Building	
Balance as at April 1, 2022	**223.91**	**209.75**	**433.66**
Additions during the year	1.34	51.86	53.20
Deletion during the year	-	(4.22)	(4.22)
Depreciation of Right of use assets (refer note 30)	(2.54)	(48.07)	(50.61)
Balance as at March 31, 2023	**222.71**	**209.32**	**432.03**
Additions during the year	0.30	133.72	134.02
Deletion during the year	(0.15)	-	(0.15)
Depreciation on Right of use assets (refer note 30)	(2.54)	(65.73)	(68.27)
Balance as at March 31, 2024	**220.32**	**277.31**	**497.63**

iii The following is the carrying value of lease liability and movement thereof :

(₹ in crores)

Particulars	Amount
Balance as at April 1, 2022	**220.87**
Additions during the year	50.73
Finance cost accrued during the year	18.35
Deletion during the year	(4.10)
Lease rent concession	(0.12)
Payment of lease liabilities including interest	(62.63)
Balance as at March 31, 2023	**223.10**
Additions during the year	131.39
Finance cost accrued during the year	25.82
Deletion during the year	-
Lease rent concession	-
Payment of lease liabilities including interest	(77.15)
Balance as at March 31, 2024	**303.16**
Current maturities of Lease liability {refer note 19 (A)}	60.72
Non-Current Lease Liability {refer note 15 (A)}	242.44
	303.16

iv The maturity analysis of lease liabilities are disclosed in Note 33(10).

v The weighted average incremental borrowing rate applied to lease liabilities as at April 1, 2019 is 8.5%

vi Amounts recognised in the statement of profit and loss during the year

(₹ in crores)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Depreciation charge of right-of-use assets - leasehold building	65.73	48.07
Depreciation charge of right-of-use assets - leasehold land	2.54	2.54
Finance cost accrued during the year (included in finance cost) (refer note 29)	25.82	18.35
Expense related to short term leases (included in other expense) (refer note 31)	48.47	31.57

vii The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

Notes to Financial Statements

for the year ended March 31, 2024

viii The Company has applied a single discount rate to a portfolio of leases of a similar assets in similar economic environment with similar end date.

ix **Non-cash investing activities during the year:**

(₹ in crores)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Acquisition of right of use assets	134.02	53.20
Recognition of grant related to assets	3.21	-
Disposals of right of use assets	(0.15)	(4.22)

4 Gratuity and other post-employment benefit plans

Disclosures pursuant to Ind AS - 19 "Employee Benefits" (notified under the section 133 of the Companies Act 2013 (the Act) read with Companies (Indian Accounting Standards) Rule 2015 (as amended from time to time) and other relevant provision of the Act) are given below :

Contribution to Defined Contribution Plan, recognised as expense for the year is as under:

(₹ in crores)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Employer's Contribution towards Provident Fund (PF)	55.43	47.40
Employer's Contribution towards Employee State Insurance (ESI)	0.29	0.32
	55.72	**47.72**

Defined Benefit Plan

The employees' Gratuity Fund Scheme, which is a defined benefit plan, is managed by the trust which maintains its investments with Bajaj Allianz Life Insurance Co. Ltd. The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the gratuity plan, every employee who has completed at least five years of service gets a gratuity on departure at 15 days of last drawn basic salary for each completed year of service. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The following tables summaries the components of net benefit expense recognised in the statement of profit or loss, the funded status and amounts recognised in the balance sheet for the respective plans:

(₹ in crores)

		Year ended March 31, 2024	Year ended March 31, 2023
a)	**Reconciliation of opening and closing balances of Defined Benefit obligation**		
	Present value of Defined Benefit obligation at the beginning of the year	177.81	140.29
	Interest Expense	12.67	9.90
	Current Service Cost	23.88	24.80
	Benefit paid	(10.95)	(6.64)
	Remeasurement of (Gain)/loss recognised in other comprehensive income:		
	Actuarial changes arising from changes in financial assumptions	1.86	3.62
	Actuarial changes arising from changes in experience adjustments	3.91	5.84
	Present value of Defined Benefit obligation at year end	**209.18**	**177.81**
b)	**Reconciliation of opening and closing balances of fair value of plan assets**		
	Fair value of plan assets at beginning of the year	142.45	131.64

Notes to Financial Statements
for the year ended March 31, 2024

(₹ in crores)

		Year ended March 31, 2024	Year ended March 31, 2023
	Expected return on plan assets	11.77	9.59
	Employer contribution	29.07	8.65
	Remeasurement of Gain/(loss) in other comprehensive income		
	Return on plan assets excluding interest income	(0.66)	(0.79)
	Benefits paid	(9.99)	(6.64)
	Fair value of plan assets at year end	**172.64**	**142.45**
c)	**Net defined benefit asset/ (liability) recognised in the balance sheet**		
	Fair value of plan assets	172.64	142.45
	Present value of defined benefit obligation	(209.18)	(177.81)
	Amount recognised in Balance Sheet- Asset / (Liability)	**(36.54)**	**(35.36)**
	Current portion {refer note 20(i)}	(30.56)	(31.21)
	Non-current portion	(5.98)	(4.15)
d)	**Net defined benefit expense (recognised in the Statement of profit and loss for the year)**		
	Current service cost	23.88	24.80
	Interest cost (net)	0.90	0.31
	Net defined benefit expense debited to statement of profit and loss	**24.78**	**25.11**
e)	**Remeasurement (gain)/ loss recognised in other comprehensive income**		
	Actuarial changes arising from changes in financial assumptions	1.86	3.62
	Actuarial changes arising from changes in experience adjustments	3.91	5.84
	Return on Plan assets excluding amounts included in net interest expense	0.66	0.79
	Recognised in other comprehensive income	**6.43**	**10.25**
f)	**Broad categories of plan assets as a percentage of total assets**		
	Insurer managed funds	100%	100%

g) **Principal assumptions used in determining defined benefit obligation**

	Year ended March 31, 2024	Year ended March 31, 2023
Mortality Table (LIC)	2012-14 (Ultimate)	2012-14 (Ultimate)
Discount rate (per annum)	7.24%	7.37%
Salary Escalation	9.50%	9.50%
Attrition Rate	7.00%	7.00%

h) **Quantitative sensitivity analysis for significant assumptions is as below:**

Increase / (decrease) on present value of defined benefits obligations at the end of the year

	Year ended March 31, 2024	Year ended March 31, 2023
Discount rate		
Increase by 1%	(13.41)	(11.77)
Decrease by 1%	15.30	13.42
Salary increase		
Increase by 1%	14.96	13.16
Decrease by 1%	(13.38)	(11.78)
Attrition rate		
Increase by 1%	(1.94)	(1.50)
Decrease by 1%	2.18	(1.71)

Notes to Financial Statements
for the year ended March 31, 2024

i) **Maturity profile of defined benefit obligation**

	Year ended March 31, 2024	Year ended March 31, 2023
Within the next 12 months (next annual reporting period)	13.23	12.75
Between 2 and 5 years	87.31	75.71
More than 5 years	283.80	248.85
Total expected payments	**384.34**	**337.31**

j) The average duration of the defined benefit plan obligation at the end of the reporting period is 21.80 years for on-roll employees (March 31, 2023: 21.87 years).

k) The Company expects to contribute ₹ 28.14 crores (March 31,2023 : ₹ 29.08 crores) to the plan during the next financial year.

l) 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.

m) 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.

n) The sensitivity analysis above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in an assumptions occurring at the end of the reporting period while holding all other assumption constraint. In practice it is unlikely to occur and change in some of the assumption may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

o) The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

5 Segment Reporting

The segment reporting of the Company has been prepared in accordance with Ind AS-108, “Operating Segment” (specified under the section 133 of the Companies Act 2013 (the Act) read with Companies (Indian Accounting Standards) Rule 2015 (as amended from time to time) and other relevant provision of the Act). For management purposes, the Company is organized into business units based on its products and services and has six reportable segments as follows:

a) **Operating Segments**

Switchgears	: Domestic and Industrial switchgears, electrical wiring accessories and capacitors.
Cables	: Domestic cables and Industrial underground cables.
Lighting and Fixtures	: Energy Saving Lamps (LED, Fixtures) and luminaries.
Electrical Consumer Durables	: Fans, Water Heaters, Coolers, and Domestic Appliances
Lloyd Consumer	: Air Conditioner, Television, Refrigerator and Washing Machine
Others	: Industrial motors, Pump, Water purifier, Solar, Personal Grooming

b) **Identification of Segments:**

Operating segments have been identified on the basis of the nature of product / services and have been identified as per the quantitative criteria specified in the Ind AS. The Board of Directors monitors the operating results of its business segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements.

c) 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 “unallocable”.

Notes to Financial Statements

for the year ended March 31, 2024

d) Segment assets and segment liabilities represent assets and liabilities in respective segments. Investments, tax related assets, borrowings and other assets and liabilities that can not be allocated to a segment on reasonable basis have been disclosed as "unallocable".

e) There is no transfer of products between operating segments.

f) There are no customers having revenue exceeding 10% of total revenues

g) No operating segments have been aggregated to form the above reportable operating segments.

(₹ in crores)

Summary of Segmental Information		Year ended March 31, 2024	Year ended March 31, 2023
A.	**Revenue from operations**		
	Segment Revenue (Sales and other operating revenue)		
	Switchgears	2,244.96	2,119.63
	Cables	6,317.57	5,532.60
	Lighting and fixtures	1,626.79	1,601.53
	Electrical consumer durables	3,481.76	3,295.80
	Lloyd Consumer	3,785.22	3,368.55
	Others	1,093.60	950.27
		18,549.90	**16,868.38**
	Inter Segment Sale	-	-
	Total segment revenue	**18,549.90**	**16,868.38**
B.	**Results**		
	Segment results		
	Switchgears	596.03	552.97
	Cables	716.05	522.85
	Lighting and fixtures	247.41	244.71
	Electrical consumer durables	387.15	416.03
	Lloyd Consumer	(164.39)	(222.69)
	Others	24.55	33.73
	Segment profit	**1,806.80**	**1,547.60**
	Reconciliation of segment operating profit to operating profit		
	Unallocated:		
	Other unallocable expenses net off	(339.52)	(240.75)
	Provision no longer required written back (non-recurring)	39.53	-
	Other unallocable income	248.73	177.02
	Operating Profit	**1,755.54**	**1,483.87**
	Finance Costs {refer note 29}	(45.71)	(33.62)
	Profit before exceptional items and tax	**1,709.83**	**1,450.25**
	Exceptional Items:		
	a) Loss due to fire	-	112.52
	b) Insurance claim receivable	-	(112.52)
	Net Profit/ (Loss) for the year before tax and after exceptional items	**1,709.83**	**1,450.25**
	Income tax expense {refer note 17}	(436.62)	(375.30)
	Profit after tax	**1,273.21**	**1,074.95**

Notes to Financial Statements

for the year ended March 31, 2024

(₹ in crores)

Summary of Segmental Information	Year ended March 31, 2024	Year ended March 31, 2023
C. Reconciliations to amounts reflected in the financial statements		
Segment Assets		
Switchgears	621.91	580.76
Cables	1,568.61	1,309.14
Lighting and fixtures	660.57	694.29
Electrical consumer durables	1,195.05	1,143.17
Lloyd Consumer	4,126.90	4,262.91
Others	325.06	285.57
Segment operating assets	**8,498.10**	**8,275.84**
Reconciliation of segment operating assets to total assets		
Cash and bank balance {refer note, 7(C), 11(C) and (D)}	3,015.42	1,977.11
Investment and Fixed deposits with financial institutions {refer note 7(A) and 11(A)}	20.00	200.87
Investment in Subsidiaries{refer note 5}	21.18	0.45
Other unallocable assets	865.13	688.93
Total assets	**12,419.83**	**11,143.20**
Segment Liabilities		
Switchgears	469.64	387.87
Cables	1,177.92	859.26
Lighting and fixtures	375.09	345.74
Electrical consumer durables	656.50	621.87
Lloyd Consumer	992.80	1,105.28
Others	229.64	201.92
Segment operating liabilities	**3,901.59**	**3,521.94**
Reconciliation of segment operating liabilities to total liabilities		
Lease Liabilities{refer note 15(A) and 19(A)}	303.16	223.10
Deferred tax liability {refer note 17(d)}	357.52	361.51
Current tax liabilities (net){refer note 21}	85.20	32.26
Other unallocable liabilities	333.91	389.91
Total liabilities	**4,981.38**	**4,528.72**
Other non-current assets		
Switchgears	6.91	1.24
Cables	10.58	27.78
Lighting and fixtures	0.30	7.15
Electrical consumer durables	4.65	2.08
Lloyd Consumer	5.00	5.10
Others	0.30	2.64
	27.74	**45.99**
Unallocable assets	118.88	32.95
	146.62	**78.94**
Capital Expenditure		
Switchgears	54.26	27.28
Cables	251.39	19.67
Lighting and fixtures	109.40	22.28
Electrical consumer durables	65.12	41.91
Lloyd Consumer	161.77	404.36
Others	28.78	6.88
	670.72	**522.38**

Notes to Financial Statements

for the year ended March 31, 2024

(₹ in crores)

Summary of Segmental Information	Year ended March 31, 2024	Year ended March 31, 2023
Unallocable capital expenditure	41.97	48.74
	712.69	**571.12**
Depreciation and Amortization Expenses		
Switchgears	52.92	49.83
Cables	75.30	64.38
Lighting and fixtures	21.31	18.92
Electrical consumer durables	60.82	54.30
Lloyd Consumer	115.23	95.58
Others	12.90	13.10
	338.48	**296.11**
Non-cash expenses (net) other than depreciation		
Switchgears	1.11	2.82
Cables	3.42	6.47
Lighting and fixtures	7.28	1.48
Electrical consumer durables	2.17	3.45
Lloyd Consumer	3.11	3.46
Others	0.53	0.89
	17.62	**18.57**
Impairment/ (reversal of impairment) on investment in subsidiary	-	(2.85)
	17.62	**15.72**
Note: Non cash expenses other than depreciation includes loss on disposal of property, plant and equipment, bad debts and Impairment allowance for trade receivables and other assets considered doubtful		
Segment Revenue by location of customers		
The following is the distribution of Company's revenue by geographical market, regardless of where the goods were produced.		
Revenue-Domestic Market	17,946.67	16,382.80
Revenue-Overseas Market	603.23	485.58
	18,549.90	**16,868.38**
Geographical Segment assets		
Within India	12,381.58	11,085.34
Outside India	38.25	57.86
	12,419.83	**11,143.20**
Geographical Non-current assets		
Within India	4,422.30	3,858.58
Outside India	10.83	7.34
	4,433.13	**3,865.92**

Note:- Non Current assets for this purpose excludes investment in subsidiaries, Contract assets, non current financial assets and non current tax assets

Notes:

(i) Finance income and costs on financial assets are not allocated to individual segments as the underlying instruments are managed at company level.

(ii) Current taxes, deferred taxes and certain financial assets and liabilities are not allocated to those segments as they are also managed at company level

(iii) Capital expenditure consists of additions of property, plant and equipment, Capital work in progress and intangible assets

(iv) There is no single external customer accounting to 10 per cent or more of an Company's revenues

Notes to Financial Statements

for the year ended March 31, 2024

6 Related party transactions

The related parties as per the terms of Ind AS-24,"Related Party Disclosures", { under the section 133 of the Companies Act 2013 (the Act) read with Companies (Indian Accounting Standards) Rules 2015 (as amended from time to time)}, as disclosed below:-

(A)	**Names of related parties and description of relationship :**		
	Related party where control exists		
	Subsidiary Companies		**Relationship**
	1 Havells International Inc.		Wholly Owned Subsidiary (WOS), (incorporated on October 19, 2023)
	2 Havells Guangzhou International Limited		Wholly Owned Subsidiary (WOS)
	Step-Down subsidiary companies		
	Havells Lighting LLC		Step-down subsidiary, (incorporated on December 11, 2023)
	Havells HVAC LLC		Step-down subsidiary, (incorporated on March 19, 2024)
(B)	**Names of other related parties :**		
(i)	**Enterprises having significant influence over company**	**(iv)**	**Key Management Personnel**
	QRG Enterprises Limited		Shri Anil Rai Gupta, Chairman and Managing Director
	QRG Investment and Holding Limited		Shri Rajesh Kumar Gupta, Whole-time Director & Group CFO
			Shri Ameet Kumar Gupta, Whole-time Director
(ii)	**Enterprises in which directors are having significant influence**		Shri Siddhartha Pandit, Whole-time Director
	QRG Foundation		Shri Sanjay Kumar Gupta, Company Secretary
	Guptajee & Company		
	SRF Limited		**Non Executive Directors**
	Manipal Health Enterprises Pvt. Ltd		Shri Puneet Bhatia
	Ayana Renewable Power Private Limited		Shri T V Mohandas Pai
			Shri Surjit Kumar Gupta
(iii)	**Employee benefit trust for the benefited employees**		Shri Jalaj Ashwin Dani
	Havells India Limited Employees Gratuity Trust		Shri U K Sinha
	Havells Employees Welfare Trust		Shri B P Rao
			Shri S S Mundra
			Shri Vivek Mehra
			Smt Namrata Kaul
			Shri Ashish Bharat Ram
		(v)	**Other Related Parties**
			Shri Rakesh Mehrotra
			- Associate Director
			- HKHR Ventures LLP (Partner)
			Shri Yogesh Kumar Gupta
			- Associate Director
			- Eastern Distributors (Partner)
			- Gupta Enterprise (Partner)
			- YKG Enterprises (Partner)
			- OP Gupta and Company (Partner)
			- OPG Travels (Partner)

(₹ in crores)

		Year ended March 31, 2024	Year ended March 31, 2023
(C)	**Transactions during the year**		
(i)	**Subscription of investments**		
	Subsidiaries		
	Havells International Inc.	20.73	-
		20.73	**-**
(ii)	**Service Income (refer note (c) below)**		
	Enterprises having significant influence over company		
	QRG Investments and Holdings Limited	0.10	-
		0.10	**-**
(iii)	**Purchase of goods and stores & spares**		
	Enterprises in which directors are having significant influence		
	SRF Limited	18.95	17.87
		18.95	**17.87**
(iv)	**Sale of products (refer note (c) below)**		
	Enterprises in which directors are having significant influence		
	SRF Limited	3.70	7.21
	Ayana Renewable Power Private Limited	0.22	-
	Other Related Parties		
	OP Gupta and Company	5.12	1.63
		9.04	**8.84**
(v)	**Commission on sales (refer note (c) below)**		
	Enterprises in which directors are having significant influence		
	Guptajee and Company	20.13	20.65
	Other Related Parties		
	Eastern Distributors	21.78	19.07
	Gupta Enterprise	2.05	2.01
	YKG Enterprises	2.95	2.95
	HKHR Ventures LLP	43.86	38.10
		90.77	**82.78**
(vi)	**Rent / Usage Charges Paid**		
	Enterprises having significant influence over company		
	QRG Enterprises Limited	28.82	29.52
		28.82	**29.52**
(vii)	**Reimbursement of expenses paid**		
	Other Related Parties		
	OPG Travels	0.95	1.15
		0.95	**1.15**
(viii)	**CSR Contribution**		
	Enterprises having significant influence		
	QRG Foundation	9.08	9.70
		9.08	**9.70**
(ix)	**Contribution to post employee benefit plan**		
	Havells India Limited Employees Gratuity Trust	29.08	8.65
		29.08	**8.65**
(x)	**Managerial remuneration**		
	Key Management Personnel		
	Salaries, wages, bonus, commission and other benefits	59.17	51.44
	Contribution towards PF, Family Pension and ESI	2.21	2.01
	Post-employment benefits	1.45	1.15
	ESPP expense	11.23	13.01

Notes to Financial Statements

for the year ended March 31, 2024

(₹ in crores)

		Year ended March 31, 2024	Year ended March 31, 2023
	Non-Executive Directors		
	Director sitting fees	1.01	0.90
	Commission	1.80	1.80
(xi)	**Remuneration to other Related Parties**		
	Salaries, wages, bonus, commission and other benefits	3.00	3.00
		79.87	**73.31**

(₹ in crores)

		As at March 31, 2024	As at March 31, 2023
(D)	**Balances at the year end**		
(i)	**Amount Receivable**		
	Enterprises in which directors are interested		
	SRF Limited	0.03	-
		0.03	**-**
(ii)	**Amount Payables**		
	Enterprises in which directors are interested		
	Guptajee & Company	5.34	5.26
	SRF Limited	2.20	1.39
	Other Related Parties		
	Eastern Distributors	6.27	5.28
	Gupta Enterprise	0.65	0.24
	OP Gupta and Company	0.00	-
	HKHR Ventures LLP	10.31	3.80
	OPG Travels	0.10	0.03
		24.87	**16.00**

a) 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. The settlement for these balances occurs through payment. There have been no guarantees provided or received for any related party receivables or payables. For the year ended March 31, 2024, the Company has not recorded any impairment of receivables relating to amounts owed by related parties (March 31, 2023: ₹ Nil). 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.

b) As at March 31, 2024, the Company has not granted any loans to the promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013), either severally or jointly with any other person (March 31, 2023: Nil).

c) Transactions with related parties are reported gross of Goods and Service Tax.

7 Share based payments

The Company has in place following employee stock purchase plan approved by shareholders of the Company in compliance with Securities and Exchange Board of India (Share Based Employee Benefits) regulations, 2021 :

(a) Havells Employee Long Term Incentive Plan 2014 : In accordance with this scheme, 51,376 (March 31, 2023 : 41,817) share options of ₹ 1 each were granted, out of which 50,945 (March 31, 2023: 41,415) share options of ₹ 1 each were vested and allotted on June 08, 2023 (March 31, 2023 : June 03, 2022) to eligible employees at ₹ 1,230.20 (March 31, 2022: ₹ 1,289.85) per share as contributed by these employees. As per the scheme, 50% of the shares are under lock in period of 13 months and balance 50% for 2 years. Also as per the scheme, the Company is obliged to pay 50% of the contribution made by eligible employees as retention bonus over a period of two years in equal instalments. Accordingly, a sum of ₹ 2.53 crores (March 31, 2023 : ₹ 2.23 crores) has been recognised as employee stock purchase plan expense (refer note 28).

(b) Havells Employee Stock Purchase Plan 2015 : In accordance with this scheme, 93,040, which will be transferred to eligible employees together with the 41,960 Shares lying in the Trust, against the Exercise of 1,35,000 share options (March 31, 2023: 150,000) of ₹ 1 each were granted, vested and allotted on June 08,2023 (March 31, 2023: June 03, 2022) at ₹ 1,230.20 (March 31, 2023: ₹ 1289.85) per share to eligible employees as contributed by the Company. As per the scheme, 78% of the shares are under lock in period of 13 months and remaining 22% are under lock in period for 2 years. Accordingly, a sum of ₹ 16.61 crores (March 2023 :₹ 19.35 crores) has been recognised as employee stock purchase plan expenses (refer note 28).

(c) Havells Employee Stock Purchase Plan 2016 : In accordance with the said scheme, 34,303 (March 31, 2023: 24,942) share options of ₹ 1 each were granted to eligible employees with graded vesting in three years starting from 2022. During the year, 20,627 equity shares of ₹ 1 each (March 31, 2023 : 13534 equity shares) were allotted at ₹ 1,230.20 (March 31, 2023 : ₹1,289.85) per share on June 08, 2023 (March 31, 2023 : June 03, 2022). Accordingly, a sum of ₹3.88 crores (March 31,2023: 2.69 crores) has been recognised as employee stock purchase plan expense refer note 28 and balance outstanding of ₹ 2.81 crores (March 31, 2023 : 1.48 crores) (refer note 14).

(d) Havells Employee Stock Purchase Plan 2022 : In accordance with the said scheme, 65,628 (March 31, 2023: 17,733) share options of ₹ 1 each were granted to eligible employees with graded vesting in five years starting from 2022. During the year, 8680 equity shares of ₹ 1 each (March 31, 2023 : 1722 equity shares) were allotted at ₹ 1,230.20 (March 31, 2023 : 1348.55) per share on November 01, 2023 (March 31, 2023 : November 03, 2022). Accordingly, a sum of ₹3.98 crores (March 31,2023: 1.06 crores) has been recognised as employee stock purchase plan expense refer note 28 and balance outstanding of ₹ 3.75 crores (March 31, 2023 : 0.82) (refer note 14).

(i) Set out below is a summary of options granted and vested during the year under the plan

Summary of Stock Options	2023-24		2022-23	
	Number of Stock Options	Weighted average exercise price per share option	Number of Stock Options	Weighted average exercise price per share option
Options outstanding at the beginning of the year	34,691	-	10,023	-
Options granted during the year	2,86,307	1,230.20	2,34,492	1,290.34
Options vested and exercised during the year (refer note below)	(2,15,252)	1,230.20	(2,06,671)	1,290.34
Options lapsed during the year	(9,005)	-	(3,153)	-
Options outstanding at the end of the year	**96,741**	-	**34,691**	-

The weighted average share price at the date of exercise of options exercised during the year ended March 31, 2024 was ₹ 1,230.20 per share (March 31, 2023 : ₹ 1,290.34) per share. For share options outstanding at the end of the year, exercise price ranges from ₹ 1,152.55 to ₹ 1,188.50.

Note: *Includes 41,960 equity shares of ₹ 1 each already lying with the Havells Employee Welfare Trust transferred to the eligible employees against exercise of 2,15,252 shares under the ESPS scheme*

(ii) Share options outstanding at the end of the year have the following expiry dates and exercise prices:

Particulars	March 31, 2024		March 31, 2023	
ESPP Scheme	**ESPP 2022**	**ESPP 2016**	**ESPP 2022**	**ESPP 2016**
Grant date	May 02, 2023	May 02, 2023	Oct 03, 2022	May 05, 2022
Expiry date	2024-25 to 2027-28	2024-25 and 2025-26	2023-24 to 2026-27	2023-24 and 2024-25
Outstanding share options	67,262	29,479	16,011	18,680
Weighted average remaining contractual life of options outstanding at the end of the year	4 years	2 year	4 years	2 year

Notes to Financial Statements

for the year ended March 31, 2024

The fair value at grant date of options granted during the year ended March 31, 2024 was within range of ₹ 1,211.83 to ₹ 1,222.64 per share (March 31, 2023 was within range of ₹ 1,271.53 to ₹ 1,348.16 per share). The fair value at the grant date is determined using Black Scholes valuation model which takes into account the exercise price, the terms of the options, the share price at grant date and expected price volatility of the underlying shares, the expected dividend yield and the risk free interest rate for the term of the option.

(iii) The Model inputs for options granted (ESPP 2016) :

(a)	Particulars	March 31, 2024	March 31, 2023
	Expected Price volatility of the company's share	9.87% to 27.31%	10.10% to 15.29%
	Expected Dividend Yield	0.59%	0.70%
	Share price at the grant date	₹ 1,230.20	₹ 1,289.85
	Risk free interest rate	7.12%	7.15%

The Model inputs for options granted (ESPP 2022) :

(b)	Particulars	March 31, 2024	March 31, 2023
	Expected Price volatility of the company's share	9.87% to 31.53%	7.78% to 15.30%
	Expected Dividend Yield	0.59%	0.70%
	Share price at the grant date	₹ 1,230.20	₹ 1,348.55
	Risk free interest rate	7.12%	7.41%

(iv) The expected price volatility is based on the historical volatility (based on remaining life of the options), adjusted for any expected change to future volatility due to publically available information.

(v) Expense arising from shared based payment transactions

Particulars	March 31, 2024	March 31, 2023
Havells Employees Long Term Incentive Plan 2014	2.53	2.23
Havells Employees Stock Purchase Plan 2015	16.61	19.35
Havells Employees Stock Purchase Plan 2016	3.88	2.69
Havells Employees Stock Purchase Plan 2022	3.98	1.06
Total expense recognised in the statement of profit and loss account as a part of employee benefit expense	**27.00**	**25.33**

8 Corporate Social Responsibility

As per provisions of section 135 of the Companies Act, 2013, the Company has to incur 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 as per the Schedule VII of the Companies Act, 2013. Details are as under:

Details of CSR Expenditure:

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Contribution to Reimagining Higher Education Foundation for building educational infrastructure	11.00	13.00
Contribution to QRG Foundation for providing mid day meal, promotion of sanitation & hygiene and free coaching	9.08	9.70
Others: for development of healthcare infrastructure, tree plantation, promoting education, etc.	9.85	4.19
Accrual towards unspent obligation in relation to		
Ongoing Project	-	-
Other than ongoing Project	-	-
Total	**29.93**	**26.89**

Notes to Financial Statements

for the year ended March 31, 2024

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Add : Carried forward from previous year	0.93	0.72
Less: Excess spent during the year to be carry forward to next year	0.65	0.93
Amount recognised in Statement of Profit and Loss	**30.21**	**26.68**
Amount required to be spent as per section 135 of the Act	**30.21**	**26.68**
Amount approved by the Board to be spent during the year	**30.21**	**26.68**
Amount spent during the year on		
(i) Construction/ acquisition of assets	14.72	14.55
(ii) Contribution to Trust/Universities/Society	9.12	8.30
(iii) On purpose other than above	6.09	4.04
Total Amount Spent	29.93	26.89
Excess spent from previous year utilised during the current year	0.93	0.72
Amount yet to be spent	-	-
Total	30.86	27.61
Less: Excess spent during the year to be carry forward to next year (refer note 12)	0.65	0.93
Total	**30.21**	**26.68**

Details of ongoing CSR projects under Section 135(6) of the Companies Act 2013

Year	Opening Balance		Amount required to be spent during the year	Amount spent during the year		Closing Balance	
	With the Company	In Separate CSR Unspent A/c		From Company's bank account	From Separate CSR Unspent account	With the Company	In Separate CSR Unspent account
FY2022-23	-	8.00	-	-	4.00	-	4.00
FY2023-24	-	4.00	-	-	4.00	-	-

Note: *The company had earned an interest of INR 0.16 crores (0.41 crores in March 2023) on the funds in CSR unspent bank account during the year.Further, the company has made an additional payment of ₹ 0.79 crores to Ashoka University, on account of interest earned (net of taxes) on amount deposited in separate CSR Bank account.including the 0.16 crores interest earned during the year.*

Details of CSR expenditure under Section 135(5) of the Companies Act 2013 in respect of unspent amount other than ongoing projects

Year	Opening Balance unspent	Amount deposited in Specified Fund of Schedule VII of the Act within 6 months	Amount required to be spent during the year	Amount spent during the year	Closing Balance unspent
FY2022-23	-	-	26.68	26.68	-
FY2023-24	-	-	30.21	30.21	-

Details of excess CSR expenditure under Section 135(5) of the Companies Act 2013

Year	Opening balance excess spent	Amount required to be spent during the year	Amount spent during the year	Closing balance excess spent
FY2022-23	0.72	26.68	26.89	0.93
FY2023-24	0.93	30.21	29.93	0.65

Notes to Financial Statements

for the year ended March 31, 2024

9 Fair value measurements

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

(₹ in crores)

	Carrying Value		Fair Value	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
Financial instruments by category				
Financial assets valued at amortized cost				
Investments with financial institution	-	180.87	-	180.87
Cash and bank balances (Current)	3,015.42	1,861.87	3,015.42	1,861.87
Trade Receivables	1,157.45	972.92	1,157.45	972.92
Other Financial assets (Current)	20.99	116.89	20.99	116.89
Other Financial assets (Non-current)	32.86	148.86	32.86	148.86
	4,226.72	**3,281.41**	**4,226.72**	**3,281.41**
Financial Liabilities valued at amortized cost				
Trade Payables	2,690.70	2,642.54	2,690.70	2,642.54
Lease Liability (current and non current)	303.16	223.10	303.16	223.10
Other financial liabilities (non-current)	4.05	7.21	4.05	7.21
Other financial liabilities (current)	787.68	624.85	787.68	624.85
	3,785.59	**3,497.70**	**3,785.59**	**3,497.70**

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

The fair value of the other financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

1) The fair value of unquoted instruments, other non-current financial assets and non-current financial liabilities is estimated by discounting future cash flows (DCF model) using rates currently available for debt on similar terms, credit risk and remaining maturities. The valuation requires management to use unobservable inputs in the model, of which the significant unobservable inputs are disclosed in the tables below. Management regularly assesses a range of reasonably possible alternatives for those significant unobservable inputs and determines their impact on the total fair value.

2) The fair values of the Company's interest-bearing borrowings are determined by using DCF method using discount rate that reflects the issuer's borrowing rate as at the end of the reporting period. The own non-performance risk as at March 31, 2024 was assessed to be insignificant.

3) Long-term receivables/payables are evaluated by the Company based on parameters such as interest rates, risk factors, individual creditworthiness of the counterparty and the risk characteristics of the financed project. Based on this evaluation, allowances are taken into account for the expected credit losses of these receivables.

4) Fair value hierarchy

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: The fair value of financial instruments traded in active markets is based on quoted (unadjusted) market prices at the end of the reporting period for identical assets or liabilities

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise 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. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in level 3.

Notes to Financial Statements
for the year ended March 31, 2024

There are no transfers among levels 1, 2 and 3 during the year.

This section explains the judgement and estimates made in determining the fair value of financial assets that are:

a) Recognised and measured at Fair value

b) Measured at amortised cost and for which fair value is disclosed in financial statements

Quantitative disclosures of fair value measurement hierarchy for assets as on March 31, 2024

	Carrying Value	Fair Value		
	March 31, 2024	Level 1	Level 2	Level 3
Assets carried at amortized cost for which fair value are disclosed				
Other Financial assets (Non-current)	32.86	-	-	32.86
Other Financial assets (Current)	20.99	-	-	20.99
Assets carried at fair value though profit and loss				
Investment in preference shares	20.00	-	20.00	-
Liabilities carried at amortized cost for which fair value are disclosed				
Lease Liability (current and non current)	303.16	-	-	303.16
Other financial liabilities (non-current)	4.05	-	-	4.05
Other financial liabilities (current)	787.68	-	-	787.68

Quantitative disclosures of fair value measurement hierarchy for assets as on March 31, 2023

	Carrying Value	Fair Value		
	March 31, 2023	Level 1	Level 2	Level 3
Assets carried at amortized cost for which fair value are disclosed				
Other Financial assets (non-current)	148.86	-	-	148.86
Other Financial assets (current)	116.89	-	-	116.89
Assets carried at fair value though profit and loss				
Investment in preference shares	20.00	-	20.00	-
Liabilities carried at amortized cost for which fair value are disclosed				
Lease Liability (current and non current)	223.10	-	-	223.10
Other financial liabilities (non-current)	7.21	-	-	7.21
Other financial liabilities (current)	624.85	-	-	624.85

10 Financial risk management objectives and policies

The Company's principal financial liabilities comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include trade and other receivables, and cash and cash equivalents that are derived directly from its operations.

The Company's financial risk management is an integral part of how to plan and execute its business strategies. The Company is exposed to market risk, credit risk and liquidity risk.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The senior professionals working to manage the financial risks and the appropriate financial risk governance framework for the Company are accountable to the Board of Directors and Audit Committee. This process provides assurance to Company's senior management that the Company's financial risk-taking activities are governed by appropriate policies and procedures and that financial risk are identified, measured and managed in accordance with Company policies and Company risk objective.

Notes to Financial Statements

for the year ended March 31, 2024

The Board of Directors reviews and agrees policies for managing each of these risks which are summarized as below:

(a) 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 analysis in the following sections relate to the position as at reporting date. The analysis exclude the impact of movements in market variables on: the carrying values of gratuity and other post-retirement obligations; provisions; and the non-financial assets and liabilities. The sensitivity of the relevant Profit and Loss item and equity 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 March 31, 2024 and March 31, 2023

(i) Foreign Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in foreign currency). Foreign currency exchange rate exposure is partly balanced by purchasing of goods from the respective countries. The Company evaluates exchange rate exposure arising from foreign currency transactions and follows established risk management policies.

Foreign currency risk sensitivity

The following tables demonstrate the sensitivity to a reasonably possible change in USD,EUR,CNY and other currencies including JPY,KES,NPR, CHF, LKR, MWK,AED,SLL and GBP exchange rates, with all other variables held constant. The impact on the Company profit before tax and equity is due to changes in the fair value of monetary assets and liabilities. Foreign currency exposures recognised by the Company that have not been hedged by a derivative instrument or otherwise are as under:

			Gain/ (loss)	
	March 31, 2024		Impact on profit before tax and equity	
Currency	**Foreign Currency in Crores**	**Indian Rupees in Crores**	**5% increase in Crores**	**5% decrease in Crores**
United States Dollar	$ (3.40)	(283.09)	(14.15)	14.15
EURO	€ (0.07)	(6.29)	(0.31)	0.31
Chinese RMB\CNY	CNY (5.78)	(66.57)	(3.33)	3.33
Other currencies	(0.40)	(0.34)	(0.02)	0.02

	March 31, 2023		Impact on profit before tax and equity	
Currency	**Foreign Currency in Crores**	**Indian Rupees in Crores**	**5% increase in Crores**	**5% decrease in Crores**
United States Dollar	$ (3.16)	(259.58)	(12.98)	12.98
EURO	€ (0.04)	(3.77)	(0.19)	0.19
Chinese RMB\CNY	CNY (5.88)	(70.17)	(3.51)	3.51
Other currencies	(8.54)	(5.33)	(0.27)	0.27

Note:

Figures in bracket represents payables

(ii) Interest Rate Risk

Interest rate 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 Company's long term debt obligation at floating interest rates. The Company's borrowings outstanding as at March 31, 2024 and March 31,2023 comprise of long term loans.

(iii) Commodity Price Risk

The Company is affected by the price volatility of certain commodities. Its operating activities require the ongoing manufacture of industrial and domestic cable and other electronic items and therefore require a continuous supply of copper and aluminium being the major input used in the manufacturing. To mitigate the risk of supply and price fluctuations, Domestic and overseas sources are bench-marked to Optimize the allocation of business share among various sources. The Company's Board of Directors has developed and enacted a risk management strategy regarding commodity price risk and its mitigation. The Company mitigated the risk of price volatility by entering Long Term & Short term contracts for the Purchase of these commodities basis estimated annual requirements.

(b) Credit Risk

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

(i) Trade Receivables and Contract Assets

Customer credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive credit rating scorecard and individual credit limits are defined in accordance with this assessment. Outstanding customer receivables are regularly monitored and any shipments to major customers are generally covered by Trade Receivable buyout facility without recourse, letters of credit and other forms of security.

An impairment analysis is performed at each reporting date on trade receivables by lifetime expected credit loss method based on provision matrix. The Company does not hold collateral as security. The Company evaluates the concentration of risk with respect to trade receivables and contract assets as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets.

The group assigns the following internal credit ratings to each class of financial assets based on the assumptions, inputs and factors specific to the class of the financial assets. The group provides for expected credit loss based on the following:

Internal Rating	Category	Description of category	Basis for recognition of expected credit loss provision	Basis for recognition of expected credit loss
			Trade receivables and contract assets	Loans & Deposits
VL 1	High quality assets, negligible credit risk	Assets where the counterparty has strong capacity to meet the obligations and where the risk of default is negligible or nil	Lifetime expected credit losses (simplified approach)	12 months expected credit losses
VL 2	Quality assets, low credit risk	Assets where there is low risk of default and where the counterparty has sufficient capacity to meet the obligations and where there has been low frequency of defaults in the past		
VL 3	Doubtful assets, credit-impaired	Assets where there is high risk of default and there is no reasonable expectation of recovery,the group continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in profit or loss.	100 % provision is considered for doubtful assets, credit impaired	100 % provision is considered for doubtful assets, credit impaired

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for the year ended March 31, 2024

(I) Trade receivables ageing schedule as at March 31, 2024

Particulars		Unbilled dues	Not due	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
				Outstanding for following periods from due date of payment					
(i)	Gross carrying amount – trade receivables	-	641.89	421.38	31.70	51.52	35.00	72.50	1,253.99
(ii)	Gross carrying amount – contract assets	-	39.85	-	-	-	-	-	39.85
(iii)	Expected loss rate	-	0.11%	0.60%	7.05%	19.96%	54.89%	85.93%	7.52%
(iv)	Expected credit losses– trade receivables	-	0.00	2.51	2.24	10.28	19.21	62.30	96.54
(v)	Expected credit losses– contract assets	-	0.76	-	-	-	-	-	**0.76**
(vi)	Carrying amount of trade receivables (net of impairment)	-	641.89	418.87	29.46	41.24	15.79	10.20	1,157.45
	Carrying amount of contract assets (net of impairment)	-	39.09	-	-	-	-	-	39.09

(II) Trade receivables ageing schedule as at March 31, 2023

Particulars		Unbilled dues	Not due	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
				Outstanding for following periods from due date of payment					
(i)	Gross carrying amount – trade receivables	-	266.47	598.11	45.98	52.31	25.58	72.12	1,060.58
(ii)	Gross carrying amount – contract assets	-	52.24	-	-	-	-	-	52.24
(iii)	Expected loss rate	-	0.00%	0.03%	10.94%	8.54%	51.33%	89.86%	8.26%
(iv)	Expected credit losses– trade receivables	-	0.01	0.21	5.03	4.47	13.13	64.81	87.66
(v)	Expected credit losses– contract assets	-	-	-	-	-	-	-	-
(vi)	Carrying amount of trade receivables (net of impairment)	-	266.46	597.91	40.95	47.84	12.45	7.31	972.92
	Carrying amount of contract assets (net of impairment)	-	52.24	-	-	-	-	-	52.24

(ii) Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made in bank deposits and other risk free securities. The limits are set to minimize the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

The Company's maximum exposure to credit risk for the components of the balance sheet at March 31, 2024 is the carrying amounts. The Company's maximum exposure relating to financial instrument is noted in liquidity table below.

Trade Receivables and other financial assets are written off when there is no reasonable expectation of recovery, such as debtor failing to engage in the repayment plan with the Company.

Financial assets for which allowance is measured using 12 months Expected Credit Loss Method (ECL)

(₹ in crores)

	As at March 31, 2024	As at March 31, 2023
Investment with financial institution	-	180.87
Cash and cash equivalents (Current)	243.35	456.86
Bank balances other than above (Current)	2772.07	1,405.01
Other bank balances (Non-current)		
Others Non Current financial assets	32.86	148.86
Others Current financial assets	20.99	116.89
	3,069.27	**2,309.49**
Financial assets for which allowance is measured using Life time Expected Credit Loss Method (ECL)		
Trade Receivables	1,157.45	972.92
	1,157.45	**972.92**

Balances with banks is subject to low credit risks due to good credit ratings assigned to these banks

The ageing analysis of trade receivables has been considered from the date the invoice falls due

(₹ in crores)

	As at March 31, 2024	As at March 31, 2023
Particulars		
Trade Receivables		
Not past due	641.89	266.46
0 to 180 days due past due date	418.87	597.91
More than 180 days past due date	96.69	108.55
Total Trade Receivables	**1,157.45**	**972.92**
The following table summarizes the change in loss allowance measured using the life time expected credit loss model:-		
As at the beginning of year	87.66	71.74
Addition during the year	17.62	18.43
Utilization during the year	(7.99)	(2.52)
As at the end of year	**97.30**	**87.66**

(c) 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 deploys a robust cash management system. It maintains adequate source of financing through the use of short term bank deposits, short term loans, short term commercial papers and cash credit facility. Processes and policies related to such risks are overseen by senior management. Management monitors the Company's liquidity position through rolling forecasts on the basis of expected cash flows. The Company assessed the concentration of risk with respect to its debt and concluded it to be low.

Maturity profile of financial liabilities

The table below provides the details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments.

Notes to Financial Statements

for the year ended March 31, 2024

As at March 31, 2024

	Less than 1 year	1 to 5 years	More than 5 years	Total
Other non current financial liabilities	-	4.05	-	4.05
Trade payables	2,690.70	-	-	2,690.70
Lease Liability (undiscounted)	93.36	200.73	93.12	387.21
Other current financial liabilities	787.68	-	-	787.68

As at March 31, 2023

	Less than 1 year	1 to 5 years	More than 5 years	Total
Other non current financial liabilities	-	7.21	-	7.21
Trade payables	2,642.54	-	-	2,642.54
Lease Liability (undiscounted)	54.49	166.07	121.92	342.48
Other current financial liabilities	624.85	-	-	624.85

11 Capital Management

For the purposes of 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 safeguard its ability to continue as going concern and 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 March 31, 2024 and March 31, 2023.

(₹ in crores)

Particulars	March 31, 2024	March 31, 2023
Cash and cash equivalents {refer note 11(C)}	(243.35)	(456.86)
Loans and borrowings	-	-
Net Debt	**-**	**-**
Equity / Net Worth	7,438.45	6,614.48
Total Capital	**7,438.45**	**6,614.48**
Gearing ratio (Net Debt/Capital and Net Debt)	**NA***	**NA***

Note: *No changes were made in the objectives, policies or processes for managing capital during the year ended March 31, 2024 and March 31, 2023*

** This ratio is not relevant for both year as there are no Loans and Borrowings.*

12 Earnings per share

(₹ in crores)

			Year ended March 31, 2024	Year ended March 31, 2023
a)	**Basic Earnings per share**			
	Numerator for earnings per share			
	Profit after taxation	(₹ in crores)	**1273.21**	**1074.95**
	Denominator for earnings per share			
	Weighted average number of equity shares outstanding during the year	(Numbers)	62,66,46,898	62,64,88,642
	Earnings per share-Basic (one equity share of ₹ 1/- each)	₹	**20.32**	**17.16**

Notes to Financial Statements

for the year ended March 31, 2024

(₹ in crores)

			Year ended March 31, 2024	Year ended March 31, 2023
b)	**Diluted Earnings per share**			
	Numerator for earnings per share			
	Profit after taxation	(₹ in crores)	**1273.21**	**1074.95**
	Denominator for earnings per share			
	Weighted average number of equity shares for basic earning per share	(Numbers)	62,66,46,898	62,64,88,642
	Effect of dilution			
	Share options	(Numbers)	72,890	44,860
	Weighted average number of equity shares outstanding during the year adjusted for the effect of dilution	(Numbers)	**62,67,19,788**	**62,65,33,502**
	Earnings per share- Diluted (one equity share of ₹ 1/- each)	₹	**20.32**	**17.16**

13 Dividend Paid and Proposed

(₹ in crores)

	Year ended March 31, 2024	Year ended March 31, 2023
Dividend declared and paid during the year:		
Final Dividend of ₹ 4.50 per share for FY 2022-23 (₹ 4.50 per share for FY 2021-22)	282.01	281.93
Interim dividend of ₹ 3.00 per share for FY 2023-24 (₹ 3.00 per share for FY 2022-23)	188.00	187.95
	470.01	**469.88**
Proposed Dividends on equity shares:		
Final Dividend recommended by the board of directors for the year ended March 31, 2024 ₹ 6.00 per share of Re 1 each (March 31, 2023: ₹ 4.50 per share of Re 1 each) subject to approval of shareholders in the ensuing annual general meeting.	376.01	281.93
	376.01	**281.93**

Note: *Proposed dividends on equity shares are subject to approval at the annual general meeting and are not recognised as liability as at reporting date.*

14 Disclosure required under Section 186 (4) of the Companies Act, 2013.

Particulars of Investments made:

Sl. No	Name of the Investee	As at March 31, 2024 Investment made	As at March 31, 2024 Outstanding Balance	As at March 31, 2023 Investment made	As at March 31, 2023 Outstanding Balance
1	Havells International Inc.	20.73	20.73	-	-
2	Havells Guangzhou International Limited	-	0.45	-	0.45
3	Singularity Furniture Pvt. Ltd	-	20.00	20.00	20.00
4	Deposits account with financial instittion	-	-	-	180.87

15 Fire Incident in Neemrana Plant

During the financial year ended March 31, 2023, an amount aggregating to ₹112.52 crore has been accounted for in the books and disclosed as "Exceptional items" against the fire incident at Neemrana location in July, 2022. As of year ending March 31, 2024, balance claim amounting ₹ 15.79 crore is receivable towards Property Plant and Equipment from insurance company, which will be received in due course.

16 The Company has not been declared as a Wilful Defaulter by any bank or financial institution or government or any government authority.

Notes to Financial Statements

for the year ended March 31, 2024

17 Analytical ratio FY 2023-24

Ratio	Numerator	Denominator	As at March 31, 2024	As at March 31, 2023	Change	Explanation for change in the ratio by more than 25% as compared to the previous year
(a) Current Ratio (times) = Current assets/ Current liabilities	March 31, 2024: 7863.76 (March 31, 2023: 7041.25)	March 31, 2024: 4278.53 (March 31, 2023: 3832.27)	1.84	1.84	0.03%	Not Applicable
(b) Debt-Equity Ratio (times) = Total Borrowings/ Shareholder's equity*	March 31, 2024: NA (March 31, 2023: NA)	March 31, 2024: 7438.45 (March 31, 2023: 6614.48)	0.00	0.00	-	Not Applicable
(c) Debt Service Coverage Ratio = Earnings available for debt service/ Debt service	March 31, 2024: 1626.05 (March 31, 2023: 1388.44)	March 31, 2024: 84.77 (March 31, 2023: 463.29)	19.18	3.00	540.05%	Full debt repaid in previous year
(d) Return on Equity Ratio % = Net Profits after taxes/ Average shareholder's equity	March 31, 2024: 1273.21 (March 31, 2023: 1074.95)	March 31, 2024: 7026.47 (March 31, 2023: 6301.56)	18.12%	17.06%	1.06%	Not Applicable
(e) Inventory turnover ratio (times) = Revenue from operations/ Average inventory	March 31, 2024: 18536.40 (March 31, 2023: 16858.25)	March 31, 2024: 3558.50 (March 31, 2023: 3338.28)	5.21	5.05	3.15%	Not Applicable
(f) Trade receivables turnover ratio (times) = Net revenue from operations/ Average trade receivables	March 31, 2024: 18536.40 (March 31, 2023: 16858.25)	March 31, 2024: 1065.18 (March 31, 2023: 870.21)	17.40	19.37	-10.17%	Not Applicable
(g) Trade payables turnover ratio (times) = Net purchases/ Average trade payables	March 31, 2024: 14856.53 (March 31, 2023: 14625.01)	March 31, 2024: 2666.62 (March 31, 2023: 2510.98)	5.57	5.82	-4.35%	Not Applicable
(h) Net capital turnover ratio (times) = Revenue from operations/ Working capital	March 31, 2024: 18536.40 (March 31, 2023: 16858.25)	March 31, 2024: 3585.23 (March 31, 2023: 3208.98)	5.17	5.25	-1.58%	Not Applicable
(i) Net profit ratio % = Net profit/ Revenue from operations	March 31, 2024: 1273.21 (March 31, 2023: 1074.95)	March 31, 2024: 18536.40 (March 31, 2023: 16858.25)	6.87%	6.38%	0.49%	Not Applicable
(j) Return on capital employed % = EBIT/ Capital employed {refer note ii}	March 31, 2024: 1506.81 (March 31, 2023: 1306.85)	March 31, 2024: 7795.97 (March 31, 2023: 6975.99)	19.33%	18.73%	0.59%	Not Applicable
(k) Return on investment % = EBIT/ Average total assets	March 31, 2024: 1506.81 (March 31, 2023: 1306.85)	March 31, 2024: 11781.51 (March 31, 2023: 10824.18)	12.79%	12.07%	0.72%	Not Applicable

Notes to Financial Statements

for the year ended March 31, 2024

Analytical ratio FY 2022-23

Ratio	Numerator	Denominator	As at March 31, 2023	As at March 31, 2022	Change	Explanation for change in the ratio by more than 25% as compared to the previous year
(a) Current Ratio (times) = Current assets/ Current liabilities	March 31, 2023: 7041.25 (March 31, 2022: 6586.50)	March 31, 2023: 3832.27 (March 31, 2022: 3629.31)	1.84	1.81	1.24%	Not Applicable
(b) Debt-Equity Ratio (times) = Total Borrowings/ Shareholder's equity*	March 31, 2023: NA (March 31, 2022: 395.53)	March 31, 2023: 6614.48 (March 31, 2022: 5988.64)	0.00	0.07	-100.00%	Debt Repayment
(c) Debt Service Coverage Ratio = Earnings available for debt service/ Debt service	March 31, 2023: 1388.44 (March 31, 2022: 1491.43)	March 31, 2023: 463.29 (March 31, 2022: 171.24)	3.00	8.71	-65.59%	Debt Repayment
(d) Return on Equity Ratio % = Net Profits after taxes/ Average shareholder's equity	March 31, 2023: 1074.95 (March 31, 2022: 1194.73)	March 31, 2023: 6301.56 (March 31, 2022: 5576.55)	17.06%	21.42%	-4.37%	Not Applicable
(e) Inventory turnover ratio (times) = Revenue from operations/ Average inventory	March 31, 2023: 16858.25 (March 31, 2022: 13877.87)	March 31, 2023: 3338.28 (March 31, 2022: 2793.99)	5.05	4.97	1.67%	Not Applicable
(f) Trade receivables turnover ratio (times) = Net revenue from operations/ Average trade receivables	March 31, 2023: 16858.25 (March 31, 2022: 13877.87)	March 31, 2023: 870.21 (March 31, 2022: 665.57)	19.37	20.85	-7.09%	Not Applicable
(g) Trade payables turnover ratio (times) = Net purchases/ Average trade payables	March 31, 2023: 14625.01 (March 31, 2022: 11397.95)	March 31, 2023: 2510.98 (March 31, 2022: 1988.10)	5.82	5.73	1.59%	Not Applicable
(h) Net capital turnover ratio (times) = Revenue from operations/ Working capital	March 31, 2023: 16858.25 (March 31, 2022: 13877.87)	March 31, 2023: 3208.98 (March 31, 2022: 2957.19)	5.25	4.69	11.94%	Not Applicable
(i) Net profit ratio % = Net profit/ Revenue from operations	March 31, 2023: 1074.95 (March 31, 2022: 1194.73)	March 31, 2023: 16858.25 (March 31, 2022: 13877.87)	6.38%	8.61%	-2.23%	Not Applicable
(j) Return on capital employed % = EBIT/ Capital employed {refer note ii}	March 31, 2023: 1306.85 (March 31, 2022: 1496.78)	March 31, 2023: 6975.99 (March 31, 2022: 6734.79)	18.73%	22.22%	-3.49%	Not Applicable
(k) Return on investment % = EBIT/ Average total assets	March 31, 2023: 1306.85 (March 31, 2022: 1496.78)	March 31, 2023: 10824.18 (March 31, 2022: 9662.69)	12.07%	15.49%	-3.42%	Not Applicable

Note:

(i) Debt service = Interest & Lease Payments + Principal Repayments
(ii) Capital Employed = Tangible Net Worth + Total Borrowings + Deferred Tax Liability
(iii) Tangible Net worth is computed as Total Assets - Total Liabilities.

** Borrowings does not includes Lease liabilities*

Notes to Financial Statements
for the year ended March 31, 2024

18 Struck off Companies: Details of relationship with Companies struck off under Section 248 of Companies Act, 2013 or Section 560 of the Companies Act, 1956:

Name of the struck off Company	Nature of transaction with struck off Company	Balance outstanding as at March 31, 2024 (Nos.)	Balance outstanding as at March 31, 2023 (Nos.)	Relation with struck off Company
Manilal Patel Private Limited (CIN: U17110MH1947PTC005911)	Shares held by struck off company	35 number of shares of ₹ 1/- each	35 number of shares of ₹ 1/- each	Shareholder
Multitech System Industrial Automation Private Limited (CIN: U28910TN2014PTC097924)	Purchase	₹ 0.01 crore	₹ 0.01 crore	Vendor
Naveli Decor Pvt. Ltd. (CIN: U52609UP2017PTC099523)	Sales	₹ 0.00 crore	₹ 0.04 crore	Customer
Apostle Solutions Private Limited (CIN: U74110UP2007PTC032990)	Sales	₹ 0.00 crore	₹ 0.00 crore	Customer
Samadhan Srbh Opc Private Limited (CIN: U74999UP2020OPC126709)	Sales	₹ 0.00 crore	₹ 0.00 crore	Customer
Extreme Automation Pvt Ltd (CIN: U29220PN2010PTC135444)	Sales	₹ 0.08 crore	₹ 0.08 crore	Customer
Ramesh Sales Corporation Pvt.Ltd. (CIN: U52390DL2014PTC266899)	Sales	₹ 0.21 crore	₹ 0.21 crore	Customer

19 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, other than mentioned below, 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

Name of Entity / Intermediary	Amount of Investment	% age Sharholding	Investment made by	Relationship with the Company
Havells International Inc., USA, (Investment dated 29th Feb. 2024, File No. 2512890)	USD 2,500,000	100%	Havells India Limited	Wholly owned subsidiary
Havells HVAC LLC, USA (Investment dated 21st Mar. 2024, File No. 2743679)	USD 1,600,000	100%	Havells International Inc., USA	Step Down subsidiary

The relevant provisions of the Foreign Exchange Management Act, 1999 (42 of 1999) and Companies Act has been complied with for such transactions and the transactions are not violative of the Prevention of Money-Laundering Act, 2002 (15 of 2003).

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 and intangible asset:** 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.

20 The figures have been rounded off to the nearest crore of rupees upto two decimal places. The figure 0.00 wherever stated represents value less than ₹ 50,000/-.

21 The Company has used accounting software for maintaining its books of account which have a feature of recording audit trail (edit log) facility that have operated throughout the financial year for all relevant transactions, except: (a) for modification, if any, made by certain users having debug access for troubleshooting; and (b) that the audit trail, which was enabled at database level in the last month of the financial year, contains only the modified values. The audit trail feature was not tampered with for the aforesaid period. There was no instance of audit trail feature being tampered with for the period the audit trail was enabled.

22 Note No.1 to 33 form integral part of the Standalone Balance Sheet and Standalone Statement of Profit and Loss.

As per our report of even date

For Price Waterhouse & Co Chartered Accountants LLP
Firm Registration No. 304026E/E-300009

Sougata Mukherjee
Partner
Membership No. 057084

Date: April 30, 2024
Place: Noida

For and on behalf of Board of Directors

Anil Rai Gupta
Chairman and
Managing Director
DIN: 00011892

Rajesh Kumar Gupta
Whole-time Director &
Group CFO
DIN: 00002842

Ameet Kumar Gupta
Director
DIN: 00002838

Sanjay Kumar Gupta
Company Secretary
FCS No.: F 3348

Date: April 30, 2024
Place: Noida

Pankaj Jain
Vice President - Finance

Independent Auditor's Report

To the Members of Havells India Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

1. We have audited the accompanying consolidated financial statements of Havells India Limited (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), (refer Note 32(1) to the attached consolidated financial statements), which comprise the Consolidated Balance Sheet as at March 31, 2024, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the 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, material accounting policy information and other explanatory information (hereinafter referred to as "the consolidated financial statements").

2. 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, as at March 31, 2024, and consolidated total comprehensive income (comprising of profit and other comprehensive income), consolidated changes in equity and its consolidated cash flows for the year then ended.

Basis for Opinion

3. 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 in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in India in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph 15 of the Other Matters section below, other than the unaudited financial statements as certified by the management and referred to in sub-paragraph 14 of the Other Matters section below, is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matter

4. Key audit matter 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 matter described below to be the key audit matter to be communicated in our report.

Key audit matter	How our audit addressed the key audit matter
Assessment of impairment of goodwill, intangible assets with indefinite useful lives and other non-financial assets of Lloyd Consumer business (Refer Note 4 to the consolidated financial statements) As at March 31, 2024, the consolidated financial statements include goodwill, intangible assets with indefinite useful lives and other non-financial assets pertaining to Lloyd Consumer business amounting to ₹ 310.47 crores, ₹ 1,029 crores and ₹ 882.08 crores respectively. As the Lloyd Consumer business has incurred losses, considering the requirements of Indian Accounting Standard (Ind AS) - 36 'Impairment of Assets', the management tested the above-mentioned assets for impairment using a Discounted Cash Flow (DCF) model. Based on such test, the recoverable amount of the CGU is higher than the carrying amount of the said assets and, accordingly, no adjustment for impairment is necessary. We considered this as a key audit matter because of the significant carrying amount of the above-mentioned assets and high estimation uncertainty in assumptions used such as discount rate, rate of growth over the estimation period and terminal growth rate which are affected by future market and economic conditions and, hence, are inherently uncertain.	**Our audit procedures among others, included the following:** a. Understanding and evaluating the design and operating effectiveness of internal controls over the impairment assessment process, including preparation of the DCF model; b. Evaluating the Group's accounting policy in respect of impairment assessment of goodwill, intangible assets with indefinite useful lives and other non-financial assets; c. Understanding the cash flow projections and assumptions used in the DCF model, testing the mathematical accuracy and reviewing the report of the management expert; d. Together with auditor's valuation experts, testing the appropriateness of the DCF model and key assumptions therein and performing sensitivity analysis over key assumptions within a reasonable and foreseeable range to corroborate that the recoverable amount of the CGU is not materially different to the Group's valuation; and e. Testing related presentation and disclosures in the standalone financial statements. Based on the above procedures performed, the management's impairment assessment of the goodwill, intangible assets and other non-financial assets of Lloyd Consumer Business was found to be reasonable.

Other Information

5. The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the 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 the reports of the other auditors as furnished to us (Refer paragraph 15 below), 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

6. The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows, and changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group 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 consolidated 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.

7. In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group 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.

8. The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.

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

9. 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.

10. 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 Act, we are also responsible for expressing our opinion on whether the Holding company has adequate internal financial controls with reference to consolidated financial statements in place and the operating effectiveness of such controls.
    - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
    - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the

ability of the Group 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 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.

11. 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.

12. 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.

13. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

14. We did not audit the financial statements of three subsidiaries whose financial statements reflect total assets of ₹ 20.25 crores and net assets of ₹ 20.10 crores as at March 31, 2024, total revenue of ₹ Nil, total comprehensive income (comprising of loss and other comprehensive income) of ₹ 0.63 crores and net cash inflows amounting to ₹ 20.23 crores for the year ended on that date, as considered in the consolidated financial statements. These financial statements are unaudited and have been furnished to us by the Management, and our opinion on the consolidated financial statements in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-section (3) of Section 143, including Rule 11 of the Companies (Audit and Auditors) Rules, 2014 of the Act, including report on Other Information in so far as it relates to the aforesaid subsidiaries, is based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the Management, these financial statements are not material to the Group.

15. The financial statements of one subsidiary located outside India, included in the consolidated financial statements, which constitute total assets of ₹ 13.79 crores and net assets of ₹ 9.39 crores as at March 31, 2024, total revenue of ₹ 40.11 crores, total comprehensive income (comprising of loss and other comprehensive income) of ₹ 2.03 crores and net cash outflows amounting to ₹ 5.78 crores for the year then ended have been prepared in accordance with accounting principles generally accepted in its country and have been audited by other auditors under generally accepted auditing standards applicable in its country. The Holding Company's management has converted the financial statements of such subsidiary located outside India from the accounting principles generally accepted in its country to the accounting principles generally accepted in India. We have audited these conversion adjustments made by the Company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiary located outside India, including other information, is based on the report of other auditors and the conversion adjustments prepared by the management of the Holding Company and audited by us.

    Our opinion on the consolidated 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 certified by the Management.

Report on Other Legal and Regulatory Requirements

16. As required by paragraph 3(xxi) of the Companies (Auditor's Report) Order, 2020 ("CARO 2020"), issued by the Central Government of India in terms of sub-section

(11) of Section 143 of the Act, we report that there are no qualifications or adverse remarks included by us in our CARO 2020 report issued in respect of the standalone financial statements of the Holding Company which are included in these Consolidated Financial Statements.

In our opinion, and according to the information and explanations given to us, CARO 2020 is not applicable to the subsidiary companies included in these Consolidated Financial Statements, hence, this report does not contain a statement on the matter specified in paragraph 3(xxi) of CARO 2020 in relation to the subsidiary companies.

17. As required by Section 143(3) of the Act, we report, to the extent applicable, that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid 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 report of the other auditors, except for the matters stated in paragraph 17(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended) ("the Rules").

(c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account and records 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 March 31, 2024 taken on record by the Board of Directors of the Holding Company none of the directors of the Holding Company is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164(2) of the Act.

(f) With respect to the maintenance of accounts and other matters connected therewith, reference is made to our remarks in paragraph 17(h)(vi) below on reporting under Rule 11(g) of the Rules.

(g) With respect to the adequacy of internal financial controls with reference to consolidated financial statements of the Group and the operating effectiveness of such controls, refer to our separate report in Annexure A.

(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:

i. The consolidated financial statements disclose the impact, if any, of pending litigations on the consolidated financial position of the Group – Refer Note 31A to the consolidated financial statements.

ii. The Group was not required to recognise a provision as at March 31, 2024 under the applicable law or accounting standards, as it does not have any material foreseeable losses on long-term contract. The Group did not have any derivative contracts as at March 31, 2024.

iii. There has been no delay in transferring amounts required to be transferred to the Investor Education and Protection Fund by the Holding Company during the year.

iv. (a) The Management of the Holding Company has represented to us that, to the best of their knowledge and belief, other than as disclosed in Note 32(17) to the consolidated financial statements, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiaries to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The Management of the Holding Company has represented to us that, to the best of their knowledge and belief, as disclosed in the Note 32(17) to the consolidated financial statements, no funds (which are material either individually or in the aggregate) have been received by the Holding Company or any of such subsidiaries from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiaries shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on the audit procedures, that has been considered reasonable and appropriate in the circumstances, performed by us, 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) contain any material misstatement.

v. The dividend declared and paid during the year by the Holding Company is in compliance with Section 123 of the Act.

vi. Based on our examination, which included test checks, the Holding Company, which is the only company in the Group which is incorporated in India, has used accounting software for maintaining its books of account which have a feature of recording audit trail (edit log) facility and that have operated throughout the financial year for all relevant transactions recorded in the software except: (a) for modification, if any, made by certain users having specific access; and (b) that the audit trail, which was enabled at database level in the last month of the financial year, contains only the modified values. During the course of performing our procedures, we did not notice any instance of audit trail feature being tampered with for the period the audit trail was enabled. Also, refer note 32 (19) to the financial statements.

18. The Holding Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

For **Price Waterhouse & Co Chartered Accountants LLP**
Firm Registration Number: 304026E/ E-300009

Sougata Mukherjee
Partner
Membership Number: 057084
UDIN: 24057084BKFOAX7103

Place: Noida
Date: April 30, 2024

Annexure A to Independent Auditor's Report

Referred to in paragraph 17(g) of the Independent Auditor's Report of even date to the members of Havells India Limited on the consolidated financial statements for the year ended March 31, 2024

Report on the Internal Financial Controls with reference to Consolidated Financial Statements under clause (i) of sub-section 3 of Section 143 of the Act

1. In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2024 we have audited the internal financial controls with reference to financial statements of Havells India Limited (hereinafter referred to as "the Holding Company") as of that date. Reporting under clause (i) of sub section 3 of Section 143 of the Act in respect of the adequacy of the internal financial controls with reference to financial statements is not applicable to four subsidiaries as they are not incorporated in India namely Havells Guangzhou International Limited, Havells International Inc., Havells Lighting LLC and Havells HVAC LLC.

Management's Responsibility for Internal Financial Controls

2. The Board of Directors of the Holding Company is responsible for establishing and maintaining internal financial controls based on internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Holding 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.

Auditor's Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note issued by the ICAI and the Standards on Auditing 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 ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, 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.

5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Holding Company's internal financial controls system with reference to consolidated financial statements.

Meaning of Internal Financial Controls with reference to financial statements

6. A company's internal financial control with reference to financial statements 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 with reference to financial statements 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 unauthorised 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 with reference to financial statements

7. Because of the inherent limitations of internal financial controls with reference to financial statements, 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 with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Holding Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2024 based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **Price Waterhouse & Co Chartered Accountants LLP**
Firm Registration Number: 304026E/ E-300009

Sougata Mukherjee
Partner
Membership Number: 057084
UDIN: 24057084BKFOAX7103

Place: Noida
Date: April 30, 2024

Consolidated Balance Sheet

as at March 31, 2024

(₹ in crores)

	Notes	As at March 31, 2024	As at March 31, 2023
ASSETS			
1 **Non-current assets**			
Property, plant and equipment	3	2,606.26	2,227.85
Capital work in progress	3	296.91	163.42
Goodwill	4	310.47	310.47
Other intangible assets	4	1,071.16	1,082.33
Intangible assets under development	4	1.79	2.99
Financial assets	6		
(i) Investments	6(A)	20.00	20.00
(ii) Trade receivables	6(B)	0.25	1.59
(iii) Other financial assets	6(C)	33.15	149.08
Contract assets	5(B)	11.55	25.57
Other non-current assets	7	146.62	78.94
Non Current tax assets (net)	8	34.92	29.03
Total non current assets		**4,533.08**	**4,091.27**
2 **Current assets**			
Inventories	9	3,408.63	3,708.58
Financial assets	10		
(i) Investments	10(A)	-	180.87
(ii) Trade receivables	10(B)	1,164.95	973.94
(iii) Cash and cash equivalents	10(C)	266.10	465.16
(iv) Bank balances other than (iii) above	10(D)	2,772.07	1,405.01
(v) Other financial assets	10(E)	20.99	116.89
Contract assets	5(B)	27.54	26.67
Other current assets	11	237.15	178.52
Total current assets		**7,897.43**	**7,055.64**
Assets classified as held for sale	12	2.18	10.53
		7,899.61	**7,066.17**
Total assets		**12,432.69**	**11,157.44**
EQUITY AND LIABILITIES			
1 **Equity**	13		
Equity share capital	13(A)	62.67	62.65
Other equity	13(B)	7,384.09	6,562.80
Total equity		**7,446.76**	**6,625.45**
2 **Liabilities**			
Non-current liabilities			
Financial liabilities	14		
(i) Lease liabilities	14(A)	242.44	186.91
(ii) Other financial liabilities	14(B)	4.05	7.21
Contract liabilities	5(C)	4.64	4.10
Provisions	15	87.72	136.72
Deferred tax liabilities (net)	16	357.52	361.51
Other non-current liabilities	17	6.48	-
Total non current liabilities		**702.85**	**696.45**
Current liabilities			
Financial liabilities	18		
(i) Lease liabilities	18(A)	60.72	36.19
(ii) Trade payables	18(B)		
a) Total outstanding dues of micro enterprises and small enterprises; and		203.70	154.96
b) Total outstanding dues of creditors other than micro enterprises and small enterprises		2,488.20	2,488.23
(iii) Other financial liabilities	18(C)	787.68	624.85
Contract liabilities	5(C)	101.31	84.42
Other current liabilities	21	278.60	139.72
Provisions	19	277.67	274.91
Current tax liabilities (net)	20	85.20	32.26
Total current liabilities		**4,283.08**	**3,835.54**
Total liabilities		**4,985.93**	**4,531.99**
Total equity and liabilities		**12,432.69**	**11,157.44**
Summary of material accounting policies	2		
Commitments and contingencies	31		
Other notes to accounts	32		

The above consolidated balance sheet should be read in conjunction with the accompanying notes.

As per our report of even date

For Price Waterhouse & Co Chartered Accountants LLP
Firm Registration No. 304026E/E-300009

Sougata Mukherjee
Partner
Membership No. 057084

Date: April 30, 2024
Place: Noida

For and on behalf of Board of Directors

Anil Rai Gupta
Chairman and
Managing Director
DIN: 00011892

Ameet Kumar Gupta
Director
DIN: 00002838

Date: April 30, 2024
Place: Noida

Rajesh Kumar Gupta
Whole-time Director &
Group CFO
DIN: 00002842

Sanjay Kumar Gupta
Company Secretary
FCS No.: F 3348

Pankaj Jain
Vice President - Finance

Consolidated Statement of Profit and Loss

for the year ended March 31, 2024

(₹ in crores)

		Notes	Year ended March 31, 2024	Year ended March 31, 2023
I	**INCOME**			
	Revenue from operations	22	18,590.01	16,910.73
	Other income	23	248.96	177.71
	Total Income		**18,838.97**	**17,088.44**
II	**EXPENSES**			
	Cost of raw materials and components consumed	24	9,873.77	9,317.92
	Purchase of traded goods	25	2,452.18	3,028.75
	Changes in inventories of finished goods, traded goods and work in progress	26	242.73	(641.20)
	Employee benefits expense	27	1,548.51	1,281.63
	Finance costs	28	45.71	33.62
	Depreciation and amortization expenses	29	338.50	296.17
	Other expenses	30	2,612.54	2,306.06
	Net impairment losses on financial and contract assets	30A	17.66	18.43
	Total expenses		**17,131.60**	**15,641.38**
III	**Profit before exceptional items and tax**		**1,707.37**	**1,447.06**
IV	**Exceptional Items**	32(14)		
	Loss due to fire		-	112.52
	Insurance claim receivable		-	(112.52)
V	**Profit before tax**		**1,707.37**	**1,447.06**
VI	**Income tax expense**	16		
	Current tax		440.60	364.44
	Deferred tax {(refer note 16(d)}		(3.99)	10.89
	Total tax expense		**436.61**	**375.33**
VII	**Profit for the year**		**1,270.76**	**1,071.73**
VII	**Other comprehensive income/(loss) for the year**			
	Items that will not be reclassified to profit or loss			
	i) Re-measurement gain / (loss) on defined benefit plans {refer note 32(4)}		(6.43)	(10.25)
	ii) Income tax effect on above {refer note no 16(b)}		1.62	2.58
	Other comprehensive income/(loss) for the year, net of tax		**(4.81)**	**(7.67)**
	Items that will be reclassified to profit or loss			
	i) Exchange difference on translation of financial statements of foreign operations		(0.21)	(0.06)
	ii) Income tax effect on above		-	-
			(0.21)	**(0.06)**
	Other comprehensive income/(loss) for the year, net of tax		**(5.02)**	**(7.73)**
VIII	**Total comprehensive income for the year, net of tax**		**1,265.74**	**1,064.00**
	Profit for the year attributable to			
	Equity holders of the parent company		**1,270.76**	**1,071.73**
	Non controlling interests		**-**	**-**
	Other comprehensive income attributable to			
	Equity holders of the parent company		**(5.02)**	**(7.73)**
	Non controlling interests		**-**	**-**
	Total comprehensive income attributable to			
	Equity holders of the parent company		**1,265.74**	**1,064.00**
	Non controlling interests		**-**	**-**
IX	**Earnings per equity share (EPS) {refer note no. 32 (12)}**			
	(nominal value of share ₹1/-)			
	Basic EPS (₹)		20.28	17.11
	Diluted EPS (₹)		20.28	17.11
	Summary of material accounting policies	2		
	Commitments and contingencies	31		
	Other notes to accounts	32		

The above consolidated statement of profit and loss should be read in conjunction with the accompanying notes.

As per our report of even date

For Price Waterhouse & Co Chartered Accountants LLP
Firm Registration No. 304026E/E-300009

Sougata Mukherjee
Partner
Membership No. 057084

Date: April 30, 2024
Place: Noida

For and on behalf of Board of Directors

Anil Rai Gupta
Chairman and
Managing Director
DIN: 00011892

Rajesh Kumar Gupta
Whole-time Director &
Group CFO
DIN: 00002842

Ameet Kumar Gupta
Director
DIN: 00002838

Sanjay Kumar Gupta
Company Secretary
FCS No.: F 3348

Date: April 30, 2024
Place: Noida

Pankaj Jain
Vice President - Finance

Consolidated Statement of Changes in Equity

For the year ended March 31, 2024

A) Equity Share Capital

(₹ in crores)

Particulars	Notes	Numbers	Amount
As at April 1, 2022	**13(A)**	**62,63,03,067**	**62.63**
Add: Exercise of employee stock purchase plan - proceeds received		2,06,671	0.02
As at March 31, 2023		**62,65,09,738**	**62.65**
Add: Exercise of employee stock purchase plan - proceeds received		1,73,292	0.02
As at March 31, 2024		**62,66,83,030**	**62.67**

B) Other Equity

(₹ in crores)

Particulars		Reserves and surplus					Items of OCI	
	Notes	Capital reserve	Securities premium	General reserve	Share options outstanding account	Retained earnings	Foreign currency translation reserve	Total
As at April 1, 2022	**13(B)**	**7.63**	**121.50**	**722.72**	**0.53**	**5,086.98**	**0.90**	**5,940.26**
Profit for the year		-	-	-	-	1,071.73		1,071.73
Other comprehensive income for the year								
Re-measurement gains / (losses) on defined benefit plans net of tax		-	-	-	-	(7.67)		(7.67)
Exchange difference on translation of financial statements of foreign operations							(0.06)	(0.06)
Total comprehensive income for the year		**-**	**-**	**-**	**-**	**1,064.06**	**(0.06)**	**1,064.00**
Transactions with owners in their capacity as owners:								
Final and interim dividend paid during the year		-	-	-	-	(469.88)		(469.88)
Equity shares issued under employee stock purchase plan		-	26.65	-	3.23	-		29.88
Options recognised during the year		-	-	-	-	-		-
Options vested and exercised during the year		-	-	-	(1.46)	-		(1.46)
As at March 31, 2023		**7.63**	**148.15**	**722.72**	**2.30**	**5,681.16**	**0.84**	**6,562.80**
Profit for the year		-	-	-	-	1,270.76		1,270.76
Other comprehensive income for the year								
Re-measurement gains / (losses) on defined benefit plans net of tax		-	-	-	-	(4.81)		(4.81)
Exchange difference on translation of financial statements of foreign operations							(0.21)	(0.21)

Consolidated Statement of Changes in Equity

For the year ended March 31, 2024

(₹ in crores)

Particulars	Notes	Reserves and surplus					Items of OCI	
		Capital reserve	Securities premium	General reserve	Share options outstanding account	Retained earnings	Foreign currency translation reserve	Total
Total Comprehensive income for the year		**-**	**-**	**-**	**-**	**1,265.95**	**(0.21)**	**1,265.74**
Transaction with owners in their capacity as owners:								
Final and interim dividend paid during the year		-	-	-	-	(470.01)		(470.01)
Equity shares issued under employee stock purchase plan		-	21.30	-	7.67	-		28.97
Options vested and exercised during the year		-	-	-	(3.41)	-		(3.41)
As at March 31, 2024		**7.63**	**169.45**	**722.72**	**6.56**	**6,477.10**	**0.63**	**7,384.09**

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

As per our report of even date

For Price Waterhouse & Co Chartered Accountants LLP
Firm Registration No. 304026E/E-300009

Sougata Mukherjee
Partner
Membership No. 057084

Date: April 30, 2024
Place: Noida

For and on behalf of Board of Directors

Anil Rai Gupta
Chairman and
Managing Director
DIN: 00011892

Rajesh Kumar Gupta
Whole-time Director &
Group CFO
DIN: 00002842

Ameet Kumar Gupta
Director
DIN: 00002838

Sanjay Kumar Gupta
Company Secretary
FCS No.: F 3348

Date: April 30, 2024
Place: Noida

Pankaj Jain
Vice President - Finance

Consolidated Statement of Cash Flows

For the year ended March 31, 2024

(₹ in crores)

		Year ended March 31, 2024	Year ended March 31, 2023
A.	**CASH FLOWS FROM OPERATING ACTIVITIES**		
	Profit before tax	1,707.37	1,447.06
	Adjustments for		
	Depreciation and amortisation expense	338.50	296.17
	Loss /(gain) on disposal of property, plant and equipment (net)	(10.27)	0.14
	Unrealized foreign exchange loss /(gain) (net)	(0.31)	(6.25)
	Exchange difference on translation of financial statements of foreign operations	(0.21)	(0.06)
	Net impairment losses on financial and contract assets	17.66	18.43
	Employee stock purchase plan expense	4.26	1.77
	Lease rent concession	-	(0.12)
	Interest income on bank deposits and investment	(184.88)	(123.24)
	Finance cost	45.55	33.44
	Operating Profit	**1,917.67**	**1,667.34**
	Change in operating assets and liabilities		
	(Increase)/ Decrease in trade receivables	(205.83)	(224.65)
	(Increase)/ Decrease in contract assets	12.39	13.14
	(Increase)/ Decrease in other financial assets	63.00	(88.11)
	(Increase)/ Decrease in non current assets	10.92	4.47
	(Increase)/ Decrease in other current assets	(58.63)	(64.87)
	(Increase)/ Decrease in inventories	299.95	(740.50)
	Increase/ (Decrease) in trade payables	52.82	272.74
	Increase/ (Decrease) in financial liabilities	161.00	74.50
	Increase/ (Decrease) in other current liabilities	136.99	(52.52)
	Increase/ (Decrease) in contract liabilities	19.32	29.23
	Increase/ (Decrease) in provisions	(64.78)	66.11
	Cash generated from operations	**2,344.82**	**956.88**
	Income tax paid (net of refunds)	(391.93)	(391.94)
	Net cash inflow from operating activities (A)	**1,952.89**	**564.94**
B.	**CASH FLOWS FROM INVESTING ACTIVITIES**		
	Payment for property, plant and equipment and intangible assets	(786.07)	(587.79)
	Receipt of grant related to assets	3.21	-
	Proceeds from sale of property, plant and equipment	23.80	2.27
	Investment in fixed deposits with bank and financial institution	(1,037.08)	520.43
	Receipt of insurance claim related to assets	31.27	-
	Payment for investments	-	(20.00)
	Interest on fixed deposit and investment received	151.01	120.13
	Net Cash inflow /(outflow) from Investing Activities (B)	**(1,613.86)**	**35.04**
C.	**CASH FLOWS FROM FINANCING ACTIVITIES**		
	Proceeds from exercise of employee stock purchase plan - share capital and securities premium	21.32	26.67
	Payment of principal portion of lease liabilities	(51.33)	(44.28)
	Payment of interest portion of lease liabilities	(25.82)	(18.35)
	Repayment of long term borrowings	-	(393.69)
	Interest paid	(7.62)	(6.98)
	Dividends paid to Company's shareholders	(470.10)	(470.30)

Consolidated Statement of Cash Flows

For the year ended March 31, 2024

(₹ in crores)

	Year ended March 31, 2024	Year ended March 31, 2023
Net cash inflow /(outflow) from Financing Activities (C)	**(533.55)**	**(906.93)**
Net increase / (decrease) in cash and cash equivalents (A+B+C)	**(194.52)**	**(306.95)**
Cash and cash equivalents at the beginning of the year	465.16	775.84
Effect of foreign exchange rate changes on cash and cash equivalents held in foreign currency	(4.54)	(3.73)
Cash and cash equivalents at the end of the year	**266.10**	**465.16**
Non-cash financing and investing activities		
Acquisition of right of use assets	133.72	51.86

Notes :

1 *The above statement of cash flows has been prepared under the "Indirect Method" as set out in Indian Accounting Standard-7, "Statement of Cash Flows".*

2 *Components of cash and cash equivalents :-*

(₹ in crores)

	As at March 31, 2024	As at March 31, 2023
Cash and cash equivalents		
Balances with banks:		
Current accounts	56.67	71.54
Cash credit accounts	69.94	29.92
Deposits with original maturity of less than three months	139.36	363.57
Cash on hand	0.13	0.13
	266.10	**465.16**

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.

As per our report of even date

For Price Waterhouse & Co Chartered Accountants LLP
Firm Registration No. 304026E/E-300009

Sougata Mukherjee
Partner
Membership No. 057084

Date: April 30, 2024
Place: Noida

For and on behalf of Board of Directors

Anil Rai Gupta
Chairman and
Managing Director
DIN: 00011892

Rajesh Kumar Gupta
Whole-time Director &
Group CFO
DIN: 00002842

Ameet Kumar Gupta
Director
DIN: 00002838

Sanjay Kumar Gupta
Company Secretary
FCS No.: F 3348

Date: April 30, 2024
Place: Noida

Pankaj Jain
Vice President - Finance

HAVELLS

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

1. Corporate Information

Havells India Limited ('the Group') is a public limited Company domiciled in India and incorporated on August 08, 1983 under the provisions of the Companies Act, 1956 having its registered office at 904, 9th Floor, Surya Kiran Building, K.G. Marg, Connaught Place, New Delhi-110001. The Company is listed on BSE Limited and National Stock Exchange of India Limited. The CIN of the Company is L31900DL1983PLC016304

The Group is consumer electrical/electronics and power distribution equipment manufacturer with products ranging from Industrial and Domestic Circuit Protection Switchgears, Cables, Motors, Pumps, Solar Products, Fans, Power Capacitors, LED Lamps and Luminaries for Domestic, Commercial and Industrial applications, Modular Switches, Water Heaters, Coolers and Domestic Appliances, Personal Grooming, Air Purifier, Water Purifier, Air conditioner, Television, Washing machine and Refrigerator covering the entire range of household, commercial and industrial electrical needs.

The Group's manufacturing facilities are located at Faridabad in Haryana, Alwar, Ghiloth and Neemrana in Rajasthan, Haridwar in Uttarakhand, Sahibabad in Uttar Pradesh, Baddi in Himachal Pradesh, Sri City in Andhra Pradesh. The research and development facilities are located at Noida (Uttar Pradesh), Bangalore and Ghiloth (Rajasthan).

2. Summary of material accounting policies

This note provides a list of the material accounting policies adopted in the preparation of these Indian Accounting Standards (Ind-AS) consolidated financial statements. These policies have been consistently applied to all the years except where newly issued accounting standard is initially adopted.

These consolidated financial statement are separate financial statements are prepared in accordance with Ind AS-27 "Separate Financial Statements.

2.01 Basis of preparation of consolidated Financial Statements

These consolidated financial statements of the Group have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III).

The financial statements have been prepared on a historical cost convention, except for the following assets and liabilities:

i) Certain financial assets and liabilities that is measured at fair value

ii) Assets held for sale-measured at fair value less cost to sell

iii) Defined benefit plans-plan assets measured at fair value

iv) Share based payments

2.02 Property, plant and equipment

Freehold Land is carried at historical cost. All other items of Property, Plant and equipment are stated at cost, less accumulated depreciation and accumulated impairment losses, if any.

Depreciation on property, plant and equipment is calculated on prorata basis on straight-line method using the useful lives of the assets estimated by management. The useful life is as follows:

Assets	Useful life (in years)
Building	30 and 60
Plant and Equipment	15
Moulds and Dies	6
Furniture and Fixtures	10
Vehicles	8 and 10
R &D Equipment	5 and15
Office Equipment	3 and 5
Mobile Phones	3
Electric Fans and Installations	10
Computers	3
Laptops	4

The useful lives of all the assets except moulds and dies, mobile phones and laptops have been determined as those specified by part 'C' of Schedule II to the Companies Act, 2013. In respect of moulds and dies and mobile phones, useful lives are lower than those specified by schedule II to the Companies Act 2013 and are depreciated over the estimated useful lives of 6 years and 3 years respectively, in respect of laptop useful life is more than those specified by schedule II to the Companies Act 2013 and are depreciated over the estimated useful life of 4 years, in order to reflect the actual usage of assets. The residual values are not more than 5% of the original cost of the assets. The asset's residual values and useful lives are reviewed, and adjusted if appropriate.

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

Lease hold improvements are depreciated on straight line basis over shorter of the asset's useful life and their lease term unless the entity expects to use the asset beyond the lease term.

Leasehold land is amortized on a straight line basis over the unexpired period of their respective lease ranging from 90-99 years.

2.03 Intangible assets

Separately acquired intangible assets

Intangible assets with finite useful life are amortized on a straight line basis over their estimated useful life as under

Assets	Useful life (in years)
Computer Software	6
R&D Software	6
Distributor/ Dealer Network	8
Non-Compete Fee	7
Brand and Trademarks	Indefinite

Brand and Trademarks

Brand and Trademarks acquired in business combination are initially recognised at fair value at the date of acquisition. Following initial recognition, brand and trademark are carried at the above recognised value less accumulated amortization and accumulated impairment losses, if any. These Brand and trademarks have been in existence for considerable period and Group intends to continue use this intangible assets. Consequently it is believed that they have an indefinite life and are not amortised. Instead impairment testing is performed annually and whenever a triggering event has occurred to determine whether the carrying value exceeds the recoverable amount.

Distributor/ Dealer Network

Distributor/ Dealer Network acquired in business combination are initially recognised at fair value at the date of acquisition. Following initial recognition, Distributor/ Dealer Network are carried at the above recognised value less accumulated amortization and accumulated impairment losses, if any. They are amortised on a straight line basis over their estimated useful life of 8 years assessed by the management.

Goodwill

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred over the fair value of net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in other comprehensive income and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognizes the gain directly in equity as capital reserve, without routing the same through other comprehensive income.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses, if any. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquire are assigned to those units.

A cash generating unit to which goodwill has been allocated is tested for impairment annually or earlier, when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

Where goodwill has been allocated to a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

2.04 Impairment of non- financial assets

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any 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. The 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 or groups of assets. When 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 no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Group bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Group's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Group extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the Group operates, or for the market in which the asset is used.

Impairment losses of continuing operations, including impairment on inventories, are recognised in the statement of profit and loss, except for properties previously revalued with the revaluation surplus taken to OCI. For such properties, the impairment is recognised in OCI up to the amount of any previous revaluation surplus.

Goodwill is tested for impairment annually and when circumstances indicate that the carrying value may be impaired. Impairment is determined for goodwill by assessing the recoverable amount of each CGU (or group of CGUs) to which the goodwill relates. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognised. Impairment losses relating to goodwill cannot be reversed in future periods.

Intangible assets with indefinite useful lives are tested for impairment annually as at March 31 at the CGU level, as appropriate, and when circumstances indicate that the carrying value may be impaired.

2.05 Financial instruments

(i) Financial Assets

The Group classifies its financial assets in the following measurement categories:

- Those to be measured subsequently at fair value through profit or loss
- Those measured at amortized cost

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them

Initial recognition measurement

With the exception of trade receivables that do not contain a material financing component or for which the Group has applied the practical expedient, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs.

Trade receivables that do not contain a material financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under Ind AS 115. Refer to the accounting policies in section 'Revenue from contracts with customers'.

Financial assets at amortised cost (debt instruments)

A 'financial asset' is measured at the amortised cost if both the following conditions are met:

a) **Business Model Test :** The objective is to hold the financial asset to collect the

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

contractual cash flows (rather than to sell the instrument prior to its contractual maturity to realize its fair value changes) and;

b) **Cash flow characteristics test:** The contractual terms of the financial asset give rise on specific dates to cash flows that are solely payments of principal and interest on principal amount outstanding.

This category is most relevant to the Group.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are carried in the balance sheet at fair value with net changes in fair value recognised in the statement of profit and loss.

ECLs are recognised in two stages. For credit exposures for which there has not been a material increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a material increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

"The Group follows simplified approach" for recognition of impairment loss allowance on:

Trade receivables or contract revenue receivables; Trade receivables which are held to collect and sale basis accounted for as FVTPL

Under the simplified approach, the Group does not track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. The Group uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix is based on its historically observed default rates over the expected life of trade receivable and is adjusted for forward looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward looking estimates are analysed.

2.06 Inventories

The costs of individual items of inventory are determined on a moving weightage average basis. Volume rebates or discounts are taken into account when estimating the cost of inventory if it is probable that they have been earned and will take effect. See note 2.12(i) for the other accounting policies for inventories.

2.07 Revenue from contract with customers

The Group manufactures/ trades and sells a range of consumer electrical and electronic products. Revenue from contracts with customers involving sale of these products is recognized at a point in time when control of the product has been transferred, and there are no unfulfilled obligation that could affect the customer's acceptance of the products which usually happen on delivery/ despatch of the goods as applicable. The Group also provides installation, annual maintenance and warranty services that are either sold separately or bundled together with the sale of goods. The Group recognizes these service revenue from sales of services over a period of time, because the customer simultaneously receives and consumes the benefits provided by the Group. The Group has objective evidence that all criterion for acceptance has been satisfied. A receivable is recognised when the control of the product is transferred as the consideration is unconditional and payment becomes due upon passage of time as per the terms of contract with customers.

(a) Sale of goods

Revenue from sale of goods is recognised at the point in time when control of the goods is transferred to the customer, generally on delivery of the goods and there are no unfulfilled obligations.

The Group considers, whether there are other promises in the contract in which there are separate performance obligations, to which a portion of the transaction price needs to be allocated. In determining the transaction price for the sale of goods, the Group allocates a portion of the transaction price to different performance obligations goods bases on its relative standalone prices and also considers the following:-

(i) Variable consideration

The Group recognizes revenue from the sale of goods measured at the standalone selling price of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates. If the consideration in a contract includes a variable amount, the Group estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a material revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved. The Group operates several sales incentive programmes wherein the customers are eligible for several benefits on achievement of underlying conditions as prescribed in the scheme programme such as credit notes, reimbursement, investments etc. Revenue from contract with customer is presented after deducting cost of all these schemes.

(ii) Warranty obligations

The Group generally provides for warranties for general repair of defects. These warranties are assurance-type warranties under Ind AS 115, which are accounted for under Ind AS 37 (Provisions, Contingent Liabilities and Contingent Assets). However, in certain non-standard contracts in respect of sale of consumer durable goods, the Group provides extended warranties and such warranties are termed as service-type warranties and therefore, accounted for as separate performance obligations to which the Group allocates a portion of the transaction price. Revenue from service-type warranties is recognised over the period in which the service is provided based on the time elapsed

(iii) Significant Financing Components

In respect of short-term advances from its customers, using the practical expedient in Ind AS 115, the Group does not adjust the promised amount of consideration for the effects of a material financing component if it expects, at contract inception, that the period between the transfer of the promised good or service to the customer and when the customer pays for that good or service will be within normal operating cycle.

In respect of long term contracts, the transaction price for these contracts is discounted, using the interest rate implicit in the contract (i.e., the interest rate that discounts the cash selling price of the equipment to the amount paid in advance).

No material element of financing is deemed present as the sales are made with a credit term of 21 to 90 days, which is consistent with market practice."

(b) Sale of services

The Group provides installation, annual maintenance and extended warranty services that are sold separately. The Group recognizes revenue from sales of services over time, because the customer simultaneously receives and consumes the benefits provided by the Group. Revenue from services related activities is recognised as and when services are rendered and on the basis of contractual terms with the parties.

(c) Contract balances

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. Contract assets are in the nature of unbilled receivables, which arises when Group satisfies a performance obligation but does not have an unconditional rights to consideration. A receivables represents the Group's right to an amount of consideration that is unconditional. Contract assets are subject to impairment assessment. Refer to accounting policies on impairment of financial assets in section (Financial instruments – initial recognition and subsequent measurement).

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group 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 Group performs under the contract (i.e., transfers control of the related goods or services to the customer).

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

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).

(d) Income from Service Concession Arrangement

Revenue related to Street Lights Upgrade services provided under service concession arrangement is recognized as per the agreement with the grantor. The Group recognizes a financial asset arising from the service concession agreement when it has an unconditional contractual right to receive cash or another financial asset from or at the direction of the grantor of the concession for the upgrade services provided. Such financial assets are measured at fair value upon initial recognition.

2.08 Other Income

(a) Interest Income

For all debt instruments measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. 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. Interest income is included in other income in the statement of profit and loss.

2.09 Leases

Group as a lessee

The Group's lease asset classes primarily comprise of lease for land and building. The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

(i) Right-of-use assets (ROU)

The Group classifies ROU assets as part of Property plant and equipment in Balance Sheet and lease liability in "Financial Liability".

(ii) Lease Liabilities

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable.

(iii) Short-term leases and leases of low-value assets

The Group 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.

2.10 Provisions and Contingent Liabilities

Warranty Provisions

Provision for warranty-related costs are recognized when the product is sold or service is provided to customer. Initial recognition is based on historical experience. the Group periodically reviews the adequacy of product warranties and adjust warranty percentage and warranty provisions for actual experience, if necessary. The timing of outflow is expected to be with in one to seven years.

Provision for E-Waste/Plastic-Waste

Provision for E-Waste/Plastic-Waste management costs are recognized when the liability in respect of products sold to customer is established in accordance with E- Waste (Management) Rules, 2022 as notified by Government of India. Initial recognition is based on liability computed based on Extended Producer Responsibility as promulgated in said Rules including cost to comply the said regulation and as reduced by expected realisation of collectable waste. The Group has assessed the liability to arise on year to year basis.

2.11 Material accounting judgments, estimates and assumptions

The preparation of these consolidated financial statements requires the management to make judgments, use estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these judgements, assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

a) Leases

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Group has several lease contracts that include extension and termination options. The Group applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Group reassesses the lease term if there is a material event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction of material leasehold improvements or material customisation to the leased asset).

b) Taxes

Uncertainties exist with respect to the interpretation of tax regulations, changes in tax laws, and the amount and timing of future taxable income. Given the wide range of business relationships differences arising between the actual results and the assumptions made, or future changes to such assumptions, could necessitate future adjustments to tax income and expense already recorded. The Group establishes provisions, based on reasonable estimates. The amount of such provisions is based on various factors, such as experience of previous tax assessments and differing interpretations of tax regulations by the taxable entity and the responsible tax authority. (Refer Note 16)

c) Gratuity benefit and Leave obligation

The cost of defined benefit plans (i.e. Gratuity benefit) and other long term employee obligations (i.e Leave obligation) 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 and leave 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 India. Future salary increases and pension increases are based on expected future inflation rates for India. Further details about the assumptions used, including a sensitivity analysis, are given in Note 32(4).

d) Impairment of non-financial assets

The Group assesses at each reporting date whether there is an indication that an asset including intangible assets having indefinite useful life and goodwill may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An assets recoverable amount is the higher of an asset's CGU'S fair value less cost of disposal and its value in use. 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 estimated based on past rend and 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 no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, or other fair value indicators.

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

e) Provision for warranty

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. The warranty claims may not exactly match the historical warranty percentage, so such estimates are reviewed annually for any material changes in assumptions and likelihood of occurrence. The assumptions are consistent with prior years. (Refer Note 19)

f) Provision for expected credit losses (ECL) of trade receivables and contract assets

The Group uses a provision matrix to calculate ECLs for trade receivables and contract assets. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns (i.e., by customer type and nature). The provision matrix is initially based on the Group's historical observed default rates. The Group will calibrate the matrix to adjust the historical credit loss experience with forward-looking information. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a material estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future. The information about the ECLs on the Group's trade receivables and contract assets is disclosed in Note 32(10)

g) Property, Plant and Equipment and intangible assets

Property, Plant and Equipment represent material portion of the asset base of the Group. The charge in respect of periodic depreciation is derived after determining an estimate of assets expected useful life and expected value at the end of its useful life. The useful life and residual value of Group's assets are determined by Management at the time asset is acquired and reviewed periodically including at the end of each year. The useful life is based on historical experience with similar assets, in anticipation of future events, which may have impact on their life such as change in technology.

Other accounting policy

This note provides a list of other accounting policies adopted in the preparation of these consolidated financial statements to the extent they have not already been disclosed in the other notes above. These policies have been consistently applied to all the years presented, unless otherwise stated. The financial statements are for the group consisting of Havells India Limited (the 'Company') and its subsidiaries.

2.12 Description

a) Rounding Off

These consolidated financial statements are presented in INR and all values are rounded to the nearest crore (INR 0,000,000), except when otherwise indicated.

b) Current versus non-current classification

The Group presents assets and liabilities in the balance sheet based on current/non- current classification. An asset is treated as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle
- Held primarily for purpose of trading
- Expected to be realized within twelve months after the reporting period, or
- cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are classified as non current.

Deferred tax assets and deferred tax liabilities are classified as non- current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. the Group has identified twelve months as its operating cycle.

c) Property Plant and Equipment

The historical 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 input tax credit availed wherever applicable.Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When material parts of plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred. 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 asset's carrying amount or recognised as separate assets, as appropriate, only when it is probable that future economic benefit associated with the item will flow to the Group and the cost of item can be measured reliably.

An item of property, plant and equipment and any material part initially recognised is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised.

Capital work-in-progress includes cost of property, plant and equipment under installation / under development as at the balance sheet date. Capital work in progress is stated at cost, net of accumulated impairment loss, if any.

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

Separately acquired intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Cost of intangible assets acquired in business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use.

The useful lives of intangible assets are assessed as either finite or indefinite. Intangible assets with finite lives are amortized over their useful lives and assessed for impairment whenever there is an indication that the intangible asset may be impaired. 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 recognized in the statement of profit and loss.

Intangible assets with indefinite useful lives are not amortized, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis. The Group has assessed indefinite life for such brand considering the expected usage, expected investment on brand, business forecast and challenges to establish a premium electronic segment. These are carried at historical cost and tested for impairment annually.

Research and development cost

Research costs are expensed as incurred. Development expenditure incurred on an individual project is recognized as an intangible asset when the Group can demonstrate all the following:

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for the year ended March 31, 2024

i) The technical feasibility of completing the intangible asset so that it will be available for use or sale;

ii) Its intention to complete the asset;

iii) Its ability to use or sale the asset;

iv) How the asset will generate future economic benefits;

v) The availability of adequate resources to complete the development and to use or sale the asset; and

vi) The ability to measure reliably the expenditure attributable to the intangible asset during development.

Following the initial recognition of the development expenditure as an asset, the cost model is applied requiring the asset to be carried at cost less any accumulated amortization and accumulated impairment losses. Amortization of the asset begins when development is complete and the asset is available for use. It is amortized on straight line basis over the estimated useful life and is recognised in the statement of profit and loss. During the period of development, the asset is tested for impairment annually.

e) Impairment of non- financial assets

For assets excluding goodwill and intangible assets having indefinite life, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit and loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

f) Financial instruments

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

Initial recognition measurement

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows while financial assets classified and measured at fair value through OCI are held within a business model with the objective of both holding to collect contractual cash flows and selling.

Financial assets at amortised cost (debt instruments)

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. 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. EIR is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the 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 but does not consider the expected credit losses. The EIR amortization is included in other income in profit or loss. The losses arising from impairment are recognized in the profit or loss. This category generally applies to trade and other receivables.

Financial assets at fair value through OCI (FVTOCI) (debt instruments)

Debt instrument included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI), except for the recognition of interest income, impairment gains or losses and foreign exchange gains or losses which are recognized in statement of profit and loss and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in OCI. Upon derecognition, the cumulative fair value changes recognised in OCI is reclassified from the equity to profit or loss.

Financial assets designated at fair value through OCI (equity instruments)

Upon initial recognition, the Group can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under Ind AS 32 Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument-by-instrument basis. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS103 applies are classified as at FVTPL.

Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognised as other income in the statement of profit and loss when the right of payment has been established, except when the Group benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Group of similar financial assets) is primarily derecognised (i.e. removed from the Group's statement of financial position) when:

- The rights to receive cash flows from the asset have expired, or

- the Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass through" arrangement and either;

(a) the Group has transferred substantially all the risks and rewards of the asset, or

(b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the group could be required to repay.

Impairment of financial assets

In accordance with IND AS 109, the Group applies expected credit losses(ECL) model for measurement and recognition of impairment loss on the following financial asset and credit risk exposure

- Financial assets measured at amortized cost;

- Financial assets measured at fair value through other comprehensive income(FVTOCI);

ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss. This amount is reflected under the head 'other expenses' in the statement of profit and loss. The balance sheet presentation for various financial instruments is described below:

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(a) Financial assets measured as at amortised cost: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the group does not reduce impairment allowance from the gross carrying amount.

(b) Loan commitments and financial guarantee contracts: ECL is presented as a provision in the balance sheet, i.e. as a liability.

(c) Debt instruments measured at FVTOCI: For debt instruments measured at FVTOCI, the expected credit losses do not reduce the carrying amount in the balance sheet, which remains at fair value. Instead, an amount equal to the allowance that would arise if the asset was measured at amortised cost is recognised in other comprehensive income as the accumulated impairment amount.

g) Financial liabilities:

Initial recognition and measurement

Financial liabilities are classified at initial recognition as financial liabilities at fair value through profit or loss, loans and borrowings, and payables, net of directly attributable transaction costs. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Group financial liabilities include loans and borrowings, trade payables, trade deposits, retention money, liabilities towards services, sales incentive and other payables.

Subsequent measurement

For purposes of subsequent measurement, financial liabilities are classified in two categories:

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

(ii) Financial liabilities at amortised cost (loans and borrowings)

Financial liabilities at fair value through profit or loss

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

Gains or losses on liabilities held for trading are recognized in the statement of profit and loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in IND AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to profit and loss. However, the Group may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognized in the statement of profit or loss. the Group has not designated any financial liability as at fair value through profit and loss.

Financial liabilities at amortised cost (Loans and borrowings)

After initial recognition, interest-bearing borrowings are subsequently measured at amortized cost using the Effective interest rate method. Gains and losses are recognized in profit or loss when the liabilities are derecognised as well as through the Effective interest rate amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the Effective interest rate. The Effective interest rate amortization is included as finance costs in the statement of profit and loss.

Trade Payables

These amounts represents liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid per the term of contract with suppliers. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognized initially at fair value and subsequently measured at amortized cost using Effective interest rate method.

Financial guarantee contracts

Financial guarantee contracts issued by the Group are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognized initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of IND AS 109 and the amount recognized less cumulative amortization.

Derecognition

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

Offsetting of financial instruments

Financials assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

Reclassification of financial assets/ financial liabilities

The Group determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Group's senior management determines change in the business model as a result of external or internal changes which are material to the Group's operations. Such changes are evident to external parties. A change in the business model occurs when the Group either begins or ceases to perform an activity that is material to its operations. If the Group reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Group does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

h) Investment in Subsidiaries

The investment in subsidiary are carried at cost as per IND AS 27. The Group 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 Group 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 Group 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) the ability to use its power over the investee to affect the amount of the returns.

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

i) Inventory

Basis of valuation:

Inventories other than scrap materials are valued at lower of cost and net realizable value after providing cost of obsolescence, if any. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. The comparison of cost and net realizable value is made on an item-by-item basis.

Inventory of scrap materials have been valued at net realizable value.

Method of Valuation:

Cost of raw materials has been determined by using moving weighted average cost method and comprises all costs of purchase, duties, taxes

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(other than those subsequently recoverable from tax authorities) and all other costs incurred in bringing the inventories to their present location and condition.

Cost of finished goods and work-in-progress includes direct labour and an appropriate share of fixed and variable production overheads. Fixed production overheads are allocated on the basis of normal capacity of production facilities. Cost is determined on moving weighted average basis.

Cost of traded goods has been determined by using moving weighted average cost method and comprises all costs of purchase, duties, taxes (other than those subsequently recoverable from tax authorities) and all other costs incurred in bringing the inventories to their present location and condition.

j) Non-current assets held for sale

The Group classifies non-current assets as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use and the sale is considered highly probable. Such non-current assets classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Any expected loss is recognized immediately in the statement of profit and loss.

The criteria for held for sale classification is regarded as met only when the assets is available for immediate sale in its present condition, subject only to terms that are usual and customary for sales of such assets, its sale is highly probable; and it will genuinely be sold. The Group treats sale of the asset to be highly probable when:

i) The appropriate level of management is committed to a plan to sell the asset

ii) An active programme to locate a buyer and complete the plan has been initiated (if applicable)

iii) The asset is being actively marketed for sale at a price that is reasonable in relation to its current fair value

iv) The sale is expected to qualify for recognition as a completed sale within one year from the date of classification, and

v) Actions required to complete the plan indicate that it is unlikely that material changes to the plan will be made or that the plan will be withdrawn.

The criteria for held for sale classification is regarded as met only when the sale is highly probable and the asset is available for immediate sale in its present condition and the assets must have actively marketed for sale at a price that is reasonable in relation to its current fair value. Actions required to complete the sale should indicate that it is unlikely that material changes to the plan to sale these assets will be made. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Property, plant and equipment and intangible assets once classified as held for sale are not depreciated or amortized. Assets and liabilities classified as held for sale are presented separately as current items in the balance sheet.

k) 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. Income Tax expense for the year comprises of current tax and deferred tax.

Current income tax

Current income tax, assets and liabilities are measured at the amount expected to be paid to or recovered from the taxation authorities in accordance with the Income Tax Act, 1961 and the Income Computation and Disclosure Standards (ICDS) enacted in India by using tax rates and the tax laws that are enacted at the reporting date.

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 in the countries where the Group operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The group measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

Current income tax relating to item recognized outside the statement of profit and loss is recognized outside profit or loss (either in other comprehensive income or equity).Current tax items are recognized in correlation to the underlying transactions either in OCI or directly in equity.

Deferred Tax

Deferred tax is provided in full using the balance sheet method on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

i) When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss

ii) In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognized outside the statement of profit and loss is recognized outside the statement of profit and loss (either in other comprehensive income or in equity). Deferred tax items are recognized in correlation to the underlying transaction either in OCI or direct in equity.

Tax benefits acquired as part of a business combination, but not satisfying the criteria for separate recognition at that date, are recognised subsequently if new information about facts and circumstances change. Acquired deferred tax benefits recognised within the measurement period reduce goodwill related to that acquisition if they result from new information obtained about facts and circumstances existing at the acquisition date. If the carrying amount of goodwill is zero, any remaining deferred tax benefits are recognised in OCI/ capital reserve depending on the principle explained for bargain purchase gains. All other acquired tax benefits realized are recognised in profit or loss.

l) Other Operating Revenues

(a) Export benefit

Revenue from export benefits arising from Duty entitlement pass book (DEPB scheme), duty drawback scheme, merchandise export incentive scheme, Remission of duties and taxes on exported product scheme are recognised on export of goods in accordance with their respective underlying scheme at fair value of consideration received or receivable.

Notes to Consolidated Financial Statements

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(b) Government Grants

Government Grants are recognized at their fair value when there is reasonable assurance that the grant will be received and all the attached conditions will be complied with.

When the grant relates to an expense item, it is recognized as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. Government grant related to the non-monetary asset are recognised at nominal value and presented by deducting the same from carrying amount of related asset and the grant is then recognised in profit or loss over the useful life of the depreciable asset by way of a reduced depreciation charge.

m) Retirement and other employee benefits

(i) Short-term obligations

Liabilities for wages and salaries, including non monetary benefits that are expected to be settled wholly within twelve months after the end of the period in which the employees render the related service are recognized in respect of employee service upto the end of the reporting period and are measured at the amount expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

(ii) Post employment

a) Gratuity

The Employee's Gratuity Fund Scheme, which is defined benefit plan, is managed by Trust with its investments maintained with Bajaj Allianz Life Insurance Co.Ltd. The liabilities with respect to Gratuity Plan are determined by actuarial valuation on projected unit credit method on the balance sheet date, based upon which the Group contributes to the Gratuity Scheme. The difference, if any, between the actuarial valuation of the gratuity of employees at the year end and the balance of funds is provided for as assets/ (liability) in the books. Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Group recognizes the following changes in the net defined benefit obligation under Employee benefit expense in statement of profit or loss:

a) Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements

b) Net interest expense or income

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognized immediately in the Balance Sheet with a corresponding debit or credit to retained earnings through other comprehensive income in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

b) Provident fund

Retirement benefit in the form of provident fund is a defined contribution scheme. the Group has no obligation, other than the contribution payable to the provident fund. The Group recognizes contribution payable through provident fund scheme as an expense, when an employee renders the related services. If the contribution payable to scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excesses recognized as an asset to the extent that the prepayment will lead to, for example, a reduction in future payment or a cash refund.

(iii) Other employee benefits

Employees (including senior executives) of the Group receive remuneration in the form of share based payment transactions, whereby employees render services as consideration for equity instruments. In accordance with the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and the Ind-AS 102 Share based payments, the fair value of options granted under the Havells Long Term cumulative expense recognized for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The expense or credit recognized in the Statement of Profit and Loss for a period represents the movement in cumulative expense recognized as at the beginning and end of that period and is recognized in employee benefits expense.

Where the terms of an equity-settled transaction award are modified, the minimum expense recognized is the expense as if the terms had not been modified, if the original terms of the award are met. An additional expense is recognized for any modification that increases the total intrinsic value of the share-based payment transaction, or is otherwise beneficial to the employee as measured at the date of modification. The Employee stock option scheme is administered through Havells Employee Welfare Trust.

The Group provides long term incentive plan to employees via equity settled share based payments as enumerated below:

(a) Havells Employee Stock Purchase Plan: The fair value of options granted under this option plan is recognised as an employee benefit expense with corresponding increase in equity in accordance with recognition and measurement principles as prescribed in Ind AS 102 Share Based Payments when grant is made. The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At end of the reporting period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognizes the impact of the revision to original estimates, if any, in profit or loss, with corresponding adjustment to equity.

(b) Havells Employees Long term Incentive plan: These are in nature of employee benefit wherein employees (including senior executives) of the Group purchase shares of the Group at fair value on the grant cum allotment date and receives remuneration in the form of ex-gratia equivalent to predefined percentage of purchase price paid by designated employee subject to serving of relevant period of service after the grant cum allotment date. These are recognised at fair value of shares granted and allotted as employee benefit expense over the period of employee serving relevant period.

c) Leave Obligation

Leave obligations: The Group has liabilities for earned leave that are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. These obligations are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the appropriate market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

n) Leases

The Group 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.

Right-of-use assets (ROU)

The Group 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.

If ownership of the leased asset transfers to the Group 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 non-financial assets'.

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Lease Liabilities

At the commencement date of the lease, the Group 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 Group and payments of penalties for terminating the lease, if the lease term reflects the Group 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.

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.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. Variable lease payments that depend on sales are recognised in profit or loss in the period in which the condition that triggers those payments occurs.

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

o) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the decision making authority. The Board of directors monitors the operating results of all product segments separately for the purpose of making decisions about resource allocation and performance assessment.

p) Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) if any that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effect of all potentially dilutive equity shares.

q) Borrowing Costs

Borrowing cost includes interest and other costs incurred in connection with the borrowing of funds and charged to Statement of Profit & Loss on the basis of effective interest rate (EIR) method. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing cost.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are recognized as expense in the period in which they occur.

r) Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, that are readily convertible to a known amount of cash and subject to an inmaterial risk of changes in value.

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposit held at call with financial institutions, 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 inmaterial risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

s) Foreign currency translation

(i) Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The Group's financial statements are presented in Indian rupee (INR) which is also the Group's functional and presentation currency.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rate prevailing at the date of the transaction. Foreign exchange gains and losses resulting from the settlement of such transaction and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rate are generally recognised in the statement of profit and loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined.

(iii) Exchange differences

Exchange differences arising on settlement or translation of monetary items are recognized as income or expense in the period in which they arise with the exception of exchange differences on gain or loss arising on translation of non-monetary items measured at fair value which is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognized in OCI or profit or loss are also recognized in OCI or profit or loss, respectively).

t) Provisions and Contingent Liabilities

Provisions (including reimbursement)

A provision is recognized when the Group has a present obligation (legal or constructive) as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Insurance claims are accounted for on the basis of claims admitted / expected to be admitted and to the extent that the amount recoverable can be measured reliably and realisation in respect thereof is virtually certain.

Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognized 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 recognized because it cannot be measured reliably. the Group does not recognize a contingent liability but discloses its existence in the financial statements unless the probability of outflow of resources is remote.

Provisions, contingent liabilities, contingent assets and commitments are reviewed at each balance sheet date.

u) Fair value measurement

The Group measures financial instruments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an ordinary transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

(i) In the principal market for asset or liability, or

(ii) In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Group.

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

The fair value of an asset or liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non- financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimizing the use of unobservable inputs.

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

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

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

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

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is material to fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

v) Exceptional items

The Group recognises exceptional item when items of income and expenses within Statement of Profit and Loss from ordinary activities are of such size, nature or incidence that their disclosure is relevant to explain the performance of the enterprise for the period.

w) Dividend Distributions

The Group recognizes a liability to make the payment of dividend to owners of equity, when the distribution is authorised and the distribution is no longer at the discretion of the Group. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

3. Property, plant and equipment

(₹ in crores)

Particulars	Freehold Land	Buildings	Leasehold Improvements	Plant and Machinery	Moulds and Dies	Furniture and fixtures	Vehicles	R & D Equipment's	Office Equipment's	Electrical Installations	Right of use asset: Leasehold Land	Right of use asset: Leasehold Buildings	Total	Capital Work in progress	Grand Total
Gross carrying amount (at cost)															
At April 01, 2022	**27.77**	**789.89**	**15.12**	**975.91**	**372.18**	**73.38**	**16.18**	**46.33**	**119.71**	**50.75**	**230.15**	**302.06**	**3,019.43**	**56.75**	**3,076.18**
Additions	-	95.11	0.03	200.51	97.65	11.28	5.87	9.97	26.93	6.56	1.34	51.86	**507.01**	514.87	**1,021.88**
Disposals/Adjustments	-	(9.50)	(1.10)	(28.77)	(13.41)	(4.37)	(0.72)	(1.66)	(5.08)	(1.64)	-	(8.85)	**(75.03)**	(408.20)	**(483.23)**
At March 31, 2023	**27.77**	**875.50**	**14.05**	**1,147.65**	**456.42**	**80.29**	**21.33**	**54.64**	**141.56**	**55.67**	**231.49**	**345.07**	**3,451.44**	**163.42**	**3,614.86**
Additions	-	158.93	0.04	184.66	92.11	32.39	1.95	20.18	54.51	19.98	0.30	133.72	**698.77**	660.85	**1,359.62**
Recognition of grant related to assets {Refer note 3 (iv)}	-	(0.02)	-	(1.98)	(0.82)	(0.26)	-	-	(0.13)	-	-	-	**(3.21)**	-	**(3.21)**
Disposals/adjustments *	-	-	-	(11.35)	(3.40)	(1.13)	(2.38)	(0.32)	(10.13)	(0.85)	(0.18)	-	**(29.74)**	(527.36)	**(557.10)**
At March 31, 2024	**27.77**	**1,034.41**	**14.09**	**1,318.98**	**544.31**	**111.29**	**20.90**	**74.50**	**185.81**	**74.80**	**231.61**	**478.79**	**4,117.26**	**296.91**	**4,414.17**
Accumulated Depreciation															
At April 01, 2022	**-**	**177.69**	**8.42**	**379.52**	**167.62**	**25.96**	**6.56**	**22.44**	**86.48**	**24.74**	**6.24**	**92.31**	**997.98**	**-**	**997.98**
Charge for the year	-	30.88	1.81	90.18	61.37	7.22	1.66	7.07	15.26	3.98	2.54	48.07	**269.98**	**-**	**269.98**
Disposals/adjustments	-	(2.75)	(0.95)	(14.54)	(11.33)	(2.48)	(0.64)	(1.55)	(4.47)	(1.09)	-	(4.63)	**(44.43)**	**-**	**(44.43)**
At March 31, 2023	**-**	**205.82**	**9.28**	**455.16**	**217.66**	**30.70**	**7.58**	**27.96**	**97.27**	**27.63**	**8.78**	**135.75**	**1,223.59**	**-**	**1,223.59**
Charge for the year	-	35.30	1.39	97.72	62.86	9.03	2.24	9.94	20.45	4.75	2.54	65.73	**311.95**	**-**	**311.95**
Disposals/adjustments	-	-	-	(8.63)	(2.30)	(0.96)	(2.15)	(0.24)	(9.45)	(0.78)	(0.03)	-	**(24.54)**	**-**	**(24.54)**
At March 31, 2024	**-**	**241.12**	**10.67**	**544.25**	**278.22**	**38.77**	**7.67**	**37.66**	**108.27**	**31.60**	**11.29**	**201.48**	**1,511.00**	**-**	**1,511.00**
Net carrying amount															
At April 01, 2022	**27.77**	**612.20**	**6.70**	**596.39**	**204.56**	**47.42**	**9.62**	**23.89**	**33.23**	**26.01**	**223.91**	**209.75**	**2,021.45**	**56.75**	**2,078.20**
At March 31, 2023	**27.77**	**669.68**	**4.77**	**692.49**	**238.76**	**49.59**	**13.75**	**26.68**	**44.29**	**28.04**	**222.71**	**209.32**	**2,227.85**	**163.42**	**2,391.27**
At March 31, 2024	**27.77**	**793.29**	**3.42**	**774.73**	**266.09**	**72.52**	**13.23**	**36.84**	**77.54**	**43.20**	**220.32**	**277.31**	**2,606.26**	**296.91**	**2,903.17**

** Disposal includes assets held for sale amounting to ₹ 2.18 crores (March 31,2023 ₹ 10.53 Crores), and includes transfers in relation to Capital work in progress.*

Notes: -

(i) Right of Use Asset includes :-

(a) "Leasehold Land" represents land obtained on long term lease from various Government authorities.

(b) Leasehold Buildings represent properties taken on lease for its offices and warehouses accounted for in accordance with principle of Ind AS 116 'Leases'. Refer Note 32(3)

(ii) Capital work in progress as at March 31, 2024 consists of assets under construction mainly related to plant and machinery, buildings etc. at various plants of the company Adjustment in relation to capital work in progress relates to addition in property, plant and equipment made during the year.

(iii) Disclosure of Contractual commitment for the acquisition of property plant and equipment has been provided in note 31B.

(iv) The grant related to assets incudes Subsidy of ₹ 3.21 crores for the year ended March 31, 2024(March 31,2023 Nil) is on account of Modified Special Incentive Package (MSIP) scheme for making capital investment at Ghiloth District, General Zone Industrial Area RIICO in the state of Rajasthan.

(v) The Group has not revalued its Property Plant and Equipment (Including Right of use assets) or Intangible assets during the year.

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

(vi) *The following has been recognised as Exceptional Items in the previous year towards loss on account of fire at Neemrana plant of the Group on July 27 2022. (Refer note 32 (14))*

(₹ in crores)

Particulars	Plant and machinery	Moulds and Dies	Furniture and fixtures	R & D Equipment's	Office Equipment's	Electrical Installations	Capital Work in progress	Grand Total
Gross carrying amount (at cost)	17.90	0.58	3.05	0.05	2.13	1.32	0.55	25.58
Accumulated Depreciation	(6.72)	(0.46)	(1.56)	(0.02)	(1.76)	(0.89)	-	(11.41)
Net Block - July 27,2022	**11.18**	**0.12**	**1.49**	**0.03**	**0.37**	**0.43**	**0.55**	**14.17**

(vii) Capital work-in-progress ("CWIP") Ageing schedule

As at March 31, 2024

(₹ in crores)

Capital Work in progress	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More Than 3 Year	
Projects in progress	294.94	1.97	-	-	**296.91**

As at March 31, 2023

(₹ in crores)

Capital Work in progress	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More Than 3 Year	
Projects in progress	163.42	-	-	-	**163.42**

Completion Schedule for capital work-in-progress whose completion is overdue as at March 31, 2024

	To be completed In				Total
	Less than 1 year	1-2 years	2-3 years	More Than 3 Year	
Cables plant at Tumkur, Karnataka	184.82	-	-	-	**184.82**

Note: There are no projects under capital work in progress where the completion was overdue has exceeded its cost compared to its original plan in previous year. In current year there are no projects which have exceeded its cost compared to its original plan.

(viii) Title deeds of Immovable Property not held in the name of the Group

Relevant line item in the Balance Sheet	Description of item of property	Gross carrying value (₹ in crores)	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter/director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the Group
Property, plant and equipment	Freehold land in Delhi	15.89	Late Shri Qimat Rai Gupta, on behalf of M/s Guptajee & Company	Erstwhile Promoter/ Director	March 31, 2011	The possession and the original agreement to sell of the property is in the name of Group. Further, title deeds will be registered in the name of the Group once the state government's policy on registry is changed.
Property, plant and equipment	Building In Bengaluru	0.04	Shakereh Shraddhanand	No	April 01, 2012	The possession and the original agreement to sell, of the property is in the name of Group. Further, the Group is taking adequate legal steps to get the title deeds registered with appropriate authority.

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

(ix) Property where the Group is a lessee but agreements are not executed

(₹ in crores)

Relevant line item in the Balance Sheet	Description of item of property	Gross carrying value (₹ in crores)	Net carrying value	Net lease liability	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter/ director or employee of promoter/director	Property held since which date	Reason for lease agreement not executed with the Group
Property, plant and equipment	Building in Sahibabad	43.20	37.77	41.11	QRG Enterprises Limited	Promoter {refer note 32(6)}	August 01, 2007	Rent is being paid based on the mutual understanding and the monthly invoice for usage charges is raised by QRG Enterprises {refer note 32(6)}
Property, plant and equipment	Building in Noida	96.79	72.58	79.64	QRG Enterprises Limited	Promoter {refer note 32(6)}	July 01, 2008	

4. Goodwill and other Intangible assets

(₹ in crores)

Particulars	Computer Software	R & D Software	Trademarks	Distributor/ Dealer Network	Non-compete Fee	Total Other Intangible Assets	Goodwill	Intangibles assets under development	Total Intangible Assets
Gross carrying amount (at cost)									
At April 01, 2022	**52.67**	**11.51**	**1,029.00**	**82.40**	**58.50**	**1,234.08**	**310.47**	**0.46**	**1,545.01**
Additions	2.88	3.89	-	-	-	**6.77**	-	2.99	**9.76**
Disposals/adjustments	-	-	-	-	-	**-**	-	(0.46)	**(0.46)**
At March 31, 2023	**55.55**	**15.40**	**1,029.00**	**82.40**	**58.50**	**1,240.85**	**310.47**	**2.99**	**1,554.31**
Additions	12.26	3.12	-	-	-	**15.38**	-	5.12	**20.50**
Disposals/adjustments	(0.19)	-	-	-	-	**(0.19)**	-	(6.32)	**(6.51)**
At March 31, 2024	**67.62**	**18.52**	**1,029.00**	**82.40**	**58.50**	**1,256.04**	**310.47**	**1.79**	**1,568.30**
Accumulated amortization									
At April 01, 2022	**34.00**	**6.95**	**-**	**50.50**	**40.94**	**132.39**	**-**	**-**	**132.39**
Charge for the year	5.75	1.72	-	10.30	8.36	**26.13**	-	-	**26.13**
Disposals/adjustments	-	-	-	-	-	**-**	-	-	**-**
At March 31, 2023	**39.75**	**8.67**	**-**	**60.80**	**49.30**	**158.52**	**-**	**-**	**158.52**
Charge for the year	5.64	2.26	-	10.30	8.35	**26.55**	-	-	**26.55**
Disposals/adjustments	(0.19)	-	-	-	-	**(0.19)**	-	-	**(0.19)**
At March 31, 2024	**45.20**	**10.93**	**-**	**71.10**	**57.65**	**184.88**	**-**	**-**	**184.88**
Net carrying amount									
At April 01, 2022	**18.67**	**4.56**	**1,029.00**	**31.90**	**17.56**	**1,101.69**	**310.47**	**0.46**	**1,412.62**
At March 31, 2023	**15.80**	**6.73**	**1,029.00**	**21.60**	**9.20**	**1,082.33**	**310.47**	**2.99**	**1,395.79**
At March 31, 2024	**22.42**	**7.59**	**1,029.00**	**11.30**	**0.85**	**1,071.16**	**310.47**	**1.79**	**1,383.42**

Note:-

Impairment testing of goodwill and intangible assets with indefinite lives

Lloyd Consumer business is a single Cash Generating Unit ("CGU") engaged in the business of manufacturing, trading and distribution of consumer electronics products under the 'Lloyd' brand. Goodwill and Trademarks having indefinite useful lives, pertains to the acquisition of Lloyd Consumer business, and have accordingly been allocated to the said business. As the Lloyd Consumer business has incurred losses, considering the requirements of Indian Accounting Standard (Ind AS) - 36 'Impairment of Assets, the Company has performed an impairment test to ascertain the recoverable amount of goodwill, intangible assets as well as other non-financial assets, viz., property, plant and equipment, capital work-in-progress etc. of Lloyd Consumer business. The recoverable amount is determined based on value in use calculation. This calculation uses management assumptions and pre-tax cash flow projections, based on financial budgets approved by management, covering a 5 year period. Cash flow projections beyond 5 years' time period are extrapolated using the estimated growth rate which is consistent with the forecasts included in industry reports specific to the industry in which the CGU operates.

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

Management has considered the following assumptions for impairment testing of the CGU:-

Assumption	March 31, 2024	March 31, 2023	Approach used in determining value
Weighted average Cost of capital % (WACC) after tax (discount rate)	15.20%	15.30%	It has been determined basis risk free rate of return adjusted for equity risk premium.
Long Term Growth Rate	5.00%	5.00%	Long term growth rate has been taken basis on overall economic growth rate, industry trend & expected long-term inflation in India.

The management has determined budgeted gross margin based on past performance and its expectations of the future market scenario. The revenue and profit growth rates used are consistent with the forecasts included in industry reports. Management has performed a sensitivity analysis on the above mentioned key assumptions, based on which the management believes that the recoverable amount of the above-mentioned assets of the CGU is more than the carrying amount and a reasonably possible change in the assumptions would not cause the carrying amount to exceed its recoverable amount.

Intangible assets under development

As at March 31, 2024

(₹ in crores)

Intangible assets under development	Amount in intangible assets under development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More Than 3 Year	
Projects in progress	1.79	-	-	-	**1.79**

As at March 31, 2023

(₹ in crores)

Intangible assets under development	Amount in intangible assets under development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More Than 3 Year	
Projects in progress	2.99	-	-	-	**2.99**

Note: There are no projects under Intangible assets under development where the completion is overdue or has exceeded its cost compared to its original plan.

5. Contract Balances

(₹ in crores)

		As at March 31, 2024	As at March 31, 2023
(A)	**Trade Receivables {refer note (a) below and note 10(B) }**	1,165.20	975.53
		1,165.20	**975.53**
(B)	**Contract Assets {refer note (b)}**		
	Unsecured, considered good	39.85	52.24
	Less : loss allowance	0.76	-
		39.09	**52.24**
	Non-current portion	11.55	25.57
	Current portion	27.54	26.67
(C)	**Contract Liability {refer note (c) and note 22(v)}**	105.95	88.52
		105.95	**88.52**
	Non-current portion	4.64	4.10
	Current portion	101.31	84.42

Note:

(a) Trade Receivables represent the amount of consideration in exchange for goods or services transferred to the customers that is unconditional.

(b) During the earlier years, the Group had entered into agreements with customers wherein the Group had identified multiple performance obligations as per Ind AS 115 "Revenue from contracts with customers". The Group's right to receive consideration is conditional upon satisfaction of all performance obligations. Accordingly, the Group has recognised contract assets in respect of performance obligations satisfied during the year. The contract asset arises when the Group satisfies a performance obligation but does not have an unconditional right to consideration. Contract assets have decreased in the current year on account of the decrease in the time frame for a" right to consideration" being unconditional (i.e. for a contract asset to be reclassified to trade receivables)

(c) The Group has entered into the agreements with customer for sale of goods and services. The Group has identified these performance obligations and recognised the contract liabilities in respect of contracts, where the Group has obligation to deliver the goods and perform specified services to a customer for which the Group has received consideration. There has been no significant change in the contract liabilities.

Notes to Consolidated Financial Statements
for the year ended March 31, 2024

6. Non-Current Financial Assets

(₹ in crores)

		As at March 31, 2024	As at March 31, 2023
(A)	**NON-CURRENT INVESTMENT (valued at fair value through profit and loss)**		
	Investment in preference shares (fully paid-up)		
	Unquoted		
	1,72,563 compulsorily convertible cumulative participative preference shares in Singularity Furniture Pvt Ltd. (March 31, 2023 1,72,563)	20.00	20.00
		20.00	**20.00**
(B)	**TRADE RECEIVABLES (valued at amortised cost)**		
	Unsecured {refer note 10(B)}		
	Trade receivables from contracts with customers - considered good	0.25	1.59
		0.25	**1.59**
(C)	**OTHER FINANCIAL ASSETS (valued at amortised cost)**		
	Unsecured, considered good		
	Earnest money and Security Deposits	33.15	33.84
	Others		
	Bank deposits with original and remaining maturity of more than twelve months	-	115.24
		33.15	**149.08**

7. Other Non-Current Assets

(₹ in crores)

	As at March 31, 2024	As at March 31, 2023
Capital advances	126.30	47.70
Others		
Prepaid expenses	4.58	4.71
Deposits with Statutory and Government authorities	15.74	26.53
	146.62	**78.94**

Note:

(a) Capital advances include an amount of ₹ 96.45 crores given to Noida Authority (U.P.) towards acquisition of land.

(b) Prepaid expenses include an amount of ₹ 0.65 crores representing excess spent of Corporate Social Responsibility

8. Non Current Tax Assets (Net)

(₹ in crores)

	As at March 31, 2024	As at March 31, 2023
Current tax assets net of current tax payable	34.92	29.03
	34.92	**29.03**

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

9. Inventories

(₹ in crores)

	As at March 31, 2024	As at March 31, 2023
(Valued at lower of cost and net realisable value unless otherwise stated)		
Raw materials and components	770.97	836.69
Work-in-progress	165.62	165.56
Finished goods	1,760.91	1,764.20
Traded goods	611.32	851.75
Stores and spares	57.06	46.19
Loose tools	3.26	4.21
Packing materials	22.45	23.87
Scrap materials	17.04	16.11
	3,408.63	**3,708.58**

Notes:

(₹ in crores)

	As at March 31, 2024	As at March 31, 2023
(a) The above includes goods in transit as under:		
Raw materials	99.60	148.92
Finished goods	197.59	201.21
Traded goods	29.72	73.05
(b) The stock of scrap materials have been taken at net realisable value.		
(c) During the year ₹ 35.83 crores (March 31, 2023: ₹ 15.06 crores) was recognised as an expense for inventory carried at net realisable value.		

10. Current Financial Assets

(A) CURRENT INVESTMENT (valued at amortised cost)

(₹ in crores)

	As at March 31, 2024	As at March 31, 2023
Deposits account with financial institution with original maturity of more than twelve months but remaining maturity less than 12 months	-	180.87
	-	**180.87**
Aggregate amount of unquoted investments	**-**	**180.87**

Note:

(a) The deposits maintained by the Group with financial institution comprise of the time deposits and are made for varying periods between one year to two years depending on the cash requirements of the Group and earn interest at the respective deposit rates.

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(B) Trade Receivables (valued at amortised cost)

(₹ in crores)

	As at March 31, 2024	As at March 31, 2023
Unsecured		
Trade receivables from contract with customers - considered good	1,224.62	1,034.30
Trade receivables - credit impaired	37.12	28.89
Trade receivables (gross)	**1,261.74**	**1,063.19**
Less : Impairment allowance for trade receivables	96.54	87.66
Trade receivables (net)	**1,165.20**	**975.53**
Current portion	1,164.95	973.94
Non - current portion {refer note 5(B)}	0.25	1.59

Note:

Trade receivables includes from related parties ₹ 0.03 crores (March 31, 2023 Nil) refer note 32(6)(C)

(I) Trade receivables ageing schedule as at March 31,2024

	Particulars	Outstanding for following periods from due date of payment							
		Unbilled dues	Not due	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
(i)	Undisputed Trade receivables - considered good	-	649.64	418.87	29.96	45.19	30.06	50.90	1224.62
(ii)	Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii)	Undisputed Trade receivables - credit impaired	-	-	-	-	-	-	-	-
(iv)	Disputed Trade receivables - considered good	-	-	-	-	-	-	-	-
(v)	Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi)	Disputed Trade receivables - credit impaired	-	-	2.51	1.74	6.33	4.94	21.60	37.12
	Total	-	649.64	421.38	31.70	51.52	35.00	72.50	1261.74
	Less : Allowance for trade receivables	-	-	(2.51)	(2.24)	(10.28)	(19.21)	(62.30)	(96.54)
	Total	-	649.64	418.87	29.46	41.24	15.79	10.20	1165.20

(II) Trade receivables ageing schedule as at March 31,2023

	Particulars	Outstanding for following periods from due date of payment							
		Unbilled dues	Not due	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
(i)	Undisputed Trade receivables - considered good	-	269.08	601.83	69.77	51.13	40.49	2.00	1,034.30
(ii)	Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii)	Undisputed Trade receivables - credit impaired	-	-	-	-	-	-	-	-
(iv)	Disputed Trade receivables - considered good	-	-	-	-	-	-	-	-
(v)	Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi)	Disputed Trade receivables - credit impaired	-	-	0.18	1.59	5.03	1.53	20.56	28.89
	Total	-	269.08	602.01	71.36	56.16	42.02	22.56	1,063.19
	Less : Allowance for trade receivables	-	(0.01)	(0.21)	(5.03)	(17.83)	(42.02)	(22.56)	(87.66)
	Total	-	269.07	601.80	66.33	38.33	-	-	975.53

Notes:

(a) Trade receivables are usually on trade terms based on credit worthiness of customers as per the terms of contract with customers.

(b) Trade receivables includes from related parties ₹ 0.03 crores (March 31, 2023 Nil) refer note 32(6)(C)

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

(C) Cash and Cash Equivalents

(₹ in crores)

	As at March 31, 2024	As at March 31, 2023
Balances with banks:		
Current accounts (net) {refer note (c)}	56.67	71.54
Cash credit accounts	69.94	29.92
Deposits with original maturity of less than three months {refer notes (b) and (d)}	139.36	363.57
Cash on hand	0.13	0.13
	266.10	**465.16**

Note:

(a) *There are no restrictions with regard to cash and cash equivalents as at the end of the reporting period and prior period.*

(b) *Short-term deposits are made for varying periods between one day to three months depending on the immediate cash requirements of the Group and earn interest at the respective short-term deposits rates.*

(c) *Includes amount of ₹ Nil (March 31, 2023 ₹ 0.47 cr) related to Unspent CSR amount kept in separate bank account as per provision in section 135(6) of Companies Act, 2013.*

(d) *Includes Fixed Deposit amounting ₹ 0.53 crores (March 31, 2023 ₹ 1.03 crores) related to Havells Employees Welfare Trust.*

(e) *Net debts reconciliation*

Particulars	Cash and Cash Equivalents		Long Term Borrowing		Lease Liabilities	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Opening balance	465.16	775.84	-	395.53	223.10	220.87
Addition on account of new leases during the year {refer note 32(3)}	-	-	-	-	131.39	50.73
Deletion on account of termination of leases during the year {refer note 32(3)}	-	-	-	-	-	(4.10)
Lease rent concession	-	-	-	-	-	(0.12)
Effect of foreign exchange rate changes on cash and cash equivalents held in foreign currency	(4.54)	(3.73)	-	-	-	-
Cash outflows	(194.52)	(306.95)	-	(393.69)	(51.33)	(44.28)
Interest expense	-	-	-	5.14	25.82	18.35
Interest paid	-	-	-	(6.98)	(25.82)	(18.35)
Closing balance	**266.10**	**465.16**	**-**	**-**	**303.16**	**223.10**
Non-current lease liability {refer note 14 (A)}	-	-	-	-	242.44	186.91
Current maturity of long term lease liability {refer note 18 (A)}	-	-	-	-	60.72	36.19

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

(D) Other Bank Balances

(₹ in crores)

	As at March 31, 2024	As at March 31, 2023
Deposits account with original maturity of more than three months but expiring less than twelve months {refer notes (a) and (e)}	1,228.72	551.59
Deposits account with original maturity of more than twelve months {refer notes (b), (d) and (f)}	1,541.18	851.16
Unpaid dividend account {refer note (c)}	2.17	2.26
	2,772.07	**1,405.01**

Notes:

(a) *The deposits maintained by the Group with banks comprise of the time deposits, which may be withdrawn by the Group at any point of time without prior notice and are made for varying periods between one day to twelve months depending on the immediate cash requirements of the Group and earn interest at the respective short-term deposit rates.*

(b) *Fixed deposit with original maturity of more than twelve months but remaining maturity of less than twelve months have been disclosed under other bank balances.*

(c) *The Group can utilise the balance towards settlement of unclaimed dividend.*

(d) *Includes Fixed Deposit amounting ₹ Nil (March 31, 2023 ₹ 4.34 crores) related to Unspent CSR amount kept in separate bank account as per provision in section 135(6) of Companies Act, 2013.*

(e) *Includes Fixed Deposit amounting ₹ 12.31 crores (March 31, 2023 ₹ 5.93 crores) related to Havells Employees Welfare Trust.*

(f) *Includes Fixed Deposit amounting ₹ 0.69 crores (March 31, 2023 ₹ 0.52 crores) related to Havells Employees Welfare Trust.*

(E) OTHER FINANCIAL ASSETS (valued at amortised cost)

(₹ in crores)

	As at March 31, 2024	As at March 31, 2023
Earnest money and security deposits	4.30	3.71
Contractual claims and other receivables {refer note (a)}	16.69	113.18
	20.99	**116.89**

Notes:

(a) *Contractual claims and other receivables includes claims in accordance with contract with vendors and insurance company {refer note 32(14)}*

11. Other Current Assets

(₹ in crores)

	As at March 31, 2024	As at March 31, 2023
Advances other than capital advances		
Advances for materials and services	101.91	29.46
Others		
Prepaid expenses	45.55	47.50
Duty free licenses in hand	0.47	4.19
Right to returned goods (refer note 21)	30.13	-
Government grant receivable	13.58	4.98
Balance with Statutory and Government authorities/Others	45.51	92.39
	237.15	**178.52**

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

(₹ in crores)

	As at March 31, 2024	As at March 31, 2023
Movement of Government grant receivable		
Opening balance	4.98	9.34
Accrual of grant related to income (credited to statement of profit and loss account) (refer note 3,22 and 23)	25.72	10.13
Grant related to asset realised	(3.21)	-
Grant related to income realised	(13.91)	(14.49)
Closing Balance	**13.58**	**4.98**

Note:

(a) *Government grant receivable includes export incentives, budgetary support for refund of Goods and Service Tax, Production linked incentive scheme and Modified special incentive package scheme.*

(b) *Prepaid expenses include excess expenditure incurred under Corporate Social Responsibility*

12. Assets Classified as Held for Sale

(₹ in crores)

	As at March 31, 2024	As at March 31, 2023
Assets retired from active use	2.18	10.53
	2.18	**10.53**

Note:

Assets retired from active use consists of property plant & equipment, dies and tools, furniture and fixtures, office equipments and electrical installations.

13. Equity

(A) Share capital

(₹ in crores)

	As at March 31, 2024	As at March 31, 2023
a) Authorized Share Capital		
1,03,20,00,000 equity shares of ₹1/- each (March 31, 2023: 1,03,20,00,000 equity shares of ₹1/- each)	**103.20**	**103.20**
5,50,000 preference shares of ₹10/- each (March 31, 2023: 5,50,000 preference shares of ₹10/- each)	**0.55**	**0.55**
	103.75	**103.75**
b) Issued, subscribed and fully paid-up		
62,66,83,030 equity shares of ₹1/- each (March 31, 2023: 62,65,09,738 equity shares of ₹1/- each)	**62.67**	**62.65**

c) Reconciliation of the shares outstanding at the beginning and at the end of the year

	As at March 31, 2024		As at March 31, 2023	
	No. of shares	₹ in crores	No. of shares	₹ in crores
At the beginning of the year	62,65,09,738	62.65	62,63,03,067	62.63
Add: Exercise of employee stock purchase plan - proceeds received {refer note 32(7)}	1,73,292	0.02	2,06,671	0.02
	62,66,83,030	62.67	62,65,09,738	62.65

Notes to Consolidated Financial Statements
for the year ended March 31, 2024

d) Shareholding of promoters

S. No	Shares held by promoters at the end of the year	As at March 31, 2024		As at March 31, 2023		% change during the year
	Promoter Name	No. of equity shares	% of Total shares	No. of equity shares	% of Total shares	
1	Shri Anil Rai Gupta (as Managing Trustee of ARG Family Trust)	7,74,25,200	12.35%	7,74,25,200	12.35%	0.00%
2	Shri Surjit Kumar Gupta (as Trustee of SKG Family Trust)	3,64,32,180	5.81%	3,64,32,180	5.82%	0.00%
3	QRG Investments and Holdings Limited	25,86,00,540	41.26%	25,86,00,540	41.28%	0.00%
	Total	**37,24,57,920**	**59.42%**	**37,24,57,920**	**59.45%**	

S. No	Shares held by promoters at the beginning of the year	As at March 31, 2023		As at March 31, 2022		% change during the year
	Promoter Name	No. of equity shares	% of Total shares	No. of equity shares	% of Total shares	
1	Shri Anil Rai Gupta (as Managing Trustee of ARG Family Trust)	7,74,25,200	12.35%	7,74,25,200	12.36%	-
2	Shri Surjit Kumar Gupta (as Trustee of SKG Family Trust)	3,64,32,180	5.82%	3,64,32,180	5.82%	-
3	QRG Investments and Holdings Limited	25,86,00,540	41.28%	6,87,41,660	10.98%	276.19%
4	QRG Enterprises Limited	-	0.00%	18,98,58,880	30.31%	-100.00%
	Total	**37,24,57,920**	**59.45%**	**37,24,57,920**	**59.47%**	

e) Terms/rights attached to equity shares

The Group has only one class of issued share capital i.e. equity shares having a par value of ₹1/- per share (March 31,2023 : ₹1/- per share). Each holder of equity shares is entitled to one vote per share. The Group declares and pays dividend in Indian rupees. The 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 Group, the holders of equity shares will be entitled to receive remaining assets of the Group after distribution of all preferential amounts, if any. The distribution will be in proportion to the number of equity shares held by the shareholders.

f) Details of shareholders holding more than 5% shares in the Group is set out below (representing legal and beneficial ownership):

Name of Shareholders	As at March 31, 2024		As at March 31, 2023	
	No. of shares	% holding	No. of shares	% holding
Shri Anil Rai Gupta as Managing Trustee of ARG Family Trust	7,74,25,200	12.35%	7,74,25,200	12.35%
Shri Surjit Kumar Gupta as Trustee of SKG Family Trust	3,64,32,180	5.81%	3,64,32,180	5.82%
QRG Investments and Holdings Limited	25,86,00,540	41.26%	25,86,00,540	41.28%
Nalanda India Equity Fund Limited	3,30,44,930	5.27%	3,30,44,930	5.28%

g) Shares reserved for issue under Employee stock purchase plan

Information relating to Employee stock purchase plan, including details of options issued, exercised and lapsed during the financial year and options outstanding as at the end of the reporting period are set out in note 32 (7).

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

(B) Other Equity

(₹ in crores)

		As at March 31, 2024	As at March 31, 2023
	Capital reserve	7.63	7.63
	Securities premium	169.45	148.15
	Share option outstanding account	6.56	2.30
	General reserve	722.72	722.72
	Retained earnings	6,477.10	5,681.16
	Foreign currency translation reserve	0.63	0.84
	Total other equity	**7,384.09**	**6,562.80**
a)	**Capital reserve**	**7.63**	**7.63**
b)	**Securities premium**		
	Opening balance	148.15	121.50
	Add: Exercise of Employee stock purchase plan	21.30	26.65
	Closing balance	**169.45**	**148.15**
c)	**Stock options outstanding account**		
	Opening balance	2.30	0.53
	Add : Options recognised during the year	7.67	3.23
	Less : Options vested and exercised during the year	(3.41)	(1.46)
	Closing balance	**6.56**	**2.30**
d)	**General reserve**	**722.72**	**722.72**
e)	**Retained earnings**		
	Opening balance	5,681.16	5,086.98
	Net profit for the year	1,270.76	1,071.73
	Items of other comprehensive income recognised directly in retained earnings		
	Re-measurement gains / (losses) on defined benefit plans (net of tax)	(4.81)	(7.67)
	Dividends		
	Final Dividend of ₹ 4.50 per share for FY 2022-23 (₹ 4.50 per share for FY 2021-22)	(282.01)	(281.93)
	Interim dividend of ₹ 3.00 per share for FY 2023-24 (₹ 3.00 per share for FY 2022-23)	(188.00)	(187.95)
	Closing balance	**6,477.10**	**5,681.16**
f)	**Foreign currency translation reserve**		
	Opening balance	0.84	0.90
	Exchange difference on translation of financial statements of foreign operations	(0.21)	(0.06)
	Closing Balance	**0.63**	**0.84**

(C) Nature and Purpose of Reserves

(a) Capital reserve

During amalgamation/ merger approved by honourable court, the excess of net assets taken over the consideration paid, if any, is treated as capital reserve. This capital reserve has arisen as a result of scheme of amalgamation in the past periods.

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

(b) **Securities premium**

Securities premium is used to record the premium on issue of shares. The reserve can be utilised only for limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013.

(c) **General reserve**

Under the erstwhile Companies Act 1956, general reserve was created through an annual transfer of net income at a specified percentage in accordance with applicable regulations adjusted by utilisation of reserve in accordance with scheme of Amalgamation in earlier years. The requirement to mandatorily transfer a specified percentage of the net profit to general reserve before declaration of dividend has been withdrawn. However, the amount previously transferred to the general reserve can be utilised only in accordance with the specific requirements of Companies Act, 2013.

(d) **Share options outstanding account**

The share option outstanding account is used to recognise the grant date fair value of options issued to employees under Employee stock purchase plan.

Nil no. of share (March 31, 2023: 41,960 shares) is held by employee welfare trust included in the financial statements

(e) **Retained earnings**

Retained Earnings are profits that the Group has earned till date less transfer to General Reserve, dividend or other distribution or transaction with shareholders.

(f) **Foreign currency translation reserve**

Exchange differences arising on translation of financial statements foreign operations are recognized in other comprehensive income as described in accounting policy and accumulated in a separate reserve within equity. The cumulative amount is reclassified to statement of profit and loss when net investment is disposed of/liquidated or classified as held for sale.

14. Non Current Financial Liabilities

(A) Lease Liabilities

(₹ in crores)

	As at March 31, 2024	As at March 31, 2023
Lease Liabilities {refer note 32(3)}	242.44	186.91
	242.44	**186.91**

(B) Other Financial Liabilities (valued at amortised cost)

(₹ in crores)

	As at March 31, 2024	As at March 31, 2023
Employees payable pursuant to employee stock purchase plan	0.67	0.54
Long term employee retention scheme	0.45	0.67
Employees ownership plan	-	3.23
Other Liabilities (retention money)	2.93	2.77
	4.05	**7.21**

Notes to Consolidated Financial Statements
for the year ended March 31, 2024

15. Non Current Provisions

(₹ in crores)

	As at March 31, 2024	As at March 31, 2023
Provision for Gratuity	5.98	4.15
Provision for other employee plans*	11.34	-
Product warranties and E-waste {Refer note 19(a)}	70.40	132.57
	87.72	**136.72**

** Other employee benefit represents compensated absences*

16. Income Taxes

The major components of income tax expense for the year ended March 31, 2024 and March 31, 2023 are:

(₹ in crores)

	As at March 31, 2024	As at March 31, 2023
(a) Income tax expense in the statement of profit and loss comprises :		
Current tax charge	440.83	361.20
Adjustment in respect of current tax of previous year	(0.23)	3.24
Total current income tax	**440.60**	**364.44**
Deferred tax charge / (credit)		
Relating to origination and reversal of temporary differences	(3.99)	10.89
Income tax expense reported in the statement of profit or loss	**436.61**	**375.33**
(b) Other Comprehensive Income		
Current income tax related to items recognised in OCI during the year:		
Current income tax on re-measurement loss on defined benefit plans	1.62	2.58
Income tax related to items recognised in OCI during the year	**1.62**	**2.58**
(c) Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate :		
Accounting Profit before tax	1,707.37	1,447.06
Applicable tax rate	25.168%	25.168%
Computed Tax Expense	**429.71**	**364.20**
Expenses not allowed for tax purpose	9.80	8.53
Additional allowances for tax	(0.17)	(0.08)
Provisons for litigation	-	2.97
Utilisation of previously unrecognised tax losses	-	-
Others	(2.73)	(0.29)
Income tax charged to Statement of Profit and Loss at effective rate of 25.54% (March 31, 2023: 25.94%) {Refer Note (ii) below}	**436.61**	**375.33**

(d) Deferred tax liabilities comprises :

(₹ in crores)

	Balance Sheet		Statement of profit and loss	
	As at March 31, 2024	As at March 31, 2023	Year ended March 31, 2024	Year ended March 31, 2023
Accelerated depreciation for tax purposes	404.63	393.84	10.79	11.12
Right of Use as per Ind AS 116	69.79	52.68	17.11	(0.11)
Lease liability as per Ind AS 116	(76.30)	(56.15)	(20.15)	(0.56)
Expenses allowable on payment basis	(17.97)	(9.82)	(8.15)	2.87
Allowance for doubtful debts	(24.48)	(22.06)	(2.42)	(4.02)
Other Items giving rise to temporary differences	1.85	3.02	(1.17)	1.59
Deferred tax liabilities (net)	**357.52**	**361.51**	**(3.99)**	**10.89**

(e) Deferred tax liabilities (net)

(₹ in crores)

	As at March 31, 2024	As at March 31, 2023
Opening balance as per last balance sheet	361.51	350.62
Deferred tax charged/(credited) to profit and loss account during the year	(2.62)	3.17
Adjustment in respect of deferred tax of previous year	(1.37)	7.72
Closing balance	**357.52**	**361.51**

Notes:

(i) The Group has unabsorbed capital loss of ₹ 171.09 crores as on March 31, 2024 (March 31, 2023: ₹ 390.84 crores) out of which capital loss of ₹ 122.30 crores will expire in financial year 2025-26, capital loss of ₹ 27.51 crores will expire in financial year 2029-30 and capital loss of ₹ 21.28 crores will expire in financial year 2030-31, on which no deferred tax asset has been created by the management due to lack of probability of future capital gain against which such deferred tax assets can be realised. If the Group were able to recognise all unrecognised deferred tax assets, the profit after tax would have increased by ₹ 39.15 crores (March 31, 2023: ₹ 89.28 Crore). The capital losses of ₹211 crores has been expired during the year.

(ii) Effective tax rate has been calculated on profit before tax.

17. Other Non-Current Liabilities

(₹ in crores)

	As at March 31, 2024	As at March 31, 2023
Other non-current liabilities (Advance discount received)	6.48	-
	6.48	**-**

18. Current Financial Liabilities

(₹ in crores)

	As at March 31, 2024	As at March 31, 2023
(A) Lease Liabilities		
Current maturities of Lease liability {refer note 32 (3)}	60.72	36.19
	60.72	**36.19**
(B) Trade Payables		
Total outstanding dues of micro enterprises and small enterprises; and	203.70	154.96
Total outstanding dues of creditors other than micro enterprises and small enterprises	2,488.20	2,488.23
	2,691.90	**2,643.19**

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

Notes:

(i) Trade Payables include due to related parties ₹ 24.87 crores (March 31, 2023 : ₹16.00 crores) {refer note 32(6)(C)}

(ii) The amounts are unsecured and non interest-bearing and are usually on varying trade term.

(iii) For terms and conditions with related parties. {refer to note 32(6)}

(iv) The amounts falling in the category of more than 1 year are related to pending obligations on the part of the supplier as per agreed terms and conditions mentioned in respective contracts.

a) Information as required to be furnished as per section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) for the year ended March 31, 2024 is given below. This information has been determined to the extent such parties have been identified on the basis of information available with the Group.

		March 31, 2024	March 31, 2023
i)	Principal amount and interest due thereon remaining unpaid to any supplier covered under MSMED Act, 2006 as at the end of each accounting year		
	Principal	203.70	154.96
	Interest	-	-
ii)	The amount of interest paid by the buyer in terms of section 16, of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
iii)	The 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 year) but without adding the interest specified under MSMED Act, 2006	-	-
iv)	The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-
v)	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006.	-	-
The total dues of Micro and Small Enterprises which were outstanding for more than stipulated period are ₹ Nil (March 31, 2023 : ₹ Nil)		-	-

Trade payables ageing schedule as at March 31, 2024

		Outstanding for following periods from due date of payment						
	Particulars	Unbilled dues	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i)	MSME	-	195.80	7.90	-	-	-	203.70
(ii)	Others	125.09	2,003.78	349.39	7.61	0.84	-	2,486.71
(iii)	Disputed dues - MSME	-	-	-	-	-	-	-
(iv)	Disputed dues - Others	-	-	-	0.10	-	1.39	1.49
	Total	**125.09**	**2199.58**	**357.29**	**7.71**	**0.84**	**1.39**	**2691.90**

Trade payables ageing schedule as at March 31, 2023

		Outstanding for following periods from due date of payment						
	Particulars	Unbilled dues	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i)	MSME	-	150.32	4.64	-	-	-	**154.96**
(ii)	Others	120.11	2,167.69	188.62	9.77	-	-	**2486.19**
(iii)	Disputed dues - MSME	-	-	-	-	-	-	-
(iv)	Disputed dues - Others	-	-	-	-	-	1.39	**1.39**
	Total	**120.11**	**2,318.01**	**193.26**	**9.77**	**-**	**1.39**	**2642.54**

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

(C) Other Financial Liabilities (valued at amortised cost)

(₹ in crores)

	As at March 31, 2024	As at March 31, 2023
Unpaid dividend {refer note (a)}	2.17	2.26
Other payables		
Long Term Employee Retention Scheme	2.25	2.04
Creditors for capital goods	50.54	45.30
Deposits from customers	55.18	48.48
Retention Money	39.40	18.62
Other liabilities		
Employee benefit obligations	162.53	121.54
Sales incentives payable	468.34	381.23
Others	7.27	5.38
	787.68	**624.85**

Notes:

(a) Investor Education and Protection Fund is being credited by the amount of unclaimed dividend after seven years from the due date. The Group has transferred ₹ 0.24 crores (March 31,2023 : ₹0.26 crores) out of unclaimed dividend to Investor Education and Protection Fund of Central Government in accordance with the provisions of section 124 of the Companies Act, 2013.

19. Current Provisions

(₹ in crores)

		As at March 31, 2024	As at March 31, 2023
i) **Provision for employee benefits**			
Gratuity {refer note no. 32(4)}		30.56	31.21
Other employee benefit plans		1.48	-
	(A)	**32.04**	**31.21**
ii) **Other provisions**			
Product warranties {refer note (a)}		236.53	237.00
Litigations {refer note (b)}		9.10	6.70
	(B)	**245.63**	**243.70**
	(A) + (B)	**277.67**	**274.91**

a) Provision for warranties

(i) Warranties

A provision is recognized for expected warranty claims and after sales services on products sold during the last one to seven years, based on past experience of the level of repairs and defective returns. It is expected that significant portion of these costs will be incurred in the next financial year and all will be incurred within seven years after the reporting date. Assumptions used to calculate the provisions for warranties are based on current sales levels and current information available about defective returns based on one to seven years warranty period for all products sold and are consistent with those in the prior years. The assumptions made in relation to the current year are consistent with those in the prior year.

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

(ii) **The table below gives information about movement in Warranty and E-waste provision**

(₹ in crores)

	As at March 31, 2024	As at March 31, 2023
At the beginning of the year	369.57	313.55
Charged/(credited) to profit or loss		
- additional provisions recognized (refer note 30)	235.53	292.44
- unwinding of discount {refer note no. 28 }	12.11	5.78
Amount used during the year	(310.28)	(242.20)
At the end of year	**306.93**	**369.57**
Current portion	236.53	237.00
Non-current portion {refer note no. 15}	70.40	132.57

b) **Provision for litigations**

Provision for litigation amounting to ₹ 9.10 Crores (March 31, 2023: ₹6.70 Crores) is created against demands raised in various ongoing litigations in ordinary course of business. Based on the facts of the case and legal precedents, the management believes there would be a probable outflow of resources and accordingly, has created a provision in books of account.

The table below gives information about movement in litigation provisions:

(₹ in crores)

	As at March 31, 2024	As at March 31, 2023
At the beginning of the year	6.70	7.28
Charged/(credited) to profit or loss	2.40	2.97
Amounts used during the period*	-	(3.55)
At the end of year	**9.10**	**6.70**
Current portion	9.10	6.70
Non-current portion	-	-

20. Current Tax Liabilities

(₹ in crores)

	As at March 31, 2024	As at March 31, 2023
Current tax liabilities (net of advance tax and tax deducted at source amounting to ₹ 354.06 crores (March 31, 2023 ₹ 334.38 crores)	85.20	32.26
	85.20	**32.26**

21. Other Current Liabilities

(₹ in crores)

	As at March 31, 2024	As at March 31, 2023
Advance against Land	-	0.50
Others		
Refund Liability*	42.59	-
Goods and Services Tax Payable	156.98	55.69
Other statutory dues payable	76.71	83.53
Others	2.32	-
	278.60	**139.72**

** The Group has recognised a refund liability for the Sales return from customers amounting to ₹ 42.59 crores, which is in the normal course of business. The Group has also recognised a right to recover the returned goods ₹ 30.13 crores. The costs to recover the products are not material because the customers usually return the product in a saleable condition.*

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

22. Revenue From Operations:

(₹ in crores)

			Year ended March 31, 2024	Year ended March 31, 2023
	Revenue from contract with customers:			
	Sale of products		18,398.99	16,737.09
	Sales of services		74.32	68.63
		(A)	**18,473.31**	**16,805.72**
	Other operating revenues			
	Export Incentive		13.50	10.13
	Scrap sales		103.20	94.88
		(B)	**116.70**	**105.01**
	Total revenue from operations	(A) + (B)	**18,590.01**	**16,910.73**
(i)	**Timing of revenue recognition**			
	Goods transferred at a point in time		18,502.19	16,831.97
	Services transferred over the time		74.32	68.63
	Total revenue from contract with customers		**18,576.51**	**16,900.60**
	Add : Export Incentive		13.50	10.13
	Total revenue from operations		**18,590.01**	**16,910.73**
(ii)	**Disaggregation of revenue based on product or service**			
	Switchgears		2,240.54	2,115.45
	Cables		6,312.11	5,529.16
	Lighting and fixtures		1,639.61	1,614.43
	Electrical consumer durables		3,480.90	3,296.62
	Lloyd Consumer*		3,809.91	3,394.80
	Others		1,093.44	950.14
	Total revenue from contract with customers		**18,576.51**	**16,900.60**
(iii)	**Revenue by location of customers**			
	India		17,973.28	16,415.02
	Outside India		603.23	485.58
	Total revenue from contract with customers		**18,576.51**	**16,900.60**
	Add : Export Incentive		13.50	10.13
	Total revenue from operations		**18,590.01**	**16,910.73**
(iv)	**Reconciliation of revenue recognised in statement of profit and loss with contracted price**			
	Revenue as per contracted price		18,684.61	17,009.55
	Less: Cash discount		(108.10)	(108.95)
	Total revenue from contract with customers		**18,576.51**	**16,900.60**
	Add : Export Incentive		13.50	10.13
	Total revenue from operations		**18,590.01**	**16,910.73**

** Includes revenue from installation services and service-type warranties.*

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

(v) **Performance obligation**

Sale of products: Performance obligation in respect of sale of goods is satisfied when control of the goods is transferred to the customer, generally on delivery/dispatch of the goods and payment is generally due as per the terms of contract with customers.

Sales of services: The performance obligation in respect of maintenance services is satisfied over a period of time and acceptance of the customer. In respect of these services, payment is generally due upon completion of maintenance period based on time elapsed and acceptance of the customer. In certain non-standard contracts, where the Group provides warranties in service of consumer durable goods, the same is accounted for as a separate performance obligation and a portion of the transaction price is allocated based on its relative standalone prices. The performance obligation for the warranty service is satisfied over a period of time based on time elapsed.

The transaction price allocated to remaining performance obligation (unsatisfied performance obligation) pertaining to sales of goods and services as at March 31, 2024 and expected time to recognise the same as revenue is as follows:-

(₹ in crores)

	Year ended March 31, 2024	Year ended March 31, 2023
Within one year	101.31	84.42
More than one year	4.64	4.10
	105.95	**88.52**

Note: *The remaining performance obligation expected to be recognised in more than one year relates to amounts received from customers against which performance obligation is to be satisfied over a period of one to four years. All other remaining performance obligations are expected to be recognised within one year. During the year ended March 31, 2024, revenue recognised from amount included in contract liability at the beginning of year is ₹ 82.53 crores (March 31, 2023: ₹ 57.03 crores).*

(vi) **Disclosure pursuant to Appendix C of Ind AS 115**

The Group was awarded a contract for replacement of existing conventional street/ park lights with LED street/ park lights by a Municipal Corporation in April 2017. As per the agreement, the Group shall also be responsible for the operation and maintenance of LED street/ park lights for a period of 7 years after installation. The consideration received by the Group under the contract is based on the energy savings resulting from the LED street/ park lights. The revenue recognised during the year and the contract assets balance as at year-end from such contract amounts to ₹ 46.02 Crores (March 31, 2023: ₹ 45.89 crores) and ₹ 30.32 Crores (March 31, 2023: ₹ 43.57 crores) respectively.

23. Other Income

(₹ in crores)

	Year ended March 31, 2024	Year ended March 31, 2023
Interest received on financial assets carried at amortised cost:		
Deposits with banks	173.87	104.17
Investment	2.25	12.99
Others - Finance Income and Interest	8.76	6.08
Other non-operating income		
Exchange fluctuations (net)	33.67	22.13
Lease rent concession {refer note 32(3)}	-	0.12
Profit on sale of Property, Plant and Equipment	10.27	-
Discount on License utilised	0.34	9.43
Government Grant*	9.01	2.36
Miscellaneous income	10.79	20.43
	248.96	**177.71**

** Government grant includes export incentives, Budgetary support for refund of Goods and Service Tax, Production linked incentive scheme and Modified special incentive package scheme.*

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

24. Cost of Raw Materials and Components Consumed

(₹ in crores)

	Year ended March 31, 2024	Year ended March 31, 2023
Copper	3,660.53	3,361.20
Aluminium	1,134.00	1,009.60
General plastic and Engineering Plastic	463.58	438.02
Paints and chemicals	477.60	509.45
Steel	323.43	275.73
Packing materials	390.52	374.42
Other material	3,424.11	3,349.50
	9,873.77	**9,317.92**

25. Purchase of Traded Goods

(₹ in crores)

	Year ended March 31, 2024	Year ended March 31, 2023
Switchgears	129.77	175.52
Lighting and fixtures	420.14	532.96
Electrical consumer durables	659.86	507.83
Lloyd Consumer	814.08	1,450.59
Cables	0.59	1.02
Others	427.74	360.83
	2,452.18	**3,028.75**

26. Change in Inventories of Finished Goods, Traded Goods and Work-in-Progress

(₹ in crores)

	As at March 31, 2024	As at March 31, 2023	(Increase)/ Decrease
Inventories at the end of the year			
Finished goods	1,760.91	1,764.20	3.29
Traded goods	611.21	851.64	240.43
Work in progress	165.62	165.56	(0.06)
Scrap materials	17.04	16.11	(0.93)
	2,554.78	**2,797.51**	**242.73**

(₹ in crores)

	As at March 31, 2023	As at March 31,2022	(Increase)/ Decrease
Inventories at the beginning of the year			
Finished goods	1,764.20	1,359.07	(405.13)
Traded goods	851.64	581.31	(270.33)
Work in progress	165.56	202.06	36.50
Scrap materials	16.11	13.87	(2.24)
	2,797.51	**2,156.31**	**(641.20)**

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

27. Employee Benefits Expenses

(₹ in crores)

	Year ended March 31, 2024	Year ended March 31, 2023
Salaries, wages, bonus, commission and other benefits	1,422.76	1,168.26
Contribution towards Provident Fund, Family Pension and ESI	55.72	47.72
Employee stock purchase plan expense {refer note no. 32(7)}	27.00	25.33
Gratuity expense {refer note no. 32(4)}	24.78	25.11
Staff welfare expenses	18.25	15.21
	1,548.51	**1,281.63**

Note:

The Group has reclassified medical insurance expenses amounting to ₹ 20.38 crores (March 31, 2023: ₹ 13.32 crores) related to its employees from "Insurance" (other expenses) to "Employee benefits expenses".

28. Finance Costs

(₹ in crores)

	Year ended March 31, 2024	Year ended March 31, 2023
Interest expense on Security Deposits and others	1.44	5.14
Interest on Income tax	6.18	4.17
Interest on lease liability {refer note no. 32(3)}	25.82	18.35
Miscellaneous financial expenses	0.16	0.18
Total interest expense	**33.60**	**27.84**
Unwinding of discount on long term provisions {refer note no. 19(a)(ii)}	12.11	5.78
Total Finance cost	**45.71**	**33.62**

29. Depreciation and Amortisation Expenses

(₹ in crores)

	Year ended March 31, 2024	Year ended March 31, 2023
Depreciation of property, plant and equipment {refer note 3}	243.68	219.43
Amortization of intangible assets {refer note 4}	26.55	26.13
Depreciation of Right of use assets (refer note 3)	68.27	50.61
	338.50	**296.17**

30. Other Expenses

(₹ in crores)

	Year ended March 31, 2024	Year ended March 31, 2023
Consumption of stores and spares	59.92	53.25
Power and fuel	135.33	119.27
Job work and service charges	377.14	332.96
Rent	49.41	32.44
Repairs and maintenance:		
Plant and machinery	40.57	41.04
Buildings	4.60	4.63
Others	29.87	19.65
Information technology expenses	84.41	48.97
Rates and taxes	9.15	2.80
Insurance	32.42	15.01
Trade mark fee and royalty	0.63	0.42
Travelling and conveyance	146.39	124.21

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

(₹ in crores)

	Year ended March 31, 2024	Year ended March 31, 2023
Communication expenses	5.49	5.99
Legal and professional charges	30.86	23.39
Payment to Auditors		
Audit fee	1.35	1.35
Certification and other service fee	0.47	0.03
Reimbursement of expenses	0.16	0.16
Payment to Tax Auditors		
Tax audit fee	0.04	0.04
Contribution towards Corporate Social Responsibility (CSR) {refer note no. 32(8)}	30.21	26.68
Directors sitting fees	1.01	0.90
Exchange fluctuations (net)	-	-
Freight and forwarding expense	605.87	547.16
Advertisement and sales promotion	527.36	437.40
Commission on sales	130.34	120.66
Product warranties and after sales services	235.53	292.44
Bank Charges	38.50	21.44
Loss on sale/ discard of property, plant and equipment (net)	-	0.14
Miscellaneous expenses	35.51	33.63
	2,612.54	**2,306.06**

30A. Net Impairment Losses on Financial and Contract Assets

(₹ in crores)

	Year ended March 31, 2024	Year ended March 31, 2023
Net Impairment Losses on Financial and Contract Assets	17.66	18.43
	17.66	**18.43**

31. Commitments and Contingencies

(₹ in crores)

		As At March 31, 2024	As At March 31, 2023
A.	**Contingent liabilities (to the extent not provided for)**		
a	Claims / Suits filed against the Group not acknowledged as debts (Refer point (i))	6.67	6.83
b	Disputed tax liabilities in respect of pending litigations before appellate authorities {Amount deposited under protest ₹ 10.20 crores (March 31, 2023: ₹ 13.04 crores), included in "Deposit with Statutory and Government authorities" in note no. 7) {refer point (ii)}	110.25	54.74

Notes:

i) Claims / suits filed against the Group not acknowledged as debts which represents various legal cases filed against the Group. The Group has disclaimed the liability and defending the action. The Group has been advised by its legal counsel that its position is likely to be upheld in the litigation process and accordingly no provision for any liability has been made in the financial statement.

ii) The various disputed tax litigations are as under :

(₹ in crores)

Sl.	Description {refer note below}	Period to which relates	Disputed amount As At March 31, 2024	Period to which relates	Disputed amount As At March 31, 2023
a)	**Excise / Customs / Service Tax**				
	Demands raised by Excise and Custom department.	1994-97, 2007-08 to 2009-10, 2015-16 to 2020-21	24.13	2007-08 to 2009-10, 2015-16 to 2017-18 and 2019-20	16.32

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

(₹ in crores)

Sl.	Description {refer note below}	Period to which relates	Disputed amount As At March 31, 2024	Period to which relates	Disputed amount As At March 31, 2023
b)	**Income Tax***				
	Disallowances / additions made by the income tax department.	2008-09 to 2014-15 and 2016-17	27.52	2005-06, 2008-09 to 2014-15, 2016-17 to 2017-18 and 2019-20	35.17
c)	**Goods and Service Tax**				
	Demands raised by GST Department	2017-18, 2019-20 and 2022-23	56.58	2017-18 and 2019-20	1.23
d)	**Sales Tax / VAT**				
	Demands raised by Sales tax / VAT department.	2003-04, 2005-06 to 2011-12 and 2016-17	1.87	2003-04, 2005-06 to 2011-12 and 2016-17	1.87
e)	**Others**				
	Demand of local area development tax by the concerned authorities.	2001-02	0.12	2001-02	0.12
	Demand of octroi along with penalty in the state of Maharashtra by the concerned authorities.	2010-11	0.03	2010-11	0.03
			110.25		**54.74**

Notes:

The above figures are net off provisions made by the Group. The Group is contesting these demands and the management, believe that its position will likely to be upheld in the appellate process. The management believes that the ultimate outcome of this proceeding will not have a material adverse effect on the Group's financial position and results of operations.

** Based on favourable decisions in similar cases, the Group does not expect any liability against these matters in accordance with principles of Ind AS -12 'Income taxes' read with Ind AS -37 ;Provisions, Contingent Liabilities and Contingent Assets' and hence no provision has been considered in the books of accounts except for provision created in respect of few years {refer note 19(ii)}.*

The above amounts contain interest and penalty where included in the order issued by the department to the Group

B. Commitments

(₹ in crores)

	As at March 31, 2024	As at March 31, 2023
Estimated amount of capital contracts remaining to be executed and not provided for (Net of Advances amounting to ₹ 131.98 crores (March 31, 2023: ₹ 52.52 crores))	268.86	476.73
	268.86	**476.73**

C. Undrawn committed borrowing facility

During the Year, the Group has availed fund and non fund based unsecured working capital limit amounting to ₹ 1,142.50 Crores (March 31, 2023: ₹ 1,382.50 Crores) under multiple banking arrangements from IDBI Bank Limited, Yes Bank Limited, Standard Chartered Bank Limited, HSBC Bank, ICICI Bank Limited, IndusInd Bank Limited, HDFC Bank Limited, DBS Bank Limited and CITI Bank N.A. An amount of ₹ 836.75 Crores (March 31, 2023: ₹ 1,102.86 Crores) remain undrawn as at March 31, 2024. Drawn amount is related to non fund based bank guarantee and letter of credit.

D. Other Litigations

The group has taken provisions amounting ₹ 9.10 Cr (March 31, 2023 : ₹ 6.70 Cr) against the income tax and other sales tax related litigations. These provisions represent estimates made where liability has been assessed as probable. The probability and the timing of the outflow with regard to these matters depend on the final outcome of the litigations/disputes. Hence, the group is not able to reasonably ascertain the timing of the outflow.

E. The Group has outstanding obligation amounting to ₹ 0.72 crores (March 31, 2023: ₹ 0.51 crores) in respect of bonds given to central tax department against import of goods at concessional rate of basic custom duty. The Group expects to fulfil the obligation in due course of time.

F. The Group has export obligation of ₹ 236.44 crores (March 31, 2023: ₹ 158.68 crores) on account of import duty exemption of ₹ 12.56 crores (March 31, 2023: ₹8.72 crore) on capital goods under the Export Promotion Capital Goods (EPCG) and ₹ 0.79 crores (₹ 0.15 crores March 31, 2023) Advance Authorisation scheme laid down by the Government of India. The Group expects to fulfil the obligation in due course of time.

32. Other Notes on Accounts

1. Group information

(i) The Consolidated financial statement of the Group includes subsidiaries and joint venture are mentioned below :-

S. N	Name of the entity	Country of incorporation	Nature	Ownership interest held by the group	Year Ended	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss		Share in other Comprehensive Income		Share in Total Comprehensive income	
						As % of consolidated Net Assets	Amount (₹ In crores)	As % of consolidated profit or loss	Amount (₹ In crores)	As % of consolidated other comprehensive Income	Amount (₹ In crores)	As % of consolidated comprehensive Income	Amount (₹ In crores)
1	2	3	4	5	6	7	8	9	10	11	12	13	14
(I)	**Parent**												
	Havells India Limited	India	Parent Company		March 31, 2024	100%	7,438.45	100%	1,273.21	96%	(4.81)	100%	1,268.40
					March 31, 2023	100%	6,614.48	100%	1,074.95	99%	(7.67)	100%	1,067.28
(II)	**Foreign Subsidiaries having no non-controlling interest**												
1	Havells Holdings Limited	Isle of Man	Wholly Owned Subsidiary (WOS), (dissolved on October 27, 2022)	0%	March 31, 2024	0%	-	0%	-	0%	-	0%	-
				0%	March 31, 2023	0%	-	0%	(0.04)	0%	-	0%	(0.04)
2	Havells Guangzhou International Limited	China	Wholly Owned Subsidiary	100%	March 31, 2024	0%	9.39	0%	(1.71)	6%	(0.32)	0%	(2.03)
				100%	March 31, 2023	0%	11.42	0%	(0.32)	1%	(0.06)	0%	(0.38)
3	Havells International Inc	USA	Wholly Owned Subsidiary (Incorporated on October 19,2023)	100%	March 31, 2024	0%	20.10	0%	(0.74)	-2%	0.11	0%	(0.63)
				NA	March 31, 2023	0%	-	0%	-	0%	-	0%	-
	Consolidation adjustment				March 31, 2024	0%	(21.18)	0%	-	0%	-	0%	-
	Consolidation adjustment				March 31, 2023	0%	(0.45)	0%	(2.85)	0%	-	0%	(2.85)
	Total - March 31, 2024					100%	7,446.76	100%	1,270.76	100%	(5.02)	100%	1,265.74
	Total - March 31, 2023					100%	6,625.45	100%	1,071.73	100%	(7.73)	100%	1,064.00

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

2. During the year, the Group has capitalised the following expenses directly relatable to the cost of property, plant and equipment and capital work-in progress, being expenses related to projects and development of Dies and Fixtures. Consequently, expenses disclosed under the respective notes are net of amounts capitalised by the Group.

(₹ in crores)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Cost of material consumed	14.48	13.33
Employee benefits expense*	4.39	11.76
Other expenses	5.31	4.83
	24.18	**29.92**

**Employee benefits expense includes overheads*

3. **Leases**

i The Group's lease asset primarily consist of leases for land and buildings for branch offices and warehouses having the various lease terms. The Group also has certain leases of with lease terms of 12 months or less. The Group applies the 'short-term lease' recognition exemption for these leases. Payment made towards leases of low value assets (lease of assets worth less than ₹ 2 Lakhs) other than building and warehouse are recognized in the statement of Profit and Loss as rental expenses over the tenure of such leases.

ii Following is carrying value of right of use assets and the movements thereof :

(₹ in crores)

Particulars	Right of Use Asset		Total
	Leasehold Land	Leasehold Building	
Balance as at April 1, 2022	**223.91**	**209.75**	**433.66**
Additions during the year	1.34	51.86	53.20
Deletion during the year	-	(4.22)	(4.22)
Depreciation of Right of use assets (refer note 29)	(2.54)	(48.07)	(50.61)
Balance as at March 31, 2023	**222.71**	**209.32**	**432.03**
Additions during the year	0.30	133.72	134.02
Deletion during the year	(0.15)	-	(0.15)
Depreciation on Right of use assets (refer note 29)	(2.54)	(65.73)	(68.27)
Balance as at March 31, 2024	**220.32**	**277.31**	**497.63**

iii The following is the carrying value of lease liability and movement thereof :

(₹ in crores)

Particulars	Amount
Balance as at April 1, 2022	**220.87**
Additions during the year	50.73
Finance cost accrued during the year	18.35
Deletion during the year	(4.10)
Lease rent concession	(0.12)
Payment of lease liabilities including interest	(62.63)
Balance as at March 31, 2023	**223.10**
Additions during the year	131.39
Finance cost accrued during the year	25.82
Deletion during the year	-
Lease rent concession	-
Payment of lease liabilities including interest	(77.15)
Balance as at March 31, 2024	**303.16**
Current maturities of Lease liability {refer note 18 (A)}	60.72
Non-Current Lease Liability {refer note 14 (A)}	242.44
	303.16

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

iv The maturity analysis of lease liabilities are disclosed in Note 32(10).

v The weighted average incremental borrowing rate applied to lease liabilities as at April 1, 2019 is 8.5%

vi Amounts recognised in the statement of profit and loss during the year

(₹ in crores)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Depreciation charge of right-of-use assets - leasehold building	65.73	48.07
Depreciation charge of right-of-use assets - leasehold land	2.54	2.54
Finance cost accrued during the year (included in finance cost) (refer note 28)	25.82	18.35
Expense related to short term leases (included in other expense) (refer note 30)	49.41	32.44

vii The Group does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

viii The Group has applied a single discount rate to a portfolio of leases of a similar assets in similar economic environment with similar end date.

ix **Non-cash investing activities during the year:**

(₹ in crores)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Acquisition of right of use assets	134.02	53.20
Recognition of grant related to assets	(3.21)	-
Disposals of right use assets	(0.15)	(4.22)

4. Gratuity and other post-employment benefit plans

Disclosures pursuant to Ind AS - 19 "Employee Benefits" (notified under the section 133 of the Companies Act 2013 (the Act) read with Companies (Indian Accounting Standards) Rule 2015 (as amended from time to time) and other relevant provision of the Act) are given below :

Contribution to Defined Contribution Plan, recognised as expense for the year is as under:

(₹ in crores)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Employer's Contribution towards Provident Fund (PF)	55.43	47.40
Employer's Contribution towards Employee State Insurance (ESI)	0.29	0.32
	55.72	**47.72**

Defined Benefit Plan

The employees' Gratuity Fund Scheme, which is a defined benefit plan, is managed by the trust which maintains its investments with Bajaj Allianz Life Insurance Co. Ltd. The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the gratuity plan, every employee who has completed at least five years of service gets a gratuity on departure at 15 days of last drawn basic salary for each completed year of service. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The following tables summaries the components of net benefit expense recognised in the statement of profit or loss, the funded status and amounts recognised in the balance sheet for the respective plans:

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

(₹ in crores)

		Year ended March 31, 2024	Year ended March 31, 2023
a)	**Reconciliation of opening and closing balances of Defined Benefit obligation**		
	Present value of Defined Benefit obligation at the beginning of the year	177.81	140.29
	Interest Expense	12.67	9.90
	Current Service Cost	23.88	24.80
	Benefit paid	(10.95)	(6.64)
	Remeasurement of (Gain)/loss recognised in other comprehensive income:		
	Actuarial changes arising from changes in financial assumptions	1.86	3.62
	Actuarial changes arising from changes in experience adjustments	3.91	5.84
	Present value of Defined Benefit obligation at year end	**209.18**	**177.81**
b)	**Reconciliation of opening and closing balances of fair value of plan assets**		
	Fair value of plan assets at beginning of the year	142.45	131.64
	Expected return on plan assets	11.77	9.59
	Employer contribution	29.07	8.65
	Remeasurement of Gain/(loss) in other comprehensive income		
	Return on plan assets excluding interest income	(0.66)	(0.79)
	Benefits paid	(9.99)	(6.64)
	Fair value of plan assets at year end	**172.64**	**142.45**
c)	**Net defined benefit asset/ (liability) recognised in the balance sheet**		
	Fair value of plan assets	172.64	142.45
	Present value of defined benefit obligation	(209.18)	(177.81)
	Amount recognised in Balance Sheet- Asset / (Liability)	**(36.54)**	**(35.36)**
	Current portion {refer note 19(i)}	(30.56)	(31.21)
	Non-current portion	(5.98)	(4.15)
d)	**Net defined benefit expense (recognised in the Statement of profit and loss for the year)**		
	Current service cost	23.88	24.80
	Interest cost (net)	0.90	0.31
	Net defined benefit expense debited to statement of profit and loss	**24.78**	**25.11**
e)	**Remeasurement (gain)/ loss recognised in other comprehensive income**		
	Actuarial changes arising from changes in financial assumptions	1.86	3.62
	Actuarial changes arising from changes in experience adjustments	3.91	5.84
	Return on Plan assets excluding amounts included in net interest expense	0.66	0.79
	Recognised in other comprehensive income	**6.43**	**10.25**
f)	**Broad categories of plan assets as a percentage of total assets**		
	Insurer managed funds	100%	100%

g) **Principal assumptions used in determining defined benefit obligation**

	Year ended March 31, 2024	Year ended March 31, 2023
Mortality Table (LIC)	2012-14 (Ultimate)	2012-14 (Ultimate)
Discount rate (per annum)	7.24%	7.37%
Salary Escalation	9.50%	9.50%
Attrition Rate	7.00%	7.00%

h) **Quantitative sensitivity analysis for significant assumptions is as below:**

Increase / (decrease) on present value of defined benefits obligations at the end of the year

	Year ended March 31, 2024	Year ended March 31, 2023
Discount rate		
Increase by 1%	(13.41)	(11.77)
Decrease by 1%	15.30	13.42
Salary increase		
Increase by 1%	14.96	13.16
Decrease by 1%	(13.38)	(11.78)
Attrition rate		
Increase by 1%	(1.94)	(1.50)
Decrease by 1%	2.18	(1.71)

i) **Maturity profile of defined benefit obligation**

	Year ended March 31, 2024	Year ended March 31, 2023
Within the next 12 months (next annual reporting period)	13.23	12.75
Between 2 and 5 years	87.31	75.71
More than 5 years	283.80	248.85
Total expected payments	**384.34**	**337.31**

j) The average duration of the defined benefit plan obligation at the end of the reporting period is 21.80 years for on-roll employees (March 31, 2023: 21.87 years).

k) The Group expects to contribute ₹ 28.14 crores (March 31,2023 : ₹ 29.08 crores) to the plan during the next financial year.

l) 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.

m) 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.

n) The sensitivity analysis above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in an assumptions occurring at the end of the reporting period while holding all other assumption constraint. In practice it is unlikely to occur and change in some of the assumption may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

o) The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

5. Segment Reporting

The segment reporting of the Group has been prepared in accordance with Ind AS-108, “Operating Segment” (specified under the section 133 of the Companies Act 2013 (the Act) read with Companies (Indian Accounting Standards) Rule 2015 (as amended from time to time) and other relevant provision of the Act). For management purposes, the Group is organized into business units based on its products and services and has six reportable segments as follows:

a) **Operating Segments**

Switchgears	: Domestic and Industrial switchgears, electrical wiring accessories and capacitors.
Cables	: Domestic cables and Industrial underground cables.
Lighting and Fixtures	: Energy Saving Lamps (LED, Fixtures) and luminaries.
Electrical Consumer Durables	: Fans, Water Heaters, Coolers, and Domestic Appliances
Lloyd Consumer	: Air Conditioner, Television, Refrigerator and Washing Machine
Others	: Industrial motors, Pump, Water purifier, Solar, Personal Grooming

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

b) **Identification of Segments:**

Operating segments have been identified on the basis of the nature of product / services and have been identified as per the quantitative criteria specified in the Ind AS. The Board of Directors monitors the operating results of its operating segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements.

c) 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 "unallocable".

d) Segment assets and segment liabilities represent assets and liabilities in respective segments. Investments, tax related assets, borrowings and other assets and liabilities that can not be allocated to a segment on reasonable basis have been disclosed as "unallocable".

e) There is no transfer of products between operating segments.

f) There are no customers having revenue exceeding 10% of total revenues

g) No operating segments have been aggregated to form the above reportable operating segments.

(₹ in crores)

Summary of Segmental Information		Year ended March 31, 2024	Year ended March 31, 2023
A.	**Revenue from operations**		
	Segment Revenue (Sales and other operating revenue)		
	Switchgears	2,246.31	2,120.19
	Cables	6,317.57	5,532.60
	Lighting and fixtures	1,639.75	1,614.54
	Electrical consumer durables	3,482.48	3,298.21
	Lloyd Consumer	3,810.30	3,394.92
	Others	1,093.60	950.27
		18,590.01	**16,910.73**
	Inter Segment Sale	-	-
	Total segment revenue	**18,590.01**	**16,910.73**
B.	**Results**		
	Segment results		
	Switchgears	596.30	553.12
	Cables	716.05	522.85
	Lighting and fixtures	247.82	245.85
	Electrical consumer durables	387.10	416.16
	Lloyd Consumer	(166.96)	(225.07)
	Others	24.55	33.73
	Segment profit	**1,804.86**	**1,546.64**
	Reconciliation of segment operating profit to operating profit		
	Unallocated:		
	Other unallocable expenses net off	(340.27)	(243.67)
	Provision no longer required written back (non-recurring)	39.53	-
	Other unallocable income	248.96	177.71
	Operating Profit	**1,753.08**	**1,480.68**
	Finance Costs {refer note 28}	(45.71)	(33.62)

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

(₹ in crores)

Summary of Segmental Information		Year ended March 31, 2024	Year ended March 31, 2023
	Profit before exceptional items and tax	**1,707.37**	**1,447.06**
	Exceptional Items:		
	a) Loss due to fire	-	112.52
	b) Insurance claim receivable	-	(112.52)
	Net Profit/ (Loss) for the year before tax and after exceptional items	**1,707.37**	**1,447.06**
	Income tax expense {refer note 16}	(436.61)	(375.33)
	Profit after tax	**1,270.76**	**1,071.73**
C.	**Reconciliations to amounts reflected in the financial statements**		
	Segment Assets		
	Switchgears	621.91	580.76
	Cables	1,568.61	1,309.14
	Lighting and fixtures	660.57	694.29
	Electrical consumer durables	1,195.05	1,143.17
	Lloyd Consumer	4,126.90	4,262.91
	Others	325.06	285.57
	Segment operating assets	**8,498.10**	**8,275.84**
	Reconciliation of segment operating assets to total assets		
	Cash and bank balance {refer note, 6(C), 10(C) and (D)}	3,015.42	1,977.11
	Investment and Fixed deposits with financial institutions {refer note 6(A) and 10(A)}	20.00	200.87
	Other unallocable assets	865.13	688.93
	Total assets	**12,419.83**	**11,143.20**
	Segment Liabilities		
	Switchgears	469.64	387.87
	Cables	1,177.92	859.26
	Lighting and fixtures	375.09	345.74
	Electrical consumer durables	656.50	621.87
	Lloyd Consumer	992.80	1,105.28
	Others	229.64	201.92
	Segment operating liabilities	**3,901.59**	**3,521.94**
	Reconciliation of segment operating liabilities to total liabilities		
	Lease Liabilities{refer note 14(A) and 18(A)}	303.16	223.10
	Deferred tax liability {refer note 16(d)}	357.52	361.51
	Current tax liabilities (net){refer note 20}	85.20	32.26
	Other unallocable liabilities	333.91	389.91
	Total liabilities	**4,981.38**	**4,528.72**
	Other non-current assets		
	Switchgears	6.91	1.24
	Cables	10.58	27.78
	Lighting and fixtures	0.30	7.15
	Electrical consumer durables	4.65	2.08
	Lloyd Consumer	5.00	5.10
	Others	0.30	2.64
		27.74	**45.99**
	Unallocable assets	118.88	32.95
		146.62	**78.94**
	Capital Expenditure		
	Switchgears	54.26	27.28

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

(₹ in crores)

Summary of Segmental Information	Year ended March 31, 2024	Year ended March 31, 2023
Cables	251.39	19.67
Lighting and fixtures	109.40	22.28
Electrical consumer durables	65.12	41.91
Lloyd Consumer	161.77	404.36
Others	28.78	6.88
	670.72	**522.38**
Unallocable capital expenditure	41.97	48.74
	712.69	**571.12**
Depreciation and Amortization Expenses		
Switchgears	52.92	49.83
Cables	75.30	64.38
Lighting and fixtures	21.31	18.94
Electrical consumer durables	60.82	54.30
Lloyd Consumer	115.24	95.58
Others	12.91	13.10
	338.50	**296.13**
Non-cash expenses (net) other than depreciation		
Switchgears	1.11	2.82
Cables	3.42	6.47
Lighting and fixtures	2.20	1.48
Electrical consumer durables	1.72	3.45
Lloyd Consumer	2.36	3.46
Others	0.53	0.89
	11.34	**18.57**
Note: Non cash expenses other than depreciation includes loss on disposal of property, plant and equipment, bad debts and Impairment allowance for trade receivables and other assets considered doubtful		
Segment Revenue by location of customers		
The following is the distribution of Group's revenue by geographical market, regardless of where the goods were produced.		
Revenue-Domestic Market	17,986.78	16,425.15
Revenue-Overseas Market	603.23	485.58
	18,590.01	**16,910.73**
Geographical Segment assets		
Within India	12,394.44	11,099.58
Outside India	38.25	57.86
	12,432.69	**11,157.44**
Geographical Non-current assets		
Within India	4,422.38	3,858.66
Outside India	10.83	7.34
	4,433.21	**3,866.00**

Note:- Non-current assets for this purpose excludes contract assets, non-current financial assets and non-current tax assets.

Notes:

(i) Finance income and costs on financial assets are not allocated to individual segments as the underlying instruments are managed at Group level.

(ii) Current taxes, deferred taxes and certain financial assets and liabilities are not allocated to those segments as they are also managed at Group level

(iii) Capital expenditure consists of additions of property, plant and equipment, Capital work in progress and intangible assets

(iv) There is no single external customer accounting to 10 per cent or more of an Group's revenues

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

6. Related party transactions

The related parties as per the terms of Ind AS-24,"Related Party Disclosures", { under the section 133 of the Companies Act 2013 (the Act) read with Companies (Indian Accounting Standards) Rules 2015 (as amended from time to time)}, as disclosed below:-

(A) Names of related parties :

(i) Enterprises having significant influence over Group

QRG Enterprises Limited
QRG Investment and Holding Limited

(ii) Enterprises in which directors are having significant influence

QRG Foundation
Guptajee & Company
SRF Limited
Manipal Health Enterprises Pvt. Ltd
Ayana Renewable Power Private Limited

(iii) Employee benefit trust for the benefited employees

Havells India Limited Employees Gratuity Trust
Havells Employees Welfare Trust

(iv) Key Management Personnel

Shri Anil Rai Gupta, Chairman and Managing Director
Shri Rajesh Kumar Gupta, Whole-time director and Group CFO
Shri Ameet Kumar Gupta, Whole-time Director
Shri Siddhartha Pandit, Whole-time Director

Shri Sanjay Kumar Gupta, Company Secretary

Non Executive Directors

Shri Puneet Bhatia
Shri T V Mohandas Pai
Shri Surjit Kumar Gupta
Shri Jalaj Ashwin Dani
Shri U K Sinha
Shri B P Rao
Shri S S Mundra
Shri Vivek Mehra
Smt Namrata Kaul
Shri Ashish Bharat Ram

(v) Other Related Parties

Shri Rakesh Mehrotra
- Associate Director
- HKHR Ventures LLP (Partner)

Shri Yogesh Kumar Gupta
- Associate Director
- Eastern Distributors (Partner)
- Gupta Enterprise (Partner)
- YKG Enterprises (Partner)
- OP Gupta and Company (Partner)
- OPG Travels (Partner)

(₹ in crores)

		Year ended March 31, 2024	Year ended March 31, 2023
(B)	**Transactions during the year**		
(i)	**Service Income (refer note (c) below)**		
	Enterprises having significant influence over Group		
	QRG Investments and Holdings Limited	0.10	-
		0.10	**-**
(ii)	**Purchase of goods and stores & spares**		
	Enterprises in which directors are having significant influence		
	SRF Limited	18.95	17.87
		18.95	**17.87**

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

(₹ in crores)

		Year ended March 31, 2024	Year ended March 31, 2023
(iii)	**Sale of products (refer note (c) below)**		
	Enterprises in which directors are having significant influence		
	SRF Limited	3.70	7.21
	Ayana Renewable Power Private Limited	0.22	-
	Other Related Parties		
	OP Gupta and Company	5.12	1.63
		9.04	**8.84**
(iv)	**Commission on sales (refer note (c) below)**		
	Enterprises in which directors are having significant influence		
	Guptajee and Company	20.13	20.65
	Other Related Parties		
	Eastern Distributors	21.78	19.07
	Gupta Enterprise	2.05	2.01
	YKG Enterprises	2.95	2.95
	HKHR Ventures LLP	43.86	38.10
		90.77	**82.78**
(v)	**Rent / Usage Charges Paid**		
	Enterprises having significant influence over Group		
	QRG Enterprises Limited	28.82	29.52
		28.82	**29.52**
(vi)	**Reimbursement of expenses paid**		
	Other Related Parties		
	OPG Travels	0.95	1.15
		0.95	**1.15**
(vii)	**CSR Contribution**		
	Enterprises having significant influence		
	QRG Foundation	9.08	9.70
		9.08	**9.70**
(viii)	**Contribution to post employee benefit plan**		
	Havells India Limited Employees Gratuity Trust	29.08	8.65
		29.08	**8.65**
(ix)	**Managerial remuneration**		
	Key Management Personnel		
	Salaries, wages, bonus, commission and other benefits	59.17	51.44
	Contribution towards PF, Family Pension and ESI	2.21	2.01
	Post-employment benefits	1.45	1.15
	ESPP expense	11.23	13.01
	Non-Executive Directors		
	Director sitting fees	1.01	0.90
	Commission	1.80	1.80
(x)	**Remuneration to other Related Parties**		
	Salaries, wages, bonus, commission and other benefits	3.00	3.00
		79.87	**73.31**

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

(₹ in crores)

		As at March 31, 2024	As at March 31, 2023
(C)	**Balances at the year end**		
(i)	**Amount Receivable**		
	Enterprises in which directors are interested		
	SRF Limited	0.03	-
		0.03	**-**
(ii)	**Amount Payables**		
	Enterprises in which directors are interested		
	Guptajee & Company	5.34	5.26
	SRF Limited	2.20	1.39
	Other Related Parties		
	Eastern Distributors	6.27	5.28
	Gupta Enterprise	0.65	0.24
	OP Gupta and Company	-	-
	HKHR Ventures LLP	10.31	3.80
	OPG Travels	0.10	0.03
		24.87	**16.00**

a) 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. The settlement for these balances occurs through payment. There have been no guarantees provided or received for any related party receivables or payables. For the year ended March 31, 2024, the Group has not recorded any impairment of receivables relating to amounts owed by related parties (March 31, 2023: ₹ Nil). 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.

b) As at March 31, 2024, the Group has not granted any loans to the promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013), either severally or jointly with any other person (March 31, 2023: Nil),

c) Transactions with related parties are reported gross of Goods and Service Tax.

7. Share based payments

The Group has in place following employee stock purchase plan approved by shareholders of the Group in compliance with Securities and Exchange Board of India (Share Based Employee Benefits) regulations, 2021:

(a) Havells Employee Long Term Incentive Plan 2014 : In accordance with this scheme, 51,376 (March 31, 2023 : 41,817) share options of ₹ 1 each were granted, out of which 50,945 (March 31, 2023: 41,415) share options of ₹ 1 each were vested and allotted on June 08, 2023 (March 31, 2023 : June 03, 2022) to eligible employees at ₹ 1,230.20 (March 31, 2022: ₹ 1,289.85) per share as contributed by these employees. As per the scheme, 50% of the shares are under lock in period of 13 months and balance 50% for 2 years. Also as per the scheme, the Group is obliged to pay 50% of the contribution made by eligible employees as retention bonus over a period of two years in equal instalments. Accordingly, a sum of ₹ 2.53 crores (March 31, 2023 : ₹ 2.23 crores) has been recognised as employee stock purchase plan expense (refer note 27).

(b) Havells Employee Stock Purchase Plan 2015 : In accordance with this scheme, 93,040, which will be transferred to eligible employees together with the 41,960 Shares lying in the Trust, against the Exercise of 1,35,000 share options (March 31, 2023: 150,000) of ₹ 1 each were granted, vested and allotted on June 08,2023 (March 31, 2023: June 03, 2022) at ₹ 1,230.20 (March 31, 2023: ₹ 1289.85) per share to eligible employees as contributed by the Group. As per the scheme, 78% of the shares are under lock in period of 13 months and remaining 22% are under lock in period for 2 years. Accordingly, a sum of ₹ 16.61 crores (March 2023 :₹ 19.35 crores) has been recognised as employee stock purchase plan expenses (refer note 27).

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

(c) Havells Employee Stock Purchase Plan 2016 : In accordance with the said scheme, 34,303 (March 31, 2023: 24,942) share options of ₹ 1 each were granted to eligible employees with graded vesting in three years starting from 2022. During the year, 20,627 equity shares of ₹ 1 each (March 31, 2023 : 13534 equity shares) were allotted at ₹ 1,230.20 (March 31, 2023 : ₹1,289.85) per share on June 08, 2023 (March 31, 2023 : June 03, 2022). Accordingly, a sum of ₹3.88 crores (March 31,2023: 2.69 crores) has been recognised as employee stock purchase plan expense (refer note 27) and balance outstanding of ₹ 2.81 crores (March 31, 2023 : 1.48 crores) (refer note 13).

(d) Havells Employee Stock Purchase Plan 2022 : In accordance with the said scheme, 65,628 (March 31, 2023: 17,733) share options of ₹ 1 each were granted to eligible employees with graded vesting in five years starting from 2022. During the year, 8680 equity shares of ₹ 1 each (March 31, 2023 : 1722 equity shares) were allotted at ₹ 1,230.20 (March 31, 2023 : 1348.55) per share on November 01, 2023 (March 31, 2023 : November 03, 2022). Accordingly, a sum of ₹3.98 crores (March 31,2023: 1.06 crores) has been recognised as employee stock purchase plan expense (refer note 27) and balance outstanding of ₹ 3.75 crores (March 31, 2023 : 0.82) (refer note 13).

(i) Set out below is a summary of options granted and vested during the year under the plan

Summary of Stock Options	2023-24		2022-23	
	Number of Stock Options	Weighted average exercise price per share option	Number of Stock Options	Weighted average exercise price per share option
Options outstanding at the beginning of the year	34,691	-	10,023	-
Options granted during the year	2,86,307	1,230.20	2,34,492	1,290.34
Options vested and exercised during the year (refer note below)	(2,15,252)	1,230.20	(2,06,671)	1,290.34
Options lapsed during the year	(9,005)	-	(3,153)	-
Options outstanding at the end of the year	**96,741**	-	**34,691**	-

The weighted average share price at the date of exercise of options exercised during the year ended March 31, 2024 was ₹ 1,230.20 per share (March 31, 2023 : ₹ 1,290.34) per share. For share options outstanding at the end of the year, exercise price ranges from ₹ 1,152.55 to ₹ 1,188.50.

Note: *Includes 41,960 equity shares of ₹ 1 each already lying with the Havells Employee Welfare Trust transferred to the eligible employees against exercise of 2,15,252 shares under the ESPS scheme*

(ii) Share options outstanding at the end of the year have the following expiry dates and exercise prices:

Particulars	March 31, 2024		March 31, 2023	
ESPP Scheme	**ESPP 2022**	**ESPP 2016**	**ESPP 2022**	**ESPP 2016**
Grant date	May 02, 2023	May 02, 2023	Oct 03, 2022	May 05, 2022
Expiry date	2024-25 to 2027-28	2024-25 and 2025-26	2023-24 to 2026-27	2023-24 and 2024-25
Outstanding share options	67,262	29,479	16,011	18,680
Weighted average remaining contractual life of options outstanding at the end of the year	4 years	2 year	4 years	2 year

The fair value at grant date of options granted during the year ended March 31, 2024 was within range of ₹ 1211.83 to ₹ 1222.64 per share (March 31, 2023 was within range of ₹ 1,271.53 to ₹ 1,348.16 per share). The fair value at the grant date is determined using Black Scholes valuation model which takes into account the exercise price, the terms of the options, the share price at grant date and expected price volatility of the underlying shares, the expected dividend yield and the risk free interest rate for the term of the option.

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

(iii) **The Model inputs for options granted (ESPP 2016) :**

(a)	**Particulars**	**March 31, 2024**	**March 31, 2023**
	Expected Price volatility of the Group's share	9.87% to 27.31%	10.10% to 15.29%
	Expected Dividend Yield	0.59%	0.70%
	Share price at the grant date	₹ 1,230.20	₹ 1,289.85
	Risk free interest rate	7.12%	7.15%
	The Model inputs for options granted (ESPP 2022) :		
(b)	**Particulars**	**March 31, 2024**	**March 31, 2023**
	Expected Price volatility of the Group's share	9.87% to 31.53%	7.78% to 15.30%
	Expected Dividend Yield	0.59%	0.70%
	Share price at the grant date	₹ 1,230.20	₹ 1,348.55
	Risk free interest rate	7.12%	7.41%

(iv) The expected price volatility is based on the historical volatility (based on remaining life of the options), adjusted for any expected change to future volatility due to publically available information.

(v) Expense arising from shared based payment transactions

Particulars	**March 31, 2024**	**March 31, 2023**
Havells Employees Long Term Incentive Plan 2014	2.53	2.23
Havells Employees Stock Purchase Plan 2015	16.61	19.35
Havells Employees Stock Purchase Plan 2016	3.88	2.69
Havells Employees Stock Purchase Plan 2022	3.98	1.06
Total expense recognised in the statement of profit and loss account as a part of employee benefit expense	**27.00**	**25.33**

8. Corporate Social Responsibility

As per provisions of section 135 of the Companies Act, 2013, the Group has to incur 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 as per the Schedule VII of the Companies Act, 2013. Details are as under:

Details of CSR Expenditure:

Particulars	**Year ended March 31, 2024**	**Year ended March 31, 2023**
Contribution to Reimagining Higher Education Foundation for building educational infrastructure	11.00	13.00
Contribution to QRG Foundation for providing mid day meal, promotion of sanitation & hygiene and free coaching	9.08	9.70
Others: for development of healthcare infrastructure, tree plantation, promoting education, etc.	9.85	4.19
Accrual towards unspent obligation in relation to		
Ongoing Project	-	-
Other than ongoing Project	-	-
Total	**29.93**	**26.89**
Add : Carried forward from previous year	0.93	0.72

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for the year ended March 31, 2024

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Less: Excess spent during the year to be carry forward to next year	0.65	0.93
Amount recognised in Statement of Profit and Loss	**30.21**	**26.68**
Amount required to be spent as per section 135 of the Act	**30.21**	**26.68**
Amount approved by the Board to be spent during the year	**30.21**	**26.68**
Amount spent during the year on		
(i) Construction/ acquisition of assets	14.72	14.55
(ii) Contribution to Trust/Universities/Society	9.12	8.30
(iii) On purpose other than above	6.09	4.04
Total Amount Spent	**29.93**	**26.89**
Excess spent from previous year utilised during the current year	0.93	0.72
Amount yet to be spent	-	-
Total	30.86	27.61
Less: Excess spent during the year to be carry forward to next year (refer note 11)	0.65	0.93
Total	**30.21**	**26.68**

Details of ongoing CSR projects under Section 135(6) of the Companies Act, 2013

Year	Opening Balance		Amount required to be spent during the year	Amount spent during the year		Closing Balance	
	With the Group	In Separate CSR Unspent A/c		From Group's bank account	From Separate CSR Unspent account	With the Group	In Separate CSR Unspent account
FY2022-23	-	8.00	-	-	4.00	-	4.00
FY2023-24	-	4.00	-	-	4.00	-	-

Note: *The Group had earned an interest of INR 0.16 crores (0.41 crores in March 2023) on the funds in CSR unspent bank account during the year. Further, the Group has made an additional payment of ₹ 0.79 crores to Ashoka University, on account of interest earned (net of taxes) on amount deposited in separate CSR Bank account.including the 0.16 crores interest earned during the year.*

Details of CSR expenditure under Section 135(5) of the Companies Act, 2013 in respect of unspent amount other than ongoing projects

Year	Opening Balance unspent	Amount deposited in Specified Fund of Schedule VII of the Act within 6 months	Amount required to be spent during the year	Amount spent during the year	Closing balance unspent
FY2022-23	-	-	26.68	26.68	-
FY2023-24	-	-	30.21	30.21	-

Details of excess CSR expenditure under Section 135(5) of the Companies Act, 2013

Year	Opening balance excess spent	Amount required to be spent during the year	Amount spent during the year	Closing balance excess spent
FY2022-23	0.72	26.68	26.89	0.93
FY2023-24	0.93	30.21	29.93	0.65

9. Fair value measurements

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

(₹ in crores)

	Carrying Value		Fair Value	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
Financial instruments by category				
Financial assets valued at amortized cost				
Investments with financial institution	-	180.87	-	180.87
Cash and bank balances (Current)	3,038.17	1,870.17	3,038.17	1,870.17
Trade Receivables	1,165.20	975.53	1,165.20	975.53
Other Financial assets (Current)	20.99	116.89	20.99	116.89
Other Financial assets (Non-current)	33.15	149.08	33.15	149.08
	4,257.51	**3,292.54**	**4,257.51**	**3,292.54**
Financial Liabilities valued at amortized cost				
Trade Payables	2,691.90	2,643.19	2,691.90	2,643.19
Lease Liability (current and non current)	303.16	223.10	303.16	223.10
Other financial liabilities (non-current)	4.05	7.21	4.05	7.21
Other financial liabilities (current)	787.68	624.85	787.68	624.85
	3,786.79	**3,498.35**	**3,786.79**	**3,498.35**

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

The fair value of the other financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

1) The fair value of unquoted instruments, other non-current financial assets and non-current financial liabilities is estimated by discounting future cash flows (DCF model) using rates currently available for debt on similar terms, credit risk and remaining maturities. The valuation requires management to use unobservable inputs in the model, of which the significant unobservable inputs are disclosed in the tables below. Management regularly assesses a range of reasonably possible alternatives for those significant unobservable inputs and determines their impact on the total fair value.

2) The fair values of the Group's interest-bearing borrowings are determined by using DCF method using discount rate that reflects the issuer's borrowing rate as at the end of the reporting period. The own non-performance risk as at March 31, 2024 was assessed to be insignificant.

3) Long-term receivables/payables are evaluated by the Group based on parameters such as interest rates, risk factors, individual creditworthiness of the counterparty and the risk characteristics of the financed project. Based on this evaluation, allowances are taken into account for the expected credit losses of these receivables.

4) **Fair value hierarchy**

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: The fair value of financial instruments traded in active markets is based on quoted (unadjusted) market prices at the end of the reporting period for identical assets or liabilities

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise 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. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in level 3.

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

There are no transfers among levels 1, 2 and 3 during the year.

This section explains the judgement and estimates made in determining the fair value of financial assets that are:

a) Recognised and measured at Fair value

b) Measured at amortised cost and for which fair value is disclosed in financial statements

Quantitative disclosures of fair value measurement hierarchy for assets as on March 31, 2024

	Carrying Value	Fair Value		
	March 31, 2024	Level 1	Level 2	Level 3
Assets carried at amortized cost for which fair value are disclosed				
Other Financial assets (Non-current)	33.15	-	-	33.15
Other Financial assets (Current)	20.99	-	-	20.99
Assets carried at fair value though profit and loss				
Investment in preference shares	20.00	-	20.00	-
Liabilities carried at amortized cost for which fair value are disclosed				
Lease Liability (current and non current)	303.16	-	-	303.16
Other financial liabilities (non-current)	4.05	-	-	4.05
Other financial liabilities (current)	787.68	-	-	787.68

Quantitative disclosures of fair value measurement hierarchy for assets as on March 31, 2023

	Carrying Value	Fair Value		
	March 31, 2023	Level 1	Level 2	Level 3
Assets carried at amortized cost for which fair value are disclosed				
Other Financial assets (non-current)	149.08	-	-	149.08
Other Financial assets (current)	116.89	-	-	116.89
Assets carried at fair value though profit and loss				
Investment in preference shares	20.00	-	20.00	-
Liabilities carried at amortized cost for which fair value are disclosed				
Lease Liability (current and non current)	223.10	-	-	223.10
Other financial liabilities (non-current)	7.21	-	-	7.21
Other financial liabilities (current)	624.85	-	-	624.85

10. Financial risk management objectives and policies

The Group's principal financial liabilities comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Group's operations. The Group's principal financial assets include trade and other receivables, and cash and cash equivalents that are derived directly from its operations.

The Group's financial risk management is an integral part of how to plan and execute its business strategies. The Group is exposed to market risk, credit risk and liquidity risk.

The Group is exposed to market risk, credit risk and liquidity risk. The Group's senior management oversees the management of these risks. The senior professionals working to manage the financial risks and the appropriate financial risk governance framework for the Group are accountable to the Board of Directors and Audit Committee. This process provides assurance to Group's senior management that the Group's financial risk-taking activities are governed by appropriate policies and procedures and that financial risk are identified, measured and managed in accordance with Group policies and Group risk objective.

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

The Board of Directors reviews and agrees policies for managing each of these risks which are summarized as below:

(a) 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 analysis in the following sections relate to the position as at reporting date. The analysis exclude the impact of movements in market variables on: the carrying values of gratuity and other post-retirement obligations; provisions; and the non-financial assets and liabilities. The sensitivity of the relevant Profit and Loss item and equity 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 March 31, 2024 and March 31, 2023.

(i) Foreign Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities (when revenue or expense is denominated in foreign currency). Foreign currency exchange rate exposure is partly balanced by purchasing of goods from the respective countries. The Group evaluates exchange rate exposure arising from foreign currency transactions and follows established risk management policies

Foreign currency risk sensitivity

The following tables demonstrate the sensitivity to a reasonably possible change in USD,EUR,CNY and other currencies including JPY,KES,NPR, CHF, LKR, MWK,AED,SLL and GBP exchange rates, with all other variables held constant. The impact on the Group profit before tax and equity is due to changes in the fair value of monetary assets and liabilities. Foreign currency exposures recognised by the Group that have not been hedged by a derivative instrument or otherwise are as under:

			Gain/ (loss)	
	March 31, 2024		Impact on profit before tax and equity	
Currency	Foreign Currency	Indian Rupees	5% increase	5% decrease
	in Crores	in Crores	in Crores	in Crores
United States Dollar	$ (3.40)	(283.09)	(14.15)	14.15
EURO	€ (0.07)	(6.29)	(0.31)	0.31
Chinese RMB\CNY	CNY (5.78)	(66.57)	(3.33)	3.33
Other currencies	(0.40)	(0.34)	(0.02)	0.02

	March 31, 2023		Impact on profit before tax and equity	
Currency	Foreign Currency	Indian Rupees	5% increase	5% decrease
	in Crores	in Crores	in Crores	in Crores
United States Dollar	$ (3.16)	(259.58)	(12.98)	12.98
EURO	€ (0.04)	(3.77)	(0.19)	0.19
Chinese RMB\CNY	CNY (5.88)	(70.17)	(3.51)	3.51
Other currencies	(8.54)	(5.33)	(0.27)	0.27

Note:

Figures in bracket represents payables

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for the year ended March 31, 2024

(ii) **Interest Rate Risk**

Interest rate 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 Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long term debt obligation at floating interest rates. The Group's borrowings outstanding as at March 31, 2024 and March 31,2023 comprise of long term loans.

(iii) **Commodity Price Risk**

The Group is affected by the price volatility of certain commodities. Its operating activities require the ongoing manufacture of industrial and domestic cable and other electronic items and therefore require a continuous supply of copper and aluminium being the major input used in the manufacturing. To mitigate the risk of supply and price fluctuations, Domestic and overseas sources are bench-marked to Optimize the allocation of business share among various sources. The Group's Board of Directors has developed and enacted a risk management strategy regarding commodity price risk and its mitigation. The Group mitigated the risk of price volatility by entering Long Term & Short term contracts for the Purchase of these commodities basis estimated annual requirements.

(b) **Credit Risk**

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

(i) **Trade Receivables and Contract Assets**

Customer credit risk is managed by each business unit subject to the Group's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive credit rating scorecard and individual credit limits are defined in accordance with this assessment. Outstanding customer receivables are regularly monitored and any shipments to major customers are generally covered by Trade Receivable buyout facility without recourse, letters of credit and other forms of security.

An impairment analysis is performed at each reporting date on trade receivables by lifetime expected credit loss method based on provision matrix. The Group does not hold collateral as security. The Group evaluates the concentration of risk with respect to trade receivables and contract assets as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets.

The group assigns the following internal credit ratings to each class of financial assets based on the assumptions, inputs and factors specific to the class of the financial assets. The group provides for expected credit loss based on the following:

Internal Rating	Category	Description of category	Basis for recognition of expected credit loss provision	Basis for recognition of expected credit loss
			Trade receivables and contract assets	Loans & Deposits
VL 1	High quality assets, negligible credit risk	Assets where the counterparty has strong capacity to meet the obligations and where the risk of default is negligible or nil	Lifetime expected credit losses (simplified approach)	12 months expected credit losses
VL 2	Quality assets, low credit risk	Assets where there is low risk of default and where the counterparty has sufficient capacity to meet the obligations and where there has been low frequency of defaults in the past		
VL 3	Doubtful assets, credit-impaired	Assets where there is high risk of default and there is no reasonable expectation of recovery,the group continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in profit or loss.	100 % provision is considered for doubtful assets, credit impaired	100% provision is considered for doubtful assets, credit impaired

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

(I) Trade receivables ageing schedule as at March 31, 2024

Particulars	Unbilled dues	Not due	Outstanding for following periods from due date of payment: Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
(i) Gross carrying amount – trade receivables	-	649.64	421.38	31.70	51.52	35.00	72.50	1,261.74
(ii) Gross carrying amount – contract assets	-	39.85	-	-	-	-	-	39.85
(iii) Expected loss rate	-	0.11%	0.60%	7.05%	19.96%	54.89%	85.93%	7.48%
(iv) Expected credit losses– trade receivables	-	0.00	2.51	2.24	10.28	19.21	62.30	96.54
(v) Expected credit losses– contract assets	-	0.76	-	-	-	-	-	**0.76**
(vi) Carrying amount of trade receivables (net of impairment)	-	649.64	418.87	29.46	41.23	15.79	10.20	1,165.20
Carrying amount of contract assets (net of impairment)	-	**39.09**	-	-	-	-	-	**39.09**

(II) Trade receivables ageing schedule as at March 31, 2023

Particulars	Unbilled dues	Not due	Outstanding for following periods from due date of payment: Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
(i) Gross carrying amount – trade receivables	-	266.47	602.01	71.36	56.16	42.02	22.56	1,060.58
(ii) Gross carrying amount – contract assets	-	52.24	-	-	-	-	-	52.24
(iii) Expected loss rate	-	0.00%	0.03%	7.05%	31.75%	100.00%	100.00%	8.27%
(iv) Expected credit losses– trade receivables	-	0.01	0.21	5.03	17.83	42.02	22.56	87.66
(v) Expected credit losses– contract assets	-	-	-	-	-	-	-	-
(vi) Carrying amount of trade receivables (net of impairment)	-	266.46	601.80	66.33	38.33	-	-	972.92
Carrying amount of contract assets (net of impairment)	-	**52.24**	-	-	-	-	-	**52.24**

(ii) Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Group's treasury department in accordance with the Group's policy. Investments of surplus funds are made in bank deposits and other risk free securities. The limits are set to minimize the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

The Group's maximum exposure to credit risk for the components of the balance sheet at March 31, 2024 is the carrying amounts. The Group's maximum exposure relating to financial instrument is noted in liquidity table below.

Trade Receivables and other financial assets are written off when there is no reasonable expectation of recovery, such as debtor failing to engage in the repayment plan with the Group.

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Financial assets for which allowance is measured using 12 months Expected Credit Loss Method (ECL)

(₹ in crores)

	As at March 31, 2024	As at March 31, 2023
Investment with financial institution	-	180.87
Cash and cash equivalents (Current)	266.10	465.16
Bank balances other than above (Current)	2772.07	1,405.01
Other bank balances (Non-current)		
Others Non Current financial assets	33.15	149.08
Others Current financial assets	20.99	116.89
	3,092.31	**2,317.01**
Financial assets for which allowance is measured using Life time Expected Credit Loss Method (ECL)		
Trade Receivables	1,165.20	975.53
	1,165.20	**975.53**

Balances with banks is subject to low credit risks due to good credit ratings assigned to these banks

The ageing analysis of trade receivables has been considered from the date the invoice falls due

(₹ in crores)

	As at March 31, 2024	As at March 31, 2023
Particulars		
Trade Receivables		
Not past due	649.64	269.07
0 to 180 days due past due date	418.87	601.80
More than 180 days past due date	96.69	104.66
Total Trade Receivables	**1,165.20**	**975.53**
The following table summarizes the change in loss allowance measured using the life time expected credit loss model:-		
As at the beginning of the year	87.66	71.74
Addition during the year	17.66	18.43
Utilisation during the year	(8.02)	(2.52)
As at the end of year	**97.30**	**87.65**

(c) Liquidity risk

Liquidity risk is defined as the risk that the Group will not be able to settle or meet its obligations on time or at reasonable price. The Group's objective is to at all times maintain optimum levels of liquidity to meet its cash and liquidity requirements. The Group closely monitors its liquidity position and deploys a robust cash management system. It maintains adequate source of financing through the use of short term bank deposits, short term loans, short term commercial papers and cash credit facility. Processes and policies related to such risks are overseen by senior management. Management monitors the Group's liquidity position through rolling forecasts on the basis of expected cash flows. The Group assessed the concentration of risk with respect to its debt and concluded it to be low.

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

Maturity profile of financial liabilities

The table below provides the details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments.

As at March 31, 2024

	Less than 1 year	1 to 5 years	More than 5 years	Total
Other non current financial liabilities	-	4.05	-	4.05
Trade payables	2,691.90	-	-	2,691.90
Lease Liability (undiscounted)	93.36	200.73	93.12	387.21
Other current financial liabilities	787.68	-	-	787.68

As at March 31, 2023

	Less than 1 year	1 to 5 years	More than 5 years	Total
Other non current financial liabilities	-	3.98	-	3.98
Trade payables	2,643.19	-	-	2,643.19
Lease Liability (undiscounted)	54.49	166.07	121.92	342.48
Other current financial liabilities	624.85	-	-	624.85

11. Capital Management

For the purposes of Group's capital management, Capital includes equity attributable to the equity holders of the Group and all other equity reserves. The primary objective of the Group's capital management is to safeguard its ability to continue as going concern and to ensure that it maintains an efficient capital structure and maximize shareholder value. The Group 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 Group may adjust the dividend payment to shareholders or issue new shares. The Group 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 March 31, 2024 and March 31, 2023.

(₹ in crores)

Particulars	March 31, 2024	March 31, 2023
Cash and cash equivalents {refer note 10(C)}	(266.10)	(465.16)
Loans and borrowings	-	-
Net Debt	**-**	**-**
Equity / Net Worth	7,446.76	6,625.45
Total Capital	**7,446.76**	**6,625.45**
Gearing ratio (Net Debt/Capital and Net Debt)	**NA***	**NA***

Note: *No changes were made in the objectives, policies or processes for managing capital during the year ended March 31, 2024 and March 31, 2023*

** This ratio is not relevant for both year as there are no Loans and Borrowings.*

12. Earnings per share

(₹ in crores)

			Year ended March 31, 2024	Year ended March 31, 2023
a)	**Basic Earnings per share**			
	Numerator for earnings per share			
	Profit after taxation	(₹ in crores)	**1270.76**	**1071.73**

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

(₹ in crores)

			Year ended March 31, 2024	Year ended March 31, 2023
	Denominator for earnings per share			
	Weighted average number of equity shares outstanding during the year	(Numbers)	62,66,46,898	62,64,88,642
	Earnings per share-Basic (one equity share of ₹ 1/- each)	₹	**20.28**	**17.11**
b)	**Diluted Earnings per share**			
	Numerator for earnings per share			
	Profit after taxation	(₹ in crores)	**1270.76**	**1071.73**
	Denominator for earnings per share			
	Weighted average number of equity shares for basic earning per share	(Numbers)	62,66,46,898	62,64,88,642
	Effect of dilution			
	Share options	(Numbers)	72,890	44,860
	Weighted average number of equity shares outstanding during the year adjusted for the effect of dilution	(Numbers)	**62,67,19,788**	**62,65,33,502**
	Earnings per share- Diluted (one equity share of ₹ 1/- each)	₹	**20.28**	**17.11**

13. Dividend Paid and Proposed

(₹ in crores)

	Year ended March 31, 2024	Year ended March 31, 2023
Dividend declared and paid during the year:		
Final Dividend of ₹ 4.50 per share for FY 2022-23 (₹ 4.50 per share for FY 2021-22)	282.01	281.93
Interim dividend of ₹ 3.00 per share for FY 2023-24 (₹ 3.00 per share for FY 2022-23)	188.00	187.95
	470.01	**469.88**
Proposed Dividends on equity shares:		
Final Dividend recommended by the board of directors for the year ended March 31, 2024 ₹ 6 per share of Re 1 each (March 31, 2023: ₹ 4.50 per share of Re 1 each) subject to approval of shareholders in the ensuing annual general meeting.	376.01	281.93
	376.01	**281.93**

Note: *Proposed dividends on equity shares are subject to approval at the annual general meeting and are not recognised as liability as at reporting date.*

14. Fire Incident in Neemrana Plant

During the financial year ended March 31, 2023, an amount aggregating to ₹112.52 crores was accounted for in the books and disclosed as "Exceptional items" against the fire incident at Neemrana location in July, 2022. As of year ended March 31, 2024, balance claim amounting ₹ 15.79 crores is receivable towards Property Plant and Equipment from insurance Group, which will be received in due course.

15. The Group has not been declared as a Wilful Defaulter by any bank or financial institution or government or any government authority.

16. Struck off Companies: Details of relationship with Companies struck off under Section 248 of Companies Act, 2013 or Section 560 of the Companies Act, 1956:

Name of the struck off Company	Nature of transaction with struck off Company	Balance outstanding as at March 31, 2024 (Nos.)	Balance outstanding as at March 31, 2023 (Nos.)	Relation with struck off Company
Manilal Patel Private Limited (CIN: U17110MH1947PTC005911)	Shares held by struck off company	35 number of shares of ₹ 1/- each	35 number of shares of ₹ 1/- each	Shareholder
"Multitech System Industrial Automation Private Limited (CIN:U28910TN2014PTC097924)	Purchase	₹ 0.01 crore	₹ 0.01 crore	Vendor
Naveli Decor Pvt. Ltd. (CIN:U52609UP2017PTC099523)	Sales	₹ 0.00 crore	₹ 0.04 crore	Customer
Apostle Solutions Private Limited (CIN:U74110UP2007PTC032990)	Sales	₹ 0.00 crore	₹ 0.00 crore	Customer
Samadhan Srbh Opc Private Limited (CIN:U74999UP2020OPC126709)	Sales	₹ 0.00 crore	₹ 0.00 crore	Customer
Extreme Automation Pvt Ltd (CIN:U29220PN2010PTC135444)	Sales	₹ 0.08 crore	₹ 0.08 crore	Customer
Ramesh Sales Corporation Pvt.Ltd. (CIN:U52390DL2014PTC266899)	Sales	₹ 0.21 crore	₹ 0.21 crore	Customer

17. 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 Group 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 Group, other than the below mentioned, 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 Group (Ultimate Beneficiaries) or

b) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries

Name of Entity / Intermediary	Amount of Investment	%age Sharholding	Investment made by	Relationship with the Company
Havells International Inc., USA, (Investment dated February 29, 2024, File No. 2512890)	USD 2,500,000	100%	Havells India Limited	Wholly owned subsidiary
Havells HVAC LLC, USA (Investment dated March 21, 2024, File No. 2743679)	USD 1,600,000	100%	Havells International Inc., USA	Step Down subsidiary

The relevant provisions of the Foreign Exchange Management Act, 1999 (42 of 1999) and Companies Act has been complied with for such transactions and the transactions are not violative of the Prevention of Money-Laundering Act, 2002 (15 of 2003).

The Group 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 Group 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

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

(iii) **Compliance with number of layers of companies:** The Group has complied with the number of layers prescribed under the Companies Act, 2013.

(iv) **Compliance with approved scheme(s) of arrangements:** The Group 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 Group 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 Group 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 Group has not granted any loans or advances in the nature of loans either repayable on demand.

18. The figures have been rounded off to the nearest crore of rupees upto two decimal places. The figure 0.00 wherever stated represents value less than ₹ 50,000/-.

19. The Group has used accounting software for maintaining its books of account which have a feature of recording audit trail (edit log) facility that have operated throughout the financial year for all relevant transactions, except: (a) for modification, if any, made by certain users having debug access for troubleshooting; and (b) that the audit trail, which was enabled at database level in the last month of the financial year, contains only the modified values. There was no instance of audit trail feature being tampered with for the period the audit trail was enabled.

20. Note No.1 to 32 form integral part of the Consolidated Balance Sheet and Consolidated Statement of Profit and Loss.

As per our report of even date

For Price Waterhouse & Co Chartered Accountants LLP
Firm Registration No. 304026E/E-300009

Sougata Mukherjee
Partner
Membership No. 057084

Date: April 30, 2024
Place: Noida

For and on behalf of Board of Directors

Anil Rai Gupta
Chairman and
Managing Director
DIN: 00011892

Rajesh Kumar Gupta
Whole-time Director &
Group CFO
DIN: 00002842

Ameet Kumar Gupta
Director
DIN: 00002838

Sanjay Kumar Gupta
Company Secretary
FCS No.: F 3348

Date: April 30, 2024
Place: Noida

Pankaj Jain
Vice President - Finance

Form AOC -1

Salient features of Financial Statements of subsidiaries / Joint Ventures pursuant to section 129(3) read with rule Rule 5 of Companies (Accounts) Rules, 2014

Part "A" : Subsidaries

Sl No	Name of Subsidiary Company	Country	Reporting period for the subsidiary concerned	Reporting currency and exchange rate as on the last date of financial year in case of foreign subsidiaries		Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Assets - Liabilities	Investment other than Subsidiaries	Turnover	Profit before Taxation	Provision for Taxation	Profit after Taxation	OCI	Total Comprehensive Income	Proposed Dividend	% of shareholding
				Currency	Exchange Rate														
1.	Havells Guangzhou International Limited	China	31/03/2024	CNY	11.64	0.45	8.94	13.79	4.40	9.39	-	40.11	-1.72	-0.01	-1.71	-0.32	-2.03	-	100%
2.	Havells International Inc.	USA	31/03/2024	USD	82.79	20.73	-0.63	20.25	0.15	20.10	-	-	-0.74	-	-0.74	0.11	-0.63	-	100%

Note:-

1. Names of subsidiaries which are yet to commence operations:
   a. Havells HVAC LLC
   b. Havells Lighting LLC
2. Names of subsidiaries which have been liquidated or sold during the year: None

Part "B" : Joint Ventures

Note:-

1. *Joint ventures : Company do not have any joint venture as on reporting date*

For and on behalf of Board of Directors

Anil Rai Gupta
Chairman and Managing Director
DIN: 00011892

Rajesh Kumar Gupta
Whole-time Director & Group CFO
DIN: 00002842

Ameet Kumar Gupta
Director
DIN: 00002838

Sanjay Kumar Gupta
Company Secretary
FCS No.: F 3348

Date: April 30, 2024
Place: Noida

Pankaj Jain
Vice President - Finance

Progress at a Glance of Last 10 Years- Havells India Limited (Standalone)

(₹ in Crores)

Performance for the Financial Year	2015	2016	2017	2018	2019**	2020	2021	2022	2023	2024
Turnover (Gross)*	5,557.79	5,775.42	6,585.96	8,260.27	10,067.71	9,429.20	10,427.92	13,889.00	16,868.38	18,549.90
Less: Excise Duty	319.10	397.10	450.70	121.70	-	-	-	-	-	-
Turnover (Net)	5,238.69	5,378.32	6,135.26	8,138.57	10,067.71	9,429.20	10,427.92	13,889.00	16,868.38	18,549.90
Profitability										
Earnings Before Interest, Depreciation, Taxes and Amortisation	699.10	754.93	824.14	1,049.29	1,183.83	1,027.38	1,565.26	1,757.61	1,602.96	1,845.29
Profit before Tax	646.25	909.03	768.83	1,014.70	1,146.10	901.73	1,431.58	1,603.79	1,450.25	1,709.83
Profit After Tax	464.94	712.03	539.04	712.52	787.34	733.03	1,039.64	1,194.73	1,074.95	1,273.21
Financial Position										
Share Capital	62.44	62.46	62.49	62.51	62.55	62.58	62.60	62.63	62.65	62.67
Other Equity	2,313.35	2,891.21	3,211.09	3,676.64	4,129.65	4,242.23	5,101.85	5,926.01	6,551.83	7,375.78
Loan funds	83.46	44.40	198.05	108.00	94.50	40.50	492.20	395.53	-	-
Other Liabilities	1,146.23	1,004.65	1,374.60	2,487.31	2,468.27	2,267.56	2,658.64	3,629.31	3,832.27	4,278.53
Gross Block	1,349.03	1,328.52	1,452.27	3,111.48	3,635.37	4,142.81	4,286.37	4,620.73	5,168.68	5,981.95
Net Block	1,007.32	1,208.56	1,221.74	2,755.42	3,136.49	3,435.55	3,380.21	3,490.71	3,786.98	4,286.51
Total investments	1,011.76	309.61	227.41	41.70	1.66	1.63	1.63	1.63	0.45	21.18
Cash and Bank Balance	522.34	1,365.21	1,937.53	1,526.17	1,287.71	1,106.92	1,931.04	2,982.14	2,157.98	3,015.42
Other Assets	1,107.43	1,205.60	1,573.31	2,218.12	2,699.80	2,503.76	3,507.34	4,030.68	5,197.79	5,096.72
Earning per share										
EPS-as reported	7.45	11.40	8.63	11.40	12.59	11.71	16.61	19.08	17.16	20.32
EPS-adjusted for bonus issue/split	7.45	11.40	8.63	11.40	12.59	11.71	16.61	19.08	17.16	20.32

Note: *The financial results summary for financial years 2015-16 and onwards are prepared in accordance with Ind-AS and financial results for other financial years are prepared as per the prevailing GAAP.*

**Turnover gross is after deducting turnover discount , incentive and rebates.*

*** The Company has received approval from the NCLT on January 31, 2020 in respect of a Scheme of Amalgamation, among the Company and its wholly owned subsidiaries namely; Promptec Renewable Energy Solutions Private Limited, Havells Global Limited, Standard electrical Limited, LLOYD Consumer Private Limited. Appointed date as per scheme is April 01, 2018 and accordingly the figures for FY 2018-19 have been restated.*

HAVELLS

INDEPENDENT PRACTITIONER'S LIMITED ASSURANCE REPORT ON IDENTIFIED SUSTAINABILITY INFORMATION IN HAVELLS INDIA LIMITED'S INTEGRATED ANNUAL REPORT

To the Board of Directors of Havells India Limited

We have undertaken to perform a limited assurance engagement for Havells India Limited (the "Company") vide our Engagement Letter dated January 25, 2024 read with amendment thereto dated April 30, 2024 in respect of the agreed Sustainability Information referred in "Identified Sustainability Information" paragraph below (the "Identified Sustainability Information") in accordance with the Criteria stated in the "Criteria" paragraph below. The Identified Sustainability Information is included in the "GRI Content Index" section in the Integrated Annual Report (the "Integrated Annual Report") of the Company for the financial year ended March 31, 2024. This engagement was conducted by a team comprising assurance practitioners and engineers/environment experts.

Identified Sustainability Information

The Identified Sustainability Information for the financial year ended March 31, 2024 is summarised in Appendix 1A to this report.

Our limited assurance engagement was with respect to the financial year ended March 31, 2024 information only and we have not performed any procedures with respect to earlier periods or any other elements included in the Integrated Annual Report and, therefore, do not express any conclusion thereon.

Criteria

The criteria used by the Company to prepare the Identified Sustainability Information for inclusion in the Integrated Annual Report is the Global Reporting Initiatives Standards ("GRI Standards") 2021 as set out under Appendix 1A to this report (the "Criteria").

Management's Responsibilities

The Company's Management is responsible for selecting or establishing suitable criteria for preparing the sustainability information, taking into account applicable laws and regulations, related to reporting on the sustainability information, identification of key aspects, engagement with stakeholders, content, preparation and presentation of the Identified Sustainability Information in accordance with the Criteria. This responsibility includes the design, implementation, and maintenance of internal control relevant to the preparation of the Integrated Annual Report, and measurement of Identified Sustainability Information, which are free from material misstatement, whether due to fraud or error.

Inherent limitations in preparing the Identified Sustainability Information

The absence of a significant body of established practice on which to draw to evaluate and measure non-financial information allows for different, but acceptable, measures and measurement techniques and can affect comparability between entities. In addition, Greenhouse Gas ("GHG") quantification is subject to inherent uncertainty because of incomplete scientific knowledge used to determine emissions factors and the values needed to combine emissions of different gases.

Our Independence and Quality Control

We have maintained our independence and confirm that we have met the requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") and the International Code of Ethics for Professional Accountants (including International Independence Standards) ("IESBA Code") issued by the International Ethics Standard Board for Accountants, which is founded on the fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

Price Waterhouse & Co Chartered Accountants LLP (the "Firm") applies Standard on Quality Control 1 "Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements", the International Standard on Quality Management ("ISQM") 1 "Quality Management for Firms that perform Audits or Reviews of Financials Statements, or Other Assurance or Related Services Engagements" and ISQM 2 "Engagement Quality reviews", and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

Practitioner's Responsibilities

Our responsibility is to express a limited assurance conclusion on the Identified Sustainability Information based on the procedures we have performed and evidence we have obtained.

We conducted our limited assurance engagement in accordance with the Standard on Sustainability Assurance Engagements (SSAE) 3000, “Assurance Engagements on Sustainability Information” and the Standard on Assurance Engagements (SAE) 3410 “Assurance Engagements on Greenhouse Gas Statements”, both issued by the Sustainability Reporting Standards Board of the ICAI and the International Standard on Assurance Engagement (“ISAE”) 3000 (Revised) “Assurance Engagements other than Audits or Reviews of Historical Financial Information” and the ISAE 3410 “Assurance Engagements on Greenhouse Gas Statements” (collectively referred to as “the Standards”). These Standards require that we plan and perform our engagement to obtain limited assurance about whether the Identified Sustainability Information is free from material misstatement.

A limited assurance engagement involves assessing the suitability in the circumstances of the Company’s use of the Criteria as the basis for the preparation of the Identified Sustainability Information, assessing the risks of material misstatement of the Identified Sustainability Information whether due to fraud or error, responding to the assessed risks as necessary in the circumstances, and evaluating the overall presentation of the Identified Sustainability Information.

A limited assurance engagement is substantially less in scope than a reasonable assurance engagement in relation to both the risk assessment procedures, including an understanding of internal control, and the procedures performed in response to the assessed risks.

The procedures we performed were based on our professional judgement and included inquiries, observation of processes performed, inspection of documents, evaluating the appropriateness of quantification methods and reporting policies and agreeing or reconciling with underlying records.

Given the circumstances of the engagement, in performing the procedures referred above, we:

- Obtained an understanding of the Identified Sustainability Information and related disclosures.
- Obtained an understanding of the assessment criteria and their suitability for the evaluation and /or measurements of the Identified Sustainability Information.
- Made enquiries of Company’s Management, including those responsible for Sustainability, Environmental Social Governance (ESG), Corporate Social Responsibility (CSR), Human Resource (HR) etc. and those with responsibility for managing the Company’s Integrated Annual Report.
- Obtained an understanding and performed an evaluation of the key systems and processes for managing, recording and reporting on the Identified Sustainability Information including at the sites and corporate office visited. This did not include testing of the design and operating effectiveness of the management systems and controls.
- Based on above understanding and the risks that the Identified Sustainability Information may be materially misstated, determined the nature, timing and extent of further procedures.
- Checked the consolidation for various sites and offices including corporate office under the reporting boundary (as mentioned in the Integrated Annual Report) for ensuring the completeness of data being reported.
- Performed limited substantive testing on a sample basis of the Identified Sustainability Information for various sites and corporate office under the reporting boundary (as mentioned in the Integrated Annual Report) to verify that data had been appropriately measured with underlying documents recorded, collated and reported. This included assessing records and performing testing including recalculation of sample data.
- Where applicable for the Identified Sustainability Information in the integrated report, we have relied on the information in the audited standalone financial statements of the Company for the year ended March 31, 2024 and the underlying trial balance.
- Assessed the level of adherence to GRI Standards, 2021, by the Company in preparing the Identified Sustainability Information in the Integrated Annual Report.
- Assessed the Integrated Annual Report for detecting, on a test basis, any major anomalies between the information reported in the Integrated Annual Report on performance with respect to Identified Sustainability Information and relevant source data/ information.
- Evaluated the reasonableness and appropriateness of significant estimates and judgements made by the Management in the preparation of the Identified Sustainability Information.
- Obtained representations from Company’s Management.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had we performed a reasonable assurance engagement. Accordingly, we do not express a reasonable assurance opinion about whether the Identified Sustainability Information have been prepared, in all material respects, in accordance with the Criteria.

Exclusions

Our limited assurance scope excludes the following and therefore we do not express a conclusion on the same:

- Operations of the company other than the Identified Sustainability Information listed in Appendix 1A.
- Aspects of the BRSR and data/ information (qualitative or quantitative) included in the BRSR other than the Identified Sustainability Information.
- Data and information outside the defined reporting period i.e. April 1, 2023 to March 31, 2024.
- The statements that describe expression of opinion, belief, aspiration, expectation, aim or future intentions provided by the Company and testing or assessing any forward-looking assertions and/or data.

Limited Assurance Conclusion

Based on the procedures performed and the evidence obtained, nothing has come to our attention that causes us to believe that the Company's Identified Sustainability Information included in the Integrated Annual Report for the financial year ended March 31, 2024 is not prepared, in all material respects, in accordance with the Criteria.

Other Matter

The Integrated Annual Report of the Company includes certain information pertaining to the financial year ended March 31, 2023, on which an unmodified limited assurance conclusion was issued by another firm as per the scope and criteria defined in their report dated June 27, 2023.

Restriction on Use

Our work was performed solely to assist you in meeting the reporting requirements. Our obligations in respect of this deliverable are entirely separate from, and our responsibility and liability is in no way changed by any other role we may have as auditors of the Company or otherwise. This deliverable has been issued solely at the request of the Board of Directors of the Company to whom it is addressed, solely to assist the Company in reporting Company's sustainability performance and activities. Accordingly, we accept no liability to anyone, other than the Company. Our deliverables should not be used for any other purpose or by any person other than the addressees of our deliverables. We do not accept or assume any liability or duty of care for any other purpose or to any other person to whom this deliverable is shown or into whose hands it may come without our prior consent in writing.

For **Price Waterhouse & Co Chartered Accountants LLP**
Firm Registration Number: 304026E/E-300009

Heman Sabharwal
Partner
Membership Number: 093263
UDIN: 24093263BKFGLC4555

Place: Gurugram
Date: April 30, 2024

Appendix 1A
Identified Sustainability Information

S. No.	GRI Indicator Reference	Indicator description
1	302-1	Energy consumption within the organization
2	302-3	Energy intensity
3	303-3	Water Withdrawal
4	303-5	Water Consumption
5	305-1	Direct (Scope 1) GHG emissions
6	305-2	Energy indirect (Scope 2) GHG emissions
7	305-4	GHG emissions intensity (Basis Scope1 and Scope 2 emissions)
8	305-6	Emissions of ozone-depleting substances (ODS)
9	306-4	Waste diverted from disposal
10	306-5	Waste directed to disposal
11	401-1	New employee hires and employee turnover
12	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees
13	401-3	Parental leave
14	403-1	Occupational health and safety management system
15	403-5	Worker training on occupational health and safety
16	403-8	Workers covered by an occupational health and safety management system
17	403-9	Work-related injuries
18	404-1	Average hours of training per year per employee
19	404-2	Programs for upgrading employee skills and transition assistance programs
20	404-3	Percentage of employees receiving regular performance and career development reviews
21	405-1	Diversity of governance bodies and employees
22	405-2	Ratio of basic salary and remuneration of women to men

INDEPENDENT PRACTITIONER'S REASONABLE ASSURANCE REPORT ON IDENTIFIED SUSTAINABILITY INFORMATION IN HAVELLS INDIA LIMITED'S BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT PURSUANT TO THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

To the Board of Directors of Havells India Limited

We have undertaken to perform a reasonable assurance engagement for Havells India Limited (the "Company") vide our Engagement Letter dated January 25, 2024 read with addendum thereto dated April 30, 2024 in respect of the agreed Sustainability Information referred in "Identified Sustainability Information" paragraph below (the "Identified Sustainability Information") in accordance with the Criteria stated in the "Criteria" paragraph below. The Identified Sustainability Information is included in the Business Responsibility and Sustainability Report ("BRSR") Section of the Annual Report of the Company for the financial year ended March 31, 2024 pursuant to the requirement of Regulation 34(2)(f) of the Securities and Exchange Board of India ("SEBI") (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) (the "LODR Regulations"). The Reporting Boundary for BRSR is as disclosed under Question No. 13 of Section A of the BRSR and any exceptions thereto are disclosed by way of a note under the respective questions in BRSR. This engagement was conducted by a team comprising assurance practitioners and engineers/ environment experts.

Identified Sustainability Information

The Identified Sustainability Information for the financial year ended March 31, 2024, is as summarised in Appendix 1 to this report.

Our reasonable assurance engagement was with respect to the financial year ended March 31, 2024 information only and we have not performed any procedures with respect to earlier periods or any other elements included in the BRSR (other than those listed as BRSR Core KPIs in Appendix 1) and, therefore, do not express any opinion thereon.

Criteria

The criteria used by the Company to prepare the Identified Sustainability Information is the "BRSR Core" as detailed in Appendix 1 to this report (the "Criteria"), which is a subset of the BRSR, consisting of a set of Key Performance Indicators ("KPIs") / metrics under nine Environmental, Social and Governance ("ESG") attributes, as specified by SEBI vide its circular SEBI/HO/CFD/CFD-SEC-2/P/CIR/2023/122 dated July 12, 2023 (the "SEBI Circular").

Management's Responsibilities

The Company's Management is responsible for determining the Reporting Boundary of the BRSR, selecting or establishing suitable criteria for preparing the Identified Sustainability Information, taking into account applicable laws and regulations including the SEBI Circular, related to reporting on the Identified Sustainability Information, identification of key aspects, engagement with stakeholders, content, preparation and presentation of the Identified Sustainability Information in accordance with the Criteria. This responsibility includes design, implementation and maintenance of internal control relevant to the preparation of the BRSR and the measurement of Identified Sustainability Information, which is free from material misstatement, whether due to fraud or error. The Management and the Board of Directors of the Company are also responsible for overseeing that the Company's compliance with the requirements of LODR Regulations and the SEBI Circular in relation to the BRSR Core.

Inherent limitations in preparing the Identified Sustainability Information

The absence of a significant body of established practice on which to draw to evaluate and measure non-financial information allows for different, but acceptable, measures and measurement techniques and can affect comparability between entities. In addition, Greenhouse Gas ("GHG") quantification is subject to inherent uncertainty because of incomplete scientific knowledge used to determine emissions factors and the values needed to combine emissions of different gases.

Our Independence and Quality Control

We have maintained our independence and confirm that we have met the requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") and the International Code of Ethics for Professional Accountants (including International Independence Standards) ("IESBA Code") issued by the International Ethics Standard Board for Accountants, which is founded on the fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

Price Waterhouse & Co Chartered Accountants LLP (the "Firm") applies Standard on Quality Control 1, "Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements", the International Standard on Quality Management ("ISQM") 1 "Quality Management for Firms that perform Audits or Reviews of Financials Statements, or Other Assurance or Related Services Engagements" and ISQM 2 "Engagement Quality reviews", and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

Practitioner's Responsibilities

Our responsibility is to express a reasonable assurance opinion on the Identified Sustainability Information based on the procedures we have performed and the evidence we have obtained.

We conducted our engagement in accordance with the Standard on Sustainability Assurance Engagements ("SSAE") 3000, "Assurance Engagements on Sustainability Information" and the Standard on Assurance Engagements ("SAE") 3410, "Assurance Engagements on Greenhouse Gas Statements", both issued by the Sustainability Reporting Standards Board of the ICAI and the International Standard on Assurance Engagement ("ISAE") 3000 (Revised), "Assurance Engagements other than Audits or Reviews of Historical Financial Information" and the ISAE 3410 "Assurance Engagements on Greenhouse Gas Statements". These Standards require that we plan and perform our engagement to obtain reasonable assurance about whether the Identified Sustainability Information is prepared, in all material respects, in accordance with the Criteria. A reasonable assurance engagement involves assessing the risks of material misstatement of the Identified Sustainability Information whether due to fraud or error, responding to the assessed risks as necessary in the circumstances.

The procedures we performed were based on our professional judgement and included inquiries, observation of processes performed, inspection of documents, evaluating the appropriateness of quantification methods and reporting policies, and agreeing or reconciling with underlying records.

Given the circumstances of the engagement, in performing the procedures referred above, we:

- Obtained an understanding of the identified sustainability information and related disclosures.
- Obtained an understanding of the assessment criteria and their suitability for the evaluation and /or measurements of the identified sustainability information.
- Made enquiries of Company's Management, including those responsible for Sustainability, Environmental Social Governance ('ESG'), Corporate Social Responsibility ('CSR'), Human Resources (HR) etc., and those with responsibility for managing the Company's BRSR.
- Obtained an understanding and performed an evaluation of the design of the key systems, processes, and controls for managing, recording and reporting on the Identified Sustainability Information including at the sites and corporate office visited. This did not include testing the operating effectiveness of management systems and controls.
- Based on above understanding and the risks that the identified sustainability information may be materially misstated, determined the nature, timing and extent of further procedures.
- Checked the consolidation for various sites and corporate office under the reporting boundary (as mentioned in the BRSR) for ensuring the completeness of data being reported.
- Performed substantive testing on a sample basis of the Identified Sustainability Information for various sites and corporate office under the reporting boundary (as mentioned in the BRSR) to verify that data had been appropriately measured with underlying documents recorded, collated and reported. This included assessing records and performed testing including recalculation of sample data.
- Assessed the level of adherence to the BRSR format issued by Securities and Exchange Board of India (SEBI) followed by the Company in preparing the BRSR.
- Assessed the BRSR for detecting, on a test basis, any major anomalies between the information reported in the BRSR on performance with respect to agreed information and relevant source data/information.
- Where applicable for the Identified Sustainability Information in the BRSR, we have relied on the information in the audited standalone financial statements of the Company for the year ended March 31, 2024 and the underlying trial balance.
- Evaluated the reasonableness and appropriateness of significant estimates and judgements made by the Management in the preparation of the Identified Sustainable Information.
- Obtained representations from Company's Management.

Exclusions

Our reasonable assurance scope excludes the following and therefore we do not express an opinion on the same:

- Operations of the company other than the Identified Sustainability Information listed in Appendix 1.
- Aspects of the BRSR and data/ information (qualitative or quantitative) included in the BRSR other than the Identified Sustainability Information.
- Data and information outside the defined reporting period i.e. April 1, 2023 to March 31, 2024.
- The statements that describe expression of opinion, belief, aspiration, expectation, aim or future intentions provided by the Company and testing or assessing any forward-looking assertions and/or data.

Opinion

Based on the procedures performed and the evidence obtained, the Company's Identified Sustainability Information in the BRSR for the financial year ended March 31, 2024 are prepared, in all material respects, in accordance with the Criteria.

Other Matter

The BRSR of the Company includes certain information pertaining to the financial year ended March 31, 2023, on which an unmodified limited assurance conclusion was issued by another firm as per the scope and criteria defined in their report dated June 27, 2023.

Restriction on use

Our work was performed solely to assist you in meeting the reporting requirements. Our obligations in respect of this deliverable are entirely separate from, and our responsibility and liability is in no way changed by any other role we may have as auditors of the Company or otherwise. This deliverable has been issued solely at the request of the Board of Directors of the Company to whom it is addressed, solely to comply with the requirement of Circular and LODR regulation, in reporting Company's sustainability performance and activities and for publishing the same as a part of the BRSR Report forming part of Company's Annual Report. Accordingly, we accept no liability to anyone, other than the Company. Our deliverables should not be used for any other purpose or by any person other than the addressees of our deliverables. We do not accept or assume any liability or duty of care for any other purpose or to any other person to whom this deliverable is shown or into whose hands it may come without our prior consent in writing.

For **Price Waterhouse & Co Chartered Accountants LLP**
Firm Registration Number: 304026E/E-300009

Heman Sabharwal
Partner
Membership Number: 093263
UDIN: 24093263BKFGLD9379

Place: Gurugram
Date: April 30, 2024

Appendix 1
Identified Sustainability Information (BRSR Core KPIs)

Sr. No.	Principle and indicator reference*	Attribute	Parameters (KPIs) Assured
1.	Principle 6 – E7	Green-house gas (GHG) footprint	1. Total Scope 1 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available) 2. Total Scope 2 emissions (Break-up of the GHG (CO2e) into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available) 3. GHG Emission Intensity (Scope 1 +2) a) Total Scope 1 and Scope 2 emissions (MT) / Total Revenue from Operations adjusted for PPP b) Total Scope 1 and Scope 2 emissions (MT) / Total Output of Product or Services
2.	Principle 6 – E3 and E4	Water footprint	1. Total water consumption 2. Water consumption intensity a) Water Intensity per rupee of turnover adjusted for PPP b) Water Intensity in terms of physical output 3. Water Discharge by destination and levels of Treatment
3.	Principle 6 – E1	Energy Footprint	1. Total Energy Consumed 2. % of energy consumed from renewable sources 3. Energy intensity a) Energy Intensity per rupee of turnover adjusted for PPP b) Energy Intensity in terms of physical output
4.	Principle 6 – E9	Embracing circularity- details related to waste management by the entity	1. Plastic waste (A) 2. E-waste (B) 3. Bio-medical waste (C) 4. Construction and demolition waste (D) 5. Battery waste (E) 6. Radioactive waste (F) 7. Other Hazardous waste (G) 8. Other Non-hazardous waste generated (H) 9. Total waste generated ((A+B + C + D + E + F + G + H) 10. Waste intensity a) Waste Intensity per rupee of turnover adjusted for PPP b) Waste Intensity in terms of physical output 11. For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations 12. For each category of waste generated, total waste disposed by nature of disposal method

Sr. No.	Principle and indicator reference*	Attribute	Parameters (KPIs) Assured
5.	Principle 3 – E1(C) Principle 3 – E11	Enhancing employee wellbeing and Safety	1. Spending on measures towards well-being of employees and workers- cost incurred as a % of total revenue of the company 2. Details of safety related incidents for employees and workers a) Number of Permanent Disabilities b) Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked) c) No. of fatalities
6.	Principle 5 – E3(b) Principle 5 – E7	Enabling Gender Diversity in Business	1. Gross wages paid to females as a % of wages paid 2. Complaints on POSH a) Total Complaints on Sexual Harassment (POSH) reported b) Complaints on POSH as a % of female employees / workers c) Complaints on POSH upheld
7.	Principle 8 – E4 Principle 8 – E5	Enabling Inclusive Development	1. Input material sourced from following sources as % of total purchases –Directly sourced from MSMEs/ small producers and directly from within India 2. Job creation in smaller towns- wages paid to people employed in smaller towns (permanent or non-permanent/on contract) as % of total wage cost
8.	Principle 9 – E7 Principle 1 – E8	Fairness in Engaging with Customers and Suppliers	1. Instances involving loss/ breach of data of customers as a percentage of total data breaches or cyber security events 2. Number of days of accounts payable
9.	Principle 1 – E9	Open-ness of business	1. Concentration of purchases & sales done with trading houses, dealers, and related parties a) Purchases from trading houses as % of total purchases b) Number of trading houses where purchases are made from c) Purchases from top 10 trading houses as % of total purchases from trading houses d) Sales to dealers / distributors as % of total sales e) Number of dealers / distributors to whom sales are made f) Sales to top 10 dealers / distributors as % of total sales to dealers / distributors 2. Loans and advances & investments with related parties Share of RPTs (as respective %age) in- a) Purchases b) Sales c) Loans & advances d) Investments

'E' indicates Essential Indicator

GRI Content Index 2023-24

Statement of use

Havells India Ltd has reported the information cited in this GRI content index for the FY 2023-24 with reference to the GRI Standards.

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2-1	Organizational details	Corporate Overview Business Responsibility and Sustainability Report	8 112
2-2	Entities included in the organization's sustainability reporting	About This Report	6
2-3	Reporting period, frequency and contact point	About This Report	6
2-4	Restatements of information	In the FY 2023-24 Integrated Report, the following figures are being restated: 1. In the previous year, it was reported that 180 male and 8 female employees availed parental leave, with a female return-to-work rate of 0% (IR FY 2022-23, Page 104). However, the correct figures are 209 male and 23 female employees availing parental leave, with a female return-to-work rate of 69.57% (Human Capital Section)	55
2-5	External assurance	About This Report	6
2-6	Activities, value chain and other business relationships	Manufacturing, Business Model	18
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2-8	Workers who are not employees	Business Responsibility and Sustainability Report	114
2-9	Governance structure and composition	Report on corporate Governance	151-159
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2-11	Chair of the highest governance body	Governance - Board of Directors	78-79
2-13	Delegation of responsibility for managing impacts	Governance Section Report on Corporate Governance	78 156 - 162
2-14	Role of the highest governance body in sustainability reporting	Governance Section Report on Corporate Governance	78 161-162
2-15	Conflicts of interest	Business Responsibility and Sustainability Report	119-120
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2-18	Evaluation of the performance of the highest governance body	Director's Report	86-87
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2-26	Mechanisms for seeking advice and raising concerns	Director's Report Business Responsibility and Sustainability Report	89 115
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201-2	Financial implications and other risks and opportunities due to climate change	Enterprise Risk Management Natural Capital Director's report Business Responsibility and Sustainability Report	22-29 73-74 107 120, 136
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201-4	Financial assistance received from government	Financial Statements	176-343
202-1	Ratios of standard entry level wage by gender compared to local minimum wage	Business Responsibility and Sustainability Report	129
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203-2	Significant indirect economic impacts	Social and Relationship Capital	66
204-1	Proportion of spending on local suppliers	Social and Relationship Capital Business Responsibility & Sustainability Reporting	72 141
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HAVELLS

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CIN: L31900DL1983PLC016304

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any financial year during the aforesaid period, subject to the requirements of Schedule V to the Companies Act, 2013) as enumerated herein below:

1.	Period	From 1st January, 2025 to 31st December, 2029
2.	Remuneration	
	Salary	**Basic Salary of ₹ 40 lakhs per month which may go upto ₹ 75 lakhs per month over a period of 5 years**
	Commission	0.60% of the Profit before Tax
	Perquisites	For this purpose perquisites are classified into three categories A, B and C:
	Category 'A'	
	a) Medical Reimbursement : Expenses incurred, including Medical Insurance, for self and family subject to a ceiling of one month's salary in a year or three month's salary over the period of three years.	
	b) Club Fees : Fees of clubs subject to a maximum of two clubs, admission and life membership fees not being allowed.	
	c) Personal Accident Insurance/ Term Life Insurance: Premium not exceeding ₹ 25,000/- p.a.	
	Category 'B'	
	a) Company's contribution towards Provident Fund, Superannuation Fund.	
	b) Gratuity payable shall not exceed one months' salary for each completed year of service.	
	Category 'C'	
	The Company shall provide a car with chauffer and telephone at the residence. Provisions of the car for use in Company's business and telephone at residence will not be considered as perquisites. Personal long distance calls and use of car for private purpose shall be billed by the Company.	
	Other allowances, benefits and perquisites admissible as per Rules of the Company, from time to time.	

RESOLVED FURTHER THAT the Board of Directors of the Company and/ or any Committee thereof be and is hereby authorised to alter or vary any or all of the terms, conditions and/ or to increase the remuneration of Shri Ameet Kumar Gupta as approved subject to a maximum monthly basic salary of ₹ 75 lakhs and perquisites including the monetary value thereof within the limits specified in Schedule V to the Companies Act, 2013, without any further reference to the Company in General Meeting.

RESOLVED FURTHER THAT for the purpose of giving effect to the foregoing Resolution, Shri Sanjay Kumar Gupta, Company Secretary of the Company, be and is hereby authorised to do all such acts, deeds, matters and things, as may be considered necessary, proper or desirable in the said regard including filing of returns with any authority."

8. **Re-appointment of Shri Rajesh Kumar Gupta (DIN: 00002842) as the Whole-time Director & Group CFO of the Company**

To consider and if thought fit, to pass with or without modification(s), the following Resolution as a **SPECIAL RESOLUTION:**

"RESOLVED THAT in line with the Nomination and Remuneration Policy of Directors, Key Managerial Personnel and Other Employees of the Company and pursuant to the provisions of Sections 196, 197, 198, 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s), enactment(s) or re-enactment(s) thereof for the time being in force), consent be and is hereby accorded for the re-appointment of **Shri Rajesh Kumar Gupta (DIN: 00002842)** as the Whole-time Director & Group CFO of the Company for a further period of 5 (Five) years from **1st April, 2025 to 31st March, 2030** on the following terms and conditions including remuneration (and also including the remuneration to be paid in the event of loss or inadequacy of profits in any financial year during the aforesaid period, subject to the requirements of Schedule V to the Companies Act, 2013) as enumerated herein below:

1.	Period	From 1st April, 2025 to 31st March, 2030
2.	Remuneration	
	Salary	**Basic Salary of ₹ 66 lakhs per month which may go upto ₹ 110 lakhs per month over a period of 5 years**
	Commission	0.50% of the Profit before Tax
	Perquisites	For this purpose perquisites are classified into three categories A, B and C:
	Category 'A'	
	a) Medical Reimbursement : Expenses incurred, including Medical Insurance, for self and family subject to a ceiling of one month's salary in a year or three month's salary over the period of three years.	
	b) ESOP/ ESPS: As per policies and rules of the Company.	
	c) Club Fees : Fees of clubs subject to a maximum of two clubs, admission and life membership fees not being allowed.	
	d) Personal Accident Insurance/ Term Life Insurance: Premium not exceeding ₹ 25,000/- p.a.	
	Category 'B'	
	a) Company's contribution towards Provident Fund, Superannuation Fund.	
	b) Gratuity payable shall not exceed one and a half months' salary for each completed year of service.	
	c) Leave Entitlement: As per Company's Policy.	
	Category 'C'	
	The Company shall provide a car with chauffer and telephone at the residence. Provisions of the car for use in Company's business and telephone at residence will not be considered as perquisites. Personal long distance calls and use of car for private purpose shall be billed by the Company.	
	Other allowances, benefits and perquisites admissible as per Rules of the Company, from time to time.	

RESOLVED FURTHER THAT the Board of Directors of the Company and/ or any Committee thereof be and is hereby authorised to alter or vary any or all of the terms, conditions and/ or to increase the remuneration of Shri Rajesh Kumar Gupta as approved subject to a maximum monthly basic salary of ₹ 110 lakhs and perquisites including the monetary value thereof within the limits specified in Schedule V to the Companies Act, 2013, without any further reference to the Company in General Meeting.

RESOLVED FURTHER THAT for the purpose of giving effect to the foregoing Resolution, Shri Sanjay Kumar Gupta, Company Secretary of the Company be and is hereby authorised to do all such acts, deeds, matters and things, as may be considered necessary, proper or desirable in the said regard including filing of returns with any authority."

9. Re-appointment of Shri Bontha Prasada Rao (DIN: 01705080) as an Independent Director for a Second Term

To consider and if thought fit, to pass with or without modification(s), the following Resolution as a **SPECIAL RESOLUTION:**

"RESOLVED THAT Shri Bontha Prasada Rao (DIN: 01705080), who was appointed as an Independent Director by the Shareholders in the Annual General Meeting (AGM) of the Company held in year 2020 for a term of 5 (Five) years and who meets the criteria of Independence as provided under Section 149(6) of the Companies Act, 2013 ('the Act') and the SEBI Listing Regulations and who is eligible for re-appointment and is recommended by the Board of Directors upon the recommendation of the Nomination and Remuneration Committee for the office of Director as an Independent Director, be and is hereby re-appointed, in accordance with Sections 149, 150, 152 read with Schedule IV and any other applicable provisions of the Act and the corresponding rules framed thereunder, as an Independent Director for a further period of 5 (Five) years upon the expiry of his First Term."

10. Re-appointment of Shri Subhash S Mundra (DIN: 00979731) as an Independent Director for a Second Term

To consider and if thought fit, to pass with or without modification(s), the following Resolution as a **SPECIAL RESOLUTION:**

"RESOLVED THAT Shri Subhash S Mundra (DIN: 00979731), who was appointed as an Independent Director by the Shareholders in the Annual General Meeting (AGM) of the Company held in year 2020 for a term of 5 (Five) years and who meets the criteria of Independence as provided under Section 149(6) of the Companies Act, 2013 ('the Act') and the SEBI Listing Regulations and who is eligible for re-appointment and is recommended by the Board of Directors upon the recommendation of the Nomination and Remuneration Committee for the office of Director as an Independent Director, be and is hereby re-appointed, in accordance with Sections 149, 150, 152 read with Schedule IV and any other applicable provisions of the Act and the corresponding rules framed thereunder, as an Independent Director for a further period of 5 (Five) years upon the expiry of his First Term."

11. Re-appointment of Shri Vivek Mehra (DIN: 00101328) as an Independent Director for a Second Term

To consider and if thought fit, to pass with or without modification(s), the following Resolution as a **SPECIAL RESOLUTION:**

"RESOLVED THAT Shri Vivek Mehra (DIN: 00101328), who was appointed as an Independent Director by the Shareholders in the Annual General Meeting (AGM) of the Company held in year 2020 for a term of 5 (Five) years and who meets the criteria of Independence as provided under Section 149(6) of the Companies Act, 2013 ('the Act') and the SEBI Listing Regulations and who is eligible for re-appointment and is recommended by the Board of Directors upon the recommendation of the Nomination and Remuneration Committee for the office of Director as an Independent Director, be and is hereby re-appointed, in accordance with Sections 149, 150, 152 read with Schedule IV and any other applicable provisions of the Act and the corresponding rules framed thereunder, as an Independent Director for a further period of 5 (Five) years upon the expiry of his First Term."

By Order of the Board
For **Havells India Limited**

Sanjay Kumar Gupta
Company Secretary
Membership No. F3348

Noida, April 30, 2024

Registered Office:
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K. G. Marg, Connaught Place,
New Delhi – 110 001
CIN: L31900DL1983PLC016304
Website: www.havells.com
Email: investors@havells.com

NOTES

1. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 in respect of the Special Businesses specified above is annexed hereto.

2. Pursuant to the Circular Nos. 14/2020, 17/2020, 20/2020, 02/2021, 19/2021, 21/2021, 03/2022 dated 8th April 2020, 13th April 2020, 5th May, 2020, 13th January, 2021, 8th December, 2021, 14th December, 2021, 5th May, 2022 followed by Circular Nos. 10/2022, 11/2022 dated 28th December, 2022 and Circular No. 09/2023 dated 25th September, 2023 issued by the Ministry of Corporate Affairs (hereinafter collectively referred to as "MCA Circulars") and 'SEBI' Circular No. SEBI/HO/CFD/CFD-PoD-2/P/CR/2023/167 dated 7th October, 2023 (hereinafter referred to as "SEBI Circulars") physical attendance of the Members to the Annual General Meeting (AGM) venue is not required and AGM be held through Video Conferencing (VC) or Other Audio Visual Means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/ OAVM.

3. Since this AGM is being held through VC/ OAVM pursuant to the MCA Circulars, physical attendance of members has been dispensed with, accordingly, the route map, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM and hence the Proxy Form and Attendance Slip are not Annexed hereto. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/ OAVM and participate thereat and cast their votes through e-voting.

4. Corporate Members are encouraged to attend the AGM through their Authorized Representatives. They are requested to send by email, a certified copy of the Board Resolution/ Power of Attorney authorizing their representatives to attend and vote on their behalf in the Meeting at investors@havells.com.

5. The Members can join the AGM in the VC/ OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/ OAVM will be made available for 1,000 members on first come first served basis. However, this number does not include the large Shareholders i.e. Shareholders 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/ Grievance Redressal Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

6. The attendance of the Members attending the AGM through VC/ OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.

7. In compliance with the above circulars, electronic copies of the Notice of the AGM alongwith the Integrated Annual Report for the Financial Year 2023-24 is being sent to all the shareholders whose email addresses are registered/ available with the Company/ Depository Participants as on the cut-off date of 24th May, 2024. The Notice has also been uploaded on the website of the Company in the Investors Section under Financials in the Annual Reports tab. The complete Integrated Annual Report is also available in the same section. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Ltd and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively and the AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. www.evoting.nsdl.com.

   However, the Shareholders of the Company may request physical copy of the Notice and Integrated Annual Report from the Company by sending a request at investors@havells.com, in case they wish to obtain the same.

8. This AGM has been convened through VC/ OAVM in compliance with applicable provisions of the Companies Act, 2013 read with the MCA Circular No. 14/2020 dated 8th April, 2020 and MCA Circular No. 17/2020 dated 13th April, 2020, MCA Circular No. 20/2020 dated 5th May, 2020, MCA Circular No. 2/2021 dated 13th January, 2021, MCA Circular No. 19/2021 dated 08th December, 2021, MCA Circular 21/2021 dated 14th December, 2021, MCA Circular No. 03/2022 dated 5th May, 2022 followed by MCA Circular Nos. 10/2022, 11/2022 dated 28th December, 2022, 09/2023 dated 25th September, 2023.

9. The recorded transcript of the forthcoming AGM on 28th June, 2024 shall also be made available on the website of the Company www.havells.com in the Investors Section, as soon as possible after the Meeting is over.

10. All documents referred to in the accompanying Notice and the Explanatory Statement can be obtained for inspection by writing to the Company at its email id investors@havells.com till the date of AGM. Further, Shareholders may also write to the Company at its mailing id investors@havells.com for inspection of any statutory register/ documents required to be placed at the time of AGM of the Company.

11. Shareholders seeking any information with regard to accounts are requested to write to the Company at least 10 days before the meeting so that the information is made available by the management at the day of the meeting.

12. The Register of Members and Share Transfer Register will remain closed from 3rd June, 2024, Monday to 7th June, 2024, Friday (both days inclusive).

13. The Dividend, if any declared, shall be payable to those Shareholders whose name(s) stand registered:

    (a) as Beneficial Owner as at the end of business hours on 2nd June, 2024 as per the lists to be furnished by National Securities Depositories Limited and Central Depository Services (India) Limited in respect of the shares held in electronic form, and

    (b) as Member in the Register of Members of the Company/ Registrars & Share Transfer Agent after giving effect to valid share transmissions, if any, in physical form lodged with the Company as at the end of business hours on 2nd June, 2024.

14. Pursuant to the amendments introduced in the Income Tax Act, 1961 ('the IT Act') vide Finance Act, 2020, w.e.f. 1st April, 2020, dividend declared, paid or distributed by a Company on or after 1st April, 2020, is taxable in the hands of the shareholders. The Company shall, therefore, be required to deduct TDS/ WHT at the time of payment of dividend at the applicable tax rates. The rates of TDS/ WHT would depend upon the category and residential status of the shareholder. Members are requested to complete and/ or update their Residential Status, PAN, Category as per the IT Act with their Depository Participants ('DPs') or in case shares are held in physical form, with the RTA/ Company by sending documents by 7th June, 2024, Friday. For the detailed process, please visit website of the Company and go through "Instructions on TDS for Dividend" at https://havells.com/media/wysiwyg/PDF/Disclosures/TDS-on-Dividend/Final_Dividend_FY2023-24.pdf.

15. i) 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 25th January, 2022 has mandated listed companies to issue securities in dematerialized form only while processing service requests viz. Issue of duplicate securities certificate; claim from unclaimed suspense account; renewal/ exchange of securities certificate; endorsement; sub-division/ splitting of securities certificate; consolidation of securities certificates/ folios; transmission and transposition. In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialisation, Members are advised to dematerialise 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 despatch are available on the website of the Company in the Investors Section under Shareholders Corner in the Downloads Tab at https://www.havells.com/en/discover-havells/investor-relation/shareholders-corner.html, for information and use by the Shareholders. You are requested to kindly take note of the same and update your particulars timely.

    ii) 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.

16. During the year, amount of Un-claimed Final Dividend for the financial year 2015-16 has been deposited in the Investor Education and Protection Fund. Further, amount of Un-claimed Final Dividend for financial year 2016-17 is due for deposit to the Investor Education and Protection Fund on 14th August, 2024.

    The Company also transmitted 405 on account of Unclaimed Final Dividend for FY 2015-16 into the DEMAT Account of the IEPF Authority held with NSDL (DPID/ Client ID IN300708/10656671) in terms of the provisions of section 124(6) of the Companies Act, 2013 and the IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended from time to time. These Equity Shares were the Shares of such Shareholders whose unclaimed/ unpaid dividend pertaining to financial year 2015-16 (Final) had been transferred into IEPF and who have not encashed their dividends for 7 (Seven) years.

17. Concerned Shareholders may still claim the shares or apply for refund to the IEPF Authority in Web Form No. IEPF-5 available on www.iepf.gov.in

18. In case the Dividend has remained unclaimed in respect of Financial Years 2016-17 to 2023-24 the Shareholders may approach the Company with their dividend warrants for revalidation with the Letter of Undertaking for issue of duplicate dividend warrants. The Company regularly sends letters/ emails to this effect to the concerned Shareholders.

19. The annual accounts of the subsidiary companies along with the related detailed information is available for inspection at the Corporate Office of the Company and of the subsidiary concerned and copies will be made available to Shareholders of Havells India Limited and its subsidiary company upon request.

20. To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified.

21. Pursuant to the requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 on Corporate Governance, the information about the Directors proposed to be appointed/ re-appointed at the Annual General Meeting is given in the Annexure to the Notice.

22. Pursuant to Section 72 of the Companies Act, 2013 read with Rule 19(1) of the Rules made thereunder, Shareholders are entitled to make nomination in respect of shares held by them in physical form. Shareholders desirous of making nominations are requested to send their requests in Form SH.13, which is available on the website of the Company. Further, SEBI vide its Circular dated 3rd November, 2021 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 the Nomination.

23. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) and the Circulars issued by the Ministry of Corporate Affairs dated 8th April, 2020, 13th April, 2020, 5th May, 2020, 13th January, 2021, 08th December, 2021, 14th December, 2021, 5th May, 2022, 28th December, 2022 and 25th September, 2023 the Company is providing facility for voting by electronic means for all its Members to enable them to cast their vote electronically and the business may be transacted through such e-voting.

    A member may exercise his/ her vote at the General Meeting by electronic means and the Company may pass any resolution by electronic voting system in accordance with the provisions of the aforesaid Rule.

    For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency.

    The facility of casting votes by a member using remote e-voting system as well as e-voting on the day of the AGM will be provided by NSDL.

    The Members attending the AGM who have not already cast their vote by remote e-voting shall be able to exercise their right at the meeting.

    The Members who have cast their vote by remote e-voting prior to the Meeting may also attend the AGM but shall not be entitled to cast their vote again. Members may contact Shri Sanjay Kumar Gupta, Company Secretary, for any grievances connected with electronic means at investors@havells.com, Tel. # 0120-3331000.

24. The remote e-voting period commences on 25th June, 2024, Tuesday (8:30 am) and ends on 27th June, 2024, Thursday (5:00 pm).

    a. Members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. 21st June, 2024, Friday may opt for remote e-voting and cast their vote electronically.

    b. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on cut-off date only shall be entitled to avail the facility of remote e-voting or e-voting at the Meeting.

    c. Any person, who acquires shares of the Company and becomes member of the Company after sending of the Notice and holding shares as of the cut-off date i.e. 21st June, 2024 may obtain the login ID and password by sending an email to evoting@nsdl.com or investors@havells.com by mentioning their Folio No./ DP ID and Client ID No. However, if you are already registered with NSDL for e-voting then you can use your existing user ID and password for casting your vote. If you forget your password, you can reset your password by using "Forget User Details/Password" option available on www.evoting.nsdl.com

    d. Once the vote on a Resolution is cast by the Member, the Member shall not be allowed to change it subsequently or cast the vote again.

    e. Member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again.

    f. At the end of remote e-voting period, the facility shall forthwith be blocked.

25. The Board vide its Resolution passed on 30th April, 2024 has appointed CS Mohd Zafar, Practicing Company Secretary (Membership No. FCS 9184, COP No. 13875), as Scrutinizer for conducting the e-voting process in accordance with the law and in a fair and transparent manner. The Scrutinizer shall immediately after the conclusion of voting at the AGM, unblock the votes cast through remote e-voting and e-voting on the date of the AGM, in the presence of at least two witnesses not in the employment of the Company and make, not later than 2 working days of the conclusion of the Meeting, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, forthwith to the Chairman of the Company or any person authorized by him in writing and the Results shall be declared by the Chairman or any person authorized by him thereafter. The Results declared along with the Scrutinizer's Report shall be placed on the website of the Company www.havells.com and on the website of NSDL immediately after the declaration of Result by the Chairman or any person authorized by him in writing. The results shall also be forwarded to the stock exchanges where the shares of the Company are listed.

26. SEBI vide its Circulars issued during 2023, established a common Online Dispute Resolution Portal ('ODR Portal') for resolution of disputes arising in the Indian Securities

Market. The regulatory norms regarding the same were consolidated vide SEBI Master Circular dated 11th August, 2023. Pursuant to the same, investors shall first take up a grievance with the Company directly, escalate the same through the SCORES Portal and if still not satisfied with the outcome after exhausting all available options, investors can initiate dispute resolution through the ODR Portal at https://smartodr.in/login. Link to the ODR Portal is also available on the homepage of Company's website at https://havells.com/smart-odr.

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING ARE AS UNDER:-

The remote e-voting period begins on 25th June, 2024, Tuesday (8:30 am) and ends on 27th June, 2024, Thursday (5:00 pm). The remote e-voting module shall be disabled by NSDL for voting thereafter.

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated 9th December, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	1. If you are already registered for **NSDL IDeAS facility**, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the **"Beneficial Owner"** icon under **"Login"** which is available under **"IDeAS"** section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on **"Access to e-Voting"** under e-Voting services and you will be able to see e-Voting page. Click on options available against company name or **e-Voting service provider - NSDL** and you will be re-directed to NSDL e-Voting website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2. If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select **"Register Online for IDeAS"** Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. 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. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on options available against company name or **e-Voting service provider - NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 4. Shareholders/Members can also download NSDL Mobile App **"NSDL Speede"** facility by scanning the QR code mentioned below for seamless voting experience. **NSDL Mobile App is available on** App Store Google Play

HAVELLS

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with CDSL	1. Existing users who have opted for CDSL Easi / Easiest facility, can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi / Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then user your existing my easi username & password. 2. After successful login the Easi/ Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. 3. If the user is not registered for Easi/ Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. 4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/ CDSL for e-Voting facility. Once login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/ CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on options available against company name or **e-Voting service provider-NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.com or call at 022-4886 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33

B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/ OTP and a Verification Code as shown on the screen.

   Alternatively, if you are registered for NSDL eservices i.e. IDeAS, you can log-in at https://eservices.nsdl.com/ with your existing IDeAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example, if your DP ID is IN300*** and Client ID is 12****** then your user ID is IN300***12******.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example, if your Beneficiary ID is 12************** then your user ID is 12**************
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example, if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:

   a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.

   b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.

   c) How to retrieve your 'initial password'?

      (i) If your email id is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

      (ii) If your email id is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered**

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:

   a) Click on **"Forgot User Details/Password?"**(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.

   b) **"Physical User Reset Password?"** (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.

   c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.com mentioning your demat account number/ folio number, your PAN, your name and your registered address etc.

   d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

8. Now, you will have to click on "Login" button.

9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.

2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/ OAVM" link placed under "Join General Meeting".

3. Now you are ready for e-Voting as the Voting page opens.

4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.

5. Upon confirmation, the message "Vote cast successfully" will be displayed.

6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.

7. Once you confirm your vote on the Resolution(s), you will not be allowed to modify your vote.

General Guidelines for shareholders:

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPEG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to cszafar@gmail.com with a copy marked to evoting@nsdl.com. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.

2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.

3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on.: 022-48867000 or send a request at evoting@nsdl.com in or Ms. Pallavi Mhatre, Senior Manager, National Securities Depository Limited, Trade World, 'A' Wing, 4th Floor, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai – 400 013, at the designated email id – evoting@nsdl.com or pallavid@nsdl.co.in or at telephone nos.:- +91 22 24994545, +91 22 24994559, who will also address the grievances connected with voting by electronic means. Members may also write to the Company Secretary at the Company's email address investors@havells.com

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of email ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAAR (self attested scanned copy of Aadhaar Card) by email to investors@havells.com

2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAAR (self attested scanned copy of Aadhaar Card) to investors@havells.com If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **Step 1 (A**) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.

3. Alternatively shareholder/members may send a request to evoting@nsdl.com for procuring user id and password for e-Voting by providing above mentioned documents.

4. In terms of SEBI circular dated 9th December, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

THE INSTRUCTIONS FOR MEMBERS FOR E-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.

2. Only those Members/ Shareholders, who will be present in the AGM through VC/ OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.

3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/ OAVM ARE AS UNDER:

1. Members will be provided with a facility to attend the AGM through VC/ OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/ OAVM link" placed under **"Join meeting"** menu against company name. You are requested to click on VC/ OAVM link placed under Join General Meeting menu. The link for VC/ OAVM will be available in shareholder/members login where the EVEN of Company will be displayed. Please note that the 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 to avoid last minute rush.

2. Members are encouraged to join the Meeting through Laptops for better experience.

3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.

4. Please note that Participants 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.

5. Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request from their registered email address mentioning their Name, DP ID and Client ID/ Folio Number, PAN, Mobile Number at investors@havells.com latest by 23rd June, 2024, Sunday. Those Members who have registered themselves as a speaker will only be allowed to express their views/ ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.

By Order of the Board
For **Havells India Limited**

Sanjay Kumar Gupta
Company Secretary
Membership No. F3348

Noida, April 30, 2024

Registered Office:
904, 9th Floor, Surya Kiran Building
K. G. Marg, Connaught Place,
New Delhi – 110 001
CIN: L31900DL1983PLC016304
Website: www.havells.com
Email: investors@havells.com

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

ITEM NO. 5

Shri Surjit Kumar Gupta (DIN: 00002810) was last re-appointed as a Director whose period of office was liable to determination by retirement by rotation, by the Shareholders in the Annual General Meeting (AGM) of the Company held on 20th May, 2021.

Pursuant to the provisions of Section 152 of the Companies Act, 2013 ('the Act'), he retires by rotation at this AGM and being eligible, has offered himself for re-appointment. In terms of Section 102 of the Act, the re-appointment of a rotational director at the annual general meeting is an Ordinary Business.

However, in view of Regulation 17 (1A) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, no listed entity can continue the directorship of any person as a Non-Executive Director who has attained the age of 75 (Seventy Five) years unless a Special Resolution is passed to that effect. Accordingly, the re-appointment of Shri Surjit Kumar Gupta, aged 82 years, is recommended at this AGM as Special Business by way of Special Resolution instead of Ordinary Business in compliance of Section 102 of the Act read with the amended SEBI (LODR) Regulations 2015.

Shri Surjit Kumar Gupta is a member of the Promoter Group and is one of the First Directors of the Company. Under his guidance the Company has emerged as the leading organisation in the Electrical Industry with an outstanding prominence for high-quality engineered products. The Board has benefitted from his relevant specialization and expertise.

Details on his attendance of various Board Meetings held during the last financial year are included in the Corporate Governance Report of the Integrated Annual Report.

The Board upon the recommendation of the Nomination and Remuneration Committee, in its Meeting held on 30th April, 2024, has approved the re-appointment of Shri Surjit Kumar Gupta as a Director liable to retire by rotation and recommends the Resolution set out at Item No. 5 to this Notice for the approval by the Shareholders of the Company as a Special Resolution.

Except Shri Surjit Kumar Gupta and Shri Ameet Kumar Gupta, no other Director(s) and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in this Resolution.

Disclosure u/r 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are set out in the Annexure to the Explanatory Statement. Other details as required under ICSI Secretarial Standard SS-2 are also included in the Corporate Governance Report of the Integrated Annual Report of the Company.

ITEM NO. 6

The Board, on the recommendation of the Audit Committee, in its Meeting held on 30th April, 2024 has approved the appointment and remuneration of M/s Chandra Wadhwa & Co., Cost Accountants, (Registration No. 00212), as the Cost Auditors of the Company to conduct the audit of the cost records of the Company for the Financial Year 2024-25 at a fee of ₹ 9.00 Lakhs subject to TDS, GST etc., as applicable, apart from out of pocket expenses, as remuneration for cost audit services for the Financial Year 2024-25.

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the shareholders of the Company.

Accordingly, consent of the members is being sought for passing an Ordinary Resolution as set out at Item No. 6 of the Notice for ratification of the remuneration payable to the Cost Auditors for the Financial Year ending 31st March, 2025.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the Resolution set out at Item No. 6 of the Notice.

The Board recommends the Ordinary Resolution set out at Item No. 6 of the Notice for approval by the shareholders.

ITEM NO. 7

The 5 (Five) year term of Shri Ameet Kumar Gupta (DIN: 00002838), as a Whole-time Director of the Company which commenced from 1st January, 2020 is due to expire on 31st December, 2024.

The Board of Directors upon the recommendation of the Nomination and Remuneration Committee, in its Meeting held on 30th April, 2024, and subject to the approval of Members of the Company, re-appointed Shri Ameet Kumar Gupta, as a Whole-time Director of the Company for a further period of 5 (Five) years with effect from 1st January, 2025 to 31st December, 2029.

Pursuant to the provisions of Sections 196, 197, 198, 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013, the Board recommends the re-appointment of Shri Ameet Kumar Gupta, as a Whole-time Director of the Company, to the Members for their approval.

Except Shri Ameet Kumar Gupta and Shri Surjit Kumar Gupta, no other Director(s) and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the Resolution set out at Item No. 7. of this Notice.

Disclosure u/r 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is set out in the Annexure to the Explanatory Statement. Other details as required under ICSI Secretarial Standard SS-2 are also included in the Corporate Governance Report of the Integrated Annual Report of the Company.

The Board recommends the Ordinary Resolution set out at Item No. 7 of the Notice for approval by the shareholders.

ITEM NO. 8

The 5 (Five) year term of Shri Rajesh Kumar Gupta (DIN: 00002842), as the Whole-time Director & Group CFO of the Company which commenced from 1st April, 2020 is due to expire on 31st March, 2025.

The Board of Directors upon the recommendation of the Nomination and Remuneration Committee, in its Meeting held on 30th April, 2024 and subject to the approval of Members of the Company, re-appointed Shri Rajesh Kumar Gupta, as the Whole-time Director & Group CFO of the Company for a further period of 5 (Five) years with effect from 1st April, 2025 to 31st March, 2030.

Pursuant to the provisions of Sections 196, 197, 198, 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013, the Board recommends the re-appointment of Shri Rajesh Kumar Gupta, as the Whole-time Director & Group CFO, to the Members for their approval.

A qualified Chartered Accountant with rich experience in finance and allied fields, Shri Rajesh Kumar Gupta, is the Whole-time Director and Group CFO of Havells India Limited. He has been long associated with the QRG group since the beginning of his career. Shri Rajesh Kumar Gupta has helped in shaping up Finance and allied operations of the Company alongwith the standardization of systems and processes. It would thus be in the interest of the Company that he continues in his capacity as the Whole-time Director & Group CFO.

Members may please note that as per Section 196(3) of the Companies Act 2013 read with conditions specified in Part 1 of Schedule V to the Act, appointment of a wholetime director, who has attained the age of 70 years, is required to be made by way of a Special Resolution only.

Shri Rajesh Kumar Gupta though has not attained the age of 70 years on the date of his appointment and would attain it during his tenure of appointment, the Board of Directors, propose the Resolution at Item No. 8 to the Notice, related to his appointment as Wholetime Director and Group CFO, to be passed as a Special Resolution, as a measure of good corporate governance.

Except Shri Rajesh Kumar Gupta, no other Director(s) and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the Resolution set out at Item No. 8. of this Notice.

Disclosure u/r 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is set out in the Annexure to the Explanatory Statement. Other details as required under ICSI Secretarial Standard SS-2 are also included in the Corporate Governance Report of the Integrated Annual Report of the Company.

ITEM NO. 9

Shri Bontha Prasada Rao (DIN: 01705080) was appointed as an Independent Director on the Board of Directors of the Company in the Annual General Meeting (AGM) held in the Calendar year 2020 to hold office for a period of 5 (Five) years with effect from 22nd June, 2020 (the date of AGM 2020).

In terms of Section 149 of the Companies Act, 2013, an Independent Director is eligible for re-appointment on passing of Special Resolution. Shri Bontha Prasada Rao being eligible and offering himself for re-appointment, is proposed to be appointed as an Independent Director for a Second Term of 5 (Five) years upon the expiry of his First Term. In the opinion of the Board, Shri Bontha Prasada Rao fulfils the conditions specified in the Act and rules made thereunder for his re-appointment as an Independent Director of the Company and is independent of the Management.

In the Performance Evaluation conducted for the year 2023-24, the performance of Shri Bontha Prasada Rao was evaluated satisfactory in the effective and efficient discharge of his role and responsibilities as an Independent Director of the Company. The Board and its allied Committees have benefitted from his relevant specialisation and expertise.

Given his skill and expertise, more specifically mentioned in his profile annexed to the Notice and the Corporate Governance Report of the Integrated Annual Report, the Board feels that it would be in the interest of the Company that Shri Bontha Prasada Rao continues in his capacity as an Independent Director.

Details on his attendance of various Board and Committee Meetings held during the last financial year are included in the Corporate Governance Report of the Integrated Annual Report.

The Board upon the recommendation of the Nomination and Remuneration Committee, in its Meeting held on 30th April, 2024, has approved the re-appointment of Shri Bontha Prasada Rao as an Independent Director and recommends the Resolution set out at item No. 9 to this Notice for the approval by the Shareholders of the Company by way of Special Resolution.

Except Shri Bontha Prasada Rao, no other Director and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the Resolution set out at Item No. 9 of this Notice.

Disclosure u/r 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is set out in the annexure to the Explanatory Statement. Other details as required under ICSI Secretarial Standard SS-2 are also included in the Corporate Governance Report of the Integrated Annual Report of the Company.

ITEM NO. 10

Shri Subhash S Mundra (DIN: 00979731) was appointed as an Independent Director on the Board of Directors of the Company in the Annual General Meeting (AGM) held in the Calendar year 2020 to hold office for a period of 5 (Five) years with effect from 22nd June, 2020 (the date of AGM 2020).

In terms of Section 149 of the Companies Act, 2013, an Independent Director is eligible for re-appointment on passing of Special Resolution. Shri Subhash S Mundra being eligible and offering himself for re-appointment, is proposed to be appointed as an Independent Director for a Second Term of 5 (Five) years upon the expiry of his First Term. In the opinion of the Board, Shri Subhash S Mundra fulfils the conditions specified in the Act and rules made thereunder for his re-appointment as an Independent Director of the Company and is independent of the Management.

In the Performance Evaluation conducted for the year 2023-24, the performance of Shri Subhash S Mundra was evaluated satisfactory in the effective and efficient discharge of his role and responsibilities as an Independent Director of the Company. The Board and its allied Committees have benefitted from his relevant specialisation and expertise.

Given his skill and expertise, more specifically mentioned in his profile annexed to the Notice and the Corporate Governance Report of the Integrated Annual Report, the Board feels that it would be in the interest of the Company that Shri Subash S Mundra continues in his capacity as an Independent Director.

Details on his attendance of various Board and Committee Meetings held during the last financial year are included in the Corporate Governance Report of the Integrated Annual Report.

The Board upon the recommendation of the Nomination and Remuneration Committee, in its Meeting held on 30th April, 2024, has approved the re-appointment of Shri Subhash S Mundra as an Independent Director and recommends the same for the approval by the Shareholders of the Company by way of Special Resolution.

Except Shri Subhash S Mundra, no other Director and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the Resolution set out at Item No. 10 of this Notice.

Disclosure u/r 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is set out in the annexure to the Explanatory Statement. Other details as required under ICSI Secretarial Standard SS-2 are also included in the Corporate Governance Report of the Integrated Annual Report of the Company.

ITEM NO. 11

Shri Vivek Mehra (DIN: 00101328) was appointed as an Independent Director on the Board of Directors of the Company in the Annual General Meeting (AGM) held in the Calendar year 2020 to hold office for a period of 5 (Five) years with effect from 22nd June, 2020 (the date of AGM 2020).

In terms of Section 149 of the Companies Act, 2013, an Independent Director is eligible for re-appointment on passing of Special Resolution. Shri Vivek Mehra being eligible and offering himself for re-appointment, is proposed to be appointed as an Independent Director for a Second Term of 5 (Five) years upon the expiry of his First Term. In the opinion of the Board, Shri Vivek Mehra fulfils the conditions specified in the Act and rules made thereunder for his re-appointment as an Independent Director of the Company and is independent of the Management.

In the Performance Evaluation conducted for the year 2023-24, the performance of Shri Vivek Mehra was evaluated satisfactory in the effective and efficient discharge of his role and responsibilities as an Independent Director of the Company. The Board and its allied Committees have benefitted from his relevant specialisation and expertise.

Given his skill and expertise, more specifically mentioned in his profile annexed to the Notice and the Corporate Governance Report of the Integrated Annual Report, the Board feels that it would be in the interest of the Company that Shri Vivek Mehra continues in his capacity as an Independent Director.

Details on his attendance of various Board and Committee Meetings held during the last financial year are included in the Corporate Governance Report of the Integrated Annual Report.

The Board upon the recommendation of the Nomination and Remuneration Committee, in its Meeting held on 30th April, 2024, has approved the re-appointment of Shri Vivek Mehra as an Independent Director and recommends the Resolution set out at item No. 11 to this Notice for the approval by the Shareholders of the Company by way of Special Resolution.

Except Shri Vivek Mehra, no other Director and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the Resolution set out at Item No. 11 of this Notice.

Disclosure u/r 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is set out in the annexure to the Explanatory Statement. Other details as required under ICSI Secretarial Standard SS-2 are also included in the Corporate Governance Report of the Integrated Annual Report of the Company.

By Order of the Board
For **Havells India Limited**

Sanjay Kumar Gupta
Company Secretary
Membership No. F3348

Noida, April 30, 2024

Registered Office:
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New Delhi – 110 001
CIN: L31900DL1983PLC016304
Website: www.havells.com
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ANNEXURE

PURSUANT TO REGULATION 36 OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND SECRETARIAL STANDARD 2 ISSUED BY ICSI, INFORMATION ABOUT THE DIRECTORS PROPOSED TO BE APPOINTED/ RE-APPOINTED IS FURNISHED BELOW:

Name of Director (DIN) Date of first appointment on the Board	Date of Birth, Age (No. of Equity Shares held)	Qualification (Relationship with other Directors)	Nature of Expertise in specific functional areas	Name of Companies in which he/ she holds Directorship (Name of listed entities from where person has resigned in past 3 years)	Name of Committees of the Companies of which he/ she holds Membership
Shri Ameet Kumar Gupta (DIN: 00002838) 22nd December 2014	16th January, 1972, 52 years (Nil)	BE (Electronics & Communication) DU, MBA (Marketing & Finance) from Wake Forest University, North Carolina, USA (Related with Shri Surjit Kumar Gupta)	Shri Ameet Kumar Gupta has been working with the QRG group for over 2 decades and is actively involved in new business development activities along with Shri Anil Rai Gupta. In addition, he has been accredited with new product introduction and development and also for setting up new plants and manufacturing facilities for the QRG group. His functions include spearheading new projects being undertaken by the organisation.	• Havells India Limited • QRG Enterprises Limited • QRG Investments and Holdings Limited (APL Apollo Tubes Limited)	Havells India Limited - Audit Committee-Member - Executive Committee-Member QRG Investments and Holdings Limited - Risk Management Committee – Member - Corporate Social Responsibility Committee – Member - Executive Committee-Member
Shri Surjit Kumar Gupta (DIN: 00002810) 8th August 1983	13th January, 1942, 82 years (Nil)	F.Sc. from Punjab University and holds a Diploma in Mechanical Engineering from State Board of Technical Education, Punjab. (Related with Shri Ameet Kumar Gupta)	Shri Surjit Kumar Gupta is an esteemed member of the Promoter Group and is one of the First Directors of the Company. He has been on the Board of Directors since incorporation on 8th August, 1983. Under his guidance the Company has emerged as a leading organisation in the Electrical Industry with an outstanding prominence for high quality engineered products. He was the prime motivator for initial exposures of Havells to international manufacturers and technology. Havells has successfully entered into several foreign alliances under his supervision.	• Havells India Limited • QRG Enterprises Limited • QRG Investments and Holdings Limited (Nil)	Havells India Limited - CSR & ESG Committee – Member - Stakeholder Relationship/ Grievance Redressal Committee – Member - Share Allotment & Transfer Committee – Chairman - Executive Committee-Chairman QRG Investments and Holdings Limited - Asset Liability Management Committee - Chairman - Executive Committee-Chairman
Shri Rajesh Kumar Gupta (DIN: 00002842) 21st March 1992	17th June, 1957, 66 years (12,90,688 Equity Shares of ₹1/- each)	Chartered Accountant (Not related with any Director of the Company)	Highly qualified Chartered Accountant with rich experience in finance and allied fields, Shri Rajesh Kumar Gupta, is the Whole-time Director & Group CFO of Havells India Limited. He has been long associated with the QRG group since the beginning of his career and has helped shape up the finance sector and simultaneously played a multi-dimensional role in creating the culture, systems and processes across the organization.	• Havells India Limited (Nil)	Havells India Limited - CSR & ESG Committee – Member - Share Allotment & Transfer Committee – Member - Executive Committee-Member
Shri Bontha Prasada Rao (DIN: 01705080) 12th May 2020	1st January,1954, 70 years (Nil)	Mechanical Engineering Graduate from Jawaharlal Nehru Technological University, Kakinada, Post Graduate in Industrial Engineering from NITIE, Mumbai (now IIM, Mumbai) (Not related with any Director of the Company)	Mr. B. Prasada Rao served as the CMD of Bharat Heavy Electricals Limited, India till 31st December 2015. Under his visionary leadership, BHEL was granted the coveted Maharatna status by the Govt. of India. Forbes magazine ranked BHEL at No. 9 of World's Most Innovative companies in July 2011. Mr Rao has been an active contributor in various national level forums to promote a stronger manufacturing sector in India. Mr. Rao was given a two-year extension as	• Havells India Limited • TATA-Boeing Aerospace Limited • Poonawalla Fincorp Limited • Titagarh Rail Systems Limited (Nil)	Havells India Limited - Audit Committee - Member TATA-Boeing Aerospace Limited - Audit Committee – Member - Nomination Review Committee – Chairman Poonawalla Fincorp Limited - Asset Liability Management Committee – Member

Name of Director (DIN) Date of first appointment on the Board	Date of Birth, Age (No. of Equity Shares held)	Qualification (Relationship with other Directors)	Nature of Expertise in specific functional areas	Name of Companies in which he/ she holds Directorship (Name of listed entities from where person has resigned in past 3 years)	Name of Committees of the Companies of which he/ she holds Membership
			CMD/BHEL as a special case, the first of its kind in a PSU, by GoI in recognition of his excellent technical and managerial contribution to BHEL. Mr. Rao served as member of the Studies Group of World Energy Council for two terms. He was the Chairman of CII Public Sector Enterprises Council, is a Fellow of the Institution of Engineers (India) and Indian National Academy of Engineering. He has to his credit a number of awards and accolades, both institutional and individual. Post retirement from BHEL, he has taken up the responsibility as MD of Steag Energy Services India, a 100% owned subsidiary of Steag Energy Services Germany- an organization involved in offering Engineering and O&M services to Power Sector. Mr. Rao was conferred with the "Engineering Excellence Award by the title of "Prof. S N Mitra Memorial Award 2018" – by the Indian National Academy of Engineers, during the year 2018. He was conferred "Honorary Doctorate" by Jawaharlal Nehru Technological University, Kakinada.		- Review Committee – Member - IT Strategy Committee – Chairman - Management Committee – Member - Risk Management Committee - Chairman Titagarh Rail Systems Limited - Audit Committee – Member - Nomination Review Committee – Member
Shri Subhash S Mundra (DIN: 00979731) 12th May 2020	18th July,1954, 69 years (Nil)	B.Com, M.Com, Fellow Indian Institute of Banking & Finance, D. Phil (HonorisCausa) (Not related with any Director of the Company)	In a banking career spanning over four decades, Mr. Mundra has held several important positions in banking industry including CMD of Bank of Baroda and Executive Director of Union Bank of India. Post superannuation as CMD, Bank of Baroda, he moved to RBI as the Deputy Governor for three years. During his stint at RBI, he also served as RBI's nominee on the Financial Stability Board (G20 Forum) and its various committees. Mr. Mundra was also the Vice-chair of OECD's International Network on Financial Education (INFE). Post retirement from Reserve Bank of India, Mr. Mundra served on the Board of BSE Limited, among others, and vacated as Chairman of the Board, in January 2024, on completion of maximum permissible tenure of 6 years. He was also on the global Risk Advisory Committee of PayU Global, Netherlands from May 2019 till March 2024. Mr. Mundra is a regular presence on various media platforms as also a speaker on various Forums. Amity University has conferred the Degree of Doctor of Philosophy (D.Phil.), Honoris Causa, upon Mr. Mundra, in recognition of his services in the field of banking and related areas.	• Havells India Limited • Indiabulls Housing Finance Limited • Airtel Payments Bank Limited • Yashraj Biotechnology Limited • Ayana Renewable Power Private Limited • DSP Asset Managers Private Limited (PTC India Limited, Ikab Securities & Investment Limited)	Havells India Limited - Stakeholders Relationship/ Grievance Redressal Committee – Chairman - Enterprises Risk Management Committee – Member Airtel Payments Bank Limited - Audit Committee – Chairman - Risk Management Committee – Member - Customer Service – Member - FRMC Committee – Member Yashraj Biotechnology Limited - Audit Committee – Chairman - Nomination and Remuneration Committee - Member Ayana Renewable Power Private Limited - Audit Committee – Chairman DSP Asset Managers Private Limited - Audit Committee – Member - Risk Management Committee – Member - Unitholder Protection Committee - Member

Name of Director (DIN) Date of first appointment on the Board	Date of Birth, Age (No. of Equity Shares held)	Qualification (Relationship with other Directors)	Nature of Expertise in specific functional areas	Name of Companies in which he/ she holds Directorship (Name of listed entities from where person has resigned in past 3 years)	Name of Committees of the Companies of which he/ she holds Membership
Shri Vivek Mehra (DIN : 00101328) 12th May 2020	21st April, 1955, 69 years (Nil)	B. Com (Hons) from SRCC, DU, Chartered Accountant (Not related with any Director of the Company)	Mr. Vivek Mehra, is a well-respected senior Chartered Accountant with an illustrious professional career spanning over 44 years and experience spanning across sectors in Taxation, accounting, risk management and Regulatory domains of Merger & Acquisition specializing in Cross-border Investment and Transaction Structuring. He has held various leadership roles till April 2017 in PWC as Partner/ Executive Director. He was the founder and national leader for PwC Regulatory and M&A Tax Practices and has been elected on PwC Governance Oversight Board for two consecutive terms. Mr. Mehra had given his valuable contribution as a member of the Federation of Indian Chambers of Commerce and Industry (FICCI) Steering Committee and National Executive Committee.	• Havells India Limited • Jubilant Pharmova Limited • DLF Limited • Chambal Fertilizers & Chemicals Limited • HT Media Limited • Bharat Hotels Limited • Embassy Office Parks Management Services Private Limited • House of Masaba Lifestyle Private Limited • DLF Assets Limited • Grassroot Trading Network For Women (Nil)	Havells India Limited - CSR & ESG Committee - Chairman Jubilant Pharmova Limited - Audit Committee – Chairman - Nomination, Remuneration and Compensation Committee – Member - Restructuring Committee – Member DLF Limited - Audit Committee – Member - Risk Management Committee – Chairman - CSR & Finance Committee - Member - Committee of Directors – Member Chambal Fertilizers & Chemicals Limited - Audit Committee – Member - Buy Back Committee - Chairman - Risk Management Committee – Chairman - Banking & Finance – Member - Nomination and Remuneration Committee - Chairman HT Media Limited - Audit Committee – Chairman - Risk Management Committee – Chairman - Nomination and Remuneration Committee – Member Bharat Hotels Limited - Audit Committee – Member Embassy Office Parks Management Services Private Limited - Audit Committee – Chairman - Stakeholders Relationship Committee – Member - Nomination and Remuneration Committee – Member - Risk Management Committee – Chairman - Investment Committee – Member DLF Assets Limited - Corporate Social Responsibility Committee – Chairman - Vigilance officer under Vigil Machanism – Chairman Grassroot Trading Network for Women - Finance Committee - Member

Note: For other details, including the skills and capabilities in case of independent directors required for the role and the manner in which the proposed person meets such requirements, please refer to the Corporate Governance Section of the Integrated Annual Report.