HPL Electric & Power Limited

"Smart & Sustainable Growth..."

Annual Report **2021-22**

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FINANCIAL STATEMENTS

To view our report online,
please visit: **www.hplindia.com**

Forward-looking statement

This report may contain some statements on the Company's business or financials which may be construed as forward-looking based on the management's plans and assumptions. The actual results may be materially different from these forward-looking based statements although we believe we have been prudent in our assumptions.

Corporate Information

Board of Directors

Mr. Lalit Seth
Chairman and Whole-time Director

Mr. Rishi Seth
Managing Director

Mr. Gautam Seth
Jt. Managing Director & CFO

Mr. Hargovind Sachdev
Independent Director

Dr. Rashmi Vij
Independent Director

Mr. Dhruv Goyal
Independent Director

Company Secretary

Mr. Vivek Kumar

Corporate Identification No.

CIN: L74899DL1992PLC048945

Registered & Corporate Office

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

Corporate Office
Windsor Business Park, B-1D, Sector-10,
Noida - 201 301 (UP)
Email: hpl@hplindia.com
Website: www.hplindia.com
Tel.: +91-120-4656300
Fax: +91-120-4656333

Statutory Auditors

M/s. Kharabanda Associates
Chartered Accountants, New Delhi

Internal Auditors

PricewaterhouseCoopers Services LLP,
Gurugram (Haryana)

Cost Auditors

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

Secretarial Auditors

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

Registrar & Transfer Agent

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

Bankers/Lenders

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

Works

- Plot No. 132-133, Pace City-I, Sector-37, Gurugram, Haryana
- Plot No. 357-Q, Pace City-II, Sector-37, Gurugram, Haryana
- Vill: Shavela, P.O. Jabli, Distt. Solan, Himachal Pradesh
- Vill: Bigan, Dhaturi Road, Tehsil Gannaur, Sonepat, Haryana
- Plot No. 76-B, Phase IV, Sector-57, HSIIDC Industrial Area, Kundli - 131 028, Sonepat, Haryana
- Main GT Karnal Road, Village- Bastawa, Tehsil Gharonda, District- Karnal, Haryana

SMART AND SUSTAINABLE GROWTH

The pandemic brought with it several challenges. Economic activities had slowed down and infrastructure creation was put on back foot.

Two years since, the scenario is now changing. COVID-19 has entered endemic stage, and Indian economy is recovering well to move towards pre-pandemic normal levels. All sectors are buoyant and the outlook is strong.

The euphoria is even more evident in the power and electric industry, which is amongst the most critical sectors for the country's development. The government's ambitious efforts to modernise electrical infrastructure by transforming to smart grid and smart meters, has once again been in focus. Favourable policies have been launched, ₹225 billion earmarked for installing 25 Crore smart prepaid meters and tangible progress is happening in tendering activities.

A similar positiveness is being witnessed in the consumer electric segment, with revival in real estate and market sentiments.

For HPL Electric & Power, this is a moment to accelerate and consolidate our market leading position. We have diversified portfolio and large manufacturing capacities, competencies in most advanced technologies and solid track record, established pan-India distribution and a rapidly growing export presence.

WE HAVE ORDER BOOK OF ₹748 CRORE AS ON 30$^{\text{TH}}$ JUNE 2022, WHICH GIVES US STRONG REVENUE VISIBILITY. WE ARE CONFIDENT THAT A COMBINATION OF MARKET OPPORTUNITIES AND OUR CAPABILITIES, WILL POWER A SMARTER AND SUSTAINABLE GROWTH AND LEAD TO MULTIPLE VALUE CREATION OPPORTUNITIES.

HPL Electric & Power
Redefining Industry Smartly and Sustainably

HPL ELECTRIC & POWER IS A FORMIDABLE PLAYER IN THE ELECTRIC EQUIPMENT INDUSTRY. FOR MORE THAN FIVE DECADES, WE HAVE BEEN REVOLUTIONISING THE INDUSTRY BY USING OUR TECHNOLOGY EXPERTISE TO MANUFACTURE A WIDE RANGE OF CUTTING-EDGE AND INNOVATIVE PRODUCTS AND SOLUTIONS.

TODAY, WITH OFFERINGS RANGING ACROSS METERING SOLUTIONS, SWITCHGEARS, MODULAR SWITCHES, LED LIGHTING, WIRES & CABLES AND SOLAR SOLUTIONS, WE HAVE EMERGED AS A ONE-STOP SHOP. OUR ABILITY TO ENSURE HIGHEST QUALITY AND DELIVER ON THE EMERGING NEEDS MAKES US A PREFERRED BRAND FOR BOTH CONSUMERS AND UTILITIES GLOBALLY.

HPL Reputation

Undisputed Market Leader in Electric Meters and On-load Change-over Switches

50%
Market share in the on-load change-over switches market*

20%
Market share in electric meters market*

5%
Market share in low-voltage switchgear market*

5th
Largest LED lighting manufacturer*

50+
Years of experience

45+
Countries where we are a trusted brand

1185
Satisfied employees

*(Source: As per Frost and Sullivan Report 2016)

Powering Ahead with Established Competencies

Integrated Manufacturing Capabilities

We have seven manufacturing units across Haryana and Himachal Pradesh. Equipped with robust infrastructure, they have capabilities ranging across design & product development, component designing, tool making and commercial production. Following global best practices and a culture of zero tolerance for quality deviation, our plants have highest operational and quality standards, scalable and robust portfolio and customisation capabilities.

LARGE CAPACITIES

11 million units
Electronic Meters

16 million units
Switchgear

26 million units
Lighting Equipment

194 million units
Wires and Cables

Strong R&D capabilities

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

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

Our R&D centres are recognised by DSIR (Department of Scientific and Industrial Research). Our Gurugram R&D centre is certified for CMMi Level 3 for design and development of state-of-the-art Smart meters, high end energy meters, Pre-paid energy meters, panel meters and centralised system for Street light management system. Our R&D-Jabli centre is going to be recognised by NABL for MCB, RCCB Products testing.

Our MCB & RCCB Products tested as per IEC Standards, we will get the approval from DEKRA – Netherlands for CB Certificate and KEMA which will be a global gateway for International Markets.

Also, we are supporting policies of GOI by design & launch of cutting edge innovative solutions; DC MCB, Smart Prepaid meters to support smart meter rollout policy, Net Energy meters to support Renewable energy generation (e.g. Solar) policy, indigenous technology & product development for Make in India drive.

As a leading organisation in metering, Miniature Circuit Breakers, Residual Current Circuit Breakers, Wiring Accessories segment, we have been participating at various forums like BIS, IEEMA in formation, update & revision of standards for metering products.

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

ACCREDITATIONS

CMMi Level 3
Gurugram R&D centre is CMMi Level 3 certified for smart / high end energy / prepaid energy / panel meters and centralised street light management system

NABL
Kundi plant laboratory

NABL ISO/IEC 17025:2005
Kundi plant laboratory

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

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

Extensive Distribution Capabilities

We have a well-entrenched distribution and supply chain network enabling extensive product availability across markets to augment B2C sales as well as to cater institutional demand. We continue to strengthen our network through engagement initiatives like retail gatherings, engagement programmes, consistent divulgatory activities, and incentive schemes. Additionally, we have 600+ focussed marketing teams who undertake promotional and brand building activities to strengthen brand equity.

90+
Branch and representative offices

21
Warehouses

900+
Authorised dealers

35,000+
Retailers

Long-standing Customer Relationships

HPL with a legacy of 40+ years is one of India's most reputed brands across customer segments including retail and institutional customers, power utilities, and Government agencies. We are trusted to deliver innovative, quality and technologically superior products to varied market segments and at different price points. Our niche in technologically advanced Metering and Switchgear products along with a successful track record of supplying electrical equipment, makes us a preferred player for state and central utilities.

Pre-qualification and Competitive Edge

We meet all pre-qualification credentials including industry experience, technological expertise, quality and safety compliances, financial strength, and competitive pricing. This provides us a competitive edge and allows us to directly bid for various power utilities and Government agency projects.

Dynamic Management

We have a highly experienced management team with extensive knowledge and understanding of the electrical industry. This has been instrumental in strengthening the entity, and driving a stable and predictable long-term growth.

50+ years
Domain proficiency of promotors

25+ years
Average industry experience of senior management

Establishing a Wide and Winning Product Range

At HPL, we have established a leadership position as a one-stop shop for low voltage electrical equipment across market segments and price ranges. Our complementary product offerings enable cross-selling and strengthens brand recall. We are continually widening this extensive portfolio of ours to capture market and power growth.

Our extensive product range

METERING SOLUTIONS

Smart Meter

Net Meter for Solar Roof Top

Prepaid Metering Solutions

Ebrit Digital Panel Meter

Trivector Meter

WIRES & CABLES

Fire Resistant Cable

Co-axial Cable

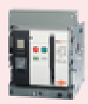
Submersible Cable

Networking Cable

Solar Cables

SWITCHGEARS

Industrial Applications

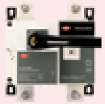


ACB

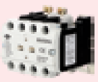
Double Break MCCB

Microprocessor MCCB

AV ATS



Switch Disconnector (DC)

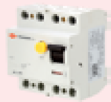


SOLIDE Range of AC Contactor

Domestic Applications

Osafe MCB

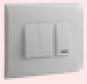
Techno 'N' MCB



Techno RCCB

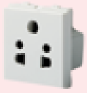
Modular Switch & Accessories

Bells



Smart Switches

Fan Regulator



Plug Socket

Extension Cord

Solar Solutions

String Combiner Box

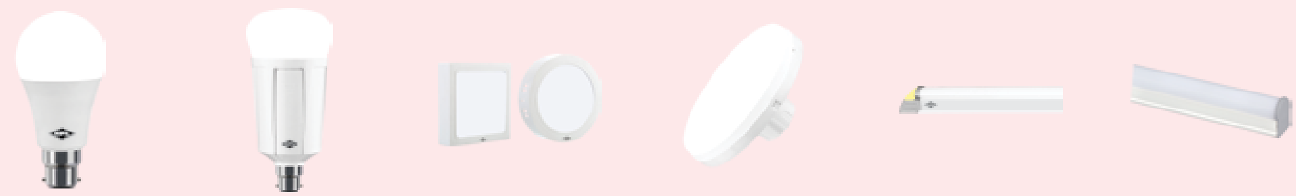
LT Panel

LED LIGHTING

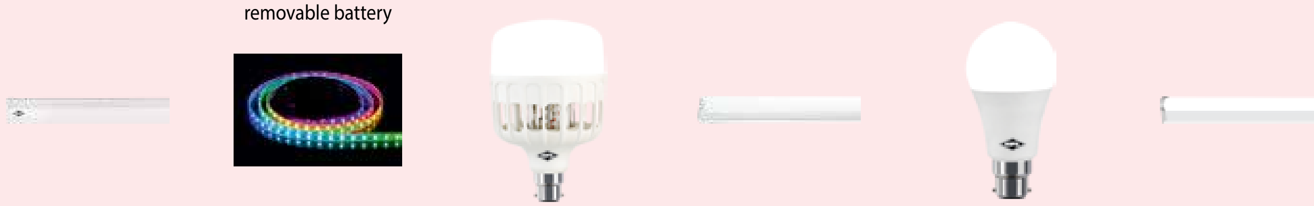
Professional Luminaires Products

LED Flood Light | LED Street Light | Bulk Head | Clean Room | Highbay | Well Glass | Brito LED Panel | Jonex Downlight | CRCA Panel

Consumer LED Products



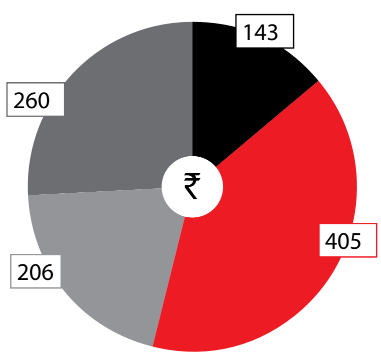
Radar LED Bulb Motion Sensor | Kasper Gold - The Inverter Lamp with removable battery | Lumino Downlight | Spark Gold | Bright Neo LED Batten | Phoenix LED Batten



LED Kasper Inverter Batten | LED Strip Light | LED Mosquito Killing Lamp | LED Sunlight Fly Batten | Radar LED Bulb Motion Sensor | Tri-Glow LED Tri-Color Batten

NET REVENUE FROM BUSINESS SEGMENTS

₹ in Crore



- Metering
- Switchgear
- Lighting & Electronics
- Wires & Cables

EBIT MARGINS

Metering	13.6%
Switchgear	15.2%
Lighting	9.1%
Wires & Cables	3.4%

Exciting New Launches in FY 2021-22

39 Products launched

11 In meters segment

21 In lighting segment

7 In switchgear segment

The Year as it Was

BAGGED PRESTIGIOUS ORDERS

Tata Power Central Odisha
₹ 104.20 Crore

Tata Power Southern Odisha
₹ 74.72 Crore

Shirdi Sai (EPC Contractor)
₹ 30 Crore

LAUNCHED NEW NB-IoT SMART METERS

LAUNCHED NEW NARROW BAND INTERNET OF THINGS (NB-IoT) BASED SMART METERS; RECEIVED APPROVAL AND PRODUCTION CLEARANCE FROM LEADING PRIVATE DISTRIBUTION COMPANY FOR ITS IMPLEMENTATION IN PARTS OF DELHI

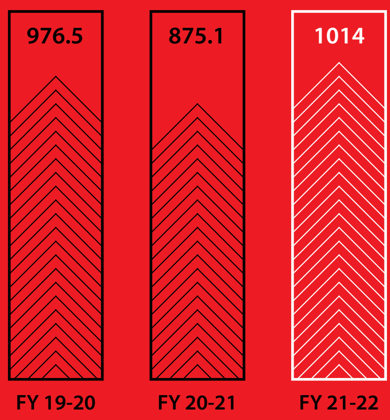
DELIVERED STRONG PERFORMANCE AMIDST STIFF CHALLENGES AND COMPETITION

Achieved **16%** growth in revenues to **₹ 1,014 Crore**

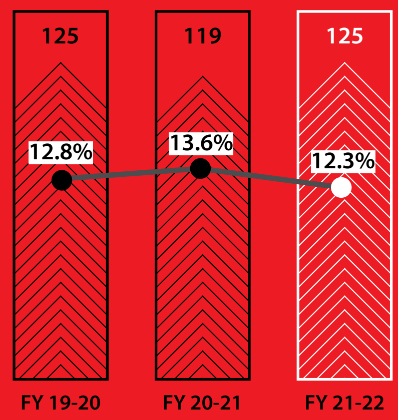
B2C business registered good traction and grew by **23%** to **₹ 672.6 Crore**

Exports business grew **48% to ₹ 49 Crore**

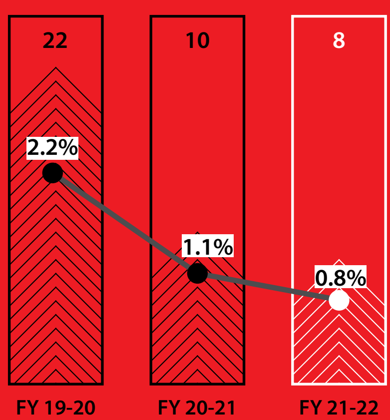
Net Revenue (₹ Crore)



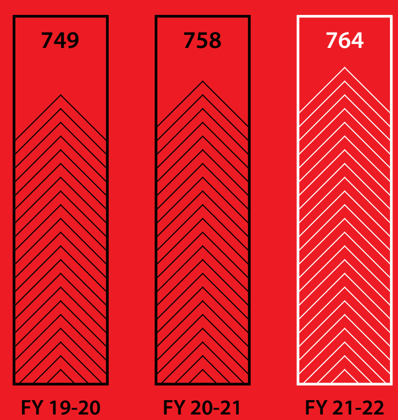
EBITDA & EBITDA Margin (₹ Crore)



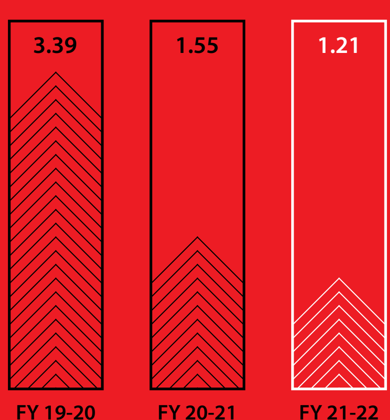
PAT & PAT Margin (₹ Crore)



Networth (₹ Crore)



Earnings Per Share (₹)



Chairman's Message

"AT THE VERY OUTSET, I FEEL PROUD TO SAY THAT FY 2021-22 HAS BEEN AN EXCEPTIONAL YEAR FOR US. WE CROSSED THE ₹ 1,000+ CRORE MARK IN REVENUE AND HAVE PROGRESSED ON OUR STRATEGIC GOALS, WHICH IN AN IMPROVING INDUSTRY SCENARIO HAS OPENED MULTIPLE VALUE CREATION OPPORTUNITIES.

Dear Shareholders,

At the very outset, I feel proud to say that FY 2021-22 has been an exceptional year for us. We crossed the ₹ 1,000+ Crore mark in revenue and have progressed on our strategic goals, which in an improving industry scenario has opened multiple value creation opportunities.

I am happy to note that we have delivered secular growth across all business categories led by a good traction in our robust portfolio of products. We maintain a favourable stance for the growth trajectory of our consumer and industrial businesses, alongside remaining focussed on exploring and evaluating new opportunities. With a solid order book position, a balanced approach towards leverage and liquidity profile, and benefiting from our low capex model and adequate capacity, we are all set to fuel our medium-term growth plan.

Let me start with the macro context. The year started with a severe second wave of COVID-19 pandemic. However, since the initial setback, the economic activity has been on recovery. Thanks to the fiscal and policy stimulus efforts of the Government, the country is steadily moving towards the pre-COVID normal level. The year though was marred with immense challenges around supply chain and inputs price inflation.

Coming out of pandemic, the world is facing a greater risk of stagflation led by various geopolitical tensions which have triggered energy and security crises. The economies of the US and Euro area have slowed down with record high inflation. China too is facing an eminent slowdown.

The Indian economy is expected to remain relatively stable amidst the global turmoil. It is projected to grow 7.4% in FY 2022-23, to become the world's fastest growing major economy. The positive outlook augurs well for all sectors of economy including the power and electrical industry. In fact, the industry is rapidly evolving with the government focussing on ramping up the electrical infrastructure and progressing towards smart grid. There is also a renewed focus on smart metering to achieve these. An ambitious sum of ₹ 22,500 Crore has been envisaged to replace 250 million conventional meters. The progress has been impressive with nearly ₹ 1,500 Crore worth of Metering tenders being floated or expected to be floated in near-term. That puts us in a strong position, given our leadership position in the space.

Performance FY 2021-22

Despite the challenging macro, we have delivered a commendable performance. We closed FY 2021-22, with a 16%

growth in revenues to ₹ 1,014 Crore. EBIDTA was up 5% to ₹ 125.1 Crore. PAT was though lower at ₹ 7.8 Crore as against ₹ 10 Crore due to a regulatory change which increased tax. Margins were impacted given the unprecedented rise in raw material costs. EBITDA margin was lower at 12.3% as against 13.6% in FY 2020-21.

On the business front, we have seen broad-based growth with all categories performing well. The Wire and Cable segment delivered a solid performance, growing by 72% to ₹ 143 Crore, though partly aided by a favourable commodity price. The Switchgear segment grew by 28% to ₹ 206 Crore. The Metering and lighting segments registered moderate growth at 7% and 4% respectively.

In terms of customer type, the consumer (B2C) segment drove the growth, surging by 23% to ₹ 672.6 Crore to account for 66% of the revenue. The B2B segment also did good as we saw increased ordering activity from various state utilities. We closed the year with a net order book of ₹ 748 Crore. Smart meters ordering was strong at more than 50% of the ₹ 337 Crore metering order book indicating the government's strong focus on converting conventional meters. This bodes well as smart meters attracts higher realisations and will help improve profitability.

The exports business grew by 48% to ₹ 49 Crore, led by our efforts to enter new regions and introduce market relevant products.

Progressing smartly on R&D activities

R&D competence and ability to consistently launch high technology products has been key to our success. This year, we launched several innovative products in the meters, switchgear and lighting segments.

Noteworthy, is the launch of Narrow Band-Internet of Things (NB-IoT) smart meters. It reinforces our dominance in this segment, and will be key to capitalising the opportunities coming ahead.

Smart and sustainable growth

The outlook for HPL looks encouraging. We are well-placed to stretch our market share in smart meters. We are positive on the Government's move to impose duties on imported smart meters to encourage local manufacturing. Companies like ours, having integrated operations where we manufacture most components locally, will stand to benefit.

The exports business grew by 48% to ₹ 49 Crore, led by our efforts to enter new regions and introduce market relevant products.

The consumer electric segment has been witnessing good growth since the past two years and we see this trend to continue. Our efforts around brand building, especially in lower tier regions, are delivering positive results. We are committed to expanding our retail presence to over 1,00,000 sales points.

We see exports business as growing revenue stream. We are now present in over 40 countries. Besides this year, our switchgear testing laboratory got IECCE accreditation from DEKRA, Netherlands. This allows us to undertake independent testing of MCB & RCCB for KEMA and CB certification. It is a testimony of our competencies, and will help us expand global presence.

Growing smartly will be a key focus for us. We are implementing latest and state-of-the-art smart technologies in our products to stand out in the electrical market. We have explored IoT and communication-based technologies for power sector equipment. We have also implemented smart technology, process, automation and 'Industry 4.0' in our manufacturing.

Final thoughts

On behalf of the Board, I thank our stakeholders for being with us through the challenges. I specially want to thank the employees who have shown immense dedication and commitment to help the Company gain market and strengthen competitiveness during the tough times of pandemic. The Company has proved its mettle in these times. With the scenario now moving towards positivity, I am sure that with our product portfolio, technologies and financial position, we will be able to deliver stronger and sustainable growth. We seek your continued support in this value creation journey.

Warm regards,

Lalit Seth
Chairman and Whole-Time Director

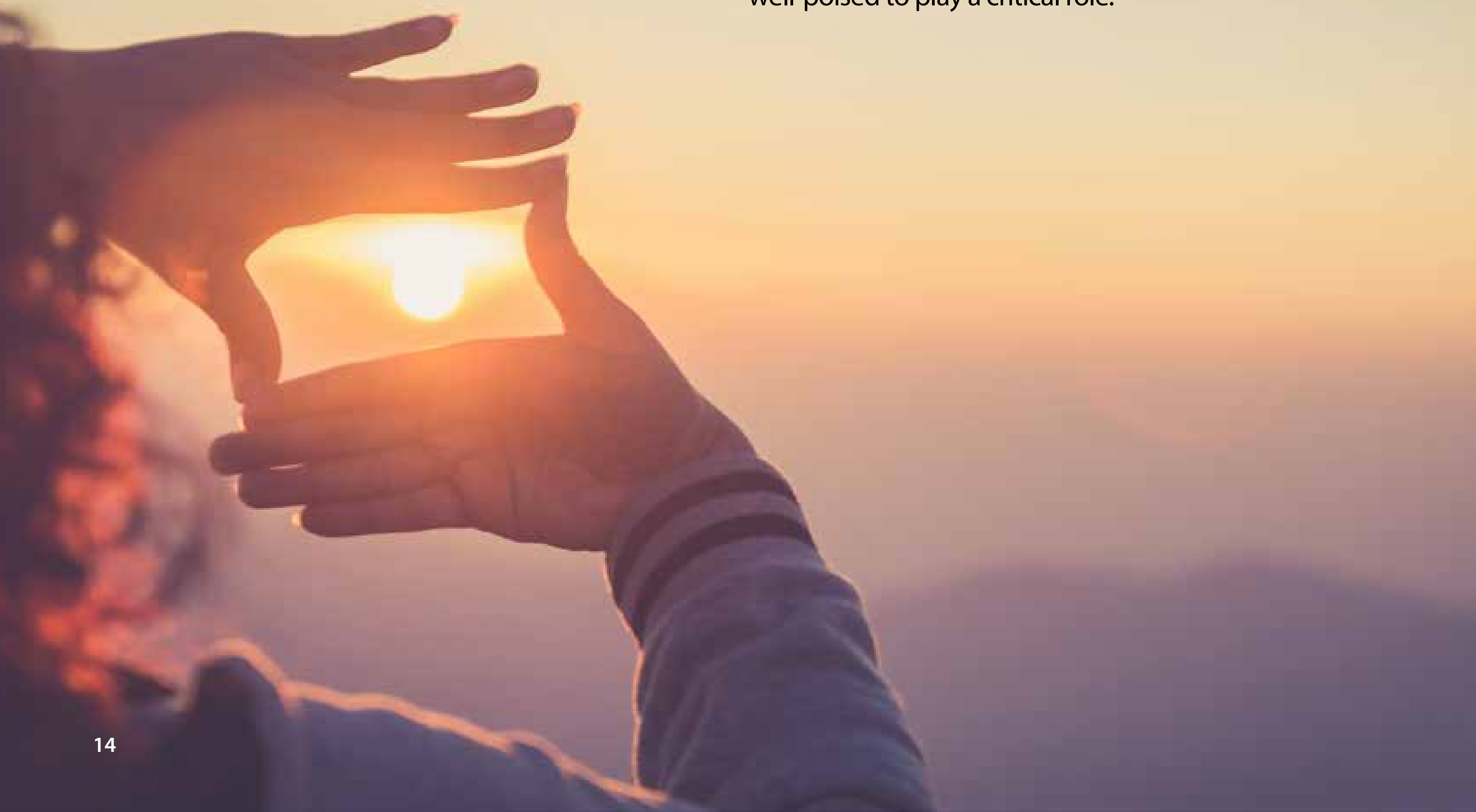
Smart and Sustainable Growth by

FOCUSSING ON SMART METERING OPPORTUNITIES

The metering segment has rejuvenated. Improvement in economy and electric industry, along with launch of favourable government policies like National Smart Grid Mission (NSGM) and Integrated Power Development Scheme (IPDS) and Revamped Distribution Sector Scheme (RDSS), have set the momentum.

With a target to replace 250 million conventional meters at a sum of ₹ 22,500 Crore, the Indian Government is currently underway with the world's largest smart metering programme aimed at cutting the distribution losses.

HPL Electric & Power being a front runner in the Smart Metering segment and offering latest technologies to state owned and private utilities, is well-poised to play a critical role.



OUR COMPETITIVE EDGE IN SMART METERS

Market Leadership

- **20%** market share
- **11 million** meters installed capacity with fungibility for smart meters usage

Extensive Portfolio

Advanced Meter Reading (AMR) and Advanced Metering Infrastructure (AMI), prepayment metering solutions, single phase, three phase and LTCT/HT energy meters, smart meters with two-way communication, panel meters, net metering solution and transformer metering solution

Long-standing Relationships

Successful supplies to most state and central utilities

Strong Pre-qualification Credentials

IS 16444 certified products

R&D DEDICATED FOR SMART METERS

Our Gurugram R&D centre is well-equipped to make India atmanirbhar in smart meter technology. Having over 100+ engineers, it works on incorporating advancements in smart technologies and materials to develop new generation smart metering solutions for Indian and international markets. This includes cutting-edge solutions like advanced IoT and communication technology and AI-enabled smart solutions.

STRENGTHENING PORTFOLIO

Launching 4G/5G compatible NB-IoT technology smart meters

In FY 2021-22, we have successfully developed smart meters with a new, cost-effective Narrow Band-Internet of Things (NB-IoT) communications technology. Having both 4G and 5G compatibility, it offers a dedicated channel for seamless smart metering data flow, eliminating performance reduction from interference or obstruction in public network congestion.

₹ 337 Crore
Of meter orders as on 30th June, 2022 (50%+ being smart meters)

₹ 31,500 Crore
Of metering tenders floated / expected to be floated in near-term

Smart and Sustainable Growth by

CONSOLIDATING CONSUMER BUSINESS

The economic activities in India have rebounded strongly post the pandemic along with improvement in consumer sentiments and increased government spending. These are driving positive movements in infrastructure creation and flagship programs of Housing for All, Smart Cities and Power All. Further, the real estate segment, which was facing downturn, is also reviving.

At HPL Electric & Power, we have devised prudent market strategies, intensified brand building and enhanced our dealer and retail network to capitalise on the opportunity with our solid B2C portfolio.

ENHANCING DISTRIBUTION REACH & RELATIONS

We are continually undertaking channel connect events like dealer meets, retailer meets and technical seminars to strengthen our relations and enhance network. In FY 2021-22, we organised top dealers meets in 15 cities with over 450 dealers. We have expanded our retailer network to 35,000+. We target to increase our retailer network to 1,00,000 in the coming years. In terms of dealers, we have focussed on improving the quality of dealers and providing them channel financing facilities.

BRAND BUILDING

We have been undertaking brand building efforts to strengthen visibility in tier 2 & 3 towns and rural areas. This included successful campaign in Indian Premier League and Pro Kabaddi. We have also undertaken various promotional activities to reinforce presence in e-commerce and modern trade.

We have further amplified our social media presence through running multiple campaigns which have garnered over 20 million reach. In FY 2021-22, we conducted and sponsored various industrial webinars and virtual exhibitions.

NEW LAUNCHES

We have established strong R&D capabilities which are enabling us to sustainably launch new products. In FY 2021-22, we launched a total of 39 products.

23%

Growth in B2C business to

₹ 672.6 Crore

Smart and Sustainable Growth by

EXPANDING GLOBAL FOOTPRINT

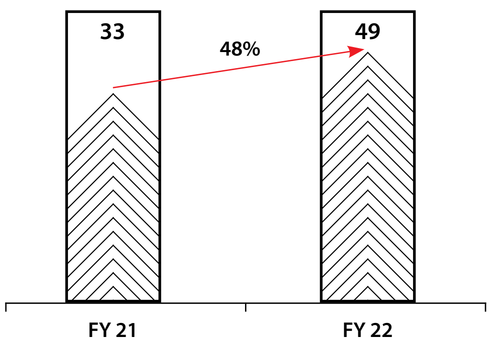
Our technology-driven and top notch quality product along with our customisation capabilities are driving greater acceptance for brand HPL across global markets.

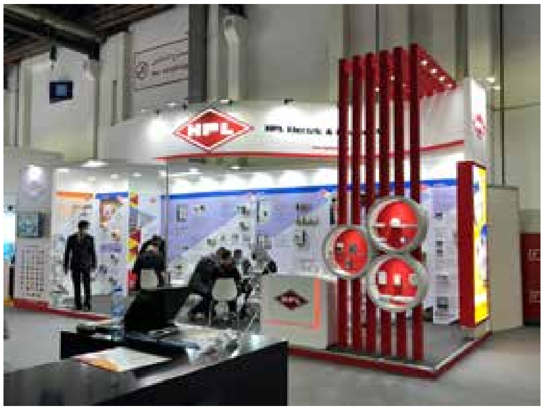
We are leveraging our R&D competencies to develop right products for global markets. Alongside, we are strengthening our network and brand building activities to deepen presence in existing markets and make inroads in newer ones. With pandemic and restrictions mostly behind and exhibitions and travels resuming, we are all set to reach out to global markets.

EXPANDING INTERNATIONAL PRESENCE

Despite the pandemic and global lockdowns, we have successfully expanded global network to 45+ countries. This was driven by our sustained efforts to enhance brand visibility and exhibit our technology proficiency through participation in various fairs and exhibitions.

Exports (In ₹ Crore)





HPL stall at MEE, Dubai in March 2022

STRENGTHENING CAPABILITIES FOR INTERNATIONAL MARKETS

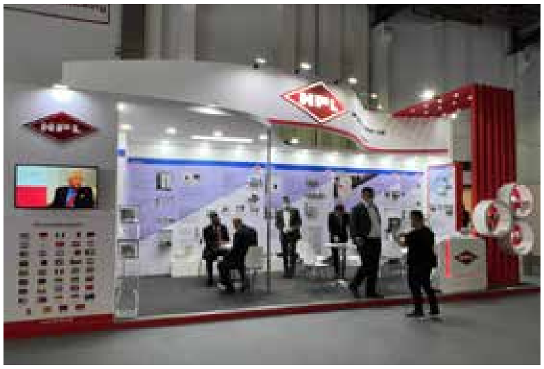
Switchgear segment is a key driver of our exports business. This year, our LV switchgear testing laboratory in Jabli, Himachal Pradesh got IECEE accreditation for independent testing of MCB and RCCB for KEMA and CB certification from DEKRA, Netherlands. It will allow us to market access to 53 new countries.

45+

Countries where our products are exported

48%

Increase in exports revenue to ₹ 49 Crore in FY 2021-22



HPL stall at MEE, Dubai in March 2022

Interior Design Furnishing Expo, Oman May, 2022

Empowering the Community

At HPL, we are cognizant of our responsibilities towards the society. In our endeavour to remain a responsible corporate citizen, we undertake community upliftment measures in collaboration with SAKSHAM.

India is home to 26.8 million people with disabilities, of which, 5 million comprise visual impairment. We cater to this group of people, and strive to help them achieve a better life. In doing so, we undertook several measures during the fiscal gone by.

ACCESSIBLE BOOKS

With the help of SAKSHAM, we have converted books used in National Institute of Open School for secondary and senior classes, and books used in the BA programme of Delhi University into accessible formats to help people with visual disability.

CAPACITY BUILDING WORKSHOPS

During the year, we partnered with SAKSHAM to arrange for special trainings and workshops for students and teaching staff of higher education institutes to enable them to efficiently search and download accessible books as per their requirement from online library Sugamya Pustakalaya.

ASSISTIVE DEVICES

We have supported Saksham in conducting customised training sessions to teach users to operate a range of assistive devices, such as laptops, refreshable braille display, daisy players, smartphones, and tablets, among others.

WORKSHOPS

During the fiscal in partnership with SAKSHAM, we organised the following workshops for:

- Creation and access of content for people with print disability
- Challenges and solutions for persons with low vision through webinars
- Career counselling for students with visual impairment to help them make an informed decision about their future
- Spreading awareness about the latest assistive technology solutions for people with visual disability

SOCIAL UPLIFTMENT THROUGH EDUCATION WITH SUTRA

Working in collaboration with The Society for Social Upliftment Through Rural Action (SUTRA), we have sharpened our focus on community upliftment by empowering rural literacy, and enhancing capabilities of people. SUTRA helps in providing supportive education to children from primary school; and inculcating constitutional values among adolescent children. Further, SUTRA also stives to build a safe and secure environment for the women of Himachal Pradesh.

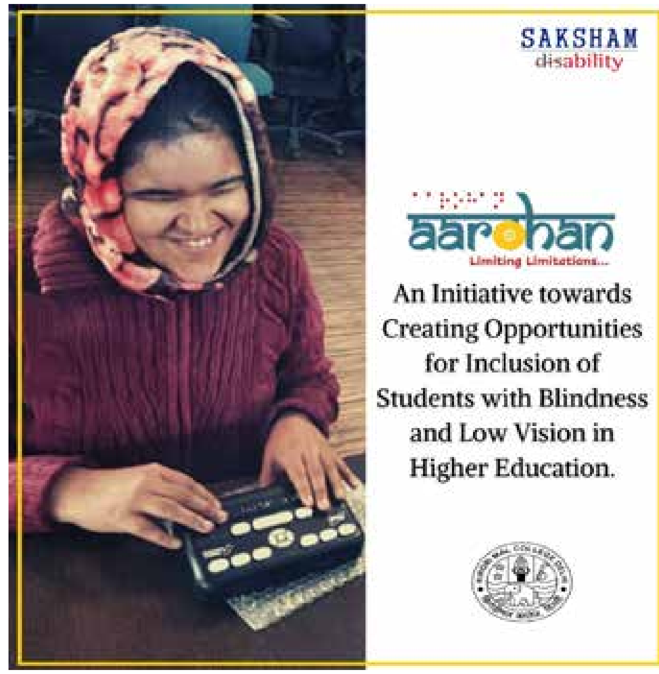
COVID-19 SUPPORT

During the year, we supplied 5 oxygen concentrators of 10 LPM to a government hospital in Kadapa District, to equip them better to fight the battle against the COVID-19 pandemic.

SOCIAL UPLIFTMENT WITH JSR CHARITABLE

Working in collaboration with JSR Charitable, we undertake the following community upliftment measures:

- Organising environmental awareness camps to counter environment pollution in urban locales of Delhi
- Organising Swachh Bharat Abhiyan drives at Delhi
- Women empowerment programme through awareness creation, employment generation, and education



A Brand Recall which Resonates Sustained Growth

During the year under review, HPL has been consistently investing in strengthening the brand recall of the Company with the help of above-the-line and below-the-line activities.

SOCIAL MEDIA PRESENCE

During the fiscal, we have amplified our brand's presence and engagement on social media platforms such as Twitter, Facebook and LinkedIn, among others. In addition to these platforms, we also confuted several webinars and virtual exhibitions for a proactive engagement with customers and dealers.

BRANDING EXERCISES

During the year, we sharpened our focus on brand visibility. In ensuring a strong brand visibility, we organised more than 600 dealer and retailer boards and in-shop branding, across the country. Further, we have also been the sponsors of several events during the year, such as the HPL Electric Cup' in West Bengal, and kites festival campaign, among others.

HPL Board at Raipur

HPL Board at Kolkata

HPL Board at Ahmedabad

HPL Exhibition at Nagpur

Organised Kites festival campaign in Ahmedabad

'HPL Electric Cup' - Shyamnagar Football Festival, West Bengal – March 2022

PROACTIVE ENGAGEMENT

In order to ensure strong connect with dealers, we organised several dealers meets across 15 cities in India with more than 450 dealers, during the year.

HPL dealers/customers meet in Ghana & Nigeria, Africa in February 2022

Board of Directors

Mr. Lalit Seth
Chairman and Whole-time Director

He is the vision behind HPL's success and market reputation. Bringing in over 52 years of experience in the electrical industry, he plays a pivotal role in undertaking several progressive projects. The depth and diversity of his knowledge keep the Company on the path of sustainable growth, with its name synonymous with quality, technology, and reliability.

Mr. Rishi Seth
Managing Director

He is an MBA in Finance. In a career spanning over 27 years, he has been instrumental in HPL Group's organic growth. As the Managing Director, he is responsible for shaping the Company's strategic perspective leading to its diversification and expansion into new avenues, including EPC projects and forays in green projects. He oversees the Institutional and Government business in addition to a few manufacturing facilities. His significant achievement includes HPL's growth in the utility segment, establishing it as a globally leading Electronic Energy Meter manufacturer.

Mr. Gautam Seth
Joint Managing Director & CFO

He is a qualified Chartered Accountant and is responsible for the overall functioning and management of the administration. With over 25 years of experience in the electrical industry, he has carried forward the Group with dedication and commitment. He is actively involved in the Group's sales and marketing activities and has spearheaded its forays into new products and greenfield projects. His strong vision, exemplary leadership, and expertise in the electrical market has fostered organisational growth.

Mr. Hargovind Sachdev
Non-Executive Independent Director

He holds a bachelor's degree in science, botany (Honours), and a postgraduate in English. An expert in the domain, he has worked with the State Bank of Travancore, State Bank of Patiala, and State Bank of India, where he was posted in Frankfurt, Germany, from 2006 to 2011 Head of Credit. He has worked as Chief Vigilance Officer (CVO) in UCO Bank. He has travelled across 15 countries in Europe for Credit Dispensation. He is trained in Credit & Foreign Exchange at Asian Institute of Management, Manila, Philippines, and Euro Money, London.

Dr. Rashmi Vij
Non-Executive Independent Director

She is a Doctorate in Psychology with a brilliant academic record, and a gold medalist in MA (Psychology). She is the Founder Principal of Police DAV Public School since 1996. She is Chairperson of Jalandhar Sahodaya Complex, heads various sports organisations of Punjab and India and is British Council School Ambassador for various its advocacy programs. She has been honoured with various awards, including National Teacher Award - 2007 by the Honourable President of India Smt. Pratibha Patil; The Best Principal Award by the DAV Management Committee, New Delhi; Scout Award by National Innovation Foundation for promoting innovative thinking in school. She is rendering valuable service in the field of education of underprivileged children and women empowerment.

Mr. Dhruv Goyal
Non-Executive Independent Director

He holds a B. Sc Honours (Chemistry) from Hindu College, Delhi University and Diploma in International Marketing from IIFT. He has over 30 years of experience in the field of cable and telecommunication industry. He also has a vast exposure related to international business.

Management Discussion and Analysis (MD&A)

GLOBAL ECONOMIC REVIEW

The COVID-19 pandemic forced global economy to contract by 3.1% in Calendar Year 2020, but a sharp re-bounce was seen in Calendar Year 2021 on the back of a strong recovery in demand and subsiding pandemic restrictions globally. The April 2022 World Economic Outlook report of the International Monetary Fund (IMF) has pegged global economic growth in 2021 at 6.1%. While 2021 did witness some economic growth recovery – mostly led by Government and Central Banks' policy interventions – the momentum remained subdued due to the outbreaks of the Delta and Omicron variants of COVID-19.

The pandemic has affected global supply chains in a major way. Shortages of software chips continued to impact global manufacturing output and trade. Metal and other raw materials have surged beyond grasp. The Year was also marked by rising energy and food prices.

In fact, despite the economic recovery in 2021, in some advanced economies, including the United States and some European countries, inflation stayed broad-based and ruled at multi-decadal high levels.

While a higher vaccination rate against COVID-pandemic and normalisation of business activities is a positive sign, the Russia-Ukraine war since February 2022 has induced a lot of uncertainty. Supply-side pressures, rising inflation and geopolitical tensions will continue to weigh on global economic recovery going ahead.

For Calendar Year 2022, IMF has slashed its global growth outlook to 3.6% from 4.4% projected earlier. Beyond 2023, global growth is forecasted to sustain at about 3.3% over the medium term. However, inflation is expected to remain high in 2022 and is projected at 5.7% in advanced economies – and 8.7% in emerging market and developing economies 1.8% and 2.8% higher than what was projected earlier in January 2022. Emerging Market and Developing Economies are likely to grow by 3.8% in 2022 and 4.4% in 2023 – lower than what was predicted in January 2022.

The IMF has highlighted five principal forces that will shape the near-term outlook for the global economy: 1) Russia-Ukraine war, 2) Monetary tightening and financial market volatility, 3) Withdraw of fiscal benefits provided during the pandemic, 4) China's slowdown and 5) Any spread of pandemic and vaccine access.

INDIAN ECONOMIC OVERVIEW

Indian economy saw a sharp revival in FY 2021-22 growing by 8.7% after contracting by 6.6% in FY 2020-21. The revival was despite India being hit with a deadly second wave of the COVID pandemic in the early part of FY 2021-22. Even the last quarter of the fiscal saw some disruption to contact intensive sector due to the spread of the third wave of the Omicron variant of the virus. The lower economic impact in FY 2021-22 was due to limited lockdown restrictions, higher vaccination penetration and normalisation of business.

The Government of India and the Reserve Bank of India played a noteworthy role during the pandemic not only in cushioning the country from the pandemic shock but also in facilitating economic revival. The government's free food scheme for the vulnerable sections of society and fiscal policy reforms to boost domestic manufacturing, like PLI schemes, are commendable. The Government in order to aid growth has been proactive by significantly increasing its capital expenditure on infrastructure projects and by aggressively implementing various supply-side measures.

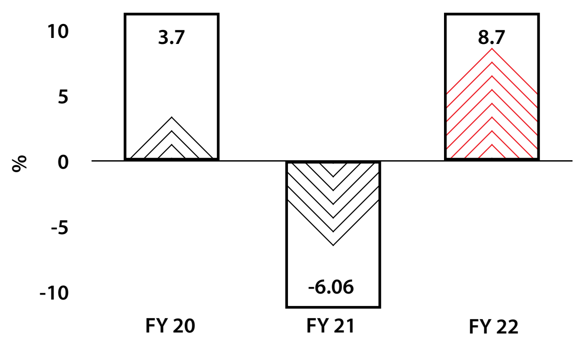
A re-bounce in capex, both from the private sector and the government, was seen in FY 2021-22. In FY 2021-22, the industrial sector grew by 10.3% led by a 9.9% growth in manufacturing, 11.5% growth in construction, and the electricity and other utility sector grew by 7.5%. Investments in the economy measured as Gross Fixed Capital Formation (GFCF) grew by 15.8% in FY 2021-22 after having contracted by 10.4% in FY 2020-21. Even consumption in the economy is reviving. In FY 2020-21, the private final consumption expenditure (PFCE), a key gauge for consumption in the economy and which forms more than half of the Indian GDP saw a growth of 7.9% in FY 2021-22 as compared to a deceleration of 6% seen in FY 2020-21.

So far in the first few months of FY 2022-23, many high-frequency indicators like PMI and IIP and capacity utilisation show that the economy is on the growth path. Capacity utilisation, which reached around 74% in Q4 FY 2021-22, is estimated to have increased further in the 75-80% range in Q1 FY 2022-23. However, inflation has raised its head.

Despite challenges, the Indian economy remains one of the brightest spots amid weak global growth in the near term. The prospects for economic growth in FY 2022-23 will depend on trends in the global economy, settlements of geo-political tensions and the pace of monetary tightening by the RBI. In FY 2022-23, India's GDP is expected to grow by 7-7.5%.

The Union Budget 2022-23 has laid a great emphasis on public capital expenditure to kickstart the 'virtuous cycle of investment' and thereby create employment. The Union Budget has announced a 35% jump in capex from ₹ 5.50 trillion in FY 2021-22 to ₹ 7.50 trillion in FY 2022-23. The budget proposal includes the announcement of a master plan for expressways, expanding the national highway by 25,000 km, new multi-modal parks, 100 PM Gati Shakti cargo terminals, new trains, and ropeways and a 50% rise in budget allocation to roads. Indian economy is on its path to a sustained long-term expansion.

Exhibit 2: Annual GDP Growth (Y-o-Y)



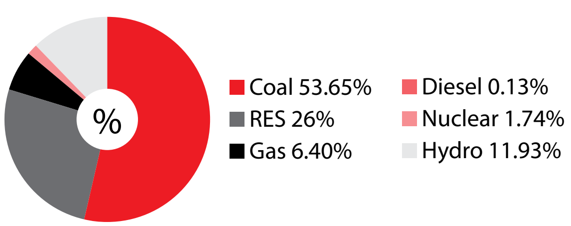
INDUSTRY OVERVIEW

Power sector

India's power sector has done tremendous progress over the last decade. India's installed power capacity grew substantially at a compounded annual growth rate (CAGR) of 8.1% in the last ten years. India today is the third-largest producer of electricity in the world, with an installed generation capacity of over 3,99,496 MW as of 31st March 2022. Thanks to a rapid increase in access, affordability and urbanisation, India's annual energy consumption demand in FY 2021-22 grew to 1,484 BU, 8.1% more than the previous year. The electricity deficit, a key gauge to understand the robustness of the sector, has come down from high levels of around 10% in FY 2009-10 to 0.4% in FY 2021-22.

In terms of mix, India's power sector is among the most diversified in the world. India is cognizant of its duty to lower its carbon emission levels. Consequently, the total installed renewable energy capacity of the country has been on the rise from a 12% share in total installed capacity in FY 2011-12 to 28% in FY 2021-22, crossing the 100 GW mark in FY 2021-22. Most of the new capacity addition in the power sector is from renewable sources.

Installed Capacity Category-wise
(from Apr-2021 to Mar-2022)
Total Installed Capacity : 389179.19909091 MW



- **Coal (208784.04545455 MW)**
- **Diesel (509.71 MW)**
- **Hydro (46418.701818182 MW)**
- **Gas (24910.637272727)**
- **Nuclear (6780 MW)**
- **RES (101174.28090909 MW)**

While power generation has stayed healthy in India, other two components in the value chain – transmission and distribution – is reforming fast in recent years. Take transmission, for instance, India's robust national grid is facilitating the transfer of power from surplus regions to deficit regions without any transmission constraints. The inter-regional transmission capacity has been increased from 35,950 MW in March 2014 to 1,12,250 MW as of February 2022. The capacity of the electricity grid is being expanded on a continuous basis matching the growth in electricity generation and electricity demand.

On the distribution front, despite many government interventions, Discoms are the Achilles hill weakest link in the value chain of the power sector. The segment continues to be faced with the lingering issues of high AT&C losses, widening ACS-ARR gap, insufficient tariff hikes and a backlog of subsidy payments by the government, resulting in continued weakness in the operational and financial performance of Discoms. As per data available on the PRAAPTI portal, as of 18th May 2022, the Discoms owe over ₹ 1 trillion to power-generating companies. According to Niti Aayog, the billing efficiency at the national level is 83%.

In all earnest, the Government has come out with a ₹ 3.03 trillion Revamped Distribution Sector Scheme (RDSS) in 2021, with an aim to improve the operational efficiency and financial sustainability of Discoms. These measures are focussed on smart metering, energy accounting, infrastructure works for loss reduction, modernisation and system augmentation.

RDSS is touted as the next generation reform in the power sector as it plans to use emerging technologies such as Artificial Intelligence (AI), cloud computing and the Internet of Things (IoT) to digitise the transmission and distribution of power. RDSS aims at bringing down losses of distribution utilities through Advanced Metering Infrastructure (AMI) and Smart Meter National Program (SMNP).

Under the SMNP, the Government aims to replace 25 crore conventional meters with smart ones. Besides mitigating electricity theft, wastage and losses to Discoms, smart meters would protect consumers against inflated bills, boosts energy efficiency, responsible power consumption behaviour, and importantly, turns the whole system profitable.

Outlook

Despite steady growth in generation capacity over the years, per capita annual power consumption in the country remains low at around 1,270 kWh, which is significantly lower than the world average and that of other developing countries like South Africa and Brazil. However, with the expected rise in India's economy over the next few decades, per capita consumption of electricity is expected to rise to approximately 3000 kWh by 2040.

The inability of the Discoms to pay power generators endangers the financial health of power generators and their lenders, causing a negative domino effect on the economy. The weakness needs to be fixed not just for the power sector's health but also for India's sustainable growth and development. India's aspiration to be a $ 5 trillion economy in a few years' time will need the support of the power sector.

The digitisation of value chains in the power sector opens a sea wave of opportunity for consumer electrical and metering companies.

Indian electrical equipment industry

India's Electrical Equipment Industry can be broadly segmented into following two sectors:

- Generation equipment (boilers, turbines, generators)
- Transmission & Distribution (T&D) equipment includes energy meters, transformers, cables, transmission lines, switchgears, capacitors etc.

The Company deals with the latter, which accounts for the bulk of the sector.

Parameters	Consumer Electrical	Wires & Cables	Lighting Equipments	Switch Gears
Industry Size (As on FY 22 in ₹) In billion	608	618	231	85
Expected 3-Year CAGR	12%	8%	9%	10%

Source: Bank of America (BofA) Global Research

Metering solutions: An electrical meter measures the amount of electrical energy used by the consumers. Currently, most of the meters are analog or digital, without any smart analytics and relay of information back to the Discom. This is where smart meters come into the picture; they use digital technology to enable a flow of electricity and information. Eventually, all meters will be replaced by smart meters. EESL, the agency through which the government's SMNP program will be implemented, has already started the pilot programs and 25 crore conventional meters will be replaced with smart meters in the future. The addressable market for the entire smart meters and the system integration is over ₹ 1 lakh crore.

Cables and wires: The sector involves one or more conductors which are used for the transmission of electricity, data or signals. The cables industry can be broadly segmented into high, medium and low voltage. The sector also includes instrumentation and control cables, light-duty cables, fibre optic cables, copper telephone cables, elastomer rubber cables and speciality cables. The Indian wire and cables market is estimated to have surged to around ₹ 618 billion in FY 2021-22 from ₹ 430 billion in FY 2020-21 and ₹ 490 billion in FY 2019-20. BofA Global Research expects the industry to grow by 8% to ₹ 778 billion by FY 2024-25. More than half of the industry is unorganised today. The government's initiatives on various fronts like – power, housing, infrastructure and digitisation will generate a lot of business for the wire and cable industry in the medium to long term. Of late demand for solar cables has also been increasing.

Switch gears and modular switches: Switchgears are nothing but a switching devices comprising switches, fuses, circuit breakers, isolators, relays, transformers, indicating instruments, lightning arresters, and control panels. It controls, protects, and isolates power systems from damage during an electrical surge. Switchgear helps run electronic devices in a highly efficient manner and protects the machinery against overload and damage due to short circuits. BofA Global Research pegs the switchgear industry at ₹ 8,500 crore and expects a 10% CAGR growth over FY 2022-25 period on the back of real estate upturn and potential revival of capex cycle over the next 12-18 months. The share of organised players in the switchgear industry is at around 70-75%. While replacement demand is low, the sector is witnessing premiumisation. Low voltage switchgear in circuit breakers and modular switches in switches are expected to grow at a faster rate. Switchgears & switches market is expected to reach ₹ 115 billion by FY 2022-25 period.

Lighting equipments: The market size of the lighting sector is around ₹ 23,100 crore and is expected to grow by 9% CAGR by FY 2024-25. This industry is highly competitive and the share of organised players is to the tune of 65-70%. While the scope of premiumisation remains low, replacement demand is likely to be high in the lighting sector. Currently, India is one of the largest LED lighting markets in the world after the UJALA program and Street Light National Programme (SNLP) of the Government, which offered LED bulbs, which are 50% more energy-efficient than other lamps at cheap rates. Going ahead, ELCOMA expects by FY25 all lighting markets will be LED. However, the LED market is fragmented with nearly 45% of the market share held by smaller brands giving opportunities for market-share gains for organised players. BofA Global Research expects the overall lighting market to reach ₹ 300 billion by FY 2024-25, with a CAGR of 9%. The LED segment is likely to grow at 11%, while traditional lighting is expected to de-grow and contribute only 2% by FY 2024-25.

COMPANY OVERVIEW

HPL Electric & Power Limited (HPL or The Company) is a multi-product electric equipment manufacturer with a wide range of products divided into Metering Solutions, Switchgears, LED Lighting, Wires & Cables, Solar Solutions and Modular Switches. With an experience of 40+ years in manufacturing of electrical equipment, the Company has established itself as a 'one-stop shop' offering innovative, quality and technologically superior products catering to varied market segments and at different price points.

Backed by its highly experienced leadership team and R&D support, strong pre-qualification credentials, consistent product quality and long-standing customer relationships, the Company has been successful in creating a name in the electrical equipment manufacturing industry.

The Company has a pan-India presence with 90+ branch & representative offices and spread over 900+ authorised dealers and 35,000+ retailers. It has a well organised supply chain which is supported by 21 warehouses across India. The Company exports to about 45+ countries. HPL has 600+ full time employees responsible for promotional and brand building activities for its products.

A trusted electrical brand, the Company has established long-standing relationships with power utilities, Government agencies, and retail and institutional customers.

- 50% Share in the Domestic On-load Change-over Switches Market
- 20% Share in Domestic Electric Meters Market
- 5% Market share in low-voltage switchgear market
- 5th Largest LED Lighting Products Manufacturer

Source: As per Frost and Sullivan Report 2016

Manufacturing prowess

The Company has seven state-of-the-art manufacturing facilities at Gurugram, Jabli, Gharaunda and Kundli having capabilities across design & product development, component designing, tool making and commercial production. Its two R&D centres in Gurugram & Kundli houses 100+ expert engineers having rich experience in the electrical industry and a proven track record of product innovation and new product launches. The Company has one Testing facility in Gurugram, which is NABL accredited and ISO/IEC 17025:2005 compliant. It also has two Tool Rooms for rapid prototyping & component designing for complete range of MCBs, MCCBs, Meters, Changeover Switches, Switch Fuse Units and LED lamps. With a large product portfolio through its manufacturing capabilities, HPL is at the forefront to capture growth opportunity.

Current Capacity across segments	
Electronic Meters	11 million units
Lighting Equipment	26 million units
Switchgear	16 million units
Wires & Cables	194 million metres

OPERATIONAL REVIEW

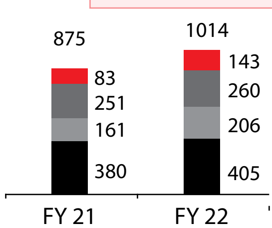
1. **During the year, the Company launched:**
   - Eleven new products in the Meters category
   - Seven new products in Switchgear
   - Twenty one new products in Lighting
2. In Solar Electrical Products, HPL developed a complete range of solar solutions across meters, switchgears, lighting and wires and cables to cater to new industry and market trends.

Despite the COVID-led disruptions, global supply chain challenges, raw material inflation and other macro geopolitical factors causing both energy and food security crises globally during the year, HPL was still able to grow its revenue by 16% in FY 2021-22. The Company operated at about 70% to 75% capacity utilisation towards the end of FY 2021-22. It witnessed a rise in raw material price, mostly metals, industrial plastic, polycarbonate, and packing materials. The Company has taken multiple price hikes in the Consumer business in FY 2021-22 to pass on the raw material inflation. Our focus was on changing the product mix to save margins. Over the year, the Company undertook a capex spend of about ₹30.72 crore, out of which ₹ 23 crore is for the Metering segment and the balance is for the other consumer electrical segments. On the promotional front, advertising and marketing spend as a percentage to turnover in the last two years stood anywhere between 2-2.5%. In FY 2021-22, the Company undertook spending of almost ₹ 26 crore towards this.

FINANCIAL REVIEW

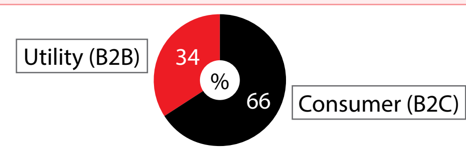
in ₹ crore

SEGMENT NET REVENUE & EBIT MARGIN



% EBIT Margin	FY 21	FY 22
Metering	14.4%	13.6%
Switchgear	16.6%	15.2%
Lighting	9.6%	9.1%
Wires & Cables	2.8%	3.4%

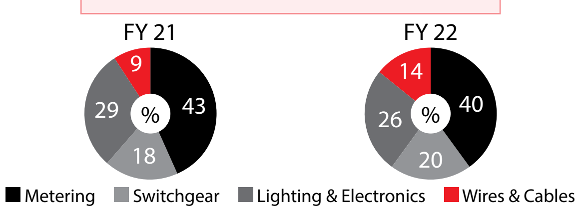
REVENUE BREAK-UP - 'UTILITY' (B2B) & 'CONSUMER' (B2C)



Consumer (B2C) Segment *includes Non-utility Metering, Switchgear, Lighting and Wires & Cables Segment Revenues*

Utility (B2B) Segment *includes Metering Revenues from Utilities and EESL*

SEGMENT REVENUE SHARE %



The economy is moving towards normal levels of pre-COVID era and is well reflected on our business progress and finances in FY 2021-22. The Company has achieved the milestone of crossing ₹ 1,000 crore in revenue in FY 2021-22. In fact, revenue in Q4 FY 2021-22 was highest in the last eight quarters. Despite the COVID-led disruptions, the Company was able to grow its revenue by 16% year-on-year to reach ₹ 1,014 crore for FY 2021-22. The Company experienced good traction in all its business segments, causing EBITDA to grow by 5% year-on-year for FY 2021-22 to reach ₹ 125 crore. Cash profit stood at ₹ 61 crore as compared to ₹ 58.7 crore in FY 2020-21. The Company has been focussing on exports in the last two years. In FY 2021-22, revenue from exports surged 63% in Q4 FY 2021-22 and 48% in FY 2021-22 to ₹ 49 crore.

Despite improvement in top line, profit after tax declined marginally in FY 2021-22, mainly due to a tax increase due to changes in relevant regulations. Consequently, high raw material costs led EBITDA margin to contract to 12.3% for FY 2021-22 as compared to 13.6% in FY 2020-21, while our PAT margin contracted to 0.8% in FY 2021-22 as compared to 1.1% in the previous fiscal year.

Our consumer business (B2C) segment includes non-utility metering, switchgear, lighting and wires & cables segment, while our utility business (B2B) segment includes metering solutions for utilities and EESL. In FY 2021-22, B2C segment accounted for 66% of the revenue in FY 2021-22, while B2B accounted for the rest 34%. The Company experienced secular growth across all business categories and segments in FY 2021-22. B2C segment received good traction and registered a good growth. Revenue from B2C segment stood at ₹ 672.6 crore in FY 2021-22 as compared to ₹ 549 crore in FY 2020-21, a growth of 23%.

In terms of various segments, Metering accounted for 40% of revenue in FY 2021-22 (from 43 in FY 2020-21), Switchgear accounted for 20% of revenue in FY 2021-22 (from 18% in FY 2020-21), Lighting & Electronics accounted for 26% of revenue in FY 2021-22 (from 29% in FY 2020-21) and Wires & Cables accounted for 14% of revenue in FY 2021-22 (from 9% in FY 2020-21)

Here is a breakdown of performance in terms of different segments:

I. **Metering business**: This segment includes Smart Meter, Net Meter, Prepaid Meter, Trivector Meter. Our customer base is power utilities. Meter business grew by about 7% in FY 2021-22 to ₹ 405 crore from ₹ 380 crore. EBIT margin slipped to 13.6% in FY 2021-22 from 14.4%.

II. **Switchgear business**: This segment includes Industrial Applications (ACB, MCCB, and Phase Selector), Domestic Applications (Osafe MCB, Techno (N) MCB and RCCB), Modular Switch & Accessories (Toggle Switches, Plug Sockets, Push Bells). Our customer base is Public, Private Enterprises & Residential & Commercial Users. The Switchgear business grew by 28% in FY 2021-22 to ₹ 206 crore from ₹ 161 crore in FY 2020-21. EBIT margin slipped 15.2% in FY 2021-22 from 16.6%.

III. **Lighting business**: This segment includes Consumer LED products (Aries LED, LED Glow 9 W), Commercial LED Products (CRCA Panel) and outdoor LED Products (street-light, LED flood light). Our customer base is Public, Private Enterprises & Residential & Commercial Users. Revenue from the segment grew to ₹ 260 crore, up 3.5% from ₹ 251 crore in FY 2020-21. EBIT margin stood at 9.1% in FY 2021-22 from 9.6% in FY 2020-21.

IV. **Wires and Cables**: The segment was partially aided by favourable commodity price. This segment includes Fire Resistant Cables, Co-axial Cables, Solar Cables and Networking & Data Cables. Our customer base is Public, Private Enterprises & Residential & Commercial Users. Wire and Cable segment was the high performer for the fiscal year with robust volume and revenue growth. Revenue from the segment grew to ₹ 143 crore, up 72% from ₹ 83 crore in FY 2020-21. EBIT margin stood at 3.4% in FY 2021-22 from 2.8% in FY 2020-21.

Management Outlook

All our business segments are enjoying strong demand, and the Company is hopeful that the same will continue through FY 2022-23 as economy gets accustomed to a more normalised post-COVID era. Overall, the Company is confident of overcoming near-term challenges and drive sustainable growth in future.

The Company is targeting a double-digit revenue growth for the near term. The current order book at around ₹ 748 crore - Meters (₹ 337 crore), Switchgear (₹ 184 crore), Lighting (₹ 72 crore) and Wires & Cables (₹ 155 crore), ensures enough revenue visibility for the short and medium term.

While the Company expects the B2B segment to pick traction in the second half of FY 2022-23, the B2C will outperform in FY 2022-23 on the back of buoyant economy and underlying themes playing out like increased urbanisation, move from unorganised to organised, premiumisation, rise of nuclear family, higher rise in disposal incomes, among other factors.

Additionally on the Utilities business, Smart Meter provides a great opportunity and the Company being one of the key players in the segment is likely to benefit the most in the near to medium term.

OUR ORDER BOOK:

Current Order Book (net of GST) at ₹ 748 crore	
Electronic Meters	₹ 337 crore
Lighting Equipment	₹ 72 crore
Switchgear	₹ 184 crore
Wires & Cables	₹ 155 crore

Here is a brief of our growth strategy.

B2C – higher ROCE and free cash flow: B2C accounts around 66% of our overall revenue. The 'Consumer' segment is expected to maintain its robust growth momentum backed by favourable consumer sentiment, revival in the economic activities and higher government spending. The Company is looking to drive healthy growth in this business by using a 3-pronged approach: 1) Enhancing distribution reach & relations, 2) Undertaking brand building initiatives and 3) Constantly developing new & innovative products. The Company plans to expand retailer touchpoints from existing 35,000+ to 1,00,000 retailers in coming years. Since the consumer business has shorter working capital cycle of around three months; a higher share from this segment will lead to higher ROCE and free cash flow.

B2B – Smart Meter boost: For the metering business, the order book stood at ₹ 337 crore. Enquiry base for Metering tenders is at a healthy level as tenders amounting to around ₹ 1,500 crore have been floated or expected to be floated by power utilities in near-term. Current meter order book has over 50% in Smart Meters orders. As Government pushes hard for conversion of conventional meters to Smart Meters in the future, the share of Smart Meters for the Company will rise even further. Smart Meters will drive the next wave of growth for the Company. Also, Smart Meters will also attract higher realisations, thereby resulting into increase in revenue and enhanced profitability for the Company. The Company has around 20% market share in metering business with an installed capacity of 11 million units. This capacity is fungible and can be used for smart meters as well. The Company would primarily focus on supply of smart meters and supporting IT infrastructure.

Exports: Exports have seen a surge in the last two years. Despite the global lockdown, the Company has made inroads into 45+ countries. Company's in-house R&D strength will enable higher exports in the future. HPL's LV switchgear testing laboratory in Jabli, Himachal Pradesh is accredited with IECEE certification for independent testing of MCB & RCCB for KEMA and CB certification from DEKRA, Netherlands. This test certification will enable the Company to export to more countries, adding to the global footprint of existing 45+ countries. Customers across the globe are looking at India as a favourable destination to source their requirements for switchgear and other related products.

SWOT Analysis

Strengths

- Market leader in electric meters and on-load changeover switches with strict entry barriers
- 40+ year old established brand with strong recall across various segments
- Rich experience in the electrical industry with strong R&D and manufacturing capabilities
- Senior management team with 25+ years of experience and strong pre-qualification credentials creating high benchmarks
- Pan-India presence with established relationships with Institutional Customers, Power Utilities and Governmental Agencies across India
- HPL has created a "niche" for itself in technologically advanced products like Metering and Switchgear businesses

Weaknesses

- Temporary impact on revenue of metering business due to delay in shifting to Smart Meters from conventional meters
- Lower advertising spends

Opportunities

- Government's strong impetus on infrastructure development
- Growing urbanisation and expanding energy access to millions through schemes like Power for All, Smart Cities, etc.
- Rapid transition to smart metering and smart grid
- Introduction of wide-ranging reforms in power sector and programmes like UJALA and SLNP
- Growing consumer spending and youth population

Threats

- Slow macro-economic growth
- Geo-political issues
- Disruptions caused by COVID-19 pandemic and its impact on economy, industry, and the Company
- Challenge arising due to transition from conventional to smart meter
- Fluctuations in raw material prices
- Growing competition
- Shortage of critical components/semi conductor chips

RISK MANAGEMENT

Risk management is a vital function at any established organisation. Risk management identifies, assesses and monitors potential risks with an aim to minimise the consequences arising from unexpected incidents. HPL has a well-defined Enterprise-wide Risk Management (ERM) framework in place for timely identification and mitigation of the key risks. The Risk Management Committee ensures that the entire risk mitigation process is streamlined to overcome adverse situations and thereby ensure smooth business execution.

Macro-economic risk

Economic slowdown results into lower spend on consumption and investment. This may impact various sectors of the economy including the power sector. Purchasing power of buyers can also be impacted due to slowdown. Since the Company derives its revenue from Utility and non-Utility business, a slowdown may directly impact the Company's performance.

Mitigation

Company's brand has a high recall value and it can sustain competition in the market during a broad economic slowdown. Company has been focussing on exploring new geographies. Company also has a diversified revenue basket and can proactively tweak its product-mix through strong focus on R&D and product innovation. Focus on export market too can help mitigate any slowdown in the domestic market.

Policy risk

Adverse or unforeseen changes in Government policies and regulations may critically expose the Company to risks.

Mitigation

The Company has diversified into various sectors and business segments and launches products supported by strong R&D. The Company closely monitors change in applicable laws and regulations and ensures readiness to compliance within stipulated timeframe by minimising disruption.

Raw material risk

Fluctuations in raw material prices or unforeseen disruption in availability of raw materials can negatively impact the business profitability. Key raw materials for company include metals, industrial plastic, polycarbonate and packing materials.

Mitigation

The Company maintains an optimal inventory level and enters long-term favourable contracts with clients based on efficient production forecasting. Backed by its strong leadership position, the Company enjoys long-standing relationships with suppliers. Further, the Company is diversifying its raw material sources to avoid any concentration risks. Although with a lag, the Company strives to pass on any raw material price hike to the customer by taking price increase.

Exchange rate risk

Being an exporter of products and importer of some of the raw materials, HPL is exposed to volatility in the exchange rate which may impact the Company's margins and profitability.

Mitigation

The Company closely monitors the movements in foreign exchange currency rates and tries to modify its order book correspondingly. It undertakes optimal hedging practices to minimise the impact of any short-term movements of the currency on the businesses. Any borrowing decisions are taken only after currency sensitivity analysis.

Client concentration risk

Overdependence on a few clients and changes in supplier preference by the clients may pose risk to the Company's business.

Mitigation

Established pan-India network across diverse business segments insulates the Company from client concentration risks. Moreover, a well-diversified product portfolio catering to varied market segments ensures steady cash flow.

Geopolitical and global pandemic risk

Geopolitical tensions between different geographies can impact the Company's export business. Similarly, a global pandemic such as COVID-19 may disrupt the business activities of the Company.

Mitigation

The Company undertakes lean cost structure policy to manage adverse situations. Investment decisions of the Company are done only after undertaking country/region wide extensive analysis.

Internal Controls

The Company maintains an efficient internal control mechanism. It follows stringent Standard Operating Procedures (SOPs), policies and guidelines to prohibit the assets from unauthorised use and ensuring compliance with applicable regulations and policies. The Company has a robust mechanism in place to monitor the internal controls. Self-assessment exercises are regularly carried out to ensure strict adherence to the regulatory framework. It also ensures safeguarding of data with a Code of Conduct policy for employees. The Company promotes the highest ethical standards and ensures that the work culture in no way conflicts with business interests. Self-monitoring mechanisms are devised to maintain efficiency of business operations and to monitor fraudulent conduct. The internal audit team of the Company independently reviews the adequacy and effectiveness of the internal controls and strengthens the control measures and shares its observations with the management for corrective action.

Human Resources

Human capital is the key resource of the Company and crucial to business sustainability and growth. The Company believes in hiring new talents and encourages them to grow both at personal and professional levels through regular skill and personal development training. With their in-house team of over 100 R&D professionals, HPL is looking to drive healthy growth of the business. The Company encourages a conducive work environment and aligns personal goals with Company's growth vision for a win-win situation. The employees are given ample recognition to keep them motivated by way of conducting various recreational activities and reward and recognition programmes. The total employee strength of the Company stood at 1185 as on 31st March 2022.

Cautionary Statement

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 and implied. Important factors that could make a difference to the Company's operations include among others, 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.

DIRECTOR'S REPORT

Dear Members

The Directors have pleasure in presenting 30th Annual Report of the Company together with the Audited Financial Statements for the financial year ended 31st March, 2022.

1. Financial Highlights

The Company's financial performance for the year ended 31st March, 2022 alongwith previous year's figures is summarized below:

(Rs. In Lakhs)

Particulars	Standalone		Consolidated	
	2021-22	2020-21	2021-22	2020-21
Revenue from Operations	1,00,427.98	85019.66	101395.47	87509.35
Other Income	352.46	347.33	419.76	406.74
Operating Profit before Finance Costs, Depreciation, Tax and Extraordinary items	12001.84	11245.19	12932.66	12308.58
Less: Finance Cost	6411.94	5983.61	6831.53	6441.92
Less: Depreciation and amortization expenses	4403.28	4184.57	4707.65	4494.36
Profit before Exceptional items and Tax	1086.62	1077.01	1393.48	1372.30
Profit before tax	**1086.62**	**1077.01**	**1393.48**	**1372.30**
Less: Tax Expenses	374.67	281.54	613.02	369.87
Profit for the year	**711.95**	**795.47**	**780.46**	**1002.43**
Other comprehensive income for the year, net of tax	(60.22)	61.92	(60.32)	59.47
Total comprehensive income for the year, net of tax	**651.73**	**857.39**	**720.14**	**1061.90**
Profit for the year attributable to				
Equity holders of the parent Company	-	-	777.31	996.367
Non-controlling interest	-	-	3.15	6.06
Total comprehensive income for the year attributable to				
Equity holders of the parent Company	-	-	716.99	1055.91
Non-controlling interest	-	-	3.15	5.99
Earnings per Share (in Rs) Not Annualised				
Basis (Rs)	1.11	1.24	1.21	1.55
Diluted (Rs)	1.11	1.24	1.21	1.55

2. State of Company's Affairs

Indian market witnessed an impact due to shortage of semiconductors, non-availability of essential commodities, steep increase of inputs costs etc. Indian market in many ways is also influenced by Government policies and regulations notified from time to time. Despite of the above, HPL reported a revenue of Rs.1013.95 Crores in FY22 higher by 15.8% compared to Rs 875.09 Crores in FY21.

HPL maintained its strong momentum gained from Q2 FY22 onwards and delivered the highest quarterly revenue at Rs.325.13 Crores in Q4 FY22 with healthy performance in both 'Metering' and 'Consumer' (B2C) segments.

The Metering business as expected improved performance in Q4 FY22 than the previous three quarters due to rise in inspections and dispatches. Metering business was hard hit in Q1 FY22. The Metering business posted a revenue of Rs.128.41 Crores in Q4 FY22 as against Rs.49.3 Cr in Q1 FY22, thereby recording a quarterly growth of 161% QoQ. The Company expects good traction in the Meter business in FY22 with an increase in inspections and enquiries.

The smart meter segment is a sunrise sector and HPL is well equipped to tap the opportunities present in this segment with growing emphasis on installing the smart meters by the SEBs and the Government. With a focussed thrust on the latest R&D, we are continuously strengthening our smart meter technological base targeting to be the market leaders in the smart meter segment.

The Consumer business (B2C) recorded revenue of Rs.226 crores in Q4FY22 registering a double-digit growth of 36% YoY and 22% QoQ led by a stupendous performance by the lighting segment & wires and cable segment.

We have a diversified portfolio of electrical equipment catering to various needs of the market and are confident about the long-term growth trajectory of the Consumer segment fuelled by a pick-up in the economic activity, improved consumer sentiments and increased government funding.

The Company's order book stands at Rs.748 Crores* ensuring revenue visibility for the current year including orders worth over Rs.411 Crores for switchgear, wires and other related accessories for AP Housing Project and the same will enhance our position as one of the leading Electrical equipment manufacturers in the country.

HPL is looking to capitalise for future revenue growth is exports. We are happy to disclose that the wide product range of HPL backed by world-class in-house R&D capabilities helped to gain 48% YoY growth in exports.

We are currently catering to 40+ countries for exports. HPL's testing lab for LED lighting was certified by National Accreditation Board for Testing and Calibration Laboratories (NABL) for independent testing of LED lighting. Our LV switchgear testing laboratory in Jabli, Himachal Pradesh accredited with IECEE certification for independent testing of MCB & RCCB for KEMA and CB certification from DEKRA, Netherlands. These certifications enable HPL access to the new 53 countries.

Despite increase in the raw material prices, rationalisation of employee expenses and overheads helped the company to report an EBITDA of Rs. 46 crores (EBITDA Margin of 14.2%) in Q4 FY22.

We have a diversified portfolio of electrical equipments catering to various needs of the market and are confident about the long-term growth trajectory of the Consumer segment fuelled by a pick-up in the economic activity, improved consumer sentiments and increased government funding.

Looking beyond the short-term challenges, the Company is eyeing huge opportunities in the smart metering and consumer segment. We are extremely positive about the opportunities in the smart metering space as both the public and private power distribution companies increasingly shift focus towards installing smart meters to replace conventional meters.

HPL is armed with a diverse product portfolio, state-of-the-art technology and capacity for tapping the opportunities in the industry.

The Company continues to focus on widening and strengthening its touch points and distributor base as it remains positive on the growth trajectory of the consumer segment. Overall, HPL is confident of growing and creating sustainable value for its stakeholders.

Note: *Order Book Size is as on 30th June, 2022

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

As on 31st March, 2022, the company is having only one subsidiary namely Himachal Energy Private Limited and two Joint Ventures (JVs) namely HPL Electric & Power Pvt. Ltd. – Shriji Designs (JV) and HPL Electric & Power Pvt. Ltd. – Trimurthi Hitech Co. Pvt. Ltd. - Shriji Designs (JV). These JVs are established as Association of Person (AOP) and not registered under the Companies Act, 2013 and accordingly are not Associate Companies as per section 2(6) of the Companies Act, 2013.

Himachal Energy Private Limited is engaged in the manufacturing of energy saving meters and other related products. The Gross Revenue of the Company for the FY 2022 stood at Rs. 8133.58 lakhs (P.Y. Rs. 5900.84 lakhs). Profit after tax for the year stood at Rs. 110.67 lakhs (P.Y. Rs. 212.62 lakhs).

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

During the Financial Year ended 31st March, 2022, no company became or ceased to be a subsidiary of the Company or Joint Venture or Associate Company.

5. Consolidated Financial Statement

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

The consolidated financial statements of the Company & its subsidiary/ associate companies, as mentioned in Form AOC-1, for the year ended 31st March 2022, prepared in accordance with Accounting Standard (IND AS-110) "Consolidated Financial Statements" prescribed by the Institute of Chartered Accountants of India, form part of the Annual Report and Financial Statements.

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

6. Material changes and commitments, if any, affecting the financial position of the company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the Report

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

7. Change in the nature of business, if any

There was no change in the nature of business of the Company during the financial year ended 31st March, 2022.

8. Reserves

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

9. Dividend

The Board of Directors in its meeting held on 26th May, 2022 recommended a final dividend of Rs. 0.15 per equity share of Rs. 10 face value (1.5%) for the financial year ended 31st March, 2022, subject to the approval of the shareholders at the ensuing Annual General Meeting of the Company.

The dividend would be payable to all those Shareholders whose names appear in the Register of Members as on 23rd September, 2022, the record date fixed for this purpose.

10. Public deposits

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

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

During the year under report, the Board of Directors in its meeting held on 12th May, 2021 appointed Dr. Rashmi Vij (DIN: 01103219) and Mr. Dhruv Goyal (DIN: 06963262) as an Additional (Independent) Directors of the Company w.e.f 12th May, 2021.

On recommendation of Board, shareholder approved the appointment of Mrs. Rashmi Vij as an independent Director for the first term of 5 (five) consecutive years w.e.f. 12th May 2021 and the appointment of Mr. Dhruv Goyal as an Independent Director for the first term of 6 (six) months w.e.f. 12th May 2021 in the last Annual General Meeting of the company held on 30th September, 2021. On expiry of the first term of 6 (six) months, the company reappointed Mr. Dhruv Goyal as an Independent Director for the second term of 5 (five) years w.e.f. 12th November 2021 by passing special resolution through postal ballot.

The company has received a consent in writing from both the directors to act as director in the form DIR-2 and intimation in the Form DIR- 8 to the effect that they are not disqualified U/s 164 (2) of the Companies Act, 2013 to act as Director and confirmation that they meet the criteria of independence prescribed under the Companies Act, 2013 and the SEBI Listing Regulations 2015.

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

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

Brief details of the director being recommended for appointment / reappointment as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards have been furnished in the Notice dated 9th August, 2022 convening the 30th Annual General Meeting.

Further, Mr. Sudhir Barik, Chief Financial Officer (KMP) of the company tendered his resignation on 12th August, 2021 from the position of CFO (KMP). The board of directors in its meeting held on 12th August, 2021 appointed Mr. Manoj Dugar as Chief Financial Officer and Key Managerial Personnel of the company w.e.f 13th August, 2021. However due to some personal and family reason Mr. Manoj Dugar resigned on 10th September, 2021. The Board in its meeting held on 9th March, 2021 appointed Mr. Gautam Seth, Joint

Managing Director as Chief Financial Officer (Key Managerial Personnel) of the company w.e.f 9th March, 2022 in addition to his current role as Jt. Managing Director.

12. Number of meetings of the Board

During the year under report, 6 (Six) meetings of the Board were held, the details of which forms part of the Corporate Governance Report.

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

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

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

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

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

The independent directors in its separate meeting held on 11th February, 2022 without the attendance of non-independent directors and members of management, reviewed -

(a) the performance of non-independent directors and the Board as a whole;

(b) the performance of the Chairperson of the company, taking into account the views of executive directors and non-executive directors;

(c) the quality, quantity and timeliness of flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

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

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

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

15. Annual Return

The Annual Return in Form MGT-7 for the financial year 2020-21 is available on the Company's website at www.hplindia.com and for the financial year 2021-22 will be made available after the same is filed with the Registrar of Companies. An extract of the Annual Return for the financial year ended 31st March, 2022 is annexed as **Annexure II** in the Form No. MGT-9.

16. Audit Committee

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

17. Vigil mechanism/ Whistle Blower Policy

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

18. Risk Management Policy

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

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

19. Policy on Material Subsidiary

The Company has framed a Policy on Material Subsidiary under Regulations 16(c) of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 which is available on the website of the company i.e. www.hplindia.com.

20. Corporate Social Responsibility (CSR)

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

The company discharges its CSR obligations either directly or through publicly registered Implementing Agencies towards supporting projects in the areas as specified in the schedule VII of the Companies Act, 2013 for promoting education especially among children, women, elderly and differently abled, promoting health care including preventive health care and sanitation and providing relief to the poor.

The Board of Directors approved the CSR Policy of the Company as formulated and recommended by the CSR Committee, which is available on the website of the Company at www.hplindia.com. A detailed report on Corporate Social Responsibility as per the provisions of Companies Act, 2013 is annexed as **Annexure III.**

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

All the transactions entered into with related parties as defined under the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 during the financial year ended 31st March, 2022 were in the ordinary course of business and on arm's length basis. As per the provisions of Section 177 of the Companies Act, 2013, and Rules made thereunder read with Regulation 23 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company had obtained the necessary prior approvals of the Audit Committee for all the related party transactions. Further, there were no material related party transactions with promoters, directors or Key Management Personnel during the year under report.

None of the transactions with any of the related parties were in conflict with the interest of the Company rather, they synchronize and synergise with the Company's operations. The Related Party Transactions are available at Note no. 42 of the Standalone Financial Statements.

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

22. Auditors

A) Statutory Auditors

As per the provisions of Section 139(1) of the Companies Act, 2013, the Company had reappointed M/s. Kharabanda Associates, Chartered Accountants (Regn. No. 003456N) as Statutory Auditors for a period of 5 (Five) years in the Annual General Meeting of the company held on 28th September 2017. Therefore, the term of the auditor will conclude from the close of this forthcoming Annual General Meeting of the company.

Upon recommendation of the Audit Committee, the Board of Directors of the Company at their meeting held on 9th August, 2022 subject to the approval of the Shareholders at the ensuing Annual General

Meeting, recommended appointment of M/s Sakshi & Associates, Chartered Accountants, (Firm Registration No. 025099N) as Statutory Auditors of the Company to hold office from the conclusion of 30th Annual General Meeting till conclusion of 35th Annual General Meeting of the company to be held in the year 2027.

Statutory Auditors Report

There are no observations (including any qualification, reservation, adverse remark or disclaimer) of the Auditors in their Audit Report that may call for any explanation from the Directors. Further, the notes to accounts referred to in the Auditors' Report are self-explanatory.

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

B) Cost Auditors

As per Section 148 of the Companies Act, 2013, the company is required to have the audit of its cost records conducted by a Cost Accountant in practice. Pursuant to the provisions of Section 148 of the Companies Act, 2013 read with Companies (Cost Records and Audit) Rules, 2014 and other applicable provisions of the Act, as amended from time to time, the company is required to maintain the cost records as specified by the Central Government and accordingly such accounts and records were made and maintained for the financial year ended 31st March, 2022.

The Board of Directors of the Company, on the recommendation made by the Audit Committee, have appointed M/s. M.K Singhal & Co, Cost Accountants, (Firm Registration No. 00074) of the Company to conduct the audit of cost records of its certain products specified by the central government under the Companies Act 2013 and Rules made thereunder. M/s. M.K Singhal & Co, Cost Accountants, being eligible, have consented to act as the Cost Auditors of the Company for the financial year 2022-23.

The remuneration payable to the Cost Auditor of the Company has been proposed for the ratification by the members of the Company and shall form part of the notice of the 30th Annual General Meeting.

The company has received the Cost Audit Report of the company for the financial year ended 31st March, 2021 and the same was filed in XBRL mode within due date.

C) Secretarial Auditors

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with corresponding rules made there under M/s. AVA Associates, Company Secretaries were re-appointed as Secretarial Auditors of the Company to conduct Secretarial Audit of the Company for the financial year ended 31st March, 2022.

Secretarial Audit Report

The Secretarial Audit Report for the financial year ended 31st March, 2022 as submitted by Secretarial Auditor in Form MR-3 is annexed to this Report as **Annexure V.**

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

Annual Secretarial Compliance Report

A Secretarial Compliance Report for the financial year ended 31st March, 2022 on compliance of all applicable SEBI Listing Regulations 2015 and circulars/ guidelines issued thereunder, was obtained from M/s AVA Associates, Secretarial Auditors, and submitted to both the stock exchanges. The Secretarial Compliance Report for the financial year ended 31st March, 2022 is available on the website of the Company at www.hplindia.com.

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

The investment made by the company in the subsidiary company in the form of equity share capital is disclosed in the notes to the Audited Financial Statements forming part of this Annual Report. The company has not given any loans, guarantees or provided any security in connection with a loan to any body corporate or person as per section 186 of the Companies Act, 2013 during the period under report.

24. Particulars of remuneration of Directors/ KMP/ Employees

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

25. Research and Development

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

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

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

Our MCB & RCCB Products tested as per IEC Standards, we will get the approval from Dekra –Netherlands for CB Certificate and KEMA which will be a global gate way for International Markets.

Also, we are supporting policies of GOI by design & launch of cutting edge innovative solutions; DC MCB, Smart Prepaid meters to support smart meter rollout policy, Net Energy meters to support Renewable energy generation (e.g. Solar) policy, indigenous technology & product development for Make in India drive.

As a leading organization in metering, Miniature Circuit Breakers, Residual Current Circuit Breakers, Wiring Accessories segment, we have been participating at various forums like BIS, IEEMA in formation, update & revision of standards for metering products.

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

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

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

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

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

27. Corporate Governance Report

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

28. Directors' Responsibility Statement

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

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

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

c. the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

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

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

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

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

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

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

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

30. Significant/material orders passed by the regulators

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

31. Internal Financial Control Systems and their adequacy

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

32. Management Discussion and Analysis Report

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

33. CEO and CFO Certificate

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

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

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

35. Acknowledgement

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

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

Lalit Seth
Chairman and Whole-time Director
DIN: 00312007

Date : 9th August, 2022
Place : Noida

ANNEXURE-I

Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Part "A": Subsidiaries

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

(Rs. in Crores)

Sr. No.	Particulars	Details
1.	Name of the subsidiary	Himachal Energy Private Limited
2.	The date since when subsidiary was acquired	09.05.2016
3.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	31.03.2022
4.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	INR
5.	Share capital	15.44
6.	Reserves & surplus	46.16
7.	Total assets	140.92
8.	Total Liabilities	79.32
9.	Investments	Nil
10.	Turnover	81.33
11.	Profit before taxation	3.49
12.	Provision for taxation	2.38
13.	Profit after taxation	1.11
14.	Proposed Dividend	-
15.	% of shareholding	97.15%

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

Part "B": Associates and Joint Ventures

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

(Amount in Rs.)

Name of Associates/Joint Ventures		HPL-Shriji Designs (JV)	HPL-Shriji-Trimurthi Hitech Company Pvt.Ltd. (JV)
1.	Latest audited Balance Sheet Date	31.03.2022	31.03.2022
2.	Date on which the Associate or Joint Venture was associated or Acquired	30.10.2010	22.06.2011
3.	Shares of Associate/Joint Ventures held by the company on the year end	97%	94%
	No.	N.A.	N.A.
	Amount of Investment in Associates/Joint Venture (Rs.)	68,89,523	1,32,46,319
	Extend of Holding%		
4.	Description of how there is significant influence	Company is holding 97% of the ownership interest	Company is holding 94% of the ownership interest
5.	Reason why the associate/joint venture is not consolidated	N.A.	N.A.
6.	Net worth attributable to shareholding as per latest audited Balance Sheet(Rs.)	(45,16,942)	(58,55,280)

7.	Profit/Loss for the year(Rs.)		
	i. Considered in Consolidation	1590	(649)
	ii. Not Considered in Consolidation	-	-

1. Names of associates or Joint Ventures which are get to commence operation : None
2. Names of associates or Joint Ventures which have been liquidated or sold during the year: None

For and on Behalf of the Board of Directors

Lalit Seth
Chairman and Whole-time Director
DIN: 00312007

Rishi Seth
Managing Director
DIN: 00203469

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

Vivek Kumar
Company Secretary
M. No. A18491

Date : 9th August, 2022
Place : Noida

ANNEXURE-II

FORM NO. MGT-9

Extract of Annual Return

As on the Financial Year ended 31st March, 2022

[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. Registration and other details:

i)	CIN	L74899DL1992PLC048945
ii)	Registration Date	28-05-1992
iii)	Name of the Company	HPL Electric & Power Limited
iv)	Category of the Company	Public Limited Company
v)	Sub-Category of the Company	Limited By Shares
vi)	Address of the Registered office and contact details	1/20 Asaf Ali Road, New Delhi-110002, Phone No-011-23234411 Fax: 011-23232639 Email: hpl@hplindia.com Website: www.hplindia.com
vii)	Whether listed company	Yes
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	KFin Technologies Limited Selenium Tower B, Plot 31-32, Financial District - Nanakramguda, Serilingampally Mandal, Hyderabad- 500 032, India Phone no.: +91 40 67161526 / Fax: (+91 40) 23001135 E-mail: einward.ris@kfintech.com Website: www.kfintech.com

II. Principal business activities of the company

(All the business activities contributing 10% or more of the total turnover of the company shall be stated)

SN	Name and Description of main products / services	NIC Code of the Product/service*	% to total turnover of the company
1	Metering	2651	39.30
2	Switchgear	2710	20.52
3	Lighting & Electronics	2740	25.93
4	Cables	2732	14.24

***** *As per NIC Code 2008.***

III. Particulars of holding, subsidiary and associate companies:

S. No	Name and address of the company	CIN/GLN	Holding/ subsidiary / associate	% age of shares held	Applicable section
1.	Himachal Energy Private Limited	U31909HP2003PTC027983	Subsidiary	97.15	Section 2(87) of Companies Act, 2013
2.	HPL Electric & Power Private Limited – Shriji Designs (JV)	NA	Joint Venture	Nil#	NA
3.	HPL Electric & Power Private Limited – Shriji Designs – Trimurthi Hitech Company Private Limited (JV)	NA	Joint Venture	Nil#	NA

The Company has Two Joint Ventures in form of Association of Person (AOP) under the names of Joint Ventures of M/s HPL Electric & Power Private Limited – Shriji Designs (JV) & HPL Electric & Power Private Limited – Shriji Designs – Trimurthi Hitech Company Private Limited (JV) w.e.f. October 30, 2010 & June 22, 2011 which were subsequently amended on September 24, 2011. Your company is the Lead Partner in both the Joint Ventures and having entitlement of 97% & 94% of profits earned respectively.

IV. Share Holding Pattern (Equity Share Capital Breakup as Percentage of Total Equity)

a) Category-wise Share Holding

CATEGORY CODE	CATEGORY OF SHAREHOLDER	NO. OF SHARES HELD AT THE BEGINNING OF THE YEAR (01/04/2021)				NO. OF SHARES HELD AT THE END OF THE YEAR (31/03/2022)				% CHANGE DURING THE YEAR
		DEMAT	PHYSICAL	TOTAL	% OF TOTAL SHARES	DEMAT	PHYSICAL	TOTAL	% OF TOTAL SHARES	
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)	(X)	(XI)
(A)	**PROMOTER AND PROMOTER GROUP**									
(1)	INDIAN									
(a)	Individual /HUF	14626806	0	14626806	22.75	14626806	0	14626806	22.75	0
(b)	Central Government/State Government(s)	0	0	0	0	0	0	0	0	0
(c)	Bodies Corporate	32092023	0	32092023	49.91	32092023	0	32092023	49.91	0
(d)	Financial Institutions / Banks	0	0	0	0	0	0	0	0	0
(e)	Others	0	0	0	0	0	0	0	0	0
	Sub-Total A(1) :	**46718829**	**0**	**46718829**	**72.66**	**46718829**	**0**	**46718829**	**72.66**	**0**
(2)	FOREIGN									
(a)	Individuals (NRIs/Foreign Individuals)	0	0	0	0	0	0	0	0	0
(b)	Bodies Corporate	0	0	0	0	0	0	0	0	0
(c)	Institutions	0	0	0	0	0	0	0	0	0
(d)	Qualified Foreign Investor	0	0	0	0	0	0	0	0	0
(e)	Others	0	0	0	0	0	0	0	0	0
	Sub-Total A(2) :	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
	Total A=A(1)+A(2)	**46718829**	**0**	**46718829**	**72.66**	**46718829**	**0**	**46718829**	**72.66**	**0**
(B)	**PUBLIC SHAREHOLDING**									
(1)	INSTITUTIONS									
(a)	Mutual Funds /UTI	1159532	0	1159532	1.80	0	0	0	0	-1.80
(b)	Financial Institutions /Banks	0	0	0	0	0	0	0	0	0
(c)	Central Government / State Government(s)	0	0	0	0	0	0	0	0	0
(d)	Venture Capital Funds	0	0	0	0	0	0	0	0	0
(e)	Insurance Companies	0	0	0	0	0	0	0	0	0
(f)	Foreign Institutional Investors	14	0	14	0	7506	0	7506	0.01	0.01
(g)	Foreign Venture Capital Investors	0	0	0	0	0	0	0	0	0
(h)	Qualified Foreign Investor	0	0	0	0	0	0	0	0	0
(i)	Others	0	0	0	0	0	0	0	0	0
	Alternate Investment Fund	1100000	0	1100000	1.71	810000	0	810000	1.26	-0.45
	Trust	0	0	0	0	150	0	150	0	0
	Sub-Total B(1) :	**2259546**	**0**	**2259546**	**3.51**	**817656**	**0**	**817656**	**1.27**	**-2.24**
(2)	NON-INSTITUTIONS									
(a)	Bodies Corporate	679002	0	679002	1.06	994988	0	994988	1.55	0.49
(b)	Individuals									
	(i) Individuals holding nominal share capital upto Rs.1 lakh	10526791	1	10526792	16.37	12630340	1	12630341	19.64	3.27
	(ii) Individuals holding nominal share capital in excess of Rs.1 lakh	3343074	0	3343074	5.20	2571548	0	2571548	4.00	-1.20
(c)	Others									
	CLEARING MEMBERS	334755	0	334755	0.52	150790	0	150790	0.23	-0.29
	NON RESIDENT INDIANS	438488	0	438488	0.68	416334	0	416334	0.65	-0.03
(d)	Qualified Foreign Investor	0	0	0	0	0	0	0	0	0
	Sub-Total B(2) :	**15322110**	**1**	**15322111**	**23.83**	**16764000**	**1**	**16764001**	**26.07**	**2.24**
	Total B=B(1)+B(2) :	**17581656**	**1**	**17581657**	**27.34**	**17581656**	**1**	**17581657**	**27.34**	**0.00**
	Total (A+B) :	**64300485**	**1**	**64300486**	**100**	**64300485**	**1**	**64300486**	**100**	**0.00**
(C)	Shares held by custodians, against which									
	Depository Receipts have been issued									
(1)	Promoter and Promoter Group	0	0	0	0	0	0	0	0	0
(2)	Public	0	0	0	0	0	0	0	0	0
	GRAND TOTAL (A+B+C) :	**64300485**	**1**	**64300486**	**100**	**64300485**	**1**	**64300486**	**100**	

b) Shareholding of Promoter:

S. No	Shareholder's Name	Shareholding at the beginning of the year (01/04/2021) No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	Share holding at the end of the year (31/03/2022) No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	% change in share holding during the year
1	Mr. Lalit Seth	8030228	12.49	0	8030228	12.49	0	0
2	Mrs. Praveen Seth	2133098	3.32	0	2133098	3.32	0	0
3	Mr. Rishi Seth	2231740	3.47	0	2231740	3.47	0	0
4	Mr. Gautam Seth	2231740	3.47	0	2231740	3.47	0	0
5	HPL India Limited	17573238	27.33	0	17573238	27.33	0	0
6	Jesons Impex Private Limited	24000	0.04	0	24000	0.04	0	0
7	Havell's Private Limited	2842655	4.42	0	2842655	4.42	0	0
8	Havells Electronics Private Limited	11652130	18.12	0	11652130	18.12	0	0
	Total	**46718829**	**72.66**	**0**	**46718829**	**72.66**	**0**	**0**

c) Change in Promoters' Shareholding

Sr. No.	Promoter	Shareholding No. of Shares	% of the total shares of the Company	Cumulative shareholding during the year (01.04.2021- 31.03.2022) No. of Shares	% of the total shares of the Company
	At the beginning of the year **01/04/2021**	46718829	72.66	46718829	72.66
	Date wise Increase/ Decrease in promoters Share holding during the year Specifying the reasons for increase/ decrease (allotment/ transfer/ bonus/ sweat etc.)*			NIL	
	At the end of the year 31**/03/2022**	46718829	72.66	46718829	72.66

d) Shareholding Pattern of top ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No	Name of the Shareholder	Shareholding at the beginning of the Year (01.04.2021) No of Shares	% of total shares of the company	Date	Increase/ Decrease in share holding	Reason	Cumulative Shareholding during the Year (01.04.2021- 31.03.2022) No of Shares	% of total shares of the company
1	HDFC TRUSTEE CO LTD A/C HDFC HOUSING OPPORTUNITIES	1159532	1.80	01-04-21			1159532	1.80
				09-04-21	-48096	Sale	1111436	1.73
				16-04-21	-203492	Sale	907944	1.41
				23-04-21	-46866	Sale	861078	1.34
				30-04-21	-76448	Sale	784630	1.22
				07-05-21	-139199	Sale	645431	1.00
				14-05-21	-645431	Sale	0	0.00
				31-03-22			**0**	0.00

2	EQ INDIA FUND	1100000	1.71	01-04-21			1100000	1.71
				02-07-21	-290000	Sale	810000	1.26
				31-03-22			**810000**	1.26
3	BHARAT TAPARIA	258000	0.40	01-04-21			258000	0.40
				16-04-21	50750	Purchase	308750	0.48
				04-06-21	100000	Purchase	408750	0.64
				20-08-21	-5000	Sale	403750	0.63
				10-09-21	-20000	Sale	383750	0.60
				17-09-21	-16750	Sale	367000	0.57
				08-10-21	-60000	Sale	307000	0.48
				15-10-21	-25839	Sale	281161	0.44
				22-10-21	-16838	Sale	264323	0.41
				17-12-21	-37000	Sale	227323	0.35
				07-01-22	-5000	Sale	222323	0.35
				14-01-22	-50000	Sale	172323	0.27
				31-03-22			**172323**	0.27
4	MY MONEY SECURITIES LIMITED	220430	0.34	01-04-21			220430	0.34
				23-07-21	-50000	Sale	170430	0.27
				25-03-22	-170430	Sale	0	0.00
				31-03-22			**0**	0.00
							0	0.00
5	MANGALJYOTI SYNDICATE PRIVATE LIMITED	195931	0.30	01-04-21			195931	0.30
				31-03-22			195931	0.30
6	SINGHI DINESH KUMAR HUF	121445		01-04-21			121445	0.19
				30-07-21	-6445	Sale	115000	0.18
				07-01-22	-20000	Sale	95000	0.15
				11-03-22	-45000	Sale	50000	0.08
				18-03-22	-2591	Sale	47409	0.07
				25-03-22	-7409	Sale	40000	0.06
				31-03-22	-17591	Sale	**22409**	0.03
7	PORINJU V VELIYATH	120000	0.19	01-04-21			120000	0.19
				09-07-21	-120000	Sale	0	0.00
				31-03-22			**0**	0.00
8	BHARAT KUNVERJI KENIA	100000	0.16	01-04-21			100000	0.16
				07-01-22	-50000	Sale	50000	0.08
				31-03-22			50000	0.08
9	NITIN KAPIL TANDON	93000	0.14	01-04-21			93000	0.14
				31-03-22			**93000**	0.14
10	HIMANSU DUGAR	83546	0.13	01-04-21			83546	0.13
				16-04-21	-3149	Sale	80397	0.13

	23-04-21	5000	Purchase	85397	0.13
	30-04-21	4811	Purchase	90208	0.14
	21-05-21	3270	Purchase	93478	0.15
	28-05-21	11263	Purchase	104741	0.16
	25-06-21	5759	Purchase	110500	0.17
	13-08-21	10989	Purchase	121489	0.19
	27-08-21	-6859	Sale	114630	0.18
	17-09-21	16385	Purchase	131015	0.20
	30-09-21	-12987	Sale	118028	0.18
	22-10-21	2040	Purchase	120068	0.19
	12-11-21	-650	Sale	119418	0.19
	25-03-22	210	Purchase	119628	0.19
	31-03-22	-536	Sale	119092	0.19
	31-03-22			**119092**	0.19

e) Shareholding of Directors and Key Managerial Personnel:

S. No.	Name of the Directors and KMPs	Shareholding No. of Shares 01.04.2021		Shareholding No. of Shares 31.03.2022		Date of change*	Increase/ (Decrease) in shareholding*	Reason	Cumulative Shareholding during the year (01.04.2021 to 31.03.2022)	
		No. of Shares	% of Shares	No. of Shares	% of Shares				No. of Shares	% of total Shares of the Company
1.	Mr. Lalit Seth	8030228	12.49	8030228	12.49	-	-	-	8030228	12.49
2.	Mr. Rishi Seth	2231740	3.47	2231740	3.47	-	-	-	2231740	3.47
3.	Mr. Gautam Seth*	2231740	3.47	2231740	3.47	-	-	-	2231740	3.47
4.	Mr. Hargovind Sachdev	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
5.	Mrs. Rashmi Vij	NA	NA	Nil	Nil	Nil	Nil	Nil	Nil	Nil
6.	Mr. Dhruv Goyal	NA	NA	Nil	Nil	Nil	Nil	Nil	Nil	Nil
7.	Mr. Vivek Kumar	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
8.	Mr. Sudhir Barik*	Nil	Nil	NA	NA	Nil	Nil	Nil	NA	NA
9.	Manoj Dugar*	Nil	Nil	NA	NA	Nil	Nil	Nil	NA	NA

*Mr. **Gautam Seth,** Joint Managing Director of the company appointed as CFO (KMP) w.e.f 09.03.2022 in addition to his current role. Mr. Sudhir Barik resigned from the CFO (KMP) of the company on 12.08.2021. Mr. Manoj Dugar appointed as CFO (KMP) w.e.f 13.08.2021 and resigned on 10.09.2021.

V) Indebtedness of the company including interest outstanding/ accrued but not due for payment

(Amt. in Rs.)

Sl. No	Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
A)	**Indebtedness at the beginning of the financial year (as on 01.04.2021)**				
	i) Principal Amount	5,397,143,809	6,525,000	-	**5,403,668,809**
	ii) Interest due but not paid	-	-	-	-
	iii) Interest accrued but not due	-	-	-	-
	Total (i+ii+iii)	**5,397,143,809**	6,525,000	**-**	**5,403,668,809**

B)	**Change in Indebtedness during the financial year (2021-22)**				
	Addition (B1)	94,035,169	6,309,100	-	**100,344,269**
	Reduction (B2)	-	-	-	-
	Net Change (B1-B2)	**94,035,169**	6,309,100	-	**100,344,269**
C)	**Indebtedness at the end of the financial year (as on 31.03.2022)**				
	i) Principal Amount	5,488,269,649	12,834,100	-	5,504,013,078
	ii) Interest due but not paid		-	-	
	iii) Interest accrued but not due	2,909,329	-	-	2,909,329
	Total (i+ii+iii)	**5,491,178,978**	12,834,100	**-**	**5,504,013,078**

VI. Remuneration of directors and key managerial personnel

A. Remuneration to Managing Director, Whole-time Directors and/or Manager: **(Rs. In lakhs)**

S. No.	Particulars of Remuneration	Name of MD/WTD/Manager			Total
		Mr. Lalit Seth	**Mr. Rishi Seth**	**Mr. Gautam Seth**	
		Chairman and Whole-time Director	Managing Director	Jt. Managing Director & CFO	
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	316.79	131.99	131.99	580.80
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961	0.4	0.4	0.4	1.2
	(c) Profits in lieu of salary under section 17(3) of the Income-tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission	-	-	-	-
	- as % of profit	-	-	-	-
	- others, specify…	-	-	-	-
5	Others - Provident Fund	-	-	-	-
	Total (A)	**317.19**	**132.39**	**132.39**	**582**
	Ceiling as per the Act				

B. Remuneration to other Directors: **(Rs. In lakhs)**

SN.	Particulars of Remuneration	Name of Directors			
		Mr. Hargovind Sachdev	**Mrs. Rashmi Vij**	**Mr. Dhruv Goyal**	**Total Amount**
1	**Independent Directors**				
	Fee for attending board/committee meetings	4.9	4.4	1.60	10.90
	Commission	-	-	-	
	Others, please specify	-	-	-	
	Total (1)				10.90
2	**Other Non-Executive Directors**				
	Fee for attending board committee meetings	-	-	-	-
	Commission	-	-	-	-
	Others, please specify	-	-	-	-
	Total (2)	-	-	-	-
	Total (B)=(1+2)	**4.9**	**4.4**	**1.60**	**10.90**

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD **(Rs. In lakhs)**

S. No.	Particulars of Remuneration	Key Managerial Personnel			Total
		Mr. Sudhir Barik	Mr. Manoj Dugar	Mr. Vivek Kumar	
		CFO	CFO	CS	
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	11.98	4.31	20.63	36.92
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) of the Income-tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission		-		
	- as % of profit	-	-	-	-
	others, specify…	-	-	-	-
5	Others	-	-	-	-
	Total	**11.98**	**4.31**	**20.63**	**36.92**

VII. Penalties/ punishment/ compounding of offences: Nil [*No penalties/punishment/compounding of offences were levied under the Companies Act, 2013.*]

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. Company					
Penalty	NIL				
Punishment	NIL				
Compounding	NIL				
B. Directors					
Penalty	NIL				
Punishment	NIL				
Compounding	NIL				
C. Other officers in default					
Penalty	NIL				
Punishment	NIL				
Compounding	NIL				

For and on Behalf of the Board

Lalit Seth
Chairman & Whole Time Director
DIN: 00312007

Date : 09th August, 2022
Place : Noida

Annexure III

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

1. Brief Outline on CSR Policy of the Company

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

2. Composition of CSR Committee

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

Mr. Lalit Seth was appointed as Chairman and Dr. Rashmi Vij as member of the CSR Committee w.e.f. 12th May, 2021.

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

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

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

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

4. Provide the details of Impact Assessment of CSR projects carried out in pursuance of sub-rule (3) of Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report)

Not Applicable for Financial year 2021-22

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in Rs)	Amount required to be set- off for the financial year, if any (in Rs)
1.	2020-21	1,47,547	1,47,547

6. Average net profit of the company as per section 135(5)= **Rs. 19.69 crores**

7. (a) Two percent of average net profit of the company as per section 135(5)= **Rs. 39.38 Lakhs**

   (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years.=**NIL**

   (c) Amount required to be set off for the financial year, if any.= **Rs. 1.48 Lakhs**

   (d) Total CSR obligation for the financial year (7a+7b- 7c). = **Rs. 37.90 Lakhs**

8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year. (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
Rs. 38.30 Lkhs	-	-	-	-	-

(b) Details of CSR amount spent against ongoing projects for the financial year: **NIL**

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/No).	Location of the project.		Project duration.	Amount allocated for the project (in Rs.).	Amount spent in the current financial Year (in Rs.).	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs.).	Mode of Implementation- Direct (Yes/No).	Mode of Implementation – Through Implementing Agency	
				State.	District.						Name	CSR Registration number.
1.	NIL											

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local area (Yes/ No).	Location of the project		Amount spent for the project (in Rs.)	Mode of implementation - Direct (Yes/No)	Mode of implementation – Through implementing agency	
				State	District			Name	CSR registration number
1.	Promoted health care including preventive health care by providing Oxygen Concentrators	(i)	No	Andhra Pradesh	Anantapur	6,80,850	Yes	NA	NA
2.	Education of Children, Women	(ii)	Yes	Himachal Pradesh	Himachal Pradesh	4,00,000	No	SUTRA	CSR00015759
3.	Education of differently abled	(ii)	Yes	New Delhi	New Delhi	10,00,000	No	SAKSHAM	CSR00002055
4.	Promotion of Sanitation by setting up of Community Toilets	(i)	Yes	Haryana	Gurugram & Rewari	17,50,000	No	JSR Charitable Trust	CSR00012616
	TOTAL					38,30,850			

(d) Amount spent in Administrative Overheads= **NIL**

(e) Amount spent on Impact Assessment, if applicable= **Not Applicable**

(f) Total amount spent for the Financial Year (8b+8c+8d+8e)= **Rs. 38.30 Lakhs**

(g) Excess amount for set off, if any= **Rs. 40,143**

Sl. No.	Particular	Amount (in Rs.)
(i)	Two percent of average net profit of the company as per section 135(5)	39,38,254
(ii)	Total amount spent for the Financial Year	39,78,397
(iii)	Excess amount spent for the financial year [(ii)-(i)]	40,143
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	0
(v)	Amount available for set off in succeeding financial years[(iii)-(iv)]	40,143

9. (a) Details of Unspent CSR amount for the preceding three financial years: **Not Applicable**

Sl. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.)	Amount spent in the reporting Financial Year (in Rs.).	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (in Rs.)
				Name of the Fund	Amount (in Rs).	Date of transfer.	
	NIL						

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): **Not Applicable**

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID.	Name of the Project.	Financial Year in which the project was commenced.	Project duration.	Total amount allocated for the project (in Rs.).	Amount spent on the project in the reporting Financial Year (in Rs).	Cumulative amount spent at the end of reporting Financial Year. (in Rs.)	Status of the project- Completed / Ongoing.
	NIL							

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year: **NIL**

(asset-wise details).

(a) Date of creation or acquisition of the capital asset(s).

(b) Amount of CSR spent for creation or acquisition of capital asset.

(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc

(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5).- **Not Applicable**

Rishi Seth
Managing Director
DIN: 00203469

Lalit Seth
Chairman, CSR Committee
DIN: 00312007

Date : 9th August, 2022
Place : Noida

ANNEXURE-IV

FORM NO. AOC -2

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

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

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

(a) Name(s) of the related party and nature of relationship: N.A.

(b) Nature of contracts/ arrangements/ transactions: N.A.

(c) Duration of the contracts/ arrangements/ transactions: N.A.

(d) Salient terms of the contracts or arrangements or transactions including the value, if any: N.A.

(e) Justification for entering into such contracts or arrangements or transactions: N.A.

(f) Date(s) of approval by the Board: N.A.

(g) Amount paid as advances, if any: N.A.

(h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188: N.A.

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

(a) Name(s) of the related party and nature of relationship: N.A.

(b) Nature of contracts/ arrangements/ transactions: N.A.

(c) Duration of the contracts/ arrangements/ transactions: N.A

(d) Salient terms of the contracts or arrangements or transactions including the value, if any: N.A.

(e) Date(s) of approval by the Board, if any: N.A

(f) Amount paid as advances, if any: N.A.

For and on Behalf of the Board

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

Date : 9th August, 2022
Place : Noida

ANNEXURE-V

FORM NO MR-3

SECRETARIAL AUDIT REPORT

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

FOR THE FINANCIAL YEAR ENDED 31st MARCH 2022

To,

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

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit and the representations made by the Company, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2022 generally complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records made available to us and maintained by **HPL Electric & Power Limited** for the financial year ended on 31st March 2022 according to the provisions of:

i. The Companies Act, 2013 (the Act) and the rules made thereunder;

ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): -

   a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

   b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;

   c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

   d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;

   e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

   f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

   g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;

   h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; and

   i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

vi. Other laws as are applicable to the Company as per representations made by the Company

   a) Central Excise Act

b) Sales Tax Act / Vat Act

c) GST Act

d) The Finance Act

e) Income Tax Act

f) Labour Laws

g) Environmental Laws

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

(i) **Secretarial Standards** issued by The Institute of Company Secretaries of India with respect to Board and General Meeting.

(ii) The Listing Agreement entered into by the Company with BSE Limited (BSE) and The National Stock Exchange of India Limited (NSE).

(iii) The **Companies (Corporate Social Responsibility) Rules, 2014 along with Corporate** Social Responsibility Voluntary Guidelines, 2009 issued by the Ministry of CorporateAffairs, Government of India;

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

We report that, during the year under review:

1. The Status of the Company during the financial year has been that of a Listed Public Company, listed at the BSE Limited (BSE), The National Stock Exchange of India Limited (NSE).

2. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors and Woman Director.

3. Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda are sent at least seven days well in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

4. Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

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

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

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

For AVA Associates
Company Secretaries

CS Vinod Kumar Gupta
FCS: 3648; CP: 2148
UDIN : F003648D000743101

Date : 4th August, 2022
Place : Delhi

Annexure A

Responsibility Statement

To,

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

Our report is to be read along with the following:

1. Maintenance of Secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on the secretarial records based on our audit.

2. We have followed the audit practices and processes as were appropriate to obtain responsible assurance about the correctness of the contents of secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we follow provide a responsible basis for our opinion.

3. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.

4. Wherever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events, etc.

5. The compliance of the provision of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to verification of procedures on test basis.

6. The secretarial audit report is neither an assurance as to the future viability of the Company nor the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For AVA Associates
Company Secretaries

CS Vinod Kumar Gupta
FCS: 3648; CP: 2148
UDIN : F003648D000743101

Date : 4th August, 2022
Place : Delhi

ANNEXURE-VI

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

Relevant Clause u/r 5(1)	Prescribed Requirement	Particulars
(i)	Ratio of the remuneration of each Director to the median remuneration of employees of the company for the financial year	1. Mr. Lalit Seth, Chairman and Whole-time Director-68:1 2. Mr. Rishi Seth, Managing Director-28:1 3. Mr. Gautam Seth, Jt. Managing Director-28:1
(ii)	Percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive officer, Company Secretary, manager, if any, in the financial year	1. Mr. Lalit Seth, Chairman and Whole-time Director-NIL 2. Mr. Rishi Seth, Managing Director- NIL 3. Mr. Gautam Seth, Jt. Managing Director & CFO-NIL 5. Mr. Sudhir Barik, CFO*-NIL 6. Mr. Manoj Dugar, CFO* - NIL 7. Mr. Vivek Kumar, CS – 8%
(iii)	Percentage increase in the median remuneration of employees in the financial year	9%
(iv)	Number of permanent employees on the rolls of company	1185
(v)	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration	Average increase in remuneration of Managerial Personnel-Nil Average increase in remuneration of employees other than the Managerial Personnel – 8.14%
(vi)	Affirmation that the remuneration is as per the remuneration policy of the company	It is hereby affirmed that the remuneration paid to Directors, Key Managerial Personnel and other Employees is as per the Nomination and Remuneration Policy of the Company.

*Mr. Sudhir Barik, Chief Financial Officer (KMP) of the company resigned on 12th August, 2021 from the position of CFO (KMP) and Mr. Manoj Dugar appointed as Chief Financial Officer (KMP) w.e.f 13th August, 2021 and resigned on 10th September, 2021.

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

Top 10 Persons:

Persons Employed for the full year ended 31st March, 2022 who were in receipt of the remuneration which in the aggregate was not less than Rs. 1,02,00,000/- p.a.

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

Mr. Lalit Seth Chairman and Whole-time Director 3,17,18,712 Undergraduate 52, 28.05.1992, 76; Mr. Rishi Seth Managing Director 1,32,38,712 B.com, 27 MBA 14.04.2000 51; Mr. Gautam Seth Joint Managing Director & CFO 1,32,38,712 B.com, CA 25 15.02.2008

50; Mr. G N Sharma Chief Vice President 96,00,000 Diploma in Mechanical Engineering 26 01.05.2011 61 Havells India Limited; Mr. C.R. Kundu Sr. VP Switchgear 87,48,000 Bachelor of Engineering (Electrical) 40 01.08.2017 65 BCH Electric Ltd; Mr. Devendra Vyas Assistant V.P R&D Meters 75,95,005 MBA Electronics Engineering 26 18.05.2020 47 Secure Meter Limited; Mr. Sundeep Tandon Sr. VP Business Development 56,96,137 BE in Electricals, PGDBM, MBA 34 03.12.2007 58 English Electrical Company of India Ltd, GRC ASTON; Mr. Niraj Tiwari VP (Trade Lighting & Wire Division) 52,00,597 PG Diploma in Business Development 25 03.03.2014 48 Philip India Ltd; Mr. Ghanshyam Verma Sr. General Manager 50,16,805 B. Tech Electrical 32 12.10.2020 53 Genus Power Infrastructure Limited; Mr. Manmohan Lal GM- Quality 38,96,797 B.E. Electronics 30 2.03.1998 54 J.M.E Limited.

Persons employed for part of the year ended 31st March, 2022 who were in receipt of the remuneration which in the aggregate was not less than Rs. 8,50,000/- p.m.

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

NIL

Notes:

1. Gross Remuneration includes salary, allowances, contribution towards P.F. and perquisites.

2. The nature of employment is permanent in all the above cases.

3. Except Mr. Lalit Seth, Mr. Rishi Seth and Mr. Gautam Seth, none of the above employees hold more than 2% of the total paid up capital of the Company.

4. None of the employee is related to any director or manager of the Company except Mr. Rishi Seth and Mr. Gautam Seth, both being the sons of Mr. Lalit Seth, Chairman and Whole Time Director as per Section 2(77) of the Companies Act, 2013.

For and on Behalf of the Board

Lalit Seth
Chairman and Whole-time Director
DIN: 00312007

Date : 9th August, 2022
Place : Noida

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

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

(A) Conservation of energy

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

Energy Conservation measures taken

HPL has been always focused for Energy conservation thereby reducing the effect of global warming. It has been our endeavor to adopt and implement new technologies to conserve energy and keep the environment green. The company has aligned its goal with the Indian Government's National plan on Energy conservation to reduce the carbon footprint thus to save the planet earth. In the last few decades we have seen alarming change in the climate conditions. As such, it has become the need of the hour to save energy as much as possible. The company has made a mandatory policy to use only energy efficient BEE star rated products in all the manufacturing units. It has taken several steps for conserving energy through various initiatives and is continuously working to improve energy conservation and utilization. Main focus has been to reduce the energy cost thereby minimizing the effect on the Environment. Innovative methods and various energy conservation measures have been implemented in all the plants and offices of HPL. Energy utilization cost of the company has come down in the last year compared to previous year's record. The company has already ventured into Solar projects since last 3 years and has started implementation of use of solar energy for all the plants in different stages. Continuous efforts are put on innovation of new products which are cost effective as well as energy efficient. Recently, the Kundli plant laboratory has been NABL accredited, which shows HPL's efforts in further strengthening its R&D work in the field of Switchgear & Lighting products.

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

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

Lighting:

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

a. For all lighting circuits, the Lighting load has been optimized. Natural light is used in as many places as possible to save energy. To make this effective signage with "Switch OFF when NOT in USE" are used at various electrical points.

b. All conventional Light fittings have been replaced with LED Light efficient fixtures at factory and office premises leading to savings in energy consumption.

c. LED tube light fittings are used in all the assembly sections & offices to conserve energy.

d. Almost 100% of conventional light fittings have been replaced with LED lighting fitting in all the plants.

Replacement of old equipment with new energy efficient equipment:

❖ Energy efficient AC, VFD motors & drives are being used.

❖ Solar LED lights along the compound walls of factories. These lights are fitted with dusk & dawn sensors to conserve energy.

❖ Higher lumen rated LED lighting being used.

❖ BEE star rated Air conditioning units are being used.

❖ All molding machines are connected with UPS to maintain continuous running leading to increase in productivity.

- ❖ Insulated heaters for Injection molding machines are being used to conserve energy.
- ❖ Hot runner molds are used in high volume items to conserve material, energy and increase productivity.
- ❖ Integral heating mechanism for Thermoset Moldings tools is in use to create better heating and improve product quality.
- ❖ Street lights (400watt) replaced with led street light. (90watt)
- ❖ Replacement of convectional light fitting with led light fitting is in progress.

Optimization of electrical equipment:

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

Impact:

All the various energy conservation methods have resulted in

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

Capital investment of energy conservation equipment:

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

B. Technology absorption

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

Efforts made toward the Technology absorption

Company is continuously spending money in R&D to meet the new challenges. The company has two R&D centres which are approved by Department of science, technological & Industrial Research, Govt. of India (DSIR) as well as NABL accredited. As a process of technological development, company is continuously adopting & absorbing new technologies to develop products & upgradation of processes to meet the new challenges. Once the product or process is developed, the prototypes are built, followed by pilot development batch which undergoes complete testing before proceeding for commercial production or implementation. HPL continuously works towards following activities for achieving the short term as well as long term business goals:-

- Continuous development of new products & process for improvement in business efficiency by reduction in cost, cycle time which leads to energy conservation also.
- Development of Import substitution for products & material.
- Value Engineering in products & process to reduce wastages.
- Continuously absorb new technologies to improve the testing procedures for products, process & materials to enhance the

quality of products, safety to persons concerned & be environment friendly.

- Special focus on development of in-house products which are compatible to new technology, specially, interface with computers.

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

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

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

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

The expenditure incurred on Research and Development:

During the year, your Company has made the total expenditure of Rs. 963.31 Lakhs towards Research & Development.

Foreign exchange earnings and Outgo (Rupees in Lakhs)

	2021-22
Total Foreign Exchange Earned	4859.20
Total Foreign Exchange used	17492.27

For and on Behalf of the Board

Lalit Seth
Chairman and Whole-time Director
DIN: 00312007

Date : 9th August, 2022
Place : Noida

CORPORATE GOVERNANCE REPORT

In terms of Regulation 34(3) read with Section C of Schedule V to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time, a report on Corporate Governance for the financial year ended March 31, 2022 presented below:

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

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

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

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

2. BOARD OF DIRECTORS

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

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

2.1 Composition of the Board of Directors

The Board of Directors of the Company has an optimum combination of Executive and Non-Executive Directors (including one women independent director) to have a balanced Board Structure. The Chairman of the Board of Directors of the Company is an Executive Director and a Promoter. The composition of the board is in conformity with the Regulation 17 of SEBI Listing Regulation 2015 read with Section 149 and 152 of the Companies Act, 2013. As on 31st March, 2022, the Board of Directors comprised of six, out of which three are executive directors and three are Non-Executive-Independent director.

None of the Directors on the board holds directorships in more than ten public Companies and none of the directors on the board is a member of more than 10 committees or act as chairman of more than 5 committees across all the listed companies in which he is a director.

2.2. Meetings and Attendance of Directors

During the financial year 2021-22, 6 (Six) Board Meetings were held on 12th May, 2021, 28th June, 2021, 12th August, 2021, 10th November, 2021, 11th February, 2022 and 9th March, 2022. The maximum interval between the two Board Meetings did not exceed 120 days as prescribed under the Companies Act, 2013 and Regulation 17 (2) of the SEBI Listing Regulations 2015. The requisite quorum was present at all the aforesaid meetings.

Details regarding name and category of Directors, attendance of Directors at Board Meetings and the last Annual general meeting (AGM), number of other directorships and Committee positions held by them in companies are given below:

Name and Designation of the Director and DIN	Category	No. of Board Meetings attended (against 6 held during financial year 2021-22)	Attendance at the last AGM held on 30th September, 2021	No. of Directorship in other public Limited Companies (As on 31st March, 2022)	No. of Committee positions held in other Public Companies (As on 31st March, 2022)	
					Chairman	Member
Mr. Lalit Seth Chairman and Whole Time Director DIN: 00312007	Non- Independent/ Executive	5	Yes	3	0	0
Mr. Rishi Seth Managing Director DIN: 00203469	Non Independent/ Executive	5	Yes	3	0	0
Mr. Gautam Seth Joint Managing Director DIN: 00203405	Non-Independent/ Executive	6	Yes	3	1	1
Mr. Hargovind Sachdev DIN: 08105319	Independent/ Non Executive	6	Yes	0	0	0
Dr. Rashmi Vij# DIN: 01103219	Independent/ Non Executive	5	Yes	0	0	0
Mr. Dhruv Goyal # DIN: 06963262	Independent/ Non Executive	3	Yes	0	0	0

Dr. Rashmi Vij and Mr. Dhruv Goyal were appointed as Additonal (Independent) Directors of the company w.e.f 12th May, 2021, therefore Dr. Rashmi Vij and Mr. Dhruv Goyal were eligible to attend only five meeting of Board during the year under report.

NOTES:

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

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

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

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

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

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

2.4 INDEPENDENT DIRECTORS

A. Familiarization Programmes

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

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

The details of such familiarisation programmes for Independent Directors are put up on the Company's website and can be accessed at www.hplindia.com.

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

Based on the declaration submitted by the Independent Directors of the Company provided at the beginning of the Financial Year 2022-23, the Board hereby certify that all the Independent Directors appointed by the Company fulfils the conditions specified in SEBI Listing Regulations 2015 ,and are independent of the management.

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

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

D. Separate Meeting of Independent Directors

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

During the Financial year 2021-22, the Independent Directors met separately on 11th February, 2022, whereat the following items were discussed:

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

2.5 CODE OF CONDUCT

The Board of Directors have laid down a Code of Conduct for all the Board members and Senior management Personnel of the Company. The Code of Conduct has also been posted on the website of the Company at www.hplindia.com.

All Board members and Senior Management Personnel have, on 31st March, 2022, affirmed compliance with the Code of Conduct. A declaration to this effect, duly signed by the Managing Director, forms part of this Report.

3. BOARD COMMITTEES

3.1 Audit Committee

A. Composition and Attendance

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

Company Secretary acts as the Secretary to the Audit Committee.

During the Financial Year 2021-22, 6 (Six) Audit Committee meetings were held on 12th May, 2021, 28th June, 2021, 12th August, 2021, 10th November, 2021, 11th February, 2022 and 9th March, 2022. The maximum gap between the two meetings did not exceed 120 days as prescribed under Regulation 18 of the SEBI Listing Regulations 2015.

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

Sr. No.	Name	Category	Designation	No. of Meetings Held	No. of Meetings Attended
1.	Mr. Hargovind Sachdev*	Independent/ Non Executive	Chairman	6	6
2.	Mr. Gautam Seth	Non Independent/ Executive	Member	6	6
3.	Dr. Rashmi Vij#	Independent/ Non Executive	Member	6	6#

*Mr. Hargovind Sachdev took the charge as the Chairman of the Audit Committee w.e.f. 12th May, 2021.

#Dr. Rashmi Vij was appointed as the Member of the Audit Committee w.e.f. 12th May, 2021 subsequent to her appointment as Additional (Independent) Director, she attended the audit committee meeting held on 12th May, 2021.

B. Terms of Reference

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

I. Oversight of Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;

II. Recommendation for appointment, remuneration and terms of appointment of auditors of Company;

III. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;

IV. Reviewing, with the management, the annual financial statements and auditors' report thereon before submission to the board for approval, with particular reference to:

a) Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Act.

b) Changes, if any, in accounting policies and practices and reasons for the same.

c) Major accounting entries involving estimates based on the exercise of judgment by management.

d) Significant adjustments made in the financial statements arising out of audit findings.

e) Compliance with listing and other legal requirements relating to financial statements.

f) Disclosure of any related party transactions; and

g) Modified opinion(s)in the draft audit report.

V. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval;

VI. Reviewing, with the management, the statement of uses / application of funds raised through an issue(public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;

VII. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;

VIII. Approval or any subsequent modification of transactions of the Company with related parties;

IX. Scrutiny of inter-corporate loans and investments;

X. Valuation of undertakings or assets of the Company, wherever it is necessary;

XI. Evaluation of internal financial controls and risk management systems;

XII. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;

XIII. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;

XIV. Discussion with internal auditors of any significant findings and follow up thereon;

XV. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;

XVI. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

XVII. To look into the reasons for substantial defaults in the payment to depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

XVIII. To review the functioning of the whistle blower mechanism;

XIX. Approval of appointment of Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate;

XX. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

XXI. Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.

XXII. Consider and comment on rationale, cost-benefits and impact of Schemes involving merger, demerger, amalgamation etc. on the Company and its shareholders.

XXIII. Shall review compliance with the provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015 at least once in a financial year and shall verify that the systems for internal control are adequate and are operating effectively.

XXIV. mandatorily review the following information:

- Management discussion and analysis of financial condition and results of operations;
- Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
- Management letters / letters of internal control weaknesses issued by the statutory auditors;
- Internal audit reports relating to internal control weaknesses;
- The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the Audit Committee; and

- Statement of deviations:

  (i) Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to the stock exchanges in terms of sub-Regulation (1) of Regulation 32 of the SEBI Listing Regulations; and

  (ii) Annual statement of funds utilized for purposes other than those stated in the offer Document/prospectus/notice in terms of sub-Regulation (7) of Regulation 32 of SEBI Listing Regulations.

3.2 Nomination & Remuneration Committee

A. Composition and Attendance

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

During the Financial Year 2021-22, 3 (Three) Nomination & Remuneration Committee Meetings were held on 12th August, 2021, 10th November, 2021 and 9th March, 2022.

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

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

*NRC Reconstituted w.e.f 12th May, 2021 subsequent to the appointment of Mr. Dhruv Goyal and Dr. Rashmi Vij w.e.f 12th May, 2021.

B. Terms of Reference:

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

I. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;

II. Formulation of criteria for evaluation of performance of independent directors and the Board of Directors;

III. Devising a policy on diversity of Board of Directors;

IV. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal; and

V. Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of Independent Directors.

VI. Recommend to the board, all remuneration, in whatever form, payable to senior management.

C. Performance evaluation criteria for Independent Directors

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

The said manner provides certain parameters like professional qualification and appropriate experience in various fields like marketing, finance, risk management, communication with other board members, effective participation, compliance with code of conduct, exercise his/her own judgement and views openly which is in compliance with applicable laws. The performance evaluation of the Independent Directors includes the fulfillment of the independence criteria as specified and independence from the management, their performance and how constructively they contribute in Boards' deliberations etc. The brief about the performance evaluation carried out for the financial year 2021-22 is provided in the Directors' Report Section of this Annual Report.

D. Remuneration of Directors

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

During the Financial Year 2021-22, the company has no pecuniary relationship or transaction with the Non Executive Directors except the payment of sitting fees for attending the board meetings and its allied committees.

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

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

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

a) Details of remuneration/sitting fee paid to Directors during the Financial Year 2021-22 are given below:

(Rupees in Lakhs)

Sr. no.	Name and Designation	Sitting Fee (A)	Salary (B)	Perquisites (C)	Contribution to P.F. (D)	Total (A+B+C+D)
1.	Mr. Lalit Seth (Chairman and Whole-time Director)	NA	316.79	0.40	-	317.19
2.	Mr. Rishi Seth (Managing Director)	NA	131.99	0.40	-	132.39
3.	Mr. Gautam Seth (Joint Managing Director and CFO)	NA	131.99	0.40	-	132.39
4.	Mr. Hargovind Sachdev (Independent Director)	4.90	-	-	-	4.90
5.	Dr. Rashmi Vij# (Independent Director)	4.40	-	-	-	4.40
6.	Mr. Dhruv Goyal# (Independent Director)	1.60	-	-	-	1.60

Dr. Rashmi Vij and Mr. Dhruv Goyal were appointed as Additional (Independent) Directors of the company w.e.f. 12th May, 2021.

Notes:

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

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

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

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

During the Financial Year 2021-22, no stock options were granted to any of the directors of the company.

3.3 Stakeholders' Relationship Committee:

A. Composition and Attendance

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

During the Financial Year 2021-22, 1 (one) Stakeholders' Relationship Committee meeting was held on 11th February 2022.

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

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

B. Name and designation of compliance officer

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

C. Terms of Reference:

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

I. Resolving the grievances of the security holders of the company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.

II. Review of measures taken for effective exercise of voting rights by shareholders.

III. Review of adherence to the service standards adopted by the company in respect of various services being rendered by the Registrar & Share Transfer Agent.

IV. Review of the various measures and initiatives taken by the company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.

D. Shareholder Grievance Redressal

The Company has received nil Investor complaint during the period under report. There was no pending investor complaint as on 31st March, 2022.

3.4 Executive Committee

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

During the financial year 2021-22, 9 (Nine) Executive Committee meetings were held on 13th May, 2021, 20th July, 2021, 10th August, 2021, 29th September, 2021, 29th October, 2021, 20th January, 2022, 9th February, 2022, 14th March, 2022 and 30th March, 2022.

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

Sr. No.	Name	Category	Designation	No. of Meetings Held	No. of Meetings Attended
1.	Mr. Lalit Seth	Non Independent/ Executive	Chairman	9	9
2.	Mr. Rishi Seth	Non Independent/ Executive	Member	9	9
3.	Mr. Gautam Seth	Non Independent/ Executive	Member	9	9

B. Terms of Reference:

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

1. To open and operate any bank account like imprest account; EEFC account; current account; CC account; working capital account.

2. Change in signatory for the operation of the said bank accounts.

3. authorized to accept, sign or execute the sanctions letters or any other agreement or document with any Bank or financial Institution and to do all other acts deeds in relation to availing Bank borrowings/Credit Facility (Fund Based/Non Fund Based)/Channel Financing Facilities or any other banking facilities upto a sum of Rs. 1750 crore subject to the ceiling as prescribed by the Companies Act, 2013

4. For Issuing commercial papers and execution of documents

5. To authorize any person to appear and to sign any paper or document in relation to any legal matter including authority to appoint advocate etc.

6. To authorize any person to appear and to apply & sign any document under Sales Tax Act, Vat Act; Central Excise, GST; Pollution Acts, Industrial Act, Provident Fund Act, Employee State Insurance Act or any other state or Central Act or to represent the company in any of the Government or Semi Government Department.

7. To authorize any person to appear and to sign any tender document.

8. To create security or provide guarantee in relation to availing Bank borrowings/Credit Facility (Fund Based/Non Fund Based)/Channel Financing Facilities or any other banking facilities

3.5 Corporate Social Responsibility(CSR) Committee:

A. Composition and Attendance

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

During the Financial Year 2021-22, One (1) CSR Committee Meeting was held on 28th June, 2021.

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

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

*Mr. Lalit Seth took charge as the Chairman of the Committee w.e.f. 12th May, 2021

Dr. Rashmi Vij was appointed as member of the Committee w.e.f. 12th May, 2021

B. Terms of Reference:

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

I. To formulate and recommend to the board, a CSR Policy which will indicate the activities to be undertaken by the company in accordance with Schedule VII of the Companies Act,2013, as amended;

II. To review and recommend the amount of expenditure to be incurred on the activities to be undertaken by the company;

III. To monitor the CSR Policy of the company from time to time;

IV. Any other matter as may be directed by the board of directors from time to time which may deem appropriate.

4. GENERAL BODY MEETINGS

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

Day, Date and time of AGM	Venue	Details of Special Resolution passed, if any
Thursday, 30th September, 2021 at 11:00 AM	Conducted through Video Conferencing (VC) or Other Audio Visual Means (OAVM)	1. Re-appointment of Mr. Lalit Seth (DIN: 00312007) as the Chairman and Whole-time Director of the Company and fixation of remuneration 2. Re-appointment of Mr. Rishi Seth (DIN: 00203469) as the Managing Director of the Company and fixation of remuneration 3. Re-appointment of Mr. Gautam Seth (DIN: 00203405) as the Joint Managing Director of the Company and fixation of remuneration
Wednesday, 30th September, 2020 at 11:00 AM	Conducted through Video Conferencing (VC) or Other Audio Visual Means (OAVM)	1. Appointment of Mr. Hargovind Sachdev (DIN: 08105319) as an Independent Director for the second term 2. Change in designation of Mr. Lalit Seth (DIN: 00312007) from Chairman and Managing Director to Chairman and Whole-time Director, effective from 14th February, 2020 3. Change in designation of Mr. Rishi Seth (DIN: 00203469) from Joint Managing Director to Managing Director, effective from 14th February, 2020
Thursday, 26th September, 2019 at 11:00 AM	Palm Green Resort, 21/30, Bakoli, GT Karnal Road, Alipur, New Delhi- 110036	Nil

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

During the period under report, resolution for Reappointment of Mr. Dhruv Goyal (DIN: 06963262) as independent director for second term of five years was passed through postal ballot. The Board of Directors of the Company in its meeting held on 10th November, 2021, has appointed Mr. Vinod Kumar Gupta, Proprietor, M/s. Gupta Vinod & Co., Practicing Company Secretaries as Scrutinizer, to conduct the Postal Ballot by Remote E-voting process in a fair and transparent manner.

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

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

5. MEANS OF COMMUNICATION

A. Quarterly Results :

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

B. Newspapers wherein results normally published:

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

C. Website, where displayed:

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

D. Official news releases:

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

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

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

6. GENERAL SHAREHOLDER INFORMATION

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

30th Annual General Meeting

Day: Firday

Date: 30th September, 2022

Time : 11:00 a.m.

Venue: Through Video conferencing/ Other Audio Visual means (OAVM) – Company's Registered office i.e. 1/20, Asaf Ali Road, New Delhi – 110002 will be considered as venue for the purpose of 30th Annual General Meeting.

B. Financial Year:

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

C. Dividend Payment Date:

The Board of Directors of the Company has recommended a final dividend of Rs. 0.15 per equity share of 10/- each i.e. @ 1.5% for the Financial Year ended 31st March, 2022. Date of payment of dividend would be within 30 days from the date of declaration of the dividend.

D. Listing on Stock Exchanges and Stock Code

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

E. Annual Fee

a. **Payment of Listing Fee**: The Annual Listing fee for the financial year 2022-23, as applicable to the Company has been paid to BSE and NSE within the stipulated time.

b. **Payment of Depository Fee**: Annual Custody fee for the year 2022-23 has been paid by the Company to Central Depository Services Limited (CDSL) and National Securities Depository Limited (NSDL) within the stipulated time.

F. **Market Price Data**: The monthly high & low prices and volumes of the equity shares of the company at NSE and BSE during the Financial year 2021-22 are as under:

(Amount in Rs.)

Month	National Stock Exchange of India Limited			BSE Limited		
	High	Low	Volume (No. of shares)	High	Low	Volume (No. of shares)
Apr-21	53	43.65	24,01,125	53	44	607275
May-21	59.85	44.5	63,33,937	59.5	45.35	1251573
Jun-21	74.7	53.05	1,30,33,167	74.45	53.2	1402676
Jul-21	91.4	70.45	1,34,22,201	91.9	69.9	2615539
Aug-21	85.8	63.4	40,12,100	85.6	63.05	882363
Sep-21	75	66.05	28,89,928	76.45	65.15	539307
Oct-21	75.45	63.6	38,46,170	74.9	64.2	582466
Nov-21	72	56.2	30,90,988	73.8	55.4	352570
Dec-21	76.4	58.3	65,40,423	76.2	58.4	702985
Jan-22	86	63.9	88,54,267	85.9	65	1448175
Feb-22	81.6	55.15	42,10,588	81.8	55.35	600290
Mar-22	70.5	58.25	27,96,329	71	57.6	586507

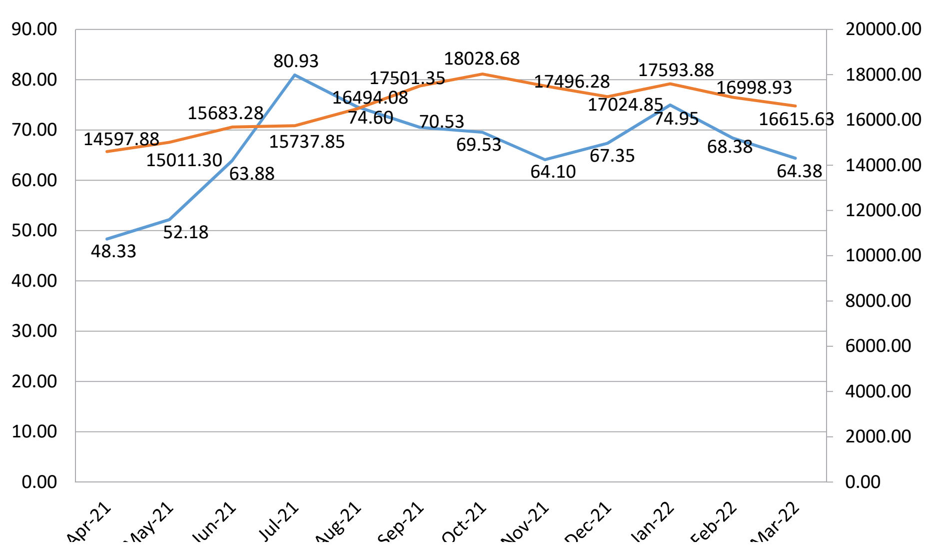
(Source: NSE and BSE website)

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

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

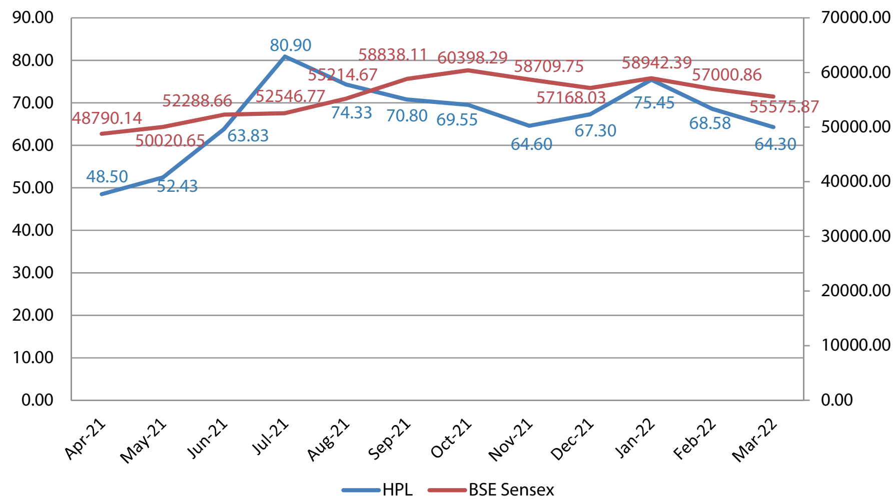
COMPARISON OF HPL PRICE vis-a-vis NIFTY50

(Based on average of High and Low of HPL Share Price and Nifty 50)



COMPARISON OF HPL PRICE VIS-A-VIS BSE SENSEX

(Based on average of High and Low of HPL Share Price and BSE Sensex)



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

Not applicable.

I. Registrar to an issue and share transfer agents:

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

J. Share transfer system:

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

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

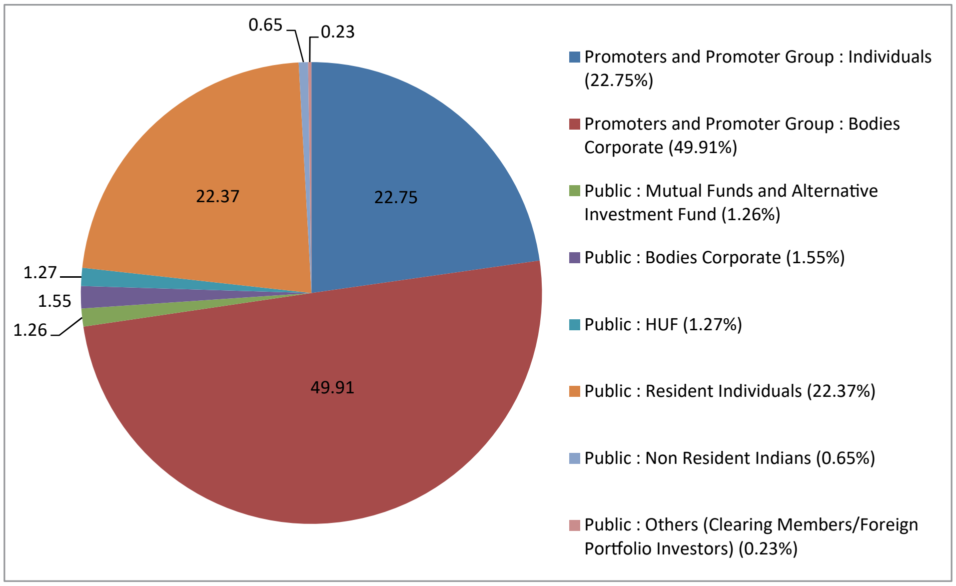
K. Distribution of Shareholding:

a. Shareholding by size as on 31st March, 2022

S. no	Category	No. of shareholders	% of shareholders	Nominal Value	% of Nominal Value
1	1-5000	63313	93.09	56539000	8.79
2	5001- 10000	2529	3.72	20707930	3.22
3	10001- 20000	1161	1.71	17722040	2.76
4	20001- 30000	363	0.53	9383850	1.46
5	30001- 40000	160	0.24	5815490	0.90
6	40001- 50000	155	0.23	7357300	1.14
7	50001- 100000	198	0.29	14603400	2.27
8	100001& Above	136	0.20	510875850	79.45
	Total:	**68015**	**100**	**643004860**	**100**

b. Shareholding by category as on 31st March, 2022

Category of Shareholders	Number of shareholders	No. of Shares	% of Shareholding
Promoters and Promoter Group			
Individuals	4	14626806	22.75
Bodies Corporate	4	32092023	49.91
Public			
Mutual Funds and Alternative Investment Fund	1	810000	1.26
Bodies Corporate	123	994988	1.55
HUF	2211	815777	1.27
Resident Individuals	64436	14386112	22.37
Non Resident Indians	413	416334	0.65
Others (Clearing Members/ Foreign Portfolio Investors)	53	150790	0.23
Total		**64300486**	**100**



L. Dematerialization of shares and liquidity:

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

Number of shares along with percentage held in dematerialized and physical mode as on 31st March, 2022 are as follows:

Form	Number of Shares	Percentage
NSDL	14289070	22.22
CDSL	50011415	77.78
Physical	1	0.00
Total	**64300486**	**100**

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

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

There are no GDRs/ ADRs/ Warrants outstanding as on 31st March, 2022.

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

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

O. Plant locations:

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

P. Address for correspondence:

(A) Company's address:

Registered Office	1/20, Asaf Ali Road, New Delhi- 110002
Phone :	011 23234411
Fax	011 23232639
Corporate Office:	Windsor Business Park, B-1D, Sector-10, Noida- 201301
Phone :	0120-4656300
Fax :	0120-4656333
Website	www.hplindia.com
E-mail :	hplcs@hplindia.com

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

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

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

During the Financial year 2021-22, the instrument wise credit ratings as obtained from CRISIL Rating Limited are as follows:

Fund-based working capital limits	CRISIL BBB+/Positive
Non Fund-based working capital limits	CRISIL A2
Term Loan	CRISIL BBB+/Positive

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

7. OTHER DISCLOSURES

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

During the Financial Year 2021-22, there was no materially significant Related Party Transactions with the company's Directors, Promoters, the KMPs, management or their relatives that may have potential conflict with the interests of the Company at large. All related party transactions entered into during the year were on arm's length basis, in the ordinary course of business and were in compliance with the applicable provisions of the Companies Act, 2013 and SEBI Listing Regulations 2015 as amended from time to time.

Members may refer to the disclosure of transactions with related parties in accordance with IND AS -24 as given in Note No. 42 on Accounts of the Annual Report .

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

During the period under report, No 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.

However in the previous financial 2020-21, NSE and BSE imposed penalty on the Company for the non-compliance of Regulation 29 of SEBI Listing Regulations 2015 regarding the prior intimation of Board meeting held on 12th January, 2021 which was held at shorter notice since there was delay in receiving the confirmation of availability of some of the directors of the company due to the Covid-19 pandemic and consequently, the Company delayed in intimating to NSE and BSE about the date of Board Meeting. The company however, paid the penalty within stipulated time.

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

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

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

The Vigil Mechanism / Whistle Blower Policy is available on the website of the company i.e. www. hplindia.com.

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

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

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

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

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

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

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

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

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

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

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

On the basis of written representations/ declaration received from the Directors, as on 31st March, 2022, M/s AVA Associates, Company Secretaries (Membership No. FCS 3648, CP No. 2148), have issued a certificate, confirming that none of the Directors on Board of the Company has been debarred or disqualified from being appointed or continuing as Director of Companies by SEBI/ MCA or any such authority.

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

There is no case during financial year 2021-22 that the Board had not accepted any recommendation of any Committee of the Board which is mandatorily required, hence, the need to disclose the same along with reasons does not arise.

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

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

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

a. number of complaints filed during the financial year : NIL

b. number of complaints disposed off during the financial year : NA

c. number of complaints pending as on end of the financial year: NIL

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

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

8. The Company has complied with the requirements of Corporate Governance Report as mentioned in sub paras (2) to (10) of Schedule V of the SEBI Listing Regulations.

9. Compliance with the Corporate Governance Codes

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

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

(a) The Board: As the Chairman of the Company is an Executive Chairman, hence the provision on entitlement of chairperson's office at the expense of the Company in case of a Non-Executive Chairperson is not applicable.

(b) Shareholder's Rights: The company uploads its Quarterly, half yearly and Annual Results, shareholding information, statutory communications to stock exchanges, press releases and presentations on its website i.e. www.hplindia.com which is accessible to all. The Results are also reported to Stock Exchanges and published in national newspapers in English and Hindi newspapers having wide circulation.

(c) Modified opinion(s) in audit report: The Company already has a regime of un-qualified financial statements. Auditors have raised no qualification on the financial statements.

(d) Separate posts of Chairperson and CEO: Presently, Mr. Lalit Seth is the Chairman and Mr. Rishi Seth is the Managing Director of the Company. Chairman is related to Managing director as per the definition of term "relative" defined under Companies Act, 2013.

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

11. DISCLOSURE WITH RESPECT TO DEMAT SUSPENSE ACCOUNT/UNCLAIMED SUSPENSE ACCOUNT:

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

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

Lalit Seth
Chairman and Whole-time Director
DIN: 00312007

Date : 9th August, 2022
Place : Noida

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

I hereby confirm that all the Board Members and Senior Management Personnel of the company have affirmed compliance with the Code of Conduct of Directors and Senior Management, as approved by the Board, for the financial year ended 31st March, 2022.

RISHI SETH
MANGING DIRECTOR
DIN: 00203469

Date : 26th May, 2022
Place : Noida

AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

To

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

We have examined the compliance of Corporate Governance by HPL Electric & Power Limited ("the Company"), for the year ended 31st March, 2022, as per the relevant provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

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

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

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

For Kharabanda Associates.
Chartered Accountants
Firm Registration No. 003456N

Sunil Kharabanda
Proprietor
Membership No. 082402
UDIN: 22082402AOPJAO6155

Date : 09.08.2022
Place : New Delhi

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To,

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

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

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ended 31st March, 2022 have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority :

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

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

For Gupta Vinod & Company
Company Secretaries

Vinod Kumar Gupta
Practicing Company Secretary
FCS: 3648; CP: 2148
UDIN : F003648D000764815

Place : Delhi
Dated : 09.08.2022

CEO & CFO CERTIFICATE

To

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

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

A. We have reviewed the, Standalone and Consolidated financial statements and cash flow statement for the year ended on 31st March, 2022 and based on our knowledge and belief certify that:

   1) these statements do not contain any materially untrue statement or omit any material fact or contain any statements that might be misleading;

   2) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations;

B. There are, to the best of our knowledge and belief, no transactions entered into by the company during the year ended on 31st March, 2022 which are fraudulent, illegal or violative of the company's code of conduct.

C. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

D. We have indicated to auditors and the audit committee of the Board, wherever applicable:

   1) significant changes in internal control over the financial reporting during the year;

   2) significant changes in accounting policies during the year and the same has been disclosed in the notes to the financial statements; and

   3) instances of significant fraud of which we have become aware and the involvement therein, if any, of management or an employee having a significant role in the Company's internal control system over financial reporting.

	Rishi Seth	**Gautam Seth**
Date : 26th May, 2022	Managing Director	Jt. Managing Director & Chief Financial Officer
Place : Noida	DIN: 00203469	M. No. 094003

Independent Auditor's Report

To the Members of

HPL Electric & Power Ltd.

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the financial statements of HPL ELECTRIC & POWER LIMITED ("the Company"), which comprise the balance sheet as at 31st March 2022, and the standalone statement of Profit and Loss (including other comprehensive income), standalone statement of Changes in Equity and standalone statement of Cash Flows for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2022 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

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) 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 on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The key audit matters	How the matter was addressed in our audit
Inventory valuation • Copper and plastic components based inventory for which the Company enters into supply contracts. The Company takes a structured approach to the identification and quantification of copper and plastic components. • Inventories are measured at cost or net realizable value, which ever is lower, on first in first out basis. We focused on this area because of its size, the assumptions used in the valuation and the complexity, which are relevant when determining the amounts recorded.	Our audit procedures over inventory valuation included the following: • We tested the design, implementation and operating effectiveness of key internal financial controls, including controls over valuation of inventory and accounting. • On a sample basis, tested the accuracy of cost for inventory be verifying the actual purchase cost. Tested the net realizable value by comparing actual cost with most recent retail price; • We assessed and tested adequacy and completeness of the Company's disclosure in the standalone financial statements.

Other Information

The company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the company's annual report, but does not include the standalone financial statements and our auditors' report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained 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 Standalone Financial Statements

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.

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.

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

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

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management'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.

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.

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.

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

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the 'Annexure A', a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

   (A) As required by Section 143 (3) of the Act, we report that:

      a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

c) The Standalone Balance Sheet, the Standalone Statement of Profit and Loss (including the Standalone Statement of Other Comprehensive Income), the Standalone Cash Flow Statement and Standalone Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.

d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

e) On the basis of the written representations received from the directors as on 31st March, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.

f) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in 'Annexure B'.

(B) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed pending litigations and the impact on its financial position - refer note 44 to the Standalone Financial Statements.

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

iv. The dividend declared and paid during the year by the Company is in compliance with Section 123 of the Act.

v. (a) The management has represented that, to the best of its knowledge and belief, as disclosed in the notes to accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources of kind of funds) by the Company to or in any other person or entity, 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;

vi. (b) The management has represented that, to the best of its knowledge and belief, as disclosed in the notes to accounts, no funds have been received by the Company from any person or entity, 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.

(C) With respect to the matter to be included in the Auditors' Report under section 197(16):

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

For Kharabanda Associates
Chartered Accountants
FRN: 003456N

Sunil Kharabanda
Proprietor
M. No. 082402
UDIN: 22082402AKCIMU1286

Place : New Delhi
Date : 26th May 2022

Annexure A to Independent Auditors' Report

Referred to in paragraph (report on Other Legal and Regulatory requirements) of the Independent Auditors' Report of even date to the members of HPL Electric & Power Limited on the standalone financial statements as of and for the year ended March 31, 2022.

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 and no material discrepancies have been noticed on such verification. 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 favor of the lessee), as disclosed in Note 3 of the standalone financial statements, are held in the name of the Company,

(d) The Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year. 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 or 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 its financial statement does not arise.

ii. (a) The physical verification of inventory has been conducted at reasonable intervals by the Management during the year and, in our opinion, the coverage and procedure of such verifications 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 on inventory as compared to book record were not 10% or more in aggregate for each class of inventory.

(b) During the year, the Company has been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, from banks on the basis of security of current assets. The company has filed quarterly returns or statements with such banks, which are in agreement with the unaudited books of account.

iii. The company has not made investments in any other company during the year. The Company has not granted secured/unsecured loans/advanced in nature of loans, or stood guarantee, or provided security to any parties. Therefore, the reporting under clauses 3(iii)(a), (iii)(c), (iii)(d),(iii)(e) and (iii)(f) or the Order are not applicable to the company.

iv. The Company has not granted any loans, or provided any guarantees or security to the parties covered under Section 185 of the Act. 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 investments made by it and the Company has not provided any loans, guarantees of 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 within the meaning of Section 73,74,75, and 76 of the Act and the Rules framed there under to the extent notified.

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.

vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing the undisputed statutory dues, including goods and services tax, provident funds, employees' state insurance, income tax, duty of customs, cess and other material statutory dues, as applicable, with the appropriate authorities.

(b) According to the information and Explanations given to us and the records of the Company examined by us, there are no statutory dues of provident fund, employees' state insurance and cess, which have not been deposited on account of any dispute. The Particulars of the statutory dues referred to in sub-clause(a) as at March 31, 2022 which have not been deposited on account of a dispute, are as follows.

S. No	Name of Statute	Description	As at 31st March 2022	As at 31st March 2021
1	Central Excise Act, 1944	Demand for Excise Duty before Add. Comm. LTU, New Delhi for 2008-09	16.40	16.40
2	Central Excise Act, 1944	Demand for Excise Duty before Comm. (A), New Delhi for 2009-10 to 2015-16.	82.49	82.49
3	Finance Act, 1994	Demand for Service Tax Credit before Commissioner Appeal, LTU, Delhi for 2012-13	1.01	1.01
4	Finance Act, 1994	Demand for Cenvat Credit before Commissioner Appeal, LTU, Delhi for 2011-12	1.13	1.13
5	Haryana Vat Act, 2003	Demand for Sales Tax before Haryana Tax, Tribunal, Chandigarh for 2008-09	25.51	25.51
6	Haryana Vat Act, 2003	Demand for Sales Tax before Joint Comm., (Appeal), Rohtak for 2010-11	17.83	17.83
7	Haryana Vat Act, 2003	Demand for Sales Tax before Haryana Tax, Tribunal, Chandigarh for 2009-10	4.78	4.78
8	Haryana Vat Act, 2003	Demand for Sales Tax before Haryana Tax, Tribunal, Rohtak for 2011-12	18.45	18.45
9	Haryana Vat Act, 2003	Demand for Sales Tax before Haryana Tax, Tribunal, Rohtak for 2012-13	10.06	10.06
10	Haryana Vat Act, 2003	Demand for Sales Tax before Haryana Tax, Tribunal, Rohtak for 2010-11	49.22	49.22
11	Haryana Vat Act, 2003	Demand for Sales Tax before Haryana Tax, Tribunal, Chandigarh for 2011-12	23.19	23.19
12	Haryana Vat Act, 2003	Demand for Sales Tax before Joint Comm., (Appeal), Ambala for 2011-12	4.38	4.38
13	Finance Act, 1994	Show cause notice received towards short payment of Service Tax for 2010-11 to 2014-15	163.04	163.04
14	Employee's Provident Fund Act, 1952	Demand for EPF before EPF appellate, Tribunal, New Delhi.	8.87	8.87
15	Haryana Vat Act, 2003	Demand for sales tax before Haryana Tax Tribunal for 2011-12	23.39	23.39
16	Haryana Vat Act, 2003	Demand for sales tax before Haryana Tax Tribunal for 2012-13	23.67	23.67
17	Haryana Vat Act, 2003	Demand for sales tax before Haryana Tax Tribunal for 2013-14	80.59	80.59
18	Haryana Vat Act, 2003	Demand for sales tax before Jt. Commissioner (A), Rohtak for 2013-14	72.95	72.95
19	Haryana Vat Act, 2003	Demand for sales tax before Jt. Commissioner (A), Rohtak for 2014-15	25.35	25.35
20	Haryana Vat Act, 2003	Demand for sales tax before Jt. Commissioner (A), Rohtak for 2013-14	18.38	18.38
21	Haryana Vat Act, 2003	Demand for sales tax before Jt. Commissioner (A), Rohtak for 2013-14	97.68	97.68
22	Haryana Vat Act, 2003	Haryana Tax Tribunal, Chandigarh-Final demand after Rectification on 31.07.2017 (Revision Pending)	3.61	3.61
23	Haryana Vat Act, 2003	Haryana Tax Tribunal, Chandigarh-Pending for Rectification for 2012-13	1.97	1.97
24	Haryana Vat Act, 2003	Haryana Tax Tribunal, Chandigarh-Pending for Rectification for 2013-14	3.73	3.73
25	Haryana Vat Act, 2003	Haryana Tax Tribunal, Chandigarh-Pending for Rectification for 2014-15	0.52	0.52

26	Haryana Vat Act, 2003	Haryana Tax Tribunal-Rohtak-Appeal pending before the Jt. ETC(A), Rohtak for 2010-11	33.95	33.95
27	Haryana Vat Act, 2003	Demand for sales tax before Dy. Excise & Taxation Commissioner (ST),Sonepat for 2014-15	10.14	10.14
28	Haryana Vat Act, 2003	Demand for sales tax before Jt Excise & Taxation Commissioner, Ambala for 2014-15	55.74	55.74
29	Income Tax Act, 1961	Income Tax demand before Asstt. Commissioner of Income Tax, Delhi for AY-2017-18	28.72	28.72
30	Haryana Vat Act, 2003	Demand for Sales Tax before Haryana Tax, Tribunal, Rohtak for 2015-16	41.89	41.89
31	Haryana Vat Act, 2003	Demand for Sales Tax before Haryana Tax, Tribunal, Rohtak for 2014-15	97.13	97.13
32	Haryana Vat Act, 2003	Demand for Sales Tax before Haryana Tax, Tribunal, Rohtak for 2015-16	75.76	75.76
33	Central Excise Act, 1944	Demand for Excise Duty before Deputy Comm. Central GST Gurgram for 2016-17.	1.72	1.72
34	Finance Act, 1994	Demand for Service Tax Credit before Asstt. Commissioner Gurugram for 2015-16 to 2017-18	14.78	14.78
35	Custom Act,1962	Demand for Custom Duty before Adl./Joint Comm./ Customs Gr-VA,ACC Import New Custom House New Delhi for 2018-19	22.67	22.67
36	Haryana Vat Act, 2003	Demand for Sales Tax before Haryana Tax, Tribunal, Rohtak for 2016-17	73.54	73.54
37	Haryana Vat Act, 2003	Demand for Sales Tax before Haryana Tax, Tribunal, Rohtak for 2016-17	37.23	37.23
38	Haryana Vat Act, 2003	Demand for Sales Tax before Haryana Tax, Tribunal, Rohtak for 2017-18	68.87	-

viii. According to the information and explanations given to us and the records of the Company examined by us, there are no transactions in the books of account that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

ix. (a) According to the records of the Company examined by us and the information and explanations given to us, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest to any lender during the year.

(b) According to the information and explanations given to us and on the basis of audit procedures, we report that the Company has not been declared Willful Defaulter by any bank or financial institution or government or any government authority.

(c) In our opinion and according to the information and explanations given to us, the term loans taken during the year have been applied for the purposes for which they were obtained.

(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, we report that no funds raised on short – term basis have been used for long-term purposes by the Company.

(e) According to the information and explanations given to us and on the overall examinations 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.

(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.

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, and according to the information and explanations given to us, 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, and according to the information and explanations given to us, a report under section 143(12) of the act in form ADT-4 as prescribed under rules 13 of companies(Audit and Auditors) rules, 2014 was not required to be filled 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, and according to the information and explanations given to us, the company has not received any whistle – blower complaints during the year.

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 provision of sections 177 and 188 of the Act. The details of such related parities transaction have been disclosed in the stand alone financial statements as required under Indian Accounting Standards 24, "Related Party Disclosures" specified under section 133 of the Act.

xiv. (a) In our opinion and according to the information and explanation given to us, the company has an internal audit system commensurate with the size and nature of its business.

(b) The reports of the internal auditors for the period under audit have been considered by us.

xv. 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.

xiv. (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 activity 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 regulation 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 explanation provided by the management of the Company, the Group 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 (xviii) is not applicable.

xix. According to the information and explanations given to us and on the basis of the financial ratios (Also refer Note 48) to the standalone financial statements), ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the 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 cause us to believe that any material uncertainty exists as on the date of the audit report that company is not capable of meeting its liabilities existing at the date of balance of 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 to the future viability of the company. We further state that are 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 the liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.

xx. In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Companies Act, 2013 pursuant to any project. Accordingly, clause 3(xx)(a) and 3(xx)(b) of the order are not applicable to the Company.

xxi. The reporting under clause 3(xxi) of the order is not applicable in respect of audit of standalone Financial Statements. Accordingly, no comment in respect of the said clause has been included in this report.

For Kharabanda Associates
Chartered Accountants
FRN: 003456N

Sunil Kharabanda
Proprietor
M. No. 082402
UDIN: 22082402AKCIMU1286

Place : New Delhi
Date : 26th May 2022

ANNEXURE 'B' TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the members of HPL Electric & Power Limited of even date)

Report on the Internal Financial Controls with reference to standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

We have audited the internal financial controls with reference to standalone financial statements of **HPL ELECTRIC & POWER LTD.** ('the Company') as of March 31, 2022 in conjunction with our audit of the standalone Ind AS financial statement of the company for the year then ended and as on that date.

Management's Responsibility for the Internal Financial Controls

The Board of Directors of the company is responsible for establishing and maintaining internal financial controls based on the internal control with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over financial Reporting issued by the Institute of Chartered Accountants of India (the 'Guidance Note'). 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, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal financial Controls Over Financial Reporting (The Guidance Note) issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act 2013, to the extant applicable to an audit of internal financial controls. Those Standards and the Guidance Note required that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance about internal financial controls with reference to standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to standalone 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 standalone 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 of the auditors' judgment, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to standalone financial statements.

Meaning of Internal Financial Controls with reference to Standalone Financial Statements

A company's internal financial controls with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purpose in accordance with generally accepted accounting principles. A company's internal financial controls with reference to standalone 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 statement in accordance with generally accepted accounting principles and that receipts and expenditures of the company are being made only in accordance with authorisation of the management and directors of the company, and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to Standalone Financial Statements

Because of the inherent limitation of internal financial controls with reference to standalone 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 standalone financial statements to future periods are subject to the risk that the internal financial controls with reference to standalone financial statements may become inadequate because of change in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2022, based on the internal financial controls with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Control with reference to standalone financial statements issued by the Institute of Chartered Accountant of India.

For Kharabanda Associates
Chartered Accountants
FRN: 003456N

Sunil Kharabanda
Proprietor
M. No. 082402
UDIN: 22082402AKCIMU1286

Place : New Delhi
Date : 26th May 2022

Balance Sheet

as at 31st March 2022

(₹ in Lakhs)

Particulars	Note	As at 31st March 2022	As at 31st March 2021
ASSETS			
Non-current assets			
Property, plant and equipment	3	39,460.95	40,303.91
Capital work in progress	4	788.12	88.28
Right of use Assets	5	274.17	497.39
Intangible assets	6	661.07	1,351.04
Financial assets			
i. Investments	7	5,400.00	5,400.00
ii. Loans	8	256.70	255.18
Deferred tax assets (Net)	9	1,381.50	1,532.91
Other non-current assets	10	1,321.97	956.17
		49,544.48	**50,384.88**
Current assets			
Inventories	11	48,786.99	42,630.28
Financial assets			
i. Trade receivables	12	46,035.69	49,441.79
ii. Cash and cash equivalents	13	3,205.35	3,363.04
iii. Bank balances other than (ii) above	14	3,664.00	3,359.97
iv. Loans	8	62.59	47.64
v. Other financial assets	15	1,331.25	1,192.92
Current tax assets (Net)	16	203.79	149.86
Other current assets	10	4,147.55	2,674.79
		107,437.21	**102,860.29**
		156,981.69	**153,245.17**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	17	6,430.05	6,430.05
Other equity	18	69,649.06	69,093.78
Total equity		**76,079.11**	**75,523.83**
Liabilities			
Non-current liabilities			
Financial liabilities			
i. Borrowings	19	3,332.39	2,308.85
ii. Other financial liabilities	23	1,477.59	1,657.88
Provisions	20	672.43	924.54
		5,482.41	**4,891.27**
Current liabilities			
Financial liabilities			
i. Borrowings	21	48,909.14	48,951.36
ii. Trade payables	22		
a) total outstanding dues of micro enterprises and small enterprises		1,683.42	2,545.88
b) total outstanding dues of creditors other than micro enterprises and small enterprises		19,646.02	15,523.59
iii. Other financial liabilities	23	4,501.68	4,145.48
Other current liabilities	24	272.44	1,006.04
Provisions	20	407.47	657.72
		75,420.17	**72,830.07**
		156,981.69	**153,245.17**

The accompanying notes are an integral part of financial statements

As per our report of even date attached
For Kharabanda Associates
Chartered Accountants
F.R.N. : 003456N
Sunil Kharabanda
Proprietor
M. No. : 082402
UDIN : 22082402AKCIMU1286

Place : New Delhi
Dated : 26.05.2022

For and on behalf of board

Rishi Seth
Managing Director
DIN- 00203469

Gautam Seth
Joint MD and CFO
DIN- 00203405

Lalit Seth
Director
DIN-00312007

Vivek Kumar
Company Secretary
M.No. A18491

Statement of Profit and Loss

for the year ended 31st March 2022

(₹ in Lakhs)

	Particulars	Notes	Year ended 31st March 2022	Year ended 31st March 2021
	Income:			
I.	Revenue from operations	25	100,427.98	85,019.66
II.	Other income	26	352.46	347.33
III.	**Total income (I + II)**		**100,780.44**	**85,366.99**
IV.	**Expenses:**			
	Cost of materials consumed	27	65,573.49	53,751.54
	Changes in inventories of finished goods, work-in-progress	28	747.02	718.80
	Employee benefits expense	29	11,839.52	10,812.26
	Finance cost	30	6,411.94	5,983.61
	Depreciation and amortization expenses	31	4,403.28	4,184.57
	Other expenses	32	10,718.57	8,839.20
	Total expenses		**99,693.82**	**84,289.98**
V.	**Profit before exceptional items and tax (III-IV)**		1,086.62	1,077.01
	Exceptional items		-	-
V.	**Profit before tax (III-IV)**		**1,086.62**	**1,077.01**
VI.	**Tax expense:**			
	(1) Current tax	33	190.90	187.76
	(2) Deferred tax	33	183.77	93.78
VII.	**Profit for the year (V-VI)**		**711.95**	**795.47**
	Other comprehensive income			
	Items that will not be reclassified to profit or loss			
	Remeasurement of post employment benefit obligations		(92.57)	95.18
	Income tax relating to these items		32.35	(33.26)
	Other comprehensive income for the year, net of tax		**(60.22)**	**61.92**
	Total comprehensive income for the year		**651.73**	**857.39**
VIII.	Earnings per equity share of ₹10/- each	34		
	(1) Basic		1.11	1.24
	(2) Diluted		1.11	1.24

The accompanying notes are an integral part of financial statements

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F.R.N. : 003456N

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Vivek Kumar
Company Secretary
M.No. A18491

Cash Flow Statement

for the year ended 31st March 2022

(₹ in Lakhs)

Particulars	Year ended 31st March 2022	Year ended 31st March 2021
A. Cash flow from operating activities		
Net profit/ (loss) before tax	1,086.62	1,077.01
Adjustments for :		
- Depreciation and amortisation expenses	4,403.28	4,184.57
- Finance expenses	6,411.94	5,983.61
- Interest income	(256.11)	(335.31)
- Loss / (profit) on sale of fixed assets	3.61	(0.24)
Operating profit before working capital changes	11,649.34	10,909.64
Adjustments for :		
Decrease/(increase) in trade receivables	3,459.73	(5,372.14)
Decrease/(increase) in other financial and non-financial assets	(1,626.34)	261.29
Decrease/(increase) in inventories	(6,156.71)	(446.50)
(Decrease)/increase in trade payables	3,260.01	1,776.09
(Decrease)/increase in other financial, non financial liabillities and provisions	(953.82)	230.98
Cash generated from operations	9,632.21	7,359.36
- Taxes paid (net of refunds)	(244.83)	(50.39)
Net cash from operating activities	9,387.38	7,308.97
B. Cash flow from investing activities		
- Purchase of property, plant & equipment and intangible assets	(3,174.79)	(791.24)
- (increase)/ decrease in capital work in progress	(699.85)	249.46
- Payment for acquiring right of use of assets	(155.91)	(271.66)
- Proceeds from Sale of property, plant and equipments	45.99	0.63
- Secuity Deoposits (Paid)/Received	(1.53)	28.24
- Interest income received	256.11	335.31
Net cash used in investing activities	(3,729.98)	(449.26)
C. Cash flow from financing activities		
- Proceeds/(Repayment) from working capital loan (net)	(42.23)	(1,346.47)
- Proceeds from secured long term loan	1,039.57	1,077.27
- Repayment of lease liabilities interest portion	(31.24)	(59.21)
- Finance expenses	(6,380.71)	(5,924.41)
- Payment of dividend	(96.45)	(96.45)
Net cash used in financing activities	(5,511.06)	(6,349.27)
Net changes in cash & cash equivalents (a+b+c)	146.34	510.44
Cash & cash equivalents at the beginning of the year	6,723.01	6,212.57
Cash & cash equivalents at the end of the year	6,869.35	6,723.01

The accompanying notes are an integral part of financial statements

As per our report of even date attached
For **Kharabanda Associates**
Chartered Accountants
F.R.N. : 003456N
Sunil Kharabanda
Proprietor
M. No. : 082402
UDIN : 22082402AKCIMU1286

Place : New Delhi
Dated : 26.05.2022

For and on behalf of board

Rishi Seth
Managing Director
DIN- 00203469

Gautam Seth
Joint MD and CFO
DIN- 00203405

Lalit Seth
Director
DIN-00312007

Vivek Kumar
Company Secretary
M.No. A18491

Statement of changes in equity

for the year ended 31st March 2022

I) Equity Share Capital (₹ in Lakhs)

Particulars	Notes	Amounts
Balance as at 1st April 2020		6,430.05
Changes during the year	17	-
Balance as at 31st March 2021		6,430.05
Changes during the year	17	-
Balance as at 31st March 2022		6,430.05

II) Other equity (₹ in Lakhs)

Particulars	Notes	Security premium	General reserve	Retained earnings	Total
Balance as at 1st April 2020	18	36,601.35	2,571.31	29,160.18	68,332.84
Profit for the year		-	-	795.47	795.47
Other comprehensive income		-	-	61.92	61.92
Total comprehensive income		-	-	857.39	857.39
Transaction with owners in their capacity as owners:					
Final equity dividend				(96.45)	(96.45)
Balance as at 31st March 2021		**36,601.35**	**2,571.31**	**29,921.12**	**69,093.78**
Profit for the year		-	-	711.95	711.95
Other comprehensive income				(60.22)	(60.22)
Total comprehensive income		-	-	651.73	651.73
Transaction with owners in their capacity as owners:					
Final equity dividend		-	-	(96.45)	(96.45)
Balance as at 31st March 2022		**36,601.35**	**2,571.31**	**30,476.40**	**69,649.06**

The accompanying notes are an integral part of financial statements

As per our report of even date attached
For Kharabanda Associates
Chartered Accountants
F.R.N. : 003456N

Sunil Kharabanda
Proprietor
M. No. : 082402
UDIN : 22082402AKCIMU1286

Place : New Delhi
Dated : 26.05.2022

For and on behalf of board

Rishi Seth
Managing Director
DIN- 00203469

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Director
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Vivek Kumar
Company Secretary
M.No. A18491

Note-1
COMPANY OVERVIEW

HPL Electric & Power Limited ('the Company') is a limited company domiciled in India and incorporated under the provisions of the Companies Act, 1956 having its registered office at 1/20, Asaf Ali Road, New Delhi. The Company is one of the leading players and India's fastest growing electrical and power distribution equipment manufacturer with products ranging from Industrial and Domestic Circuit Protection Switchgears, Cables, Energy Saving Meters, CFL & LED Lamps and Luminaries for Domestic, Commercial and Industrial applications, Modular Switches covering the entire range of household, commercial and industrial electrical needs. The Company's manufacturing facilities are located at 6 locations, 2 units at Gurgaon, 1 unit at village Bastara, Tehsil Gharaunda, Karnal, 1 unit at village Bhigan, Ganauar, Sonipat, 1 unit at Kundli in Haryana and 1 unit at village Shavela, Jabli in Himachal Pradesh.

The Company has R&D facilities located at Gurgaon and Kundli in Haryana, approved by Department of Scientific & Industrial Research (DSIR), Ministry of Science & Technology.

The Financial statements were approved by the Board of Directors for issue in accordance with resolution passed on May 26, 2022.

Note-2
SIGNIFICANT ACCOUNTING POLICIES

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

A) Basis of Preparation

i) *Compliance with Ind AS*

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act)[Companies(Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

ii) *Historical cost convention*

The financial statements have been prepared on a historical cost basis, except for certain financial assets and liabilities that are measured at fair value.

B) Property plant and equipment

Freehold land is carried at cost. All other items of property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment, if any. The cost comprises of purchase price, taxes, duties, freight and other incidental expenses directly attributable and related to acquisition and installation of the concerned assets and are further adjusted by the amount of CENVAT /GST/VAT credit availed wherever applicable. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Depreciation methods, estimated useful lives and residual value

Depreciation on buildings, machinery and equipments has been provided on straight-line basis over the estimated useful lives of the respective assets. Intangibale assets are amortised over their estimated useful economic lives on straight line basis. Freehold land and work in progress are not depreciated. The estimated useful lives considered for providing depreciation on other substantial assets are as follows:

Building- 35-45 years

Plant & Machinery-15-25 years

Computers-3-5 years

Furniture & Fixtures-10-15 years

Office Equipments-5-10 years

Vehicles-8-10 years

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

C) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at costless accumulated amortization and accumulated impairment losses, if any. Internally generated intangibles, excluding capitalized development cost, are not capitalized and the related expenditure is reflected in Statement of Profit and Loss in the period in which the expenditure is incurred. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use.

Research and development cost

expenditure and development expenditure that do not meet the criteria as given in Ind AS-38 "Intangible Assets" are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period.

Amortisation methods and periods

The Company amortises intangible assets with a finite useful life using the straight-line method over their estimated useful life of 3-6 years.

The amortization period and the amortization method for an intangible asset with a finite useful life is reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortization period or method, as appropriate and are treated as changes in accounting estimates. The amortization expense on intangible assets with finite lives is recognised in the Statement of Profit and Loss.

Gains or losses arising from disposal of the intangible assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the assets are disposed off.

D) Impairment of non-financial assets

The carrying amounts of the assets are reviewed at each Balance sheet date for any indication of impairment based on internal/external factors. If any such indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

Impairment losses including impairment on inventories are recognised in the Statement of Profit and Loss.

E) Financial Instruments

i) Financial Assets

A) *Initial recognition and measurement*

All financial assets and liabilities are initially recognised at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition.

B) *Subsequent measurement*

a) Financial assets carried at amortised cost

A financial asset is measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

b) Financial assets carried at fair value through other comprehensive income (FVTOCI)

A financial asset is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

c) Financial assets carried at fair value through profit or loss (FVTPL)

A financial asset which is not classified in any of the above categories are measured at FVTPL.

C) *Investment in subsidiaries*

The investment in subsidiary and Joint venture are carried at cost as per IND AS 27. The Company regardless of the nature of its involvement with an entity (the investee), determines whether it is a parent by assessing whether it controls the investee. The Company controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Thus, the Company controls an investee if and only if it has all the following:

(a) power over the investee;

(b) exposure, or rights, to variable returns from its involvement with the investee and

(c) Investments are accounted in accordance with IND AS 105 when they are classified as held for sale. On disposal of investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss

(d) Investments are accounted in accordance with IND AS 105 when they are classified as held for sale. On disposal of investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss

D) *Other Equity Investments*

All other equity investments are measured at fair value with changes in fair value recognised in statement of profit and loss except for those equity investments for which the Company has elected to present the value changes in 'Other Comprehensive Income'.

E) *Impairment of financial assets*

In accordance with Ind AS 109, the Company uses 'Expected Credit Loss' (ECL) model, for evaluating impairment of financial assets other than those measured at fair value through profit and loss (FVTPL).

Expected credit losses are measured through a loss allowance at an amount equal to:

- The 12 months expected credit losses(expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date; or

- Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument).

For trade receivables Company applies 'simplified approach' which requires expected lifetime losses to be recognised from initial recognition of the receivables. The Company uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date these historical default rates are reviewed and changes in the forward looking estimates are analysed.

For other assets, the Company uses 12 month ECL to provide for impairment loss where there is no significant increase in credit risk. If there is significant increase in credit risk full lifetime ECL is used.

ii) Financial Liabilities

A) *Initial recognition and measurement*

All financial liabilities are recognised at fair value and in case of loans net of directly attributable cost. Fees of recurring nature are directly recognised in the Statement of Profit and Loss as finance cost.

B) *Subsequent measurement*

Financial liabilities are carried at amortised cost using the effective interest rate method (EIR). Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

F) Income recognition

Interest income

Interest income from debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

Dividends

Dividends are recognised in profit or loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably.

G) Inventories

Raw materials and stores, work in progress, traded and finished goods are stated at the lower of cost and net realisable value. Cost of raw materials and traded goods comprises cost of purchases. Cost of work-in-progress and finished goods comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Cost of inventories also include all other costs incurred in bringing the inventories to their present location and condition. Costs are assigned to individual items of inventory on the basis of weighted average cost basis. Costs of purchased inventory are determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

H) Revenue Recognition

Effective April 1, 2018, the Company has applied Ind AS 115 which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognised. Ind AS 115 replaces Ind AS 18 Revenue and Ind AS 11 Construction Contracts. The Company has adopted Ind AS 115 using the cumulative effect method. The effect of initially applying this standard is recognised at the date of initial application (i.e. April 1, 2018). The standard is applied retrospectively only to contracts that are not completed as at the date of initial application and the comparative information in the statement of profit and loss is not restated – i.e. the comparative information continues to be reported under Ind AS 18 and Ind AS 11. The impact of adoption of the standard on the financial statements of the Company is insignificant.

Revenue is recognised upon transfer of control of promised products or services to customer in an amount that reflects the consideration which the Company expects to receive in exchange for those products or services, which is usually at the time of delivery of products or services to the customer. Revenue from sale of product is measured at fair value of consideration received /receivable, net of returns, trade allowances, rebates, value added taxes, Goods and Service Tax (GST) and amounts collected on behalf of third parties. Revenue is recognised when it is probable that economic benefits associated with the transaction will flow to the entity, amount of revenue can be measured reliably and entity retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold.

Contract assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

I) Contract Balances

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional. A receivable represents the Company's right to an amount of consideration that is unconditional.

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.

A trade receivable is recognised if an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in section (Financial instruments – initial recognition and subsequent measurement).

J) Employee Benefits

(i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

(ii) Post-Employment Benefits

Defined Contribution Plan: A defined contribution plan is a post-employment benefit plan under which the Company pays specified contributions to a separately entity. The Company has defined contribution plans for the post-employment benefits namely provident fund scheme. The Company's contribution in the above plans is recognised as an expense in the Statement of Profit and Loss during the year in which the employee renders the related service.

Defined Benefit Plans: The Company has defined benefit plan namely Gratuity for employees. The liability in respect of gratuity plans is calculated annually by independent actuary using the projected unit credit method. The Company recognises the following changes in the net defined benefit obligation under Employee benefits expense in statement of profit or loss:

- Service costs comprising current service costs, past service costs , gains and losses on curtailment and non-routine-settlements
- Net Interest expense

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in Other comprehensive income. They are included in retained earnings in the Statement of Changes in Equity and in the Balance Sheet. Remeasurements are not reclassified to profit or loss in subsequent periods.

Termination benefits are recognized as an expense immediately.

K) Borrowing Cost

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

Other borrowing costs are expensed in the period in which they are incurred.

L) Income Tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

M) Lease

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

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

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets as below:

Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the underlying assets (i.e. 30 and 60 years)

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment. Refer to the accounting policies in section 'Impairment of nonfinancial assets'.

Lease Liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate.

Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

Company as a lessor

Leases for which the Company is a lessor is classified as finance or operating lease. Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

N) Foreign Currency Transactions

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian rupee (INR), which is the Company's functional and presentation currency.

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss.

O) Earnings Per Share

(i) *Basic earnings per share*

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Company
- by the weighted average number of equity shares outstanding during the financial year.

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, wherever applicable, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

P) Provisions and Contingent liabilities

Provisions for legal claims, service warranties, volume discounts and returns are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

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

Q) Other Operating Revenues

i) Government Grant

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions.

Government grants relating to income are deferred and recognised in the profit or loss over the period necessary to match them with the costs that they are intended to compensate and presented within other income.

Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to profit or loss on a straight-line basis over the expected lives of the related assets and presented within other income.

ii) Export Benefit

Revenue from export benefits arising from Duty entitlement pass book (DEPB scheme), duty drawback scheme, merchandise export incentive scheme are recognised on export of goods in accordance with their respective underlying scheme at fair value of consideration received or receivable.

R) Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief operating decision maker (CODM). CODM monitors the operating results of all strategic business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit and loss and is measured consistently with profit and loss in the financial statements.

S) Contributed equity

Equity shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

T) Dividends

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

U) Cash and Cash Equivalents

For the purpose of presentation in the Statement of Cash flows, Cash and Cash equivalents includes cash on hand, deposits held at call, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the Balance Sheet.

V) Offsetting financial instruments

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

W) Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III, unless otherwise stated.

X) Changes in significant accounting policies

The Company has not been required to apply any new standard, interpretation or amendment that has been issued and therefore there were no significant changes in the accounting policies.

Y) Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notified new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On 23 March 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from 01 April 2022, as below:

Ind AS 103 – Reference to conceptual framework

The amendments specify that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103. The Company does not expect the amendment to have any significant impact in its financial statements.

Ind AS 16 – Proceeds before intended use

The amendments mainly prohibit an entity from deducting from the cost of property, plant and equipment amounts received from selling items produced while the group is preparing the asset for its intended use. Instead, an entity will recognise such sales proceeds and related cost in statement of profit or loss. The Company does not expect the amendments to have any impact in its recognition of its property, plant and equipment in its financial statements.

Ind AS 37– Provisions, contingent liabilities and contingent assets

The amendment specifies that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract). The effective date for adoption of this amendment is annual periods beginning on or after 01 April 2022, although early adoption is permitted. The Company has evaluated the amendment and the impact is not expected to be material.

On 18 June 2021, MCA through a notification has notified Companies (Indian Accounting Standards) Amendment Rules, 2021. The notification has made amendments to various Ind AS. The Company does not expect the amendments to have any significant impact in its financial statements.

Z) Significant accounting judgements, estimates and assumptions

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the assets or liabilities affected in future periods.

Judgements, Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

a) Defined benefit plan-Gratuity

The cost of defined benefit plans (i.e. Gratuity benefit) is determined using actuarial valuations. An actuarial valuation involves making various assumptions which may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and future pension increases. Due to the complexity of the valuation, the underlying assumptions and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. In determining the appropriate discount rate, management considers the interest rates of long term government bonds with extrapolated maturity corresponding to the expected duration of the defined benefit obligation. The mortality rate is based on publicly available mortality tables for the specific countries. Future salary increases and pension increases are based on expected future inflation rates for the respective countries. Further details about the assumptions used, including a sensitivity analysis, are given in Note 37.

b) Impairment of Financial assets

The impairment provisions of financial assets are based on assumptions about risk of default and expected loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

c) Warranty provision

Warranty Provisions are measured at discounted present value using pre-tax discount rate that reflects the current market assessments of the time value of money and the risks specific to the liability. Warranty provisions is determined based on the historical percentage of warranty expense to sales for the same types of goods for which the warranty is currently being determined. The same percentage to the sales is applied for the current accounting period to derive the warranty expense to be accrued. It is adjusted to account for unusual factors related to the goods that were sold, such as defective inventory lying at the depots. It is very unlikely that actual warranty claims will exactly match the historical warranty percentage, so such estimates are reviewed annually for any material changes in assumptions and likelihood of occurrence.

d) Depreciation/amortisation and useful lives of property plant and equipment/intangible assets

Property, plant and equipment / Intangible assets are depreciated /amortised over their estimated useful lives, after taking into account estimated residual values. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation / amortisation to be recorded during any reporting period. The useful lives and residual values are based on the Company's historical experience with similar assets and take into account anticipated technological changes. The depreciation/amortisation for future period is revised if there are significant changes from previous estimates.

e) Provisions

Provisions and liabilities are recognised in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability requires the application of judgment to existing facts and circumstances, which can be subject to change. The carrying amounts of provisions and liabilities are reviewed regularly and revised to take account of changing facts and circumstances.

Notes forming part of the financial statements as at and for the year ended 31st March 2022

3 Property, plant and equipment

(₹ in Lakhs)

S. No.	Particulars	Gross Block				Accumulated Depreciation				Net Block
		1st April 2021	Additions	Deletion / Adjustment	31st March 2022	1st April 2021	For the year	Deletion / Adjustment	31st March 2022	31st March 2022
1	Freehold Land	13,132.01	-	-	13,132.01	-	-	-	-	13,132.01
2	Building	9,378.92	-	-	9,378.92	1,188.43	257.99	-	1,446.42	7,932.50
3	Plant & Machinery	27,151.99	2,657.30	-	29,809.29	8,993.20	3,130.59	-	12,123.79	17,685.50
4	Furniture & Fittings	453.33	53.62	-	506.95	182.93	45.29	-	228.22	278.73
5	Office Equipment's	250.55	6.30	-	256.85	125.92	37.53	-	163.45	93.40
6	Vehicles	683.64	38.43	(72.57)	649.50	256.05	77.62	(22.98)	310.69	338.81
	TOTAL	**51,050.44**	**2,755.65**	**(72.57)**	**53,733.52**	**10,746.53**	**3,549.02**	**(22.98)**	**14,272.57**	**39,460.95**

S. No.	Particulars	Gross Block				Accumulated Depreciation				Net Block
		1st April 2020	Additions	Deletion / Adjustment	31st March 2021	1st April 2020	For the year	Deletion / Adjustment	31st March 2021	31st March 2021
1	Freehold Land	12,991.00	141.01	-	13,132.01	-	-	-	-	13,132.01
2	Building	9,311.47	67.45	-	9,378.92	932.71	255.72	-	1,188.43	8,190.49
3	Plant & Machinery	26,341.61	810.52	(0.14)	27,151.99	6,282.77	2,710.45	(0.02)	8,993.20	18,158.79
4	Furniture & Fittings	397.30	56.42	(0.39)	453.33	139.23	43.85	(0.15)	182.93	270.40
5	Office Equipment's	231.85	18.82	(0.12)	250.55	90.46	35.57	(0.11)	125.92	124.63
6	Vehicles	609.31	74.34	(0.01)	683.64	180.33	75.72	-	256.05	427.59
	TOTAL	**49,882.54**	**1,168.56**	**(0.66)**	**51,050.44**	**7,625.50**	**3,121.31**	**(0.28)**	**10,746.53**	**40,303.91**

4 CWIP ageing schedule as at 31 March 2022

(₹ in Lakhs)

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Mould and tools	788.12	-	-	-	788.12
Total	**788.12**	**-**	**-**	**-**	**788.12**

CWIP ageing schedule as at 31 March 2021

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Mould and tools	88.28	-	-	-	88.28
Total	**88.28**	**-**	**-**	**-**	**88.28**

5 Right of use assets

(₹ in Lakhs)

	FY 21-22	FY 20-21
Particulars	**Leashold Buildings**	**Leashold Buildings**
Gross carrying value		
As at 01 April	963.06	1,013.09
Additions	245.69	135.50
Disposals	(571.70)	(185.53)
As at 31 March	**637.05**	**963.06**
Accumlated depreciaiton		
As at 01 April	465.67	302.83
Additions	164.29	277.59
Disposals	(267.08)	(114.75)
As at 31 March	**362.88**	**465.67**
Net carrying value		
As at 31 March	**274.17**	**497.39**

6 Intangible assets

(₹ in Lakhs)

S.No.	Particulars	Gross Block				Accumulated Depreciation				Net Block
		1st April 2021	Additions	Deletion / Adjustment	31st March 2022	1st April 2021	For the year	Deletion / Adjustment	31st March 2022	31st March 2022
1	Software & Designs	4,827.87	-	-	4,827.87	3,476.83	689.97	-	4,166.80	661.07
	TOTAL	**4,827.87**	**-**	**-**	**4,827.87**	**3,476.83**	**689.97**	**-**	**4,166.80**	**661.07**

S.No.	Particulars	Gross Block				Accumulated Depreciation				Net Block
		1st April 2020	Additions	Deletion / Adjustment	31st March 2021	1st April 2020	For the year	Deletion / Adjustment	31st March 2021	31st March 2021
1	Software & Designs	4,827.87	-	-	4,827.87	2,691.16	785.67	-	3,476.83	1,351.04
	TOTAL	**4,827.87**	**-**	**-**	**4,827.87**	**2,691.16**	**785.67**	**-**	**3,476.83**	**1,351.04**

7 Non-Current Investments

(₹ in Lakhs)

Particulars	As at 31st March 2022	As at 31st March 2021
Investment in Subsidiary		
Himachal Energy Pvt Ltd (15,000,000 Shares of ₹ 10 each)	5,400.00	5,400.00
(31st March 2021: 15,000,000 Shares of ₹ 10 each)		
Total	**5,400.00**	**5,400.00**
Aggregate amount of unquoted investments	5,400.00	5,400.00

8 Loans

(Unsecured, considered good)

(₹ in Lakhs)

Particulars	Non-current		Current	
	As at 31st March 2022	As at 31st March 2021	As at 31st March 2022	As at 31st March 2021
Security Deposits	256.70	255.18	62.59	47.64
Total	**256.70**	**255.18**	**62.59**	**47.64**

9 Deferred tax assets

(₹ in Lakhs)

Particulars	As at 31st March 2022	As at 31st March 2021
The balance comprises temporary differences attributable to:	-	-
Provision for employee benefits	265.59	254.17
Provision for warranties	115.01	263.15
Provision for doubtful debts	480.37	439.07
Property, plant and equipment	(2,501.87)	(2,739.59)
Others	510.98	565.47
MAT credit	2,511.42	2,750.64
Total deferred tax assets	**1,381.50**	**1,532.91**

Movement in deferred tax assets

(₹ in Lakhs)

Particulars	Provision for employee benefits	Provision for warranties	Provision for doubtful debts	Total
At 1st April 2020	**342.02**	**216.62**	**400.68**	**959.32**
(Charged)/credited:				
- to profit or loss	(121.11)	46.53	38.39	(36.19)
- to other comprehensive income	33.26	-	-	33.26
At 31st March 2021	**254.17**	**263.15**	**439.07**	**956.39**
(Charged)/credited:				
- to profit or losss	11.42	(148.14)	41.30	(95.42)
- to other comprehensive incomes	-	-	-	-
At 31st March 2022	**265.59**	**115.01**	**480.37**	**860.97**

(₹ in Lakhs)

Particulars	Property, plant and equipment	Others	MAT Credit	Total
At 1st April 2020	**(2,646.13)**	**660.40**	**2,686.37**	**700.64**
(Charged)/credited:				-
- to profit or loss	(93.46)	(94.93)	64.27	(124.12)
- to other comprehensive income	-	-	-	-
At 31st March 2021	**(2,739.59)**	**565.47**	**2,750.64**	**576.52**
(Charged)/credited:				
- to profit or losss	237.72	(54.49)	(239.22)	(55.99)
- to other comprehensive incomes	-	-	-	-
At 31st March 2022	**(2,501.87)**	**510.98**	**2,511.42**	**520.53**

10 Other assets

(₹ in Lakhs)

Particulars	Non-current		Current	
	As at 31st March 2022	As at 31st March 2021	As at 31st March 2022	As at 31st March 2021
Capital advances to related parties	498.37	79.24	-	-
Receivable on deferred basis to related parties	822.14	875.78	-	-
Prepaid Expenses	1.46	1.15	233.75	133.05
Balance with government authorities	-	-	1,375.09	851.94
Advance to Suppliers*	-	-	2,481.31	1,672.43
Duty Drawback Recoverable	-	-	57.40	17.37
Total	**1,321.97**	**956.17**	**4,147.55**	**2,674.79**

*includes Rs. 1,857.89/- from subsidiary and joint ventures where directors are interested (PY: 204.86/-)

11 Inventories

(₹ in Lakhs)

	Particulars	As at 31st March 2022	As at 31st March 2021
a.	Raw Materials and components		
(i)	Raw materials	25,761.25	18,880.54
(ii)	Material-in-transit	103.29	87.02
b.	Work-in-progress	13,886.48	13,719.58
c.	Finished goods	9,006.65	9,920.58
d.	Stores and spares	29.32	22.56
Total		**48,786.99**	**42,630.28**

12 Trade Receivables

(₹ in Lakhs)

	Particulars	As at 31st March 2022	As at 31st March 2021
(i)	Considered good*	46,035.69	49,441.79
(ii)	Considered doubtful	1,092.28	1,174.27
		47,127.97	50,616.06
Less: Provision for doubtful receivables		(1,092.28)	(1,174.27)
Total		**46,035.69**	**49,441.79**

* includes from subsidiary company ₹ 0.00 (P.Y. ₹ 574.38 lakhs) and from companies where directors are interested ₹ 0.00 lakhs (P.Y. ₹ 816.79 lakhs) Refer note no.42

Trade receivable ageing schedule as at March 31, 2022

Particulars	Outstanding for following periods from due date of payment						Total
	Not due	Less than 6 Months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivable-Considered good	29,242.17	9,032.66	1,852.00	1,866.34	1,418.07	2,624.45	46,035.69
Undisputed trade receivable-Credit impaired	-	-	-	-	-	1,092.28	1,092.28
Disputed trade receivable-Considered good	-	-	-	-	-	-	-
Disputed trade receivable-Credit impaired	-	-	-	-	-	-	-
Less : Impairment allowance for trade receivables- Credit impaired	-	-	-	-	-	(1,092.28)	(1,092.28)
Total	**29,242.17**	**9,032.66**	**1,852.00**	**1,866.34**	**1,418.07**	**2,624.45**	**46,035.69**

Trade receivable ageing schedule as at March 31, 2021

Particulars	Outstanding for following periods from due date of payment						Total
	Not due	Less than 6 Months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivable-Considered good	31,808.13	10,355.43	1,517.33	2,870.41	449.65	2,440.84	49,441.79
Undisputed trade receivable-Credit impaired	-	-	-	-	-	1,174.27	1,174.27
Disputed trade receivable-Considered good	-	-	-	-	-	-	-
Disputed trade receivable-Credit impaired	-	-	-	-	-	-	-
Less : Impairment allowance for trade receivables- Credit impaired	-	-	-	-	-	(1,174.27)	(1,174.27)
Total	**31,808.13**	**10,355.43**	**1,517.33**	**2,870.41**	**449.65**	**2,440.84**	**49,441.79**

13 Cash and Cash Equivalents

(₹ in Lakhs)

Particulars	As at 31st March 2022	As at 31st March 2021
Cash and Cash equivalents		
Balances with banks	2,519.63	2,718.98
Cash and imprest	685.72	644.06
	3,205.35	**3,363.04**

14 Other Bank Balances

(₹ in Lakhs)

Particulars	As at 31st March 2022	As at 31st March 2021
Balances with Banks held as Margin Money	3,664.00	3,359.97
Total	**3,664.00**	**3,359.97**

15 Other financial assets

(₹ in Lakhs)

Particulars	Current	
	As at 31st March 2022	As at 31st March 2021
Earnest money deposit	764.73	913.16
Insurance claim Recoverable	72.73	39.54
Contract Asset Recoverable	493.79	240.22
Total	**1,331.25**	**1,192.92**

16 Current tax assets (Net)

(₹ in Lakhs)

Particulars	As at 31st March 2022	As at 31st March 2021
Advance Income Tax (net of provision for tax)	203.79	149.86
Total	**203.79**	**149.86**

17 Share Capital

(₹ in Lakhs)

Particulars	As at 31st March 2022	As at 31st March 2021
(a) Authorized		
70,000,000 Equity Shares of ₹ 10/- each (Previous year 70,000,000 Equity Shares of ₹ 10/- each)	7,000.00	7,000.00
(b) Issued, Subscribed & Paid Up		
64,300,486 Equity Shares of ₹ 10/- each fully paid up (31st March 2021; 64,300,486 Equity Shares of ₹ 10/- each fully paid)	6,430.05	6,430.05
Total	**6,430.05**	**6,430.05**

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

(₹ in Lakhs)

Particulars	As at 31st March 2022		As at 31st March 2021	
	Number	Amount ₹	Number	Amount ₹
Shares outstanding at the beginning of the year	643.00	6,430.05	643.00	6,430.05
Shares Issued during the year	-	-	-	-
Shares outstanding at the end of the year	**643.00**	**6,430.05**	**643.00**	**6,430.05**

(d) Rights, Preferences and Restrictions attached to the shares

The company has only one class of equity shares having a par value of ₹10 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the company, the holders of equity shares are entitled to receive remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding. Dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing annual general meeting.

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

Name of Shareholder	As at 31st March 2022		As at 31st March 2021	
	No. of Equity Shares held	% of Holding	No. of Equity Shares held	% of Holding
Mr. Lalit Seth	8,030,228	12.49	8,030,228	12.49
HPL India Ltd	17,573,238	27.33	17,573,238	27.33
Havell's Electronics Pvt. Ltd	11,652,130	18.12	11,652,130	18.12

18 Other equity

(i) Reserves and Surplus

(₹ in Lakhs)

(a) Securities Premium	As at 31st March 2022	As at 31st March 2021
Opening Balance - Securities premium	36,601.35	36,601.35
Add : Received on issue of equity shares	-	-
Less : share issue expenses	-	-
Closing Balance	**36,601.35**	**36,601.35**

Securities premium reserve

Securities premium reserve is used to record the premium on issue of securities. The reserve is utilised in accordance with the provisions of the act.

(₹ in Lakhs)

(b) General Reserve	As at 31st March 2022	As at 31st March 2021
Opening Balance - General reserve	2,571.31	2,571.31
(+) Current Year Transfer	-	-
Closing Balance	**2,571.31**	**2,571.31**

(₹ in Lakhs)

(c) Retained earnings	As at 31st March 2022	As at 31st March 2021
Opening balance - retained earnings	29,921.12	29,160.18
(+) Net Profit/(Loss) For the current year	711.95	795.47
(-) Dividend on Equity Shares	96.45	96.45
(-) Tax on Dividend	-	-
Items of other comprehensive income recognised directly in retained earnings		
- Remeasurements of post-employment benefit obligation, net of tax	(60.22)	61.92
Closing Balance	**30,476.40**	**29,921.12**
Total Reserves & Surplus (a+b+c)	**69,649.06**	**69,093.78**

19 Borrowings

(₹ in Lakhs)

	Non-Current		Current Maturities	
Particulars	**As at 31st March 2022**	**As at 31st March 2021**	**As at 31st March 2022**	**As at 31st March 2021**
Secured				
Term loan from banks (refer note 21)*	3,188.34	2,176.01	2,720.68	2,693.34
Vehicle loans - from banks**	15.71	67.59	48.83	60.15
Unsecured				
Loan from related party (refer note 42)	128.34	65.25	-	-
Total	**3,332.39**	**2,308.85**	**2,769.51**	**2,753.49**

*The term loan is secured as per the note given in note 21 details are below:-

1st pari passu charge on movable fixed assets with FACR 1.33 i.e. 106.40 Crores, 1st pari passu charge on immovable fixed assets and second pari passu charge on current assets of the company upto Rs. 80 Crores with other term lenders and also Personal guarantee of three promoter directors.

Tata Capital Financial Services term loan interest @ 11.00% p.a. repayable in 36 months installments from Jan, 2020 to January, 2023 which has been extended by 5 installments due to covid moratorium.

Karnataka Bank term loan rate of interest @10.70% repayable in 60 monthly installments from July, 2019 to June, 2024 which extended till March, 2026 due to covid interest and installment moratorium.

SBM Bank (India) Ltd. term loan rate of interest @ 10.25% p.a. repayable in 46 monthly installments, starting from November, 2021 to August, 2025.

DCB Bank Limited term loan rate of interest @ 10.50% p.a. repayable in 30 equal monthly installments starting from April, 2022 to September, 2024.

"** Vehicles loans are secured against hypothecation of respective vehicles and are repayable in maximum 60 instalments and last date of installment is April. 2024. The loan carries an interest rate @ 9.10% pa.

Covid Emergency Loan is secured as follows :

First pari-passu charge over entire current assets of the company including stocks and receivables both present and future and first charge on pari-passu basis over Company's entire fixed assets excluding fixed assets of Rs. 106.40 Crores financed by Term Lenders for Term Loan upto Rs. 80 Crores which covers FACR of 1.33 on which term lenders have first pari-passu charge and 2nd pari-passu charge on current assets to the extent of Rs. 80 Crores. Covid Emergency term loans are also secured by personal guarantees of three promoter directors.

State Bank of India loan rate of interest 7.5% repayable in 18 monthly installments, starting from Dec 2020 to June 2022.

Union Bank of India loan rate of interest 8% repayable in 18 monthly installments, starting from Jan 2021 to July 2022.

20 Provisions (₹ in Lakhs)

Particulars	Long-term		Short-term	
	As at 31st March 2022	As at 31st March 2021	As at 31st March 2022	As at 31st March 2021
(a) Provision for employee benefits				
Gratuity	467.43	426.61	69.50	29.10
Leave Encashment	-	-	199.03	358.68
	467.43	426.61	268.53	387.78
(b) Other Provisions				
Provision for Warranties	205.00	497.93	138.94	269.94
	205.00	497.93	138.94	269.94
Total	**672.43**	**924.54**	**407.47**	**657.72**

Service warranties

Product warranties:- The company gives warranties on certain products to repair or replace the items that fail to perform satisfactorily during the warranty period. Provision made represents the amount of the expected cost of meeting such obligations of rectification/ replacement.

(ii) Movements in provisions

Movements in each class of provision during the financial year, are set out below: (₹ in Lakhs)

Particulars	Warranty
As at 1st April 2020	**634.72**
Charged/(credited) to profit or loss	
- additional provisions recognised	125.00
- unwinding of discount	8.15
Amounts used during the year	-
As at 31st March 2021	**767.87**
Charged/(credited) to profit or loss	
- additional provisions recognised	100.00
- unwinding of discount	7.05
Amounts used during the year	(530.98)
As at 31st March 2022	**343.94**

21 Short Term Borrowings (₹ in Lakhs)

Particulars	As at 31st March 2022	As at 31st March 2021
Loans repayable on demand		
-Secured Loans		
- From Banks	48,909.14	48,951.36
Total	**48,909.14**	**48,951.36**

Working capital facilities (fund based and non fund based) are availed from consortium of banks led by State Bank of India. The lead bank has linked its interest rate with 6 month MCLR + spread 2.00% p.a. and these working capital facilities are repayable on demand. Working capital facilities are secured by way of first pari passu charge over entire current assets of the Company including stock and receivables both present and future and first charge on pari passu basis over Company's entire fixed assets (excluding movable fixed assets of Rs. 106.40 Crores financed by Term Lenders for term Loan upto Rs. 80 Crores which covers FACR of 1.33 on which Term lenders have first pari passu charge). Working Capital lenders have also 1st pari passu charge by way of EM on land and building with Term Lenders (for Term Loans upto Rs. 80 Crores) at Company's 6 manufacturing locations. Working capital facilities and term loans are also secured by personal guarantees of three promoter directors.

Net Debt Reconciliation

This section sets out an analysis of net debt and the movements in net debt for each of the periods presented

(₹ in Lakhs)

Particulars	As at 31st March 2022	As at 31st March 2021
Cash and cash equivalents	6,869.35	6,723.01
Long term borrowings	(6,101.90)	(5,062.34)
Short term borrowings	(48,909.14)	(48,951.36)
Net debt	**(48,141.69)**	**(47,290.69)**

Particulars	Cash and cash equivalents	Long term Borrowings	Current Borrowings	Total
Net debt as at 31st March 2020	**6,212.57**	**(3,985.07)**	**(50,297.83)**	**(48,070.33)**
Cash flows	510.44	-	-	510.44
Proceeds from working capital loan	-	-	1,346.47	1,346.47
Proceeds from secured term loan capital loan	-	(1,077.27)	-	(1,077.27)
Repayment of secured long term loan	-	-	-	-
Net debt as at 31st March 2021	**6,723.01**	**(5,062.34)**	**(48,951.36)**	**(47,290.69)**
Cash flows	146.34	-	-	146.34
Proceeds from working capital loan	-	-	42.22	42.22
Proceeds from secured term loan capital loan	-	(1,039.56)	-	(1,039.56)
Repayment of secured long term loan	-	-	-	-
Net debt as at 31st March 2022	**6,869.35**	**(6,101.90)**	**(48,909.14)**	**(48,141.69)**

Utilised amount of bank guarantees (performance and bid bonds) as at 31st March 2022 : ₹ 32010.74 /- lakhs (PY 31,904.20 lakhs)

22 Trade Payables

(₹ in Lakhs)

Particulars	As at 31st March 2022	As at 31st March 2021
Trade Payables		
(a) Due to Micro and Small Enterprises under MSMED Act, 2006 (Refer note 39)	1,683.42	2,545.88
(b) Others	19,646.02	15,523.59
Total	**21,329.44**	**18,069.47**

Trade payable ageing schedule as at March 31, 2022

Particulars	Outstanding for following periods from due date of payment					Total
	Not due	Less than 1 Year	1-2 years	2-3 years	More than 3 years	
Trade payables-MSME	1,683.42	-	-	-	-	1,683.42
Trade payables-Others	5,031.47	14,384.01	17.65	212.89	-	19,646.02
Disputed dues- MSME	-	-	-	-	-	-
Disputed dues- Others	-	-	-	-	-	-
Total	**6,714.89**	**14,384.01**	**17.65**	**212.89**	**-**	**21,329.44**

Trade payable ageing schedule as at March 31, 2021

Particulars	Outstanding for following periods from due date of payment					Total
	Not due	Less than 1 Year	1-2 years	2-3 years	More than 3 years	
Trade payables-MSME	2,545.88	-	-	-	-	2,545.88
Trade payables-Others	2,315.55	12,497.64	565.66	144.74	-	15,523.59
Disputed dues- MSME	-	-	-	-	-	-
Disputed dues- Others	-	-	-	-	-	-
Total	**4,861.43**	**12,497.64**	**565.66**	**144.74**	**-**	**18,069.47**

23 Other financial liabilities

(₹ in Lakhs)

Particulars	Non-current		Current	
	As at 31st March 2022	As at 31st March 2021	As at 31st March 2022	As at 31st March 2021
Current maturities of long-term debt	-	-	2,769.51	2,753.49
Expenses Payable	-	-	277.93	106.73
Interest Accrued but not due	-	-	29.09	22.99
Employee Benefits Payable	-	-	961.29	1,003.38
Security deposit received	1,295.18	1,178.83	-	-
Factoring of Debtors	-	-	349.37	180.27
Lease Liabilities	182.41	479.05	114.49	78.62
Total	**1,477.59**	**1,657.88**	**4,501.68**	**4,145.48**

24 Other Current Liabilities

(₹ in Lakhs)

Particulars	As at 31st March 2022	As at 31st March 2021
Statutory dues payable	269.47	1,003.24
Unpaid Dividend	2.97	2.80
Total	**272.44**	**1,006.04**

25 Revenue from operation

(₹ in Lakhs)

Particulars	Year ended 31st March 2022	Year ended 31st March 2021
Sale of Products		
Finished Goods	100,427.98	85,019.66
Total	**100,427.98**	**85,019.66**

Particulars of Sale of products

(₹ in Lakhs)

Particulars	Year ended 31st March 2022	Year ended 31st March 2021
Finished goods		
Metering	39,467.84	35,463.74
Switch Gears	20,610.82	16,146.16
Lighting & Electronics	26,045.38	25,105.65
Cables	14,303.94	8,304.11
Total	**100,427.98**	**85,019.66**

26 Other Income

(₹ in Lakhs)

Particulars	Year ended 31st March 2022	Year ended 31st March 2021
Interest income from financial assets at amortised cost	256.11	335.31
Other non-operating income	96.35	12.02
Total	**352.46**	**347.33**

27 Particulars of Raw Materials Consumed

(₹ in Lakhs)

Particulars	Year ended 31st March 2022	Year ended 31st March 2021
Copper	12,900.24	8,028.31
Electronic Components	38,685.78	32,242.93
Engineering Plastic	9,124.94	9,236.16
Packing	922.74	848.58
Others	3,939.79	3,395.56
Total	**65,573.49**	**53,751.54**

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

(₹ in Lakhs)

Particulars	Year ended 31st March 2022	Year ended 31st March 2021
Inventories (at close)		
Finished Goods - at close	9,006.65	9,920.58
Work-in-Progress - at close	13,886.48	13,719.57
	22,893.13	**23,640.15**
Inventories (at commencement)		
Finished Goods - at commencement	9,920.58	10,086.50
Work-in-Progress - at commencement	13,719.57	14,272.45
	23,640.15	**24,358.95**
Total	**747.02**	**718.80**

29 Employee Benefits Expense

(₹ in Lakhs)

Particulars	Year ended 31st March 2022	Year ended 31st March 2021
Salaries and wages	11,445.02	10,475.16
Contribution to provident and other funds	225.31	194.10
Staff welfare expenses	169.19	143.00
Total	**11,839.52**	**10,812.26**

30 Finance Cost

(₹ in Lakhs)

Particulars	Year ended 31st March 2022	Year ended 31st March 2021
Interest Expenses	5,422.87	5,211.57
Other borrowing costs- Bank Charges	989.07	772.04
Total	**6,411.94**	**5,983.61**

31 Depreciation and Amortization Expenses

(₹ in Lakhs)

Particulars	Year ended 31st March 2022	Year ended 31st March 2021
Depreciation on property, plant and equipment	3,549.02	3,121.31
Depreciation of right-of-use assets	164.29	277.59
Amortisation of intangible assets	689.97	785.67
Total	**4,403.28**	**4,184.57**

32 Other Expenses

(₹ in Lakhs)

Particulars	Year ended 31st March 2022	Year ended 31st March 2021
Power and Fuel	938.80	816.10
Rent	98.36	35.89
Repairs & Maintenance	1,073.58	914.86
Research & Development Expenses	935.44	777.84
Testing Expenses	325.37	199.34
Rates and taxes excluding taxes on income	128.59	154.54
Legal & Professional Expenses	447.13	397.01
Travelling & Conveyance	904.62	662.47
Communication Expenses	173.40	135.08
Printing & Stationery	55.73	63.68
Insurance	198.05	187.24
Membership & Subscription	2.71	18.54
Commision on sales	1,245.57	1,174.71
Provision for expected credit loss	118.19	109.86
Advertisement and business promotion	2,596.88	1,855.06
Freight Outward	1,278.32	1,089.56
Product Warranties	135.37	144.65
Loss on sale of Fixed Assets	3.61	-
Donation	1.85	9.00
Auditors remuneration	18.00	18.00
Contribution towards Corporate Social Responsibility	38.31	75.00
Miscellaneous Expenses	0.69	0.77
Total	**10,718.57**	**8,839.20**

31(a) Auditor's Remuneration

(₹ in Lakhs)

Particulars	Year ended 31st March 2022	Year ended 31st March 2021
Audit Fees	16.50	16.50
Tax Audit Fees	1.50	1.50
Total	**18.00**	**18.00**

31(b) Research & Development Expenditure :-

(₹ in Lakhs)

Particulars	Year ended 31st March 2022	Year ended 31st March 2021
(i) Capital Expenditure	27.87	71.31
	27.87	**71.31**
(ii) Revenue Expenditure		
a) Employee Cost	862.32	704.83
b) Purchase of Raw Materials	67.66	68.24
c) Electricity Expenses	5.46	4.77
	935.44	**777.84**
Total	**963.31**	**849.15**

31(c)Corporate Social Responsibility Expenditure :-

As per the provisions of section 135 of the Companies Act, 2013, the Company has to spend at least 2% of average net profits of the preceding three financial years towards Corporate Social Responsibility ("CSR"). Accordingly, a CSR committee has been formed for carrying out CSR activities. The areas for the CSR activities are promoting education especially among children, women, elderly and differently abled; promoting preventive health care and sanitation and providing relief to the poor.

(₹ in Lakhs)

Details of CSR Expenditure		**Year ended 31st March 2022**	**Year ended 31st March 2021**
a)	Gross amount required to be spent by the Company during the year	39.38	49.52
b)	Amount spent during year ended 31st March 2022		
	Construction/ acquisition of an asset	-	-
	Contribution to other purpose other than above	38.31	51.00
	Add : Excess spent amount from previous year utilized during the current year	1.48	-
	Total amount spent	39.79	51.00
Excess/(short) (a-b)	**Excess spent to be carry forward to next year financial year**	**0.41**	**1.48**

33 Income tax expense

(₹ in Lakhs)

Particulars	**Year ended 31st March 2022**	**Year ended 31st March 2021**
Current tax		
Current tax on profits for the year	190.90	187.76
Total current tax expense	**190.90**	**187.76**
Deferred tax		
Deferred tax expense/(income) for the period	(55.46)	158.06
MAT credit entitlement/Setoff	239.23	(64.27)
Total deferred tax expense/(benefit)	**183.77**	**93.78**
Income tax expense	**374.67**	**281.54**

(a) Reconciliation of tax expense and the accounting profit	**Year ended 31st March 2022**	**Year ended 31st March 2021**
Profit before income tax expense	1,086.62	1,077.01
Tax at the Indian tax rate of 34.944% (31st March 2021 – 34.944%)	379.71	376.35
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Corporate social responsibility expenditure	13.39	13.10
Research & development expenses	(9.74)	(173.28)
Interest on late payment	5.45	-
Other items	(14.14)	65.37
Income tax expense	**374.67**	**281.54**

34 Earnings per share

(₹ in Lakhs)

Particulars		**Year ended 31st March 2022**	**Year ended 31st March 2021**
(i)	Profit after tax	711.95	795.47
(ii)	Weighted average number of equity shares for basic EPS	643.00	643.00
(iii)	Weighted average number of equity shares for dilutive EPS	643.00	643.00
(iv)	Nominal value per Equity Shares	10	10
(v)	Earning Per Share (Basic)	1.11	1.24
(vi)	Earning Per Share (Dilutive)	1.11	1.24

35 Fair value measurements

(₹ in Lakhs)

Financial instruments by category	31st March 2022		31st March 2021	
	FVTPL	Amortised cost	FVTPL	Amortised cost
Financial assets				
Trade receivables	-	46,035.69	-	49,441.79
Loans	-	319.29	-	302.82
Cash and Bank Balances	-	6,869.35	-	6,723.01
Other Financial Assets	-	1,331.25	-	1,192.92
Total financial assets	**-**	**54,555.58**	**-**	**57,660.54**
Financial liabilities				
Borrowings	-	52,241.53	-	51,260.21
Trade payables	-	21,329.44	-	18,069.47
Other Financial Liabilities	-	5,979.27	-	5,803.36
Total financial liabilities	**-**	**79,550.24**	**-**	**75,133.04**

(i) Fair value hierarchy

This section explains the judgments and estimates made in determining the fair values of the financial instruments that are measured at amortized cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath.

Assets and liabilities which are measured at amortised cost (₹ in Lakhs

	Level 1	Level 2	Level 3	Total
As at March 31, 2022				
Financial assets				
Trade receivables	-	-	46,035.69	46,035.69
Loans	-	-	319.29	319.29
Cash and bank balances	-	-	6,869.35	6,869.35
Other financial assets	-	-	1,331.25	1,331.25
Total financial assets	**-**	**-**	**54,555.58**	**54,555.58**
Financial liabilities				
Borrowings	-	-	52,241.53	52,241.53
Trade payables	-	-	21,329.44	21,329.44
Other financial liabilities	-	-	5,979.27	5,979.27
Total financial liabilities		**-**	**79,550.24**	**79,550.24**
As at March 31, 2021				
Financial assets				
Trade receivables	-	-	49,441.79	49,441.79
Loans	-	-	302.82	302.82
Cash and bank balances	-	-	6,723.01	6,723.01
Other financial assets	-	-	1,192.92	1,192.92
Total financial assets	**-**	**-**	**57,660.54**	**57,660.54**
Financial liabilities				
Borrowings	-	-	51,260.21	51,260.21
Trade payables	-	-	18,069.47	18,069.47
Other financial liabilities	-	-	5,803.36	5,803.36
Total financial liabilities	**-**	**-**	**75,133.04**	**75,133.04**

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices.

Level 2: The fair value of financial instruments that are not traded in an active market (for example foreign exchange forward contracts) is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

There are no transfer of levels during the year.

As of 31st March 2022 and 31st March 2021 the fair value of cash and bank balances, trade receivables, other current financial assets and liabilities, borrowings, trade payables approximate their carrying amount largely due to the short term nature of these instruments. For other financial assets and liabilities that are measured at amortised cost, the carrying amounts approximate the fair value.

36 Financial risk management

The Company's principal financial liabilities comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to provide finance to the Company to support its operations. The Company's principal financial assets include loans, trade and other receivables, and cash and short-term deposits that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management ensures that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives.

(A) Credit risk

Credit risk refers to the risk of default on its obligation by the counter party resulting in a financial loss. The maximum exposure to the credit risk at the reporting date is primarily from trade receivables. Trade receivables are typically unsecured and are derived from revenue earned through government customers and other corporate customers. The Company has used the expected credit loss model to assess the impairment loss or gain on trade receivables and unbilled revenue, and has provided it wherever appropriate. The following table gives the movement in allowance for expected credit loss for the year ended 31 March, 2022:

Movement in Expected Credit Loss Allowance: (₹ in Lakhs)

Particulars	31st March 2022	31st March 2021
At the beginning of year	1,174.27	1,181.03
Provision during the year	118.19	109.86
Bad debts written off	(200.18)	(116.62)
Total ECL	**1,092.28**	**1,174.27**

(B) Liquidity risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at reasonable price. The Company's objective is to at all times maintain optimum levels of liquidity to meet its cash and liquidity requirements. The Company closely monitors its liquidity position and maintains adequate source of financing through the use of short term bank deposits and cash credit facility. Processes and policies related to such risks are overseen by senior management.

(i) Maturities of financial liabilities

The table below provides details regarding the contractual maturities of significant financial liabilities:

(₹ in Lakhs)

Contractual maturities of financial liabilities: (undiscounted)	Less than 1 year	1 to 5 years	Total
31st March 2022			
Borrowings	48,909.14	3,332.39	52,241.53
Trade payables	21,329.44	-	21,329.44
Lease liabilities (undiscounted)	178.66	146.77	325.43
Other financial liabilities	4,387.19	1,295.18	5,682.37
Total	**74,804.43**	**4,774.34**	**79,578.77**
31st March 2021			
Borrowings	48,951.36	2,308.85	51,260.21
Trade payables	18,069.47	-	18,069.47
Lease liabilities (undiscounted)	72.90	332.53	405.43
Other financial liabilities	4,066.86	1,178.83	5,245.69
Total	**71,160.59**	**3,820.21**	**74,980.80**

(C) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprises three types of risk: currency rate risk, interest rate risk and other price risks, such as equity price risk and commodity price risk. Financial instruments affected by market risks include loans and borrowings, deposits, investments and foreign currency receivables and payables. The sensitivity analyses in the following sections relate to the position as at 31st March 2022. The analyses exclude the impact of movements in market variables on: the carrying values of gratuity, pension obligation and other post-retirement obligations; provisions; and the nonfinancial assets and liabilities. The sensitivity of the relevant Profit and Loss item is the effect of the assumed changes in the respective market risks. This is based on the financial assets and financial liabilities held as of 31st March 2022.

(i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the short term debt obligation at floating interest rates.The Company's borrowings outstanding as at March 31,2022 comprises of floating rate loans and accordingly, are expose to risk of fluctuation in market interest rate.

Sensitivity

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates.

(₹ in Lakhs)

	Impact on profit after tax	
Particulars	**31st March 2022**	**31st March, 2021**
Interest rate (increase by 100 basis points)*	(522.42)	(512.60)
Interest rate (decrease by 100 basis points)*	522.42	512.60

* Holding other variables constant

(ii) Foreign currency risk

The company operates internationally and is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the trade receivables and payables. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the company's functional currency (INR).

The Company's exposure to foreign currency risk at the end of the reporting period expressed in INR, are as follows

(₹ in Lakhs)

Particulars	**March 31, 2022**		**March 31, 2021**	
	Foreign currency	**Indian Rupee**	**Foreign currency**	**Indian Rupee**
Trade receivables				
United States Dollar (USD)	22.58	1,712.79	13.21	969.67
Great Britain Pound (GBP)	3.01	299.98	2.42	244.16
Net exposure to foreign currency risk (assets)		**2,012.77**		**1,213.83**
Trade payables				
United States Dollar (USD)	54.52	4,134.93	51.17	3,756.89
Euro (EUR)	0.02	1.31	0.02	1.29
Great Britain Pound (GBP)	-	-	0.18	18.17
Net exposure to foreign currency risk (liabilities)		**4,136.24**		**3,776.35**

Sensitivity

The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjust their translation for the period end for 1% change in foreign currency rates. A positive number below indicates an increase in profit or equity where the Rupees 1% against the relevant currency. For a 1% weakening of the Rs. against relevant currency, there would be a comparable impact on the profits or equity, and the balances below would be negative.

(₹ in Lakhs)

	Impact on profit after tax	
Particulars	**31st March 2022**	**31st March, 2021**
USD sensitivity		
INR/USD - Increase by 1%*	(24.22)	(27.87)
INR/USD - Decrease by 1%*	24.22	27.87
EUR sensitivity		
INR/EUR - Increase by 1%*	(0.01)	(0.01)
INR/EUR - Decrease by 1%*	0.01	0.01
GBP sensitivity		
INR/GBP - Increase by 1%	3.00	2.44
INR/GBP - Decrease by 1%	(3.00)	(2.44)

* Holding other variables constant

37 Capital management

(a) Risk management

For the purposes of the Company's capital management, Capital includes equity attributable to the equity holders of the Company and all other equity reserves. The primary objective of the Company's capital management is to ensure that it maintains an efficient capital structure and maximize shareholder value. The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders or issue new shares. The Company is not subject to any externally imposed capital requirements. No changes were made in the objectives, policies or processes for managing capital during the year ended 31st March 2022, 31st March 2021.

The Company monitors capital using net debt to equity ratio, which is net debt (as reduced by Cash and Cash Equivalent) divided by total equity.

(₹ in Lakhs)

Particulars	**31st March 2022**	**31st March, 2021**
Borrowings(excluding lease liabilities)	55,011.04	54,013.70
Cash and Bank Balances	(6,869.35)	(6,723.01)
Net debt	**48,141.69**	**47,290.69**
Equity	76,079.11	75,523.83
Net debt to equity ratio	**63.28%**	**62.62%**

(₹ in Lakhs)

(b)	**Dividends**	**31st March 2022**	**31st March, 2021**
(i)	Equity shares		
	Final dividend for the year ended 31st March 2021 of INR 0.15	96.45	96.45
	(31 March 2020 – INR 0.15) per fully paid share)		

(ii) Dividends not recognised at the end of the reporting period

In addition to the above dividends, since year end the directors have recommended the payment of a final dividend of ₹ 0.15 per (1.5%) fully paid equity share. This proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting.

38 Leases

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

At the date of commencement of the lease, the Group recognises a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases), variable lease and low value leases. For these short-term, variable lease and low value leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying value may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortised cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Group changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU assets have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows. Lease liabilities have been included in other financial liabilities. The Company has used a single discount rate to a portfolio of leases with similar characteristics

(i) Following is carrying value of right of use assets recognised on date of transition and the movements thereof during the year ended March 31, 2022.

(₹ in Lakhs)

Particulars	**FY 21-22**	**FY 20-21**
	ROU Asset Leashold Buildings	**ROU Asset Leashold Buildings**
Gross carrying value		
As at 01 April	497.39	710.26
Additions	245.69	135.50
Deletion during the year	(304.62)	(70.78)
Depreciation of Right of use assets	(164.29)	(277.59)
Net carrying value 'As at 31 March	**274.17**	**497.39**

ii) The following is the carrying value of lease liability for the year ended March 31, 2022 (₹ in Lakhs)

Particulars	Leashold Buildings	Leashold Buildings
As at 01 April	**557.67**	**764.61**
Additions	245.69	135.50
Finance cost accrued during the year	31.24	68.69
Deletion during the year	(350.55)	(80.26)
Payment of lease liabilities	(187.15)	(330.87)
Net carrying value 'As at 31 March	**296.90**	**557.67**
Current maturities of Lease Liability (refer note no-23)	114.49	78.62
Non-Current Lease Liability (refer note no -23)	182.41	479.05

Note: The company does not face a significant liquidity risk with regards to its liease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

39 The disclosure pursuant to Micro, Small & Medium Enterprises Act 2006, are as under:

a) Principal amount and the interest due thereon remaining unpaid to any supplier at the period ending 31st March, 2022 - ₹ 1,683.42/- lakhs (P.Y. ₹ 2,545.88/- lakhs)

b) Amount of interest paid by the Company in terms of Section 16 of the MSMED, along with the amount of the payment made to the beyond the appointed day during the accounting period ending 31st March, 2022 – Nil (P.Y. Nil)

c) Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding the interest specified under the MSMED – Nil (P.Y. Nil)

d) Amount of interest accrued and remaining unpaid at the end of the accounting period ending 31st March, 2022 – Nil (P.Y. Nil)

40 Disclosures pursuant to Ind AS-19 "Employee Benefits"(specified under section 133 of the Companies Act, 2013, read with Rule 7 of Companies (Accounts) Rules, 2015) are given below :

a Defined Contribution Plans

Contribution to Defined Contribution Plan, recognized as expenses for the period are as under : (₹ in Lakhs)

Particulars	As at 31st March 2022	As at 31st March, 2021
Employer's contribution to Provident Fund	209.47	179.62
Employer's contribution to ESI	12.58	11.67
Employer's contribution to Welfare Fund	3.28	3.17
Total	**225.33**	**194.46**

b Defined Benefit Plans

The following tables summaries the components of net benefit expense recognised in the statement of profit or loss and the funded status and amounts recognised in the balance sheet for the respective plans:

i) Reconciliation of opening and closing balance of Defined Benefit Obligation (₹ in Lakhs)

Particulars	Gratuity (Non Funded)	
	As at 31st March 2022	As at 31st March, 2021
Defined Benefit obligation at beginning of the year	455.71	498.43
Current Service Cost	68.15	65.19
Past Service Cost	-	-
Interest Cost	33.04	34.89
Benefits paid	(112.54)	(47.62)
Remeasurement of (Gain)/loss recognised in other comprehensive income		
Actuarial changes arising from changes in demographic assumptions	-	-
Actuarial changes arising from changes in financial assumptions	-	-
Actuarial changes arising from changes in experience adjustments	92.57	(95.18)
Defined Benefit obligation at end of the year	**536.93**	**455.71**

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

Particulars	As at 31st March 2022	As at 31st March, 2021
Present value of defined benefit obligation	536.93	455.71
Amount recognised in Balance Sheet- Asset / (Liability)	**536.93**	**455.71**

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

Particulars	As at 31st March 2022	As at 31st March, 2021
Current Service Cost	68.15	65.19
Past Service Cost	-	-
Interest Cost	33.04	34.89
Net defined benefit expense debited to statement of profit and loss	**101.19**	**100.08**

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

Particulars	As at 31st March 2022	As at 31st March, 2021
Actuarial changes arising from changes in demographic assumptions	-	-
Actuarial changes arising from changes in financial assumptions	-	-
Actuarial changes arising from changes in experience adjustments	92.57	(95.18)
Recognised in other comprehensive income	92.57	(95.18)

iv) Principal assumptions used in determining defined benefit obligation

Mortality table	IALM 2012-14 Ultimate	IALM 2012-14 Ultimate
Discount Rate	7.25 % p.a	7.00 % p.a
Rate of escalation in salary(per annum)	5.00 % p.a	4.00 % p.a
Withdrawal rate (Per Annum)	1 - 5 % p.a	2 - 5 % p.a

a) The estimates of rate of escalation in salary considered in actuarial valuation are after taking into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is as certified by the Actuary.

b) Discount rate is based on the prevailing market yields of Indian Government securities as at the balance sheet date for the estimated term of the obligations.

v) **Quantitative sensitivity analysis for significant assumptions is as below:** (₹ in Lakhs)

Increase / (decrease) on present value of defined benefits obligations at the end of the year	As at 31st March 2022	As at 31st March, 2021
Discount Rate		
Increase by 1%	489.30	414.71
Decrease by 1%	592.46	503.29
Salary Increase		
Increase by 1%	593.15	504.27
Decrease by 1%	487.93	413.24
Attrition Rate		
Increase by 1%	545.02	465.02
Decrease by 1%	527.72	445.07

vi) **Maturity profile of defined benefit obligation (undiscounted)** (₹ in Lakhs)

Particulars	As at 31st March 2022	As at 31st March, 2021
Within the next 12 months (next annual reporting period)	69.50	29.10
Between 2 and 5 years	64.90	64.50
Between 5 and 10 years	402.53	362.11
Total expected payments	**536.93**	**455.71**

vii) The average duration of the defined benefit plan obligation at the end of the reporting period is 13 years (31st March 2021: 14 years)

viii) The estimates of rate of escalation in salary considered in actuarial valuation are after taking into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is as certified by the Actuary.

ix) The sensitivity analyses above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

x) Discount rate is based on the prevailing market yields of Indian Government securities as at the balance sheet date for the estimated term of the obligations.

41 Segment Reporting

a) The segment reporting of the Company has been prepared in accordance with Ind AS-108, "Operating Segment" (specified under section 133 of the Companies Act, 2013, read with Rule 7 of Companies (Accounts) Rules, 2015). For management purposes, the company is organised into business units based on its products and services and has identified four reportable segments viz Metering,Switchgear, Lighting & Electronics and cables on the basis of the nature of products, the risk return profile of individual business and the internal business reporting systems.

b) Revenue and expenses have been identified to a segment on the basis of relationship to operating activities of the segment. Revenue and expenses which relate to enterprise as a whole and are not allocable to a segment on reasonable basis have been disclosed as "Unallocated".

c) Segment assets and segment liabilities represent assets and liabilities in respective segments. Investment, tax related assets and other assets and liabilities that cannot be allocated to a segment on reasonable basis have been disclosed as "Unallocated"

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

(A)	Revenue	As at 31st March 2022	As at 31st March, 2021
	Segment Revenue	₹	₹
	Metering	39,467.84	35,463.74
	Switchgear	20,610.82	16,146.16
	Lighting & Electronics	26,045.38	25,105.65
	Cables	14,303.94	8,304.11
		100,427.98	**85,019.66**
(B)	**Results**		
	Segment Results		
	Metering	4,791.75	4,703.93
	Switchgear	3,142.33	2,681.23
	Lighting & Electronics	2,374.79	2,416.74
	Cables	491.20	230.74
		10,800.07	**10,032.64**
	Unallocated expenses net of income	3,301.51	2,972.02
	Operating Profit	7,498.56	7,060.62
	Interest Expenses	6,411.94	5,983.61
	Profit before tax	1,086.62	1,077.01
	Tax Expenses	374.67	281.54
	Profit after tax	**711.95**	**795.47**
(C)	**Other Information**		
	Segment Assets		
	Metering	64,388.94	61,956.45
	Switchgear	38,271.40	38,355.70
	Lighting & Electronics	29,773.27	29,856.19
	Cables	17,562.79	15,994.06
	Unallocated	6,985.29	7,082.77
		156,981.69	**153,245.17**
	Segment Liabilities		
	Metering	14,017.78	13,055.47
	Switchgear	6,184.08	6,294.20
	Lighting & Electronics	4,960.61	5,354.61
	Cables	3,294.80	1,625.11
	Unallocated	52,445.31	51,391.95
		80,902.58	**77,721.34**
	Capital Expenditure		
	Metering	1,975.01	458.30
	Switchgear	587.65	518.83
	Lighting & Electronics	110.42	177.83
	Cables	82.57	13.61
		2,755.65	**1,168.57**
	Depreciation		
	Metering	1,972.38	1,898.76
	Switchgear	2,049.38	1,943.06
	Lighting & Electronics	192.41	161.97
	Cables	189.11	180.78
		4,403.28	**4,184.57**
	Segment Revenue		
	The following is the distribution of Company's revenue by geographical market :-		
	Domestic Market	95,568.78	81,703.96
	Overseas Market	4,859.20	3,315.70
		100,427.98	**85,019.66**

42 Related Party Disclosure

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

(A) Subsidiary Company :

(1) Himachal Energy Pvt. Ltd.
(2) HPL Electric & Power Pvt.Ltd.- Shriji Designs (JV)
(3) HPL Electric & Power Pvt.Ltd. -Trimurthi Hitech Co. Pvt. Ltd.- Shriji Designs (JV)

(B) Entities in which directors are interested :

(1) HPL India Ltd.
(2) HPL Power Corporation Ltd.
(3) Havells Electronics Pvt. Ltd.
(4) Amerex Pvt. Ltd.
(5) Jesons Impex Pvt. Ltd.
(6) Havells Pvt. Ltd.
(7) Seth Inder Narain Trust

(C) Key Management Personnel :

(1) Mr. Lalit Seth
(2) Mr. Rishi Seth
(3) Mr. Gautam Seth*
(4) Mr. Vivek Kumar
(5) Mr. Sudhir Kumar Barik**
(6) Mr. Manoj Kumar Dugar***

* Appointed as CFO on 09.03.2022
** Resigned on 12.08.2021
*** Appointed as CFO on 12.08.2021 and resigned w.e.f 10.09.2021

(D) Relatives of Key Management Personnel

(1) Mrs. Praveen Seth
(2) Mrs. Pooja Seth
(3) Mrs. Vani Seth

(iii) Key management personnel compensation (₹ in Lakhs)

Particulars	31st March 2022	31st March 2021
Short-term employee benefits	618.89	632.96
Dividend paid during the year	18.56	18.49
Total Compensation	**637.45**	**651.45**

(iv) Details of tranactions with Related Parties:- (₹ in Lakhs)

Particulars	31st March 2022	31st March 2021
Purchase of goods		
1. Himachal Energy Pvt. Ltd	1,162.07	729.75
2. HPL India Ltd	647.28	-
Purchase of Services		
1. HPL India Ltd	361.11	-
Purchase of Assets		
1. Himachal Energy Pvt. Ltd	1,758.86	
2. HPL India Ltd	72.00	-
Sale of goods		
1. Himachal Energy Pvt. Ltd	4,245.17	2,681.39
2. HPL India Ltd	-	9.90
Sale of services		
1. HPL India Ltd	-	118.00

Dividend paid to related parties		
1. Havells Electronics Pvt. Ltd	17.48	17.48
2. Havells Pvt. Ltd	4.26	4.26
3. HPL India Ltd	26.36	26.36
4. Jesons impex Pvt Ltd	0.04	0.04
CSR Contribution		
Enterprises in which directors are interested		
1. Seth Inder Narain Trust	-	24.00
Loan taken from entities in which directors are interested :		
1. Havells Electronics Pvt. Ltd	15.73	16.50
2. Havells Pvt. Ltd	3.84	4.00
3. HPL India Ltd	23.75	24.25
Transaction with Key Managerial Person		
1. Managerial Remuneration	618.89	632.96
2. Director sitting fees	10.90	14.50
3. Dividend Paid	18.56	18.49
4. Rent Paid	-	1.50
5. Loan from directors	19.77	20.50
Transaction with relatives of Key Managerial Person		
1. Rent paid	-	1.50
2. Dividend Paid	3.20	3.20

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

(₹ in Lakhs)

Particulars	31st March 2022	31st March 2021
Subsidiary Companies		
Himachal Energy Pvt. Ltd.	5,400.00	5,400.00
Advance to Joint Venturs		
1. HPL ELECTRIC & POWER PRIVATE LIMITED- THCPL-SD(JV)	132.46	135.96
2. HPL ELECTRIC & POWER PRIVATE LIMITED- SHRIJI DESIGNS (JV)	68.90	68.90
Trade Receivables		
1. HPL India Ltd	-	739.73
2. Havells Private Limited	-	77.06
3. Himachal Energy Pvt. Ltd	-	574.38
Deferred Receivables		
1. HPL India Ltd	822.14	875.78
Capital Advance		
1. HPL India Ltd	498.37	79.24
Loans and advances		
1. Himachal Energy Pvt. Ltd	1,656.63	-

Particulars	31st March 2022	31st March 2021
Loan outstanding		
1. Havells Electronics Pvt. Ltd	32.23	16.50
2. Havells Pvt. Ltd	7.84	4.00
3. HPL India Ltd	48.00	24.25
4. Directors	40.27	20.50

The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the year ended 31st March 2022, the Company has not recorded any impairment of receivables relating to amounts owed by related parties .This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

All outstanding balances are unsecured and are repayable in cash

43 The Company do not have any outstanding commercial paper period ending 31st March, 2022. (P Y ₹ Nil)

44 The Company has taken various residential/ commercial premises under cancellable operating leases. These lease agreements are normally renewed on expiry. There are no restrictions placed upon the company by entering into these leases. Lease payments recognized in the Statement of Profit & Loss as rent expenses for the year.

45 Commitments (₹ in Lakhs)

Particulars	As at 31st March 2022	As at 31st March 2021
Estimated amount of capital contracts remaining to be executed and not provided for (net of advances)	35.40	70.76

46 Contingent Liabilities: (₹ in Lakhs)

S.No	Name of Statute	Description	As at 31st March 2022	As at 31st March 2021
1	Central Excise Act, 1944	Demand for Excise Duty before Add. Comm. LTU, New Delhi for 2008-09	16.40	16.40
2	Central Excise Act, 1944	Demand for Excise Duty before Comm. (A), New Delhi for 2009-10 to 2015-16.	82.49	82.49
3	Finance Act, 1994	Demand for Service Tax Credit before Commissioner Appeal, LTU, Delhi for 2012-13	1.01	1.01
4	Finance Act, 1994	Demand for Cenvat Credit before Commissioner Appeal, LTU, Delhi for 2011-12	1.13	1.13
5	Haryana Vat Act, 2003	Demand for Sales Tax before Haryana Tax, Tribunal, Chandigarh for 2008-09	25.51	25.51
6	Haryana Vat Act, 2003	Demand for Sales Tax before Joint Comm., (Appeal), Rohtak for 2010-11	17.83	17.83
7	Haryana Vat Act, 2003	Demand for Sales Tax before Haryana Tax, Tribunal, Chandigarh for 2009-10	4.78	4.78
8	Haryana Vat Act, 2003	Demand for Sales Tax before Haryana Tax, Tribunal, Rohtak for 2011-12	18.45	18.45
9	Haryana Vat Act, 2003	Demand for Sales Tax before Haryana Tax, Tribunal, Rohtak for 2012-13	10.06	10.06
10	Haryana Vat Act, 2003	Demand for Sales Tax before Haryana Tax, Tribunal, Rohtak for 2010-11	49.22	49.22

S.No	Name of Statute	Description	As at 31st March 2022	As at 31st March 2021
11	Haryana Vat Act, 2003	Demand for Sales Tax before Haryana Tax, Tribunal, Chandigarh for 2011-12	23.19	23.19
12	Haryana Vat Act, 2003	Demand for Sales Tax before Joint Comm., (Appeal), Ambala for 2011-12	4.38	4.38
13	Finance Act, 1994	Show cause notice received towards short payment of Service Tax for 2010-11 to 2014-15	163.04	163.04
14	Employee's Provident Fund Act, 1952	Demand for EPF before EPF appellate, Tribunal, New Delhi.	8.87	8.87
15	Haryana Vat Act, 2003	Demand for sales tax before Haryana Tax Tribunal for 2011-12	23.39	23.39
16	Haryana Vat Act, 2003	Demand for sales tax before Haryana Tax Tribunal for 2012-13	23.67	23.67
17	Haryana Vat Act, 2003	Demand for sales tax before Haryana Tax Tribunal for 2013-14	80.59	80.59
18	Haryana Vat Act, 2003	Demand for sales tax before Jt. Commissioner (A), Rohtak for 2013-14	72.95	72.95
19	Haryana Vat Act, 2003	Demand for sales tax before Jt. Commissioner (A), Rohtak for 2014-15	25.35	25.35
20	Haryana Vat Act, 2003	Demand for sales tax before Jt. Commissioner (A), Rohtak for 2013-14	18.38	18.38
21	Haryana Vat Act, 2003	Demand for sales tax before Jt. Commissioner (A), Rohtak for 2013-14	97.68	97.68
22	Haryana Vat Act, 2003	Haryana Tax Tribunal, Chandigarh-Final demand after Rectification on 31.07.2017 (Revision Pending)	3.61	3.61
23	Haryana Vat Act, 2003	Haryana Tax Tribunal, Chandigarh-Pending for Rectification for 2012-13	1.97	1.97
24	Haryana Vat Act, 2003	Haryana Tax Tribunal, Chandigarh-Pending for Rectification for 2013-14	3.73	3.73
25	Haryana Vat Act, 2003	Haryana Tax Tribunal, Chandigarh-Pending for Rectification for 2014-15	0.52	0.52
26	Haryana Vat Act, 2003	Haryana Tax Tribunal-Rohtak-Appeal pending before the Jt.ETC(A),Rohtak for 2010-11	33.95	33.95
27	Haryana Vat Act, 2003	Demand for sales tax before Dy. Excise & Taxation Commissioner (ST),Sonepat for 2014-15	10.14	10.14
28	Haryana Vat Act, 2003	Demand for sales tax before Jt Excise & Taxation Commissioner, Ambala for 2014-15	55.74	55.74
29	Incomet Tax Act, 1961	Income Tax demand before Asstt. Commissioner of Income Tax, Delhi for AY-2017-18	28.72	28.72
30	Haryana Vat Act, 2003	Demand for Sales Tax before Haryana Tax, Tribunal, Rohtak for 2015-16	41.89	41.89
31	Haryana Vat Act, 2003	Demand for Sales Tax before Haryana Tax, Tribunal, Rohtak for 2014-15	97.13	97.13
32	Haryana Vat Act, 2003	Demand for Sales Tax before Haryana Tax, Tribunal, Rohtak for 2015-16	75.76	75.76
33	Central Excise Act, 1944	Demand for Excise Duty before Deputy Comm.Central GST Gurgram for 2016-17.	1.72	1.72

S.No	Name of Statute	Description	As at 31st March 2022	As at 31st March 2021
34	Finance Act, 1994	Demand for Service Tax Credit before Asstt.Commissioner Gurugram for 2015-16 to 2017-18	14.78	14.78
35	Custom Act,1962	Demand for Custom Duty before Adl./Joint Comm./ Customs Gr-VA,ACC Import New Custom House New Delhi for 2018-19	22.67	22.67
36	Haryana Vat Act, 2003	Demand for Sales Tax before Haryana Tax, Tribunal, Rohtak for 2016-17	73.54	73.54
37	Haryana Vat Act, 2003	Demand for Sales Tax before Haryana Tax, Tribunal, Rohtak for 2016-17	37.23	37.23
38	Haryana Vat Act, 2003	Demand for Sales Tax before Haryana Tax, Tribunal, Rohtak for 2017-18	68.87	-

Notes :1. Based on the favorable decisions in similar cases and discussions with the solicitors, the company does not expect any liability against these matters, hence no provision has been considered in the books of the accounts.

47 The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the Company towards Provident Fund and Gratuity. The effective date from which the changes are applicable is yet to be notified and the final rules are yet to be framed. The Company will carry out an evaluation of the impact and record the same in the financial statements in the period in which the Code becomes effective and the related rules are published.

48 Additional Regulatory information

S No	Particulars	Numerator	Denomiator	Current Year	Previous Year	Variance
1	Current ratio	Current assets	Current liabilities	1.42	1.41	0.71%
2	Debt-Equity ratio	Total Debt (Including lease liabilities)	Shareholder's equity	0.73	0.72	1.39%
3	Debt service coverato ratio	Earnings available for debt service*	Debt Service**	1.29	1.28	0.78%
4	Return on equity ratio	Net profits after taxes	Average shareholders equity	0.96%	1.08%	-11.11%
5	Inventory Turnover Ratio	Revenue from operations	Average Inventory	2.20	2.00	10.00%
6	Trade receibavles turnover ratio	Revenue from operations	Average trade receivables	2.10	1.82	15.38%
7	Trade payable turnover ratio	Net credit pruchases	Average trade payables	3.68	3.20	15.00%
8	Net capital turnover ratio	Revenue from operations	Average working capital	3.24	3.03	6.93%
9	Net profit ratio	Net profits for the year	Revenue from operations	0.71%	0.94%	-24.47%
10	Return on capital employed	Profit before interest and taxes	Capital employed***	5.82%	5.51%	5.63%
11	'Return on Investments	Profit before interest and taxes	Average total Assets	4.83%	4.64%	4.09%

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

** Interest + Principle repayments

*** Net Worth + Deferred tax liabilities - Deferred Tax Assets + Total debt including lease liabilities

Note : No change in the ratio by more than 25% as compared to the previous year

49 Additional regulatory information required by Schedule III of Companies Act, 2013

(I) Details of Benami property: No proceedings have been initiated or are pending against the Company for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.

(II) Utilisation of borrowed funds and share premium: The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries

The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like on behalf of the ultimate beneficiaries

(III) Compliance with number of layers of companies: The Company has complied with the number of layers prescribed under the Companies Act, 2013.

(IV) Compliance with approved scheme(s) of arrangements: The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

(V) Undisclosed income: There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

(VI) Details of crypto currency or virtual currency: The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.

(VII) Valuation of PP&E, intangible asset and investment property: The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.

(VIII) The company has not granted any loans or advances in the nature of loans either repayable on demand

50 Previous year's figure have been regrouped/ re-arranged, wherever considered necessary to make them comparable with corresponding period ending 31st March, 2022.

As per our report of even date attached
For **Kharabanda Associates**
Chartered Accountants
F.R.N. : 003456N

Sunil Kharabanda
Proprietor
M. No. : 082402
UDIN : 22082402AKCIMU1286

Place : New Delhi
Dated : 26.05.2022

For and on behalf of board

Rishi Seth
Managing Director
DIN- 00203469

Gautam Seth
Joint MD and CFO
DIN- 00203405

Lalit Seth
Director
DIN-00312007

Vivek Kumar
Company Secretary
M.No. A18491

Independent Auditor's Report

To the Members of

HPL Electric & Power Ltd.

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of HPL ELECTRIC & POWER LIMITED ("the Holding Company") and its subsidiaries listed in Annexure-I (Holding Company and its subsidiaries together referred to as "the Group"), which comprise the consolidated balance sheet as at 31st March 2022, the consolidated statement of Profit and Loss (including other comprehensive income), consolidated Statement of Changes in Equity and consolidated Statement of Cash Flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2022, of 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

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group and 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 consolidated financial statements under the provisions of the Companies Act, 2013 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 and the audit evidence obtained by the other other auditors in terms of their report referred to in sub-paragraph 16 of the Other Matters section below, other than the unaudited financial statements as certified by the management and referred to in sub-paragraph 15 of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated Ind AS financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatements of the consolidated Ind AS financial statements. The results of audit procedures performed by us and by other auditors of components not audited by us, as reported by them in their audit reports furnished to us by the management, including those procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated Ind AS financial statements.

The key audit matters	How the matter was addressed in our audit
Inventory valuation • Copper and plastic components based inventory for which the Company enters into supply contracts. The Company takes a structured approach to the identification and quantification of copper and plastic components. • Inventories are measured at cost or net realizable value, which ever is lower, on first in first out basis. We focused on this area because of its size, the assumptions used in the valuation and the complexity, which are relevant when determining the amounts recorded.	Our audit procedures over inventory valuation included the following: • We tested the design, implementation and operating effectiveness of key internal financial controls, including controls over valuation of inventory and accounting. • On a sample basis, tested the accuracy of cost for inventory be verifying the actual purchase cost. Tested the net realizable value by comparing actual cost with most recent retail price; • We assessed and tested adequacy and completeness of the Company's disclosure in the financial statements.

Other Information

The Holding Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Holding Company's annual report, but does not include the consolidated financial statements and our auditors' 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 such other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed and based on the work done/audit report of other auditors, 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.

Management's and Board of Directors' Responsibilities for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of 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 read with the Companies (Indian Accounting Standards) Rules 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the each entity 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 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.

In preparing the consolidated financial statements, the respective management and board of director's of the entities included in the Group are responsible for assessing the ability of each company 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 entity or to cease operations, or has no realistic alternative but to do so.

The respective Boards of Directors of the entities 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

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the entity has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management'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 entity 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 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 of which we are the independent auditors, to express an opinion on the consolidated Ind AS 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 independent auditors. For the other entities included in the consolidated Ind As 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.

We believe that the audit evidence obtained by us along with the consideration of audit reports of the other auditors referred to in sub-paragraph (a) of the other matter paragraph below, is sufficient & appropriate to provide a basis for our audit opinion on the consideration financial statements.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated Ind As financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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 for the financial year ended March 31, 2022 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 Matter

We did not audit the financial statements and other financial information, in respect of subsidiary companies whose financial statements include total assets of Rs. 14,221.44 lakhs as at March 31, 2022 and total revenues of Rs. 8133.58 lakhs and total net profit after tax of Rs. 110.67 lakhs and total comprehensive income of Rs. 110.57 lakhs and net cash inflows of Rs. 24.98 lakhs for the year ended on that date. These Ind As financial statement and other financial information have been audited by other auditors whose reports have been furnished to us by the management. Our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary is based solely on report of such auditors.

Our opinion on the consolidated Ind AS financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements and other financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

(A) As required by Section 143 (3) of the Act, based on our audit and on the consideration of report of the other auditor on separate financial statements of such subsidiaries were audited by other auditor, as noted in sub paragraph (a) of 'other matter' paragraph 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 related to preparation of the aforesaid consolidated financial statement have been kept by the Group so far as it appears from our examination of those books and report of the other auditors;

c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including the Statement of other comprehensive income), the Consolidated Cash Flow Statement and consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account and record 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, read with Companies (Indian Accounting Standard) Rules 2015, as amended;

e) On the basis of the written representations received from the directors of the Holding company as on 31st March, 2022 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, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.

f) With respect to the adequacy and the operating effectiveness of the internal financial controls over financial reporting with reference to these consolidated Ind AS financial statement of the Group refer to our separate Report in 'Annexure A'.

(B) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consolidation of the reports of the other auditors on separate financial statement of the subsidiaries, as noted in sub paragraph (a) of 'other matters' paragraph:

i. The Group has disclosed pending litigations and the impact on its financial position - refer note 47 to the Consolidated Financial Statements.

ii. The Group did not have any long term contracts including derivative contracts for which there are any material foreseeable losses;

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiaries companies.

iv. The dividend declared and paid during the year by the Holding Company is in compliance with Section 123 of the Act.

v. (a) The Management of the Holding Company has represented to us that, to the best of their knowledge and belief, as disclosed in the notes to the accounts, 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 Company or any of such subsidiaries to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company 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 notes to the accounts, no funds (which are material either individually or in the aggregate) have been received by the Company or any of such subsidiaries from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the 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 procedure that has been considered reasonable and appropriate in the circumstances, performed by us, nothing has come to our notice that has caused us or the other auditors to believe that the representations under sub-clause (i) and (ii) of rule 11(e) contain any material misstatement.

(C) With respect to the matter to be included in the Auditors' Report under section 197(16) of the Act:

In our opinion and according to the information and explanations given to us and based on the report of the statutory auditor of such subsidiary companies incorporated in India which were not audited by us, the remuneration paid by the Holding Company and its subsidiaries to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 read with Schedule V to the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

For Kharabanda Associates
Chartered Accountants
FRN: 003456N

Sunil Kharabanda
Proprietor
M. No. 082402
UDIN: 22082402AKCIYY5714

Place : New Delhi
Date : 26th May 2022

Annexure I: List of entities consolidated as at 31st March 2022:

1. Himachal Energy Private Limited
2. HPL Electric & Power Ltd.-Shriji Designs
3. HPL Electric & Power Ltd. Trimurthi Hitech Co. Pvt. Ltd.-Shriji Designs

ANNEXURE 'A' TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the members of HPL Electric & Power Limited of even date)

Report on the Internal Financial Controls with reference to Consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

We have audited the internal financial controls with reference to financial statements of **HPL ELECTRIC & POWER LTD.** ('the Holding Company') as of March 31, 2022 in conjunction with our audit of the consolidated Ind AS financial statement of the company and its subsidiaries for the year then ended and as on that date.

Management's Responsibility for the Internal Financial Controls

The Board of Directors of the Holding Company and its subsidiaries are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company and its subsidiaries considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over financial Reporting issued by the Institute of Chartered Accountants of India (the 'Guidance Note'). 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, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Holding Company and its subsidiaries 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 Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act 2013, to the extant applicable to an audit of internal financial controls. Those Standards and the Guidance Note required that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance about internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system 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 of the auditors' judgment, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Holding Company and its subsidiaries internal financial controls system with reference to financial statements.

Meaning of Internal Financial Controls with reference to financial statements

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 purpose 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 statement in accordance with generally accepted accounting principles and that receipts and expenditures of the company are being made only in accordance with authorization of the management and directors of the company, and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to financial statements

Because of the inherent limitation 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 change in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Holding Company and its subsidiaries 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, 2022, based on the internal financial controls over financial reporting criteria established by the Holding Company and its subsidiaries considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Control Over Financial Reporting issued by the Institute of Chartered Accountant of India.

For Kharabanda Associates
Chartered Accountants
FRN: 003456N

Sunil Kharabanda
Proprietor
M. No. 082402
UDIN: 22082402AKCIYY5714

Place : New Delhi
Date : 26th May 2022

Consolidated Balance Sheet

as at 31st March 2022

(₹ in Lakhs)

Particulars	Note	As at 31st March 2022	As at 31st March 2021
ASSETS			
Non-current assets			
Property, plant and equipment	3	43,763.85	44,594.26
Capital work in progress	4	1,016.31	166.13
Right of use Assets	5	274.17	497.39
Intangible assets	6	661.07	1,351.04
Financial assets			
i. Loans	7	265.22	263.69
Deferred tax assets (Net)	8	2,943.42	3,258.41
Other non-current assets	9	1,321.97	956.17
		50,246.00	**51,087.09**
Current assets			
Inventories	10	50,673.19	44,294.71
Financial assets			
i. Trade receivables	11	50,519.10	51,292.91
ii. Cash and cash equivalents	12	3,908.04	4,020.29
iii. Bank balances other than (ii) above	13	4,117.23	3,833.66
iv. Loans	7	62.59	47.64
v. Other financial assets	14	1,601.50	1,485.17
Current tax assets (Net)	15	155.98	98.78
Other current assets	9	2,501.74	2,863.00
		113,539.37	**107,936.16**
		163,785.37	**159,023.25**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	16	6,430.05	6,430.05
Other equity			
Other equity	17	70,018.83	69,398.29
Equity attributable to equity holders of the parent Company		76,448.88	75,828.34
Non-controlling interests		175.56	172.40
Total equity		**76,624.44**	**76,000.74**
Liabilities			
Non-current liabilities			
Financial liabilities			
i. Borrowings	18	5,847.12	4,397.24
ii. Other financial liabilities	22	1,477.59	1,657.88
Provisions	19	729.77	978.80
		8,054.48	**7,033.92**
Current liabilities			
Financial liabilities			
i. Borrowings	20	50,625.27	50,786.38
ii. Trade payables	21		
a) total outstanding dues of micro enterprises and small enterprises		2,324.38	2,878.16
b) total outstanding dues of creditors other than micro enterprises and small enterprises		20,539.42	16,131.23
iii. Other financial liabilities	22	4,803.71	4,489.87
Other current liabilities	23	369.63	1,014.54
Provisions	19	444.04	688.41
		79,106.45	**75,988.59**
		163,785.37	**159,023.25**

The accompanying notes are an integral part of financial statements

As per our report of even date attached
For Kharabanda Associates
Chartered Accountants
F.R.N. : 003456N
Sunil Kharabanda
Proprietor
M. No. : 082402
UDIN : 22082402AKCIYY5714

Place : New Delhi
Dated : 26.05.2022

For and on behalf of board

Rishi Seth
Managing Director
DIN- 00203469

Gautam Seth
Joint MD and CFO
DIN- 00203405

Lalit Seth
Director
DIN-00312007

Vivek Kumar
Company Secretary
M.No. A18491

Consolidated Statement of profit and loss

for the year ended 31st March 2022

(₹ in Lakhs)

	Particulars	Notes	Year ended 31st March, 2022	Year ended 31st March, 2021
	Income:			
I.	Revenue from operations	24	101,395.47	87,509.35
II.	Other income	25	419.76	406.74
III.	**Total income (I + II)**		**101,815.23**	**87,916.09**
IV.	**Expenses:**			
	Cost of materials consumed	26	64,526.42	54,631.42
	Changes in inventories of finished goods, work-in-progress	27	739.22	546.45
	Employee benefits expense	28	12,383.98	11,189.03
	Finance cost	29	6,831.53	6,441.92
	Depreciation and amortization expenses	30	4,707.65	4,494.36
	Other expenses	31	11,232.95	9,240.61
	Total expenses		**100,421.75**	**86,543.79**
V.	**Profit before tax (III-IV)**		**1,393.48**	**1,372.30**
VI.	Tax expense:			
	(1) Current tax	32	265.63	255.41
	(2) Deferred tax	32	347.39	114.46
VII.	**Profit for the year (V-VI)**		**780.46**	**1,002.43**
	Other comprehensive income			
	Items that will not be reclassified to profit or loss			
	Remeasurement of post employment benefit obligations		(92.71)	91.78
	Income tax relating to these items		32.39	(32.31)
	Other comprehensive income for the year, net of tax		**(60.32)**	**59.47**
VIII.	**Total comprehensive income for the year, net of tax**		**720.14**	**1,061.90**
	Profit for the year attributable to			
	Equity shareholders of parent company		777.31	996.37
	Non controlling interests		3.15	6.06
			780.46	**1,002.43**
	Total comperhensive income for the year attributable to			
	Equity shareholders of parent company		716.99	1,055.91
	Non controlling interests		3.15	5.99
			720.14	**1,061.90**
VIII.	Earnings per equity share of ₹10/- each	33		
	(1) Basic		1.21	1.55
	(2) Diluted		1.21	1.55

The accompanying notes are an integral part of financial statements

As per our report of even date attached
For **Kharabanda Associates**
Chartered Accountants
F.R.N. : 003456N
Sunil Kharabanda
Proprietor
M. No. : 082402
UDIN : 22082402AKCIYY5714

Place : New Delhi
Dated : 26.05.2022

For and on behalf of board

Rishi Seth
Managing Director
DIN- 00203469

Gautam Seth
Joint MD and CFO
DIN- 00203405

Lalit Seth
Director
DIN-00312007

Vivek Kumar
Company Secretary
M.No. A18491

Consolidated Cash Flow Statement

for the year ended 31st March 2022

(₹ in Lakhs)

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
A. Cash flow from operating activities	**Audited**	**Audited**
Net profit/ (loss) before tax	1,393.48	1,372.30
Adjustments for :		
- Depreciation and amortisation expenses	4,707.65	4,494.36
- Finance expenses	6,831.53	6,441.92
- Interest income	(322.47)	(394.35)
- Loss / (profit) on sale of fixed assets	3.64	(0.24)
Operating profit before working capital changes	12,613.83	11,913.99
Adjustments for :		
Decrease/(increase) in trade receivables	827.45	(4,921.00)
Decrease/(increase) in other financial and non-financial assets	229.68	(37.86)
Decrease/(increase) in inventories	(6,378.47)	(355.94)
(Decrease)/increase in trade payables	3,854.42	1,642.72
(Decrease)/increase in other financial, non financial liabillities and provisions	(718.49)	302.37
Cash generated from operations	10,428.42	8,544.28
- Taxes paid (net of refunds)	(322.84)	(88.24)
Net cash from operating activities	**10,105.58**	**8,456.04**
B. Cash flow from investing activities		
- Purchase of property, plant & equipment and intangible assets	(3,491.72)	(1,137.36)
- (increase)/ decrease in capital work in progress	(850.18)	171.61
- Payment for acquiring right of use of assets	(155.91)	(271.66)
- Proceeds from Sale of property, plant and equipments	45.99	0.63
- Secuity Deoposits (Paid)/Received	(1.53)	28.24
- Interest income received	322.47	394.35
Net cash used in investing activities	**(4,130.88)**	**(814.19)**
C. Cash flow from financing activities		
- Proceeds/(Repayment) from working capital loan (net)	(161.11)	(1,494.97)
- Proceeds from secured long term loan	1,285.71	973.66
- Repayment of lease liabilities interest portion	(31.24)	(59.21)
- Finance expenses	(6,800.29)	(6,382.71)
- Payment of dividend	(96.45)	(96.45)
Net cash used in financing activities	(5,803.38)	(7,059.68)
Net changes in cash & cash equivalents (a+b+c)	171.32	582.17
Cash & cash equivalents at the beginning of the year	7,853.95	7,271.78
Cash & cash equivalents at the end of the year	8,025.27	7,853.95

The accompanying notes are an integral part of financial statements

As per our report of even date attached
For Kharabanda Associates
Chartered Accountants
F.R.N. : 003456N
Sunil Kharabanda
Proprietor
M. No. : 082402
UDIN : 22082402AKCIYY5714

Place : New Delhi
Dated : 26.05.2022

For and on behalf of board

Rishi Seth
Managing Director
DIN- 00203469

Gautam Seth
Joint MD and CFO
DIN- 00203405

Lalit Seth
Director
DIN-00312007

Vivek Kumar
Company Secretary
M.No. A18491

Statement of changes in equity

for the year ended 31st March 2022

I) Equity Share Capital (₹ in Lakhs)

Particulars	**Notes**	**Amounts**
Balance as at 1st April 2020		6,430
Changes during the year	16	-
Balance as at 31st March 2021		**6,430**
Changes during the year	16	-
Balance as at 31st March 2022		**6,430**

II) Other equity (₹ in Lakhs)

Particulars	**Notes**	**Security premium**	**Capital reserve**	**General reserve**	**Retained earnings**	**Total**
Balance as at 1st April 2020	17	36,601.35	(1,933.84)	3,788.31	29,983.01	68,438.83
Profit for the year		-		-	996.37	996.37
Other comprehensive income		-		-	59.54	59.54
Total comprehensive income		-	-	-	1,055.91	1,055.91
Transaction with owners in their capacity as owners:						
Final equity dividend					(96.45)	(96.45)
Tax on final equity dividend					-	-
Balance as at 31st March 2021		**36,601.35**	**(1,933.84)**	**3,788.31**	**30,942.47**	**69,398.29**
Profit for the year		-	-	-	777.31	777.31
Other comprehensive income					(60.32)	(60.32)
Total comprehensive income		-	-	-	716.99	716.99
Transaction with owners in their capacity as owners:						
Final equity dividend		-	-	-	(96.45)	(96.45)
Tax on final equity dividend		-	-	-	-	-
Balance as at 31st March 2022		**36,601.35**	**(1,933.84)**	**3,788.31**	**31,563.01**	**70,018.83**

The accompanying notes are an integral part of financial statements

As per our report of even date attached
For **Kharabanda Associates**
Chartered Accountants
F.R.N. : 003456N
Sunil Kharabanda
Proprietor
M. No. : 082402
UDIN : 22082402AKCIYY5714

Place : New Delhi
Dated : 26.05.2022

For and on behalf of board

Rishi Seth
Managing Director
DIN- 00203469

Gautam Seth
Joint MD and CFO
DIN- 00203405

Lalit Seth
Director
DIN-00312007

Vivek Kumar
Company Secretary
M.No. A18491

Note-1
COMPANY OVERVIEW

HPL Electric & Power Limited ('the Company') and its subsidiaries (collectively referred to as "Group") is a limited company domiciled in India and incorporated under the provisions of the Companies Act, 1956 having its registered office at 1/20, Asaf Ali Road, New Delhi. The Group is one of the leading players and India's fastest growing electrical and power distribution equipment manufacturer with products ranging from Industrial and Domestic Circuit Protection Switchgears, Cables, Energy Saving Meters, CFL & LED Lamps and Luminaries for Domestic, Commercial and Industrial applications, Modular Switches covering the entire range of household, commercial and industrial electrical needs.

The Group has R&D facilities located at Gurgaon and Kundli in Haryana, approved by Department of Scientific & Industrial Research (DSIR), Ministry of Science & Technology.

The Financial statements were approved by the Board of Directors for issue in accordance with resolution passed on May 26, 2022.

Note-2
SIGNIFICANT ACCOUNTING POLICIES

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

A) Basis of Preparation

i) *Compliance with Ind AS*

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies(Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

ii) *Historical cost convention*

The financial statements have been prepared on a historical cost basis, except for certain financial assets and liabilities that are measured at fair value.

B) Principles of consolidation and equity accounting

(i) **Subsidiaries**

Subsidiaries are all entities (including structured entities) over which the group has control. The group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases.

The group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Inter-company transactions, balances and unrealized gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred assets. Accounting policies of the subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group.

Non-controlling interest in the results and equity of subsidiaries are shown separately in the consolidated statement of profit and loss, consolidated statement of changes in equity and balance sheet respectively.

C) Property plant and equipment

Freehold land is carried at cost. All other items of property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment, if any. The cost comprises of purchase price, taxes, duties, freight and other incidental expenses directly attributable and related to acquisition and installation of the concerned assets and are further adjusted by the amount of CENVAT /GST/VAT credit availed wherever applicable. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Depreciation methods, estimated useful lives and residual value

Depreciation on buildings, machinery and equipments has been provided on straight-line basis over the estimated useful lives of the respective assets. Intangibale assets are amortised over their estimated useful economic lives on straight line basis. Freehold land and work in progress are not depreciated. The estimated useful lives considered for providing depreciation on other substantial assets are as follows:

Building- 35-45 years

Plant & Machinery-15-25 years

Computers-3-5 years

Furniture & Fixtures-10-15 years

Office Equipments-5-10 years

Vehicles-8-10 years

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

D) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at costless accumulated amortization and accumulated impairment losses, if any. Internally generated intangibles, excluding capitalized development cost, are not capitalized and the related expenditure is reflected in Statement of Profit and Loss in the period in which the expenditure is incurred. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use.

Research and development cost

Research expenditure and development expenditure that do not meet the criteria as given in Ind AS-38 "Intangible Assets" are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period.

Amortisation methods and periods

The Group amortises intangible assets with a finite useful life using the straight-line method over their estimated useful life of 3-6 years.

The amortization period and the amortization method for an intangible asset with a finite useful life is reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortization period or method, as appropriate and are treated as changes in accounting estimates. The amortization expense on intangible assets with finite lives is recognised in the Statement of Profit and Loss.

Gains or losses arising from disposal of the intangible assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the assets are disposed off.

E) Impairment of non-financial assets

The carrying amounts of the assets are reviewed at each Balance sheet date for any indication of impairment based on internal/external factors. If any such indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

Impairment losses including impairment on inventories are recognised in the Statement of Profit and Loss.

F) Financial Instruments

i) Financial Assets

A) Initial recognition and measurement

All financial assets and liabilities are initially recognised at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition.

B) Subsequent measurement

a) Financial assets carried at amortised cost

A financial asset is measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

b) Financial assets carried at fair value through other comprehensive income (FVTOCI)

A financial asset is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

c) **Financial assets carried at fair value through profit or loss (FVTPL)**

A financial asset which is not classified in any of the above categories are measured at FVTPL.

C) Investment in subsidiaries

The Group has accounted for its investments in subsidiary at cost.

D) Other Equity Investments

All other equity investments are measured at fair value with changes in fair value recognised in statement of profit and loss except for those equity investments for which the Group has elected to present the value changes in 'Other Comprehensive Income'.

E) Impairment of financial assets

In accordance with Ind AS 109, the Group uses 'Expected Credit Loss' (ECL) model, for evaluating impairment of financial assets other than those measured at fair value through profit and loss (FVTPL).

Expected credit losses are measured through a loss allowance at an amount equal to:

- The 12 months expected credit losses(expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date; or

- Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument).

For trade receivables Group applies 'simplified approach' which requires expected lifetime losses to be recognised from initial recognition of the receivables. The Group uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date these historical default rates are reviewed and changes in the forward looking estimates are analysed.

For other assets, the Group uses 12 month ECL to provide for impairment loss where there is no significant increase in credit risk. If there is significant increase in credit risk full lifetime ECL is used.

ii) **Financial Liabilities**

A) *Initial recognition and measurement*

All financial liabilities are recognised at fair value and in case of loans net of directly attributable cost. Fees of recurring nature are directly recognised in the Statement of Profit and Loss as finance cost.

B) *Subsequent measurement*

Financial liabilities are carried at amortised cost using the effective interest rate method (EIR). Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

G) Income recognition

Interest income

Interest income from debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Group estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

Dividends

Dividends are recognised in profit or loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Group, and the amount of the dividend can be measured reliably.

H) Inventories

Raw materials and stores, work in progress, traded and finished goods are stated at the lower of cost and net realisable value. Cost of raw materials and traded goods comprises cost of purchases. Cost of work-in-progress and finished goods comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Cost of inventories also include all other costs incurred in bringing the inventories to their present location and condition. Costs are assigned to individual items of inventory on the basis of weighted average cost basis. Costs of purchased inventory are determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

I) Revenue Recognition

Effective April 1, 2018, the Group has applied Ind AS 115 which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognised. Ind AS 115 replaces Ind AS 18 Revenue and Ind AS 11 Construction Contracts. The Group has adopted Ind AS 115 using the cumulative effect method. The effect of initially applying this standard is recognised at the date of initial application (i.e. April 1, 2018). The standard is applied retrospectively only to contracts that are not completed as at the date of initial application and the comparative information in the statement of profit and loss is not restated – i.e. the comparative information continues to be reported under Ind AS 18 and Ind AS 11. The impact of adoption of the standard on the financial statements of the Group is insignificant.

Revenue is recognised upon transfer of control of promised products or services to customer in an amount that reflects the consideration which the Group expects to receive in exchange for those products or services, which is usually at the time of delivery of products or services to the customer. Revenue from sale of product is measured at fair value of consideration received /receivable, net of returns, trade allowances, rebates, value added taxes, Goods and Service Tax (GST) and amounts collected on behalf of third parties. Revenue is recognised when it is probable that economic benefits associated with the transaction will flow to the entity, amount of revenue can be measured reliably and entity retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold.

Contract assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

J) Contract Balances

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional. A receivable represents the Company's right to an amount of consideration that is unconditional.

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.

A trade receivable is recognised if an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in section (Financial instruments – initial recognition and subsequent measurement).

K) Employee Benefits

(i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

(ii) Post-Employment Benefits

Defined Contribution Plan: A defined contribution plan is a post-employment benefit plan under which the Groul pays specified contributions to a separately entity. The Group has defined contribution plans for the post-employment benefits namely provident fund scheme. The Group's contribution in the above plans is recognised as an expense in the Statement of Profit and Loss during the year in which the employee renders the related service.

Defined Benefit Plans: The Group has defined benefit plan namely Gratuity for employees. The liability in respect of gratuity plans is calculated annually by independent actuary using the projected unit credit method. The Group recognises the following changes in the net defined benefit obligation under Employee benefits expense in statement of profit or loss:

- Service costs comprising current service costs, past service costs , gains and losses on curtailment and non-routine-settlements
- Net Interest expense

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in Other comprehensive income. They are included in retained earnings in the Statement of Changes in Equity and in the Balance Sheet. Remeasurements are not reclassified to profit or loss in subsequent periods.

Termination benefits are recognized as an expense immediately.

L) Borrowing Cost

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

Other borrowing costs are expensed in the period in which they are incurred.

M) Income Tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

N) Lease

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

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

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets as below:

Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the underlying assets (i.e. 30 and 60 years)

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment. Refer to the accounting policies in section 'Impairment of nonfinancial assets'.

Lease Liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate.

Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

Company as a lessor

Leases for which the Company is a lessor is classified as finance or operating lease. Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

O) Foreign Currency Transactions

Items included in the financial statements of the Group are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian rupee (INR), which is the Group's functional and presentation currency.

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss.

P) Earnings Per Share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Group

- by the weighted average number of equity shares outstanding during the financial year.

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, wherever applicable, and

- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

Q) Provisions and Contingent liabilities

Provisions for legal claims, service warranties, volume discounts and returns are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

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

R) Other Operating Revenues

i) Government Grant

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions.

Government grants relating to income are deferred and recognised in the profit or loss over the period necessary to match them with the costs that they are intended to compensate and presented within other income.

Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to profit or loss on a straight-line basis over the expected lives of the related assets and presented within other income.

ii) Export Benefit

Revenue from export benefits arising from Duty entitlement pass book (DEPB scheme), duty drawback scheme, merchandise export incentive scheme are recognised on export of goods in accordance with their respective underlying scheme at fair value of consideration received or receivable

S) Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief operating decision maker (CODM). CODM monitors the operating results of all strategic business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit and loss and is measured consistently with profit and loss in the financial statements.

T) Contributed equity

Equity shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

U) Dividends

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

V) Cash and Cash Equivalents

For the purpose of presentation in the Statement of Cash flows, Cash and Cash equivalents includes cash on hand, deposits held at call, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the Balance Sheet.

W) Offsetting financial instruments

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

X) Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III, unless otherwise stated.

Y) Changes in significant accounting policies

The Company has not been required to apply any new standard, interpretation or amendment that has been issued and therefore there were no significant changes in the accounting policies.

Z) Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notified new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On 23 March 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from 01 April 2022, as below:

Ind AS 103 – Reference to conceptual framework

The amendments specify that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103. The Company does not expect the amendment to have any significant impact in its financial statements.

Ind AS 16 – Proceeds before intended use

The amendments mainly prohibit an entity from deducting from the cost of property, plant and equipment amounts received from selling items produced while the group is preparing the asset for its intended use. Instead, an entity will recognise such sales proceeds and related cost in statement of profit or loss. The Company does not expect the amendments to have any impact in its recognition of its property, plant and equipment in its financial statements.

Ind AS 37– Provisions, contingent liabilities and contingent assets

The amendment specifies that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract). The effective date for adoption of this amendment is annual periods beginning on or after 01 April 2022, although early adoption is permitted. The Company has evaluated the amendment and the impact is not expected to be material.

On 18 June 2021, MCA through a notification has notified Companies (Indian Accounting Standards) Amendment Rules, 2021. The notification has made amendments to various Ind AS. The Company does not expect the amendments to have any significant impact in its financial statements.

AA) Significant accounting judgements, estimates and assumptions

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the assets or liabilities affected in future periods.

Judgements, Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

a) Defined benefit plan-Gratuity

The cost of defined benefit plans (i.e. Gratuity benefit) is determined using actuarial valuations. An actuarial valuation involves making various assumptions which may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and future pension increases. Due to the complexity of the valuation, the underlying assumptions and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. In determining the appropriate discount rate, management considers the interest rates of long term government bonds with extrapolated maturity corresponding to the expected duration of the defined benefit obligation. The mortality rate is based on publicly available mortality tables for the specific countries. Future salary increases and pension increases are based on expected future inflation rates for the respective countries. Further details about the assumptions used, including a sensitivity analysis, are given in Note 37.

b) Impairment of Financial assets

The impairment provisions of financial assets are based on assumptions about risk of default and expected loss rates. The Group uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

c) Warranty provision

Warranty Provisions are measured at discounted present value using pre-tax discount rate that reflects the current market assessments of the time value of money and the risks specific to the liability. A warranty provision is determined based on the historical percentage of warranty expense to sales for the same types of goods for which the warranty is currently being determined. The same percentage to the sales is applied for the current accounting period to derive the warranty expense to be accrued. It is adjusted to account for unusual factors related to the goods that were sold, such as defective inventory lying at the depots. It is very unlikely that actual warranty claims will exactly match the historical warranty percentage, so such estimates are reviewed annually for any material changes in assumptions and likelihood of occurrence.

d) Depreciation/amortisation and useful lives of property plant and equipment/intangible assets

Property, plant and equipment / Intangible assets are depreciated /amortised over their estimated useful lives, after taking into account estimated residual values. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation / amortisation to be recorded during any reporting period. The useful lives and residual values are based on the Group's historical experience with similar assets and take into account anticipated technological changes. The depreciation/amortisation for future period is revised if there are significant changes from previous estimates.

e) Provisions

Provisions and liabilities are recognised in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability requires the application of judgment to existing facts and circumstances, which can be subject to change. The carrying amounts of provisions and liabilities are reviewed regularly and revised to take account of changing facts and circumstances.

3 Property, plant and equipment

(₹ in Lakhs)

S.No.	Particulars	Gross Block				Accumulated Depreciation				Net Block
		1st April 2021	Additions	Deletion / Adjustment	31st March 2022	1st April 2021	For the year	Deletion / Adjustment	31st March 2022	31st March 2022
1	Freehold Land	14,395.01	-	-	14,395.01	-	-	-	-	14,395.01
2	Building	10,040.92	-	-	10,040.92	1,398.07	299.92	-	1,697.99	8,342.93
3	Plant & Machinery	30,540.75	2,973.00	(0.02)	33,513.73	9,811.07	3,392.09	-	13,203.16	20,310.57
4	Furniture & Fittings	457.00	53.88	-	510.88	184.37	45.85	-	230.22	280.66
5	Office Equipment	252.78	7.28	-	260.06	126.61	37.84	-	164.45	95.61
6	Vehicles	683.65	38.43	(72.56)	649.52	256.06	77.62	(22.97)	310.71	338.81
7	Computers	0.90	-	-	0.90	0.57	0.07	-	0.64	0.26
	TOTAL	**56,371.01**	**3,072.59**	**(72.58)**	**59,371.02**	**11,776.75**	**3,853.39**	**(22.97)**	**15,607.17**	**43,763.85**

(₹ in Lakhs)

S.No.	Particulars	Gross Block				Accumulated Depreciation				Net Block
		1st April 2020	Additions	Deletion / Adjustment	31st March 2021	1st April 2020	For the year	Deletion / Adjustment	31st March 2021	31st March 2021
1	Freehold Land	14,254.00	141.01	-	14,395.01	-	-	-	-	14,395.01
2	Building	9,973.47	67.45	-	10,040.92	1,100.42	297.65	-	1,398.07	8,642.85
3	Plant & Machinery	29,384.36	1,156.53	(0.14)	30,540.75	6,833.49	2,977.60	(0.02)	9,811.07	20,729.68
4	Furniture & Fittings	400.86	56.50	(0.36)	457.00	140.34	44.18	(0.15)	184.37	272.63
5	Office Equipment	234.18	18.81	(0.21)	252.78	90.93	35.84	(0.16)	126.61	126.17
6	Vehicles	609.31	74.35	(0.01)	683.65	180.34	75.72	-	256.06	427.59
7	Computers	0.86	0.04	-	0.90	0.47	0.10	-	0.57	0.33
	TOTAL	**54,857.04**	**1,514.69**	**(0.72)**	**56,371.01**	**8,345.99**	**3,431.09**	**(0.33)**	**11,776.75**	**44,594.26**

4 CWIP ageing schedule as at 31 March 2022 (₹ in Lakhs)

S No	Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
1	Mould and tools	1,016.31	-	-	-	1,016.31
	Total	**1,016.31**	**-**	**-**	**-**	**1,016.31**

CWIP ageing schedule as at 31 March 2021 (₹ in Lakhs)

S No	Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
1	Mould and tools	166.13	-	-	-	166.13
	Total	**166.13**	**-**	**-**	**-**	**166.13**

5 Right of use assets (₹ in Lakhs)

Particulars	FY 21-22	FY 20-21
	Leashold Buildings	**Leashold Buildings**
Gross carrying value		
As at 01 April 2021	**963.06**	**1,013.09**
Additions	245.69	135.50
Deisposals	(571.70)	(185.53)
As at 31 March 2022	**637.05**	**963.06**
Accumlated depreciaiton		
As at 01 April 2021	465.67	302.83
Additions	164.29	277.59
Deisposals	(267.08)	(114.75)
As at 31 March 2022	**362.88**	**465.67**
Net carrying value		
As at 31 March 2022	**274.17**	**497.39**

6 Intangible assets (₹ in Lakhs)

S. No.	Particulars	Gross Block				Accumulated Depreciation				Net Block
		1st April 2021	Additions	Deletion / Adjustment	31st March 2022	1st April 2021	For the year	Deletion / Adjustment	31st March 2022	31st March 2022
1	Software & Designs	4,842.74	-	-	4,842.74	3,491.70	689.97	-	4,181.67	661.07
	TOTAL	**4,842.74**	**-**	**-**	**4,842.74**	**3,491.70**	**689.97**	**-**	**4,181.67**	**661.07**

(₹ in Lakhs)

S.No.	Particulars	Gross Block				Accumulated Depreciation				Net Block
		1st April 2020	Additions	Deletion / Adjustment	31st March 2021	1st April 2020	For the year	Deletion / Adjustment	31st March 2021	31st March 2021
1	Software & Designs	4,842.74	-	-	4,842.74	2,706.02	785.68	-	3,491.70	1,351.04
	TOTAL	**4,842.74**	**-**	**-**	**4,842.74**	**2,706.02**	**785.68**	**-**	**3,491.70**	**1,351.04**

7 Loans

(Unsecured, considered good)

(₹ in Lakhs)

Particulars	Non-current		Current	
	As at 31st March 2022	As at 31st March 2021	As at 31st March 2022	As at 31st March 2021
Security Deposits	265.22	263.69	62.59	47.64
Total	**265.22**	**263.69**	**62.59**	**47.64**

8 Deferred tax assets

(₹ in Lakhs)

Particulars	As at 31st March 2022	As at 31st March 2021
The balance comprises temporary differences attributable to:	-	-
Provision for employee benefits	295.18	280.89
Provision for warranties	115.01	263.15
Provision for doubtful debts	662.22	620.92
Property, plant and equipment	(2,561.25)	(2,770.01)
Others	609.12	663.56
MAT credit	3823.14	4,199.90
Total deferred tax assets	**2,943.42**	**3,258.41**

Movement in deferred tax assets

(₹ in Lakhs)

Particulars	Provision for employee benefits	Provision for warranties	Provision for doubtful debts	Total
At 1st April 2020	367.57	216.62	582.53	1,166.72
(Charged)/credited:				
- to profit or loss	(118.99)	46.53	38.39	(34.07)
- to other comprehensive income	32.31	-	-	32.31
At 31st March 2021	**280.89**	**263.15**	**620.92**	**1,164.96**
(Charged)/credited:				
- to profit or losss	14.29	(148.14)	41.30	(92.55)
- to other comprehensive incomes	-	-	-	-
At 31st March 2022	**295.18**	**115.01**	**662.22**	**1,072.41**

Particulars	Property, plant and equipment	Others	MAT Credit	Total
At 1st April 2020	(2,675.78)	758.49	4,155.75	2,238.46
(Charged)/credited:				-
- to profit or loss	(94.23)	(94.93)	44.15	(145.01)
- to other comprehensive income		-	-	-
At 31st March 2021	**(2,770.01)**	**663.56**	**4,199.90**	**2,093.45**
(Charged)/credited:				
- to profit or losss	208.76	(54.44)	(376.76)	(222.44)
- to other comprehensive incomes		-	-	-
At 31st March 2022	**(2,561.25)**	**609.12**	**3,823.14**	**1,871.01**

9 Other assets

(₹ in Lakhs)

Particulars	Non-current		Current	
	As at 31st March 2022	As at 31st March 2021	As at 31st March 2022	As at 31st March 2021
Capital advances to related parties	498.37	79.24	-	-
Receivable on deferred basis to related parties	822.14	875.78	-	-
Prepaid Expenses	1.46	1.15	270.89	170.70
Balance with government authorities	-	-	1,492.05	1,045.29
Other Advances****	-	-	-	128.03
Advance to Suppliers*	-	-	681.40	1,501.61
Duty Drawback Recoverable	-	-	57.40	17.37
Total	**1,321.97**	**956.17**	**2,501.74**	**2,863.00**

10 Inventories

(₹ in Lakhs)

Particulars	As at 31st March 2022	As at 31st March 2021
a. Raw Materials and components		
(i) Raw materials	26,622.05	19,651.35
(ii) Material-in-transit	278.10	111.77
b. Work-in-progress	14,671.53	14,508.86
c. Finished goods	9,066.66	9,994.70
d. Stores and spares	34.85	28.03
Total	**50,673.19**	**44,294.71**

11 Trade Receivables

(₹ in Lakhs)

Particulars	As at 31st March 2022	As at 31st March 2021
(i) Considered good*	50,519.10	51,292.91
(ii) Considered doubtful	1,642.10	1,724.08
	52,161.20	53,016.99
Less: Provision for doubtful receivables	(1,642.10)	(1,724.08)
Total	**50,519.10**	**51,292.91**

* includes from companies where directors are interested ₹ Nil - Lakhs (P.Y. ₹ 816.79/- Lakhs) Refer note no. 41

Trade receivable ageing schedule as at March 31, 2022

Particulars	Outstanding for following periods from due date of payment						Total
	Not due	Less than 6 Months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivable-Considered good	32,754.05	9,308.19	2,172.37	1,968.22	1,624.59	2,691.68	50,519.10
Undisputed trade receivable-Credit impaired	-	-	-	-	-	1,642.10	1,642.10
Disputed trade receivable-Considered good	-	-	-	-	-	-	-
Disputed trade receivable-Credit impaired	-	-	-	-	-	-	-
Less : Impairment allowance for trade receivables- Credit impaired	-	-	-	-	-	(1,642.10)	(1,642.10)
Total	**32,754.05**	**9,308.19**	**2,172.37**	**1,968.22**	**1,624.59**	**2,691.68**	**50,519.10**

Trade receivable ageing schedule as at March 31, 2021

Particulars	Outstanding for following periods from due date of payment						Total
	Not due	Less than 6 Months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivable-Considered good	33,218.00	10,944.38	949.52	3,173.96	497.41	2,509.64	51,292.91
Undisputed trade receivable-Credit impaired	-	-	-	-	-	1,724.08	1,724.08
Disputed trade receivable-Considered good	-	-	-	-	-	-	-
Disputed trade receivable-Credit impaired	-	-	-	-	-	-	-
Less : Impairment allowance for trade receivables- Credit impaired	-	-	-	-	-	(1,724.08)	(1,724.08)
Total	**33,218.00**	**10,944.38**	**949.52**	**3,173.96**	**497.41**	**2,509.64**	**51,292.91**

12 Cash and Cash Equivalents

(₹ in Lakhs)

Particulars	As at 31st March 2022	As at 31st March 2021
Cash and Cash equivalents		
Balances with banks	3,202.11	3,340.32
Cash and imprest	705.93	679.97
	3,908.04	**4,020.29**

13 Other Bank Balances

(₹ in Lakhs)

Particulars	As at 31st March 2022	As at 31st March 2021
Balances with Banks held as Margin Money	4,117.23	3,833.66
Total	**4,117.23**	**3,833.66**

14 Other financial assets

(₹ in Lakhs)

Particulars	Current	
	As at 31st March 2022	As at 31st March 2021
Earnest money deposit	1,034.98	1,205.41
Insurance claim Recoverable	72.73	39.54
Contract Asset Recoverable	493.79	240.22
Total	**1,601.50**	**1,485.17**

15 Current tax assets (Net)

(₹ in Lakhs)

Particulars	As at 31st March 2022	As at 31st March 2021
Advance Income Tax (net of provision for tax)	155.98	98.78
Total	**155.98**	**98.78**

16 Share Capital

(₹ in Lakhs)

Particulars	As at 31st March 2022	As at 31st March 2021
(a) Authorized		
70,000,000 Equity Shares of ₹ 10/- each (Previous year 70,000,000 Equity Shares of ₹ 10/- each)	7,000.00	7,000.00
(b) Issued, Subscribed & Paid Up		
64,300,486 Equity Shares of ₹ 10/- each fully paid up (Previous year 64,300,486 Equity Shares of ₹ 10/- each fully paid)	6,430.05	6,430.05
Total	**6,430.05**	**6,430.05**

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

(₹ in Lakhs)

Particulars	As at 31st March 2022		As at 31st March 2021	
	Number	Amount ₹	Number	Amount ₹
Shares outstanding at the beginning of the year	643.00	6,430.05	643.00	6,430.05
Shares Issued during the year	-	-	-	-
Shares outstanding at the end of the year	643.00	6,430.05	643.00	6,430.05

(d) Rights, Preferences and Restrictions attached to the shares

The company has only one class of equity shares having a par value of ₹10 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the company, the holders of equity shares are entitled to receive remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding. dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing annual general meeting. In the event of liquidation of the company, the holders of equity shares are entitled to receive remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

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

Name of Shareholder	As at 31st March 2022		As at 31st March 2021	
	No. of Equity Shares held	% of Holding	No. of Equity Shares held	% of Holding
Mr. Lalit Seth	7,809,598	12.15	8,030,228	12.49
HPL India Ltd.	17,573,238	27.33	17,573,238	27.33
Havell's Electronics Pvt. Ltd	11,652,130	18.12	11,652,130	18.12

17 Reserves and Surplus

(₹ in Lakhs)

(a) Securities Premium	As at 31st March 2022	As at 31st March 2021
Opening Balance - Securities premium	36,601.35	36,601.35
Add : Received on issue of equity shares	-	-
Less : share issue expenses	-	-
Closing Balance	**36,601.35**	**36,601.35**

Securities premium reserve

Securities premium reserve is used to record the premium on issue of securities. The reserve is utilised in accordance with the provisions of the act.

(₹ in Lakhs)

(b) Capital reserve	As at 31st March 2022	As at 31st March 2021
Opening Balance - Securities premium	(1,933.84)	(1,933.84)
Add/less : Change during the year	-	-
	-	-
Total	**(1,933.84)**	**(1,933.84)**

(₹ in Lakhs)

(b) General Reserve	As at 31st March 2022	As at 31st March 2021
Opening Balance - General reserve	3,788.31	3,788.31
(+) Current Year Transfer	-	-
Closing Balance	3,788.31	3,788.31

(₹ in Lakhs)

(c) Retained earnings	As at 31st March 2022	As at 31st March 2021
Opening balance - retained earnings	30,942.47	29,983.01
(+) Net Profit/(Loss) For the current year	777.31	996.37
(-) Dividend on Equity Shares	96.45	96.45
(-) Tax on Dividend	-	-
Items of other comprehensive income recognised directly in retained earnings		
- Remeasurements of post-employment benefit obligation, net of tax	(60.32)	59.54
Closing Balance	31,563.01	30,942.47
Total Reserves & Surplus (a+b+c)	**70,018.83**	**69,398.29**

18 Borrowings

(₹ in Lakhs)

Particulars	Non-Current		Current Maturities	
	As at 31st March 2022	As at 31st March 2021	As at 31st March 2022	As at 31st March 2021
Secured				
Term loan from banks (refer note 20)*	3,888.06	2,559.40	2,928.78	2,971.63
Vehicle loans - from banks**	15.72	67.59	48.83	60.15
11,000,000,10% Cumulative Compulsorily Redeemable Preference Shares	1,815.00	1,705.00	-	-
Unsecured Loans				
Loan from related parties (refer note 41)	128.34	65.25	-	-
Total	**5,847.12**	**4,397.24**	**2,977.61**	**3,031.78**

*The term loan is secured as per the note given in note 20 details are below:-

1st pari passu charge on movable fixed assets with FACR 1.33 i.e. 106.40 Crores, 1st pari passu charge on immovable fixed assets and second pari passu charge on current assets of the company upto Rs. 80 Crores with other term lenders and also Personal guarantee of three promoter directors.

Tata Capital Financial Services term loan interest @ 11.00% p.a. repayable in 36 months installments from Jan, 2020 to January, 2023 which has been extended by 5 installments due to covid moratorium.

Karnataka Bank term loan rate of interest @10.70% repayable in 60 monthly installments from July, 2019 to June, 2024 which extended till March, 2026 due to covid interest and installment moratorium.

SBM Bank (India) Ltd. term loan rate of interest @ 10.25% p.a. repayable in 46 monthly installments, starting from November, 2021 to August, 2025.

DCB Bank Limited term loan rate of interest @ 10.50% p.a. repayable in 30 equal monthly installments starting from April, 2022 to September, 2024.

HDFC Bank Limited term loan is repayable in 48 equal quarterly installments, starting from 2nd February, 2019 and have maturity date of 2nd November, 2023 and interest is linked with MCLR + spread and is secured by 1st pari passu charge over Company's fixed assets (both present and future) including EM of Company's land & building situated at Jabli Himachal Pradesh alongwith Working Capital Lenders and 2nd charge over current Assets of the Company(both present and future).

** Vehicles loans are secured against hypothecation of respective vehicles and are repayable in maximum 60 instalments and last date of installment is April. 2024. The loan carries an interest rate @ 9.10% pa.

Covid Emergency Loan is secured as follows :

First pari-passu charge over entire current assets of the company including stocks and receivables both present and future and first charge on pari-passu basis over Company's entire fixed assets excluding fixed assets of Rs. 106.40 Crores financed by Term Lenders for Term Loan upto Rs. 80 Crores which covers FACR of 1.33 on which term lenders have first pari-passu charge and 2nd pari-passu charge on current assets to the extent of Rs. 80 Crores. Covid Emergency term loans are also secured by personal guarantees of three promoter directors.

State Bank of India loan rate of interest 7.5% repayable in 18 monthly installments, starting from Dec 2020 to June 2022.

Union Bank of India loan rate of interest 8% repayable in 18 monthly installments, starting from Jan 2021 to July 2022.

Working capital term loan under ECLGS Scheme (Guaranteed Emergency Credit Line Scheme)

GECL is secured by extension of charge of Working Capital facilties.

HDFC Bank Limited GECL Loan; interest is @ 7.50% p.a. repayable in 48 monthly installments after moratorium of 12 months starting from October, 2022 to September, 2025.

State Bank of India GECL Loan; interest is @7.95% p.a. repayable in 36 monthly installments after a moratorium of 12 months from February, 2022 to January, 2025.

19 Provisions (₹ in Lakhs)

Particulars	Long-term		Short-term	
	As at 31st March 2022	As at 31st March 2021	As at 31st March 2022	As at 31st March 2021
(a) Provision for employee benefits				
Gratuity	524.77	480.86	83.94	40.83
Leave Encashment	-	-	221.16	377.64
	524.77	480.86	305.10	418.47
(b) Other Provisions				
Provision for Warranties	205.00	497.94	138.94	269.94
	205.00	497.94	138.94	269.94
Total	**729.77**	**978.80**	**444.04**	**688.41**

Service warranties

Product warranties:- The company gives warranties on certain products to repair or replace the items that fail to perform satisfactorily during the warranty period. Provision made represents the amount of the expected cost of meeting such obligations of rectification/ replacement.

(ii) Movements in provisions

Movements in each class of provision during the financial year, are set out below: (₹ in Lakhs)

Particulars	Warranty
As at 1st April 2020	634.72
Charged/(credited) to profit or loss	
- additional provisions recognised	125.00
- unused amounts reversed	
- unwinding of discount	8.15
Amounts used during the year	-
As at 31st March 2021	**767.87**
Charged/(credited) to profit or loss	
- additional provisions recognised	100.00
- unused amounts reversed	
- unwinding of discount	7.05
Amounts used during the year	(530.98)
As at 31st March 2022	**343.94**

20 Short Term Borrowings

(₹ in Lakhs)

Particulars	As at 31st March 2022	As at 31st March 2021
Loans repayable on demand		
-Secured Loans		
- From Banks	50,625.27	50,786.38
Total	**50,625.27**	**50,786.38**

Working capital facilities (fund based and non fund based) are availed from consortium of banks led by State Bank of India. The lead bank has linked its interest rate with 6 month MCLR + spread 2.00% p.a. and these working capital facilities are repayable on demand. Working capital facilities are secured by way of first pari passu charge over entire current assets of the Company including stock and receivables both present and future and first charge on pari passu basis over Company's entire fixed assets (excluding movable fixed assets of Rs. 106.40 Crores financed by Term Lenders for term Loan upto Rs. 80 Crores which covers FACR of 1.33 on which Term lenders have first pari passu charge). Working Capital lenders have also 1st pari passu charge by way of EM on land and building with Term Lenders (for Term Loans upto Rs. 80 Crores) at Company's 7 manufacturing locations. Working capital facilities and term loans are also secured by personal guarantees of three promoter directors.

Net Debt Reconciliation

This section sets out an analysis of net debt and the movements in net debt for each of the periods presented

(₹ in Lakhs)

Particulars	As at 31st March 2022	As at 31st March 2021
Cash and cash equivalents	8,025.27	7,853.95
Long term borrowings	(8,824.73)	(7,429.02)
Short term borrowings	(50,625.27)	(50,786.38)
Net debt	**(51,424.73)**	**(50,361.45)**

	Cash and cash equivalents	Long term Borrowings	Current Borrowings	Total
Net debt as at 1st April 2020	7,271.78	(6,345.37)	(52,281.36)	(51,354.95)
Cash flows	582.17	-	-	582.17
Proceeds from working capital loan	-	-	1,494.98	1,494.98
Proceeds of secured long term loan	-	(1,105.56)	-	(1,105.56)
Repayment of secured long term loan	-	131.91	-	131.91
Interest accrued	-	(110.00)	-	(110.00)
Net debt as at 31st March 2021	**7,853.95**	**(7,429.02)**	**(50,786.38)**	**(50,361.45)**
Cash flows	171.32	-	-	171.32
Repayament of working capital loan	-	-	161.11	161.11
Proceeds of secured long term loan		(1,285.71)	-	(1,285.71)
Repayment of secured long term loan	-	-	-	-
Interest accrued	-	(110.00)	-	(110.00)
Net debt as at 31st March 2022	**8,025.27**	**(8,824.73)**	**(50,625.27)**	**(51,424.73)**

Utilised amount of bank guarantees (performance and bid bonds) as at 31st March 2022 : ₹ 36,118.11/- lakhs (PY ₹ 35,772.86/- lakhs)

21 Trade Payables

(₹ in Lakhs)

Particulars	As at 31st March 2022	As at 31st March 2021
Trade Payables		
(a) Due to Micro and Small Enterprises under MSMED Act, 2006 (Refer note 38)	2,324.38	2,878.16
(b) Others	20,539.42	16,131.23
Total	**22,863.80**	**19,009.39**

Trade payable ageing schedule as at March 31, 2022

Particulars	Outstanding for following periods from due date of payment					Total
	Not due	Less than 1 Year	1-2 years	2-3 years	More than 3 years	
Trade payables-MSME	2,324.38	-	-	-	-	2,324.38
Trade payables-Others	5,456.87	14,671.67	17.81	212.29	180.78	20,539.42
Disputed dues- MSME	-	-	-	-	-	-
Disputed dues- Others	-	-	-	-	-	-
Total	**7,781.25**	**14,671.67**	**17.81**	**212.29**	**180.78**	**22,863.80**

Trade payable ageing schedule as at March 31, 2021

Particulars	Outstanding for following periods from due date of payment					Total
	Not due	Less than 1 Year	1-2 years	2-3 years	More than 3 years	
Trade payables-MSME	2,878.16					2,878.16
Trade payables-Others	3,192.43	12,663.20	26.11	144.74	104.76	16,131.23
Disputed dues- MSME	-	-	-	-	-	-
Disputed dues- Others	-	-	-	-	-	-
Total	**6,070.59**	**12,663.20**	**26.11**	**144.74**	**104.76**	**19,009.39**

22 Other financial liabilities

(₹ in Lakhs)

Particulars	Non-current		Current	
	As at 31st March 2022	As at 31st March 2021	As at 31st March 2022	As at 31st March 2021
Current maturities of long-term debt	-	-	2,977.61	3,031.78
Expenses Payable	-	-	326.14	137.10
Interest Accrued but not due	-	-	29.09	22.99
Employee Benefits Payable	-	-	1,007.01	1,039.11
Security deposit received	1,295.18	1,178.83	-	-
Factoring of Debtors	-	-	349.37	180.27
Lease Liabilities	182.41	479.05	114.49	78.62
Total	**1,477.59**	**1,657.88**	**4,803.71**	**4,489.87**

23 Other Current Liabilities

(₹ in Lakhs)

Particulars	As at 31st March 2022	As at 31st March 2021
Statutory dues payable	366.66	1,011.74
Unpaid Dividend	2.97	2.80
Total	**369.63**	**1,014.54**

24 Revenue from operation

(₹ in Lakhs)

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
Sale of Products		
Finished Goods	101,395.47	87,509.35
Total	**101,395.47**	**87,509.35**

Particulars of Sale of products

(₹ in Lakhs)

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
Finished goods		
Metering	40,435.33	37,953.43
Switch Gears	20,610.82	16,146.16
Lighting & Electronics	26,045.38	25,105.65
Cables	14,303.94	8,304.11
Total	**101,395.47**	**87,509.35**

25 Other Income

(₹ in Lakhs)

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
Interest income from financial assets at amortised cost	322.47	394.35
Other non-operating income	97.29	12.39
Total	**419.76**	**406.74**

26 Particulars of Raw Materials Consumed

(₹ in Lakhs)

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
Copper	12,900.24	8,028.31
Electronic Components	34,813.63	31,058.19
Engineering Plastic	10,108.90	10,173.41
Packing	1,039.55	912.40
Others	5,664.10	4,459.11
Total	**64,526.42**	**54,631.42**

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

(₹ in Lakhs)

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
Inventories (at close)		
Finished Goods - at close	9,066.66	9,994.70
Work-in-Progress - at close	14,671.53	14,482.71
	23,738.19	**24,477.41**
Inventories (at commencement)		
Finished Goods - at commencement	9,994.70	10,111.27
Work-in-Progress - at commencement	14,482.71	14,912.59
	24,477.41	**25,023.86**
Total	**739.22**	**546.45**

28 Employee Benefits Expense

(₹ in Lakhs)

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
Salaries and wages	11,927.00	10,805.60
Contribution to provident and other funds	251.81	214.03
Staff welfare expenses	205.17	169.40
Total	**12,383.98**	**11,189.03**

29 Finance Cost

(₹ in Lakhs)

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
Interest Expenses	5,613.87	5,480.37
Other borrowing costs- Bank Charges	1,107.66	851.55
Interest expense on financial liabilities measured at amortized cost	110.00	110.00
Total	**6,831.53**	**6,441.92**

30 Depreciation and Amortization Expenses

(₹ in Lakhs)

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
Depreciation on property, plant and equipment	3,853.39	3,431.09
Depreciation of right-of-use assets	164.29	277.59
Amortisation of intangible assets	689.97	785.68
Total	**4,707.65**	**4,494.36**

31 Other Expenses

(₹ in Lakhs)

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
Power and Fuel	1,008.30	875.84
Job Work Charges	173.61	127.12
Rent	98.36	35.89
Repairs & Maintenance	1,140.15	963.41
Research & Development Expenses	935.44	777.84
Testing Expenses	372.96	247.76
Rates and taxes excluding taxes on income	169.45	177.04
Legal & Professional Expenses	462.92	406.32
Travelling & Conveyance	919.21	671.83
Communication Expenses	174.23	135.89
Printing & Stationery	57.72	64.88
Insurance	210.86	198.87
Membership & Subscription	4.66	20.43
Commision on sales	1,257.85	1,189.59
Provision for expected credit loss	118.19	109.86
Advertisement and business promotion	2,596.88	1,855.09
Freight Outward	1,320.82	1,118.42
Product Warranties	135.37	144.65
Loss on sale of Fixed Assets	3.64	-
Donation	1.85	9.00
Auditors remuneration	19.00	19.10
Contribution towards Corporate Social Responsibility	50.81	91.00
Miscellaneous Expenses	0.67	0.78
Total	**11,232.95**	**9,240.61**

31(a) Auditor's Remuneration

(₹ in Lakhs)

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
Audit Fees	17.35	17.45
Tax Audit Fees	1.65	1.65

31(b) Research & Development Expenditure :-

(₹ in Lakhs)

Particulars		Year ended 31st March, 2022	Year ended 31st March, 2021
(i)	Capital Expenditure	27.87	71.31
		27.87	71.31
(ii)	Revenue Expenditure		
a)	Employee Cost	862.32	704.83
b)	Purchase of Raw Materials	67.66	68.24
c)	Electricity Expenses	5.46	4.77
		935.44	**777.84**
Total		**963.31**	**849.15**

31(c) Corporate Social Responsibility Expenditure :-

As per the provisions of section 135 of the Companies Act, 2013, the Company has to spend at least 2% of average net profits of the preceding three financial years towards Corporate Social Responsibility ("CSR"). Accordingly, a CSR committee has been formed for carrying out CSR activities. The areas for the CSR activities are promoting education especially among children, women, elderly and differently abled; promoting preventive health care and sanitation and providing relief to the poor.

(₹ in Lakhs)

Details of CSR Expenditure		Year ended 31st March, 2022	Year ended 31st March, 2021
a)	Gross amount required to be spent by the Company during the year	51.80	64.77
b)	Amount spent during year ended 31st March 2022		
	Contribution/acquisition of an asset	-	-
	Contribution to other purpose other than above	50.80	67.00
	Add : Excess spent amount from previous year utilized during the current year	2.23	-
		53.03	67.00
Excess/(short) (a-b)	**Excess spent to be carry forward to next year financial year**	1.23	2.23

32 Income tax expense

(₹ in Lakhs)

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
Current tax		
Current tax on profits for the year	265.63	255.41
Total current tax expense	**265.63**	**255.41**
Deferred tax		
Deferred tax expense/(income) for the period	(29.37)	158.61
MAT credit entitlement/Setoff	271.58	(44.15)
Earlier year MAT Credit w/off	105.18	-
Total deferred tax expense/(benefit)	**347.39**	**114.46**
Income tax expense	**613.02**	**369.87**

(a) Reconciliation of tax expense and the accounting profit	Year ended 31st March, 2022	Year ended 31st March, 2021
Profit before income tax expense	1,393.48	1,372.30
Tax at the Indian tax rate of 34.944% (31st March 2021 – 34.944%)	476.81	460.07
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Corporate social responsibility expenditure	15.13	13.10
Research & development expenses	(9.74)	(173.28)
Interest due on preference shares	30.60	30.60
Interest on late payment of income tax	5.45	
Earlier year MAT credit w/off	105.18	-
Other items	(10.41)	39.38
Income tax expense	**613.02**	**369.87**

33 Earnings per share

(₹ in Lakhs)

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
(i) Profit after tax	777.31	996.37
(ii) Weighted average number of equity shares for basic EPS	643.00	643.00
(iii) Weighted average number of equity shares for dilutive EPS	643.00	643.00
(iv) Nominal value per Equity Shares	10	10
(v) Earning Per Share (Basic)	1.21	1.55
(vi) Earning Per Share (Dilutive)	1.21	1.55

34 Fair value measurements

(₹ in Lakhs)

Financial instruments by category	31st March 2022		31st March 2021	
	FVTPL	Amortised cost	FVTPL	Amortised cost
Financial assets				
Trade receivables	-	50,519.10	-	51,292.91
Loans	-	327.81	-	311.33
Cash and Bank Balances	-	8,025.27	-	7,853.95
Other Financial Assets	-	1,601.50	-	1,485.17
Total financial assets	**-**	**60,473.68**	**-**	**60,943.36**
Financial liabilities				
Borrowings	-	59,450.00	-	58,215.40
Trade payables	-	22,863.80	-	19,009.39
Other Financial Liabilities	-	3,303.69	-	3,115.97
Total financial liabilities	**-**	**85,617.49**	**-**	**80,340.76**

(i) Fair value hierarchy

This section explains the judgments and estimates made in determining the fair values of the financial instruments that are measured at amortized cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath.

Assets and liabilities which are measured at amortised cost (₹ in Lakhs)

As at March 31, 2022	Level 1	Level 2	Level 3	Total
Financial assets				
Trade receivables	-	-	50,519.10	50,519.10
Loans	-	-	327.81	327.81
Cash and bank balances	-	-	8,025.27	8,025.27
Other financial assets	-	-	1,601.50	1,601.50
Total financial assets	**-**	**-**	**60,473.68**	**60,473.68**
Financial liabilities				
Borrowings	-	-	59,450.00	59,450.00
Trade payables	-	-	22,863.80	22,863.80
Other financial liabilities	-	-	3,303.69	3,303.69
Total financial liabilities	**-**	**-**	**85,617.49**	**85,617.49**
As at March 31, 2021				
Financial assets				
Trade receivables	-	-	51,292.91	51,292.91
Loans	-	-	311.33	311.33
Cash and bank balances	-	-	7,853.95	7,853.95
Other financial assets	-	-	1,485.17	1,485.17
Total financial assets	**-**	**-**	**60,943.36**	**60,943.36**
Financial liabilities				
Borrowings	-	-	58,215.40	58,215.40
Trade payables	-	-	19,009.39	19,009.39
Other financial liabilities	-	-	3,115.97	3,115.97
Total financial liabilities	**-**	**-**	**80,340.76**	**80,340.76**

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices.

Level 2: The fair value of financial instruments that are not traded in an active market (for example foreign exchange forward contracts) is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

There are no transfer of levels during the year.

As of 31st March 2022 and 31st March 2021 the fair value of cash and bank balances, trade receivables, other current financial assets and liabilities, borrowings, trade payables approximate their carrying amount largely due to the short term nature of these instruments.

For other financial assets and liabilities that are measured at amortised cost, the carrying amounts approximate the fair value.

35 Financial risk management

The Company's principal financial liabilities comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to provide finance to the Company to support its operations. The Company's principal financial assets include loans, trade and other receivables, and cash and short-term deposits that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management ensures that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives.

(A) Credit risk

Credit risk refers to the risk of default on its obligation by the counter party resulting in a financial loss. The maximum exposure to the credit risk at the reporting date is primarily from trade receivables. Trade receivables are typically unsecured and are derived from revenue earned through government customers and other corporate customers. The Company has used the expected credit loss model to assess the impairment loss or gain on trade receivables and unbilled revenue, and has provided it wherever appropriate. The following table gives the movement in allowance for expected credit loss for the year ended 31 March, 2022

Movement in ECL on trade receivable: (₹ in Lakhs)

Particulars	31st March 2022	31st March, 2021
At the beginning of year	1,724.08	1,730.84
Provision during the year	118.19	109.86
Bad debts written off	(200.17)	(116.62)
Reversal/adjustment of provision	-	-
Total ECL	**1,642.10**	**1,724.08**

(B) Liquidity risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at reasonable price. The Company's objective is to at all times maintain optimum levels of liquidity to meet its cash and liquidity requirements. The Company closely monitors its liquidity position and maintains adequate source of financing through the use of short term bank deposits and cash credit facility. Processes and policies related to such risks are overseen by senior management.

(i) Maturities of financial liabilities

The table below provides details regarding the contractual maturities of significant financial liabilities:

Contractual maturities of financial liabilities: (undiscounted) (₹ in Lakhs)

Particulars	Less than 1 year	1 to 5 years	More than 5 year	Total
31st March 2022				
Borrowings	53,602.88	5,847.12	-	59,450.00
Trade payables	22,863.80	-	-	22,863.80
Lease liability undiscounted	178.66	146.77	-	325.43
Other financial liabilities	1,711.61	1,295.18	-	3,006.79
Total	**78,356.95**	**7,289.07**	**-**	**85,646.02**
31st March 2021				
Borrowings	53,818.16	4,397.24	-	58,215.40
Trade payables	19,009.39	-	-	19,009.39
Lease liability undiscounted	72.90	332.53	-	405.43
Other financial liabilities	1,379.47	1,178.83	-	2,558.30
Total	**74,279.92**	**5,908.60**	**-**	**80,188.52**

(C) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprises three types of risk: currency rate risk, interest rate risk and other price risks, such as equity price risk and commodity price risk. Financial instruments affected by market risks include loans and borrowings, deposits, investments and foreign currency receivables and payables. The sensitivity analyses in the following sections relate to the position as at 31st March 2021. The analyses exclude the impact of movements in market variables on: the carrying values of gratuity, pension obligation and other post-retirement obligations; provisions; and the nonfinancial assets and liabilities. The sensitivity of the relevant Profit and Loss item is the effect of the assumed changes in the respective market risks. This is based on the financial assets and financial liabilities held as of 31st March 2022.

(i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. There Company is exposed to risk of changes in borrowing rates. The Board continuously monitors the prevailing interest rates in the market.

Interest rate risk exposure

The exposure of the group's borrowing to interest rate changes at the end of the reporting period are as follows:

Sensitivity

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates.

(₹ in Lakhs)

	Impact on profit after tax	
Particulars	**31st March 2022**	**31st March, 2021**
Interest rate (increase by 100 basis points)*	(564.72)	(551.84)
Interest rate (decrease by 100 basis points)*	564.72	551.84

* Holding other variables constant

(ii) Foreign currency risk

The company operates internationally and is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the trade receivables and payables. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the company's functional currency (INR).

The Company's exposure to foreign currency risk at the end of the reporting period expressed in INR, are as follows

(₹ in Lakhs)

Particulars	**31st March 2022**		**31st March, 2021**	
	Foreign currency	**Indian Rupee**	**Foreign currency**	**Indian Rupee**
Trade receivables				
United States Dollar (USD)	22.58	1,712.79	13.21	969.67
Great Britain Pound (GBP)	3.01	299.98	2.42	244.16
Net exposure to foreign currency risk (assets)		**2,012.77**		**1,213.83**
Trade payables				
United States Dollar (USD)	54.52	4,134.93	52.85	3,881.35
Euro (EUR)	0.02	1.31	0.02	1.29
Great Britain Pound (GBP)	-	-	0.18	18.17
Net exposure to foreign currency risk (liabilities)		**4,136.24**		**3,900.81**

Sensitivity

The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjust their translation for the period end for 5% change in foreign currency rates. A positive number below indicates an increase in profit or equity where the Rupees 1% against the relevant currency. For a 1% weakening of the Rs. against relevant currency, there would be a comparable impact on the profits or equity, and the balances below would be negative.

(₹ in Lakhs)

Particulars	Impact on profit after tax	
	31st March 2022	31st March 2021
USD sensitivity		
INR/USD - Increase by 1%*	(24.22)	(29.12)
INR/USD - Decrease by 1%*	24.22	29.12
EUR sensitivity		
INR/EUR - Increase by 1%*	(0.01)	(0.01)
INR/EUR - Decrease by 1%*	0.01	0.01
GBP sensitivity		
INR/GBP - Increase by 1%*	3.00	2.26
INR/GBP - Decrease by 1%*	(3.00)	(2.26)

* Holding other variables constant

36 Capital management

(a) Risk management

For the purposes of the Company's capital management, Capital includes equity attributable to the equity holders of the Company and all other equity reserves. The primary objective of the Company's capital management is to ensure that it maintains an efficient capital structure and maximize shareholder value. The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders or issue new shares. The Company is not subject to any externally imposed capital requirements. No changes were made in the objectives, policies or processes for managing capital during the year ended 31st March 2022, 31st March 2021.

The Company monitors capital using net debt to equity ratio, which is net debt (as reduced by Cash and Cash Equivalent) divided by total equity.

(₹ in Lakhs)

Particulars	31st March 2022	31st March 2021
Borrowings	59,450.00	58,215.40
Cash and Bank Balances	(8,025.27)	(7,853.95)
Net debt	**51,424.73**	**50,361.45**
Equity	76,624.44	76,000.74
Net debt to equity ratio	67.11%	66.26%

(₹ in Lakhs)

(b) Dividends	31st March 2022	31st March 2021
(i) Equity shares		
Final dividend for the year ended 31st March 2021 of INR .15	96.45	96.45
(31 March 2020 – INR .15) per fully paid share		
DDT on final dividend	-	-

(ii) Dividends not recognised at the end of the reporting period

In addition to the above dividends, since year end the directors have recommended the payment of a final dividend of ₹ 0.15 per fully paid equity share. This proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting.

37 Leases

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

At the date of commencement of the lease, the Group recognises a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases), variable lease and low value leases. For these short-term, variable lease and low value leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying value may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortised cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Group changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU assets have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows. Lease liabilities have been included in other financial liabilities. The Company has used a single discount rate to a portfolio of leases with similar characteristics

(i) Following is carrying value of right of use assets recognised on date of transition and the movements thereof during the year ended March 31, 2022.

(₹ in Lakhs)

Particulars	**FY 21-22**	**FY 20-21**
	ROU Asset Leashold Buildings	**ROU Asset Leashold Buildings**
Gross carrying value		
As at 01 April	497.39	710.26
Additions	245.69	135.50
Deletion during the year	(304.62)	(70.78)
Depreciation of Right of use assets	(164.29)	(277.59)
Net carrying value 'As at 31 March	**274.17**	**497.39**

ii) The following is the carrying value of lease liability for the year ended March 31, 2022 (₹ in Lakhs)

Particulars	Leashold Buildings	Leashold Buildings
As at 01 April	557.67	764.61
Additions	245.69	135.50
Finance cost accrued during the year	31.24	68.69
Deletion during the year	(350.55)	(80.25)
Payment of lease liabilities	(187.15)	(330.87)
Net carrying value 'As at 31 March	296.90	557.67
Current maturities of Lease Liability (refer note no-22)	114.49	78.62
Non-Current Lease Liability (refer note no -22)	**182.41**	**479.05**

Note: The company does not face a significant liquidity risk with regards to its liease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

38 The disclosure pursuant to Micro, Small & Medium Enterprises Act 2006, are as under:

a) Principal amount and the interest due thereon remaining unpaid to any supplier at the period ending 31st March, 2022 ₹ 2,324.38/- (P.Y. ₹ 2,878.16/- Lakhs)

b) Amount of interest paid by the Company in terms of Section 16 of the MSMED, along with the amount of the payment made to the beyond the appointed day during the accounting period ending 31st March, 2022 – Nil (P.Y. Nil)

c) Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding the interest specified under the MSMED – Nil (P.Y. Nil)

d) Amount of interest accrued and remaining unpaid at the end of the accounting period ending 31st March, 2022 – Nil (P.Y. Nil)

39 Disclosures pursuant to Ind AS-19 "Employee Benefits"(specified under section 133 of the Companies Act, 2013, read with Rule 7 of Companies (Accounts) Rules, 2015) are given below :

a Defined Contribution Plans

Contribution to Defined Contribution Plan, recognized as expenses for the period are as under : (₹ in Lakhs)

Particulars	As at 31st March 2022	As at 31st March 2021
Employer's contribution to Provident Fund	230.87	195.84
Employer's contribution to ESI	17.67	15.37
Employer's contribution to Welfare Fund	3.28	3.17
Total	**251.82**	**214.38**

b Defined Benefit Plans

The following tables summaries the components of net benefit expense recognised in the statement of profit or loss and the funded status and amounts recognised in the balance sheet for the respective plans:

i) Reconciliation of opening and closing balance of Defined Benefit Obligation (₹ in Lakhs)

Particulars	Gratuity (Non Funded)	
	As at 31st March 2022	As at 31st March 2021
Defined Benefit obligation at beginning of the year	521.69	552.09
Current Service Cost	75.35	72.65
Past Service Cost	-	-
Interest Cost	37.81	38.65
Benefits paid	(118.85)	(49.93)
Remeasurement of (Gain)/loss recognised in other comprehensive income		
Actuarial changes arising from changes in demographic assumptions	-	-
Actuarial changes arising from changes in financial assumptions	-	-
Actuarial changes arising from changes in experience adjustments	92.71	(91.78)
Defined Benefit obligation at end of the year	**608.71**	**521.69**

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

Particulars	As at 31st March 2022	As at 31st March 2021
Present value of defined benefit obligation	608.71	521.69
Amount recognised in Balance Sheet- Asset / (Liability)	**608.71**	**521.69**

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

Particulars	As at 31st March 2022	As at 31st March 2021
Current Service Cost	75.35	72.65
Past Service Cost	-	-
Interest Cost	37.81	38.65
Net defined benefit expense debited to statement of profit and loss	**113.16**	**111.30**

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

Particulars	As at 31st March 2022	As at 31st March 2021
Actuarial changes arising from changes in demographic assumptions	-	-
Actuarial changes arising from changes in financial assumptions	-	-
Actuarial changes arising from changes in experience adjustments	92.71	(91.78)
Recognised in other comprehensive income	92.71	(91.78)

iv) Principal assumptions used in determining defined benefit obligation

Mortality table	IALM 2012-14 Ultimate	IALM 2012-14 Ultimate
Discount Rate	7.25 % p.a	7.00 % p.a
Rate of escalation in salary(per annum)	5.00 % p.a	4-5 % p.a
Withdrawal rate (Per Annum)	1 - 5 % p.a	2 - 5 % p.a

a) The estimates of rate of escalation in salary considered in actuarial valuation are after taking into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is as certified by the Actuary.

b) Discount rate is based on the prevailing market yields of Indian Government securities as at the balance sheet date for the estimated term of the obligations.

v) Quantitative sensitivity analysis for significant assumptions is as below: (₹ in Lakhs)

Increase / (decrease) on present value of defined benefits obligations at the end of the year	As at 31st March 2022	As at 31st March 2021
Discount Rate		
Increase by 1%	555.61	475.25
Decrease by 1%	670.67	575.68
Salary Increase		
Increase by 1%	671.44	576.73
Decrease by 1%	554.08	473.64
Attrition Rate		
Increase by 1%	617.91	531.95
Decrease by 1%	598.26	509.96

vi) Maturity profile of defined benefit obligation (undiscounted) (₹ in Lakhs)

Particulars	As at 31st March 2022	As at 31st March 2021
Within the next 12 months (next annual reporting period)	83.94	40.83
Between 2 and 5 years	73.84	69.97
Between 5 and 10 years	450.93	410.89
Total expected payments	**608.71**	**521.69**

vii) The average duration of the defined benefit plan obligation at the end of the reporting period is 13 years (31st March 2021: 14 years)

viii) The estimates of rate of escalation in salary considered in actuarial valuation are after taking into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is as certified by the Actuary.

ix) The sensitivity analyses above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

x) Discount rate is based on the prevailing market yields of Indian Government securities as at the balance sheet date for the estimated term of the obligations.

40 Segment Reporting

a) The segment reporting of the Group has been prepared in accordance with Ind AS-108, "Operating Segment" (specified under section 133 of the Companies Act, 2013, read with Rule 7 of Companies (Accounts) Rules, 2015). For management purposes, the company is organised into business units based on its products and services and has identified four reportable segments viz Metering,Switchgear, Lighting & Electronics and cables on the basis of the nature of products, the risk return profile of individual business and the internal business reporting systems.

b) Revenue and expenses have been identified to a segment on the basis of relationship to operating activities of the segment. Revenue and expenses which relate to enterprise as a whole and are not allocable to a segment on reasonable basis have been disclosed as "Unallocated".

c) Segment assets and segment liabilities represent assets and liabilities in respective segments. Investment, tax related assets and other assets and liabilities that cannot be allocated to a segment on reasonable basis have been disclosed as "Unallocated"

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

(A)	Revenue	As at 31st March 2022	As at 31st March 2021
	Segment Revenue		
	Metering	40,435.33	37,953.43
	Switchgear	20,610.82	16,146.16
	Lighting & Electronics	26,045.38	25,105.65
	Cables	14,303.94	8,304.11
	Projects	-	-
		101,395.47	**87,509.35**
(B)	**Results**		
	Segment Results		
	Metering	5,518.20	5,474.73
	Switchgear	3,142.33	2,681.23
	Lighting & Electronics	2,374.79	2,416.74
	Cables	491.20	230.74
	Projects	-	(5.62)
		11,526.52	**10,797.82**
	Unallocated expenses net of income	3,301.51	2,983.60
	Operating Profit	8,225.01	7,814.22
	Interest Expenses	6,831.53	6,441.92
	Profit before tax	1,393.48	1,372.30
	Tax Expenses	613.02	369.87
	Profit after tax	**780.46**	**1,002.43**
(C)	**Other Information**		
	Segment Assets		
	Metering	74,799.92	71,107.44
	Switchgear	38,271.40	38,355.70
	Lighting & Electronics	29,773.27	29,856.19
	Cables	17,562.79	15,994.06
	Projects	182.09	249.18
	Unallocated	3,195.90	3,460.68
		163,785.37	**159,023.25**
	Segment Liabilities		
	Metering	17,649.41	15,877.13
	Switchgear	6,184.08	6,294.20
	Lighting & Electronics	4,960.61	5,354.61
	Cables	3,294.80	1,625.11
	Projects	259.56	261.10
	Unallocated	54,812.47	53,610.36
		87,160.93	**83,022.51**
	Capital Expenditure		
	Metering	2,291.94	804.43
	Switchgear	587.65	518.83
	Lighting & Electronics	110.42	177.83
	Cables	82.58	13.60
		3,072.59	**1,514.69**
	Depreciation		
	Metering	2,276.75	2,208.55
	Switchgear	2,049.38	1,943.06
	Lighting & Electronics	192.41	161.97
	Cables	189.11	180.78
		4,707.65	**4,494.36**
	Segment Revenue		
	The following is the distribution of Company's revenue by geographical market :-		
	Domestic Market	96,536.27	84,193.65
	Overseas Market	4,859.20	3,315.70
		101,395.47	**87,509.35**

41 Related Party Disclosure

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

(A) Entities in which directors are interested:

(1) HPL India Ltd.
(2) HPL Power Corporation Ltd.
(3) Havells Electronics Pvt. Ltd.
(4) Jesons Impex Pvt. Ltd.
(5) Amerex Pvt. Ltd.
(6) Havells Pvt. Ltd.
(7) Seth Inder Narain Trust

(B) Key Management Personnel :

(1) Mr. Lalit Seth
(2) Mr. Rishi Seth
(3) Mr. Gautam Seth*
(4) Mr. Vivek Kumar
(5) Mr. Sudhir Kumar Barik**
(6) Mr. Manoj Kumar Dugar***

* Appointed as CFO on 09.03.2022

** Resigned on 12.08.2021

*** Appointed as CFO on 12.08.2021 and resigned w.e.f 10.09.2021

(C) Relatives of Key Management Personnel

(1) Mrs. Praveen Seth
(2) Mrs. Pooja Seth
(3) Mrs. Vani Seth

(iii) Key management personnel compensation

(₹ in Lakhs)

Particulars	As at 31st March 2022	As at 31st March 2021
Short-term employee benefits	618.89	632.96
Dividend paid during the year	18.56	18.49
Total Compensation	**637.45**	**651.45**

(iv) Details of tranactions with Related Parties:-

(₹ in Lakhs)

Particulars	As at 31st March 2022	As at 31st March 2021
Purchase of goods		
1. HPL India Ltd	647.28	-
	-	
Purchase of services		
1. HPL India Ltd	361.11	-
Purchase of Assets		
1. HPL India Ltd	72.00	-
Sale of goods		
1. HPL India Ltd	-	9.90

Sale of services		
1. HPL India Ltd	-	118.00
Dividend paid to related parties		
1. Havells Electronics Pvt. Ltd	17.48	17.48
2. Havells Pvt. Ltd	4.26	4.26
3. HPL India Ltd	26.36	26.36
4. Jesons impex Pvt Ltd	0.04	0.04
Transaction with Key Managerial Person Managerial Remuneration		
1. Managerial Remuneration	618.89	632.96
2. Dividend paid to related parties	18.56	18.49
3. Rent Paid	-	1.50
4. Director sitting fees	10.90	14.50
5. Loan from directors	19.77	20.50
CSR Contribution		
1. Seth Inder Narain Trust	-	40.00
Loan taken from entities in which directors are interested		
1. Havells Electronics Pvt. Ltd	15.73	16.50
2. Havells Pvt. Ltd	3.84	4.00
3. HPL India Ltd	23.75	24.25
Transaction with relatives of Key Managerial Person		
1. Rent Paid	-	1.50
2. Dividend Paid	3.20	3.20

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

(₹ in Lakhs)

Particulars	As at 31st March 2022	As at 31st March 2021
Trade Receivables		
1. HPL India Ltd	-	739.73
2. Havells Private Limited	-	77.06
Deferred Receivables		
1. HPL India Ltd	822.14	875.78
Capital Advance		
1. HPL India Ltd	498.37	79.24

Loan outstanding		
1. Havells Electronics Pvt. Ltd	32.23	16.50
2. Havells Pvt. Ltd	7.84	4.00
3. HPL India Ltd	48.00	24.25
4. Directors	40.27	20.50
Financial liability		
11,000,000,10% Cumlative Compulsorily Redeemable Preference Shares		
Mr Lalit Seth	635.25	596.75
Mr Praveen Seth	453.75	426.25
Mr Rishi Seth	363.00	341.00
Mr Gautam Seth	363.00	341.00

The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the year ended 31st March 2022, the Company has not recorded any impairment of receivables relating to amounts owed by related parties .This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

All outstanding balances are unsecured and are repayable in cash

42 a) Interests in other entities

The entities on which the group exercises control as at 31st March 2022 are set out below. The country of incorporation or registration is also their principal place of business.

Name of entity	Principal activities	Place of business/ country of incorporation	Ownership interest held by the group (in %)	
			As at 31st March 2022	As at 31st March 2021
Himachal Energy Private Limited	Manufacturing	India	97.15	97.15
HPL Electric & Power Pvt.Ltd.-Shriji Designs	Lighting Projects	India	97	97
HPL Electric & Power Pvt.Ltd. Trimurthi Hitech Co. Pvt. Ltd.-Shriji Designs	Lighting Projects	India	94	94

Name of entity	Principal activities	Place of business/ country of incorporation	Ownership interest held by non-controlling interests (in %)	
			As at 31st March 2022	As at 31st March 2021
Himachal Energy Private Limited	Manufacturing	India	2.85	2.85
HPL Electric & Power Pvt.Ltd.-Shriji Designs	Lighting Projects	India	3	3
HPL Electric & Power Pvt.Ltd. Trimurthi Hitech Co. Pvt. Ltd.-Shriji Designs	Lighting Projects	India	6	6

b) Non-controlling interests (NCI)

Set out below is summarised financial information for each subsidiary that has non-controlling interests that are material to the group. The amounts disclosed for each subsidiary are before inter-company eliminations.

(₹ in Lakhs)

Summarised balance sheet	As at 31st March 2022	As at 31st March 2021
Current assets	7,880.65	5,775.85
Current liabilities	5,360.74	3,754.46
Net current assets	**2,519.91**	**2,021.39**
Non-current assets	6,212.31	6,170.83
Non-current liabilities	2,572.08	2,142.65
Net non-current assets	3,640.23	4,028.18
Net assets	**6,160.14**	**6,049.57**
Accumulated NCI	**175.56**	**172.40**

Summarised statement of profit & loss	As at 31st March 2022	As at 31st March 2021
Revenue	8,133.58	5,900.84
Profit for the year	110.67	212.62
Other comprehensive income	(0.10)	(2.46)
Total comprehensive income	**110.57**	**210.16**
Profit allocated to NCI	3.15	5.99
Dividends paid to NCI	-	-

Particulars	As at 31st March 2022	As at 31st March 2021
Cash flows from operating activities	692.71	1,171.86
Cash flows from investing activities	(443.12)	(364.95)
Cash flows from financing activities	(222.12)	(738.68)
Net increase/ (decrease) in cash and cash equivalents	**27.47**	**68.23**

43 Statutory Group information

Additional information as required under Schedule III to the Companies Act, 2013 of enterprises consolidated as Subsidiaries:

(₹ in Lakhs)

Name of Enterprises	Net Assets, i.e. Total Assets minus Total Liabilities		Share in Profit & Loss	
	As % of Consolidated Net Assets	Amount	As % of Consolidated Profit & Loss	Amount
Parent Company				
HPL Electric & Power Ltd	92.84%	70,568.02	85.82%	669.78
Subsidiary Companies				
Himachal Energy Pvt Ltd	8.04%	6,160.14	14.18%	110.67
HPL Electric & Power Pvt Ltd-Shriji Designs	-0.06%	(45.17)	0.00%	0.02
HPL Electric & Power Pvt.Ltd. Trimurthi Hitech Co. Pvt. Ltd.-Shriji Designs	-0.08%	(58.55)	0.00%	(0.01)
Total	**100.00%**	**76,624.44**	**100.00%**	**780.46**

Name of Enterprises	Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As % of Consolidated Net Assets	Amount	As % of Consolidated Profit & Loss	Amount
Parent Company				
HPL Electric & Power Ltd	99.83%	(60.22)	84.64%	609.56
Subsidiary Companies				
Himachal Energy Pvt Ltd	0.17%	(0.10)	15.35%	110.57
HPL Electric & Power Pvt Ltd-Shriji Designs	0.00%	-	0.00%	0.02
HPL Electric & Power Pvt.Ltd. Trimurthi Hitech Co. Pvt. Ltd.-Shriji Designs	0.00%	-	0.00%	(0.01)
Total	**100.00%**	**(60.32)**	**100.00%**	**720.14**

44 The Company do not have any outstanding commercial paper period ending 31st March, 2022. (P Y ₹ Nil)

45 The Company has taken various residential/ commercial premises under cancellable operating leases. These lease agreements are normally renewed on expiry. There are no restrictions placed upon the company by entering into these leases. Lease payments recognized in the Statement of Profit & Loss as rent expenses for the year.

46 Commitments

(₹ in Lakhs)

Particulars	As at 31st March 2022	As at 31st March 2021
Estimated amount of capital contracts remaining to be executed and not provided for (net of advances)	35.40	70.76

47 Contingent Liabilities:

(₹ in Lakhs)

S. No	Name of Statute	Description	As at 31st March 2022	As at 31st March 2021
1	Central Excise Act, 1944	Demand for Excise Duty before Add. Comm. LTU, New Delhi for 2008-09	16.40	16.40
2	Central Excise Act, 1944	Demand for Excise Duty before Comm. (A), New Delhi for 2009-10 to 2015-16.	82.49	82.49
3	Finance Act, 1994	Demand for Service Tax Credit before Commissioner Appeal, LTU, Delhi for 2012-13	1.01	1.01
4	Finance Act, 1994	Demand for Cenvat Credit before Commissioner Appeal, LTU, Delhi for 2011-12	1.13	1.13
5	Haryana Vat Act, 2003	Demand for Sales Tax before Haryana Tax, Tribunal, Chandigarh for 2008-09	17.83	25.51
6	Haryana Vat Act, 2003	Demand for Sales Tax before Joint Comm., (Appeal), Rohtak for 2010-11	17.83	17.83
7	Haryana Vat Act, 2003	Demand for Sales Tax before Haryana Tax, Tribunal, Chandigarh for 2009-10	4.78	4.78
8	Haryana Vat Act, 2003	Demand for Sales Tax before Haryana Tax, Tribunal, Rohtak for 2011-12	18.45	18.45
9	Haryana Vat Act, 2003	Demand for Sales Tax before Haryana Tax, Tribunal, Rohtak for 2012-13	10.06	10.06
10	Haryana Vat Act, 2003	Demand for Sales Tax before Haryana Tax, Tribunal, Rohtak for 2010-11	49.22	49.22

S. No	Name of Statute	Description	As at 31st March 2022	As at 31st March 2021
11	Haryana Vat Act, 2003	Demand for Sales Tax before Haryana Tax, Tribunal, Chandigarh for 2011-12	23.19	23.19
12	Haryana Vat Act, 2003	Demand for Sales Tax before Joint Comm., (Appeal), Ambala for 2011-12	4.38	4.38
13	Finance Act, 1994	Show cause notice received towards short payment of Service Tax for 2010-11 to 2014-15	163.04	163.04
14	Employee's Provident Fund Act, 1952	Demand for EPF before EPF appellate, Tribunal, New Delhi.	8.87	8.87
15	Haryana Vat Act, 2003	Demand for sales tax before Haryana Tax Tribunal for 2011-12	23.39	23.39
16	Haryana Vat Act, 2003	Demand for sales tax before Haryana Tax Tribunal for 2012-13	23.67	23.67
17	Haryana Vat Act, 2003	Demand for sales tax before Haryana Tax Tribunal for 2013-14	80.59	80.59
18	Haryana Vat Act, 2003	Demand for sales tax before Jt. Commissioner (A), Rohtak for 2013-14	72.95	72.95
19	Haryana Vat Act, 2003	Demand for sales tax before Jt. Commissioner (A), Rohtak for 2014-15	25.35	25.35
20	Haryana Vat Act, 2003	Demand for sales tax before Jt. Commissioner (A), Rohtak for 2013-14	18.38	18.38
21	Haryana Vat Act, 2003	Demand for sales tax before Jt. Commissioner (A), Rohtak for 2013-14	97.68	97.68
22	Haryana Vat Act, 2003	Haryana Tax Tribunal, Chandigarh-Final demand after Rectification on 31.07.2017 (Revision Pending)	3.61	3.61
23	Haryana Vat Act, 2003	Haryana Tax Tribunal, Chandigarh-Pending for Rectification for 2012-13	1.97	1.97
24	Haryana Vat Act, 2003	Haryana Tax Tribunal, Chandigarh-Pending for Rectification for 2013-14	3.73	3.73
25	Haryana Vat Act, 2003	Haryana Tax Tribunal, Chandigarh-Pending for Rectification for 2014-15	0.52	0.52
26	Haryana Vat Act, 2003	Haryana Tax Tribunal-Rohtak-Appeal pending before the Jt.ETC(A),Rohtak for 2010-11	33.95	33.95
27	Haryana Vat Act, 2003	Demand for sales tax before Dy. Excise & Taxation Commissioner (ST),Sonepat for 2014-15	10.14	10.14
28	Haryana Vat Act, 2003	Demand for sales tax before Jt Excise Excise & Taxation Commissioner, Ambala for 2014-15	55.74	55.74
29	Incomet Tax Act, 1961	Income Tax demand before Asstt. Commissioner of Income Tax, Delhi for AY-2017-18	28.72	28.72
30	Haryana Vat Act, 2003	Demand for Sales Tax before Haryana Tax, Tribunal, Rohtak for 2015-16	41.89	41.89
31	Haryana Vat Act, 2003	Demand for Sales Tax before Haryana Tax, Tribunal, Rohtak for 2014-15	97.13	97.13
32	Haryana Vat Act, 2003	Demand for Sales Tax before Haryana Tax, Tribunal, Rohtak for 2015-16	75.76	75.76
33	Central Excise Act, 1944	Demand for Excise Duty before Deputy Comm.Central GST Gurgram for 2016-17.	1.72	1.72

S. No	Name of Statute	Description	As at 31st March 2022	As at 31st March 2021
34	Finance Act, 1994	Demand for Service Tax Credit before Asstt.Comm. Gurugram for 2015-16 to 2017-18	14.78	14.78
35	Custom Act,1962	Demand for Custom Duty before Adl./Joint Comm./ Customs Gr-VA,ACC Import New Custom House New Delhi for 2018-19	22.67	22.67
36	Haryana Vat Act, 2003	Demand for Sales Tax before Haryana Tax, Tribunal, Rohtak for 2016-17	73.54	73.54
37	Haryana Vat Act, 2003	Demand for Sales Tax before Haryana Tax, Tribunal, Rohtak for 2016-17	37.23	37.23
38	Employee's Provident Fund Act, 1952	Demand for EPF before EPF appellate, Tribunal, New Delhi for July 2011-Jan 2016	3.02	3.02
39	Haryana Vat Act, 2003	Demand for Sales Tax before Haryana Tax, Tribunal, Rohtak for 2017-18	68.87	-

Notes :1. Based on the favorable decisions in similar cases and discussions with the solicitors, the company does not expect any liability against these matters, hence no provision has been considered in the books of the accounts.

48 The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the Company towards Provident Fund and Gratuity. The effective date from which the changes are applicable is yet to be notified and the final rules are yet to be framed. The Company will carry out an evaluation of the impact and record the same in the financial statements in the period in which the Code becomes effective and the related rules are published.

49 Additional Regulatory information

S No	Particulars	Numerator	Denomiator	Current Year	Previous Year	Variance
1	Current ratio	Current assets	Current liabilities	1.44	1.42	1.41%
2	Debt-Equity ratio	Total Debt (Including lease liabilities)	Shareholder's equity	0.78	0.77	1.30%
3	Debt service coverato ratio	Earnings available for debt service*	Debt Service**	1.29	1.29	0.00%
4	Return on equity ratio	Net profits after taxes	Average shareholders equity	1.07%	1.39%	-23.02%
5	Inventory Turnover Ratio	Revenue from operations	Average Inventory	2.14	1.98	8.08%
6	Trade receibavles turnover ratio	Revenue from operations	Average trade receivables	1.99	1.79	11.17%
7	Trade payable turnover ratio	Net credit pruchases	Average trade payables	3.42	3.11	9.97%
8	Net capital turnover ratio	Revenue from operations	Average working capital	3.05	2.92	4.45%
9	Net profit ratio	Net profits for the year	Revenue from operations	0.77%	1.15%	-33.04%
10	Return on capital employed	Profit before interest and taxes	Capital employed***	6.24%	5.96%	4.70%
11	'Return on Investments	Profit before interest and taxes	Average total Assets	5.10%	4.95%	3.03%

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

** Interest + Principle repayments

*** Net Worth + Deferred tax liabilities - Deferred Tax Assets + Total debt including lease liabilities

Note : No change in the ratio by more than 25% as compared to the previous year

50 Additional regulatory information required by Schedule III of Companies Act, 2013

(I) **Details of Benami property:** No proceedings have been initiated or are pending against the Company for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.

(II) **Utilisation of borrowed funds and share premium:** The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries

The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like on behalf of the ultimate beneficiaries

(III) **Compliance with number of layers of companies:** The Company has complied with the number of layers prescribed under the Companies Act, 2013.

(IV) **Compliance with approved scheme(s) of arrangements:** The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

(V) **Undisclosed income:** There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

(VI) **Details of crypto currency or virtual currency:** The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.

(VII) **Valuation of PP&E, intangible asset and investment property:** The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.

(VIII) The company has not granted any loans or advances in the nature of loans either repayable on demand.

51 Previous year's figure have been regrouped/ re-arranged, wherever considered necessary to make them comparable with corresponding period ending 31st March, 2022.

As per our report of even date attached
For Kharabanda Associates
Chartered Accountants
F.R.N. : 003456N

Sunil Kharabanda
Proprietor
M. No. : 082402
UDIN : 22082402AKCIYY5714

Place : New Delhi
Dated : 26.05.2022

For and on behalf of board

Rishi Seth
Managing Director
DIN- 00203469

Gautam Seth
Joint MD and CFO
DIN- 00203405

Lalit Seth
Director
DIN-00312007

Vivek Kumar
Company Secretary
M.No. A18491

NOTICE

NOTICE is hereby given that the 30th Annual General Meeting of the Members of **HPL Electric & Power Limited** will be held on Friday, 30th September, 2022 at 11:00 A.M. through Video Conferencing (VC) or Other Audio Visual Means (OAVM) for which purpose the Registered Office of the Company situated at 1/20, Asaf Ali Road, New Delhi – 110002 shall be deemed as the venue for the Meeting and the proceedings of the AGM shall be deemed to be made thereat, to transact the following businesses:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements (including the Consolidated Financial Statements) of the Company for the Financial Year ended 31st March, 2022 together with the Reports of the Board of Directors and Auditors thereon.

2. To declare final dividend of Rs. 0.15 per equity share for the financial year ended 31st March, 2022.

3. To appoint a director in place of Mr. Rishi Seth (DIN: 00203469), who retires by rotation and being eligible, offers himself for re-appointment.

4. To appoint the Statutory Auditor of the company and to fix their 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 139; 141; 142 and other applicable provisions, if any, of the Companies Act, 2013 and Companies (Audit and Auditors) Rules, 2014, as amended from time to time, M/s. Sakshi & Associates, Chartered Accountants (Firm Registration No: 025099N), be and are hereby appointed as an Statutory Auditors of the Company to hold office from the conclusion of this 30th Annual General Meeting (AGM) till the conclusion of the 35th Annual General Meeting of the Company to be held in the year 2027 at such remuneration as may be mutually agreed between the board of Directors of the Company and the Auditors."

SPECIAL BUSINESS

5. Ratification of Remuneration of the Cost Auditors

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

"RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s), enactment(s) or re-enactment(s) thereof, for the time being in force), the company hereby ratifies the remuneration of Rs. 1,00,000 (Rupees one lakh only) plus Service Tax/GST & re-imbursement of out–of–pocket expenses incurred in connection with the cost audit of the Company payable to M/s M.K. Singhal & Co., Cost Accountants (Registration No. 00074), the Cost Auditors who have been appointed by the Board of Directors of the Company, to conduct the audit of the cost records of the Company for the financial year ending 31st March, 2023.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this Resolution."

By order of the board
For HPL Electric & Power Limited

Vivek Kumar
Company Secretary and
Compliance officer
M. No. A18491

Date : 9th August, 2022
Place : Noida

Regd. Office: 1/20, Asaf Ali Road
New Delhi – 110002

NOTES:

1. The Ministry of Corporate Affairs ("MCA") has vide its circular no. 14/2020 dated 8th April 2020, 17/2020 dated 13th April 2020, 20/2020 dated 5th May 2020, 2/2021 dated 13th January, 2021, 21/2021 dated 14th December 2021 and 02/2022 dated 5th May 2022 ("MCA Circulars") and Seceutiries and Exchange Board of India (SEBI) vide its circular no. SEBI/HO/CFD/CMD1/CIR/P/2022/62 dated 13th May 2022 ("SEBI Circular") permitted the holding of the Annual General Meeting ("AGM") through Video Conferencing or other audio video means (VC / OAVM) without the physical presence of the members at AGM venue. In compliance with the provisions of the Companies Act, 2013 ("Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and aforementioned MCA Circulars, SEBI Circulars, the AGM of the Company is being held through VC / OAVM. Hence members can attend and participate in the ensuing Annual General Meeting through VC/OAVM.

2. Pursuant to the provisions of Section 105 of the Act, a proxy is allowed to attend and vote at a general meeting on behalf of a Member who is not able to attend personally. Since this AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.

3. The Company has enabled VC / OAVM facility for participation of members in the AGM. Instructions for participation in the AGM through VC / OAVM are provided under the 'Instructions to Members' section given in the Notice.

4. The business set out in the Notice will be transacted through electronic voting (e-voting) system and the Company is providing e-voting facility. Instructions and other information relating to e-voting are provided under the 'Instructions to Members' section given in the Notice.

5. Corporate members intending to attend the AGM through their authorised representatives are requested to send a certified copy of the Board resolution authorising their representative to attend and vote on their behalf at the AGM through e-mail to deepak.kukreja@dmkassociates.in or einward.ris@kfintech.com.

6. An explanatory statement pursuant to Section 102 (1) of the Companies Act, 2013 in respect of all Special business specified above is annexed hereto.

7. Information required under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Listing Regulations') in respect of appointment / re-appointment of directors and auditors is furnished in this Notice.

8. In terms of MCA and SEBI notifications, Notice of the 30th AGM along with the Annual Report 2021-22 are being sent only by electronic mode to those members whose email addresses are registered with the Company/ Depository participants ('DPs'). Members who have not yet registered their email addresses are requested to follow the procedure provided under the 'Instructions to Members' section given in the Notice. Further, the Notice calling the AGM and the Annual Report has been uploaded on the website of the Company at www.hplindia.com. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited at www.bseindia.com and National Stock Exchange of India Ltd at www.nseindia.com. The same is also available on the website of KFin at their website address https://evoting.kfintech.com.

9. The Register of Members and Share Transfer Books will remain closed from 24th September, 2022 to 30th September, 2022 (both days inclusive) in connection with Annual General Meeting and for the purpose of payment of dividend, if declared at the meeting.

10. The dividend on the equity shares, if declared at the Annual General Meeting, will be payable subject to deduction of tax at source within 30 days from the date of the Annual General Meeting to those members:

a) Whose names appear as member in the register of member of the company on 23rd September, 2022; and

b) Whose names appear as Beneficial Owners in the list of Beneficial Owners on 23rd September, 2022 furnished by National Security Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) for this purpose.

11. In case the Dividend has remained unclaimed in respect of financial year 2016-17 to 2020-21, 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.

12. The Register of Directors and Key Managerial Personnel and their shareholding maintained under section 170 of the Act, the Register of Contacts or arrangements in which the directors are interested under section 189 of the Act and all other documents referred in the notice will be available for inspection. Members who wish to inspect the documents can send an email to hplcs@hplindia.com.

13. All correspondence relating to change of address, change in the e-mail address already registered with the company, transfer / transmission of shares, issue of duplicate share certificates, bank mandates and all other matters relating to the shareholding in the company may be made to KFin Technologies Limited (KFin), the Registrar and Share Transfer agent ('RTA') of the Company at einward.ris@kfintech.com. Members holding shares in dematerialized form may send such communication to their respective DPs.

14. Members who are holding shares in physical form are advised to submit complete particulars of their bank account to our RTA, at einward.ris@kfintech.com, to facilitate electronic remittance of dividend. This would help avoiding fraudulent encashment of the warrants.

15. Members can avail the facility of nomination in respect of shares held by them in physical form pursuant to the provisions of section 72 of the Act. Members desiring to avail this facility may send their nomination in the prescribed Form no. SH-13, duly filled in, to the RTA. The prescribed form can be obtained from the RTA or the secretarial department of the Company.

16. SEBI vide its Circular dated 3rd November, 2021, has reiterated that it is mandatory for all holders of physical securities to furnish their PAN as well as KYC to the RTA (Registrar and Share Transfer Agent) of the Company in respect of all concerned Folios and the Folios wherein even any one of the PAN, Address with PIN Code, Email address, Mobile Number, Bank Account details, Specimen Signature and Nomination by holders of physical securities are not available, otherwise shall be frozen by the RTA on or after April 01, 2023.

    SEBI has introduced Form ISR-1 along with other relevant forms to lodge any request for registering PAN, KYC details or any change/updation thereof.

    In terms of the previously mentioned SEBI Circular, effective from 1st January 2022, any service requests or complaints received from the member, are not processed by RTA till the aforesaid details/documents are provided to RTA.

    Members may also note that SEBI vide its Circular dated January 25, 2022 has mandated listed companies to issue securities in dematerialized form only while processing service requests viz. Issue of duplicate securities certificate; claim from unclaimed suspense account; renewal/exchange of securities certificate; endorsement; sub-division/ splitting of securities certificate; consolidation of securities certificates/folios; transmission and transposition.

    In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialization, Members are requested to dematerialize the shares held by them in physical form.

    Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR–4. Relevant details and forms prescribed by SEBI in this regard including the mode of dispatch are available on the website of the Company at https://www.hplindia.com/investor-relation.php under "Forms & Downloads". for information and use by the Shareholders. You are requested to kindly take note of the same and update your particulars timely.

    Members who are holding shares in demat mode are requested to notify any change in their residential address, Bank A/c details and/ or email address immediately to their respective Depository Participants.

17. Members may note that pursuant to the amendments introduced by the Finance Act, 2020, w.e.f. April 1, 2020, the Company will be required to deduct tax at the applicable rates on the dividend declared and paid to the members. Therefore, members who have not furnished their Permanent Account Number (PAN) are requested to submit a copy of the same immediately to the Company / RTA or to the depository participants, as the case may be, to avoid deduction of tax at a higher rate. Members seeking non-deduction of tax on their dividends may submit Form 15G/15H as applicable, to the RTA at https://ris.kfintech.com/form15/.

18. SEBI has mandated the submission of PAN by every participant in the securities market. Members holding shares in electronic form, are therefore requested to submit their PAN to their DPs. Members holding shares in physical form may submit their details to RTA.

19. Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to send the share certificates to KFin, for consolidation into a single folio.

20. As per regulation 40 of the Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialised form with effect from April 1, 2019. In view of this requirement members holding shares in physical form are requested to consider converting their holdings to dematerialised form.

21. To promote green initiative, members are requested to register their e-mail address to receive all communication and documents including annual reports from time to time in electronic form. Members holding shares in dematerialised form may send such communication to their respective DPs and those holding shares in physical form may send such communication to the RTA.

22. Since the 30th AGM is being held in an electronic mode through VC / OAVM, the route map is not provided.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

ITEM NO. 4

M/s. Kharabanda Associates, Chartered Accountants (Regn. No. 003456N) were appointed as the Auditors of the Company at the 25th Annual General Meeting (AGM) of the Company held on 28th September, 2017 for term of 5 years to hold office till the conclusion of ensuing Annual General Meeting.

After evaluating and considering various factors such as competence of the audit team, technical Knowledge etc, the Board of Directors based on the recommendation of the Audit Committee, at its meeting held on 9th August, 2022, proposed the appointment of M/s. Sakshi & Associates (Firm Registration No. 025099N) as the Statutory Auditors of the Company for a period of 5 consecutive years, to hold office from the conclusion of this AGM till the conclusion of the 35th AGM to be held in the year 2027 at such remuneration as may be mutually agreed between the board of Directors of the Company and the Auditors.

The Proposed fee for the 1st year is Rs. 18 lakhs plus applicable taxes and reimbursement of out-of-pocket expenses actually incurred by them in connection with the audit of accounts of the Company. Further, the Board of Directors has been authorized to decide the remuneration as may be mutually agreed between the Board of Directors and Statutory Auditors for the term.

M/s. Sakshi & Associates have consented to their appointment as Statutory Auditors and have confirmed that if appointed, their appointment will be in accordance with Section 139 read with Section 141 of the Act.

M/s. Sakshi & Associates is a leading Chartered Accountant Firm based in New Delhi. The firm specializes in the areas of Audit, Taxation, Compliance, Corporate and Financial Advisory.

The Board recommends the **Ordinary Resolution** set out at Item No. 4 of the Notice for approval by the Members.

None of the Directors or Key Managerial Personnel of the Company or their relatives is, in any way, concerned or interested in the Resolution set out at Item No. 4 of the Notice.

ITEM NO. 5

M/s M.K. Singhal & Co., Cost Accountants (Registration No. 00074) are appointed as the Cost Auditors of the Company by the Board in its meeting held on 9th August, 2022, on the recommendation of the Audit Committee, to conduct the audit of the cost records maintained by the Company in connection with manufacture of SwitchGears, Cables and Lights for the Financial Year ending 31st March, 2023 at a remuneration of Rs. 1,00,000 (Rupees one lakh only) plus Service Tax/GST & re-imbursement of out–of–pocket expenses incurred in connection with the cost audit of the Company.

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and the Companies (Cost Records and Audit) Rules, 2014, as amended from time to time, the remuneration payable to the Cost Auditors as approved by the Board of Directors on the recommendation of Audit Committee, shall be ratified by the members of the Company. Accordingly, consent of the shareholders is sought for ratification of remuneration amounting to Rs. 1,00,000 (Rupees one lakh only) plus Service Tax/GST & re-imbursement of out–of–pocket expenses incurred in connection with the cost audit of the Company.

Accordingly, consent of the members is being sought for passing an Ordinary Resolution as set out at Item No. 5 of the Notice for ratification of the remuneration payable to the Cost Auditors for the Financial Year ending 31st March, 2023.

None of the Directors/ Key Managerial Personnel of the Company /their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 5 of the Notice.

The Board recommends the Resolution set forth at Item No. 5 of the Notice for approval of the members as an **Ordinary Resolution**.

By order of the board
For HPL Electric & Power Limited

Vivek Kumar
Company Secretary and
Compliance officer
M. No. A18491

Date : 9th August, 2022
Place : Noida

Regd. Office: 1/20, Asaf Ali Road
New Delhi – 110002

ANNEXURE -A

DETAILS OF DIRECTOR RETIRING AND SEEKING RE-APPOINTMENT AT THE ANNUAL GENERAL MEETING PURSUANT TO REGULATION 36 OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND SECRETARIAL STANDARD 2 ISSUED BY ICSI

Name of the Director	**Mr. Rishi Seth**
Date of Birth (Age)	21st December, 1970 (51 years)
Qualification	MBA in Finance
Experience	27 years
Date of first Appointment on the Board	29th September, 2000
Expertise in Specific functional area/Brief Profile	An MBA in Finance with more than 27 years of experience, Mr. Rishi Seth is a man of sharp vision. He has been instrumental in HPL Group's organic growth and is responsible for shaping the strategic perspective that has led to the diversification and expansion of HPL into new avenues including EPC projects. He looks after the Institutional and Government business in addition to a few manufacturing facilities. He has also been instrumental in the Company's foray into green projects. His major achievement includes HPL's growth into utility segment, making the Group stand tall as the largest Electronic Energy Meter manufacturer in India and among the largest in the world.
Terms & Conditions of re-appointment	He was reappointed as a managing Director of the company for a period of three years w.e.f. 21st January 2022 on the terms and conditions as approved by the members at the Annual General Meeting held on 30th September 2021.
Relationship with other Directors/ Managers and other Key Managerial Personnel	Mr. Rishi Seth is not related to any other director of the Company except Mr. Lalit Seth and Mr. Gautam Seth. Mr. Lalit Seth is a father of Mr. Rishi Seth and Mr. Gautam Seth is a brother of Mr. Rishi Seth.
Directorship held in other companies	1. Himachal Energy Pvt Ltd 2. HPL India Ltd 3. Havell's Pvt Ltd 4. Havells Electronics Pvt Ltd 5. Jesons Impex Pvt Ltd 6. HPL Power Corporation Ltd
Chairman/Member of the committee of the Board of Director in other Companies	Member of CSR Committee of Himachal Energy Private Limited
Number of Board Meetings attended during the year 2021-22	5
Detail of remuneration last drawn	As per Corporate Governance Report
Shareholding in the Company	3.47%

INSTRUCTIONS TO MEMBERS

i. In compliance with the provisions of Section 108 of the Act, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, Regulation 44 of the SEBI Listing Regulations 2015 and in terms of SEBI vide circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 in relation to e-Voting Facility Provided by Listed Entities, the Members are provided with the facility to cast their vote electronically, through the e-Voting services provided by KFin, on all the resolutions set forth in this Notice. The instructions for e-Voting are given herein below.

The company has engaged the services of KFin Technologies Limited (KFin) to provide e-voting (including remote e-voting) facility for members to cast their votes in a secure manner. Mr. Deepak Kukreja and Mrs. Monika Kohli, Practicing Company Secretaries will act as the scrutinizer and alternate scrutinizer respectively, to scrutinise e-voting and conduct the voting process at the AGM in a fair and transparent manner. In terms of the requirements of the Act and the Rules made there under, the Company has fixed Friday, 23rd September, 2022 as the cut-off date. The remote e-voting / voting rights of the members / beneficial owners shall be reckoned on the equity shares held by them as on cut-off date, i.e. 23rd September, 2022.

The remote e-voting facility begins on Tuesday, 27th September, 2022 (9:00 a.m. Indian Standard Time) and ends on Thursday, 29th September, 2022 (5:00p.m. Indian Standard Time). During this period, the members of the company, holding shares either in physical form or in dematerialised form, as on the cut-off date of 23rd September, 2022, are entitled to avail the facility to cast their vote electronically/ voting in the general meeting, as the case may be. The remote e-voting will not be allowed beyond the aforesaid date and time and the remote e-voting facility shall be disabled by KFin upon expiry of the aforesaid period. Once the vote on a resolution is cast by a member, he / she shall not be allowed to change it subsequently or cast the vote again.

ii. However, in pursuant to SEBI circular no. SEBI/HO/CFD/CMD/ CIR/P/2020/242 dated December 9,2020 on "e-Voting facility provided by Listed Companies", e-Voting process has been enabled to all the individual demat account holders, by way of single login credential, through their demat accounts / websites of Depositories / DPs in order to increase the efficiency of the voting process.

iii. Individual demat accountholders would be able to cast their vote without having to register again with the e-Voting service provider (ESP) thereby not only facilitating seamless authentication but also ease and convenience of participating in e-Voting process. Shareholders are advised to update their mobile number and e-mail ID with their DPs to access e-Voting facility.

iv. The voting rights of Members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date.

v. Any person holding shares in physical form and non-individual shareholders, who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date, may obtain the login ID and password by sending a request at evoting@ Kfintech.com. However, if he / she is already registered with KFintech for remote e-Voting then he /she can use his / her existing User ID and password for casting the vote.

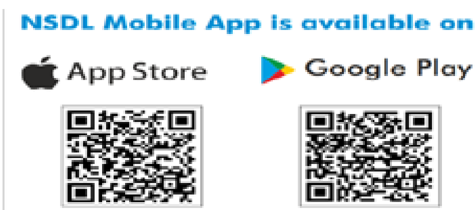
vi. In case of Individual Shareholders holding securities in demat mode and who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date may follow steps mentioned below under "Login method for remote e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode."

INSTRUCTIONS FOR REMOTE E-VOTING, JOINING THE MEETING THROUGH VC / OAVM AND VOTING AT THE MEETING

1. The detailed instructions, process and manner for remote e-voting, joining the meeting through VC / OAVM and voting at the meeting are explained below:

I) **<u>Method of login / access to Depositories (NSDL / CDSL) e-voting system in case of individual members holding shares in demat mode</u>**

Type of member	Login Method
<u>Individual members holding securities in demat mode with NSDL</u>	**A. Instructions for existing Internet-based Demat Account Statement ("IDeAS") facility Users:** i) Visit the e-services website of NSDL <u>https://eservices.nsdl.com</u> either on a personal computer or on a mobile. ii) On the e-services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. Thereafter enter the existing user id and password. iii) After successful authentication, members will be able to see e-voting services under 'Value Added Services'. Please click on "Access to e-voting" under e-voting services, after which the e-voting page will be displayed. iv) Click on company name, i.e. 'HPL ELECTRIC & POWER LIMITED', or e-voting service provider, i.e. KFin. v) Members will be re-directed to KFin's website for casting their vote during the remote e-voting period and voting during the Meeting.

Type of member	Login Method
	B. Instructions for those Members who are not registered under IDeAS: i) Visit https://eservices.nsdl.com for registering. ii) Select "Register Online for IDeAS Portal" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp. iii) Visit the e-voting website of NSDL https://www.evoting.nsdl.com/. iv) 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. v) Members will have to enter their User ID (i.e. the sixteen digit demat account number held with NSDL), password / OTP and a Verification Code as shown on the screen. vi) After successful authentication, members will be redirected to NSDL Depository site wherein they can see e-voting page. vii) Click on company name, i.e. HPL ELECTRIC & POWER LIMITED, or e-voting service provider name, i.e. KFin, after which the member will be redirected to e-voting service provider website for casting their vote during the remote e-voting period and voting during the Meeting. viii) Members can also download the NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience. 
Individual members holding securities in demat mode with CDSL	**A. Instructions for existing users who have opted for Electronic Access To Securities Information ("Easi / Easiest") facility**: i) Visit https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com ii) Click on New System MyEasi. iii) Login to MyEasi option under quick login. iv) Login with the registered user ID and password. v) Members will be able to view the e-voting Menu. vi) The Menu will have links of KFin e-voting portal and will be redirected to the e-voting page of KFin to cast their vote without any further authentication. **B. Instructions for users who have not registered for Easi / Easiest** i) Visit https://web.cdslindia.com/myeasi/Registration/EasiRegistration for registering. ii) Proceed to complete registration using the DP ID, Client ID (BO ID), etc. iii) After successful registration, please follow the steps given in point no.1 above to cast your vote. **C. Alternatively, instructions for directly accessing the e-voting website of CDSL** i) Visit www.cdslindia.com ii) Provide demat Account Number and PAN

<table>
<tr><th>Type of member</th><th>Login Method</th></tr>
<tr><td></td><td>iii) System will authenticate user by sending OTP on registered mobile and email as recorded in the demat Account.

iv) After successful authentication, please enter the e-voting module of CDSL. Click on the e-voting link available against the name of the Company, viz., 'HPL ELECTRIC & POWER LIMITED' or select KFin.

v) Members will be re-directed to the e-voting page of KFin to cast their vote without any further authentication.</td></tr>
<tr><td><u>Individual members login through their demat accounts / Website of Depository Participant</u></td><td>A. Instructions for login through Demat Account / website of Depository Participant

i) Members can also login using the login credentials of their demat account through their DP registered with the Depositories for e-voting facility.

ii) Once logged-in, members will be able to view e-voting option.

iii) Upon clicking on e-voting option, members will be redirected to the NSDL / CDSL website after successful authentication, wherein they will be able to view the e-voting feature.

iv) Click on options available against HPL ELECTRIC & POWER LIMITED or KFin.

v) Members will be redirected to e-voting website of KFin for casting their vote during the remote e-voting period without any further authentication.</td></tr>
<tr><td colspan="2"><u>Important note: Members who are unable to retrieve User ID / Password are advised to use Forgot user ID and Forgot Password option available at respective websites.</u></td></tr>
<tr><td colspan="2"><u>Helpdesk for Individual members holding securities in demat mode for any technical issues related to login through NSDL / CDSL:</u></td></tr>
<tr><td>Securities held with NSDL</td><td>Please contact NSDL helpdesk by sending a request at <u>evoting@nsdl.co.in</u> or call at toll free no.: 1800 1020 990 and 1800 22 44 30</td></tr>
<tr><td>Securities held with CDSL</td><td>Please contact CDSL helpdesk by sending a request at <u>helpdesk.evoting@cdslindia.com</u> or contact at 022-23058738 or 022-23058542-43</td></tr>
</table>

II) **Method of login / access to KFin e-voting system in case of members holding shares in physical and non-individual members in demat mode**

<table>
<tr><th>Type of member</th><th>Login Method</th></tr>
<tr><td>Members whose email IDs are registered with the Company / Depository Participants(s)</td><td>A. Instructions for Members whose email IDs are registered with the Company / Depository Participants(s),

Members whose email IDs are registered with the Company / Depository Participant(s) will receive an email from KFin which will include details of E-voting Event Number (EVEN), USER ID and password. They will have to follow the following process:

i) Launch internet browser by typing the URL: <u>https://evoting.kfintech.com/</u>

ii) Enter the login credentials (i.e. User ID and password). In case of physical folio, User ID will be EVEN (E-Voting Event Number) _____, followed by folio number. In case of Demat account, User ID will be your DP ID and Client ID. However, if a member is registered with KFin for e-voting, they can use their existing User ID and password for casting the vote.

iii) After entering these details appropriately, click on "LOGIN".</td></tr>
</table>

<table>
<tr><th>Type of member</th><th>Login Method</th></tr>
<tr><td></td><td>iv) Members will now reach password change Menu wherein they are required to mandatorily change the password. The new password shall comprise of minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character (@,#,$, etc.,). The system will prompt the member to change their password and update their contact details viz. mobile number, email ID etc. on first login. Members may also enter a secret question and answer of their choice to retrieve their password in case they forget it. It is strongly recommended that members do not share their password with any other person and that they take utmost care to keep their password confidential.
v) Members would need to login again with the new credentials.
vi) On successful login, the system will prompt the member to select the "EVEN" i.e., 'HPL ELECTRIC & POWER LIMITED - AGM" and click on "Submit"
vii) On the voting page, enter the number of shares (which represents the number of votes) as on the cut-off date under "FOR/AGAINST" or alternatively, a member may partially enter any number in "FOR" and partially "AGAINST" but the total number in "FOR/AGAINST" taken together shall not exceed the total shareholding as mentioned herein above. A member may also choose the option ABSTAIN. If a member does not indicate either "FOR" or "AGAINST" it will be treated as "ABSTAIN" and the shares held will not be counted under either head.
viii) Members holding multiple folios / demat accounts shall choose the voting process separately for each folio / demat account.
ix) Voting has to be done for each item of the Notice separately. In case a member does not desire to cast their vote on any specific item, it will be treated as abstained.
x) A member may then cast their vote by selecting an appropriate option and click on "Submit".
xi) A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once a member has voted on the resolution (s), they will not be allowed to modify their vote. During the voting period, members can login any number of times till they have voted on the Resolution(s).</td></tr>
<tr><td>Members whose email IDs are not registered with the Company / Depository Participants(s)</td><td>B. Instructions for Members whose email IDs are not registered with the Company / Depository Participants(s), and consequently the Notice of Meeting and e-voting instructions cannot be serviced
i) Members, who have not registered their email address, thereby not being in receipt of the Notice of Meeting and e-voting instructions, may temporarily get their email address and mobile number submitted with KFin, by accessing the link: https://ris.kfintech.com/clientservices/mobilereg/mobileemailreg.aspx.
ii) Members are requested to follow the process as guided to capture the email address and mobile number for receiving the soft copy of the Notice and e-voting instructions along with the User ID and Password. In case of any queries, members may write to einward.ris@kfintech.com.
iii) Alternatively, members may send an e-mail request at the email id einward.ris@kfintech.com along with scanned copy of the request letter, duly signed, providing their email address, mobile number, self-attested PAN copy and Client Master copy in case of electronic folio and copy of share certificate in case of physical folio for sending the Annual report, Notice and the e-voting instructions.
iv) After receiving the e-voting instructions, please follow all the above steps to cast your vote by electronic means.</td></tr>
</table>

III) <u>Method / Access to join the Meeting on KFin system and to participate and vote thereat</u> -

Type of member	Login Method
All shareholders, including Individual, other than Individual and Physical, for attending the Meeting of the Company through VC / OAVM and e-voting during the meeting	**A. Instructions for all the shareholders, including Individual, other than Individual and Physical, for attending the Meeting of the Company through VC / OAVM and e-voting during the meeting**: i) Members will be able to attend the Meeting through **VC / OAVM** platform provided by KFin. Members may access the same at https://emeetings.kfintech.com/ by using the e-voting login credentials provided in the email received from the Company / KFin. ii) After logging in, click on the Video Conference tab and select the EVEN of the Company. iii) Click on the video symbol and accept the meeting etiquettes to join the meeting. Please note that members who do not have the user id and password for e-voting or have forgotten the same may retrieve them by following the remote e-voting instructions mentioned above. iv) The procedure for e-voting during the Meeting is same as the procedure for remote e-voting since the Meeting is being held through VC / OAVM. v) The e-voting window shall be activated upon instructions of the Chairman of the Meeting during the Meeting. vi) E-voting during the Meeting is integrated with the VC / OAVM platform and no separate login is required for the same.

JOINING THE MEETING THROUGH VC / OAVM

i. Members will be able to attend the Meeting through VC / OAVM or view the live webcast of the Meeting at https://emeetings.kfintech.com/ by using their remote e-voting login credentials and selecting the 'EVEN' for Company's Meeting. Members who do not have the User ID and Password for e-voting or have forgotten the User ID and Password may retrieve the same by following the remote e-voting instructions mentioned in the Notice. Further, members can also use the OTP based login for logging into the e-voting system.

   Members may join the Meeting through laptops, smartphones, tablets or ipads for better experience. Further, members are requested to use internet with a good speed to avoid any disturbance during the Meeting. Members will need the latest version of Chrome, Safari, Internet Explorer 11, MS Edge or Mozilla Firefox.

ii. Members attending the AGM through VC/OAVM shall be counted for the purpose of reckoning the quorum for the meeting under Section 103 of the Act.

iii. Members will be required to grant access to the webcam to enable VC / OAVM. Further, Members connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

iv. The Members who have not cast their vote through remote e-voting shall be eligible to cast their vote through e-voting system available during the AGM. E-voting during the AGM is integrated with the VC / OAVM platform. The Members may click on the voting icon displayed on the screen to cast their votes.

v. Members are requested to attend and participate at the Meeting through VC / OAVM and cast their vote either through remote e-voting facility or through e-voting facility to be provided during Meeting. The facility of e-voting during the Meeting will be available to those members who have not cast their vote by remote e-voting. Members, who cast their vote by remote e-voting, may attend the Meeting through VC / OAVM, but will not be entitled to cast their vote once again on the resolutions. If a member casts votes by both modes, i.e. voting at Meeting and remote e-voting, voting done through remote e-voting shall prevail and vote at the Meeting shall be treated as invalid.

vi. Facility of joining the Meeting through VC / OAVM shall open 30 (thirty) minutes before the time scheduled for the Meeting and shall be kept open throughout the Meeting. Members will be able to participate in the Meeting through VC / OAVM on a first-come-first-serve basis. Up to 1,000 shareholders will be able to join the Meeting on a first-come-first-serve basis.

Large members (i.e. members holding 2% or more shareholding), promoters, institutional investors, directors, key managerial personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors, etc. will not be subject to the aforesaid restriction of first-come first-serve basis.

vii. Institutional Members are encouraged to attend and vote at the AGM through VC / OAVM.

OTHER INSTRUCTIONS

I. Speaker Registration: Members, holding shares as on the Cut-off Date and who would like to speak or express their views or ask questions during the Meeting may register themselves as speakers at https://emeetings.kfintech.com and clicking on "Speaker Registration" during the period from 26th September, 2022 (9:00 a.m. IST) up to 27th September, 2022 (5.00 p.m. IST). Those members who have registered themselves as a speaker will only be allowed to speak / express their views / ask questions during the Meeting. The Company reserves the right to restrict the number of questions and number of speakers, as appropriate for smooth conduct of the Meeting.

II. Post your Question: The Members who wish to post their questions prior to the meeting can do the same by visiting https://emeetings.kfintech.com. Please login through the user id and password provided in the mail received from Kfintech. On successful login, select 'Post Your Question' option which will opened from 9:00 AM on 26th September, 2022 to 5:00 PM on 27th September, 2022.

III. In case of any query and / or assistance required, relating to attending the Meeting through VC / OAVM mode, members may refer to the Help & Frequently Asked Questions (FAQs) and 'AGM VC / OAVM' user manual available at the download Section of https://evoting.kfintech.com or contact Mr. Ganesh Chandra Patro, Senior Manager, KFin at the email ID evoting@kfintech.com on KFin's toll free No.: 1-800-309-4001 for any further clarifications / technical assistance that may be required.

IV. The Members, whose names appear in the Register of Members / list of Beneficial Owners as on Friday, 23rd September, 2022, being the cut-off date, are entitled to vote on the Resolutions set forth in this Notice. A person who is not a Member as on the cut-off date should treat this Notice for information purposes only. Once the vote on a resolution(s) is cast by the Member, the Member shall not be allowed to change it subsequently.

V. In case a person has become a Member of the Company after dispatch of AGM Notice but on or before the cut-off date for E-voting, he/she may obtain the User ID and Password in the manner as mentioned below:

i. If the mobile number of the member is registered against Folio No./ DP ID Client ID, the member may send SMS: MYEPWD <space> E-Voting Event Number+Folio No. or DP ID Client ID to 9212993399

1. Example for NSDL:
   MYEPWD <SPACE> IN12345612345678
2. Example for CDSL:
   MYEPWD <SPACE> 1402345612345678
3. Example for Physical:
   MYEPWD <SPACE> XXXX1234567890

ii. If e-mail address or mobile number of the member is registered against Folio No. / DP ID Client ID, then on the home page of https://evoting.kfintech.com/, the member may click "Forgot Password" and enter Folio No. or DP ID Client ID and PAN to generate a password.

iii. Members who may require any technical assistance or support before or during the AGM are requested to contact KFintech at toll free number 1-800-309-4001 or write to them at evoting@kfintech.com .

VI. The Scrutinizer shall immediately after the conclusion of voting at the AGM, first count the votes cast during the AGM, there after unblock the votes cast through remote e-voting and make a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, and submit the report to the Chairman of the company or a person authorized by him in writing in that respect ,as per the provisions of Companies Act, 2013 and SEBI Listing Regulations, 2015, who shall countersign the same and declare the results of the voting forthwith as per the Statutory timelines.

VII. The voting results declared along with the scrutinizer's report will be placed on the company's website www.hplindia.com and on the website of KFin at https://evoting.kfintech.com after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the Stock Exchange(s).

VIII. The transcript of this annual general meeting shall be made available on the website of the company i.e www.hplindia.com.

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HPL Electric & Power Limited