HPL Electric & Power Limited

CIN : L74899DL1992PLC048945
Corporate Office: 76-B, Phase-IV, Sector-57, HSIIDC Industrial Estate,
Kundli-131028, Sonipat, Haryana INDIA.
Tel.: +91-130-350 3958, 350 3437 | E-mail: hpl@hplindia.com
Website: www.hplindia.com

September 01, 2026

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

Scrip Code: HPL

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

Scrip Code: 540136

Sub: Annual Report for FY 2025-26 alongwith Notice of the 34th Annual General Meeting, and Record Date

Dear Sir/Ma'am,

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

1. The 34th Annual General Meeting (AGM) of the Company will be held on **Thursday, September 24, 2026** at **11:30 A.M.** (IST) through video conferencing/ Other Audio Visual Means in accordance with relevant circulars issued by the Ministry of Corporate Affairs and the Securities and Exchange Board of India ('Circulars');

2. In terms of aforesaid circulars, Notice of AGM and Annual Report 2025-26 (as enclosed) are beings sent to all the members of the Company whose email addresses are registered with the Company /RTA/Depository Participant(s);

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

3. The Company has fixed, **Thursday, September 17, 2026** as Record date for the purpose of dividend payment, if declared, at ensuing AGM.

This is for your kind information and record please.

Thanking You,
For **HPL Electric & Power Limited**

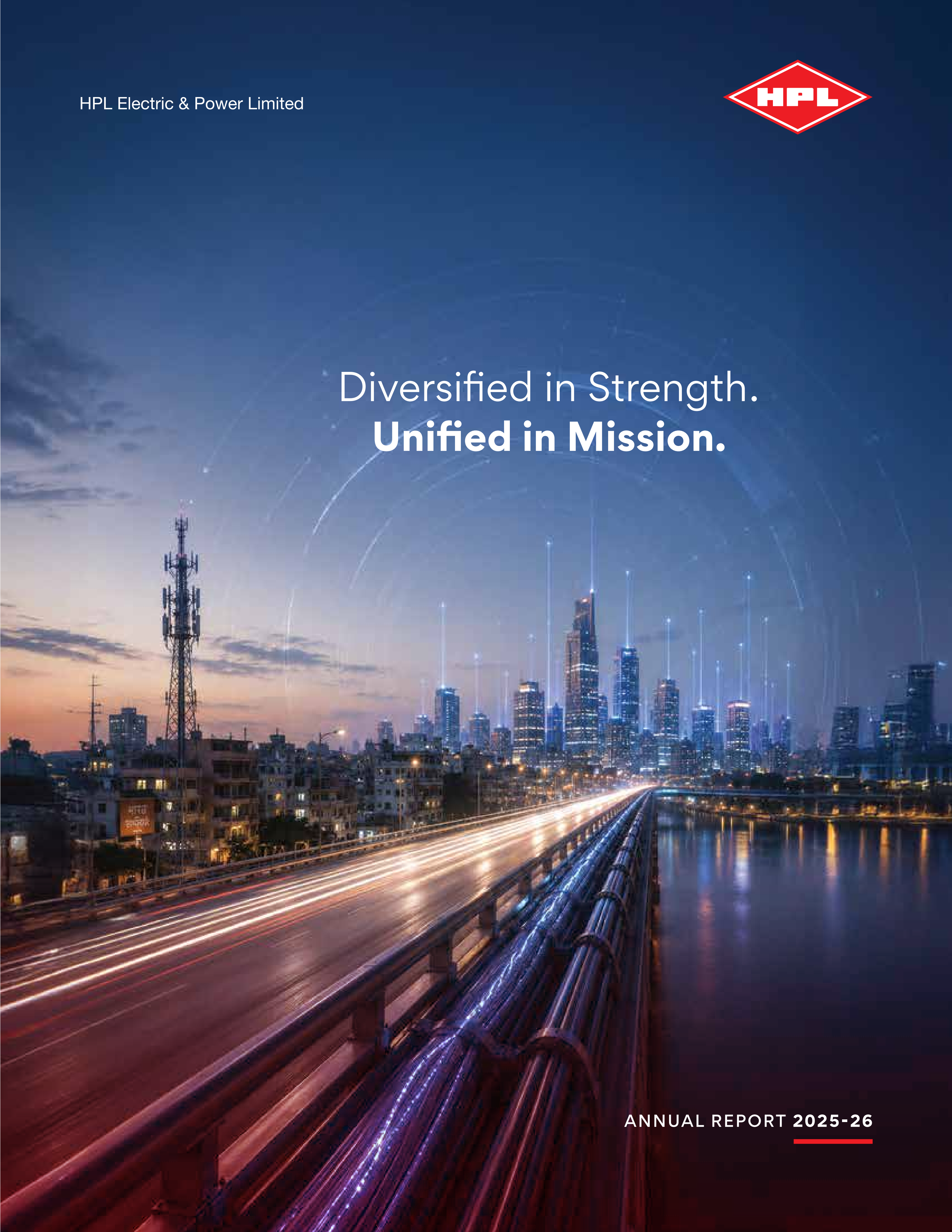
Vivek Kumar

Digitally signed by Vivek Kumar
DN: c=IN, o=Personal, title=7188, pseudonym=pbzmdg6voht27klx1ri4cs8fn93ej0qw, 2.5.4.20=3eb36823c8b414e7e934f2e0af3da010641437e49524495d66b6b358709bf23f, postalCode=201301, st=Uttar Pradesh, serialNumber=052767230d5f1c44b1c2164eefdb84f2c760ac7359949d646e7ce9b91f23d372, cn=Vivek Kumar
Date: 2026.09.01 17:42:50 +05'30'

Vivek Kumar
Company Secretary

Encl: - As stated above

HPL Electric & Power Limited



Diversified in Strength.
Unified in Mission.

ANNUAL REPORT **2025-26**

Contents

Forward-looking Statements

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

Corporate Information

Board of Directors

Mr. Lalit Seth
Chairman and Whole-time Director

Mr. Rishi Seth
Managing Director

Mr. Gautam Seth
Jt. Managing Director & CFO

Mr. Hargovind Sachdev*
Independent Director

Dr. Rashmi Vij
Independent Director

Mr. Dhruv Goyal
Independent Director

Mr. Ajit Sood**
Independent Director

Company Secretary

Mr. Vivek Kumar

Corporate Identification No.

CIN: L74899DL1992PLC048945

Registered & Corporate Office

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

Corporate Office
76-B, Phase-IV, Sector-57,
HSIIDC Industrial Estate, Kundli-131028,
Sonipat, Haryana, INDIA.
Email: hpl@hplindia.com
Website: www.hplindia.com
Tel.: +91-130-350 3958, 350 3437

Statutory Auditors

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

Internal Auditors

Pricewaterhouse
Coopers Services LLP,
Gurugram (Haryana)

Cost Auditors

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

Secretarial Auditors

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

Registrar & Transfer Agent

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

Bankers/Lenders

State Bank of India
Union Bank of India
Punjab National Bank
Canara Bank
Bank of India
IDBI Bank Ltd.
Karnataka Bank Ltd.
HDFC Bank Ltd.
Axis Bank Ltd.
Bank of Bahrain & Kuwait B.S.C.
DCB Bank
Bajaj Finance Limited
Karur Vysya Bank
Shinhan Bank India
KEB Hana Bank

Works

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

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

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

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

Village - 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

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

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

Diversified in Strength.

Unified in Mission.

FY26 unfolded against an evolving power and electrical landscape. Utilities continued to modernize. Infrastructure investments gathered pace. Consumer markets stayed dynamic even as businesses navigated shifting market conditions and changing customer expectations. Responding to these structural trends, HPL strengthened its position as a two-engine electrical platform: Metering, Systems & Services, providing scale, technology leadership and multi-year order visibility; and Consumer, Industrial & Services, providing faster-cycle, channel-led growth across a broad product portfolio. Unified in mission, our core businesses advance our purpose of delivering reliable, smarter, and sustainable solutions that power India’s progress.

This diversified strength reflects in the way our business has evolved over the years.

Our Metering, Systems & Services business remains our scale and visibility engine, supported by technology leadership, long-standing customer relationships and a strong order pipeline. Accounting for 97% of the ₹3,200+ crore order book, smart meters continue to be a key driver of modern India's power distribution ecosystem. Our expansion into the smart water meter segment with the launch of 'Neeram Pulse', extends our proven metering expertise into high potential adjacent digital utility segments.

Alongside this, our Consumer & Industrial business has emerged as a second core growth engine. Revenue grew by 25.62% in FY26 while the segment contribution increased to 43% of Revenue from Operations, from 37% in FY25, driven by broad-based growth across Wires & Cables, Switchgear and Lighting and deeper channel engagement.

This balanced momentum has helped generate Revenue from Operations over ₹1,800 crore, with quarterly revenues exceeding ₹500 crore for the first time. It has also strengthened our ability to grow across market cycles and reduce dependence on a single business, positioning us strongly to capture emerging opportunities in India's evolving power and electrical landscape.

While our business has diversified, a shared mission continues to guide every phase of our journey.

Every new capability is built on the same commitment to innovation, quality and excellence. Investments in automation, advanced manufacturing and R&D enable us to continually develop dependable, future-ready solutions, aligned with the evolving needs of our consumers. Expanding market presence, a stronger balance sheet, an improved credit rating and healthy cash flows further reinforce our mission to pursue growth with clarity, confidence and discipline.

The theme,

**'Diversified in Strength.
Unified in Mission.,**

captures this focus on building a stronger, more resilient, and balanced platform through shared capabilities, while remaining unified in our mission to drive sustainable growth and create lasting value for all stakeholders.

FY26 Performance Highlights

A Year of Robust Growth

Financial

₹ 1,811.10 crore

Revenue from Operations | 6.52% YoY

₹ 281.43 crore

EBITDA | 10.52% YoY

₹ 91.25 crore

Profit after Tax (PAT) | 2.91% YoY

₹ 14.15

Earnings Per Share | ₹ 14.58 in FY25

15.54%

EBITDA Margin | 56 bps

A from A-

Crisil Rating Upgrade

Ind A+/Stable

India Ratings and Research Rating

Operational

'Neeram Pulse'

Smart water meter launched in Jan 2026, marking our foray into the smart water metering segment

Strengthened manufacturing ecosystem

through automation, backward integration, and advanced technologies

Accelerated next-generation product development

Established a new R&D center for switchgear and lighting, and an NABL-certified testing laboratory for wires and cables

Environmental, Social & Governance

₹ 157.65 Lakhs

Total CSR spend in FY 2025-26

Reduced emission footprint

Through better load management, equipment upgrades and consumption optimization

Zero tolerance

for child labor, forced labor, discrimination and harassment

About HPL Electric & Power Limited

Emerging Stronger. Growing Further.

Established in 1992, HPL Electric & Power Limited is India's leading electrical equipment manufacturer. Backed by over four decades of industry expertise, we provide a comprehensive portfolio of low-voltage electrical products spanning metering solutions, switchgear, lighting products, solar, wires & cables and fans. Our innovative, high-quality, technology-driven products cater to the diverse needs of customers across retail, institutional, government agencies, and utility segments.

Our world-class integrated manufacturing infrastructure, dynamic in-house R&D capabilities, and stringent quality standards drive operational excellence, product reliability and customer satisfaction. Leveraging our extensive distribution network, a competent workforce and strong brand presence across India, we continue to expand our reach across both B2B and B2C markets, while expanding our export footprint to 42+ countries worldwide.

Experienced leadership, strategic partnerships, strong pre-qualification credentials, and internationally recognized certifications reinforce our position as a diversified and trusted manufacturer of electrical equipment and solutions. Enduring customer relationships further strengthen our market position, supporting sustainable growth and long-term stakeholder value creation.

Leading the Way in Electric Meters & On-load Change-over Switches

50%
Market Share in Domestic On-load Change-over Switches Market *

20%
Market Share in Domestic Electric Meters Market *

5%
Market Share in the Low-voltage Switchgear Market *

5th
Largest LED Lighting Products Manufacturer *

*Note: * Frost & Sullivan 2016*

Our Vision

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

Our Mission

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

Our Core Beliefs

Collaboration

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

Innovation

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

Customer Focus

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

Excellence

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

Integrity

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

Sustainability

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

Two Core Business Divisions

Metering, Systems & Services

Primarily serving institutional and B2B segments

- Metering Solutions

Consumer, Industrial & Services segments

Serving a balanced mix of B2B and B2C customers across residential, commercial, institutional, and industrial markets.

- Switchgears
- Lighting Solutions
- Wires & Cables
- Fans
- Solar

Our Expanding Presence

Map not to scale.
For illustrative purposes only.

Strength at a Glance

70+
Years of Trusted Manufacturing

42+
Countries Export Presence

7
State-of-the-art Manufacturing facilities

2
R&D Centres (100+ expert engineers)

6
Master Warehouses across India

90+
Branch & Representative Offices

900+
Authorized Dealers

85,000+
Retailers

620+
Full-time Employees (responsible for promotional and brand building activities for our products)

Our Product Portfolio

One-Stop Solution for Low-Voltage Electrical Solutions

Our diversified portfolio of low-voltage electrical equipment serves diverse applications and customer requirements across market segments and price points while creating opportunities for cross-selling and supporting long-term business resilience.

Metering Solutions


Smart Meters

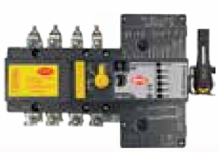

Prepaid Meters


Net Meters


Panel Meters

Switchgears | Industrial Switchgears (Industrial Applications)


ACB


Automatic Transfer Switch


MCCB Smart Panel


On Load Changeover Switches


Smart Pump Controller

Domestic Switchgears (Domestic Applications)

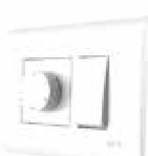

Distribution Board


MCB

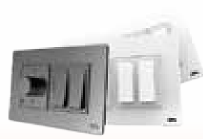

Osafe MCB & DB

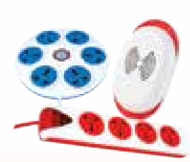

RCCB

Modular Switches & Accessories


Smart switch

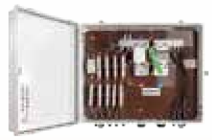

KYRO


Edeno switch


Accessories

Solar Solutions


String Monitoring Box


String Combiner Box


Surge Protection Device (SPD)

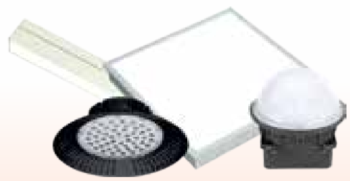

Solar Street Light


Solar Cable

Lighting Equipment

Consumer LED Products

Industrial Luminaries



Outdoor Lighting

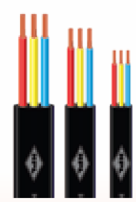
Wires & Cables


Domestic & Industrial Wire


Flat Elevator Cables


Multicore Flexible Cable


Power Cable


Submersible Cable

Fans


Energy Saving Fans

Super Premium Fans


Premium Fans


TPW Fans


Ventilation Fans

Message from the Chairman

Notwithstanding this, our operating fundamentals remained robust, supported by stronger cash generation and continued financial discipline, enhancing our ability to support future growth. As on March 31, 2026, we achieved a Return on Capital of 13.06% and Return on Equity of 9.6%. The upgrade of our CRISIL credit rating from A- to A and the assignment of an IND A+/Stable rating by India Ratings & Research have further bolstered industry confidence in our long-term prospects while reinforcing our stature as a dependable and prominent industry player.

Dear Shareholders,

It gives me great pleasure to present the Annual Report of HPL Electric & Power Limited for FY26. It has been a significant year for our Company as we delivered another year of robust performance while building a stronger, more diversified, and balanced growth platform. Today, our leadership in Metering, Systems & Services is complemented by the growing scale and momentum of our Consumer, Industrial & Services business. Supported by sustained investments in manufacturing, R&D, advanced technology and strategic partnerships, our two business, with their distinct growth capabilites, have strengthened our ability to capture emerging opportunities across India's electrical value chain while creating enduring value for our stakeholders.

Macroeconomic Landscape

Amid an uncertain global environment, the Indian economy sustained its strong growth momentum, achieving a real GDP growth of 7.7% in FY26. Robust domestic demand, manufacturing expansion, infrastructure developments, rising digital connectivity and supportive policy reforms solidified India's status as the world's fastest-growing major economy.

Against this backdrop, the electrical equipment and power sectors continued to benefit from a favorable demand environment. The Government's sustained focus on modernizing distribution infrastructure through schemes such as the Revamped Distribution Sector Scheme (RDSS). Accelerated deployment of smart meters, investments in transmission and distribution networks, growing urbanization and housing demand further supported growth. Simultaneously, increasing digital connectivity and the rising adoption of renewable energy continue to reshape the industry's future. Meanwhile, initiatives such as Atmanirbhar Bharat, with a continued emphasis on domestic manufacturing, are also creating a favorable environment for long-term growth and value creation.

Performance Overview

Our robust performance in FY26 reflects the steady progress we have made in strengthening the scale and quality of our B2B and B2C businesses. It also demonstrates our steadfast commitment to innovation, operational excellence and execution discipline.

Revenue from Operations stood at ₹ 1,811.10 crore in FY26, up from ₹ 1,700.20 crore in FY25, an increase of 6.52% YoY. Our Q4 revenues also crossed ₹500 crore for the first time, reflecting the growing strength of our diversified business model. EBITDA grew by 10.52% YoY to ₹281.43 crore, outperforming revenue growth, benefiting from improved product mix and enhanced cost and operational efficiencies. Profit after Tax stood at ₹91.25 crore, compared with ₹93.99 crore during the previous year, primarily due to higher depreciation arising from recent capacity additions.

₹1,800 crore

Revenue from Operations in FY26, reflecting continued growth momentum

10.52%

EBITDA growth, outpacing revenue growth, underscoring operational excellence

Segment Overview

The year marked a defining chapter in our evolution as a diversified electrical equipment and solutions company. Alongside our established leadership in Smart Metering, our Consumer & Industrial business emerged as a second core growth engine, enabling us to deliver balanced growth in FY26.

Our Metering, Systems & Services business generated ₹ 1,026.43 crore in revenue during the fiscal year. While industry-wide delays in Smart Meter project rollouts in the earlier months impacted execution, subsequent recovery in later months culminated in our strongest quarterly performance in Q4. The segment accounted for ~97% of our ₹ 3,200+ crore order book as on May 22, 2026, providing multi-year revenue visibility.

Our Consumer & Industrial business continued to witness strong broad-based momentum with revenue increasing to ₹784.67 crore in FY26, reflecting a healthy growth of 25.62% YoY. The strong performance of Wires & Cables, steady progress in Switchgear, improving traction in Lighting and the expansion of our product portfolio demonstrate the growing strength of this business. The business contributed 43% to our total revenues in FY26, over 37% in the previous year, reaffirming its position as the Company's second core growth engine.

Strategic Developments

During FY26, we continued to strengthen our capabilities, enhance competitiveness and lay a strong foundation for the next phase of sustainable growth.

Aligned with our diversification strategy, we entered the Smart Water Metering segment with the launch of 'Neeram Pulse', our smart water metering solution. This marks our expansion into the high-potential adjacent utility infrastructure segment, leveraging our expertise in precision metering and communication technologies. To support this initiative, we established a dedicated manufacturing facility in Gurugram, creating scalable opportunities for future growth.

We also strengthened our manufacturing ecosystem through greater automation, enhanced backward integration, and investments in advanced technologies, thereby improving operational efficiency, supply chain resilience, and product quality.

Innovation remains integral to our growth journey. During the year, we established a new R&D center focused on switchgear and lighting solutions, and an NABL-certified testing laboratory for wires and cables, advancing the development of next-generation products. We also launched several innovative, energy-efficient products across Smart Metering, Wires & Cables, Switchgear, and Lighting to meet evolving customer requirements.

We are equally committed to advancing sustainable growth. Through responsible and safe manufacturing practices, robust governance standards and continuous process improvements, we promote sustainable operations while minimizing our environmental footprint. Our growing portfolio of energy-efficient solutions further enables our customers to optimize energy consumption, reduce carbon emissions and contribute to a more sustainable future.

We also remain focused on expanding our export footprint, diversifying market presence, and unlocking new avenues for long-term growth.

Outlook,

As we enter FY27, we remain optimistic about the opportunities ahead.
The continued implementation of RDSS, increasing AMISP deployments, and the expanding 5G ecosystem provide strong long-term opportunities for our Smart Metering business. Leveraging our Smart Metering leadership and strategic partnerships, including Wirepas, we will focus on executing this opportunity with greater agility while expanding into adjacent segments. We will also continue to scale our Consumer & Industrial business, particularly Wires & Cables, leveraging an expanding distribution and channel network, faster business cycles, targeted branding initiatives and a diversified customer base.

With a clear sense of purpose, a balanced business model, prudent capital allocation and disciplined execution, we remain confident of translating these opportunities into long-term value for our stakeholders.

As I conclude, I would like to express my sincere gratitude to our shareholders, employees, customers, partners and other stakeholders for their unwavering trust and support.

Together, we will continue to build an institution that is defined by innovation, resilience and responsible growth.

Warm regards,

Lalit Seth

Chairman and Whole-Time Director

A Talk with the Joint Managing Director & CFO

Q&A

FY26 marked an inflection point in HPL Electric & Power Limited's journey, as it strengthened its position as a diversified electrical equipment and solutions company.

In this Q&A session, Mr. Gautam Seth, Joint Managing Director & CFO, discusses the Company's financial performance, the growing strength of its two-engine growth platform and the priorities shaping the next phase of growth.

Q

HPL Electric & Power Limited delivered another year of resilient performance in FY26. What key factors shaped the year's performance?

FY26 was a year of healthy financial performance, reflecting the strength of our diversified business model and disciplined execution. Revenue from Operations grew 6.52% YoY to ₹ 1,811.10 crore, compared to ₹ 1,700.20 crore in FY25. We also crossed the ₹ 500 crore revenue milestone during Q4 for the first time, highlighting growing momentum across our two complementary growth engines: the scaled Smart Metering platform and the faster-growing Consumer & Industrial business. EBITDA growth outpaced revenues, rising 10.52% YoY to reach ₹281.43 crore, with margins at a healthy 15.54%, reflecting operational excellence. Higher depreciation following recent capacity additions led to a marginal moderation in Profit after Tax at ₹91.25 crore, over ₹93.99 crore in FY25. Despite this, our consistent focus on financial discipline supported strong cash flows and resilient operating margins throughout the year.

Q

Today, the Company's growth is powered by two complementary business engines. How did these segments contribute to the Company's performance in FY26?

FY26 validated HPL's two-engine model. Smart Metering remained the scale and visibility engine, supported by technology leadership and a ₹3,200+ crore order book, enabling us to capitalize on growing opportunities in India's power ecosystem. On the other hand, our Consumer & Industrial business witnessed strong growth, emerging as our second core growth engine, expanding our reach across industrial and consumer markets and strengthening earnings potential.

The Metering, Systems & Services business had to navigate temporary industry-wide execution delays during the first half. However, execution accelerated from Q2 onwards. This resulted in our strongest quarterly performance in Q4, with the division reporting annual revenue of ₹ 1,026.43 crore in FY26. A strong order book with multi-year visibility, continued investments in technology and R&D have further strengthened our competitive position in smart metering. Supported by enhanced AMISP procurement and installation activity, the business reinforces its pivotal role in accelerating India's smart metering rollout under the RDSS program.

Our Consumer, Industrial & Services business delivered an impressive 25.62% revenue growth, accounting for a robust 43% of overall revenue, showcasing its increasing role in supporting the Company's broader mission. The broad-based growth was driven by accelerating momentum in Wires & Cables, which grew 50% YoY, backed by stronger volumes and growing market acceptance. Our Switchgear business grew by 11.10% YoY led by infrastructure and development momentum, while the Lighting business recovered, achieving 12.8% YoY, supported by reduced pricing pressure and an enhanced product mix. With an extensive distribution and channel network, a stronger product mix, robust go-to-market strategy and wide customer reach, the business continues to cater to evolving demand across residential, commercial, institutional, and industrial markets.

Q

The Company expanded into Smart Water Metering with the launch of 'Neeram Pulse' during FY26. How does this expansion position the Company for the future?

Our established credentials in smart metering, supported by advanced R&D capabilities, integrated manufacturing, and long-standing utility relationships, provide a strong platform for future expansion. Expanding our portfolio beyond smart meters, we launched 'Neeram Pulse' – our smart water meter solution during FY26. This marks our strategic entry into the adjacent digital utility segments. As part of this expansion, we have set up a dedicated manufacturing facility in Gurugram for ultrasonic and multi-jet smart water meters. The business is currently in its early stages, with commercial deployments expected to progress in line with regulatory approvals, pilot programs and utility adoption. As digital water infrastructure gains traction, we see a meaningful long-term opportunity in this adjacent space while building on our existing strengths in metering, communication technologies and project execution.

Q

What are the strategic priorities for the Company's next phase of growth?

With a strong foundation in place, our next phase of growth will be guided by three strategic pillars, each designed to strengthen a distinct part of our business while creating a more balanced and scalable platform for long-term value creation.

The first pillar will focus on strengthening our Smart Metering business by accelerating execution of our robust order pipeline, backed by growing AMISP deployments, RDSS implementation and ongoing government tendering. The second pillar relates to expanding the scale of our Consumer & Industrial business through wider distribution, deeper channel engagement and a diversified portfolio across Wires & Cables, Switchgear, Lighting and Solar. The third pillar will prioritize accelerating the growth of our Wires & Cables division by diversifying into low voltage and higher-value wire categories and strengthening our presence across diverse categories such as solar OEMs, telecom and institutional segments.

Our priorities are well-aligned with national objectives, including increasing investments in power infrastructure, rising electrification, expanding digital connectivity, and growing demand for organized electrical brands. To seize this momentum, we continue to invest in capacity expansion, automation, R&D capabilities and technological advancements. These investments not only enhance our ability to develop differentiated products, drive operational excellence and scale efficiently, but also strengthen our competitiveness as we expand our presence across domestic and global markets, creating sustainable value for all stakeholders.

Warm regards,

Gautam Seth

Joint Managing Director & CFO

FY26 Performance Review

Diversified Growth, Stronger Performance

FY26 was a year of strategic progress for HPL Electric & Power Limited as we strengthened our position as a diversified electrical equipment and solutions company. Revenue from Operations surpassed ₹1,800 crore, with Q4 FY26 revenues crossing ₹500 crore for the first time, and EBITDA outpacing revenue growth. While Profit after Tax was impacted by higher depreciation from capacity additions, healthy cash flows and improving operating fundamentals reinforced the underlying strength of our business model.

The year also demonstrated the growing strength of our diversified portfolio, underpinned by two scalable and complementary growth engines. Smart Metering continued to provide long-term visibility through a robust order book, technology leadership and its strategic role in India's power distribution transformation. At the same time, our Consumer & Industrial business has steadily emerged as the Company's second core growth pillar, backed by robust momentum in Wires & Cables, improved Lighting, steady demand from Switchgear and channel expansion.

Together, these complementary businesses have created a diversified, resilient and balanced growth platform, further reaffirming our leadership within the evolving Metering and Consumer & Industrial segments during the fiscal year.

FY26 Performance Highlights

Alongside business growth, we continued to strengthen our innovation and competitive edge through ongoing investments in R&D, automation and manufacturing capabilities.

We also expanded our metering platform with the launch of 'Neeram Pulse', our smart water metering solution, marking our entry into high-potential adjacent segments while leveraging our established technology and manufacturing strengths.

Our strong market position was further validated through the upgrade of our credit rating from A- to A by CRISIL and the assignment of an IND A+/Stable rating by India Ratings and Research (Ind-Ra). These ratings reflect confidence in our improving financial profile, disciplined capital allocation and more diversified two-engine growth platform.

Additionally, our focus on operational excellence, optimizing working capital and prudent capital allocation has further strengthened our foundation for future growth.

Looking ahead, we will continue to execute our robust Smart Metering order book while further scaling our Consumer and Industrial business. Our focus will be on strengthening both verticals through residual current detection (RCD), product engineering, sustaining margins, expanding our distribution and channel network and disciplined capital expansion.

With two complementary growth engines, differentiated capabilities and strong market fundamentals, we are strategically placed to capitalize on India's evolving electrical and energy infrastructure landscape while delivering enduring value to all stakeholders.

₹ 1,811.10 crore

Revenue from Operations, reflecting 6.52% YoY growth, supported by sustained momentum across Smart Metering and Consumer and Industrial businesses

₹ 281.43 crore

EBITDA, indicating 10.52% YoY growth, driven by an improved product mix, disciplined execution and operating leverage

₹ 91.25 crore

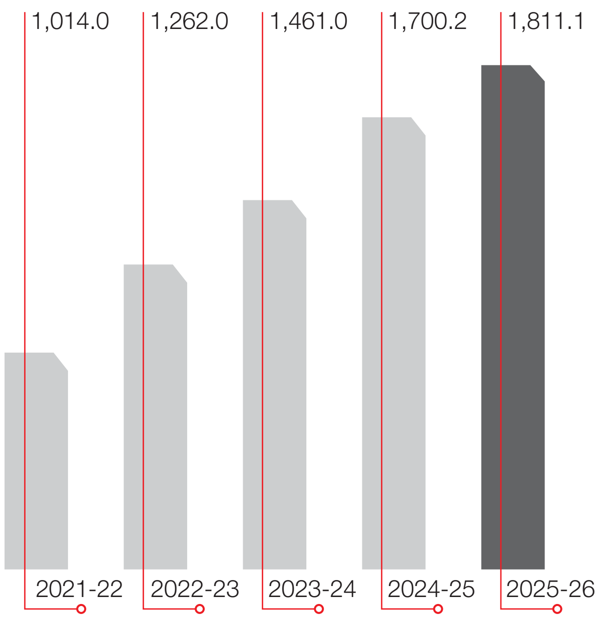
Profit after Tax, underscoring our continued focus on profitable, sustainable growth

15.54%

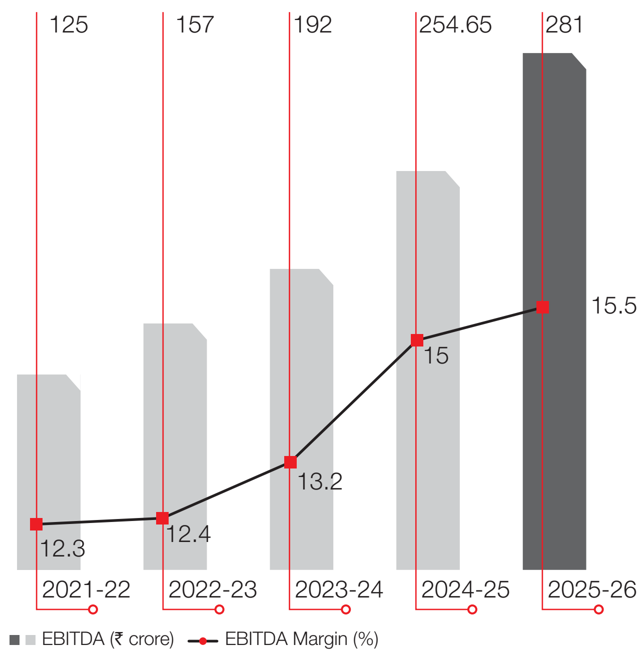
EBITDA Margin, reflecting operating efficiency

Diversified Growth, Stronger Performance

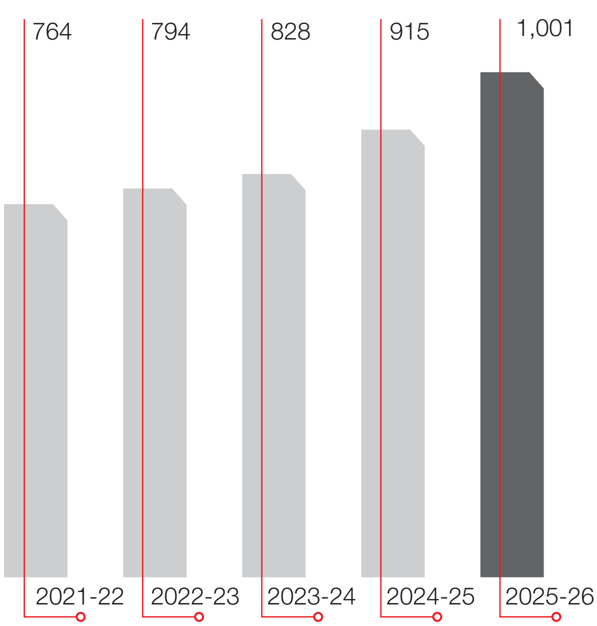
Net Revenue (₹ crore)



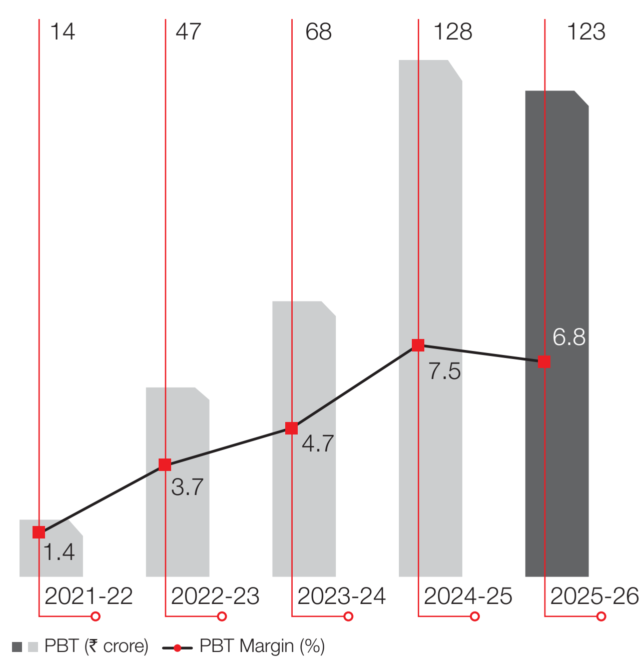
EBITDA (₹ crore) & EBITDA Margin (%)



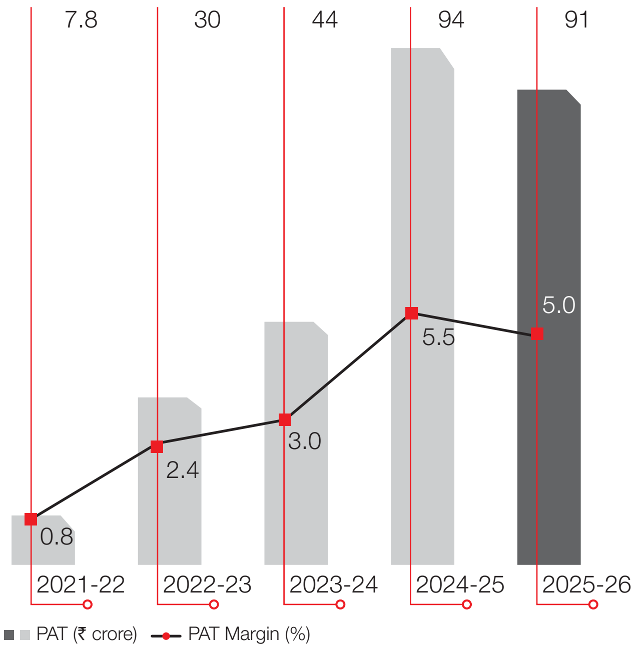
Net Worth (₹ crore)



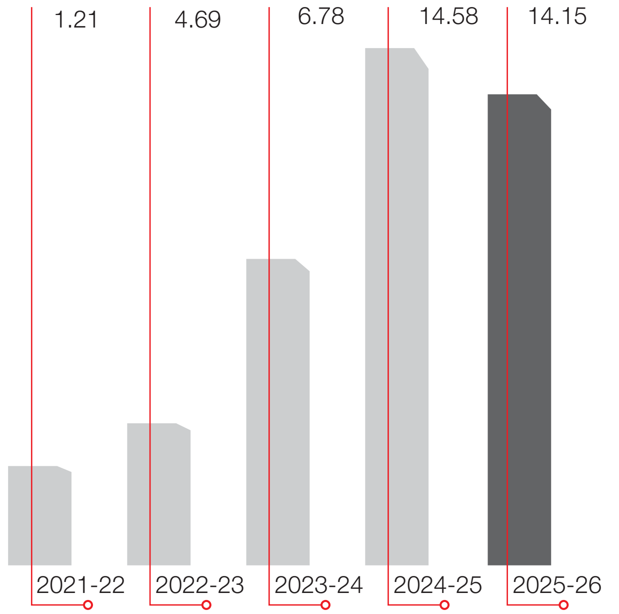
PBT (₹ crore) & PBT Margin (%)



PAT (₹ crore) & & PAT Margin (%)



Earnings Per Share (₹)



"We strengthened our R&D and testing infrastructure, enabling us to accelerate product development and respond more effectively to evolving customer and market requirements.

Insights from the Managing Director

Dear Shareholders,

FY26 was a year of strengthening the capabilities that support HPL's long-term growth. Across our operations, we continued to invest in automation, manufacturing efficiency, backward integration and process improvements to enhance quality, responsiveness and supply chain resilience. At the same time, we strengthened our R&D and testing infrastructure, enabling us to accelerate product development and respond more effectively to evolving customer and market requirements.

Our focus extends beyond building products to strengthening how we connect innovation with the marketplace. Our wide distribution and retail presence gives us valuable insights into changing customer preferences, while continued engagement across digital platforms, exhibitions and industry forums helps us remain closely connected with emerging applications and technologies. We are using these insights to sharpen our product portfolio, increase the contribution of premium and value-added offerings and strengthen HPL's presence across residential, commercial, institutional and industrial markets.

As we move forward, our priority is to bring these capabilities together with greater speed and precision. Manufacturing excellence, engineering depth, market responsiveness and disciplined execution will remain central to how we scale existing businesses and pursue emerging opportunities. Our diverse portfolio offers multiple growth paths, and our shared capabilities give us the foundation to pursue them responsibly and sustainably. I thank our employees, customers, channel partners, suppliers and shareholders for their continued confidence in HPL.

Warm regards,

Rishi Seth
Managing Director

Business Segment Review

Building a Stronger and Resilient Growth Platform

Over the years, we have built a strong B2B presence in our Smart Metering business while steadily scaling our branded Consumer and Industrial businesses. FY26 marked a significant step forward in this journey as HPL Electric and Power Limited has emerged as a two-engine electrical equipment and solutions company.

Smart Metering continued to anchor our leadership in India's power distribution transformation, backed by technology, scale and multi-year order book visibility. Simultaneously, our Consumer and Industrial business provided resilience, broader market reach, faster business cycles, and access to a diversified customer base across residential, commercial, institutional and industrial markets.

During the fiscal year, we also sharpened our focus on improving our product mix, portfolio premiumization, and disciplined execution across our portfolio, strengthening the quality of our earnings. Leveraging our manufacturing and R&D capabilities, we also launched several innovative, energy-efficient and market-ready products across our key business categories.

Together, our complementary businesses have deepened our participation across diverse end markets, enabling us to create a more diversified, balanced and dependable business in FY26 while capitalizing on India's expanding electrical and energy infrastructure opportunities.

HPL Electric & Power Limited: A Two-Engine Electrical Platform

Creating a diversified and scalable platform for sustainable long-term growth

HPL

SMART METERING

- Long-term order visibility
- Technology leadership
- Utility-led scale
- Sustained AMISP momentum

Two engines. One platform.

Sustained growth.

CONSUMER & INDUSTRIAL

- Faster business cycles
- Channel-led demand
- Wires & Cable scale-up
- Diversified branded portfolio

ORDER BOOK VISIBILITY

Multi-year AMISP-led pipeline providing strong revenue visibility.

FY26 REVENUE +25.6% YoY

C&I share rose from 37% to 43%, reflecting strong portfolio balance.

Segment Net Revenue & EBIT Margin

FY26

₹1,811 crore

Total Revenue

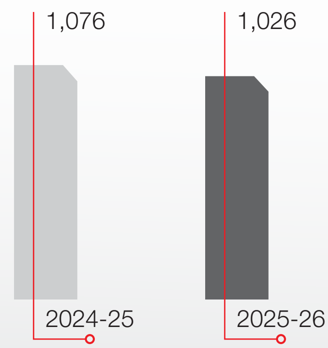
FY25

₹1,700 crore

Total Revenue

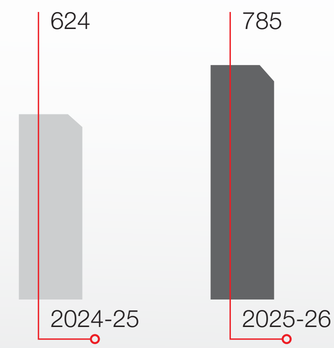
Metering, Systems & Services

(₹ crore)

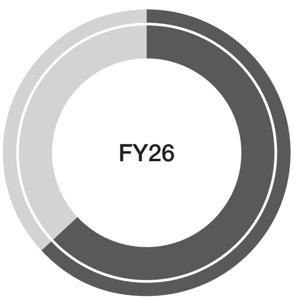


Consumer, Industrial & Services

(₹ crore)

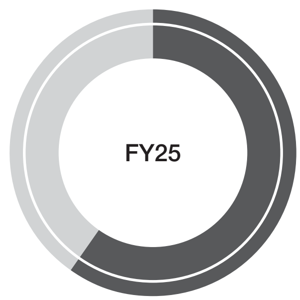


EBIT Margin (%)



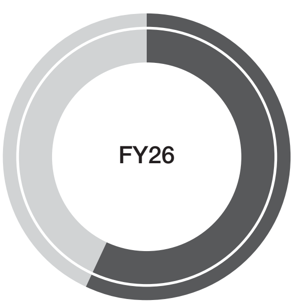
- Metering, Systems & Services – 17.52%
- Consumer, Industrial & Services - 10.21%

VS



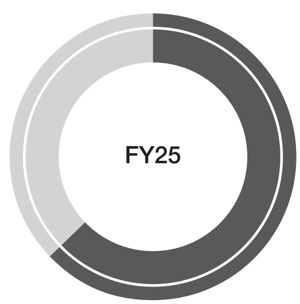
- Metering, Systems & Services – 17.01%
- Consumer, Industrial & Services - 11.45%

Segment Revenue Mix (%)



- Metering, Systems & Services – 57%
- Consumer, Industrial & Services - 43%

VS



- Metering, Systems & Services – 63%
- Consumer, Industrial & Services - 37%

₹3,200+ crore

Strong Order Book as on May 22, 2026

with Metering, Systems & Services accounting for

~97%

of our order book

**Business Segment:
Metering, Systems & Services**

Driving India's Intelligent Utility Infrastructure

Metering, Systems & Services remains scale and visibility engine, driven by Smart Metering. With cutting-edge technologies, recognized pre-qualification credentials, robust competencies and execution discipline, we continue to play a pivotal role in India's transition towards a smart and digitally connected power ecosystem, reinforcing our leading position in the nation's smart metering segment.

Beyond our core metering business, we expanded into adjacent opportunities, further expanding our integrated utility solutions portfolio and reinforcing our long-term growth platform.

Performance Overview

In FY26, our Metering, Systems & Services business recorded net revenues of ₹ 1,026.43 crore against ₹ 1,075.61 crore in the previous year. The earlier part of the year witnessed industry-wide execution disruptions, impacting metering OEMs in the Smart Meter sector through delayed project rollouts and dispatch schedules. However, sequential recovery gained momentum from the second quarter onwards, resulting in the strongest quarterly performance in Q4 FY26. Supported by improving AMISP procurement and installation activity and a robust Smart Meter order book of over ₹ 3,200 crore, the business continues to provide strong multi-year revenue visibility. This has positioned us strongly to capitalize on India's accelerating smart metering rollout under the RDSS program.

Smart Metering Leading the Way

Smart Metering remains at the forefront of HPL Electric & Power Limited's long-term growth roadmap. Further, our partnership with Wirepas for advanced mesh-based Smart Metering continues to provide opportunities to participate in large-utility projects, aligned with nation-building objectives while enhancing our competitiveness in the evolving industry environment.

In FY26, we continued to execute our strong and healthy order book at an accelerated pace, with Smart Metering projects driving the conversion of our ₹3,200+ crore order pipeline into revenues over the medium term. During the year, we introduced several new products aligned with evolving customer needs.

Our Distinctive Edge

1 **Leading Market Player,** with ~20% domestic meters market share, supported by an annual installed capacity of 1.1 crore meters.

2 **Comprehensive Product Portfolio,** comprising conventional and smart meters (including prepaid meters and software communication-driven meters).

3 **Established Customer Relationships,** serving as a trusted partner to most state and central utilities with over two decades of proven execution.

4 **Committed to Quality, Product Innovation and Cost Competitiveness,** backed by 2 R&D Centres and 100+ experts with deep electrical industry experience and integrated operations.

5 **Robust Pre-qualification Credentials,** supported by IS 16444 certified products.

New Products Launched

FC – Power Factor Controller | Ebrit Series | Dual Source – CT2 Series | Emfis Series

FY26 Metering Highlights

₹1,026.43 crore
Revenue, (4.57% YoY)
Margin expanded despite revenue softness, reflecting operational discipline

Quarterly
₹305.74 crore
Revenue in Q4, strongest FY26 quarter
Q1 ⟶ Q4 FY26 recovery
+49.9% sequential, 4 quarters

Robust Opportunities

India's Smart Metering ecosystem continues to gather momentum. Active support by the Government through measures such as the ₹3.03 Trillion Smart Metering initiative under the Revamped Distribution Sector Scheme (RDSS) is expected to further improve billing efficiency and reduce distribution losses. Under RDSS, over 20 crore connections have already been sanctioned, indicating a large-scale and long-term demand pipeline. Further, the rapid acceleration of the 5G ecosystem and digitization initiatives are increasing demand for intelligent metering and related solutions, creating significant opportunities in India's dynamic utility infrastructure environment.

Strategic Growth Levers

Revamped Distribution Sector Scheme (RDSS) Benefits

We harness the benefits of RDSS to enhance resource utilization, strengthen operations and support the reduction of Aggregate Technical and Commercial (A&T) losses.

Dynamic R&D Capabilities

Our robust in-house R&D competencies enable us to lead the evolution of smart metering with next-gen technologies

Advanced Metering Infrastructure Service Provider (AMISP) Contracts

We bolster our competitiveness through AMISP contracts (including DBFOOT basis), enhancing cost-efficiency, high product quality, and on-time deliveries.

Outlook

Backed by strategic partnerships, strong enquiry base for metering tenders, strengthened manufacturing capacity for smart meters and critical components, and continued investments in R&D and technology, the segment is well-geared for the next phase of scalable and sustainable growth.

Expanding into Digital Water Infrastructure

Building on our deep metering industry expertise, we marked a strategic entry into smart water infrastructure in FY26, with the launch of 'Neeram Pulse', our Smart Water Metering solution. Aligned with this expansion, we established a dedicated manufacturing facility in Gurugram for ultrasonic and multi-jet Smart Water Meters during the fiscal year. This expansion enables us to capitalize on long-duration opportunities across adjacent segments as utilities and smart city programs increasingly transition towards data-led network operations and enhanced revenue assurance.

Key Growth Drivers

Strategic Platform Extension

Neeram Pulse expands our metering portfolio beyond smart meters, strengthening our presence in adjacent digital utility segments.

Increasing adoption of Smart Water Meters

Utilities globally are increasingly adopting Smart Metering to reduce non-revenue water, improve billing efficiency, and enable real-time leakage/network management.

Long-term Market Opportunity

The global smart water meter market is scaling rapidly and is expected to grow from ~USD 4.61 billion in 2024 to ~USD 9.04 billion by 2030 at a CAGR of ~11.9%, creating a multi-year demand runway.

Integrated Capabilities

Our dedicated Gurugram facility for ultrasonic and multi-jet Smart Water Meters provides scalable manufacturing capabilities to support future deployment requirements.

Additionally, we are leveraging our established expertise in metering R&D, manufacturing and communication technologies to accelerate product development and strengthen our readiness for commercial scale-up.

Diversified End-user Applications

Neeram Pulse addresses the requirements of municipal water utilities, industrial customers and agricultural irrigation networks, expanding our addressable market.

Outlook

Neeram Pulse represents a strategic extension of our established metering platform into an adjacent, long-term infrastructure opportunity. Commercial deployment is expected to progress in line with regulatory approvals, pilot program outcomes and utility adoption. Supported by established capabilities across our electrical metering operations, including R&D, manufacturing, communication technologies and project execution, we believe Smart Water Metering will evolve into a meaningful growth vertical over time. As policy focus increases on smarter water management and the sector transitions from pilots to scaled deployments, we are well-prepared to support system-wide rollouts and explore long-term opportunities in digital water infrastructure.

Business Segment:
Consumer, Industrial & Services

Emerging as the Second Core Growth Engine

Our Consumer & Industrial (C&I) segment, comprising Wires & Cables, Switchgear, Lighting, Fans and Solar solutions, has emerged as the faster-growing second core engine for HPL Electric & Power Limited. With robust manufacturing, R&D, advanced technology and an extensive distribution network, we continue to benefit from long-term opportunities across India's growing consumption and industrial markets.

FY26 marked another year of strong momentum for the segment, driven by sustained channel expansion, an improving product mix and growing brand acceptance. We have also introduced several innovative products across our segment, aligned with changing customer and market requirements.

Performance Overview

The Consumer and Industrial business recorded revenues of ₹784.67 crore in FY26, up from ₹ 624.63 crore in FY25, indicating an impressive 25.62% YoY growth. Growth was broad-based, driven by Wires & Cables, which recorded 50.0% YoY growth, supported by strong volume expansion and increasing market acceptance. The Switchgear business also witnessed healthy momentum, with 11.10% YoY growth, supported by sustained infrastructure and development activities. Meanwhile, the Lighting business returned to growth, delivering 12.8% YoY growth, supported by reduced industry-wide pricing pressure, expanding distribution channels and an improving product mix. In FY26, the C&I segment accounted for 43% of overall revenue, against 37% in FY25, underscoring its growing strategic importance as a core business vertical for the Company.

FY26 C&I Highlights

₹784.67 crore
Revenue, 25.62% YoY ↑

Quarterly
₹213.96 crore
Revenue in Q4, 19.80% YoY ↑

43%
C&I Revenue Share in FY26 vs 37% in FY25

New Products Launched in FY26

Industrial Products

- ATS with 310
- ATS with 360

Lighting Equipment

- ROW Bright LED Flood Light – 10 W
- ROW Bright LED Flood Light – 20/30 W
- LED Street Light – Modular PC Lens/Covers
- LED Flood Light – Modular PC Lens/Cover (250W–350W)
- LED Street Light – Glass with Frame
- LED Flood Light – Modular (600W–1000W)
- All-in-One Integrated Solar Street Light
- Semi-Integrated Solar Street Light
- Standalone Solar Street Light
- Solar Flood Light

Domestic Switchgears

- Electromagnetic RCBO (2-Pole & 4-Pole, 6A–63A)
- Wires & Cables
- Li2YD11Y Low-Frequency Signal/Data Cable

Strategic Growth Levers

1. Diversified brand portfolio, supported by continued scale-up of Wires and Cables business.

2. Expanding distribution reach and deepening retailer relationships to strengthen market penetration.

3. Targeted brand-building initiatives to enhance brand recall and customer engagement.

4. Improving product mix with a greater focus on premium and value-added products.

5. Continued investments in R&D and manufacturing to aid new product development, reinforcing our innovation and competitive edge.

Industry Opportunity

Driven by increasing urbanization, infrastructure expansion, housing demand and preference for energy-efficient solutions, the C&I business continues to scale significantly. Growing customer preference for organized brands and expanding retail penetration are further driving increased visibility for the sector. Increasing investments in power infrastructure, accelerating electrification and ongoing expansion of digital connectivity, including the 5G ecosystem, are expected to drive sustained demand across consumer and industrial electrical products, creating long-term sectoral opportunities.

Wires & Cables: Accelerating the Growth Journey

Over the years, the Wires & Cables business has emerged as one of HPL Electric & Power Limited's fastest-growing Consumer & Industrial verticals. Backed by increased broad-based demand across real estate, industrial OEMs, solar, telecom & 5G and institutional segments, the business is rapidly establishing itself as the Company's next major growth platform after Smart Metering.

FY26 was a defining year for the Wires and Cables business, with revenues reaching ₹340.74 crore, reflecting an outstanding growth of 50% YoY. Growth was volume-led and broad-based, reducing reliance on commodity price movements.

Wires & Cables Performance Highlights

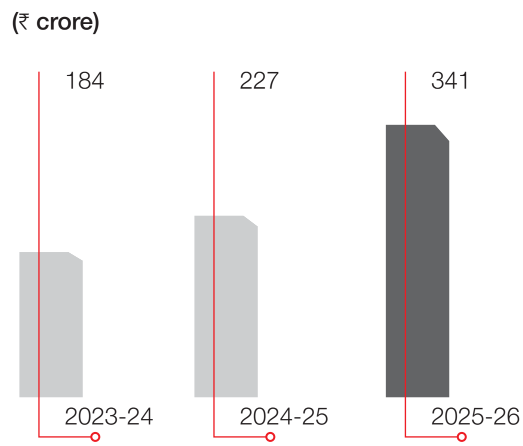
₹340.74 crore
Revenue in FY26, 50% YoY ↑

81.96%
Revenue growth in Q4 FY26

85.4%
3-Year Revenue Growth (FY24 to FY26)

~36%
3-Year CAGR

3-Year Robust Growth Trajectory



C&I Outlook

HPL will continue to scale its Consumer & Industrial engine through deeper distribution, wider cross-selling and product innovation. Wires & Cables will remain the principal growth accelerator, while Switchgear and Lighting broaden the opportunity across residential, commercial, institutional and industrial markets. The focus will remain on disciplined growth, improved mix and margin protection.

Strategic Priorities

Powering the Next Phase of Growth with Three Strategic Pillars

Anchored on three growth pillars, we are well-positioned to unlock the next phase of profitable and sustainable growth. Backed by shared platforms, manufacturing, R&D, distribution & channels and financial discipline, we will continue to execute with agility and scale while delivering long-term value to all stakeholders.

Three Pillars of Growth

Pillar 1

Smart Metering

Multi-year execution visibility through

- AMISP-led deployments
- RDSS implementations
- Ongoing government's large-scale tendering order pipeline
- Execution credibility

Progress Metric:

Restore quarterly metering revenue to the FY25 peak

Pillar 2

Consumer & Industrial

- Faster-cycle growth platform
- Across Wires & Cables, Lighting, Switchgear and Solar
- Distribution-led expansion
- Channel-driven demand acceleration

Progress Metric:

C&I revenue share approaching 50%

Pillar 3

Wires & Cables

- Capacity independence across voltage, OCB, and solar
- OEMs, telecom and institutional channels
- Portfolio expansion from domestic wires to LT cables and high-voltage categories

Progress Metric:

Sustaining volume growth above 30% YoY

Manufacturing Infrastructure

Strengthening Our Manufacturing Edge

Backed by globally recognized quality and compliance certifications, our integrated manufacturing capabilities form the backbone of our operations, enabling the timely delivery of innovative, high- quality solutions. We continue to invest in technology, automation and process improvements to enhance operational efficiency, scalability, and product excellence.

World-class Manufacturing Facilities

Map not to scale. For illustrative purposes only.

FY26 Key Developments

- Establishment of a dedicated Panel Meter & AMI Water Meter manufacturing facility at Gurugram, providing scalable production capability for ultrasonic and multi-jet smart water meters. Commercial scale-up is planned following regulatory approvals and successful pilot milestones.
- Enhanced automation across manufacturing operations. Most production lines under metering are fully or semi-automated, enhancing manufacturing quality while enabling real-time data capture to support long-term after-sales service. We are establishing a new large automated line for Miniature Circuit Breakers (MCBs) to drive efficiency and precision.
- Continued to strengthen backward integration for critical smart metering components, improving domestic value addition, supply chain resilience and manufacturing efficiencies.

Key Certifications

KEMA ISO 9001:2015 CB TÜV CERT Bureau Veritas ISO 27001 TÜV SÜD

CE OHSAS 18001 ISI UASL ISO-27001:2005 Registered ISO 14001

R&D Excellence

Advancing the Frontiers of Innovation

Innovation at HPL Electric & Power Limited is driven by a robust research and development ecosystem. Upholding stringent quality standards, our dedicated R&D centres and NABL-accredited testing laboratories strive to develop intelligent, superior-quality offerings aligned with technological advancements and evolving customer needs.

In FY26, we continued to strengthen product performance, accelerate new product development and enhance cost competitiveness across our portfolio. Supported by advanced engineering expertise, cutting-edge technology and continuous process innovation, we remain well-positioned to address changing market dynamics, expand our global presence and create long-term sustainable value.

Our R&D Differentiators

Recognized with Key Accreditations & Certifications

All our R&D centres are recognized by DSIR (Department of Scientific and Industrial Research), reaffirming our strong innovation capabilities. Our Gurgaon R&D center is certified for CMMi V2.0 Maturity Level 3 for the design and development of advanced smart meters, high end energy meters, pre-paid energy meters, panel meters and a centralized system for street light management system. Our R&D-Jabli center is NABL-recognized for testing of MCB and RCCB products, while our NABL accredited Kundli plant laboratory further strengthens our R&D capabilities in switchgear and lighting solutions.

Adherence to Stringent Quality Standards

We maintain an unwavering commitment to quality at all times, ensuring that all our products undergo rigorous testing in compliance with relevant IEC Standards at accredited third-party labs, including CPRI, ERDA, TUV and INTERTEK. Approvals from Dekra–Netherlands for CB Certificate and KEMA for diverse products have further strengthened our access to global markets. Supported by ISO 9001:2015 certified and RoHS-compliant manufacturing facilities, our R&D teams continuously work to enhance product reliability and life cycle, while our wide range of CE-certified products reinforces our commitment to health, safety and environmental responsibility in a dynamic industry landscape.

Committed to Smart and Sustainable Growth

Leveraging our successful track record of supplying meters over the last 2 decades, we continue to support national priorities through innovative and indigenous product development. Our portfolio includes advanced solutions such as smart prepaid meters and DC MCBs, aligned with the Government's smart meter rollout, alongside a comprehensive range of products including ACBs, Changeovers, Isolators, MCCBs, Fuses, and MCBs for renewable energy applications. We also provide integrated distribution solutions that address the evolving requirements of power sector reforms and distribution network modernization while supporting sustainable growth.

Accelerating Time-to-Market

Our R&D units remain focused on the timely delivery of new products under development to meet evolving customer requirements and stay ahead of market competition.
By seamlessly connecting every stage of product development from concept to customer, we minimize time iterations, optimize costs and advance commercialization. Our capabilities span electronic product design, 3D modeling, software simulations, production process prototyping and prototype validation before commencing tool and complete product manufacturing.

Active Participation in Key Industry Events

As an industry leader in metering, switchgears and wiring accessories segment, we actively participate in industry forums such as BIS and IEEMA, contributing to the formulation, updation. and revision of standards for metering and switchgear products. This enables us to stay at the forefront of evolving technologies and regulatory developments while strengthening our innovation capabilities to develop future-ready products.

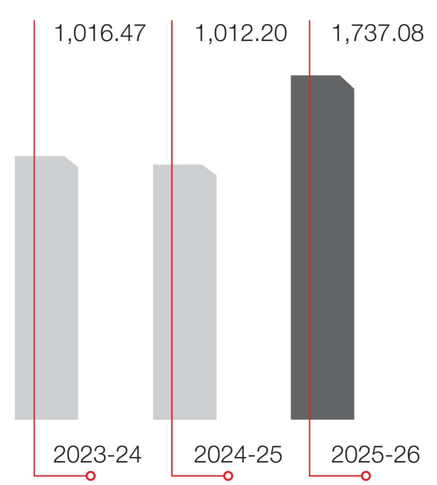
Key FY26 R&D Developments

- Established a new R&D center at the Kundli facility to accelerate innovation in switchgears and lighting solutions.
- Commissioned an NABL-certified testing laboratory at the wires and cables facility, strengthening in-house testing and validation capabilities.
- Strengthened R&D Team with experienced specialists to advance next-generation smart switchgear technologies.
- Expanded dedicated R&D capabilities across all key business divisions, including metering, switchgear, lighting, and wires and cables.
- Advanced the development of IC-compliant meters, progressing towards international certifications and country-specific regulatory approvals.

₹1,737.08 Lakhs
Total R&D Expenditure in FY26

100+
Dedicated R&D Experts

R&D Investment Roadmap (YoY) (₹ in Lakhs)



Brand Building

Strengthening Brand Visibility across Platforms

Our multi-channel branding strategy spans retail touchpoints, digital engagement and participation in industry exhibitions and events. Backed by market and audience insights, this focused approach helps enhance brand recall, expand market presence and deepen customer engagement across India through both online and offline channels.

Expanding Retail Branding Reach

A well-executed retail branding strategy has enabled us to establish a strong presence across India's diverse markets, including urban and rural regions. This sustained outreach has expanded customer access to our offerings, enhanced brand recall and improved customer satisfaction, reinforcing our reputation for consistently delivering high-quality and reliable offerings.

Enhancing Brand Recognition through Exhibition and Event Participation

We continued to strengthen our brand presence through participation in various industry exhibitions and events during FY26. These platforms served as a valuable medium to demonstrate our product innovations, deepen market insights, strengthen relationships with existing clients and network with prospective customers, enabling us to explore new avenues for business growth and expansion.

Additionally, we sponsored industrial webinars and virtual exhibitions to strengthen our connections in key industry circles.

Amplifying Digital Brand Visibility

By leveraging diverse social media platforms, we continued to bolster our digital presence during the fiscal year. Through relevant and engaging content, we communicated our innovations, broadened audience reach and built stronger connections, fostering a vibrant online community.

Social Media Followers

149k followers

65k followers

17.6k followers

3.0k followers

Environmental, Social and Governance

Extending ESG Across Our Value Chain

At HPL Electric & Power Limited, ESG principles shape how we design our products, operate our plants and work with our partners. As a leading manufacturer of electrical equipment, much of the footprint we influence extends beyond our own factories; upstream through the suppliers who make our components and downstream in the buildings and networks where our products continue operating for years after they leave our facilities.

FY26 was a year of steady progress. We continued to implement our established ESG programs with greater consistency. Our Executive Committee monitored performance against our ESG targets throughout the year, with our goals remaining on track. Our framework follows the nine principles of the National Guidelines on Responsible Business Conduct, while the quantified disclosures supporting this narrative is laid out in our Business Responsibility and Sustainability Report, which forms part of this Annual Report.

Environmental Measures

We approach environmental responsibility from two directions: lowering the impact of our own operations and manufacturing products that help our customers reduce energy consumption.

Key Initiatives

At Our Facilities

- Our facilities adhere to regulatory compliance, efficient operations and technology-enabled solutions, together supporting the clean, future-ready infrastructure.
- Our environmental management practices follow ISO 14001 principles, with select facilities certified under the standard.
- Waste, water consumption and emissions are managed under our internal Health, Safety & Environment (HSE) Policy and tracked against annual targets throughout the year.
- Effluent Treatment Plants (ETPs) and Sewage Treatment Plants (STPs) across our units treat industrial and domestic discharge, reusing treated water wherever the application allows.
- Our emission footprint continued to come down over the year, supported by better load management, equipment upgrades and sustained attention to consumption across our manufacturing units.
- As a manufacturer of lighting and electronic products, we meet our Extended Producer Responsibility obligations for e-waste and plastic packaging through registered recyclers, with recoverability considered at the design stage.

Product Offerings

- LED lighting solutions, designed for energy efficiency and longevity.
  - High-performance products spanning decorative, commercial and industrial applications, reducing energy use and operational emissions in customer installations.
  - Extensive coverage across indoor, outdoor and smart lighting categories, supporting India's energy transition with scalable, low-energy solutions.
- Smart electrical infrastructure, enabling modern grid transformation and urban sustainability.
  - Smart metering that enables accurate billing, loss reduction and real-time monitoring; helping improve grid efficiency and reduce avoidable electricity generation.
  - Smart switchgear that helps utilities and businesses manage remote and secure loads.
- Products developed through our two in-house R&D centres and seven manufacturing units, built to be efficient, commercially viable and future-ready.

Supporting SDG Goals

Social Development

As a responsible entity, we focus on providing a safe and conducive workplace for our people and the communities we work with.

Key Measures

- Policies providing a safe, inclusive and equitable workplace apply across every location.
- Our occupational health and safety systems follow ISO 45001 principles, with certified systems across key facilities.
- We maintain zero tolerance for child labor, forced labor, discrimination and harassment, supported by our Human Rights Policy and awareness programs across all locations.
- Grievance redressal mechanisms are open to permanent and contractual employees on equal terms.
- Our Diversity, Equity & Inclusion (DEI) Policy supports equal opportunity in hiring and advancement.
- We source from micro, small and medium enterprises, including vendors in smaller towns and rural districts, supporting local employment and keeping our supply lines short and responsive.

Corporate Social Responsibility

Our CSR efforts reflect our commitment to shared growth. For more details, refer to pages 38.

Supporting SDG Goals

Governance

Our Board of Directors oversees ESG governance, ensuring transparent governance and ethical conduct across the organization.

ESG in Governance

- Our ESG policies align with all nine principles of the National Guidelines on Responsible Business Conduct (NGRBC).
- Our Executive Committee for ESG matters provides dedicated oversight, reviewing performance against targets throughout the year and escalating issues to the Board.
- Our Anti-Corruption and Anti-Bribery (ACAB) Policy is supported by periodic risk assessment and employee training.
- Data protection and information security are managed through our ISMS-aligned systems.
- Our Supplier Code of Conduct extends these expectations to our business partners, providing for deeper engagement as our value chain agenda develops.

Supporting SDG Goals

Outlook

As we move ahead, the next phase of our ESG agenda will focus on the value chain. Having established sound practices within our own operations, we intend to progressively extend our structured ESG engagement to the partners who account for the largest share of our procurement, starting with those already covered by our Supplier Code of Conduct.

We see this as a multi-year journey rather than a single-step exercise. Many of our suppliers are small enterprises for whom sustainability reporting is unfamiliar. Our approach will therefore emphasize enablement, helping partners build the measurement practices that make disclosure possible, nurturing long-term relationships.

In parallel, we are preparing our own systems for the next stage of India's ESG disclosure framework: including the phased introduction of assessment or assurance of BRSR Core parameters and, in due course, value chain disclosures. Our approach remains measured and practical: to commit to what we can demonstrate and to build, over time, a value chain that upholds the same standards we set for ourselves.

Corporate Social Responsibility

Caring for Our Communities

Our commitment to responsible growth extends beyond our business operations, as we continue to create positive impact through thoughtfully designed Corporate Social Responsibility (CSR) initiatives that support community development and inclusive growth. During FY26, we supported the healthcare and public welfare measures of Sri Sathya Sai Central Trust. We also partnered with Saksham to help them improve accessibility and inclusion for the visually impaired, reflecting our belief in creating shared value for the communities around us.

₹157.65 Lakhs
Total CSR spend in FY26

Key FY26 CSR Initiatives

Donations to Sri Sathya Sai Central Trust

Established in 1972 by Sri Sathya Sai Baba, the Sri Sathya Sai Central Trust is a public charitable trust dedicated to providing quality education, healthcare and general public utility services to the poor without any discrimination. Through its efforts to offer accessible services and support underserved communities, the Trust commits to building skilled and responsible citizens who will contribute meaningfully to societal development.

As part of its commitment to advancing education, healthcare and social welfare, HPL Electric & Power Limited continued to support Sri Sathya Sai Central Trust's efforts in community development in FY26.

During the fiscal year, we donated ₹ 135 Lakhs towards the Trust's medical relief measures, supporting the provision of essential healthcare to underserved communities, ensuring they receive timely medical assistance. We also contributed ₹ 11.15 Lakhs to Sri Sathya Sai Institute of Higher Learning, furthering access to quality education for deserving students and supporting overall societal benefit.

₹135 Lakhs
for Medical Relief Measures undertaken by Sri Sathya Sai Central Trust

₹11.15 Lakhs
Contribution to Sri Sathya Sai Institute of Higher Learning to support their higher education initiatives

Saksham

The Saksham Trust fosters an inclusive environment by promoting accessibility, learning opportunities, and empowerment for persons with visual impairments.

In FY26, we contributed ₹ 4 Lakhs to the trust to be utilized towards the design of tactile replicas of heritage monuments to enhance the experience, perception and cultural education of visually impaired students.

₹7.5 Lakhs
Contribution towards enhancing skills and supporting livelihood of Neurodivergent adults

₹4 Lakhs
Donated towards design of tactile replicas of heritage monuments for visually impaired students

Board of Directors

Mr. Lalit Seth

Chairman and Whole-Time Director

Mr. Lalit Seth's visionary leadership has been the cornerstone of HPL's success and market leadership. Backed by over 56 years of experience in the electrical industry and deep industry knowledge, he has spearheaded the Company through key transformative initiatives, driving sustainable and positioning HPL as a benchmark for quality, technology and reliability.

Mr. Rishi Seth

Managing Director

Mr. Rishi Seth, the Managing Director of the Company, brings over 31 years of electrical industry experience and holds an MBA in Finance. Over the years, he has played a pivotal role in shaping the HPL Group's organic growth. As Managing Director, he heads the Company's strategic direction, business diversification and expansion into new avenues, including EPC projects and green projects. He also oversees the institutional and government business while providing insights to key manufacturing operations. Under his leadership, HPL has achieved several significant milestones, including strengthening presence in the utility segment and emerging as a global leader in Smart Meter manufacturing.

Mr. Gautam Seth

Joint Managing Director & CFO

Mr. Gautam Seth, a qualified Chartered Accountant, possesses over 29 years of experience in the electrical industry. With his dedication and commitment, he has played a key role in advancing the Group's success. He oversees the Group's overall functioning and administration while leading its sales and marketing activities, providing business insights and strategic direction to enhance market relevance and competitiveness. His pragmatic vision, decisive leadership and extensive industry expertise continue to steer the Group's evolution, fostering sustained growth and long-term value creation.

Mr. Hargovind Sachdev*

Non-Executive Independent Director

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

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

Dr. Rashmi Vij

Non-Executive Independent Director

Dr. Rashmi Vij is a gold medallist in MA (Psychology) and holds a Doctorate in Psychology, with an outstanding academic record. She has been the Founder Principal of Police DAV Public School since 1996. She serves as the Chairperson of Jalandhar Sahodaya Complex, managing several sports organizations in Punjab and India. She is also the British Council School Ambassador for various advocacy programs. She has been the recipient of several prestigious awards, including the National Teacher Award - 2007 by the Honorable 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 equally recognized for her commitment to social causes, actively supporting the education of underprivileged children and the empowerment of women.

Mr. Dhruv Goyal

Non-Executive Independent Director

Mr. Dhruv Goyal brings over 34 years of experience in the cable and telecommunication industry, with vast experiences in handling global business operations. He holds a B. Sc Honours (Chemistry) from Hindu College, Delhi University and a Diploma in International Marketing from IIFT.

Mr. Ajit Sood

Independent Director

Mr. Ajit Sood brings over 36 years of experience in global and domestic Banking and is a Post Graduate and a certified Associate from Indian Institute of Banker (CAIIB). He retired as Chief General Manager from State Bank of India (SBI) on April 30, 2018. Previously, he has held key positions in SBI, including Chief General Manager of a Circle, General Manager Mid Corporate Group, Deputy General Manager Corporate Accounts Group & Assistant General Manager Foreign Currency Loan Syndications. He has also worked as the Head of Business Development at SBI's Singapore Office. He has also attended courses at Northwestern University- Kellogg School of Management, Chicago USA and the Indian Institute of Management, Kolkata. His vast experience spans credit appraisal, sanction and monitoring of loan to large and mid-corporates, credit risk, financial management and overseas acquisition financing. He has also handled accounts relating to Pharmaceutical, Metal, Food, Coal, Thermal Power Plants, Wind Power, Manufacturing of Power Equipment, Construction Sector, Rice, Sugar, Leather Products, Oil Refinery and Textile, among others. He has also served as a Senior Advisor with KPMG India Pvt. Ltd. in its Special Situations Group.

Awards & Accolades

M/s HPL Electric & Power Limited was awarded by the Central Power Research Institute, Bengaluru, for Sponsorship of the National Conference on "Emerging Trends in Smart Grid and Cyber Security"

M/s HPL Electric & Power Limited has organised a 9th and 10th Awareness Program about Quality and Indian Standards for students of Govt. Sr.Secondary Schools, Basai and Sohana-Gurugram on behalf of BIS Branch Office - Faridabad

Management Discussion and Analysis

Global Economy

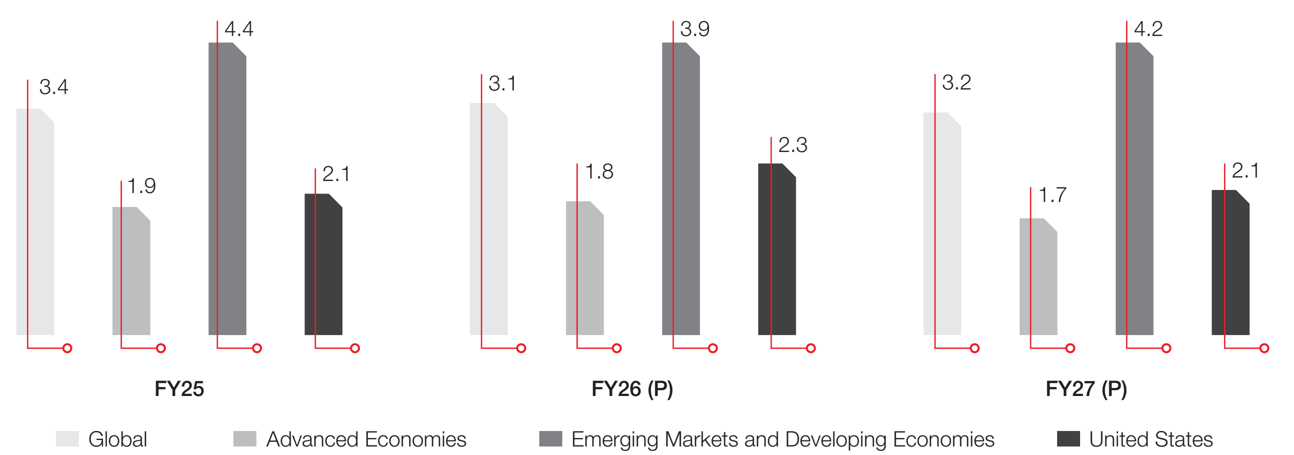
The global economy in 2025 operated in an uncertain macroeconomic environment, marked by trade restrictions, policy uncertainty and persistent geopolitical tensions. Ongoing conflicts in Eastern Europe and the Middle East, including the Russia-Ukraine war, continued to disrupt global supply chains, energy markets and investor sentiment, causing periodic volatility in commodity prices and financial conditions. Rising tariffs and evolving trade arrangements further affected global trade and investment flows.

Despite these headwinds, global economic activity remained resilient, supported by stable labour markets, continued fiscal support and technology-led investments, particularly in artificial intelligence (AI). Diversified trade routes, stronger energy security measures and supply chain realignment supported recovery, with global growth improving to 3.4% in 2025 from 3.3% in 2024.

Advanced economies grew by 1.9%, supported by stable labour markets, easing financial conditions and recovering demand, while emerging market and developing economies (EMDEs) expanded by 4.4%, driven by resilient domestic consumption, improving manufacturing and services activity, and continued infrastructure investments in key Asian economies.

Global headline inflation moderated to 4.1% in 2025, reflecting easing supply-side pressures and the impact of earlier monetary tightening. However, inflation remained uneven across regions, staying above target in the United States while remaining relatively subdued in several other major economies.

Real GDP Growth



*P stands for Projected

[Source: IMF World Economic Outlook April 2026]

Outlook

As 2026 unfolds, the global economy faces renewed uncertainty amid escalating tensions in West Asia and disruptions across critical energy transit routes. Concerns over the supply of oil, LNG and fertilisers have heightened risks to energy security, inflation and supply chain stability. Consequently, global growth is projected to moderate to 3.1% in 2026 before improving to 3.2% in 2027. Improving diplomatic efforts, strategic energy diversification and stronger regional cooperation are expected to gradually ease these pressures, supporting supply chain stability, moderating inflation and strengthening the global recovery.

Advanced economies are projected to grow by 1.8% in 2026, while emerging market and developing economies are expected to expand by 3.9%, supported by domestic demand and continued infrastructure spending. Central banks are expected to remain cautious, while governments continue to prioritise fiscal discipline, targeted policy support and supply chain resilience amid the evolving global economic landscape.

[Source: IMF World Economic Outlook April 2026]

> **India remained the world's sixth-largest economy in nominal GDP terms, with private consumption and investment driving growth.**

Indian Economy

The Indian economy remained one of the fastest-growing major economies in FY26, supported by resilient domestic demand, infrastructure investment and policy reforms. As per the Provisional Estimates released by the Ministry of Statistics and Programme Implementation (MoSPI), real GDP grew by 7.7%, while real Gross Value Added (GVA) increased by 7.9% to ₹294.91 lakh crore. The services sector remained the primary growth driver, while manufacturing gained momentum through government-led production initiatives and infrastructure spending.

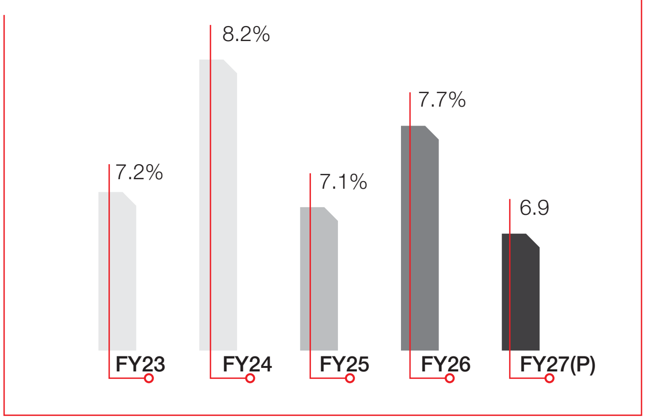
India remained the world's sixth-largest economy in nominal GDP terms, with private consumption and investment driving growth. Reforms such as GST, Production Linked Incentive (PLI) schemes and Make in India 2.0 continued to strengthen formalisation, manufacturing competitiveness, ease of doing business and global supply chain integration. Manufacturing activity remained robust, with the HSBC India Manufacturing PMI at 55.0 in May 2026 and the Index of Industrial Production (IIP) growing by 4.9% in April 2026, led by 6.2% growth in manufacturing.

Geopolitical tensions in West Asia and disruptions to global trade routes heightened risks around energy prices, logistics and critical industrial inputs. As an import-dependent economy for crude oil and intermediate goods, India remained exposed to higher energy prices, inflationary pressures, supply chain disruptions and commodity price volatility. However, diversified sourcing, stronger domestic manufacturing and deeper integration with emerging markets continued to support industrial resilience.

Government reforms and initiatives, including Make in India and the PLI schemes, remained key growth enablers. The PLI scheme attracted investments of approximately ₹2.16 lakh crore across 14 key sectors, supporting the objectives of Atmanirbhar Bharat and India's vision of a US$5 trillion economy.

Inflation moderated during the year, with the RBI lowering its FY26 CPI inflation forecast to 2.1%. The repo rate was cumulatively reduced to 5.25%, supporting credit availability and investment. India's exports are projected to approach US$1 trillion in FY27, aided by trade agreements, manufacturing scale-up and improving export competitiveness.

India's GDP Growth



*P stands for Projected

(Source: RBI, Fortuneindia, RBI Annual report 2025-2026, Tradingeconomics, PIB)

Outlook

India's GDP is estimated to grow by 6.9% in FY26, driven by the twin engines of consumption and investment, reaffirming its position as the fastest-growing major economy for the fourth consecutive year. The country is projected to become a US$30–35 trillion economy by 2047, supported by structural reforms, sustained growth momentum, and expanding digital and physical infrastructure. However, the RBI has cautioned that while the growth outlook remains resilient, risks are tilted to the downside due to prolonged geopolitical tensions, global trade uncertainties and external economic headwinds.

Initiatives such as Make in India 2.0 will prioritise emerging and high-growth sectors while improving the business environment, while the PLI scheme will continue to strengthen manufacturing, exports and competitiveness. Moderating inflation is expected to support rural consumption. The Union Budget FY27 has increased capital expenditure by nearly 9% to a record ₹12.2 lakh crore from ₹11.2 lakh crore, prioritising investments in roads, railways, ports, airports, power transmission and urban infrastructure to sustain economic momentum and advance the government's "Viksit Bharat" vision for a developed India.

(Source: PIB, PIB, Global Economic Cooperation (GEC), PIB, Economictimes, RBI Annual report 2025-2026)

Industrial Overview

Indian Power Sector

India's power sector maintained strong growth during FY26, supported by sustained capacity additions, rapid renewable energy deployment and continued strengthening of the transmission and distribution network. The country added a record 55.29 GW of non-fossil fuel capacity during the year, reinforcing its transition towards a cleaner and more diversified energy mix. As of 31 March 2026, India's total non-fossil fuel installed capacity stood at 283.46 GW, comprising 274.68 GW of renewable energy and 8.78 GW of nuclear capacity, making India the third-largest renewable energy market globally. During the year, the country generated 1,845.92 billion units (BU) of electricity while successfully meeting an all-time peak power demand of 250 GW, reflecting the growing energy requirements of the economy. The gap between energy requirement and energy supplied declined to nil, while peak demand not met also reduced to nearly nil, highlighting the strengthening reliability of the national power system

Renewable energy continued to account for an increasing share of the country's installed capacity. As of 31 March 2026, solar power remained the largest renewable source with an installed capacity of 150.26 GW, followed by wind power (56.09 GW), large hydro (51.41 GW), bio energy (11.75 GW) and small hydro (5.17 GW). This expansion reflects sustained investments in clean energy and supports India's long-term objective of achieving 500 GW of non-fossil fuel capacity by 2030.

The overall generation mix continues to remain balanced between conventional and clean energy sources. As of 31 March 2026, India's total installed power generation capacity stood at approximately 532.74 GW, with 249.27 GW (46.8%) from thermal sources comprising coal (221.94 GW), lignite (6.62 GW), gas (20.12 GW) and diesel (0.59 GW). Non-fossil sources accounted for 283.47 GW (53.2%), including renewable energy and nuclear power, highlighting the growing contribution of clean energy to the country's power infrastructure.

"India's GDP is estimated to grow by 6.9% in FY26, driven by the twin engines of consumption and investment, reaffirming its position as the fastest-growing major economy for the fourth consecutive year.

The sector is also expected to benefit from continued policy support. The Union Budget 2026-27 allocated ₹29,997 crore to the Ministry of Power, representing a 39% increase over the Budget Estimates for 2025-26. The higher allocation is expected to support ongoing investments in power infrastructure, grid modernisation and distribution reforms.

(Source: PIB, PRS India)

Outlook

The outlook for India's power sector remains strong, supported by growth in electricity demand, rising investments and the country's clean energy transition. India's installed power capacity is projected to increase from 538 GW to 900 GW by FY2032, driven by continued additions of renewable energy alongside conventional generation to ensure grid stability. The Central Electricity Authority (CEA) projects electricity demand to grow at a 6% CAGR by 2030, supported by industrial expansion, increasing cooling requirements, electric mobility and the rapid growth of data centres. To support this transition, the sector is expected to witness significant investments in transmission and energy storage, with an estimated US$51 billion required for transmission infrastructure to facilitate 500 GW of non-fossil fuel capacity by 2030, while 74 GW of energy storage will be needed by 2032 to manage renewable energy intermittency and meet peak demand. These structural investments are expected to strengthen grid reliability, enhance renewable energy integration and position the Indian power sector for sustained long-term growth.

(Source: Economictimes)

Indian Electrical Equipment Market

India's electrical equipment industry continued to witness steady growth during FY26, supported by rising industrialisation, urbanisation, infrastructure development and increasing adoption of energy-efficient electrical products. The industry serves a broad range of applications across industrial, commercial and residential segments through products such as metering solutions, switchgear, transformers, wires & cables, power electronics and lighting equipment.

Domestic electrical equipment consumption reached US$ 59 billion in 2025, growing at a CAGR of 11% during 2020-2025. The transmission and distribution segment accounted for nearly 40% of the market, while storage solutions, grid management and power electronics are expected to emerge as the fastest-growing product categories, reflecting the industry's evolving technology landscape.

The industry's long-term growth prospects remain favourable. Domestic electrical equipment production is projected to increase from approximately US$ 50 billion in 2025 to US$ 195-235 billion by 2035, while domestic consumption is expected to reach US$ 170-205 billion over the same period. The industry is expected to grow at an annual rate of 11-13%, supported by expanding manufacturing capabilities, technology adoption and increasing domestic demand.

India is also well positioned to strengthen its role in the global electrical equipment value chain. Exports are projected to exceed US$ 60 billion by 2035, supported by manufacturing expansion, localisation and integration with global supply chains. At the same time, imports accounted for 33% of domestic electrical equipment consumption in 2025, compared with 22% in 2020, highlighting the opportunity for import substitution and further development of domestic manufacturing capabilities.

These structural opportunities are well aligned with HPL's growth areas, with utility modernisation and programmes such as the Revamped Distribution Sector Scheme (RDSS) supporting the scale and visibility of its Smart Metering business, while housing, industrialisation, renewable energy and digital connectivity expand the addressable market for its faster-cycle Consumer & Industrial portfolio.

(Source: Mckinsey)

Smart Meter Solutions

The smart metering market in India continued to witness strong momentum during FY26, supported by the Government's focus on improving distribution efficiency, reducing aggregate technical and commercial (AT&C) losses and accelerating the digitalisation of power distribution. Smart meters are increasingly becoming a key component of advanced metering infrastructure, enabling accurate billing, real-time monitoring and improved energy management.

The Revamped Distribution Sector Scheme (RDSS) remains the principal growth driver for the industry. As of March 2026, smart metering projects worth ₹1.31 lakh crore had been sanctioned under the scheme. These cover 19.79 crore consumer meters, 2.11 lakhs feeders and 52.53 lakhs distribution transformers, taking the total sanctioned smart metering works to 20.33 crore meters. Smart meter deployment also continued to gather pace, with 4.69 crore meters installed under RDSS and 6.13 crore meters installed across the country under various schemes.

The long-term outlook remains favourable. India's smart meter market is projected to reach US$ 1.56 billion by 2031. Continued policy support, expanding advanced metering infrastructure and increasing investments in digital power distribution are expected to sustain demand over the medium term.

(Source: PIB, Researchandmarkets)

Wires & Cables

India's wires and cables industry maintained strong growth during FY26, supported by rising investments in housing, industrial

development, telecommunications, renewable energy and power infrastructure. The market was valued at US$ 21.22 billion in 2025 and is estimated to reach US$ 23.13 billion in 2026, before expanding to US$ 35.58 billion by 2031, registering a CAGR of 9.01% during 2026-2031. Housing wires remained the largest product category, accounting for 32.25% of the market in 2025, while communication cables are expected to record the fastest growth at a CAGR of 12.38% through 2031, supported by increasing digital connectivity, 5G rollout, fibre-to-the-home (FTTH) deployment, data centre investments and the rollout of 4.69 lakhs 5G base stations since October 2022. Consumer applications contributed 69.40% of industry revenue in 2025, while the IT & telecom segment is projected to grow at a CAGR of 9.92% through 2031.

The industry is also benefiting from the gradual shift towards organised manufacturers, aided by mandatory BIS certification, stricter quality standards and increasing preference for branded products. The organised segment accounted for around 74% of the market in 2025. Copper remained the dominant conductor material with a 64.35% market share, while high-conductivity copper variants are projected to grow at a CAGR of 9.11% through 2031. In addition, the Government's target of achieving 500 GW of non-fossil fuel capacity by 2030 is expected to sustain demand for extra-high-voltage (EHV) power cables and specialised transmission and distribution infrastructure, supporting the industry's long-term growth.

(Source: Fortunebusinessinsights, Mordorintelligence)

Switchgear & Modular Switches

The Indian switchgear and modular switches industry maintained healthy momentum during FY26, with demand stemming from residential, commercial and industrial projects, as well as the ongoing transition towards modern electrical infrastructure. Growing demand for reliable power distribution, enhanced electrical safety and energy-efficient solutions is driving the adoption of advanced low-, medium- and high-voltage switchgear.

The India switchgear market is estimated at US$ 5.38 billion in 2025 and is projected to reach US$ 8.24 billion by 2031, registering a CAGR of 7.35% during 2026-2031. The market is supported by grid modernisation, urban electrification, industrial development and increasing deployment of digital electrical infrastructure. The market is also benefiting from rising investments in real estate, manufacturing facilities, data centres and commercial infrastructure, where reliable low-voltage electrical distribution and protection systems are essential. Growing replacement demand for ageing electrical infrastructure and increasing compliance with safety standards are further supporting the adoption of advanced switchgear and modular switching solutions.

(Source: Mordorintelligence)

Lighting Equipment

The Indian lighting market is witnessing steady growth, supported by rising adoption of energy-efficient lighting solutions, expanding commercial and industrial infrastructure, urbanisation and increasing use of smart lighting technologies. The market is estimated at US$ 354.33 million in 2025 and is projected to reach US$ 645.62 million by 2031, registering a CAGR of 10.52% during 2026-2031. LED lighting accounted for 81.35% of the market in 2025, while luminaires and fixtures held the largest product share at 58.72%. Commercial applications accounted for 41.05% of the market, with outdoor lighting expected to grow fastest over the forecast period, reflecting increasing investments in modern lighting infrastructure and connected lighting solutions.

(Source: Mordorintelligence)

Key Government Initiatives

PM Surya Ghar: Muft Bijli Yojana

Launched to facilitate the installation of rooftop solar systems in 1 crore households, the PM Surya Ghar: Muft Bijli Yojana is accelerating the adoption of distributed solar energy across the country. The scheme is expected to increase demand for electrical distribution products, including switchgear, cables, protection devices and metering solutions, while supporting the transition towards cleaner energy

National Manufacturing Mission

Announced in the Union Budget 2026-27, the National Manufacturing Mission aims to strengthen India's manufacturing ecosystem through technology adoption, innovation, skill development and ease of doing business. The initiative is expected to enhance domestic manufacturing capabilities, encourage capacity expansion and improve the global competitiveness of Indian electrical equipment manufacturers.

Make in India

The continued emphasis on the Make in India initiative is fostering localisation, domestic value addition and import substitution across the electrical equipment industry. The policy encourages investments in manufacturing, strengthens supply chains and enhances India's position as a global manufacturing and export hub for electrical products.

National Electricity Plan (Transmission)

The National Electricity Plan (Transmission) outlines significant expansion of the country's transmission network to support rising electricity demand and the integration of renewable energy. The planned investments in transmission infrastructure are expected to generate sustained demand for switchgear, power cables, transformers and other grid-related electrical equipment.

Quality Control Orders (QCOs) and BIS Standards

The Government continues to strengthen quality compliance through mandatory Quality Control Orders (QCOs) and Bureau of Indian Standards (BIS) certification across electrical products. These measures are improving product quality and safety, encouraging greater adoption of compliant products and supporting the organised segment of the electrical equipment industry.

Company Overview

HPL Electric & Power Limited ("HPL" or "the Company") is one of India's leading electrical equipment manufacturers, established in 1992. The Company has established itself as a diversified player across the low-voltage electrical equipment segment, offering a comprehensive portfolio comprising Metering Solutions, Switchgear, LED Lighting, Wires & Cables, Fans and other Consumer & Industrial electrical products. Over the years, HPL has evolved into a well-integrated electrical solutions provider, supported by strong technological capabilities, an extensive distribution network and long-standing customer relationships across multiple end-user segments.

HPL operates through two complementary growth engines: Metering, Systems & Services, a scaled technology-led platform with multi-year order visibility; and Consumer, Industrial & Services, a faster-cycle platform supported by portfolio breadth, channel reach and exposure across B2B and B2C markets. Together, they create a more balanced growth and cash-flow profile across utility, industrial and consumer demand cycles.

HPL distinguishes itself through its backwards-integrated manufacturing ecosystem, comprising seven state-of-the-art manufacturing facilities that encompass product design, development, component engineering, tool making and commercial production. This integrated capability underpins the Company's commitment to quality and innovation, with its products conforming to Indian standards such as ISI as well as international certifications including CE and KEMA.

The Company serves a diverse customer base comprising power utilities, government agencies, OEMs, industrial and institutional customers, residential and commercial projects, as well as channel partners across the country. Its extensive pan-India distribution network includes over 90 branch and representative offices, 900+ authorised dealers and 85,000+ retailers, enabling a strong market presence and customer reach.

The Company continues to invest in research and development to strengthen its technological capabilities and support product innovation. Supported by two dedicated R&D centres and a team of over 100 experienced engineers (as of March 2026), HPL focuses on developing advanced electrical solutions that address evolving customer and industry requirements.

Backed by its diversified product portfolio, integrated manufacturing capabilities, robust distribution network and continuous focus on innovation, HPL remains well positioned to capitalise on the growing opportunities in India's electrical equipment industry while delivering sustainable long-term value to its stakeholders.

Financial Overview

The Company's total consolidated revenue for FY26 increased by 6.52% to ₹1,811.10 crore from ₹1,700.24 crore in FY25.

Particulars	FY26	FY25	YoY Change
Revenue from Operations	1,811.10	1,700.24	6.52%
COGS	1,159.01	1,104.64	4.92%
Gross Profit	652.09	595.61	9.48%
Gross Margin %	36.01%	35.03%	97 bps
Employee Expenses	213.90	199.37	7.29%
Other Expenses	156.75	141.58	10.72%
EBITDA	281.43	254.65	10.52%
EBITDA Margin %	15.54%	14.98%	56 bps
Finance Cost	94.11	89.72	4.89%
Depreciation	63.23	42.16	49.96%
Other Income	4.83	4.88	-0.95%
Profit Before Tax	123.48	127.64	-3.26%
PBT Margin	6.82%	7.51%	-69 bps
Taxes	32.23	33.66	-4.25%
Profit after Tax	91.25	93.99	-2.91%
PAT Margin %	5.04%	5.53%	-49 bps
Earnings Per Share (EPS) (₹)	14.15	14.58	-2.95%

Key Ratios

S. No.	Particulars	Numerator	Denominator	As at 31st March 2026	As at 31st March 2025	Variance	Explanation for change in the ratio by more than 25% as compared to the previous year
1	Current ratio	Current assets	Current liabilities	1.36	1.39	-2.16%	NA.
2	Debt-Equity ratio	Total Debt (Including lease liabilities)	Shareholder's equity	0.75	0.69	8.70%	NA.
3	Debt service coverage ratio	Earnings available for debt service	Interest exp on long term and short term borrowing during the period +Scheduled principal repayment of long term borrowing	1.80	1.64	9.76%	NA.
4	Return on equity ratio	Net profits after taxes	Average shareholders equity	9.60%	10.89%	-11.85%	NA.
5	Inventory Turnover Ratio	Revenue from operations	Average Inventory	2.51	2.68	-6.34%	NA.
6	Trade receivables turnover ratio	Revenue from operations	Average trade receivables	2.45	2.41	1.66%	NA.
7	Trade payable turnover ratio	Net credit purchases	Average trade payables	2.51	3.34	-24.85%	NA.
8	Net capital turnover ratio	Revenue from operations	Average working capital	4.05	3.72	8.87%	NA.
9	Net profit ratio	Net profits for the year	Revenue from operations	5.04%	5.53%	-8.86%	NA.
10	Return on capital employed	Profit before interest and taxes	Average Capital employed	13.06%	14.49%	-9.87%	NA.
11	Return on Investments	Profit before interest and taxes	Average total Assets	9.69%	10.95%	-11.51%	NA.

Operational Highlights of 2025-26

Consumer & Industrial (C&I) Business

The Consumer & Industrial business emerged as HPL's faster-growing second core engine in FY26, with revenue increasing 25.62% to ₹784.67 crore and its share of Company revenue rising to 43% from 37%. Growth was driven by strong execution, channel expansion, a wider product basket and increased traction across residential, commercial, institutional and industrial markets, supported by lighting, switchgears, wires & cables and fans.

Wires & Cables

Wires & Cables remained the fastest-growing product category during the year, with revenue rising 50.0% YoY to ₹340.74 crore. The business witnessed broad-based, volume-led demand from real estate, industrial OEMs, solar projects, telecom & 5G, institutional and domestic customers, supported by continued channel expansion and a diversified customer base. Over the last three years, the business has nearly doubled in size, reflecting its emergence as a key structural growth driver for the Company.

Smart Metering Business

Try-wide execution disruption earlier in the year. Sequential recovery culminated in Q4 revenue of ₹305.74 crore, the strongest metering quarter of FY26, while the ₹3,200+ crore order book continued to provide multi-year execution visibility.

Smart Water Metering

During the year, HPL expanded its metering portfolio with the launch of Neeram Pulse, its smart water metering solution. The Company inaugurated a dedicated Panel Meter & AMI Water Meter manufacturing facility at Gurugram with scalable production capability for ultrasonic and multi-jet smart water meters. During FY26, the product received BIS certification while international certifications, pilot deployments, utility integration and product approvals progressed, leveraging the Company's existing metering R&D, manufacturing and communication technology capabilities.

Manufacturing & Capacity Enhancement

The Company continued strengthening its manufacturing capabilities through capacity additions across its metering and consumer electrical businesses during the year. HPL further expanded its integrated manufacturing infrastructure by commissioning the dedicated smart water meter manufacturing facility at Gurugram, reinforcing its readiness to support future demand while maintaining its strong manufacturing ecosystem across seven state-of-the-art production facilities.

Product Development & Innovation

The Company continued expanding its product portfolio through sustained investments in research and development. During FY26, HPL introduced several new products, including ATS CME 330, ATS CME 360, Smart Starter Panel, NUVIA Diamond Panel, Glass Distribution Boards, a new range of modular switches and multiple energy-efficient LED lighting solutions, further strengthening its offerings across industrial, domestic and consumer electrical segments.

Research & Development and Software Capabilities

The Company continued to strengthen its R&D capabilities across hardware, software and communication technologies for smart metering solutions. Development activities during the year focused on continuous product enhancements, software upgrades, customer-specific improvements, communication technologies and next-generation metering solutions. HPL also strengthened its software capabilities through the development of head-end systems, billing platforms and digital solutions while leveraging feedback from utilities and AMISPs to enhance product performance and reliability. The Company's R&D operations were supported by a dedicated team of 100+ engineers (as of March 2026) engineers working across multiple technology platforms.

Business Model Strengthening

During FY26, HPL strengthened its two-engine operating model, comprising Metering & Systems and Consumer & Industrial, with dedicated product management, R&D, manufacturing, marketing and sales capabilities supporting the growth of each engine. At the same time, shared capabilities and a focus on financial discipline enabled the Company to improve operating leverage across the businesses while maintaining a balanced approach to growth, investment and execution.

Distribution & Channel Expansion

The Company continued to strengthen its nationwide distribution network comprising over 900 authorised dealers and 85,000 retailers. During the year, HPL expanded its channel footprint through data-driven dealer expansion, digital applications connecting dealers and sales teams, and enhanced market coverage, resulting in stronger dealer engagement, improved product availability and higher channel productivity across India.

Marketing, Brand Building & Customer Engagement:

HPL significantly enhanced its market presence through integrated branding and customer engagement initiatives during FY26. The Company generated a cumulative social media reach of over 21 million, organised its Annual Dealer Conference for more than 150 elite dealers in Phuket, conducted multiple dealer and retailer meets across key markets, organised technical seminars for utility professionals, and participated in several domestic and international exhibitions, including Iraq Energy Exhibition, Vidyut Expo, PEATA Exhibition and Electra 2026, further strengthening customer relationships and brand visibility.

International Business Development

During the year, the Company accelerated its efforts to expand its smart metering business in international markets by developing products compliant with international specifications and pursuing opportunities across the Middle East, SAARC countries and select African markets. These initiatives marked an important step towards expanding HPL's global presence in advanced metering solutions.

Strategic Outlook

HPL Electric's strategy is focused on driving sustainable growth by strengthening its two key business pillars-Smart Metering and Consumer & Industrial Electricals-supported by technology, innovation, operational excellence and financial discipline.

Smart Metering will remain HPL's scale and visibility engine, backed by a ₹3,200+ crore order book and increasing deployments under RDSS. The Company will focus on timely project execution while strengthening its capabilities in hardware, software and communication technologies to deliver advanced smart metering solutions. HPL is also expanding into adjacent opportunities through its 'Neeram Pulse' smart water metering platform and dedicated manufacturing facility, while developing products aligned with international standards to support future export growth.

Consumer & Industrial will remain HPL's faster-cycle second core growth engine, led by the scale-up of Wires & Cables and broader opportunities across Switchgear, Lighting, Solar and other electrical solutions. The Company will further strengthen its market presence through product innovation, enhanced R&D, deeper distribution reach, stronger dealer engagement and focused brand-building initiatives. With its relatively shorter working capital cycle, the business is expected to support improved cash flows and capital efficiency.

Going forward, HPL will scale both engines with discipline: converting Smart Metering visibility into execution and cash flows, while expanding Consumer & Industrial through channel depth, portfolio breadth and product innovation. Across both, pricing discipline, working-capital optimisation, calibrated capital expenditure and R&D-led differentiation will remain central to profitable growth.

SWOT Analysis

Strengths

- **Strong Market Presence:** The Company enjoys a well-established position across key product segments, including smart meters, electric meters, switchgear, wires & cables and lighting solutions, supported by long-standing customer relationships.
- **Diversified Growth Platform:** The Company's balanced presence across Smart Metering and Consumer & Industrial Electricals provides multiple growth avenues while supporting improved business resilience and cash flow generation.
- **Established Brand and Distribution Network:** With over four decades of industry presence, the Company has built a trusted brand backed by an extensive pan-India distribution network and a strong institutional customer base.
- **Technology and Innovation Capabilities:** Robust in-house R&D, modern manufacturing facilities, and continuous product development enable the Company to deliver technologically advanced and value-added solutions.
- **Leadership in Smart Metering:** Strong execution capabilities and expertise in smart metering position the Company to capitalise on India's power distribution modernisation initiatives.
- **Experienced Leadership:** A seasoned management team with extensive industry experience provides strategic direction and drives operational excellence.
- **Healthy Financial Position:** A prudent capital structure and sound financial fundamentals support future investments, capacity enhancement and business expansion.

Weaknesses

- **Working Capital Intensive Business:** The Company's operations require substantial working capital due to the nature of utility and infrastructure projects and relatively longer receivable cycles.
- **Dependence on Tender-based Business:** A significant portion of revenues is derived from government and institutional tenders, making order inflows and execution subject to project timelines and procurement cycles.
- **Moderate Brand Promotion:** Compared with certain competitors, relatively lower expenditure on marketing and brand promotion may limit visibility in select retail segments.

Opportunities

- **Government-led Power Sector Reforms:** Ongoing initiatives such as the Revamped Distribution Sector Scheme (RDSS), Power for All, Smart Cities Mission and continued investments in transmission and distribution infrastructure are expected to drive demand for smart metering and electrical equipment.
- **Smart Meter Rollout:** The large-scale deployment of smart meters across India presents significant long-term growth opportunities for the Company's metering business.
- **Urbanisation and Infrastructure Development:** Rising urbanisation, industrialisation and infrastructure investments are expected to increase demand for electrical products and integrated power solutions.
- **Energy Transition and Grid Modernisation:** Increasing renewable energy integration, grid digitalisation and the adoption of energy-efficient technologies are creating opportunities for advanced electrical solutions.
- **Export Growth Potential:** Diversification of global supply chains and growing acceptance of Indian electrical products provide opportunities to strengthen the Company's international business.

Threats

- **Macroeconomic Slowdown:** Weak economic conditions could affect investments in infrastructure and industrial projects, impacting demand across product segments.
- **Raw Material Price Volatility:** Fluctuations in the prices of key raw materials, including copper, aluminium and polymers, could increase input costs and affect profitability.
- **Geopolitical and Supply Chain Disruptions:** Global geopolitical developments, logistics challenges and supply chain disruptions may affect raw material availability, procurement costs and export demand.
- **Intense Industry Competition:** Increasing competition from organised domestic and global players may exert pressure on pricing, margins and market share.
- **Policy and Regulatory Changes:** Changes in government policies, procurement frameworks or implementation timelines for infrastructure projects may influence business performance.
- **Financial Market Volatility:** Volatile interest rates, foreign exchange movements and tighter liquidity conditions could affect financing costs and future investment decisions.

Risk Management

Risk Area	Risk Description	Risk Mitigation Measures
Economic & Market Risk	Weakening global economic conditions and domestic industrial activity could impact demand across end-user industries, including the power sector, affecting sales growth and profitability.	■ Expand market presence through geographic diversification, stronger distribution networks and brand-building initiatives. ■ Continue investing in R&D and product innovation to address diverse customer requirements and strengthen business resilience.
Regulatory & Policy Risk	Changes in government policies, regulatory requirements or statutory frameworks may influence the Company's operating environment, compliance obligations and financial performance.	■ Maintain a diversified presence across multiple industries and business segments. ■ Develop innovative products backed by robust R&D and responsible business practices. ■ Continuously monitor regulatory developments and ensure timely compliance with applicable requirements.
Input Cost & Supply Chain Risk	Fluctuations in raw material prices and supply chain disruption may lead to higher production costs and operational challenges.	■ Maintain adequate inventory levels to ensure uninterrupted production. ■ Strengthen long-term supplier partnerships and strategic sourcing arrangements to improve supply reliability and cost stability. ■ Enhance production planning and demand forecasting to optimise material procurement.
Foreign Exchange Risk	Volatility in currency exchange rates may impact the cost of imported raw materials, export realisations and overall profitability.	■ Regularly monitor currency movements and align order execution accordingly. ■ Use appropriate hedging strategies to manage foreign exchange exposure. ■ Evaluate currency sensitivities before undertaking borrowing and financing decisions.
Customer Concentration Risk	Dependence on a limited customer base or changes in customer sourcing strategies could affect revenue visibility.	■ Expand the customer base through a strong pan-India presence across multiple industries. ■ Maintain a diversified product portfolio to serve a broad range of applications and support stable revenue generation.
Geopolitical & Global Trade Risk	Geopolitical developments, trade restrictions or regional uncertainties may disrupt export markets, supply chains and investment decisions.	■ Continuously assess geopolitical developments and evaluate market opportunities across different regions. ■ Closely monitor cash flows and adopt a prudent approach towards capital expenditure. ■ Undertake comprehensive investment evaluations while maintaining a lean and cost-efficient operating structure.

Human Resources

The Company recognises its employees as a key driver of sustainable growth and long-term value creation. It remains committed to fostering a safe, inclusive and performance-driven workplace that provides equal opportunities and encourages collaboration, innovation and professional excellence. Through focused talent acquisition, continuous learning initiatives and structured training programmes, the Company supports the ongoing development of employee capabilities while aligning individual growth with organisational objectives.

Innovation continues to be a core pillar of the Company's culture, supported by a dedicated in-house team of more than 100 R&D professionals who contribute to product development and future business growth. A merit-based work environment, complemented by employee engagement initiatives, recognition programmes and performance-linked rewards, helps strengthen motivation and drive high levels of productivity. The Company's workforce is guided by the values of meritocracy, entrepreneurship, innovation, transparency, open communication and agility, creating a strong foundation for sustained success. As of March 31, 2026, the Company had 1,271 employees.

Internal Control Systems and their Adequacy

The Company has established a robust internal control framework, commensurate with the nature, scale and complexity of its operations. Well-defined Standard Operating Procedures (SOPs), policies and control mechanisms support efficient business processes, safeguard assets and ensure compliance with applicable laws, regulations and internal guidelines.

The internal control framework is regularly reviewed through structured self-assessment processes to strengthen governance and ensure alignment with the evolving regulatory environment. A comprehensive Code of Conduct reinforces ethical business practices, promotes accountability across the organisation and supports a strong compliance culture. Continuous monitoring mechanisms further enhance operational efficiency while mitigating the risk of fraud and operational lapses.

The internal audit function independently assesses the adequacy and effectiveness of internal controls across key business processes. Audit observations are reviewed by the management, and appropriate corrective actions are implemented on a timely basis to further strengthen the Company's governance and control environment.

Cautionary Statement

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

DIRECTOR'S REPORT

Dear Members

The Directors have pleasure in presenting 34th Annual Report of the Company together with the Audited Financial Statements for the financial year ended 31st March, 2026.

1. Financial Highlights

The Company's financial performance for the year ended 31st March, 2026 along with previous year's figures are summarized below:

(Rs. In Lakhs)

Particulars	Standalone		Consolidated	
	2025-26	2024-25	2025-26	2024-25
Revenue from Operations	1,85,799.68	168,440.50	1,81,109.67	170,024.40
Other Income	418.73	435.04	483.33	487.95
Operating Profit before Finance Costs, Depreciation, Tax and Extraordinary items	26844.22	24108.85	**28626.73**	25953.11
Less: Finance Cost	9,116.59	8536.09	9411.20	8972.32
Less: Depreciation and amortization expenses	6,019.29	3,886.59	6,322.86	4216.36
Profit before Exceptional items and Tax	11,708.34	11,686.17	12,892.67	12764.43
Profit before tax	**11,172.84**	**11,686.17**	**12,347.99**	**12764.43**
Less: Tax Expenses	2866.68	3,006.57	3222.74	3365.72
Profit for the year	**8,306.16**	**8,679.60**	**9,125.25**	**9398.71**
Other comprehensive income for the year, net of tax	33.91	(41.32)	48.59	(43.95)
Total comprehensive income for the year, net of tax	**8,340.07**	**8638.28**	**9,173.84**	**9354.76**
Profit for the year attributable to				
Equity holders of the parent Company	-	-	9,101.18	9376.93
Non-controlling interest	-	-	24.07	21.78
Total comprehensive income for the year attributable to				
Equity holders of the parent Company	-	-	9,149.35	9333.06
Non-controlling interest	-	-	24.49	21.70
Earnings per Share (in Rs) Not Annualized				
Basis (Rs)	12.92	13.50	14.15	14.58
Diluted (Rs)	12.92	13.50	14.15	14.58

2. State of Company's Affairs

Overview of Economic Context

During FY 2025-26, the smart metering industry experienced an execution slowdown in the early part of the year, followed by an improvement in Advanced Metering Infrastructure Service Provider (AMISP) procurement and installation activity. At the same time, demand across the Consumer & Industrial portfolio strengthened, supported by Wires & Cables, Lighting, Switchgear and wider channel engagement. Against this backdrop, HPL continued to advance as a two-engine electrical equipment and solutions company, with Smart Metering providing long-cycle visibility and Consumer & Industrial adding diversification, market reach and shorter business cycles.

Performance Highlights

HPL Electric & Power Limited delivered consolidated revenue from operations of ₹1,811.10 crore in FY 2025-26, an increase of 6.52% over ₹1,700.24 crore in FY 2024-25. EBITDA grew by 10.52% to ₹281.43 crore from ₹254.65 crore, with the EBITDA margin improving by 56 basis points to 15.54%. Gross margin expanded by 97 basis points to 36.01%. Cash profit increased by 13.43% to ₹155.51 crore. Profit after tax was ₹91.25 crore compared with ₹93.99 crore in the previous year, reflecting higher depreciation following capacity additions and temporary input-cost volatility.

In Q4 FY26, revenue from operations crossed ₹500 crore for the first time and reached a record ₹519.70 crore, up 5.52% year-on-year. Q4 EBITDA rose by 4.34% to ₹85.81 crore, while cash profit increased by 10.26% to ₹54.69 crore. The quarter was supported by the strongest Consumer & Industrial performance on record and a further sequential recovery in Smart Metering.

Segment-wise Performance

1. **Metering, Systems & Services Segment**

The Metering, Systems & Services segment recorded revenue of ₹1,026.43 crore in FY26, a moderation of 4.57% from ₹1,075.61 crore in FY25. The segment was affected by an industry-wide execution disruption in Q1 FY26; however, revenue recovered sequentially through each subsequent quarter. Q4 FY26 revenue reached ₹305.74 crore, the segment's strongest quarter of the year and 49.9% above Q1 FY26. Despite the revenue moderation, the segment's EBIT margin improved to 17.52% from 17.01%, reflecting continued operating discipline. Smart Metering remains HPL's long-cycle growth opportunity, supported by its product, R&D and manufacturing capabilities.

2. **Consumer, Industrial & Services Segment**

The Consumer, Industrial & Services segment emerged as a material second growth engine in FY26. Revenue increased by 25.62% to ₹784.67 crore from ₹624.63 crore in FY25, and its share of consolidated revenue rose from 37% to 43%. All four quarters exceeded the corresponding FY25 period, with Q4 FY26 revenue reaching a record ₹213.96 crore, up 19.80% year-on-year. Wires & Cables was a key contributor, with FY26 revenue growing by 50.0% to ₹340.74 crore, supported by broad-based demand across real estate, industrial OEMs, solar, telecom and institutional channels. The segment's EBIT margin moderated to 10.21% from 11.45% amid volatility in metal and industrial-plastic input costs; pricing actions were initiated across Wires & Cables, Lighting and Switchgear.

Order Book and Future Outlook

As of 27 May 2026, HPL's order book stood at ₹3,200+ crore, with Metering, Systems & Services accounting for more than 97%. This provides execution visibility in the short to medium term and positions the Company to participate in India's continuing smart-meter deployment. During the year, HPL also inaugurated a dedicated Panel Meter and AMI Water Meter manufacturing facility at Gurugram. Neeram Pulse, the Company's smart water meter, extends HPL's metering platform into smart water infrastructure; commercial scale-up will be calibrated to product approvals, pilot trials, utility adoption and policy-led roll-outs.

Looking ahead to FY27, HPL's priorities are to execute the Smart Metering order book, scale the Consumer & Industrial business with quality, protect margins through product-mix and pricing discipline, strengthen working-capital management and undertake calibrated capacity expansion. These priorities are supported by HPL's manufacturing and R&D platforms and its nationwide distribution network of more than 900 authorised dealers and over 85,000 retailers. The Company will continue to invest in product development, channel relationships and brand-building while pursuing sustainable growth across both business engines.

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

As on 31st March, 2026, the Company is having only one subsidiary, namely Himachal Energy Private Limited. The Company had also 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). The said JVs were constituted as Associations of Persons (AOPs) and were not incorporated as companies under the Companies Act, 2013. Both the aforesaid JVs ceased to operate during the Financial Year 2025-26 and were closed as on 31st March, 2026.

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 2026 stood at Rs. 19722.74 (P.Y. Rs. 10,336.20 lakhs). Profit after tax for the year stood at Rs. 844.46 lakhs (P.Y. Rs. 764.13 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, 2026, no company became or ceased to be a subsidiary of the Company or Joint Venture or Associate Company. However, the said two joint ventures namely HPL Electric & Power Pvt. Ltd. – Shriji Designs (JV) and HPL Electric & Power Pvt. Ltd. – Trimurthi Hitech Co. Pvt. Ltd. - Shriji Designs (JV) ceased to operate and were closed as on 31st March, 2026.

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 2026, 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 changes or commitments affecting the financial position of the Company between the end of the financial year ended March 31, 2026 and the date of this Report, except for the changes in credit ratings of the Company's bank loan facilities, as detailed below:

1. CRISIL Ratings Limited

Subsequent to the end of the financial year, CRISIL Ratings Limited, vide its rating action dated April 15, 2026, upgraded the Company's long-term credit rating from CRISIL A/Stable to CRISIL A+/Stable and reaffirmed its short-term credit rating at CRISIL A1.

Particulars| Rating

Long-Term Rating| CRISIL A+/Stable (Upgraded from CRISIL A/Stable)

Short-Term Rating| CRISIL A1 (Reaffirmed)

2. India Ratings and Research Private Limited

Further, India Ratings and Research Private Limited (India Ratings), vide its rating action dated June 26, 2026, affirmed the ratings assigned to the Company's bank loan facilities as under:

Instrument / Facility| Rating Assigned| Rating Action

Bank Loan Facilities| IND A+/Stable / IND A1| Affirmed

Except as stated above, there have been no other material changes or commitments affecting the financial position of the Company between the end of the financial year ended March 31, 2026 and the 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, 2026.

8. Reserves

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

9. Dividend

The Board of Directors in its meeting held on May 27, 2026 recommended a final dividend of Rs. 1 per equity share of Rs. 10 face value (10%) for the financial year ended 31st March, 2026, subject to the approval of the shareholders at the ensuing Annual General Meeting of the Company.

The dividend would be payable to all those Shareholders whose names appear in the Register of Members as on September 17, 2026 the record date fixed for this purpose.

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

10. Share Capital

As on March 31, 2026, the Authorised Share Capital of your Company is Rs. 70,00,00,000/- comprising of 7,00,00,000 equity shares of Rs. 10/- each. and the paid-up equity share capital of the Company is Rs. 64,30,04,860/- comprising 6,43,00,486 equity shares of Rs. 10/- each fully paid-up.

11. Public deposits

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

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

During the financial year 2025-26, no changes took place in the composition of the Board of Directors of the Company.

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

Brief details of Mr. Rishi Seth, Directors being recommended for appointment / re-appointment as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards have been furnished in the Notice of 34th Annual General Meeting.

Further, the Board of Directors of the Company has re-appointed Dr. (Mrs.) Rashmi Vij (DIN: 01103219) as Independent Director w.e.f. May 11, 2026 subject to the approval of the Shareholders and subsequently, Shareholders approved the appointment of Dr. (Mrs.) Rashmi Vij (DIN: 01103219) as an Independent Director on July 07, 2026 by way of Postal Ballot for a second term of 5 years.

Dr. (Mrs.) Rashmi Vij is a person of integrity and possesses relevant expertise and experience as required for the Industry in which Company operate.

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

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

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

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

The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence prescribed under the provisions of Section 149(6) of the Companies Act, 2013 and Regulation 16 of the SEBI Listing Regulations 2015. Independent Directors also confirmed that they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgment and without any external influence.

14. Number of meetings of the Board

During the year under report, 5 (Five) meetings of the Board were held, the details of which forms part of the Corporate Governance Report.

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

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

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

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

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

The independent directors in its separate meeting held on 5th February, 2026 without the attendance of non-independent directors and members of management, reviewed -

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

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

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

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

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

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

17. Annual Return

Pursuant to Section 134(3)(a) read with Section 92(3) of the Companies Act, 2013, the Annual Return of the Company is available on the website of the Company at https://investor.hplindia.com/annual-return.php

18. Audit Committee

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

19. Vigil mechanism/ Whistle Blower Policy

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

20. Risk Management

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

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

21. Policy on Material Subsidiary

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

22. Corporate Social Responsibility (CSR)

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

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

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

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

All the transactions entered into with related parties as defined under the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 during the financial year ended 31st March, 2026 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, as amended from time to time, the Company had obtained the necessary prior approvals of the Audit Committee for all the related party transactions. Further, there were no material related party transactions with promoters & promoter's group, directors or Key Management Personnel during the year under report.

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

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

25. Auditors

A) Statutory Auditors

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

Statutory Auditors Report

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

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

B) Cost Auditors

As per Section 148 of the Companies Act, 2013, the company is required to have the audit of its cost records conducted by a Cost Accountant in practice. Pursuant to the provisions of Section 148 of the Companies Act, 2013 read with Companies (Cost Records and Audit) Rules, 2014 and other applicable provisions of the Act, as amended from time to time, the company is required to maintain the cost records as specified by the Central Government and accordingly such accounts and records were made and maintained for the financial year ended 31st March, 2026.

The Board of Directors of the Company, on the recommendation made by the Audit Committee, in its meetings held on August 10, 2026, 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 2026-27.

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 34th Annual General Meeting.

The Company has received the Cost Audit Report of the company for the financial year ended 31st March, 2025 and the same was filed in XBRL mode within due date.

C) Secretarial Auditors

The Shareholders of the Company had appointed, M/s. AVA Associates, Company Secretaries as Secretarial Auditors of the Company to conduct Secretarial Audit of the Company for a first term of 5 (Five) year beginning from Financial Year 2025-26.

Secretarial Audit Report

The Secretarial Audit Report for the financial year ended 31st March, 2026 as submitted by Secretarial Auditor in Form MR-3 is annexed to this Report as **Annexure IV**.

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

Annual Secretarial Compliance Report

A Secretarial Compliance Report for the financial year ended 31st March, 2026 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, 2026 is available on the website of the Company at https://investor.hplindia.com/secretarial-compliance-report.php

26. 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.

27. Particulars of remuneration of Directors/ KMP/Employees

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

28. Research and Development

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

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

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

We provide metering products along with Web, Desktop, and Mobile software applications. This end-to-end solution provides users with real-time system control, detailed reporting, and actionable insights. By seamlessly identifying operational waste and optimizing consumption, the platform enhances user convenience while driving a dual mandate: minimizing energy losses and maximizing revenue generation.

Our R&D-Jabli center is recognized by NABL for MCB, RCCB Products testing.

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

Also, we are supporting policies of GOI by design & launch of cutting edge innovative solutions;DC MCB, Smart Prepaid meters to support smart meter rollout policy. HPL offers dedicated range of products like ACBs, Smart Automatic Transfer Switch (ATS), Changeovers, Isolators, MCCBs, Fuses, MCBs, Solar String Monitoring Solutions , Surge Protection Devices ,Monitoring Mobile Apps , Software etc to support Renewable energy generation (e.g. Solar) policy, indigenous technology & product development for 'Make in India' drive. In line with the revamp & reformations going on in distribution sector, HPL also offers system based solutions best suited for distribution applications.

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

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

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

HPL is continuously working on multiple smart engineering electrical products to meet the future market demands. LEDs being called the fourth generation light source, HPL is keeping itself abreast with innovative lighting products. HPL have been continuously inclined towards achieving the milestones for innovative lighting products, Switchgear Products, Solar Products, Surge Protection Device, ACCL, RCBO, Higher Rating MCB & DC MCB 500V & 1000V 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.

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

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

30. Corporate Governance Report

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

31. Business Responsibility and Sustainability Report

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

32. Transfer to Investor Education and Protection Fund

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

The unclaimed dividends in respect of the Financial Year 2018-19 and the shares in respect of which dividend entitlements remained unclaimed for seven consecutive years will be due for transfer to the IEPF in the year 2026. Investors who have not yet claimed these dividends are requested to contact the Company or the RTA of the Company for any support required in this regard. Members are requested to complete requisite formalities for claiming their unpaid dividend(s), if any, to avoid transfer of such shares to IEPF.

33. 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.

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

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

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

During the year under report, the company has neither received nor disposed-off any complaint pertaining to sexual harassment.

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

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

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

36. Significant/material orders passed by the regulators

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

37. Compliance with Secretarial Standards

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

38. 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.

39. 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.

40. 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.

41. 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.

42. 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 : August 10, 2026
Place : Kundli

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.	CIN:	U31909HP2003PTC027983
2.	Name of the subsidiary	Himachal Energy Private Limited
3.	The date since when subsidiary was acquired	09.05.2016
4.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	31.03.2026
5.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	INR
6.	Share capital	15.44
7.	Reserves & surplus	66.89
8.	Total assets	129.26
9.	Total Liabilities	46.93
10.	Investments	10.35
11.	Turnover	197.22
12.	Profit before taxation	12.00
13.	Provision for taxation	3.56
14.	Profit after taxation	8.44
15.	Proposed Dividend	-
16.	% 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	31.03.2026	31.03.2026
2.	Date on which the Associate or Joint Venture was associated or Acquired	30.10.2010	22.06.2011
3.	Shares of Associate/Joint Ventures held by the company on the year end		
	No.	N.A.	N.A.
	Amount of Investment in Associates/Joint Venture (Rs.)	Nil	Nil
	Extend of Holding%	Nil	Nil
4.	Description of how there is significant influence	As on 31.03.2026 - Nil	As on 31.03.2026 - Nil
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.)	Nil	Nil
7.	Profit/Loss for the year(Rs.)		
	i. Considered in Consolidation	(22,20,590)	(61,34,473)
	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: The aforesaid JV Partners as mentioned in the above table namely HPL - Shriji Designs & HPL - Shriji - Trimurthi Hitech Company Pvt. Ltd. ceased to be JV Partners w.e.f. March 31, 2026.

For and on Behalf of the Board of Directors

Lalit Seth
Chairman and Whole-time Director
DIN: 00312007

Rishi Seth
Managing Director
DIN: 00203469

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

Vivek Kumar
Company Secretary
M. No. A18491

Date : August 10, 2026
Place : Kundli

Annexure II

ANNUAL REPORT ON CSR PURSUANT TO RULE 8 OF COMPANIES

(CORPORATE SOCIAL RESPONSIBILITY POLICY) RULES, 2014

1. Brief Outline on CSR Policy of the Company

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

2. Composition of CSR Committee

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

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

Composition of CSR Committee : https://www.hplindia.com/compositions-bod-committees-2/

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

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

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

Not Applicable for the Financial Year 2025-26

5. (a) Average net profit of the company as per section 135(5)- **Rs. 74.677 Crores**

(b) Two percent of average net profit of the company as per section 135(5)- **Rs. 149.35 Lakhs**

(c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years- **NIL**

(d) Amount required to be set off for the financial year, if any- **Rs. 5.63 Lakhs**

(e) Total CSR obligation for the financial year (5b+5c- 5d) - **Rs. 143.72 Lakhs**

6. (a) CSR amount spent on CSR Project (both Ongoing Project and other than Ongoing Project)- **Rs. 163.26 Lakhs**

(b) Amount spent in Administrative Overheads- **NIL**

(c) Amount spent on Impact Assessment, if applicable- **Not Applicable**

(d) Total amount spent for the Financial Year [(a)+(b)+(c)]- **Rs. 163.26 Lakhs**

(e) 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. 163.26 Lakhs	-	-	-	-	-

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

Sl No.	Particular	Amount (In Rs.)
(1)	(2)	(3)
(i)	Two Percent of average net profit of the company as per Section 135 (5)	149.35
(ii)	Total amount spent for the Financial Year	163.26
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	13.93
(iv)	Surplus arising out of the projects or programmes or activities of the previous Financial Years, if any	0
(v)	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	13.93

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

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

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

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

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

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

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

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

Rishi Seth
Managing Director
DIN: 00203469

Lalit Seth
Chairman, CSR Committee
DIN: 00312007

Date : August 10, 2026

Place : Kundli

ANNEXURE-III

FORM NO. AOC -2

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Lalit Seth
Chairman and Whole-time Director
DIN: 00312007

Date : August 10, 2026
Place : Kundli

ANNEXURE-IV

FORM NO MR-3

SECRETARIAL AUDIT REPORT

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies

(Appointment and Remuneration of Managerial Personnel) Rules, 2014]

FOR THE FINANCIAL YEAR ENDED 31st MARCH 2026

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, 2026 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 2026 according to the provisions of:

i. The Companies Act, 2013 (the Act) and the rules made thereunder to the extent and notified and came into force;

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

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

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

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

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

   b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations,2015;

   c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations,2018;

   d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; (Not applicable to the company during the Audit Period)

   e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations,2021; (Not applicable to the company during the Audit Period)

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

   g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not applicable to the company during the Audit Period)

   h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; and (Not applicable to the company during the Audit Period)

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

j) Other laws as are applicable to the Company as per representations made by the Company

   a) Labour Laws

   b) Environmental Laws

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

(i) Secretarial Standards issued by The Institute of Company Secretaries of India.

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

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

We report that, during the year under review:

1. The Status of the Company during the financial year has been that of a Listed Public Company, listed at the BSE Limited (BSE), The National Stock Exchange of India Limited (NSE).
2. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors and Woman Director.
3. Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days well in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
4. All decisions at the Board Meeting and Committee meetings were carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or committees of the Board as the case may be.

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

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

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

For AVA Associates
Company Secretaries

CS Vinod Kumar Gupta
FCS: 3648; CP: 2148
UDIN : F003648H001053521
Peer Review Certificate No.: 1478/2021

Date: 08th August, 2026
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 : F003648H001053521
Peer Review Certificate No.: 1478/2021

Date: 08th August, 2026
Place: Delhi

ANNEXURE-V

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

Relevant Clause u/r 5(1)	Prescribed Requirement	Particulars
(i)	Ratio of the remuneration of each Director to the median remuneration of employees of the company for the financial year	1. Mr. Lalit Seth, Chairman and Whole-time Director- 52:1 2. Mr. Rishi Seth, Managing Director- 22:1 3. Mr. Gautam Seth, Jt. Managing Director & CFO- 22:1
(ii)	Percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive officer, Company Secretary, manager, if any, in the financial year	1. Mr. Lalit Seth, Chairman and Whole-time Director- Nil 2. Mr. Rishi Seth, Managing Director- Nil 3. Mr. Gautam Seth, Jt. Managing Director & CFO- Nil 4. Mr. Vivek Kumar, CS – 11.00%
(iii)	Percentage increase in the median remuneration of employees in the financial year	09.93%
(iv)	Number of permanent employees on the rolls of company	1271
(v)	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration	Average increase in remuneration of Managerial Personnel- Nil Average increase in remuneration of employees other than the Managerial Personnel – 9.37%
(vi)	Affirmation that the remuneration is as per the remuneration policy of the company	It is hereby affirmed that the remuneration paid to Directors, Key Managerial Personnel and other Employees is as per the Nomination and Remuneration Policy of the Company.

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

Top 10 Persons:

Persons Employed for the full year ended 31st March, 2026 who were in receipt of the remuneration which in the aggregate was not less than Rs. 1,02,00,000/-

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

Mr. Lalit Seth Chairman and Whole-time Director 3,60,07,592 Undergraduate 56, 28.05.1992, 80; Mr. Rishi Seth Managing Director 1,50,07,592 B.com, 31 MBA 14.04.2000 56; Mr. Gautam Seth Joint Managing Director & CFO 1,50,07,592 B.com, CA 29 15.02.2008 54; Mr. G N Sharma, Chief Vice President 1,20,00,000 Diploma in Mechanical Engineering 30 01.05.2011 65 Havells India Limited; Mr. C.R. Kundu Sr. VP Switchgear 97,01,820 Bachelor of Engineering (Electrical) 44 01.08.2017 69 BCH Electric Ltd; Mr. Devendra Vyas Assistant V.P R&D Meters 1,11,03,780 MBA Electronics Engineering 30 18.05.2020 51 Secure Meter Limited; Mr. Sundeep Tandon Sr. VP Business Development 76,42,000 BE in Electricals, PGDBM, MBA 38 03.12.2007 61 English Electrical Company of India Ltd, GRC ASTON; Mr. Bhanwar Lal Bishnoi, Chief Technology Officer 80,00,000, M -Tech 29, 15-07-2024, 54, Schneider Electric; Mr. Rajesh Singh Bhaduria . Sr. General Manager Project, 65,10,000; Diploma in Electrical Engineering 28 10.12.2024 55 Genus Power & Infrastructure Limited.; Mr. Ramveer Gupta General Manager R&D –52,18,000 B.Tech Electronics Communication 30 01.05.2015 53 Elymer International Private Limited.

Persons employed for part of the year ended 31st March, 2026 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
For HPL Electric & Power Limited

Date : August 10, 2026
Place : Kundli

Lalit Seth
Chairman and Whole-time Director
DIN: 00312007

Annexure VI

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

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

(A) Conservation of energy

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

Energy Conservation measures taken

HPL has been always focused for Energy conservation thereby reducing the effect of global warming. It has been our endeavor to adopt and implement new energy efficient technologies to conserve energy and keep the environment green. The company has aligned its goal with the Indian Government's National plan on Energy conservation to reduce the carbon footprint thus to save the planet earth. In the last few decades, we have seen alarming change in the climate conditions. As such, it has become the need of the hour to save energy as much as possible. The company has made a mandatory policy to use only energy efficient BEE star rated products in all the manufacturing units. It has taken several steps for conserving energy through various initiatives and is continuously working to improve energy conservation and utilization. Main focus has been to reduce the energy cost thereby minimizing the effect on the Environment. Innovative methods and various energy conservation measures have been implemented in all the plants and offices of HPL. Energy utilization cost of the company has come down in the last year compared to previous year's record. The company has already ventured into Solar projects since last 5 years and has started implementation of use of solar energy for all the plants in different stages. Continuous efforts are put on innovation of new products which are cost effective as well as energy efficient. Recently, the Kundli plant laboratory has been NABL accredited, which shows HPL's efforts in further strengthening its R&D work in the field of Switchgear & Lighting products.

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

We developed a comprehensive Energy Management System (EMS) featuring integrated meters, web-based software, and a mobile application. This end-to-end solution empowers users to detect inefficiencies, optimize consumption, and drive both environmental sustainability and cost reductions

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

Lighting:

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

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

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

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

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

Replacement of old equipment with new energy efficient equipment:

- Energy efficient VRV AC, VFD motors & drives are being used.
- Solar LED lights along the compound walls of factories. These lights are fitted with dusk & dawn sensors to conserve energy.
- Higher lumen rated LED lighting being used.
- BEE star rated Air conditioning units are being used.
- All molding machines are connected with UPS to maintain continuous running leading to increase in productivity.

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

Optimization of electrical equipment:

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

Impact:

All the various energy conservation methods have resulted in

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

Capital investment of energy conservation equipment:

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

B. Technology absorption

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

Efforts made toward the Technology absorption

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

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

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

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

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

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

The expenditure incurred on Research and Development:

During the year, your Company has made the total expenditure of Rs. 1362.48 Lakhs towards Research & Development.

Foreign exchange earnings and Outgo

(Rupees in Lakhs)

Particulars	2025-26
Foreign Exchange Earned	2,905.98
Foreign Exchange used	38,357.41

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

Lalit Seth
Chairman and Whole-time Director
DIN: 00312007

Date : August 10, 2026
Place : Kundli

CORPORATE GOVERNANCE REPORT

In terms of Regulation 34(3) read with Section C of Schedule V to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, a report on Corporate Governance for the financial year ended March 31, 2026 is as below:

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

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

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

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

2. BOARD OF DIRECTORS

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

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

2.1 Composition of the Board of Directors

The Board of Directors of the Company has an optimum combination of Executive and Non-Executive Directors including one women independent director to have a balanced Board Structure. The Chairman of the Board of Directors of the Company is an Executive Director and a Promoter. The composition of the Board is in conformity with the Regulation 17 of SEBI Listing Regulation 2015 read with Section 149 and 152 of the Companies Act, 2013. As on 31st March, 2026, the Board of Directors comprised of six directors, out of which three are executive directors and three are Non-Executive-Independent Director including one independent woman director.

None of the Directors on the Board hold the office of Director in more than 20 companies, including 10 public companies, as required under Section 165 of the Act read with Rules framed thereunder. None of the Independent Directors (ID) serve as ID in more than 7 listed entities and, furthermore, none of the IDs is Whole-time Directors/ Managing Directors in more than 3 listed entities. Further, none of the Whole-time Directors/ Managing Directors of the Company serves as IDs in any listed entities. In accordance with Regulation 26 of the SEBI Listing Regulations, none of the Directors is members in more than 10 committees or act as chairperson in more than 5 committees (the committees being, Audit Committee and Stakeholders' Relationship Committee) across all public limited companies in which he/ she is a Director.

2.2. Meetings and Attendance of Directors

During the financial year 2025-26, 5 (Five) Board Meetings were held on 10th April, 2025, 22nd May 2025, 13th August, 2025, 14th November, 2025 and 05th February, 2026. The maximum interval between the two Board Meetings did not exceed 120 days as prescribed under the Companies Act, 2013 and Regulation 17 (2) of the SEBI Listing Regulations 2015. The requisite quorum was present at all the aforesaid meetings.

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

Name and Designation of the Director and DIN	Category	No. of Board Meetings attended during financial year 2025 -26)	Attendance at the last AGM held on 29th September, 2025	No. of Directorship in other public Limited Companies (As on 31st March, 2026)	No. of Committee positions held in other Public Companies (As on 31st March, 2026)	
					Chairman	Member
Mr. Lalit Seth Chairman and Whole Time Director DIN: 00312007	Non-Independent/ Executive Promoter	5	Yes	2	0	0
Mr. Rishi Seth Managing Director DIN: 00203469	Non Independent/ Executive	5	Yes	2	0	0
Mr. Gautam Seth Joint Managing Director& CFO DIN: 00203405	Non-Independent/ Executive	5	Yes	2	0	0
Mr. Hargovind Sachdev Independent Director DIN: 08105319	Independent/ Non Executive	1	Yes	2	0	0
Mr. Ajit Sood Independent Director DIN: 08105319	Independent/ Non Executive	4	No	0	0	0
Dr. Rashmi Vij Independent Director DIN: 01103219	Independent/ Non Executive	4	Yes	0	0	0
Mr. Dhruv Goyal Independent Director DIN: 06963262	Independent/ Non Executive	3	No	0	0	0

NOTES:

1. Mr. Lalit Seth, Mr. Rishi Seth and Mr. Gautam Seth belongs to the promoter and promoter group of the Company.
2. Other Directorship does not include, Directorship of Private Limited Companies, Foreign Companies and companies under section 8 of the Companies Act, 2013. Chairmanship/Membership of Board committees include only Audit Committee and Stakeholders' Relationship Committee.
3. None of the Directors of the Company is related inter-se, except Mr. Lalit Seth, Mr. Gautam Seth and Mr. Rishi Seth who are related in terms of Section 2 (77) of the Companies Act, 2013 read with Rule 4 of the Companies (Specification of definitions details) Rules, 2014.
4. None of the Non- Executive Directors holds any shares in the company. The Company has not issued any convertible instrument.
5. None of the Director on the Board is a Director of any other listed entity except Mr. Hargovind Sachdev, who was an Independent Director on the Board of ISF Limited and Sungarner Energies Limited.
6. Mr. Hargovind Sachdev ceased to be Director of the Company w.e.f. April 12, 2025 due to completion of his second tenure as Independent Director with the Company.
7. Mr. Ajit Sood has been appointed as an Independent Director of the Company for a period of 5 (Five) years w.e.f. April 13, 2025.

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

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

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

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

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

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

Sl. No.	Name of the Director	Skill/expertise/competence
1.	Mr. Lalit Seth	Leadership, overall Corporate and General Management
2.	Mr. Rishi Seth	Commercial, Operations and Legal
3.	Mr. Gautam Seth	Sals & Marketing, Finance and Corporate Governance
4.	Mr. Dhruv Goyal	Commercial and Business Management
5.	Dr. Rashmi Vij	Corporate Governance and General Management
6.	Mr. Hargovind Sachdev*	Audit, Banking, Finance Corporate Governance and Investor Protection
7	Mr. Ajit Sood**	Banking, Credit Appraisal, Credit Risk & Financial Management

** Mr. Hargovind Sachdev ceased to be Director of the Company w.e.f. April 12, 2025 due to completion of his second tenure as Independent Director with the Company.*

*** Mr. Ajit Sood has been appointed as an Independent Director of the Company for a period of 5 (Five) years w.e.f. April 13, 2025.*

2.4 INDEPENDENT DIRECTORS

A. Familiarization Programmes

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

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

The details of such familiarization programmes for Independent Directors are put up on the Company's website and can be accessed at https://investor.hplindia.com/flipbook.php?file=Familiarization-Programme.pdf

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

Based on the declaration submitted by the Independent Directors of the Company provided at the beginning of the Financial Year 2025-26, the Board hereby certify that all the Independent Directors appointed by the Company fulfils the conditions specified in SEBI Listing Regulations 2015, and are independent to the management of the Company.

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

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

D. Separate Meeting of Independent Directors

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

During the Financial year 2025-26, the Independent Directors were met separately on 5th February, 2026, where following items were discussed:

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

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

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

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

2.5 CODE OF CONDUCT

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

All Board members and Senior Management Personnel have, on 31st March, 2026, affirmed compliance with the Code of Conduct. A declaration to this effect, duly signed by the Managing Director, forms part of this Report.

2.6 SUBSIDIARY COMPANIES

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

Copies of Minutes of the Board and Committee Meeting(s) of the unlisted Subsidiary Companies are placed at the Board Meeting of the Company. The Unaudited Quarterly Financial Results and Audited Annual Financial Statements, along with the Limited Review Report and Audit Report respectively, thereon of Subsidiary Company are presented at the meetings of the Audit Committee and Board of Directors of the Company for an overview prior to their consolidation any with the Company.

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

3. BOARD COMMITTEES

3.1 Audit Committee

A. Composition and Attendance

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

During the Financial Year 2025-26, 5 (Five) Audit Committee meetings were held on 10th April, 2025, 22nd May, 2025, 13th August 2025, 14th November, 2025 and 05th February, 2026. 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	5	1
	Mr. Gautam Seth	Non Independent/ Executive	Member	5	5
2.	Mr. Ajit Sood**	Independent/ Non-Executive	Chairman	5	4
3.	Mr. Gautam Seth	Non Independent/ Executive	Member	5	5
4.	Dr. Rashmi Vij	Independent/ Non-Executive	Member	5	5

** Mr. Hargovind Sachdev ceased to be a chairman/member of the Committee w.e.f. April 12, 2025 subsequent to his cessation as Independent Director of the Company.*

*** Consequent upon the appointment of Mr. Ajit Sood as an Independent Director of the Company w.e.f. April 13, 2025, he has been appointed as the Chairman of the Committee w.e.f. April 13, 2025.*

B. Terms of Reference

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

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

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

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

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

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

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

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

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

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

   f) Disclosure of any related party transactions; and

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

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

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

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

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

IX. Scrutiny of inter-corporate loans and investments;

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

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

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

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

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

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

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

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

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

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

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

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

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

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

XXIV. mandatorily review the following information:

- Management discussion and analysis of financial condition and results of operations;
- Management letters / letters of internal control weaknesses issued by the statutory auditors;
- Internal audit reports relating to internal control weaknesses;
- The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the Audit Committee; and
- Statement of deviations:

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

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

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

3.2 Nomination & Remuneration Committee

A. Composition and Attendance

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

During the Financial Year 2025-26, 1 (One) Nomination & Remuneration Committee Meetings were held on 10th April, 2025.

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

Sr. No.	Name	Category	Designation	No. of Meetings Held	No. of Meetings Attended
1	Mr. Dhruv Goyal	Independent/ Non-Executive	Chairman	1	0
2.	Mrs. Rashmi Vij	Independent/ Non-Executive	Member	1	1
3.	Mr. Hargovind Sachdev*	Independent/ Non Executive	Member	1	1
4.	Mr. Ajit Sood**	Independent/ Non Executive	Member	1	0

**Mr. Hargovind Sachdev ceased to be a member of the Committee w.e.f. April 12, 2025 subsequent to his cessation as Independent Director of the Company.*

***Consequent upon the appointment of Mr. Ajit Sood as an Independent Director of the Company w.e.f. April 13, 2025, he has been appointed as the member of the Committee w.e.f. April 13, 2025.*

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;

(1A). For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:

a. use the services of an external agencies, if required;

b. consider candidates from a wide range of backgrounds, having due regard to diversity; and c. consider the time commitments of the candidates.

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

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

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

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

C. Performance evaluation criteria for Independent Directors

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

The said manner provides certain parameters like professional qualification and appropriate experience in various fields like marketing, finance, risk management, communication with other board members, effective participation, compliance with code of conduct, exercise his/her own judgement and views openly which is in compliance with applicable laws. The performance evaluation of the Independent Directors includes the fulfillment of the independence criteria as specified and independence from the management, their performance and how constructively they contribute in Boards' deliberations etc. The brief about the performance evaluation carried out for the financial year 2025-26 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 2025-26, the company has no pecuniary relationship or transaction with the Non-Executive Directors except the payment of sitting fees and reimbursement of expenditure incurred, if any, for attending the board meetings and its allied committees.

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

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

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

a) Details of remuneration/sitting fee paid to Directors during the Financial Year 2025-26 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)	N.A.	373.27	0.40	-	373.67
2.	Mr. Rishi Seth (Managing Director)	N.A.	155.57	0.40	-	155.97
3.	Mr. Gautam Seth (Joint Managing Director and CFO)	N.A.	155.57	0.40	-	155.97
4.	Mr. Hargovind Sachdev* (Independent Director)	1.10	-	-	-	1.10
4.	Mr. Ajit Sood** (Independent Director)	5.80				5.80
5.	Dr. Rashmi Vij (Independent Director)	5.45	-	-	-	5.45
6.	Mr. Dhruv Goyal (Independent Director)	2.6	-	-	-	2.6

**Mr. Hargovind Sachdev ceased to be Independent Director of the Company w.e.f. April 12, 2025 due to completion of his second tenure as Independent Director with the Company.*

*** Mr. Ajit Sood appointed as an Independent Director of the Company w.e.f. April 13, 2025 for a period of 5 (Five) years.*

Notes:

1. Sitting Fees paid to the Non-Executive Independent Directors for attending Meetings of the Board and Committees thereof held during the FY 2025-26
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 2025-26, no stock options were granted to any of the directors of the company.

3.3 Stakeholders' Relationship Committee:

A. Composition and Attendance

The constitution of the Stakeholders' Relationship Committee is in conformance with the requirements of Section 178 (5) of the Companies Act, 2013 read with Regulation 20 of the SEBI Listing Regulations 2015. The Committee comprises of three members including one Independent Director and the Chairman is a Non-Executive Independent Director. The Company Secretary acts as the secretary to the said committee.

During the Financial Year 2025-26, 1 (one) Stakeholders' Relationship Committee meeting was held on 5th February, 2026.

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	0
2.	Mr. Ajit Sood**	Independent/ Non Executive	Chairman	1	1
3.	Mr. Rishi Seth	Non Independent/ Executive	Member	1	1
4.	Mr. Gautam Seth	Non Independent/ Executive	Member	1	1

** Mr. Hargovind Sachdev ceased to be a chairman/member of the Committee w.e.f. April 12, 2025 subsequent to his cessation as Independent Director of the Company.*

*** Consequent upon the appointment of Mr. Ajit Sood as an Independent Director of the Company w.e.f. April 13, 2025, he has been appointed as the Chairman of the Committee w.e.f. April 13, 2025.*

Name and designation of compliance officer

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

B. 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.

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

C. Shareholder Grievance Redressal

The Company has received 7 (Seven) complaints during the Financial Year and resolved all Investor complaint during the period under review to the satisfaction of shareholder. There was no pending investor complaint as on 31st March, 2026.

3.4 Risk Management Committee

A. Composition and Attendance

The Composition of the Risk Management Committee is in conformance with the requirements of Regulation 21 of the SEBI Listing Regulations 2015. The Committee comprises of four members including one Independent Director. The Company Secretary acts as the secretary to the said committee.

During the Financial Year 2025-26, 2 (Two) meetings of Risk Management Committee were held on 13th August 2025 & 5th February, 2026.

The composition of the Risk Management 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	2	2
2.	Mr. Hargovind Sachdev*	Independent/ Non Executive	Member	2	0
2.	Mr. Ajit Sood**	Independent/ Non Executive	Member	2	2
3.	Mr. Rishi Seth	Non Independent/ Executive	Member	2	2
4.	Mr. Gautam Seth	Non Independent/ Executive	Member	2	2

** Mr. Hargovind Sachdev ceased to be a member of the Committee w.e.f. April 12, 2025 subsequent to his cessation as Independent Director of the Company.*

*** Consequent upon the appointment of Mr. Ajit Sood as an Independent Director of the Company w.e.f. April 13, 2025, he has been appointed as the member of the Committee w.e.f. April 13, 2025.*

B. Brief description of Terms of Reference:

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

3.5 Executive Committee

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 2025-26, 15 (Fifteen) Executive Committee meetings were held on 10th April, 2025, 30th April, 2025, 15th May, 2025, 30th May, 2025, 26th June, 2025, 25th July, 2025, 5th September, 2025, 29th September, 2025, 18th October, 2025, 6th November, 2025, 10th December, 2025, 8th January 2026, 20th January, 2026, 24th February, 2026 and 21st March, 2026

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	15	15
2.	Mr. Rishi Seth	Non Independent/ Executive	Member	15	15
3.	Mr. Gautam Seth	Non Independent/ Executive	Member	15	15

B. Terms of Reference:

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

1. To open and operate any bank account like imprest account; EEFC account; current account; CC account; working capital account and closure thereof;
2. Change in signatory for the operation of the said bank accounts;
3. Authorized to accept, sign or execute the sanctions letters or any other agreement or document with any Bank or financial Institution and to do all other acts deeds in relation to availing Bank borrowings/Credit Facility (Fund Based/ Non Fund Based)/Channel Financing Facilities or any other banking facilities upto a sum of Rs. 2,500 crore subject to the ceiling as prescribed by the Companies Act, 2013;
4. For Issuing commercial papers and execution of documents;
5. To authorize any person to appear and to sign any paper or document in relation to any legal matter including authority to appoint advocate etc.;
6. To authorize any person to appear and to apply & sign any document under Sales Tax Act, Vat Act; Central Excise, GST; Pollution Acts, Industrial Act, Provident Fund Act, Employee State Insurance Act or any other state or Central Act or to represent the company in any of the Government or Semi Government Department;
7. To authorize any person to appear and to sign any tender document;
8. To create security or provide guarantee in relation to availing Bank borrowings/Credit Facility (Fund Based/Non Fund Based)/Channel Financing Facilities or any other banking facilities;
9. To invest the fund of the company; and
10. To perform the necessary activities for the assignment related to Business Responsibility and Sustainability Reporting (BRSR)

3.6 Corporate Social Responsibility (CSR) Committee:

A. Composition and Attendance

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

During the Financial Year 2025-26, One (1) CSR Committee Meeting was held on 22nd May, 2025.

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

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

B. Terms of Reference:

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

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

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

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

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

3.7 Senior Management

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

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

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

4. GENERAL BODY MEETINGS

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

Day, Date and time of AGM	Venue	Details of Special Resolution passed, if any
Monday, 29th September, 2025 at 11:30 AM	Conducted through Video Conferencing (VC) or Other Audio Visual Means (OAVM)	Nil
Monday, 30th September, 2024 at 11:30 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 Managing Director of the Company and fixation of remuneration. 3. Re-appointment of Mr. Gautam Seth (DIN:00203405) as Jt. Managing Director of the Company and fixation of remuneration.
Saturday, 30th September, 2023 at 11:00 AM	Conducted through Video Conferencing (VC) or Other Audio Visual Means (OAVM)	Nil

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

During the Financial Year 2025-26 there is 1 (One) Special Resolution passed through postal ballot for the Appointment of Mr. Ajit Sood (DIN: 08458007) as an Independent Director of the Company

C. Person who conducted the postal ballot exercise:

During the period under Report, Mr. Deepak Kukreja and Mrs. Monika Kohli, partners DMK Associates, Company Secretaries as scrutinizer and alternate scrutinizer, respectively was conducted the Postal Ballot.

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

None of business proposed to be transacted at the ensuing Annual General meeting require passing of the special business through postal ballot

5. MEANS OF COMMUNICATION

A. Quarterly Results:

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

B. Newspapers wherein results normally published:

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

C. Website, where displayed:

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

D. Official news releases:

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

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

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

6. GENERAL SHAREHOLDER INFORMATION

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

34th Annual General Meeting

Day: Thursday

Date: September 24, 2026

Time: 11:30 A.M.

Venue: Through Video conferencing/ Other Audio Visual means (OAVM) – Company's Registered office situated at 1/20, Asaf Ali Road, New Delhi – 110002 will be considered as venue for the purpose of 34th Annual General Meeting.

B. Financial Year:

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

C. Dividend Payment Date:

The Board of Directors of the Company has recommended a final dividend of Rs. 1 per equity share of 10/- each i.e. @ 10% for the Financial Year ended 31st March, 2026. 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 2026-27, 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 2026-27 has been paid by the Company to Central Depository Services Limited (CDSL) and National Securities Depository Limited (NSDL) within the stipulated time.

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

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

G. Registrar to an issue and share transfer agents:

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

H. Share transfer system:

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

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

As on March 31, 2026, all the shares of the Company are in DEMAT Mode only.

I. Distribution of Shareholding:

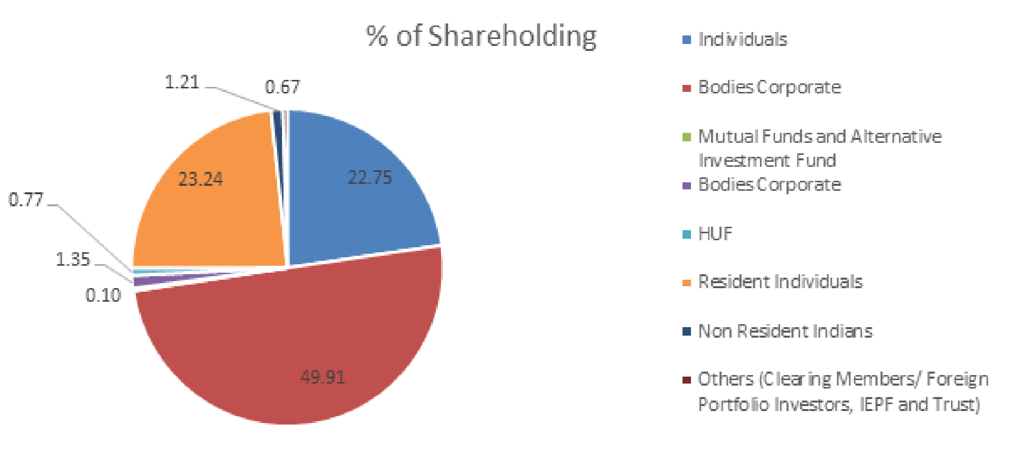
a. Shareholding by size as on 31st March, 2026

(Amount in Rs.)

Sl	Category	No. of Shareholders	% of Shareholders	No. of Shares	% To Equity
1.	1 - 5000	126494	99.80	13780321	21.43
2.	5001 - 10000	146	0.12	1038911	1.62
3.	10001 - 20000	52	0.04	734681	1.14
4.	20001 - 30000	21	0.02	538269	0.84
5.	30001 - 40000	9	0.01	322825	0.50
6.	40001 - 50000	5	0.00	220205	0.34
7.	50001 - 100000	7	0.01	537683	0.84
8.	100001 and above	10	0.01	47127591	73.29
	Total	**126744**	**100.00**	**64300486**	**100.00**

Shareholding by category as on 31st March, 2026

Category of Shareholders	Number of shareholders	No. of Shares	% of Shareholding
Promoters and Promoter Group			
Individuals	4	1,46,26,806	22.75
Bodies Corporate	4	3,20,92,023	49.91
Public			
Alternative Investment Fund	1	66,220	0.10
Bodies Corporate	249	8,64,891	1.35
HUF	1,771	4,92,389	0.77
Resident Individuals	1,23,013	1,49,46,861	23.24
Non Resident Indians	1,667	776007	1.21
Others (Clearing Members/ Foreign Portfolio Investors, IEPF and Trust)	35	4,35,289	0.67
Total	**126744**	**64300486**	**100**



J. Dematerialization of shares and liquidity:

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

Number of shares along with percentage held in dematerialized and physical mode as on 31st March, 2026 are as follows:

Form	Number of Shares	Percentage
NSDL	13273373	20.64
CDSL	51027113	79.36
Physical	0	0.00
Total	**64300486**	**100**

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

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

There are no GDRs/ ADRs/ Warrants outstanding as on 31st March, 2026.

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

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

M. Plant locations:

Sl No.	Address
1.	Plot No. 132-133, Pace City –I, Sector -37, 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

N. Address for correspondence:

(A) Company's address:

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

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

During the Financial year 2025-26, the instrument wise credit ratings as obtained from CRISIL Rating Limited and India Ratings and Research (Ind-Ra) an another rating agency are as follows:

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

The details on credit ratings are available on the website of the company at www.hplindia.com 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 2025-26, there was no materially significant Related Party Transactions with the company's Directors, Promoters, the KMPs, management or their relatives that may have potential conflict with the interests of the Company at large. All related party transactions entered into during the year were on arm's length basis, in the ordinary course of business and were in compliance with the applicable provisions of the Companies Act, 2013 and SEBI Listing Regulations 2015, as amended from time to time.

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

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

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

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

The Company has established a Vigil Mechanism/Whistle Blower Policy pursuant to the provisions of Section 177 of the Companies Act, 2013 and rules made thereunder, as amended from time to time, and Regulation 22 of the SEBI Listing Regulations2015 for its Directors and Employees to report the genuine concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct. During the year under report, no Director or Employee has been denied access to the Audit Committee.

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

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

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

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

The policy for determining 'material' subsidiaries is available on the website of the Company under "Policies and Code" in the Investor Relations section and can be accessed at https://www.hplindia.com/photos/investor-pdf/Policy-for-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) of SEBI Listing Regulations 2015 during the period under review.

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

On the basis of written representations/ declaration received from the Directors, as on 31st March, 2026, M/s Gupta Vinod & Co., Company Secretaries (Membership No. FCS 3648, CP No. 2148), have issued a certificate, confirming that none of the Directors on Board of the Company has been debarred or disqualified from being appointed or continuing as Director of Companies by SEBI/ MCA or any such authority.

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

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

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

Details relating to fees paid to the Statutory Auditors are given in **Note No. 42** of the Consolidated Financial Statements forming part of this Annual Report.

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

a. Number of complaints filed during the financial year: Nil.

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

c. Number of complaints pending as on end of the financial year: NA.

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

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

n) Details of material subsidiaries of the listed entity; including the date and place of incorporation and the name and date of appointment of the statutory auditors of such subsidiaries

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

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

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

9. Compliance with the Corporate Governance Codes

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

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

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

(b) Shareholder's Rights: The company uploads its Quarterly, half yearly and Annual Results, shareholding information, statutory communications to stock exchanges, press releases and presentations on its website i.e.www.hplindia.com which are 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 of certain types of agreements binding listed entities

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

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

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

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

Lalit Seth
Chairman and Whole-time Director
DIN: 00312007

Date : August 10, 2026
Place : Kundli

CODE OF CONDUCT

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, 2026.

Rishi Seth
Managing Director
DIN: 00203469

Date : 27th May, 2026
Place : Kundli

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, 2026, as per the relevant provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

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

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

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

For **SAKSHI & ASSOCIATES**

Chartered Accountants

Firm Registration No. 025099N

CA Sakshi Kharabanda Dewan

Proprietor

Membership No. 523802

UDIN: 26523802MMBEEL7440

Date : 10 August, 2026
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, 2026 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. Ajit Sood	08458007	13/04/2025
5	Mrs. Rashmi Vij	01103219	12/05/2021
6	Mr. Dhruv Goyal	06963262	12/05/2021

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

For **Gupta Vinod & Company**

Company Secretaries

(CS Vinod Kumar Gupta)

Practicing Company Secretary

FCS: 3648; CP: 2148

UDIN: F003648H001053532

Place : Delhi
Dated : 08th August, 2026

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, 2026 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, 2026 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 : May 27, 2026	Managing Director	Jt. Managing Director & Chief Financial Officer
Place : Kundli	DIN: 00203469	M. No. 094003

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORTING

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity

1.	Corporate Identity Number (CIN) of the Listed Entity:	L74899DL1992PLC048945		
2.	Name of the Listed Entity:	HPL Electric & Power Limited		
3.	Year of incorporation:	HPL Electric & Power Limited was incorporated as 'HPL-Socomec Private Limited' on May 28, 1992, as a private limited company under the Companies Act 1956		
4.	Registered office address:	1/20, Asaf Ali Road, New Delhi 110002, India		
5.	Corporate address:	76-B, Phase-IV, Sector-57, HSIIDC Industrial Area, Kundli-131028, Sonipat, Haryana, India		
6.	E-mail:	hpl@hplindia.com		
7.	Telephone:	+91-130-3503958, 3503437		
8.	Website:	www.hplindia.com		
9.	Financial year for which reporting is being done:	Current Financial Year	01-04-2025	31-03-2026
		Previous Financial Year	01-04-2024	31-03-2025
10.	Name of the Stock Exchange(s) where shares are listed:	1) BSE Limited (BSE): "540136" 2) National Stock Exchange of India Limited (NSE): "HPL"		
11.	Paid-up Capital:	₹64,30,04,860		
12.	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report:	Company Secretary & Compliance Officer	Mr. Vivek Kumar	
		Telephone No:	0130 - 3503437/3503958	
		Email ID:	hplcs@hplindia.com	
13.	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together):	The reporting has been done on a Standalone basis.		
14.	Name of assurance provider:	Not Applicable for the reporting period as per SEBI Circular No. SEBI/HO/CFD/CFD-SEC-2/P/CIR/2023/122 dated 12 July 2023		
15.	Type of assurance obtained:	Not Applicable for the reporting period as per SEBI Circular No. SEBI/HO/CFD/CFD-SEC-2/P/CIR/2023/122 dated 12 July 2023		

II. Products/services

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

S. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1	**Electrical equipment and power distribution**	HPL Electric & Power Limited ("HPL" or "the Company") is one of India's leading manufacturers of electrical equipment and providers of smart energy management solutions. The Company operates across five key business verticals: Metering Solutions, Switchgears, LED Lighting, Wires & Cables, and Solar Solutions, serving residential, commercial, industrial, and infrastructure sectors. Supported by vertically integrated manufacturing facilities, robust in-house technology and R&D capabilities, and an extensive pan-India distribution network, the Company delivers reliable and innovative products that address the evolving needs of the power and electrical equipment industry. Through its diversified portfolio, the Company contributes to advancing energy efficiency, smart power distribution, and sustainable infrastructure, supporting India's transition towards a low-carbon and energy-secure future.	100%

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

S. No.	Product/Service	NIC Code	% of total Turnover contributed
1	**Metering, Systems & Services**	26513	57.77%
2	**Consumables, Industrial & Services**	2710	42.23%

***NIC Code list link: https://www.ncs.gov.in/Documents/NIC_Sector.pdf**

III. Operations

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

Location	Number of plants	Number of offices	Total
National	7	20	27
International	0	0	0

19. Markets served by the entity:

a. Number of locations

Locations	Number
National (No. of States)	**17**
International (No. of Countries)	**42+ Countries**

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

Exports accounted for 1.56% of the Company's total turnover during FY 2025–26, reflecting HPL Electric & Power Limited's presence in international markets while maintaining its primary focus on meeting domestic demand.

c. A brief on types of customers

HPL Electric & Power Limited serves a well-diversified customer base spanning institutional, industrial, commercial, and retail segments. Under its Metering & Systems segment, the Company primarily caters to institutional customers, including power utilities, government bodies, and public sector undertakings, with orders largely secured through competitive tendering processes. The Consumables, Industrial & Services segment addresses the requirements of industrial establishments, infrastructure developers, commercial enterprises, and individual retail consumers. These customers are served through the Company's extensive dealer and distribution network spread across India, ensuring wide market reach and last-mile availability of products. In addition to its domestic presence, the Company exports its products to more than 42 countries, offering customised electrical equipment and energy management solutions tailored to the specific requirements of each customer segment and geography.

IV. Employees

20. Details as at the end of Financial Year:

a. Employees and workers (including differently abled):

S. No.	Particulars	Total (A)	Male		Female		Other	
			No. (B)	% (B / A)	No. (C)	% (C / A)	No. (H)	% (H/A)
				Employees				
1.	Permanent (D)	1271	1221	96.07%	50	3.93%	0	0%
2.	Other than Permanent (E)	25	23	92.00%	2	8.00%	0	0%
3.	Total employees (D + E)	1296	1244	95.99%	52	4.01%	0	0%
				Workers				
4.	Permanent (F)	167	100	59.88%	67	40.12%	0	0%
5.	Other than Permanent (G)	1359	1053	77.48%	306	22.52%	0	0%
6.	Total workers (F + G)	1526	1153	75.56%	373	24.44%	0	0%

b. Differently abled Employees and workers:

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

21. Participation/Inclusion/Representation of women

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

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

Particulars	FY 2025-26			FY 2024-25			FY 2023-24		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	26.24%	25%	26.19%	20.13%	36.36%	20.75%	22.33%	9.30%	21.82%
Permanent Workers	1.88%	0%	0.84%	1.88%	0.00%	0.84%	2.75%	7.55%	4.32%

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

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

S. No.	Name of the holding/ subsidiary / associate companies/ joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1	Himachal Energy Pvt. Ltd.	Subsidiary	97.15%	No
2	HPL - Shriji Designs	Joint Venture	0%	No
3	HPL-Shriji-Trimurthi Hitech Company Pvt. Ltd.	Joint Venture	0%	No

VI. CSR Details

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

(ii) Turnover (in Rs.): 1,857.99 crore

(iii) Net worth (in Rs.): 976.84 crore

VII. Transparency and Disclosures Compliances

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

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide link for grievance redress policy)	FY 2025-26			FY 2024-25		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	https://investor.hplindia.com/investor-relation.php	0	0	NA	0	0	NA
Investors (other than shareholders)		0	0	NA	0	0	NA
Shareholders		3	0	All Resolved within time frame	7	0	All Resolved within time frame
Employees and workers		0	0	NA	0	0	NA
Customers		0	0	NA	0	0	NA
Value Chain Partners		0	0	NA	0	0	NA
Other (please specify)		0	0	NA	0	0	NA

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

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

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Climate Strategy & GHG Emissions	R	HPL's manufacturing operations are dependent on energy-intensive processes and power consumption. Evolving environmental regulations, increasing stakeholder expectations, emerging carbon management requirements and supply chain sustainability considerations may present transition-related risks. Effective energy management, resource efficiency and climate-responsive operational practices are therefore important to maintaining long-term business resilience and competitiveness.	Conducted a comprehensive assessment of Scope 1 and Scope 2 greenhouse gas emissions, including site-level emissions hotspot mapping. Evaluated opportunities for renewable energy adoption through rooftop solar and net-metering mechanisms, while identifying energy efficiency and decarbonization initiatives across operations. These efforts support the Company's transition towards a lower-carbon operating model and strengthen its long-term climate resilience.	Negative: Rising compliance and carbon-related costs; Positive: Cost savings through efficiency improvements and strengthened access to ESG-focused financing.

2	Energy Management	O	Rising energy costs and dependence on grid electricity underscore the importance of energy efficiency initiatives to manage operational expenses and lower indirect emissions.	Conducted energy audits across key facilities and implemented energy efficiency measures, including LED lighting, VFDs and smart metering systems. The Company is also evaluating energy storage solutions to enhance renewable energy utilization and optimize peak demand management.	Positive: Reduced operating costs, improved profitability and strengthened ESG performance.
3	Product Stewardship	O	Rising customer preference for energy-efficient electrical solutions and increasing regulatory emphasis on product compliance and sustainability present opportunities for innovation, market expansion and long-term value creation.	Advanced sustainable product development through focused R&D, compliance with BIS, IEC and RoHS standards, and the integration of energy efficiency and product longevity considerations. The Company is also evaluating product take-back initiatives and EPR preparedness.	Positive: Growth in revenue from innovative offerings, sustained market leadership and mitigation of regulatory non-compliance risks.
4	Human Capital Development	O	As manufacturing operations evolve with automation and digital technologies, workforce upskilling and talent retention are essential to building future-ready capabilities and maintaining a competitive advantage.	Implemented skill development and capability-building programs, supported by technical collaborations, employee engagement initiatives, performance management processes and cross-location career development opportunities.	Positive: Stronger workforce performance, increased innovation and lower talent replacement costs.
5	Employee Health and Safety	R	Manufacturing activities expose employees to operational safety risks, making effective occupational health and safety management and regulatory compliance critical to workforce well-being and business continuity.	Strengthened workplace safety through site-level EHS policies, fire safety drills, PPE training and internal audits, while evaluating digital incident tracking and behavioural safety programs to drive continuous improvement.	Negative: Compliance-related costs, employee injury risks and operational disruptions; Positive: Reduced incident rates, higher workforce engagement and enhanced stakeholder trust.
6	Business Ethics & Corporate Governance	R	Strong governance, regulatory compliance and ethical business conduct are essential to maintaining stakeholder confidence, safeguarding corporate reputation and supporting responsible value chain practices.	Strengthened governance and compliance practices through internal audit processes, Code of Conduct training and whistleblower mechanisms, while advancing responsible business conduct across the supplier network.	Negative: Compliance-related penalties and reputational impact; Positive: Improved ESG credibility, sustained investor confidence and strengthened stakeholder relationships.

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

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

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and management processes									
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y

b. Has the policy been approved by the Board? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
c. Web Link of the Policies, if available	All the policies are available on the web link: https://investor.hplindia.com/investor-relation.php								
2. Whether the entity has translated the policy into procedures. (Yes / No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
4. Name of the national and international codes/ certifications/labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustee) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	ISO 27001 SDG 16	ISO 9001 ISO/IEC 17025 BIS RoHS SON-CAP SDG 9 SDG 12	ISO 45001 SDG 3 SDG 5 SDG 8	SDG 16 SDG 17	SDG 5 SDG 8 SDG 10	ISO 14001 RoHS SDG 6 SDG 7 SDG 12 SDG 13	SDG 16 SDG 17	SDG 4 SDG 8 SDG 10	ISO 27001 ISO 9001 ISO/IEC 17025 BIS SON-CAP SDG 12 SDG 16
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	During FY 2025-26 the entity has moved from broad intent to specific, time-bound targets anchored on measurable outcomes: • **Scope 1 emissions:** The entity has committed to a 7.4% reduction in Scope 1 (direct) GHG emissions against the FY 2025-26 baseline, to be achieved by the close of FY 2026-27. The pathway will be driven by fuel-efficiency improvements, optimization of diesel-generator running hours, and progressive electrification of on-site equipment. • **Renewable energy:** Renewable energy now contributes 1,030.62 GJ to the entity's energy mix through on-site rooftop solar commissioned at the Gurugram facility during the year. The entity is committed to sustaining this contribution and scaling on-site solar and green-power procurement across additional units in a phased manner • **Energy efficiency:** Ongoing reduction in energy intensity per rupee of turnover through equipment upgrades, lighting and HVAC optimization, and unit-level consumption monitoring. • **Water stewardship:** Expansion of on-site water recycling and reuse via STP/ETP across manufacturing units, progressing toward a zero-liquid-discharge model at applicable sites. • **Diversity and safety:** Increased participation of women through inclusive hiring and policy measures, alongside continued strengthening of the occupational health-and-safety framework toward zero lost-time injuries. • **Governance and management systems:** Maintenance and extension of globally recognized management-system certifications (quality, environment, safety, information security, and laboratory competence) to reinforce compliance and stakeholder trust. These commitments sit within a phased implementation roadmap, with baselines established in FY 2025-26 and progress reviewed annually.								

6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	FY 2025-26 marked the establishment of a measurable baseline and the first concrete steps against these commitments: • **Emissions monitoring:** Structured measurement of Scope 1 and Scope 2 emissions was established, with a combined baseline of 13,369.65 tCO_2e. This forms the reference point for the 7.4% Scope 1 reduction target and for year-on-year tracking. • **Renewable energy:** On-site rooftop solar was commissioned at the Gurugram (357Q) facility and delivered 1,030.62 GJ of renewable energy during the year the entity's first material renewable contribution and a platform for further expansion. • **Decarbonisation studies:** Feasibility and technical assessments of energy-efficiency and low-emission measures were advanced to inform the reduction pathway. • **Workplace safety:** Safety systems were strengthened through targeted training, awareness drives, and compliance measures, fostering a stronger safety culture. • **Diversity:** Steps to increase women's participation were supported through policy reviews and inclusive workplace practices. • **Management systems:** Globally recognised certifications in quality, environment, safety, information security, and laboratory competence continued to enhance compliance and product reliability.
Governance, leadership and oversight	
7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements	At HPL Electric & Power Limited, responsible business is less a separate programme than a way of running the one we already have. As one of India's established manufacturers of electrical equipment, across Metering Solutions, Switchgears, LED Lighting, Wires & Cables and Solar Solutions, the influence we hold over environmental and social outcomes extends well beyond our own factory gates. It reaches upstream to the suppliers who make our components, and downstream to the buildings and networks where our products keep working for years after they leave us. Oversight of this agenda rests with the Board, supported through the year by an Executive Committee constituted for ESG matters, which reviews performance against our targets and escalates issues that warrant the Board's attention. Our framework follows the nine principles of the National Guidelines on Responsible Business Conduct, and the quantified disclosures behind this statement are set out in the report that follows. FY 2025-26 was, above all, the year we put measurement on a firmer footing. We established structured monitoring of our Scope 1 and Scope 2 greenhouse-gas emissions, closing the year with a combined baseline of 13,369.65 tCO e across our seven manufacturing units. This is the reference point against which future progress will be judged. Our Scope 1 emission footprint came down over the year through better load management, efficiency gained as older equipment was replaced, and consistent attention to consumption. We also commissioned rooftop solar at our Gurugram facility, contributing 1,030.62 GJ of renewable energy: modest against our total consumption, but our first material step in that direction and a platform to build on. Looking ahead, we have set ourselves specific, time-bound targets. We are committed to a 7.4% reduction in Scope 1 emissions against the FY 2025-26 baseline, and to sustaining and scaling our renewable energy contribution as further on-site generation and green-power options come within reach. We also continue to expand water recycling through the effluent and sewage treatment plants across our units, returning treated water to use wherever the application allows. The largest contribution we make to the energy transition is through what we manufacture, not only how we manufacture it. Our smart metering reduces distribution losses, and our LED and smart-switchgear products lower energy use in the installations that adopt them. Every unit of electricity not lost is a unit that need never be generated.

		On the social side, the safety of the people who work our lines remains non-negotiable. Our occupational health and safety systems follow ISO 45001 principles, with certified systems across key facilities, and safety is re-established every shift rather than assumed. We maintain zero tolerance for child labour, forced labour, discrimination and harassment, and our Diversity, Equity & Inclusion Policy supports our commitment to widening participation, particularly of women, across hiring and advancement. Much of our supplier base remains micro, small and medium enterprises in smaller towns and rural districts, a choice we have kept deliberately, while our community investment stayed concentrated on national priorities in health, education and skilling. We are clear-eyed about what lies ahead. The next phase of our agenda turns outward, to the value chain that accounts for the largest share of our footprint. This is a journey of several years rather than a single step, resting on helping smaller partners build the measurement practices that make disclosure possible. In parallel, we are preparing our own systems for the next stage of India's disclosure framework, under which assurance of BRSR Core parameters, and in due course value chain disclosures, will apply to companies of our size. Our approach stays measured and practical: to commit to what we can demonstrate, and to build steadily on it.
8.	Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	**Mr. Gautam Seth** Joint Managing Director & CFO HPL Electric & Power Limited DIN: 00203405
9.	Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	Yes. The Company has an Executive Committee that oversees and guides its sustainability agenda. The Committee is responsible for integrating ESG considerations into business decision-making, reviewing sustainability-related initiatives and monitoring progress against key priorities.

10. Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/Any other Committee									Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)								
	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Performance against above policies and follow up action	Yes. Performance against the Company's policies is periodically reviewed by the Executive Committee to assess implementation and effectiveness. In addition, all policies are reviewed annually by the Board and relevant Board Committees to ensure continued relevance, regulatory compliance and alignment with the Company's strategic priorities.																	
Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	The Board oversees compliance with applicable statutory and regulatory requirements through periodic reviews, internal assessments and audit mechanisms. These processes facilitate the timely identification of gaps, implementation of corrective actions and continuous improvement in governance and compliance practices.																	

		P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
11.	Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.	No. The effectiveness and implementation of the Company's policies are currently reviewed through internal governance and oversight mechanisms, and no independent external assessment was conducted during the reporting period.								

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

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

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

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

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

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

Segment	Total no of training and awareness programs held	Topics / principles covered under the training and its impact	% of people in respective category covered by the awareness programs
Board of Directors (BOD)	5	The Committee is regularly apprised of key product and marketing initiatives, developments in the regulatory landscape and changes in applicable laws, while also providing oversight on leadership, corporate governance and ethical business practices across the organization.	100%
Key Managerial Personnel (KMP)	5	Oversight of product and marketing initiatives, significant business and regulatory developments, and the promotion of leadership excellence, ethical conduct and sound governance practices.	100%
Employees other than BOD and KMPs	10	Learning and development initiatives focused on HRMS, sales effectiveness, occupational health and safety, quality systems, operational excellence and continuous skill enhancement.	80%
Workers	3	Health and Safety, Human Rights, Operational efficiency.	NA

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

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

During the financial year 2025-26, no fines, penalties, punishments, imprisonments, awards, compounding fees, or settlement amounts were paid by the Company or its Directors / Key Managerial Personnel (KMPs) in any proceedings before regulators, law enforcement agencies, or judicial institutions.

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

Case Details	Name of regulatory/ enforcement agencies/ judicial institutions
NIL	Not Applicable

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

HPL Electric & Power Limited has adopted a Board-approved Anti-Corruption and Anti-Bribery Policy that reinforces the Company's commitment to ethical business conduct and a zero-tolerance approach towards bribery and corruption. The policy applies to all employees, directors, contractors, consultants and other associated stakeholders, and provides guidance on identifying, preventing and reporting unethical practices. It also includes mechanisms for reporting concerns, protection against retaliation and periodic risk assessments to strengthen compliance and integrity across the organization. The policy is aligned with applicable legal and regulatory requirements and supports the Company's broader governance framework.
https://investor.hplindia.com/photos/investor-pdf/Anti-Corruption-&-Anti-Bribery-Policy.pdf

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

	FY 2025-26	FY 2024-25
Directors	NIL	NIL
KMPs	NIL	NIL
Employees	NIL	NIL
Workers	NIL	NIL

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

	FY 2025-26		FY 2024-25	
	Number	Remarks	Number	Remarks
No. of complaints received in relation to issues of Conflict of Interest of Directors	NIL	NA	NIL	NA
No. of complaints received in relation to issues of Conflict of Interest of KMPs	NIL	NA	NIL	NA

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

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

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

	FY 2025-26	FY 2024-25
Number of days of accounts payables	149	125

9. **Open-ness of business**

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

Parameter	Metrics	FY 2025-26	FY 2024-25
Concentration of Purchases	a.) Purchases from trading houses as % of total purchases	2.24%	1.40%
	b.) Number of trading houses where purchases are made from	15	11
	c.) Purchases from top 10 trading houses as % of total purchases from trading houses	88.50%	99.92%
Concentration of Sales	a.) Sales to dealers / distributors as % of total sales	23.37%	25.78%
	b.) Number of dealers / distributors to whom sales are made	1352	1190
	c.) Sales to top 10 dealers / distributors as % of total sales to dealers / distributors	12.84%	13.49%

Share of RPTs in	a.) Purchases (Purchases with \ related parties / Total Purchases)	3.55%	0.99%
	b.) Sales (Sales to related parties / Total Sales)	6.20%	3.41%
	c.) Loans & advances (Loans & advances given to related parties / Total loans & advances)	37.77%	55.43%
	d.) Investments (Investments in related parties / Total Investments made)	100%	99.00 %

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

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

	FY 2025-26	FY 2024-25	Details of improvements in environmental and social impacts
R&D	0.93%	0.68%	Investments in research and development (R&D) were directed towards developing energy-efficient, reliable, and environmentally compliant electrical products. The Company focused on enhancing product safety, improving energy efficiency, and increasing operational durability, while aligning innovation efforts with its long-term sustainability objectives.
CapEx	0.06%	0.05%	Capital expenditure during the reporting period was directed towards technology upgrades, process automation, and equipment improvements to enhance resource efficiency, strengthen workplace safety, and ensure compliance with applicable environmental regulations.

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

   The Company has initiated efforts to collate the relevant information and plans to enhance its sustainability disclosures through more detailed reporting in the coming years.

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

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

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

   HPL Electric & Power Limited follows structured end-of-life management practices for materials and products, emphasizing reuse, recycling and responsible disposal in accordance with applicable environmental regulations and sustainability objectives.

Parameter	Process Description
(a) Plastics (including packaging)	The Company complies with applicable Plastic Waste Management Rules and adheres to the Extended Producer Responsibility (EPR) framework for the responsible management of plastic waste.
(b) E-waste	Electronic waste is handled through authorized e-waste recyclers, ensuring the safe collection, recycling and disposal of end-of-life products and components in compliance with applicable regulations.

(c) Hazardous waste	Hazardous waste is segregated and managed in compliance with applicable regulatory requirements. Recoverable waste is sent to authorized recyclers for resource recovery, while residual waste is disposed of through approved treatment, storage and disposal facilities.
(d) other waste	Non-hazardous waste is managed through appropriate segregation, collection and disposal practices, with a focus on maximizing recycling opportunities, minimizing landfill disposal and ensuring environmentally responsible waste handling.

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

Yes, Extended Producer Responsibility (EPR) is applicable to the Company's operations. The waste collection plan is aligned with the EPR plans submitted to the Central Pollution Control Board (CPCB). The Company complies with the E-Waste (Management) Rules, 2022 for electrical and electronic equipment and the Plastic Waste Management Rules, 2016 (as amended) for plastic packaging. Compliance is ensured through engagement with authorized recyclers, timely regulatory filings, regular monitoring and fulfilment of prescribed collection and recycling targets.

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

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

Category	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent employees											
Male	1221	150	12.29%	1218	99.75%	0	0	0	0%	150	12.29%
Female	50	3	6.00%	50	100%	50	100%	0	0%	3	6.00%
Total	1271	153	12.04%	1268	99.76%	50	3.93%	0	0%	153	12.04%
Other than Permanent employees											
Male	23	0	0%	0	0%	0	0%	0	0%	0	0%
Female	2	0	0%	0	0%	0	0%	0	0%	0	0%
Total	25	0	0%	0	0%	0	0%	0	0%	0	0%

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

Category	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent Workers											
Male	100	100	100%	100	100%	0	0%	0	0%	0	0%
Female	67	67	100%	67	100%	67	100%	0	0%	0	0%
Total	167	167	100%	167	100%	67	40.12%	0	0%	0	0%
Other than Permanent Workers											
Male	1053	1053	100%	1053	100%	0	0%	0	0%	0	0%
Female	306	306	100%	306	100%	306	100%	0	0%	0	0%
Total	1359	1359	100%	1359	100%	306	22.52%	0	0%	0	0%

c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent)

in the following format

	FY 2025-26	FY 2024-25
Cost incurred on well-being measures as a % of total revenue of the company	0.05%	0.04%

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

Benefits	FY 2025-26			FY 2024-25		
	No. of employees covered as a % of Total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100%	100%	Yes	100%	100%	Yes
Gratuity	100%	100%	Yes	100%	100%	Yes
ESI	7.79%	92.30%	Yes	100%	100%	Yes
Others - NPS	5.42%	NA	Yes	NA	NA	NA

3. Accessibility of workplaces

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

Yes. The Company has implemented measures to promote an inclusive and accessible workplace for employees and workers with disabilities. Appropriate infrastructure and facilities, including accessible amenities in common areas and washrooms, have been provided to support accessibility, mobility, and equal participation in the workplace.

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

Yes. The Company has adopted an Equal Employment Opportunity Policy in accordance with the provisions of the Rights of Persons with Disabilities Act, 2016. The Policy reflects the Company's commitment to providing equal employment opportunities, fostering a non-discriminatory and inclusive workplace, promoting accessibility, and providing reasonable facilities and accommodation for persons with disabilities. The Policy is available at: https://investor.hplindia.com/investor-relation.php

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

Gender	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	0	0	0	0
Female	0	0	0	0
Total	0	0	0	0

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

Category	Yes/No	If yes, then give details of the mechanism in brief

Permanent Workers	Yes	HPL Electric & Power Limited has established structured grievance redressal mechanisms for all categories of employees and workers, reflecting its commitment to maintaining a fair, transparent and respectful workplace. Multiple channels are available to facilitate the timely and confidential reporting and resolution of concerns. For workers, designated HR representatives and grievance drop boxes at operational locations provide accessible avenues for raising concerns, including anonymous submissions where appropriate. These mechanisms are designed to ensure that all workers can report issues without fear of retaliation. For employees, the Company has implemented a comprehensive grievance management framework supported by an independent third-party ethics partner. Concerns may be reported through multiple channels, including telephone, email, physical mail and direct communication. In addition, a whistleblower mechanism enables the confidential and anonymous reporting of unethical conduct or policy violations. Reported concerns are reviewed through established governance processes, including oversight by the Audit Committee where applicable. Through these mechanisms, the Company seeks to promote workplace trust, ethical conduct, accountability and employee well-being across its operations.
Other than Permanent Workers	Yes	
Permanent Employees	Yes	
Other than Permanent Employees	Yes	

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

Category	FY 2025-26			FY 2024-25		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B/A)	Total employees / workers in respective category (C)	No. of employees / workers in respective category, who are part of association(s) or Union (D)	% (D/C)
Total Permanent Employees	1271	0	0%	1157	0	0%
- Male	1221	0	0%	1113	0	0%
- Female	50	0	0%	44	0	0%
Total Permanent Workers	167	167	100%	359	149	41.5%
- Male	100	100	100%	160	97	60.63%
- Female	67	67	100%	199	52	26.13%

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

Category	FY 2025-26					FY 2024-25				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (F / D)
Employees										
Male	1244	1244	100%	1244	100%	1323	639	48.3%	593	44.82%
Female	52	52	100%	52	100%	45	22	48.89%	20	44.44%
Total	1296	1296	100%	1296	100%	1368	661	48.32%	613	44.81%

Workers									
Male	1153	1153	100%	1153	100%	1071	553	51.68%	404	37.72%
Female	373	373	100%	373	100%	258	176	68.22%	114	44.19%
Total	1526	1526	100%	1526	100%	1329	729	54.85%	518	38.98%

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

Category	FY 2025-26			FY 2024-25		
	Total (A)	No. (B)	% (B/A)	Total (A)	No. (B)	% (B/A)
Employees						
Male	1244	1244	100%	1323	1323	100%
Female	52	52	100%	45	45	100%
Total	1296	1296	100%	1368	1368	100%
Workers						
Male	1153	1153	100%	1071	497	46.41%
Female	373	373	100%	258	109	42.25%
Total	1526	1526	100%	1329	606	45.60%

10. Health and safety management system:

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

Yes. The Company operates an Occupational Health and Safety Management System aligned with ISO 45001:2018, covering all employees and workers across its manufacturing facilities, offices and operational sites. The system safeguards workplace health and safety through structured risk assessments, emergency preparedness, safety training, incident management and continuous performance monitoring. Beyond regulatory compliance, it reinforces a proactive culture of workplace safety and employee well-being.

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

The Company follows a systematic approach to identify workplace hazards and assess occupational health and safety risks. Key elements of the process include:

- Routine Inspections: Regular workplace inspections are conducted to identify potential hazards, with observations documented and corrective actions implemented in a timely manner.
- Risk Assessments: Periodic risk assessments are undertaken to evaluate operational hazards and determine appropriate risk mitigation measures through cross-functional participation.
- Incident Reporting: A structured reporting mechanism enables employees to report unsafe conditions, near misses, and incidents. Reported cases are investigated, and corrective actions are implemented to prevent recurrence.
- Safety Audits: Periodic internal safety audits are conducted to assess compliance with applicable health and safety requirements, identify improvement opportunities, and strengthen the effectiveness of the occupational health and safety management system.

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

Yes. The Company has established formal mechanisms that enable employees and workers to report unsafe conditions and, where necessary, remove themselves from situations that pose an imminent risk to their health or safety. Multiple reporting channels, including supervisors and designated safety reporting mechanisms, are available to facilitate timely reporting and response. These mechanisms operate in a confidential manner and are supported by a non-retaliation approach, fostering a proactive and accountable safety culture.

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

Yes. The Company provides access to a range of non-occupational healthcare services as part of its employee well-being initiatives. These include health insurance coverage, periodic preventive health check-ups, employee wellness programmes, and access to counselling and mental well-being support. Through these initiatives, the Company promotes the overall physical and mental well-being of its employees.

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

Safety Incident/ Number	Category	FY 2025-26	FY 2024-25
Lost Time Injury Frequency Rate (LTIFR)	Employees	Nil	Nil
	Workers	Nil	Nil
Total recordable work-related injuries	Employees	Nil	Nil
	Workers	Nil	Nil
No. of fatalities	Employees	Nil	Nil
	Workers	Nil	Nil
High consequence work-related injury or ill health (excluding fatalities)	Employees	Nil	Nil
	Workers	Nil	Nil

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

The Company is committed to providing a safe, healthy, and secure workplace through a comprehensive occupational health and safety (OHS) management system implemented across its manufacturing units and office locations. The OHS management system is aligned with the requirements of ISO 45001:2018 and applicable statutory regulations.

Key measures implemented by the Company include:

- Safety Training: Regular training programmes to enhance employee awareness of safe work practices, emergency procedures, and the safe operation of equipment.
- Emergency Preparedness: Established emergency response procedures supported by periodic mock drills and simulation exercises to strengthen incident preparedness.
- Risk Assessment: Periodic identification and assessment of workplace hazards, with preventive and corrective actions implemented to mitigate identified risks.
- Monitoring and Audits: Regular inspections and internal audits to evaluate compliance with health and safety requirements and drive continual improvement.
- Employee Health and Well-being: Provision of health insurance coverage and access to healthcare support for employees.
- Comprehensive Coverage: Health and safety programmes extend to all employees and workers across the Company's operations.

These initiatives are supported by certified management systems, including ISO 45001:2018 for Occupational Health and Safety and ISO 9001:2015 for Quality Management, demonstrating the Company's commitment to maintaining a safe and healthy work environment.

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

	FY 2025-26			FY 2024-25		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	Nil	Nil	NA	Nil	Nil	NA
Health & Safety	Nil	Nil	NA	Nil	Nil	NA

14. Assessments for the year:

	% of plants & offices were assessed (by entity / statutory authorities / third parties)
Health and safety practices Working Conditions	The Company monitors compliance with all applicable laws and internal policies relating to these matters across 100% of its offices through established internal mechanisms.

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

The Company follows a structured process for investigating safety-related incidents and addressing significant risks identified through workplace assessments. All reported incidents are investigated, with key learnings communicated across relevant functions to prevent recurrence and strengthen safety practices. Corrective actions are implemented based on the nature and severity of the identified risks, and their effectiveness is evaluated through periodic internal safety audits. These audits also assess compliance with the Company's health and safety procedures and the requirements of ISO 45001:2018. Significant findings arising from health and safety reviews are addressed through a risk-based control approach, ensuring effective mitigation of workplace hazards and continual improvement of the occupational health and safety management system.

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

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

The Company follows a structured approach to identify, prioritise, and engage with its key stakeholders. Periodic stakeholder mapping is undertaken to identify individuals and groups that are impacted by, or can influence, the Company's business activities, including employees, customers, suppliers, investors, regulators, local communities, and civil society organisations. Stakeholders are prioritised based on their level of influence, interest, and relevance to the Company's operations. The Company engages with them through multiple channels, including surveys, consultations, meetings, and regular interactions, to understand their expectations and concerns. Feedback received through these engagements is considered in strategic planning and operational decision-making. The stakeholder engagement process is reviewed periodically to ensure its continued effectiveness and alignment with evolving business priorities and stakeholder expectations.

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

Stakeholder Group	Identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website)	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – specify)	Purpose and scope of engagement include key topics and concerns raised during such engagement
Employees	No	• Email, • Internal Meetings, • Training Programs	Quarterly	Two-way engagement on workplace experience, career development and well-being, and to seek feedback on internal policies and processes. Key topics raised: career growth and training needs, compensation and benefits, workplace health and safety, work-life balance, and grievance redressal.
Investors and Shareholders	No	• Quarterly results • Annual Reports • Earnings call • Analysts meet • Press releases • Website, Email • Intimation to stock exchanges • Annual General Meetings • Investor meetings / conferences	Annual and as need based	To keep providers of capital informed of the Company's financial and operational performance, strategy and future outlook, and to uphold transparent governance. Key topics raised: financial and operational performance, growth strategy and capital allocation, dividends, corporate governance, and ESG performance and risk management.

Customers	No	• Email, • Website, • Social media, • Surveys	Continuously	To understand customer requirements, obtain feedback on product quality and service delivery, resolve concerns, and strengthen long-term relationships. Key topics raised: product quality and reliability, after-sales service and technical support, timely delivery, pricing, and new product requirements.
Suppliers	No	• Email, • Supplier Meetings, • Audits	Annually	To build a reliable and responsible supply chain by aligning on commercial terms, reviewing performance, and identifying areas for operational improvement. Key topics raised: pricing and payment terms, quality and delivery expectations, capacity planning, adherence to the Company's code of conduct, and process improvements.
Local Communities	Yes	• Community Meetings, • Local Media, • CSR Initiatives	Annually	To understand community needs and expectations, assess and manage the Company's social and environmental impact, and support inclusive local development through CSR. Key topics raised: education and skill development, healthcare and sanitation, local infrastructure and livelihood support, environmental concerns, and access to CSR programmes.
Regulatory Authorities	No	• Official Correspondence, • Reports, • Compliance Meetings	As required	Ensuring adherence to legal requirements, exchanging updates on regulatory changes, and fostering transparent compliance dialogue.
			(Ad hoc)	To ensure full compliance with applicable laws and regulations, maintain transparent dialogue, and stay current with regulatory developments. Key topics raised: statutory and regulatory compliance, timely filings and disclosures, amendments to laws and regulations, inspections and audits, and licensing and approvals.

PRINCIPLE 5: Businesses should respect and promote human rights

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

	FY 2025-26			FY 2024-25		
	Total (A)	No. of employees / workers covered (B)	% (B/A)	Total (C)	No. of employees / workers covered (D)	% (D/C)
Employees						
Permanent	1271	1271	100%	1157	15	1.3%
Other than Permanent	25	25	100%	211	0	0%
Total Employees	1296	1296	100%	1368	15	1.1%
Workers						
Permanent	167	167	100%	359	0	0%
Other than Permanent	1359	0	0	1180	0	0%
Total Workers	1526	167	10.94%	1539	0	0%

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

	FY 2025-26					FY 2024-25				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No (B)	% (B / A)	No (C)	% (C / A)		No (E)	% (E / D)	No (F)	% (F / D)
Employees										
Permanent	1271	0	0%	1271	100%	1157	0	0%	902	77.96%
Male	1221	0	0%	1221	100%	1113	0	0%	860	77.27%
Female	50	0	0%	50	100%	44	0	0%	42	95.45%
Other than Permanent	25	0	0%	25	100%	211	0	0%	0	0%
Male	23	0	0%	23	100%	210	0	0%	0	0%
Female	2	0	0%	2	100%	1	0	0%	0	0%
Workers										
Permanent	167	0	0%	167	100%	359	0	0%	169	47.08%
Male	100	0	0%	100	100%	160	0	0%	101	63.13%
Female	67	0	0%	67	100%	199	0	0%	68	34.17%
Other than Permanent	1359	1063	78.22%	296	21.78%	1405	1002	71.32%	403	28.68%
Male	1053	867	82.34%	186	17.66%	1054	805	76.37%	249	23.63%
Female	306	196	64.05%	110	35.95%	351	197	56.12%	154	43.88%

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

a. **Median remuneration / wages:**

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BoD)*	3	22007596	0	0
Key Managerial Personnel	1	3896112	0	0
Employees other than BoD and KMP	1217	693012	50	650000
Workers	100	254460	67	244428

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

	FY 2025-26	FY 2024-25
Gross wages paid to females as % of total wages	24.57%	3.07%

*Previous year numbers have been updated incorporating a methodology change

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

Yes. The Human Resources function serves as the designated focal point for human rights at the Company. It is responsible for overseeing the implementation of the Company's human rights commitments, ensuring alignment with applicable legal requirements and internationally recognized human rights principles. The function periodically reviews relevant policies, monitors compliance, and facilitates the identification and assessment of potential human rights risks across the Company's operations.

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

The Company has established formal grievance redressal mechanisms to address concerns related to human rights. These mechanisms are designed to be accessible, transparent, and responsive, enabling employees and other stakeholders to report concerns without fear of retaliation. All grievances are addressed in a fair, confidential, and timely manner in accordance with the Company's established procedures.

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

	FY 2025-26			FY 2024-25		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	NIL	NIL	NA	NIL	NIL	NA
Discrimination at workplace	NIL	NIL	NA	NIL	NIL	NA
Child Labour	NIL	NIL	NA	NIL	NIL	NA
Forced Labour/ Involuntary Labour	NIL	NIL	NA	NIL	NIL	NA
Wages	NIL	NIL	NA	NIL	NIL	NA
Other human rights related issues	NIL	NIL	NA	NIL	NIL	NA

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

	FY 2025-26	FY 2024-25
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	NIL	NIL
Complaint on POSH as a % of female employees / workers	NIL	NIL
Complaints on POSH upheld	NIL	NIL

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

The Company has established mechanisms to safeguard individuals who raise concerns related to discrimination, harassment, or other workplace conduct issues. The grievance redressal process is designed to ensure confidentiality, fairness, and impartiality in the review and resolution of complaints. The Company also maintains measures to protect complainants from retaliation, fostering a workplace culture where concerns can be reported and addressed without fear of adverse consequences.

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

Yes. The Company incorporates human rights requirements into its contractual arrangements with suppliers, business partners, and other relevant stakeholders. These agreements include provisions requiring compliance with applicable laws and internationally recognised human rights principles. The Company's Supplier Code of Conduct further reinforces these expectations by outlining the standards of ethical conduct and respect for human rights expected across its value chain.

10. **Assessments for the year:**

	% of your plants and offices were assessed (by entity or statutory authorities or third parties)
Child labour	The Company monitors compliance with all applicable laws and internal policies relating to these matters across 100% of its offices through established internal mechanisms.
Forced/ involuntary labour	
Sexual harassment	
Discrimination at workplace	
Wages	

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

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

PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment

1. **Details of total energy consumption (Giga Joules) and energy intensity, in the following format:**

Parameter	UOM	FY 2025-26	FY 2024-25
Revenue from operations	INR	18579967604.21	16844050000
From renewable sources			
Total electricity consumption (A)	Gigajoule (GJ)	1030.62	0
Total fuel consumption (B)	Gigajoule (GJ)	0	0
Energy consumption through other sources (C)	Gigajoule (GJ)	0	0
Total energy consumed from renewable sources (A+B+C)	Gigajoule (GJ)	1030.62	0
From non-renewable sources			
Total electricity consumption (D)	Gigajoule (GJ)	63403.14	55793.48
Total fuel consumption (E)	Gigajoule (GJ)	1790.19	4406.15

Energy consumption through other sources (F)	Gigajoule (GJ)	0	0
Total energy consumed from non-renewable sources (D+E+F)	Gigajoule (GJ)	65193.34	60199.63
Total energy consumed (A+B+C+D+E+F)	Gigajoule (GJ)	66223.96	60199.63
Energy intensity per rupee of turnover (Total energy consumed / Revenue from operations)	Gigajoule (GJ) / INR	0.0000035643	0.000003574
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / Revenue from operations adjusted for PPP) *	Gigajoule (GJ) / PPP Revenue	0.000072497	0.000073087
Energy intensity in terms of physical output in MT of production	Gigajoule (GJ) / Ton	-	-
*Previous year numbers have been updated, incorporating a methodology change			

**Revenue from operations on a purchasing power parity (PPP)-adjusted basis has been calculated using the implied PPP conversion factor of INR 20.34 per USD, as published by the International Monetary Fund (IMF) in April 2026.*

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No independent assessment, evaluation, or assurance was undertaken by an external agency during the reporting period. The Company may consider obtaining independent assurance in the future, where required, in line with applicable statutory requirements and evolving business needs.

2. **Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.**

The Company does not have any facilities designated as Designated Consumers (DCs) under the Perform, Achieve and Trade (PAT) Scheme of the Government of India. Accordingly, no energy reduction targets have been assigned under the scheme, and no remedial actions were applicable during the reporting period.

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

Parameter	UOM	FY 2025-26	FY 2024-25
Water withdrawal by source (in kilolitres)			
(i) Surface water	kL	0	0
(ii) Groundwater	kL	0	0
(iii) Third party water	kL	19082.3	3195
(iv) Seawater / desalinated water	kL	0	0
(v) Others	kL	5720.0	530000
Total volume of water withdrawal (i + ii + iii + iv + v)	kL	24802.3	533195
Total volume of water consumption	kL	24802.3	8160.5
Water intensity per rupee of turnover (Total water consumption/ Revenue from operations)	kL / INR	0.0000013349	0.000000484
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / Revenue from operations adjusted for PPP) *	kL / PPP Revenue	0.0000271518	0.000009907
Water intensity in terms of physical output in MT of production	kL / Ton	-	-

**Revenue from operations on a purchasing power parity (PPP)-adjusted basis has been calculated using the implied PPP conversion factor of INR 20.34 per USD, as published by the International Monetary Fund (IMF) in April 2026.*

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No independent assessment, evaluation, or assurance was undertaken by an external agency during the reporting period. The Company may consider obtaining independent assurance in the future, where required, in line with applicable statutory requirements and evolving business needs.

4. **Provide the following details related to water discharged:**

Parameter	UOM	FY 2025-26	FY 2024-25
Water discharged by destination and level of treatment			
(i) To Surface water			
No treatment	kL	0	0
With treatment – please specify level of treatment	kL	0	151.65
(ii) To Groundwater			
No treatment	kL	0	0
With treatment – please specify level of treatment	kL	0	0
(iii) To Seawater			
No treatment	kL	0	0
With treatment – please specify level of treatment	kL	0	0
(iv) Sent to third parties			
No treatment	kL	0	0
With treatment – please specify level of treatment	kL	0	0
(v) Others			
No treatment	kL	0	0
With treatment – please specify level of treatment	kL	0	5300
Total water discharged	kL	0	5,451.65

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No independent assessment, evaluation, or assurance was undertaken by an external agency during the reporting period. The Company may consider obtaining independent assurance in the future, where required, in line with applicable statutory requirements and evolving business needs.

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

The Company has not implemented a Zero Liquid Discharge (ZLD) system at its operations during the reporting period. However, it continues to strengthen its water management practices by optimizing water use and enhancing wastewater treatment processes. The Company also periodically evaluates the technical and operational feasibility of adopting ZLD systems as part of its ongoing sustainability initiatives.

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

The Company monitors air emissions in accordance with applicable statutory requirements. Air emission monitoring is carried out by laboratories approved by the respective State Pollution Control Boards. The monitored parameters remain within the prescribed regulatory limits, and the monitoring results are submitted periodically to the respective regulatory authorities in compliance with applicable requirements.

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

Parameter	Unit	FY 2025-26	FY 2024-25
Total Scope 1 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tons of CO2	759.47	820.21
Total Scope 2 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tons of CO2	12610.18	11267.18
Total Scope 1 and Scope 2 emission intensity per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)	t-Co2e / INR	0.0000007196	0.0000007176

Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP) *	t-Co2e / PPP Revenue	0.0000146361	0.0000146750
Total Scope 1 and Scope 2 emission intensity in terms of physical output	t-Co2e/MT of production	-	-

**Revenue from operations on a purchasing power parity (PPP)-adjusted basis has been calculated using the implied PPP conversion factor of INR 20.34 per USD, as published by the International Monetary Fund (IMF) in April 2026.*

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No independent assessment, evaluation, or assurance was undertaken by an external agency during the reporting period. The Company may consider obtaining independent assurance in the future, where required, in line with applicable statutory requirements and evolving business needs.

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

Yes. The Company continues to implement initiatives to improve energy efficiency and reduce greenhouse gas (GHG) emissions across its operations, in line with its environmental and sustainability commitments.

Key initiatives include:

- Energy-Efficient Lighting: Replacement of conventional lighting with energy-efficient LED lighting across manufacturing units and office premises to reduce electricity consumption.
- Renewable Energy: Progressive deployment of solar power systems at manufacturing facilities to increase the use of renewable energy and reduce dependence on conventional energy sources.
- Energy-Efficient Infrastructure: Adoption of energy-efficient equipment, including BEE star-rated air-conditioning systems and other energy-saving technologies, to improve operational efficiency and reduce energy consumption.

Through these initiatives, the Company continues to strengthen its efforts towards reducing its operational carbon footprint and enhancing resource efficiency.

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

Parameter	UOM	FY 2025-26	FY 2024-25
Total Waste generated			
Plastic waste (A)	MT	1.69	74.98
E-waste (B)	MT	0	0.030
Bio-medical waste (C)	MT	0	0
Construction and demolition waste (D)	MT	0	0
Battery waste (E)	MT	0	0
Radioactive waste (F)	MT	0	0
Other Hazardous waste specifies (G)	MT	383.40	0.267
Other Non-hazardous waste generated (H). Please specify	MT	0	73.11
Total (A+B + C + D + E + F + G +H)	MT	385.09	148.38
Waste intensity per rupee of turnover (Total waste generated in MT / Revenue from operations)	MT / INR	0.0000000207	0.0000000088
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated/PPP adjusted revenue)	MT / PPP Revenue	0.0000004216	0.0000001802
Each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tons)			
Category of waste			

(i) Recycled	MT	380.53	148.09
(ii) Re-used	MT	0	0
(iii) Other recovery operations	MT	0	0
Total	MT	380.53	148.09
For each category of waste generated, total waste disposed by nature of disposal method (in metric tons)			
Category of waste			
(i) Incineration	MT	0	0.29
(ii) Landfilling	MT	2.81	0
(iii) Other disposal operations	MT	1.75	0
Total	MT	4.56	0.29

**Revenue from operations on a purchasing power parity (PPP)-adjusted basis has been calculated using the implied PPP conversion factor of INR 20.34 per USD, as published by the International Monetary Fund (IMF) in April 2026.*

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No independent assessment, evaluation, or assurance was undertaken by an external agency during the reporting period. The Company may consider obtaining independent assurance in the future, where required, in line with applicable statutory requirements and evolving business needs.

10. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such waste.

The Company follows structured waste management practices across its operations, with a focus on waste minimisation, segregation, recycling, and environmentally responsible disposal. Waste is managed in accordance with applicable regulatory requirements and established internal procedures to minimise environmental impacts. For hazardous waste and other hazardous substances, the Company implements appropriate handling, storage, treatment, and disposal practices in compliance with applicable laws and regulations. It also evaluates opportunities to improve process efficiency, promote resource optimisation, and adopt safer alternatives, wherever technically and commercially feasible, to reduce potential environmental and health risks.

11. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:

S. No.	Location of operations/ offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
Not Applicable			

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

Name & brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain	Relevant Web link
During the reporting period, no projects undertaken by the Company required an Environmental Impact Assessment (EIA) under applicable laws. The Company remains committed to complying with all applicable environmental regulations and will undertake EIAs and related disclosures for future projects, wherever required.					

13. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India, such as the Water (Prevention

and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:

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

S. No.	Specify the law / regulation / guidelines which was not complied with	Provide details of the non- compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
Yes. The Company is committed to complying with all applicable environmental laws, regulations, and statutory requirements relevant to its operations. It has established processes to monitor compliance obligations and obtain the necessary approvals, permits, and consents, wherever applicable. During the reporting period, no material instances of non-compliance with applicable environmental laws and regulations were reported.				

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

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

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

1b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.

S. No.	Name of the trade and industry chambers/ associations	Reach of trade & industry chambers/ associations (State/National)
1	Indian Electrical and Electronics Manufacturers' Association (IEEMA)	National
2	ELCOMA - Electric Lamp and Component Manufacturers	National
3	PHD Chamber of Commerce	National
4	CII – Confederation of Indian Industry	National
5	GCCI - Gurgaon Chamber of Commerce & Industry	Regional
6	CBIP - Central Board of Irrigation & Power	National

2. Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities

Name of authority	Brief of the case	Corrective action taken
During the reporting period, no adverse orders were received from regulatory authorities in relation to anti-competitive conduct. The Company continues to monitor its business practices to ensure compliance with applicable competition laws and remains committed to promoting fair and ethical market conduct.		

PRINCIPLE 8: Businesses should promote inclusive growth and equitable development

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
Not Applicable. During the reporting period, no Social Impact Assessments (SIAs) were undertaken, as no projects required such assessments under applicable legal and regulatory requirements. The Company remains committed to conducting SIAs for future projects, wherever required, in accordance with applicable laws and regulations.					

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your

entity, in the following format:

S. No	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In INR)
Not Applicable. As of the reporting period, no projects required Rehabilitation and Resettlement (R&R) measures under applicable legal and regulatory requirements. The Company remains committed to implementing Rehabilitation and Resettlement measures, wherever applicable, in accordance with the relevant laws and regulations.						

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

The Company has established mechanisms to receive and address community grievances, including a dedicated grievance redressal mechanism and an online platform for submitting concerns. The process is designed to ensure timely, fair, and transparent resolution of grievances. The effectiveness of the mechanism is periodically reviewed to strengthen responsiveness and enhance stakeholder trust.

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

The Company recognizes the important role of micro, small, and medium enterprises (MSMEs) in driving inclusive economic growth. It continues to promote procurement from eligible local and small vendors, particularly those located in the vicinity of its operations, while ensuring that supplier selection is based on quality, sustainability, reliability, and commercial considerations.

	FY 2025-26	FY 2024-25
Directly sourced from MSMEs/ small producers	43.40%	9.36%
Directly from within India	70.92%	68.30%

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

Location*	FY 2025-26	FY 2024-25
Rural	6.87%	6.47%
Semi-urban	0.04%	0.13%
Urban	82.70%	82.06%
Metropolitan	10.39%	11.34%

PRINCIPLE 9: Businesses should engage with and provide value to their consumers in a responsible manner

1. **Describe the mechanisms in place to receive and respond to consumer complaints and feedback.**

HPL Electric & Power Limited maintains a structured, multi-channel mechanism to receive, track and resolve consumer complaints and feedback. Consumers can reach the Company through:

- A dedicated customer care helpline for direct assistance
- An online feedback form on the Company's official website
- Its authorised distributors and channel partners
- The Company's official social media platforms

All complaints and feedback received across these channels are systematically logged, assigned and reviewed by the customer service team to ensure timely redressal.

2. **Turnover of products and/ services as a percentage of turnover from all products/ service that carry information about**

	As a percentage to total turnover
Environmental and social parameters relevant to the product Safe and responsible usage Recycling and/or safe disposal	100% of the Company's products incorporate energy efficiency features and are supported by product information and user guidance covering safe use, responsible handling and environmentally responsible disposal.

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

	FY 2025-26		Remarks	FY 2024-25		Remarks
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data privacy	0	0	NA	0	0	NA
Advertising	0	0	NA	0	0	NA
Cyber-security	0	0	NA	0	0	NA
Delivery of essential services	0	0	NA	0	0	NA
Restrictive Trade Practices	0	0	NA	0	0	NA
Unfair Trade Practices	0	0	NA	0	0	NA
Other	0	0	NA	0	0	NA

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

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

5. **Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.**

Yes. The Company has established a framework for cybersecurity and data privacy to safeguard its information systems and sensitive data aligned with ISO 27001/ISMS requirement. It regularly monitors cyber risks, conducts periodic reviews of its IT infrastructure, and implements appropriate measures to strengthen information security and risk preparedness. The Company also maintains processes for addressing customer queries and communicating relevant information in a transparent manner.

6. **Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services**

The Company has established standard operating procedures (SOPs) and internal controls across key business areas to support regulatory compliance and operational effectiveness. These include:

- Periodic review of advertising and promotional materials to ensure compliance with applicable advertising standards.
- Defined processes to support the reliable delivery of products and services.
- Ongoing cybersecurity and data privacy measures, including periodic system assessments and employee awareness initiatives.
- Quality assurance and product control procedures aimed at minimizing the risk of product recalls.
- Compliance monitoring mechanisms to identify and address regulatory requirements and any related actions, where applicable.

7. **Provide the following information relating to data breaches:**

Particulars	Response
a. Number of instances of data breaches along with impact	0
b. Percentage of data breaches involving personally identifiable information (PII) of customers	Nil
c. Impact, if any, of the data breaches	Nil

Independent Auditor's Report

To the Members of **HPL ELECTRIC & POWER LIMITED**

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of HPL ELECTRIC & POWER LIMITED ("the Company"), which comprise the standalone Balance Sheet as at 31st March 2026, and the standalone statement of Profit and Loss (including other comprehensive income), standalone Statement of changes in Equity and standalone Statement of Cash Flows for the year then ended, and notes to the standalone financial statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as the "Standalone Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2026, its profit/loss and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the Standalone Financial Statements in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

Key Audit Matter(s)

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matters	How the matter was addressed in our Audit
Tax Litigations: The Company has significant tax litigations for which the Company assesses the outcome on a case-to-case basis considering the underlying facts of each tax litigation. Adverse outcomes could significantly impact the Company's reported profit and Balance Sheet position. The assessment of outcome of litigations involves significant judgement which is dependent on the facts of each case, supporting judicial precedents and legal opinions of professionals, hence the matter has been considered as a Key Audit Matter.	**Our audit procedures, amongst others included the following:** ➢ Obtained list of ongoing tax litigations from Management along with their assessment of the cases based on past precedents, judgements and matters in the jurisdiction, legal opinions sought by Management and correspondences with tax department. ➢ Analysed and discussed with our internal tax team to evaluate Management's assessment of the outcome of these litigations. They considered legal precedence and other rulings in evaluating Management's position on these tax litigations. ➢ Evaluated the status of the recent and current tax assessments/inquiries, results of previous tax assessments and changes in the tax environment. ➢ Verified disclosure of the tax positions, tax loss carry forwards and tax litigations in the standalone Ind AS financial statements.

Information other than the financial statements and Auditors' report thereon

The Company's Management and Board of Directors are responsible for the preparation of the other information. Other information comprises the information included in the Board's Report including Annexures to Board's Report but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's Management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, the Management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

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

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

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

- Conclude on the appropriateness of Management and Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal financial control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone 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 Companies Act, 2013, we give in the 'Annexure A', a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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

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

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

   c) The standalone Balance Sheet, the standalone Statement of profit and loss (including other comprehensive income), the standalone statement of changes in Equity and the standalone statement of Cash flows dealt with by this Report are in agreement with the books of account.

   d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.

   e) On the basis of the written representations received from the Directors as on 31st March, 2026 taken on record by the Board of Directors, none of the Directors is disqualified as on 31st March, 2026 from being appointed as a Director in terms of Section 164 (2) of the Act.

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

   g) With respect to the matter to be included in the Auditor's Report under section 197(16), in our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its Directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any Director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

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

      i. The Company has disclosed pending litigations and the impact on its financial position in its standalone financial statements. Refer Note 45 to the standalone financial statements.

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

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

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

v. (a) The Management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The Management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts to the standalone financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries ; and

(c) Based on such audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material mis-statement.

vi. Based on our examination, which included test checks, the Company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and that has operated throughout the year for all relevant transactions recorded in the software

Further, during the course of our audit, we did not notice any instance of audit trail feature being tampered with for the period the audit trail was enabled. Additionally, the audit trail, where enabled, has been preserved by the company as per the statutory requirements for record retention.

For SAKSHI & ASSOCIATES
Chartered Accountants
Firm's Registration Number: 025099N

SAKSHI KHARABANDA DEWAN
Proprietor
M.No.:523802
UDIN : 26523802JBTFCW7973

Place : New Delhi
Date : 27 May, 2026

Annexure 'A' to the Independent Auditor's Report

(The Annexure referred to in Paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

We report that:

(i) In respect of Company's property, plant and equipment, right-of-use assets and intangible assets:

(a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of right-of-use assets;

(B) The Company does not have any Intangible Assets. Accordingly, Clause 3(i)(a)(B) of the order is not applicable to the Company.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Property, Plant and Equipment have been physically verified by the Management at reasonable intervals; no material discrepancies were noticed on such verification. In our opinion, the frequency of verification is reasonable.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the standalone financial statements are held in the name of the Company.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or Intangible assets during the year. Accordingly, the reporting under Clause 3(i)(d) of the Order is not applicable to the Company.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, no proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

(ii) (a) As explained to us & on the basis of the records examined by us, in our opinion, physical verification of inventory has been conducted at reasonable intervals by the Management. In our opinion, the coverage and procedure of such verification followed by the Management were appropriate. No discrepancy of 10% or more in the aggregate for each class of inventory were noticed on physical verification of stocks by the Management as compared to book records.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets during any point of time of the year. The quarterly returns or statements filed by the Company with such banks or financial institutions are in agreement with the books of account of the Company.

(iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made investments in, nor provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to Companies, Firms, Limited Liability Partnership or any other party during the year. Accordingly, provisions of clauses 3(iii)(a), 3(iii)(b), 3(iii)(c), 3(iii)(d), 3(iii)(e), & 3(iii)(f) of the Order are not applicable to the Company.

(iv) According to the information and explanations given to us and on the basis of our examination of the records, in respect of loans, investments, guarantees, and security, provisions of Sections 185 and 186 of the Act have been complied with.

(v) The Company has not accepted any deposits or amounts which are deemed to be deposits covered under Sections 73 to 76 of the Companies Act, 2013. Accordingly, clause 3(v) of the Order is not applicable.

(vi) As per information and explanation given by the Management, maintenance of cost records has been specified by the Central Government under sub-section (1) of Section 148 of the Companies Act and such accounts and records have been so made and maintained;

(vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company is regular in depositing undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues to the appropriate authorities. According to the information and explanation given to us there were no outstanding statutory dues as on 31st of March, 2026 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no statutory dues referred to in sub-clause (a) that have not been deposited on account of any dispute except following:

S.No	Name of Statute	Description	As at 31st March 2026	As at 31st March 2025
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	Employee's Provident Fund Act, 1952	Demand for EPF before EPF appellate, Tribunal, New Delhi.	2.40	2.40
6	Haryana Vat Act, 2003	Demand for sales tax before Haryana Tax Tribunal for 2013-14	80.59	80.59
7	Haryana Vat Act, 2003	Haryana Tax Tribunal, Chandigarh-Final demand after Rectification on 31.07.2017 (Revision Pending)	-	3.61
8	Haryana Vat Act, 2003	Haryana Tax Tribunal, Chandigarh-Pending for Rectification for 2012-13	-	1.97
9	Haryana Vat Act, 2003	Haryana Tax Tribunal, Chandigarh-Pending for Rectification for 2013-14	-	3.73
10	Haryana Vat Act, 2003	Haryana Tax Tribunal, Chandigarh-Pending for Rectification for 2014-15	-	0.52
11	Haryana Vat Act, 2003	Demand for sales tax before Jt Excise Excise & Taxation Commissioner, Ambala for 2014-15	-	55.72
12	Haryana Vat Act, 2003	Demand for Sales Tax before Haryana Tax, Tribunal, Rohtak for 2015-16	-	41.89
13	Central Excise Act, 1944	Demand for Excise Duty before Deputy Comm.Central GST Gurgram for 2016-17.	1.72	1.72
14	Finance Act, 1994	Demand for Service Tax Credit before Asstt. Commissioner Gurugram for 2015-16 to 2017-18	14.78	14.78
15	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
16	Haryana Vat Act, 2003	Demand for Sales Tax before Haryana Tax, Tribunal, Rohtak for 2016-17	-	73.54
17	CGST Act, 2017	Demand for GST before Joint Excise and Taxation Commissioner Gurgaon (West) Ward 1:Gurgaon (West):Gurgaon Haryana for 2017-18	54.80	54.80

S.No	Name of Statute	Description	As at 31st March 2026	As at 31st March 2025
18	CGST Act, 2017	Demand for GST before Joint Excise and Taxation Commissioner Gurgaon (West) Ward 1:Gurgaon (West):Gurgaon Haryana for 2017-18	69.05	69.05
19	CGST Act, 2017	Demand for GST before Joint Excise and Taxation Commissioner Gurgaon (West) Ward 1:Gurgaon (West):Gurgaon Haryana for 2018-19	6.30	6.30
20	CGST Act, 2017	Demand for GST before Joint Excise and Taxation Commissioner Gurgaon (West) Ward 1:Gurgaon (West):Gurgaon Haryana for 2019-20	10.04	10.04
21	CGST Act, 2017	Demand for GST before Joint Excise and Taxation Commissioner Gurgaon (West) Ward 1:Gurgaon (West):Gurgaon Haryana for 2020-21	54.08	54.08
22	CGST Act, 2017	Demand for GST before Joint Commissioners of State tax Thane city Thane : Maharashtra for 2017-18	-	15.78
23	CGST Act, 2017	Demand for GST before Deputy Commissioners .Gandhi Maidan: Patna West: Bihar for 2018-19	18.11	18.11
24	CGST Act, 2017	Demand for GST before Deputy Commissioners . Sector 9,Lucknow(B),Lucknow I,: Uttar Pradesh for 2018-19	2.19	-
25	CGST Act, 2017	Demand for GST before Deputy Excise and Taxation Commissioner Gurgaon (West): Haryana for 2021-22	13.28	-

** These amounts are net of amount paid/adjusted under protest.

(viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.

(ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a willful defaulter by any bank or financial institution or other lender.

(c) According to the information and explanations given to us by the Management, the Company has utilized the money obtained by way of term loans during the year for the purposes for which they were obtained.

(d) According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we report that no funds raised on short term basis have been used for long term purposes by the Company.

(e) In our opinion and according to the information and explanations given by the Management, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures. Accordingly, clause 3(ix)(e) is not applicable.

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries (as defined under the Act) and joint ventures. Accordingly, clause 3(ix)(f) is not applicable.

(x) (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, clause 3(x)(a) of the Order is not applicable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.

(xi) (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, no fraud by the Company or any fraud on the Company has been noticed or reported during the course of audit.

(b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government;

(c) According to the information and explanations given to us by the Management, no whistle-blower complaints had been received by the Company.

(xii) The Company is not a Nidhi Company. Accordingly, clauses 3(xii)(a), 3(xii)(b) and 3(xii)(c) of the Order is not applicable to the Company.

(xiii) In our opinion and according to the information and explanations given to us, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, where applicable and the details of the related party have been disclosed in the standalone financial statements, as required by the applicable accounting standards.

(xiv) (a) Based on information and explanations provided to us and our audit procedures, the Company has an internal audit system commensurate with the size and nature of its business.

(b) We have considered the internal audit reports of the Company issued till date for the period under audit.

(xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with him and hence, provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.

(xvi) (a) In our Opinion and based on our examination, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934). Accordingly, clause 3(xvi)(a) of the Order is not applicable.

(b) In our Opinion and based on our examination, the Company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.

(c) In our Opinion and based on our examination, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.

(d) According to the information and explanations given by the Management, the Group does not have any CIC as part of the Group.

(xvii) Based on our examination, the Company has not incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of Balance Sheet as and when they fall due within a period of one year from the Balance Sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the Balance Sheet date, will get discharged by the Company as and when they fall due.

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

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

For SAKSHI & ASSOCIATES
Chartered Accountants
Firm's Registration Number: 025099N

SAKSHI KHARABANDA DEWAN
Proprietor
M.No.:523802
UDIN : 26523802JBTFCW7973

Place : New Delhi
Date : 27 May, 2026

Annexure'B' to the Independent Auditor's Report

Report on Internal Financial Controls with reference to Standalone Financial statements

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the Internal financial controls over financial reporting of **HPL ELECTRIC & POWER LIMITED** ("the Company") as of March 31, 2026 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's Internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of Internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India.

Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of Internal financial controls over financial reporting included obtaining an understanding of Internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls Over Financial Reporting

A Company's Internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted Accounting principles. A Company's Internal Financial control over financial reporting includes those policies and procedures that:

1. Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;
2. Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted Accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of Management and Directors of the Company; and
3. Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of Internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the Internal financial controls over financial reporting to future periods are subject to the risk that the Internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2026, based on the Internal control over financial reporting criteria established by the Company considering the essential components of Internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For SAKSHI & ASSOCIATES
Chartered Accountants
Firm's Registration Number: 025099N

SAKSHI KHARABANDA DEWAN
Proprietor
M.No.:523802
UDIN : 26523802JBTFCW7973

Place : New Delhi
Date : 27 May 2026

HPL Electric & Power Limited

CIN NO.: L74899DL1992PLC048945

Balance Sheet

as at 31st March 2026

(₹ in Lakhs)

Particulars	Note	As at 31st March 2026	As at 31st March 2025
ASSETS			
Non-current assets			
Property, plant and equipment	3	56,759.37	44,963.35
Capital work in progress	4	4,097.69	663.34
Right of use Assets	5	531.64	644.16
Financial assets			
i. Investments	6	5,400.10	5,400.10
ii. Loans	7	248.96	178.47
Other non-current assets	8	905.94	681.17
Total non-current assets		**67,943.70**	**52,530.59**
Current assets			
Inventories	9	73,293.07	66,329.27
Financial assets			
i. Trade receivables	10	74,496.07	69,494.69
ii. Cash and cash equivalents	11	2,424.06	2,202.76
iii. Bank balances other than (ii) above	12	4,393.87	3,100.04
iv. Loans	7	176.02	160.81
v. Other financial assets	13	3,467.81	1,494.81
Current tax assets (Net)	14	-	-
Other current assets	8	7,609.68	7,880.54
Total current assets		**165,860.58**	**150,662.92**
Total assets		**233,804.28**	**203,193.51**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	15	6,430.05	6,430.05
Other equity	16	91,254.20	83,557.13
Total equity		**97,684.25**	**89,987.18**
Liabilities			
Non-current liabilities			
Financial liabilities			
i. Borrowings	17	9,983.26	2,089.82
ii. Lease liabilities	18	309.64	388.33
iii. Other financial liabilities	19	1,226.06	1,175.64
Provisions	20	1,781.87	1,235.56
Deferred tax liability (Net)	21	286.37	318.12
Total non-current liabilities		**13,587.20**	**5,207.47**
Current liabilities			
Financial liabilities			
i. Borrowings	22	62,940.97	59,303.76
ii. Lease liabilities	18	223.30	233.28
iii. Trade payables	23		
a) Total outstanding dues of micro enterprises and small enterprises		1,296.35	1,563.97
b) Total outstanding dues of creditors other than micro enterprises and small enterprises		50,882.71	40,533.24
iv. Other financial liabilities	19	4,356.66	3,291.60
Other current liabilities	24	1,999.94	2,122.95
Provisions	20	821.00	686.86
Current tax liabilities (Net)	14	**11.90**	**263.20**
Total current liabilities		**122,532.83**	**107,998.86**
Total liabilities		**136,120.03**	**113,206.33**
Total equity and liabilities		**233,804.28**	**203,193.51**

The accompanying notes are an integral part of financial statements

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

Sakshi Kharabanda Dewan
Proprietor
M. No.: 523802
UDIN : 26523802JBTFCW7973

Place : New Delhi
Dated : 27.05.2026

For and on behalf of the Board of Directors

Rishi Seth
Managing Director
DIN- 00203469

Lalit Seth
Director
DIN-00312007

Place : Kundli

Gautam Seth
Joint MD and CFO
DIN- 00203405
Camp at : Las Vegas, USA

Vivek Kumar
Company Secretary
M.No. A18491

HPL Electric & Power Limited

CIN NO.: L74899DL1992PLC048945

Statement of Profit and Loss

for the year ended 31st March 2026

(₹ in Lakhs)

	Particulars	Note No	Year ended 31st March 2026	Year ended 31st March 2025
	Income:			
I.	Revenue from operations	25	185,799.68	168,440.50
II.	Other income	26	418.73	435.04
III.	**Total income (I + II)**		**186,218.41**	**168,875.54**
IV.	**Expenses:**			
	Cost of materials consumed	27	128,182.40	122,541.04
	Changes in inventories of finished goods, work-in-progress	28	(3,812.92)	(10,456.05)
	Employee benefits expense	29	20,559.07	19,248.38
	Finance cost	30	9,116.59	8,536.09
	Depreciation and amortization expenses	31	6,019.29	3,886.59
	Other expenses	32	14,445.64	13,433.32
	Total expenses		**174,510.07**	**157,189.37**
V.	**Profit before exceptional items and tax (III-IV)**		**11,708.34**	**11,686.17**
VI.	Exceptional items		535.50	-
VII.	Profit before tax (V-VI)		11,172.84	11,686.17
VIII.	**Tax expense:**			
	(1) Current tax	33	2,909.84	3,055.45
	(2) Deferred tax	33	(43.16)	(48.88)
IX.	**Profit for the period (VII-VIII)**		**8,306.16**	**8,679.60**
X.	**Other comprehensive income (OCI)**			
	Items that will not be reclassified to profit or loss			
	Remeasurement of post employment benefit obligations		45.31	(55.21)
	Income tax relating to these items		(11.40)	13.89
	Other comprehensive income for the period, net of tax		**33.91**	**(41.32)**
XI	**Total comprehensive income for the period (IX+X)**		**8,340.07**	**8,638.28**
XII.	Earnings per equity share of ₹10/- each	34		
	(1) Basic (₹)		12.92	13.50
	(2) Diluted (₹)		12.92	13.50

The accompanying notes are an integral part of financial statements

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

Sakshi Kharabanda Dewan
Proprietor
M. No.: 523802
UDIN : 26523802JBTFCW7973

Place : New Delhi
Dated : 27.05.2026

For and on behalf of the Board of Directors

Rishi Seth
Managing Director
DIN- 00203469

Lalit Seth
Director
DIN-00312007

Place : Kundli

Gautam Seth
Joint MD and CFO
DIN- 00203405
Camp at : Las Vegas, USA

Vivek Kumar
Company Secretary
M.No. A18491

HPL Electric & Power Limited

CIN NO.: L74899DL1992PLC048945

Cash Flow Statement

for the year ended 31st March 2026

(₹ in Lakhs)

Particulars	Year ended 31st March 2026	Year ended 31st March 2025
A. Cash flow from operating activities		
Net profit/ (loss) before tax	11,172.84	11,686.17
Adjustments for :		
- Depreciation and amortisation expenses	6,019.29	3,886.59
- Finance expenses	9,116.59	8,536.09
- Interest income	(386.28)	(401.51)
- Loss / (profit) on sale of fixed assets	38.13	79.09
Operating profit before working capital changes	25,960.57	23,786.43
Adjustments for :		
Decrease/(increase) in trade receivables	(4,913.48)	(4,412.29)
Decrease/(increase) in other financial and non-financial assets	(1,716.59)	(3,471.44)
Decrease/(increase) in inventories	(6,963.80)	(10,652.44)
(Decrease)/increase in trade payables	10,081.85	13,044.59
(Decrease)/increase in other financial, non financial liabilities and provisions	1,718.23	(2,560.45)
Cash generated from operations	24,166.78	15,734.40
- Taxes paid (net of refunds)	(3,161.13)	(2,645.59)
Net cash from operating activities (A)	**21,005.65**	**13,088.81**
B. Cash flow from investing activities		
- Payment for property, plant & equipment	(17,858.73)	(7,312.38)
- (Increase)/ decrease in capital work in progress	(3,434.35)	26.50
- Payment for acquiring right of use of assets	(284.30)	(276.20)
- Proceeds from Sale of property, plant and equipments	-	93.76
- Security Deposits (Paid)/Received	(70.48)	68.25
- Interest income received	386.28	401.51
Net cash used in investing activities (B)	**(21,261.58)**	**(6,998.56)**
C. Cash flow from financing activities		
- Proceeds/(Repayment) of working capital loan (net)	3,998.01	8,105.65
- Proceeds/(Repayment) of secured long term loan	7,532.64	(4,826.50)
- Payment of lease liabilities interest portion	(68.82)	(64.54)
- Finance expenses	(9,047.77)	(8,471.55)
- Payment of dividend	(643.00)	(643.00)
Net cash used in financing activities (C)	**1,771.06**	**(5,899.94)**
Net changes in cash & cash equivalents (A+B+C)	1,515.13	190.31
Cash & cash equivalents at the beginning of the year	5,302.80	5,112.49
Cash & cash equivalents at the end of the year	6,817.93	5,302.80

The accompanying notes are an integral part of financial statements

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

Sakshi Kharabanda Dewan
Proprietor
M. No.: 523802
UDIN : 26523802JBTFCW7973

Place : New Delhi
Dated : 27.05.2026

For and on behalf of the Board of Directors

Rishi Seth
Managing Director
DIN- 00203469

Lalit Seth
Director
DIN-00312007

Place : Kundli

Gautam Seth
Joint MD and CFO
DIN- 00203405
Camp at : Las Vegas, USA

Vivek Kumar
Company Secretary
M.No. A18491

HPL Electric & Power Limited

CIN NO.: L74899DL1992PLC048945

Statement of changes in equity

for the year ended 31st March 2026

I) Equity Share Capital **(₹ in Lakhs)**

Particulars	Notes	Number	Amount
Balance as at 1st April 2024	15	64,300,486	6,430.05
Changes during the year		-	-
Balance as at 31st March 2025		64,300,486	6,430.05
Changes during the year	15	-	-
Balance as at 31st March 2026		64,300,486	6,430.05

II) Other equity (₹ in Lakhs)

Particulars	Notes	Security premium	General reserve	Retained earnings	Total
Balance as at 1st April 2024	16	36,601.35	2,571.31	36,389.19	75,561.85
Profit for the year		-	-	8,679.60	8,679.60
Other comprehensive income		-	-	(41.32)	(41.32)
Total comprehensive income		-	-	**8,638.28**	**8,638.28**
Transaction with owners in their capacity as owners:					
Final equity dividend				(643.00)	(643.00)
Balance as at 31st March 2025		**36,601.35**	**2,571.31**	**44,384.47**	**83,557.13**
Profit for the year		-	-	8,306.16	8,306.16
Other comprehensive income				33.91	33.91
Total comprehensive income		-	-	**8,340.07**	**8,340.07**
Transaction with owners in their capacity as owners:					
Final equity dividend		-	-	(643.00)	(643.00)
Balance as at 31st March 2026		**36,601.35**	**2,571.31**	**52,081.54**	**91,254.20**

The accompanying notes are an integral part of financial statements

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

Sakshi Kharabanda Dewan
Proprietor
M. No.: 523802
UDIN : 26523802JBTFCW7973

Place : New Delhi
Dated : 27.05.2026

For and on behalf of the Board of Directors

Rishi Seth
Managing Director
DIN- 00203469

Lalit Seth
Director
DIN-00312007

Place : Kundli

Gautam Seth
Joint MD and CFO
DIN- 00203405
Camp at : Las Vegas, USA

Vivek Kumar
Company Secretary
M.No. A18491

HPL Electric & Power Limited

CIN NO.: L74899DL1992PLC048945

Notes forming part of the financial statements

for the year ended 31st March 2026

Note-1

COMPANY OVERVIEW

HPL Electric & Power Limited (CIN : L74899DL1992PLC048945) ('the Company') is a limited company domiciled in India and incorporated under the provisions of the Companies Act, 1956 having its registered office at 1/20, Asaf Ali Road, New Delhi. The Company is one of the leading players and India's fastest growing electrical and power distribution equipment manufacturer with products ranging from Industrial and Domestic Circuit Protection Switchgears, Cables, Energy Saving Meters, LED Lamps and Luminaries for Domestic, Commercial and Industrial applications, Modular Switches covering the entire range of household, commercial and industrial electrical needs. The Company's manufacturing facilities are located at 6 locations, 2 units at Gurgaon, 1 unit at village Bastara, Tehsil Gharaunda, Karnal, 1 unit at village Bhigan, Ganauar, Sonipat, 1 unit at Kundli in Haryana and 1 unit at village Shavela, Jabli in Himachal Pradesh.

The Company has R&D facilities located at Gurgaon and Kundli in Haryana, approved by Department of Scientific & Industrial Research (DSIR), Ministry of Science & Technology.

The Financial statements were approved by the Board of Directors for issue in accordance with resolution passed on May 27, 2026.

Note-2

SIGNIFICANT ACCOUNTING POLICIES

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

A) Basis of Preparation

i) *Compliance with Ind AS*

The financial statements have been prepared on accrual and going concern basis and comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

ii) *Historical cost convention*

The financial statements have been prepared on a historical cost basis, except for certain financial assets and liabilities that are measured at fair value.

B) Property plant and equipment

Freehold land is carried at cost. All other items of property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment, if any. The cost comprises of purchase price, taxes, duties, freight and other incidental expenses directly attributable and related to acquisition and installation of the concerned assets and are further adjusted by the amount of CENVAT /GST/VAT credit availed wherever applicable. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Depreciation methods, estimated useful lives and residual value

Depreciation on buildings, machinery and equipments has been provided on straight-line basis over the estimated useful lives of the respective assets. Intangible assets are amortised over their estimated useful economic lives on straight line basis. Freehold land and work in progress are not depreciated. The estimated useful lives considered for providing depreciation on other substantial assets are as follows:

Building- 35-45 years

Plant & Machinery-15-25 years

Computers-3-5 years

Furniture & Fixtures-10-15 years

Office Equipments-5-10 years

Vehicles-8-10 years

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

C) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at costless accumulated amortization and accumulated impairment losses, if any. Internally generated intangibles, excluding capitalized development cost, are not capitalized and the related expenditure is reflected in Statement of Profit and Loss in the period in which the expenditure is incurred. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use.

Research and development cost

expenditure and development expenditure that do not meet the criteria as given in Ind AS-38 "Intangible Assets" are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period.

Amortisation methods and periods

The Company amortises intangible assets with a finite useful life using the straight-line method over their estimated useful life of 3-6 years.

The amortization period and the amortization method for an intangible asset with a finite useful life is reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortization period or method, as appropriate and are treated as changes in accounting estimates. The amortization expense on intangible assets with finite lives is recognised in the Statement of Profit and Loss.

Gains or losses arising from disposal of the intangible assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the assets are disposed off.

D) Impairment of non-financial assets

The carrying amounts of the assets are reviewed at each Balance sheet date for any indication of impairment based on internal/external factors. If any such indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

Impairment losses including impairment on inventories are recognised in the Statement of Profit and Loss.

E) Financial Instruments

i) Financial Assets

A) *Initial recognition and measurement*

All financial assets and liabilities are initially recognised at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition.

B) *Subsequent measurement*

a) Financial assets carried at amortised cost

A financial asset is measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

b) Financial assets carried at fair value through other comprehensive income (FVTOCI)

A financial asset is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

c) Financial assets carried at fair value through profit or loss (FVTPL)

A financial asset which is not classified in any of the above categories are measured at FVTPL.

C) *Investment in subsidiaries*

The investment in subsidiary and Joint venture are carried at cost as per IND AS 27. The Company regardless of the nature of its involvement with an entity (the investee), determines whether it is a parent by assessing whether it controls the investee. The Company controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Thus, the Company controls an investee if and only if it has all the following:

(a) power over the investee;

(b) exposure, or rights, to variable returns from its involvement with the investee and

(c) Investments are accounted in accordance with IND AS 105 when they are classified as held for sale. On disposal of investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss

(d) Investments are accounted in accordance with IND AS 105 when they are classified as held for sale. On disposal of investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss

D) Other Equity Investments

All other equity investments are measured at fair value with changes in fair value recognised in statement of profit and loss except for those equity investments for which the Company has elected to present the value changes in 'Other Comprehensive Income'.

E) Impairment of financial assets

In accordance with Ind AS 109, the Company uses 'Expected Credit Loss' (ECL) model, for evaluating impairment of financial assets other than those measured at fair value through profit and loss (FVTPL).

Expected credit losses are measured through a loss allowance at an amount equal to:

- The 12 months expected credit losses(expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date; or
- Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument).

For trade receivables Company applies 'simplified approach' which requires expected lifetime losses to be recognised from initial recognition of the receivables. The Company uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date these historical default rates are reviewed and changes in the forward looking estimates are analysed.

For other assets, the Company uses 12 month ECL to provide for impairment loss where there is no significant increase in credit risk. If there is significant increase in credit risk full lifetime ECL is used.

ii) Financial Liabilities

A) *Initial recognition and measurement*

All financial liabilities are recognised at fair value and in case of loans net of directly attributable cost. Fees of recurring nature are directly recognised in the Statement of Profit and Loss as finance cost.

B) *Subsequent measurement*

Financial liabilities are carried at amortised cost using the effective interest rate method (EIR). Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

F) Income recognition

Interest income

Interest income from debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

Dividends

Dividends are recognised in profit or loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably.

G) Inventories

Raw materials and stores, work in progress, traded and finished goods are stated at the lower of cost and net realisable value. Cost of raw materials and traded goods comprises cost of purchases. Cost of work-in-progress and finished goods comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Cost of inventories also include all other costs incurred in bringing the inventories to their present location and condition. Costs are assigned to individual items of inventory on the basis of weighted average cost basis. Costs of purchased inventory are determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

H) Revenue Recognition

Effective April 1, 2018, the Company has applied Ind AS 115 which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognised. Ind AS 115 replaces Ind AS 18 Revenue and Ind AS 11 Construction Contracts. The Company has adopted Ind AS 115 using the cumulative effect method. The effect of initially applying this standard is recognised at the date of initial application (i.e. April 1, 2018). The standard is applied retrospectively only to contracts that are not completed as at the date of initial application and the comparative information in the statement of profit and loss is not restated – i.e. the comparative information continues to be reported under Ind AS 18 and Ind AS 11. The impact of adoption of the standard on the financial statements of the Company is insignificant.

Revenue is recognised upon transfer of control of promised products or services to customer in an amount that reflects the consideration which the Company expects to receive in exchange for those products or services, which is usually at the time of delivery of products or services to the customer. Revenue from sale of product is measured at fair value of consideration received /receivable, net of returns, trade allowances, rebates, value added taxes, Goods and Service

Tax (GST) and amounts collected on behalf of third parties. Revenue is recognised when it is probable that economic benefits associated with the transaction will flow to the entity, amount of revenue can be measured reliably and entity retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold.

Contract assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

I) Contract Balances

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional. A receivable represents the Company's right to an amount of consideration that is unconditional.

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.

A trade receivable is recognised if an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in section (Financial instruments – initial recognition and subsequent measurement).

J) Employee Benefits

(i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

(ii) Post-Employment Benefits

Defined Contribution Plan: A defined contribution plan is a post-employment benefit plan under which the Company pays specified contributions to a separately entity. The Company has defined contribution plans for the post-employment benefits namely provident fund scheme. The Company's contribution in the above plans is recognised as an expense in the Statement of Profit and Loss during the year in which the employee renders the related service.

Defined Benefit Plans: The Company has defined benefit plan namely Gratuity for employees. The liability in respect of gratuity plans is calculated annually by independent actuary using the projected unit credit method. The Company recognises the following changes in the net defined benefit obligation under Employee benefits expense in statement of profit or loss:

- Service costs comprising current service costs, past service costs , gains and losses on curtailment and non-routine-settlements
- Net Interest expense

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in Other comprehensive income. They are included in retained earnings in the Statement of Changes in Equity and in the Balance Sheet. Remeasurements are not reclassified to profit or loss in subsequent periods.

Termination benefits are recognized as an expense immediately.

K) Borrowing Cost

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

Other borrowing costs are expensed in the period in which they are incurred.

L) Income Tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

M) Lease

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

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

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. For these short-term and low value leases, the Company recognizes the lease payments as an operating

expense on a straight-line basis over the term of the lease. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets as below:

Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the underlying assets (i.e. 30 and 60 years)

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment. Refer to the accounting policies in section 'Impairment of nonfinancial assets'.

Lease Liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate.

Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

Company as a lessor

Leases for which the Company is a lessor is classified as finance or operating lease. Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

N) Foreign Currency Transactions

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian rupee (INR), which is the Company's functional and presentation currency.

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss.

O) Earnings Per Share

(i) *Basic earnings per share*

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Company
- by the weighted average number of equity shares outstanding during the financial year.

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, wherever applicable, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

P) Provisions and Contingent liabilities

Provisions for legal claims, service warranties, volume discounts and returns are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

A contingent liability is possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases, where there is a liability that cannot be recognised because it cannot be measured reliably. The Company does not recognise a contingent liability but disclose its existence in the financial statements unless the probability of outflow of resource is remote.

Q) Other Operating Revenues

i) Government Grant

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions.

Government grants relating to income are deferred and recognised in the profit or loss over the period necessary to match them with the costs that they are intended to compensate and presented within other income.

Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to profit or loss on a straight-line basis over the expected lives of the related assets and presented within other income.

ii) Export Benefit

Revenue from export benefits arising from Duty entitlement pass book (DEPB scheme), duty drawback scheme, merchandise export incentive scheme are recognised on export of goods in accordance with their respective underlying scheme at fair value of consideration received or receivable.

R) Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief operating decision maker (CODM). CODM monitors the operating results of all strategic business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit and loss and is measured consistently with profit and loss in the financial statements.

S) Contributed equity

Equity shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

T) Dividends

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

U) Cash and Cash Equivalents

For the purpose of presentation in the Statement of Cash flows, Cash and Cash equivalents includes cash on hand, deposits held at call, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the Balance Sheet.

V) Offsetting financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

W) Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III, unless otherwise stated.

X) Changes in significant accounting policies

Recent accounting pronouncements

The Ministry of Corporate Affairs has notified amendments to certain Ind AS effective from 1st April 2025 (.i.e Ind AS 1, Ind AS 7, Ind AS 107 and Ind AS 12). These amendments relate to classification of liabilities with covenants, supplier finance arrangements, and Pillar Two tax rules. These amendments do not have any material impact on the financial statements of the Company, in the current or future reporting periods and on foreseeable future transactions.

Y) Significant Accounting Judgement estimest & assumptions.

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the assets or liabilities affected in future periods.

Judgements, Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

a) Defined benefit plan-Gratuity

The cost of defined benefit plans (i.e. Gratuity benefit) is determined using actuarial valuations. An actuarial valuation involves making various assumptions which may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and future pension increases. Due to the complexity of the valuation, the underlying assumptions and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. In determining the appropriate discount rate, management considers the interest rates of long term government bonds with extrapolated maturity corresponding to the expected duration of the defined benefit obligation. The mortality rate is based on publicly available mortality tables for the specific countries. Future salary increases and pension increases are based on expected future inflation rates for the respective countries. Further details about the assumptions used, including a sensitivity analysis, are given in Note 40.

b) Impairment of Financial assets

The impairment provisions of financial assets are based on assumptions about risk of default and expected loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

c) Warranty provision

Warranty Provisions are measured at discounted present value using pre-tax discount rate that reflects the current market assessments of the time value of money and the risks specific to the liability. Warranty provisions is determined based on the historical percentage of warranty expense to sales for the same types of goods for which the warranty is currently being determined. The same percentage to the sales is applied for the current accounting period to derive the warranty expense to be accrued. It is adjusted to account for unusual factors related to the goods that were sold, such as defective inventory lying at the depots. It is very unlikely that actual warranty claims will exactly match the historical warranty percentage, so such estimates are reviewed annually for any material changes in assumptions and likelihood of occurrence.

d) Depreciation/amortisation and useful lives of property plant and equipment/intangible assets

Property, plant and equipment / Intangible assets are depreciated /amortised over their estimated useful lives, after taking into account estimated residual values. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation / amortisation to be recorded during any reporting period. The useful lives and residual values are based on the Company's historical experience with similar assets and take into account anticipated technological changes. The depreciation/amortisation for future period is revised if there are significant changes from previous estimates.

e) Events occurring after Balance Sheet date

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

f) **Provisions**

Provisions and liabilities are recognised in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability requires the application of judgment to existing facts and circumstances, which can be subject to change. The carrying amounts of provisions and liabilities are reviewed regularly and revised to take account of changing facts and circumstances.

g) **Exceptional items**

The Company presents certain items of income and expenses as 'Exceptional Items' in the Statement of Profit and Loss, when these are of such size, nature, or incidence that their separate disclosure is necessary to explain the performance of the Company for the period. These items are presented separately to provide a better understanding of the financial performance of the Company.

HPL Electric & Power Limited

CIN NO.: L74899DL1992PLC048945

Notes forming part of the financial statements as at and for the year ended 31st March 2026

3 Property, plant and equipment

(₹ in Lakhs)

S.No.	Particulars	Gross Block				Accumulated Depreciation				Net Block
		1st April 2025	Additions	Deletion / Adjustment	31st March 2026	1st April 2025	For the year	Deletion / Adjustment	31st March 2026	31st March 2026
1	Freehold Land	13,132.01	-	-	13,132.01	-	-	-	-	13,132.01
2	Building	9,378.92	14.90	-	9,393.82	2,059.71	204.43	-	2,264.14	7,129.68
3	Plant & Machinery	41,061.13	17,164.85	(36.56)	58,189.42	17,656.89	5,307.07	(0.67)	22,963.29	35,226.13
4	Furniture & Fittings	473.64	134.71	(5.19)	603.16	215.45	50.83	(3.45)	262.83	340.33
5	Office Equipment's	152.61	95.19	(7.25)	240.55	47.93	32.75	(6.76)	73.92	166.63
6	Vehicles	952.06	135.64	(0.01)	1,087.69	207.04	116.06	-	323.10	764.59
	TOTAL	**65,150.37**	**17,545.29**	**(49.01)**	**82,646.65**	**20,187.02**	**5,711.14**	**(10.88)**	**25,887.28**	**56,759.37**

(₹ in Lakhs)

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

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

HPL Electric & Power Limited

CIN NO.: L74899DL1992PLC048945

Notes forming part of the financial statements as at and for the year ended 31st March 2026

4 CWIP ageing schedule as at 31 March 2026

(₹ in Lakhs)

S No	Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
1	Project in process at Gurugram	2,542.49	-	-	-	2,542.49
2	Project in process at Kundli	1,555.20	-	-	-	1,555.20
	Total	**4,097.69**	**-**	**-**	**-**	**4,097.69**

CWIP ageing schedule as at 31 March 2025

(₹ in Lakhs)

S No	Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
1	Project in process at Gurugram	423.55	-	-	-	423.55
2	Project in process at Kundli	239.79				239.79
	Total	**663.34**	**-**	**-**	**-**	**663.34**

5 Right of use assets

(₹ in Lakhs)

Particulars	FY 25-26 Leasehold Buildings and P&M	FY 24-25 Leasehold Buildings and P&M
Gross carrying value		
As at 01 April	1,011.19	524.09
Additions	195.63	546.58
Disposals	-	(59.48)
As at 31 March	**1,206.82**	**1,011.19**
Accumlated depreciation		
As at 01 April	**367.03**	**205.91**
Additions	308.15	220.60
Disposals	-	(59.48)
As at 31 March	**675.18**	**367.03**
Net carrying value		
As at 31 March	**531.64**	**644.16**

6 Non-current investments

(₹ in Lakhs)

Particulars	As at 31st March 2026	As at 31st March 2025
Investment in Subsidiary		
Himachal Energy Pvt Ltd (15,000,000 Equity Shares of ₹ 10 each fully paid up)	5,400.00	5,400.00
(31st March 2025: 15,000,000 Equity Shares of ₹ 10 each fully paid up)		
Investment in others		
Apraava Bhopal Smart Meter Pvt Ltd (1,000 Equity Shares of ₹ 10 each fully paid up) (31st March 2025: 1,000 Equity Shares of ₹ 10 each fully paid up)"	0.10	0.10
Total	**5,400.10**	**5,400.10**
Aggregate amount of unquoted investments	**5,400.10**	**5,400.10**

Notes forming part of the financial statements as at and for the year ended 31st March 2026

7 Loans

(Unsecured, considered good)

(₹ in Lakhs)

Particulars	Non-current		Current	
	As at 31st March 2026	As at 31st March 2025	As at 31st March 2026	As at 31st March 2025
Security Deposits	248.96	178.47	176.02	160.81
Total	**248.96**	**178.47**	**176.02**	**160.81**

8 Other assets

(₹ in Lakhs)

Particulars	Non-current		Current	
	As at 31st March 2026	As at 31st March 2025	As at 31st March 2026	As at 31st March 2025
Receivable on deferred basis to related parties	473.85	561.74	-	-
Prepaid Expenses	0.48	1.25	1,573.26	1,481.74
Balance with government authorities	-	-	1,124.84	1,371.27
Advance to Suppliers*	431.61	118.18	2,046.86	1,781.61
Duty Drawback Recoverable	-	-	2.65	8.05
Project assets (net)	-	-	2,862.07	3,237.87
Total	**905.94**	**681.17**	**7,609.68**	**7,880.54**

*includes Rs. 936.23/- lakhs from subsidiary, joint ventures and companies, where directors are interested (PY: 1,052.97/- lakhs)

9 Inventories

(₹ in Lakhs)

Particulars	As at 31st March 2026	As at 31st March 2025
(Valued at lower of cost and net realisable value unless otherwise stated)		
a. Raw Materials and components		
(i) Raw materials	32,827.01	29,841.96
(ii) Material-in-transit	442.90	301.45
b. Work-in-progress	24,073.62	22,616.30
c. Finished goods	15,895.05	13,539.45
d. Stores and spares	54.49	30.11
Total	**73,293.07**	**66,329.27**

10 Trade Receivables

(₹ in Lakhs)

Particulars	As at 31st March 2026	As at 31st March 2025
Unsecured		
(i) Trade receivables-considered good*	74,496.07	69,494.69
(ii) Trade receivables-credit impaired	844.82	1,402.69
	75,340.89	**70,897.38**
Less: Allowances for trade receivables-credit impaired	(844.82)	(1,402.69)
Total	**74,496.07**	**69,494.69**

HPL Electric & Power Limited

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Notes forming part of the financial statements as at and for the year ended 31st March 2026

Trade receivable ageing schedule as at March 31, 2026 (₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment						Total
	Not due	Less than 6 Months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivable- Considered good	58,679.56	9,064.02	1,963.89	911.99	971.58	2,905.03	74,496.07
Undisputed trade receivable-Credit impaired	-	-	-	-	-	844.82	844.82
Disputed trade receivable- Considered good	-	-	-	-	-	-	-
Disputed trade receivable-Credit impaired	-	-	-	-	-	-	-
Less : Impairment allowance for trade receivables- Credit impaired	-	-	-	-	-	(844.82)	(844.82)
Total	**58,679.56**	**9,064.02**	**1,963.89**	**911.99**	**971.58**	**2,905.03**	**74,496.07**

Trade receivable ageing schedule as at March 31, 2025 (₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment						Total
	Not due	Less than 6 Months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivable- Considered good	48,842.47	12,855.64	1,664.23	1,820.39	1,952.37	2,359.59	69,494.69
Undisputed trade receivable-Credit impaired	-	-	-	-	-	1,402.69	1,402.69
Disputed trade receivable- Considered good	-	-	-	-	-	-	-
Disputed trade receivable-Credit impaired	-	-	-	-	-	-	-
Less : Impairment allowance for trade receivables- Credit impaired	-	-	-	-	-	(1,402.69)	(1,402.69)
Total	**48,842.47**	**12,855.64**	**1,664.23**	**1,820.39**	**1,952.37**	**2,359.59**	**69,494.69**

11 Cash and Cash Equivalents

(₹ in Lakhs)

Particulars	As at 31st March 2026	As at 31st March 2025
Cash and cash equivalents		
Balances with banks	2,347.35	2,167.45
Cash on hand	76.71	35.31
	2,424.06	**2,202.76**

12 Other Bank Balances

(₹ in Lakhs)

Particulars	As at 31st March 2026	As at 31st March 2025
Balances with Banks held as Margin Money	4,393.87	3,100.04
Total	**4,393.87**	**3,100.04**

Notes forming part of the financial statements as at and for the year ended 31st March 2026

13 Other financial assets

(₹ in Lakhs)

Particulars	Current	
	As at 31st March 2026	As at 31st March 2025
Earnest money deposit	3,209.70	737.64
Insurance claim Recoverable	47.73	47.73
Contract Asset Recoverable	210.38	709.44
Total	**3,467.81**	**1,494.81**

14 Current tax liability (Net)

(₹ in Lakhs)

Particulars	As at 31st March 2026	As at 31st March 2025
Current tax liability (net of advance tax and tax deducted at source)	11.90	263.20
Total	**11.90**	**263.20**

15 Share Capital

(₹ in Lakhs)

Particulars	As at 31st March 2026	As at 31st March 2025
(a) Authorized		
70,000,000 Equity Shares of ₹ 10/- each (31st March 2025; 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 2025; 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 2026		As at 31st March 2025	
	Number	Amount ₹	Number	Amount ₹
Shares outstanding at the beginning of the year	64,300,486	6,430.05	64,300,486	6,430.05
Shares Issued during the year	-	-	-	-
Shares outstanding at the end of the year	**64,300,486**	**6,430.05**	**64,300,486**	**6,430.05**

(d) Rights, Preferences and Restrictions attached to the shares

The company has only one class of equity shares having a par value of ₹10 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the company, the holders of equity shares are entitled to receive remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding. Dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing annual general meeting.

Notes forming part of the financial statements as at and for the year ended 31st March 2026

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

Name of Shareholder	As at 31st March 2026		As at 31st March 2025	
	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
HPL Electronics Private Limited	11,652,130	18.12	11,652,130	18.12

(f) Shareholding of promoters:

Name of Shareholder	As at 31st March 2026		As at 31st March 2025	
	No. of Equity Shares held	% of Holding	No. of Equity Shares held	% of Holding
Mr. Lalit Seth	8,030,228	12.49	8,030,228	12.49
Mr. Rishi Seth	2,231,740	3.47	2,231,740	3.47
Mr. Gautam Seth	2,231,740	3.47	2,231,740	3.47
Mrs. Praveen Seth	2,133,098	3.32	2,133,098	3.32
HPL India Ltd	17,573,238	27.33	17,573,238	27.33
HPL Electronics Private Limited	11,652,130	18.12	11,652,130	18.12
HPL Holdings Private Limited	2,842,655	4.42	2,842,655	4.42
Jeson Imprex Private Limited	24,000	0.04	24,000	0.04

16 Other equity

(i) Reserves and Surplus (₹ in Lakhs)

(a) Securities Premium	As at 31st March 2026	As at 31st March 2025
Opening Balance	36,601.35	36,601.35
Add : Received on issue of equity shares	-	-
Less : share issue expenses	-	-
Closing Balance	**36,601.35**	**36,601.35**

Securities premium reserve

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

(₹ in Lakhs)

(b) General reserve	As at 31st March 2026	As at 31st March 2025
Opening Balance	2,571.31	2,571.31
(+) Current Year Transfer	-	-
Closing Balance	**2,571.31**	**2,571.31**

General Reserve : General reserve is used to transfer profits from retained earnings for appropriation purposes. The amount is to be utilised in accordance with the provision of the Companies Act, 2013

Notes forming part of the financial statements as at and for the year ended 31st March 2026

(₹ in Lakhs)

(c) Retained earnings	As at 31st March 2026	As at 31st March 2025
Opening balance	44,384.47	36,389.19
(+) Net profit/(Loss) for the current year	8,306.16	8,679.60
(-) Dividend on Equity Shares	(643.00)	(643.00)
Items of other comprehensive income recognised directly in retained earnings		
- Remeasurements of post-employment benefit obligation, net of tax	33.91	(41.32)
Closing Balance	**52,081.54**	**44,384.47**
Total Reserves & Surplus (a+b+c)	**91,254.20**	**83,557.13**

Retained earnings

Retained earnings are profits that the Company has earned till date less transfer to General Reserve, dividend or other distribution or transaction with shareholders

17 Borrowings

(₹ in Lakhs)

Particulars	Non-Current	
	As at 31st March 2026	As at 31st March 2025
Secured		
Term loan from banks	6,382.77	1,986.96
Vehicle loans - from banks	100.49	102.86
Unsecured		
Term loan from banks	3,500.00	-
Total	**9,983.26**	**2,089.82**

Secured term loan

The part of outstanding term loan (including current maturity of long term borrowings as per note 22) amounting to Rs. 1.82 crores is secured by way of first pari-passu charge over immovable properties of the Company with working capital lenders and also first charge on movable fixed assets financed by term lenders with FACR of 1.33 and second pari-passu charge on entire current assets of the Company AND part of term loan (including current maturity of long term borrowings as per note 22) amounting to Rs. 16.76 crores is secured by way of first pari-passu charge over entire current assets of the Company both present and future with working capital lenders and collaterally secured by way of 1st pari-passu charge on entire fixed assets of the Company excluding movable fixed assets financed by term lenders, the outstanding of which is 1.82 crores as mentioned above with FACR of 1.33 and also secured by way of 1st pari-passu charge equitable mortgage on land and building with working capital lenders and term lenders of Rs 1.82 crores as mentioned above and 2nd pari-passu charge on fixed assets financed by term lenders of Rs. 1.82 crores and also secured by way of personal guarantee of three promoter directors on entire term loans, and remaining part of term loan amounting of Rs 89.78 crores is secured by way of first charge on the fixed assets financed by them and second pari pasu charge on the current assets of the Company, and first pari passu charge by way of EM on entire immovable fixed assets at 6 locations of the Company, both present & future, with WC lenders and term lenders (i.e. INR 1.82 + 16.76 +89.78) and also secured by way of personal gurantee of three promotor Directors.

Term loans from banks

Nature	As at 31st March 2026	Interest rate	Frequency of payments	Maturity
Term Loan 1	181.94	6 Month T Bill + spread 3.35% p.a.	Quarterly	June, 2027
Term Loan 2	75.78	3 Month T Bill + spread 3.13% p.a.	Quarterly	May, 2026
Term Loan 3	1600.00	SBI 6 Month MCLR + spread 0.65% p.a.	Quarterly	January, 2027
Term Loan 4	1,272.93	Linked with RR with spread of 300bps	Monthly	June, 2028
Term Loan 5	5,623.23	1 Month MCLR + Spread 0.15%	Quarterly	March, 2030
Term Loan 6	2,082.18	Repo rate + spread 2.45% p.a.	Monthly	July, 2029
Term Loan 7	3,500.00	"2 Month RLLR +190 bps"	Monthly	January, 2029
Total	14,336.06			

The interest rates on above term loans varies from 7.15% p.a. to 9.25% p.a. Vehicles loans are secured against hypothecation of respective vehicles and are repayable in maximum 32 instalments and last date of installment is Nov, 2028. The loan carries an interest rate from 7.55% p.a. to 8.75% p.a.

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

(₹ in Lakhs)

Paticulars	As at March 31, 2026	As at March 31, 2025
Not later than one year or on demand	4,453.29	4,777.62
Later than one year but not two years	4,359.45	1,980.02
Later than two year but not three years	3,928.20	6.94
More than 3 years	1,595.12	-
Total	**14,336.06**	**6,764.58**

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

(₹ in Lakhs)

Paticulars	As at March 31, 2026	As at March 31, 2025
Not later than one year or on demand	131.55	168.04
Later than one year but not two years	80.13	68.14
Later than two year but not three years	20.36	34.72
Total	**232.04**	**270.90**

18 Lease liabilities

(₹ in Lakhs)

Particulars	Non-current		Current	
	As at 31st March 2026	As at 31st March 2025	As at 31st March 2026	As at 31st March 2025
Lease Liabilities (refer note 38)	309.64	388.33	223.30	233.28
Total	**309.64**	**388.33**	**223.30**	**233.28**

19 Other financial liabilities

(₹ in Lakhs)

Particulars	Non-current		Current	
	As at 31st March 2026	As at 31st March 2025	As at 31st March 2026	As at 31st March 2025
Expenses Payable	-	-	351.36	479.32
Interest Accrued but not due	-	-	59.45	37.70
Employee Benefits Payable	-	-	2,379.36	2,091.73
Security deposit received	1,226.06	1,175.64	-	-
Other liability*	-	-	1,566.49	682.85
Total	**1,226.06**	**1,175.64**	**4,356.66**	**3,291.60**

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

Notes forming part of the financial statements as at and for the year ended 31st March 2026

20 Provisions

(₹ in Lakhs)

Particulars	Long-term		Short-term	
	As at 31st March 2026	As at 31st March 2025	As at 31st March 2026	As at 31st March 2025
(a) Provision for employee benefits				
Gratuity	1,502.08	1,048.39	239.67	177.99
Leave Encashment	-	-	527.73	470.79
	1,502.08	1,048.39	767.40	648.78
(b) Other Provisions				
Provision for Warranties	279.79	187.17	53.60	38.08
	279.79	187.17	53.60	38.08
Total	**1,781.87**	**1,235.56**	**821.00**	**686.86**

Service warranties

Product warranties:- The Company gives warranties on certain products to repair or replace the items that fail to perform satisfactorily during the warranty period. Provision made represents the amount of the expected cost of meeting such obligations of rectification/ replacement.

(i) Movements in provisions

Movements in warranty provision during the financial year, are set out below: (₹ in Lakhs)

Particulars	Amount
As at 1st April 2024	**357.74**
Charged/(credited) to profit or loss	
- additional provisions recognised	300.31
- unused amounts reversed	
- unwinding of discount	(7.49)
Amounts used during the year	(425.31)
As at 31st March 2025	**225.25**
Charged/(credited) to profit or loss	
- additional provisions recognised	200.00
- unused amounts reversed	
- unwinding of discount	3.39
Amounts used during the year	(95.25)
As at 31st March 2026	**333.39**

21 Deferred tax assets/(liabilities)

(₹ in Lakhs)

Particulars	As at 31st March 2026	As at 31st March 2025
The balance comprises temporary differences attributable to:	-	-
Provision for employee benefits	596.00	467.94
Provision for warranties	83.91	56.69
Provision for doubtful debts	212.62	353.03
Property, plant and equipment	(2,019.16)	(2,107.60)
Others	17.07	88.63
MAT credit	823.19	823.19
Total deferred tax assets/(liabilities)	**(286.37)**	**(318.12)**

Notes forming part of the financial statements as at and for the year ended 31st March 2026

Movement in deferred tax assets/(liabilities)

(₹ in Lakhs)

Particulars	Provision for employee benefits	Provision for warranties	Provision for doubtful debts	Total
At 1st April 2024	**630.41**	**112.75**	**539.50**	**1,282.66**
(Charged)/credited:				
- to profit or loss	(162.47)	(56.06)	(186.47)	(405.00)
- to other comprehensive income	-	-	-	-
At 31st March 2025	**467.94**	**56.69**	**353.03**	**877.66**
(Charged)/credited:				
- to profit or loss	128.06	27.22	(140.41)	14.87
- to other comprehensive incomes	-	-	-	-
At 31st March 2026	**596.00**	**83.91**	**212.62**	**892.53**

Particulars	Property, plant and equipment	Others	MAT Credit	Total
At 1st April 2024	**(2,915.53)**	**428.80**	**823.19**	**(1,663.54)**
(Charged)/credited:				-
- to profit or loss	807.93	(340.17)	-	467.76
- to other comprehensive income	-	-	-	-
At 31st March 2025	**(2,107.60)**	**88.63**	**823.19**	**(1,195.78)**
(Charged)/credited:				
- to profit or loss	88.44	(71.56)	-	16.88
- to other comprehensive incomes	-	-	-	-
At 31st March 2026	**(2,019.16)**	**17.07**	**823.19**	**(1,178.90)**

22 Short Term Borrowings

(₹ in Lakhs)

Particulars	As at 31st March 2026	As at 31st March 2025
Loans repayable on demand		
-Secured Loans		
- From Banks	58,356.13	54,358.10
- Current maturities of long term borrowings	4,453.29	4,777.62
- Current maturities of vehicle loans	131.55	168.04
Total	**62,940.97**	**59,303.76**

Working capital facilities (Fund based and Non Fund Based) are availed from consortium of banks led by State Bank of India. The lead bank has linked its cash credit interest rate with 3 months MCLR + spread 0.0% with three monthly reset. and WCL interest with applicable T Bill linked to the tenure of WCL facility and these working capital facilities are repayable on demand. Working capital facilities alongwith term lenders of Rs 16.76 Crores are secured by way of first pari passu charge over entire current assets of the Company including stock and receivables both present and future and first charge on pari passu basis over Company's entire fixed assets (excluding movable fixed assets financed by Term Lenders the outstanding of which is Rs. 1.82 Crores with FACR of 1.33 on which Term lenders have first pari passu charge). Working Capital lenders have also 1st pari passu charge by way of EM on land and building with Term Lenders Rs 1.82 Crore + 89.78 Crore at Company's 6 manufacturing locations. Working capital facilities and term loans are also secured by personal guarantees of three promoter directors and further secured by subservient charge over the movable fixed assets of the Company created out of the proceeds of the outstanding terms loans of (Rs 1.82 Crore + Rs 89.78 Crore) along with FACR of 1.33 both present and future.

Notes forming part of the financial statements as at and for the year ended 31st March 2026

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 2026	As at 31st March 2025
Cash and cash equivalents	6,817.93	5,302.80
Long term borrowings	(14,568.10)	(7,035.48)
Short term borrowings	(58,356.13)	(54,358.10)
Net debt	**(66,106.30)**	**(56,090.78)**

(₹ in Lakhs)

Particulars	Cash and cash equivalents	Long term Borrowings	Current Borrowings	Total
Net debt as at 31st March 2024	**5,112.49**	**(11,953.39)**	**(46,161.05)**	**(53,001.95)**
Cash flows	190.31	-	-	190.31
Repayment/(Proceeds) working capital loan (net)	-	-	(8,197.05)	(8,197.05)
Repayment/(Proceeds) secured term loan	-	4,917.91	-	4,917.91
Net debt as at 31st March 2025	**5,302.80**	**(7,035.48)**	**(54,358.10)**	**(56,090.78)**
Cash flows	1,515.13	-	-	1,515.13
Repayment/(Proceeds) working capital loan (net)	-	-	(3,998.03)	(3,998.03)
Repayment/(Proceeds) term loan	-	(7,532.62)	-	(7,532.62)
Net debt as at 31st March 2026	**6,817.93**	**(14,568.10)**	**(58,356.13)**	**(66,106.30)**

Utilised amount of bank guarantees (performance and bid bonds) as at 31st March 2026 : ₹ 48,923.34/- lakhs (PY ₹ 43,036.17/- lakhs)

23 Trade Payables

(₹ in Lakhs)

Particulars	As at 31st March 2026	As at 31st March 2025
Trade payables		
(a) Total outstanding of Micro and Small Enterprises under MSMED Act, 2006* (Refer note 39)	1,296.35	1,563.97
(b) Total outstanding of creditors other than Micro and Small Enterprises	50,882.71	40,533.24
Total	**52,179.06**	**42,097.21**

Trade payable ageing schedule as at March 31, 2026

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment					Total
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Trade payables-MSME	1,296.35	-	-	-	-	1,296.35
Trade payables-Others	11,437.16	39,445.55	-	-	-	50,882.71
Disputed dues-MSME	-	-	-	-	-	-
Disputed dues-Others	-	-	-	-	-	-
Total	**12,733.51**	**39.445.55**	**-**	**-**	**-**	**52,179.06**

Notes forming part of the financial statements as at and for the year ended 31st March 2026

Trade payable ageing schedule as at March 31, 2025 (₹ in Lakhs)

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

24 Other Current Liabilities

(₹ in Lakhs)

Particulars	As at 31st March 2026	As at 31st March 2025
Statutory dues payable	1,997.15	2,120.19
Unpaid Dividend*	2.79	2.76
Total	**1,999.94**	**2,122.95**

* As per the provisions of the Companies act 2013, during the year Company has transferred unpaid dividend balance of Rs 0.98/- lakhs (PY. Rs 1.16/- lakhs) related to FY 2017-18 to Investor's Education and Protection Fund (IEPF) of Central Government.

25 Revenue from operation

(₹ in Lakhs)

Particulars	Year ended 31st March 2026	Year ended 31st March 2025
Sale of Products		
Finished Goods	185,799.68	168,440.50
Total	**185,799.68**	**168,440.50**

Particulars of Sale of products (₹ in Lakhs)

Particulars	Year ended 31st March 2026	Year ended 31st March 2025
Finished goods		
Metering, Systems & Services	107,333.16	105,977.02
Consumer, Industrial & Services	78,466.52	62,463.48
Total	**185,799.68**	**168,440.50**

26 Other Income

(₹ in Lakhs)

Particulars	Year ended 31st March 2026	Year ended 31st March 2025
Interest income from financial assets at amortised cost	386.28	401.51
Other non-operating income	32.45	33.53
Total	**418.73**	**435.04**

Notes forming part of the financial statements as at and for the year ended 31st March 2026

27 Particulars of Raw Materials Consumed

(₹ in Lakhs)

Particulars	Year ended 31st March 2026	Year ended 31st March 2025
Copper	28,547.56	22,726.07
Electronic Components	68,518.81	68,505.21
Engineering Plastic	21,936.68	21,406.13
Packing	1,806.97	1,876.78
Others	7,372.38	8,026.85
Total	**128,182.40**	**122,541.04**

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

(₹ in Lakhs)

Particulars	Year ended 31st March 2026	Year ended 31st March 2025
Inventories (at close)		
Finished Goods	15,895.05	13,539.45
Work-in-Progress	24,073.62	22,616.30
	39,968.67	**36,155.75**
Inventories (at commencement)		
Finished Goods	13,539.45	10,023.18
Work-in-Progress	22,616.30	15,676.52
	36,155.75	**25,699.70**
Total	**(3,812.92)**	**(10,456.05)**

29 Employee Benefits Expense

(₹ in Lakhs)

Particulars	Year ended 31st March 2026	Year ended 31st March 2025
Salaries and wages	20,024.76	18,462.69
Contribution to provident and other funds (* refer note 40)	303.61	273.85
Staff welfare expenses	230.70	511.84
Total	**20,559.07**	**19,248.38**

30 Finance Cost

(₹ in Lakhs)

Particulars	Year ended 31st March 2026	Year ended 31st March 2025
Interest Expenses	7,648.66	6,998.82
Interest on lease liability (*refer note no 38)	68.82	64.54
Other borrowing costs- Bank Charges	1,399.11	1,472.73
Total	**9,116.59**	**8,536.09**

31 Depreciation and Amortization Expenses

(₹ in Lakhs)

Particulars	Year ended 31st March 2026	Year ended 31st March 2025
Depreciation on property, plant and equipment	5,711.14	3,665.99
Depreciation of right-of-use assets	308.15	220.60
Total	**6,019.29**	**3,886.59**

Notes forming part of the financial statements as at and for the year ended 31st March 2026

32 Other Expenses

(₹ in Lakhs)

Particulars	Year ended 31st March 2026	Year ended 31st March 2025
Power and Fuel	1,628.85	1,354.28
Rent	426.74	279.88
Repairs & Maintenance	1,503.23	1,549.38
Research & Development Expenses	1,362.48	1,012.20
Testing Expenses	654.49	778.37
Rates and taxes excluding taxes on income	354.42	146.58
Legal & Professional Expenses	902.46	782.71
Travelling & Conveyance	1,586.66	1,541.43
Communication Expenses	149.05	131.87
Printing & Stationery	110.62	106.25
Insurance	396.75	306.02
Membership & Subscription	50.82	23.57
Commision on sales	827.01	911.28
Provision for expected credit loss	50.41	224.42
Advertisement and business promotion	1,907.58	2,053.42
Freight Outward	1,997.22	1,661.69
Product Warranties	191.32	277.48
Loss on sale of Fixed Assets	38.13	79.09
Donation	120.56	111.57
Auditors remuneration	28.00	24.00
Contribution towards Corporate Social Responsibility	157.65	77.00
Miscellaneous Expenses	1.19	0.83
Total	**14,445.64**	**13,433.32**

32 (a) Auditor's Remuneration

(₹ in Lakhs)

Particulars	Year ended 31st March 2026	Year ended 31st March 2025
Audit Fees	24.00	20.50
Tax Audit Fees	4.00	3.50
Total	**28.00**	**24.00**

32(b) Corporate Social Responsibility Expenditure :-

As per the provisions of section 135 of the Companies Act, 2013, the Company has to spend at least 2% of average net profits of the preceding three financial years towards Corporate Social Responsibility ("CSR"). Accordingly, a CSR committee has been formed for carrying out CSR activities. The areas for CSR activities are promoting education including special education and promoting healthcare including preventive health care.

(₹ in Lakhs)

Details of CSR expenditure	Year ended 31st March 2026	Year ended 31st March 2025
a) Gross amount required to be spent by the Company during the year	149.35	78.23
b) Amount spent during year ended 31st March 2026		
Construction/ acquisition of an asset	-	-
Contribution to other purpose other than above	157.65	77.00
Add : Excess spent amount from previous year utilized during the current year	5.63	6.86
Total amount spent	**163.28**	**83.86**
Total	**13.93**	**5.63**

Notes forming part of the financial statements as at and for the year ended 31st March 2026

33 Income tax expense

(₹ in Lakhs)

Particulars	Year ended 31st March 2026	Year ended 31st March 2025
Current tax		
Current tax on profits for the year	2,909.84	3,055.45
Total current tax expense	**2,909.84**	**3,055.45**
Deferred tax		
Deferred tax expense/(income) for the period	(43.16)	(48.88)
Total deferred tax expense/(benefit)	**(43.16)**	**(48.88)**
Income tax expense	**2,866.68**	**3,006.57**

(a) Reconciliation of tax expense and the accounting profit	Year ended 31st March 2026	Year ended 31st March 2025
Profit before income tax expense	11,172.84	11,686.17
Tax at the Indian tax rate of 25.168% u/s 115BAA (31st March 2025 – 25.168%)	2,811.98	2,941.17
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Corporate social responsibility expenditure	39.68	19.38
Interest on late payment	20.39	-
Loss on sale/scrap of FA	9.60	17.94
Other items	(14.97)	28.08
Income tax expense	**2,866.68**	**3,006.57**

34 Earnings per share

(₹ in Lakhs)

Particulars	Year ended 31st March 2026	Year ended 31st March 2025
(i) Profit after tax	8,306.16	8,679.60
(ii) Weighted average number of equity shares for basic EPS	64,300,486	64,300,486
(iii) Weighted average number of equity shares for dilutive EPS	64,300,486	64,300,486
(iv) Nominal value per Equity Shares	10	10
(v) Earning Per Share (Basic)	12.92	13.50
(vi) Earning Per Share (Dilutive)	12.92	13.50

35 Fair value measurements

(₹ in Lakhs)

Financial instruments by category	31st March 2026		31st March 2025	
	FVTPL	Amortised cost	FVTPL	Amortised cost
Financial assets	-			
Trade receivables	-	74,496.07	-	69,494.69
Loans	-	424.98	-	339.28
Cash and Bank Balances	-	6,817.93	-	5,302.80
Other Financial Assets	-	3,467.81	-	1,494.81
Total financial assets	-	**85,206.79**	-	**76,631.58**
Financial liabilities				
Borrowings	-	72,924.23	-	61,393.58
Trade payables	-	52,179.06	-	42,097.21
Other Financial Liabilities	-	6,115.66	-	5,088.85
Total financial liabilities	-	**131,218.95**	-	**108,579.64**

Notes forming part of the financial statements as at and for the year ended 31st March 2026

(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, 2026				
Financial assets				
Trade receivables	-	-	74,496.07	74,496.07
Loans	-	-	424.98	424.98
Cash and bank balances	-	-	6,817.93	6,817.93
Other financial assets	-	-	3,467.81	3,467.81
Total financial assets	**-**	**-**	**85,206.79**	**85,206.79**
Financial liabilities				
Borrowings	-	-	72,924.23	72,924.23
Trade payables	-	-	52,179.06	52,179.06
Other financial liabilities	-	-	6,115.66	6,115.66
Total financial liabilities		**-**	**131,218.95**	**131,218.95**
As at March 31, 2025				
Financial assets				
Trade receivables	-	-	69,494.69	69,494.69
Loans	-	-	339.28	339.28
Cash and bank balances	-	-	5,302.80	5,302.80
Other financial assets	-	-	1,494.81	1,494.81
Total financial assets	**-**	**-**	**76,631.58**	**76,631.58**
Financial liabilities				
Borrowings	-	-	61,393.58	61,393.58
Trade payables	-	-	42,097.21	42,097.21
Other financial liabilities	-	-	5,088.85	5,088.85
Total financial liabilities	**-**	**-**	**108,579.64**	**108,579.64**

”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 2026, 31st March 2025, 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.

Notes forming part of the financial statements as at and for the year ended 31st March 2026

(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, 2026:

Movement in Expected Credit Loss Allowance: (₹ in Lakhs)

Particulars	31st March 2026	31st March 2025
At the beginning of year	1,402.69	1,261.48
Provision during the year	50.41	224.42
Bad debts written off	(608.28)	(83.21)
Total ECL	**844.82**	**1,402.69**

(B) Liquidity risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at reasonable price. The Company's objective is to at all times maintain optimum levels of liquidity to meet its cash and liquidity requirements. The Company closely monitors its liquidity position and maintains adequate source of financing through the use of short term bank deposits and cash credit facility. Processes and policies related to such risks are overseen by senior management.

(i) Maturities of financial liabilities

The table below provides details regarding the contractual maturities of significant financial liabilities:

Contractual maturities of financial liabilities: (undiscounted) (₹ in Lakhs)

	Less than 1 year	1 to 5 years	Total
31st March 2026			
Borrowings	62,940.97	9,983.26	72,924.23
Trade payables	52,179.06	-	52,179.06
Lease liabilities (undiscounted)	265.46	337.72	603.18
Other financial liabilities	4,356.66	1,226.06	5,582.72
Total	**119,742.15**	**11,547.04**	**131,289.19**
31st March 2025			
Borrowings	59,303.76	2,089.82	61,393.58
Trade payables	42,097.21	-	42,097.21
Lease liabilities (undiscounted)	284.83	438.60	723.43
Other financial liabilities	3,291.60	1,175.64	4,467.24
Total	**104,977.40**	**3,704.06**	**108,681.46**

(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 2026. 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 2026.

(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 31,2026 comprises of floating rate loans and accordingly, are expose to risk of fluctuation in market interest rate.

Sensitivity

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates.

(₹ in Lakhs)

Particulars	Impact on profit after tax	
	31st March 2026	31st March 2025
Interest rate (increase by 100 basis points)*	(729.24)	(613.94)
Interest rate (decrease by 100 basis points)*	729.24	613.94

* Holding other variables constant

(ii) **Foreign currency risk**

The company operates internationally and is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the trade receivables and payables. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the company's functional currency (INR).

The Company's exposure to foreign currency risk at the end of the reporting period expressed in INR, are as follows

(₹ in Lakhs)

Particulars	March 31, 2026		March 31, 2025	
	Foreign currency	Indian Rupee	Foreign currency	Indian Rupee
Trade receivables				
United States Dollar (USD)	21.65	2,049.17	20.06	1,717.18
Great Britain Pound (GBP)	0.77	97.20	-	-
Australian Dollar (AUD)	0.37	24.07	0.49	26.51
Euro (EUR)	0.74	80.21	0.43	39.40
Net exposure to foreign currency risk (assets)		**2,250.65**		**1,783.09**
Trade payables				
United States Dollar (USD)	119.09	11,272.40	83.53	7,148.37
Euro (EUR)	0.02	1.66	0.03	2.91
Japanese Yen (JPY)	0.15	0.09	48.15	27.50
Net exposure to foreign currency risk (liabilities)		**11,274.15**		**7,178.78**

Notes forming part of the financial statements as at and for the year ended 31st March 2026

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 2026**	**31st March 2025**
USD sensitivity		
INR/USD - Increase by 1%*	(92.23)	(54.31)
INR/USD - Decrease by 1%*	92.23	54.31
EUR sensitivity		
INR/EUR - Increase by 1%*	0.79	0.36
INR/EUR - Decrease by 1%*	(0.79)	(0.36)
GBP sensitivity		
INR/GBP - Increase by 1%	0.97	-
INR/GBP - Decrease by 1%	(0.97)	-
JPY sensitivity		
INR/JPY - Increase by 1%	(0.00)	(0.28)
INR/JPY - Decrease by 1%	0.00	0.28
AUD sensitivity		
INR/AUD - Increase by 1%	0.24	0.27
INR/AUD - Decrease by 1%	(0.24)	(0.27)

* 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 2026, 31st March 2025.

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 2026	31st March 2025
Borrowings	72,924.23	61,393.58
Cash and Bank Balances	(6,817.93)	(5,302.80)
Net debt	**66,106.30**	**56,090.78**
Equity	**97,684.25**	**89,987.18**
Net debt to equity ratio	**67.67%**	**62.33%**

Notes forming part of the financial statements as at and for the year ended 31st March 2026

(₹ in Lakhs)

(b) Dividends	31st March 2026	31st March 2025
(i) Equity shares		
Final dividend for the year ended 31st March 2025 of INR 1.00	(643.00)	(643.00)
(31 March 2024 – INR 1.00) per fully paid share		

(i) Dividends not recognised at the end of the reporting period.

In addition to the above dividends, since year end the directors have recommended the payment of a final dividend of ₹ 1.00 per (10%) fully paid equity share. This proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting.

38 Leases

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

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

The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying value may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortised cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU assets have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows. Lease liabilities have been included in other financial liabilities. The Company has used a single discount rate to a portfolio of leases with similar characteristics

(i) Following is carrying value of right of use assets recognised on date of transition and the movements thereof during the year ended March 31, 2026.

(₹ in Lakhs)

Particulars	FY 25-26	FY 24-25
	ROU Asset Leashold Buildings and P&M	ROU Asset Leashold Buildings and P&M
Gross carrying value		
As at 01 April	644.16	318.18
Additions	195.63	546.58
Deletion during the year	-	-
Depreciation of Right of use assets	(308.15)	(220.60)
Net carrying value 'As at 31 March	**531.64**	**644.16**

Notes forming part of the financial statements as at and for the year ended 31st March 2026

ii) The following is the carrying value of lease liability for the year ended March 31, 2026 (₹ in Lakhs)

Particulars	Leashold Buildings and P&M	Leashold Buildings and P&M
As at 01 April	621.61	351.22
Additions	195.63	546.59
Finance cost accrued during the year	68.82	64.54
Deletion during the year	-	-
Payment of lease liabilities	(353.12)	(340.74)
Net carrying value 'As at 31 March	**532.94**	**621.61**
Current maturities of Lease Liability	223.30	233.28
Non-Current Lease Liability	309.64	388.33

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, 2026 - ₹ 1,296.35/- lakhs (P.Y. ₹ 1,563.97/- 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, 2026 – 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, 2026 – 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 2026	As at 31st March, 2025
Employer's contribution to Provident Fund	285.07	256.12
Employer's contribution to ESI	13.72	13.91
Employer's contribution to Welfare Fund	4.82	3.82
Total	**303.61**	**273.85**

b Defined Benefit Plans

The following tables summaries the components of net benefit expense recognised in the statement of profit or loss and the funded status and amounts recognised in the balance sheet for the respective plans:

Notes forming part of the financial statements as at and for the year ended 31st March 2026

i) Reconciliation of opening and closing balance of Defined Benefit Obligation (₹ in Lakhs)

Particulars	Gratuity (Non Funded)	
	As at 31st March 2026	As at 31st March, 2025
Defined Benefit obligation at beginning of the year	1,226.39	1,035.23
Current Service Cost	200.56	140.86
Past Service Cost net off curtailment Gain/Losses	389.43	-
Interest Cost	86.34	75.05
Benefits paid	(115.66)	(79.96)
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	(45.31)	55.21
Defined Benefit obligation at end of the year	**1,741.75**	**1,226.39**

Note: Consequent to the implementation of the Code on Wages, 2019, the Company has reassessed the definition of wages applicable for employee benefits, resulting in a change impacting past service. Based on initial discussions and representations from management, the resultant impact of Rs 715.50/- lakhs has been treated as a past service cost and has been recognised through profit or loss in accordance with Ind AS 19.

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

Particulars	As at 31st March 2026	As at 31st March, 2025
Present value of defined benefit obligation	1,741.75	1,226.39
Amount recognised in Balance Sheet- Asset / (Liability)	**1,741.75**	**1,226.39**

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

Particulars	As at 31st March 2026	As at 31st March, 2025
Current Service Cost	200.56	140.86
Past Service Cost	389.43	-
Interest Cost	86.34	75.05
Net defined benefit expense debited to statement of profit and loss	**676.33**	**215.91**

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

Particulars	As at 31st March 2026	As at 31st March, 2025
Actuarial changes arising from changes in demographic assumptions	-	-
Actuarial changes arising from changes in financial assumptions	-	-
Actuarial changes arising from changes in experience adjustments	(45.31)	55.21
Recognised in other comprehensive income	**(45.31)**	**55.21**

iv) Principal assumptions used in determining defined benefit

Mortality table	IALM 2012-14 Ultimate	IALM 2012-14 Ultimate
Discount Rate	7.90 % p.a	7.04 % p.a
Rate of escalation in salary(per annum)	5.00 % p.a	5.00 % p.a
Withdrawal rate (Per Annum)	1 - 5 % p.a	1 - 5 % p.a

Notes forming part of the financial statements as at and for the year ended 31st March 2026

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 2026	As at 31st March, 2025
Discount Rate		
Increase by 1%	1,613.50	1,129.01
Decrease by 1%	1,878.74	1,330.85
Salary Increase		
Increase by 1%	1,870.18	1,331.59
Decrease by 1%	1,619.26	1,127.49

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

vi) Maturity profile of defined benefit obligation (undiscounted) (₹ in Lakhs)

Particulars	As at 31st March 2026	As at 31st March, 2025
Within the next 12 months (next annual reporting period)	239.67	177.99
Between 2 and 5 years	345.66	223.67
Between 5 and 10 years	1,156.42	824.73
Total expected payments	**1,741.75**	**1,226.39**

vii) The average duration of the defined benefit plan obligation at the end of the reporting period is 13.59 years (31st March 2025: 13.32 years)

viii) The estimates of rate of escalation in salary considered in actuarial valuation are after taking into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is as certified by the Actuary.

ix) The sensitivity analyses above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

x) Discount rate is based on the prevailing market yields of Indian Government securities as at the balance sheet date for the estimated term of the obligations.

41 Segment Reporting

a) The segment reporting of the Company has been prepared in accordance with Ind AS-108, “Operating Segment” (specified under section 133 of the Companies Act, 2013, read with Rule 7 of Companies (Accounts) Rules, 2015). For management purposes, the company is organised into business units based on its products and services and has identified two reportable segments viz Metering, Systems & Services and Consumer, Industrial & Services on the basis of the nature of products, the risk return profile of individual business and the internal business reporting systems.

b) Revenue and expenses have been identified to a segment on the basis of relationship to operating activities of the segment. Revenue and expenses which relate to enterprise as a whole and are not allocable to a segment on reasonable basis have been disclosed as “Unallocated”.

c) Segment assets and segment liabilities represent assets and liabilities in respective segments. Investment, tax related assets and other assets and liabilities that cannot be allocated to a segment on reasonable basis have been disclosed as “Unallocated”

Notes forming part of the financial statements as at and for the year ended 31st March 2026

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

(₹ in Lakhs)

	Particulars	As at 31st March 2026	As at 31st March 2025
(A)	**Segment Revenue**		
	Metering, Systems & Services	107,333.16	105,977.02
	Consumer, Industrial & Services	78,466.52	62,463.48
		185,799.68	**168,440.50**
(B)	**Results**		
	Segment Results		
	Metering, Systems & Services	16,509.14	16,784.23
	Consumer, Industrial & Services	8,010.66	7,150.76
		24,519.80	**23,934.99**
	Unallocated expenses net of income	3,694.87	3,712.73
	Operating Profit	20,824.93	20,222.26
	Interest Expenses	9,116.59	8,536.09
	Exceptional items	535.50	-
	Profit before tax	11,172.84	11,686.17
	Tax Expenses	2,866.68	3,006.57
	Profit after tax	**8,306.16**	**8,679.60**
(C)	**Other Information**		
	Segment Assets		
	Metering, Systems & Services	142,749.10	121,459.42
	Consumer, Industrial & Services	85,655.08	76,333.99
	Unallocated	5,400.10	5,400.10
		233,804.28	203,193.51
	Segment Liabilities		
	Metering, Systems & Services	37,938.16	30,607.35
	Consumer, Industrial & Services	24,959.35	20,624.06
	Unallocated	73,222.52	61,974.92
		136,120.03	**113,206.33**
	Capital Expenditure		
	Metering, Systems & Services	12,331.93	6,588.41
	Consumer, Industrial & Services	5,213.36	723.97
		17,545.29	**7,312.38**
	Depreciation		
	Metering, Systems & Services	4,460.00	2,630.52
	Consumer, Industrial & Services	1,559.29	1,256.07
		6,019.29	**3,886.59**
	Segment Revenue		
	The following is the distribution of Company's revenue by geographical market :-		
	Domestic Market	182,893.70	165,620.80
	Overseas Market	2,905.98	2,819.70
		185,799.68	**168,440.50**

Notes forming part of the financial statements as at and for the year ended 31st March 2026

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) (*Ceased to be a JV Partner w.e.f 31.03.2026)

(3) HPL Electric & Power Pvt.Ltd. -Trimurthi Hitech Co. Pvt. Ltd.- Shriji Designs (JV) (*Ceased to be a JV Partner w.e.f 31.03.2026)

(B) Entities in which directors are interested :

(1) HPL India Limited
(2) HPL Power Corporation Limited
(3) HPL Electronics Private Limited
(4) Amerex Private Limited
(5) Jesons Impex Private Limited
(6) HPL Holdings Private Limited
(7) Seth Inder Narain Trust

(C) Key Management Personnel :

(1) Mr. Lalit Seth
(2) Mr. Rishi Seth
(3) Mr. Gautam Seth
(4) Mr. Vivek Kumar

(D) Non Executive Directors

(1) Mr. Hargovind Sachdev (up to 12.04.2025)
(2) Mrs. Rashmi Viz
(3) Mr. Dhruv Goyal
(4) Mr. Ajit Sood (* Appointed w.e.f 13.04.2025)

(E) Relatives of Key Management Personnel

(1) Mrs. Praveen Seth
(2) Mrs. Pooja Seth
(3) Mrs. Vani Seth
(4) Mr. Achintya Seth (*Appointed as Management Trainee w.e.f 15.04.2025)
(5) Ms. Amartiy Seth (*Appointed as Management Trainee for a period from 15.04.2025 to 31.07.2025)

(ii) Key management personnel compensation (₹ in Lakhs)

Particulars	31st March 2026	31st March 2025
Short-term employee benefits	724.27	698.83
Dividend paid during the year	124.94	124.94
Total Compensation	**849.21**	**823.77**

(iii) Details of tranactions with Related Parties:- (₹ in Lakhs)

Particulars	31st March 2026	31st March 2025
Purchase of goods		
1. Himachal Energy Private Limited	4,225.43	753.13
Purchase of Services		
1. HPL India Limited	**360.05**	**458.02**
2. Himachal Energy Private Limited	**81.80**	**-**
Purchase of Assets		
1. Himachal Energy Private Limited	**8,642.75**	**2,255.22**
Sale of goods		
1. Himachal Energy Private Limited	11,462.76	5,743.96

Notes forming part of the financial statements as at and for the year ended 31st March 2026

Sale of Services		
1. HPL India Limited	56.51	-
Dividend paid to entities in which directors are interested		
1. HPL Electronics Private Limited	116.52	116.52
2. HPL Holdings Private Limited	**28.43**	**28.43**
3. HPL India Limited	175.73	175.73
4. Jesons impex Private Limited	0.24	0.24
Transaction with Key Managerial Person		
1. Managerial Remuneration	724.27	698.83
2. Director sitting fees	**14.95**	**12.60**
3. Dividend Paid	124.94	124.94
Transaction with relatives of Key Managerial Person		
1. Dividend Paid	**21.33**	**21.33**
2. Remuneration/Stipend	18.36	-

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

(₹ in Lakhs)

Particulars	31st March 2026	31st March 2025
Subsidiary Companies		
Himachal Energy Private Limited	5,400.00	5,400.00
Advance to Joint Ventures		
1. HPL ELECTRIC & POWER PRIVATE LIMITED- THCPL-SD(JV)	-	138.96
2. HPL ELECTRIC & POWER PRIVATE LIMITED- SHRIJI DESIGNS (JV)	-	69.85
Deferred Receivables		
1. HPL India Limited	473.85	561.74
Loans and advances		
1. Himachal Energy Private Limited	936.23	-
2. HPL India Limited	-	844.16
Other Liabilities		
1. Himachal Energy Private Limited	-	393.90

The transactions with related parties were undertaken in the ordinary course of business and on normal commercial terms. 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 2026, 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.

Notes forming part of the financial statements as at and for the year ended 31st March 2026

43 The Company does not have any outstanding commercial paper period ending 31st March, 2026. (P Y ₹ Nil)

44 The Company has taken various residential/ commercial premises under cancellable operating leases. These lease agreements are normally renewed on expiry. There are no restrictions placed upon the company by entering into these leases. Lease payments recognized in the Statement of Profit & Loss as rent expenses for the year.

45 Contingent Liabilities:

(₹ in Lakhs)

S.No	Name of Statute	Description	As at 31st March 2026	As at 31st March 2025
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	Employee's Provident Fund Act, 1952	Demand for EPF before EPF appellate, Tribunal, New Delhi.	2.40	2.40
6	Haryana Vat Act, 2003	Demand for sales tax before Haryana Tax Tribunal for 2013-14	80.59	80.59
7	Haryana Vat Act, 2003	Haryana Tax Tribunal, Chandigarh-Final demand after Rectification on 31.07.2017 (Revision Pending)	-	3.61
8	Haryana Vat Act, 2003	Haryana Tax Tribunal, Chandigarh-Pending for Rectification for 2012-13	-	1.97
9	Haryana Vat Act, 2003	Haryana Tax Tribunal, Chandigarh-Pending for Rectification for 2013-14	-	3.73
10	Haryana Vat Act, 2003	Haryana Tax Tribunal, Chandigarh-Pending for Rectification for 2014-15	-	0.52
11	Haryana Vat Act, 2003	Haryana Tax Tribunal-Rohtak-Appeal pending before the Jt.ETC(A),Rohtak for 2010-11	-	55.72
12	Haryana Vat Act, 2003	Demand for sales tax before Dy. Excise & Taxation Commissioner (ST),Sonepat for 2014-15	-	41.89
13	Central Excise Act, 1944	Demand for Excise Duty before Deputy Comm.Central GST Gurgram for 2016-17.	1.72	1.72
14	Finance Act, 1994	Demand for Service Tax Credit before Asstt. Commissioner Gurugram for 2015-16 to 2017-18	14.78	14.78
15	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
16	Haryana Vat Act, 2003	Demand for Sales Tax before Haryana Tax, Tribunal, Rohtak for 2016-17	-	73.54
17	CGST Act, 2017	Demand for GST before Joint Excise and Taxation Commissioner Gurgaon (West) Ward 1:Gurgaon (West):Gurgaon Haryana for 2017-18	54.80	54.80
18	CGST Act, 2017	Demand for GST before Joint Excise and Taxation Commissioner Gurgaon (West) Ward 1:Gurgaon (West):Gurgaon Haryana for 2017-18	69.05	69.05
19	CGST Act, 2017	Demand for GST before Joint Excise and Taxation Commissioner Gurgaon (West) Ward 1:Gurgaon (West):Gurgaon Haryana for 2018-19	6.30	6.30

S.No	Name of Statute	Description	As at 31st March 2026	As at 31st March 2025
20	CGST Act, 2017	Demand for GST before Joint Excise and Taxation Commissioner Gurgaon (West) Ward 1:Gurgaon (West):Gurgaon Haryana for 2019-20	10.04	10.04
21	CGST Act, 2017	Demand for GST before Joint Excise and Taxation Commissioner Gurgaon (West) Ward 1:Gurgaon (West):Gurgaon Haryana for 2020-21	54.08	54.08
22	CGST Act, 2017	Demand for GST before Joint Commissioners of State tax Thane city Thane : Maharashtra for 2017-18	-	15.78
23	CGST Act, 2017	Demand for GST before Deputy Commissioners .Gandhi Maidan: Patna West: Bihar for 2018-19	18.11	18.11
24	CGST Act, 2017	Demand for GST before Deputy Commissioners . Sector-9,Lucknow(B),Lucknow I,: Uttar Pradesh for 2018-19	2.19	-
25	CGST Act, 2017	Demand for GST before Deputy Excise and Taxation Commissioner Gurgaon (West): Haryana for 2021-22	13.28	-

Notes : 1. Based on the favorable decisions in similar cases and discussions with the solicitors, the company does not expect any liability against these matters, hence no provision has been considered in the books of the accounts.

46 Additional Regulatory information

S No	Particulars	Numerator	Denomiator	Current Year	Previous Year	Variance
1	Current ratio	Current assets	Current liabilities	1.35	1.40	-3.05%
2	Debt equity ratio	Total Debt (Including lease liabilities)	Shareholder's equity	0.75	0.69	8.33%
3	Debt service coverage ratio	Earnings available for debt service*	Interest exp on long term and short term borrowing during the period +Scheduled principal repayement of long term borrowing	1.80	1.63	10.06%
4	Return on equity ratio	Net profits after taxes	Average shareholders equity	8.86%	10.01%	-11.45%
5	Inventory turnover ratio	Revenue from operations	Average Inventory	2.66	2.76	-3.62%
6	Trade receivables turnover ratio	Revenue from operations	Average trade receivables	2.58	2.50	3.07%
7	Trade payable turnover ratio	Net credit pruchases	Average trade payables	2.79	3.45	-19.25%
8	Net capital turnover ratio	Revenue from operations	Average working capital	4.32	3.86	11.66%
9	Net profit ratio	Net profits for the year	Revenue from operations	4.49%	5.13%	-12.47%
10	Return on capital employed	Profit before interest and taxes	Average Capital employed**	12.70%	13.82%	-8.10%
11	'Return on Investments	Profit before interest and taxes	Average total Assets	9.25%	10.50%	-11.90%

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

** Net Worth + Total borrowings + Deferred tax liabilities - Deferred Tax Assets

Note : There is no change in ratio by more than 25%

Notes forming part of the financial statements as at and for the year ended 31st March 2026

47 Additional regulatory information required by Schedule III of Companies Act, 2013

(I) Details of Benami property: No proceedings have been initiated or are pending against the Company for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.

(II) Utilisation of borrowed funds and share premium: The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries

The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like on behalf of the ultimate beneficiaries

(III) Compliance with number of layers of companies: The Company has complied with the number of layers prescribed under the Companies Act, 2013.

(IV) Compliance with approved scheme(s) of arrangements: The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

(V) Undisclosed income: There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

(VI) Details of crypto currency or virtual currency: The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.

(VII) Valuation of PP&E, intangible asset and investment property: The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.

(VIII) The company has not granted any loans or advances in the nature of loans either repayable on demand

(IX) During the year there are no transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

(X) During the year, the Company has not been declared a wilful defaulter by any bank, financial institution, or other lender during the reporting period.

(XI) Registration of charges or satisfaction with Registrar of Companies;

During the year, the Company has created charges over its assets in favour of lenders and has duly filed the necessary charge-related forms and returns with the Registrar of Companies (ROC) within the prescribed statutory timelines.

48 Previous year's figure have been regrouped/ re-arranged, wherever considered necessary to make them comparable with corresponding year ending 31st March, 2026.

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

Sakshi Kharabanda Dewan
Proprietor
M. No.: 523802
UDIN : 26523802JBTFCW7973

Place : New Delhi
Dated : 27.05.2026

For and on behalf of the Board of Directors

Rishi Seth
Managing Director
DIN- 00203469

Gautam Seth
Joint MD and CFO
DIN- 00203405
Camp at : Las Vegas, USA

Lalit Seth
Director
DIN-00312007

Vivek Kumar
Company Secretary
M.No. A18491

Place : Kundli

Independent Auditor's Report

To the Members of **HPL ELECTRIC & POWER LIMITED**

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of HPL ELECTRIC & POWER LIMITED (hereinafter referred to as the 'Holding Company"), its subsidiary (the Holding Company and its subsidiary together referred to as "the Group"),and its joint ventures, which comprise the consolidated Balance Sheet as at 31st March 2026, and the consolidated statement of Profit and Loss, consolidated Statement of changes in equity and the consolidated Statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "Consolidated Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group and of its joint ventures as at 31st March 2026, of consolidated profit/loss and its consolidated cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group and its joint ventures in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and 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 consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key audit matters	How the matter was addressed in our Audit
Tax Litigations: **The Company has significant tax litigations for which the Company assesses the outcome on a case-to-case basis considering the underlying facts of each tax litigation. Adverse outcomes could significantly impact the Company's reported profit and Balance Sheet position. The assessment of outcome of litigations involves significant judgement which is dependent on the facts of each case, supporting judicial precedents and legal opinions of professionals, hence the matter has been considered as a Key Audit Matter.**	**Our audit procedures, amongst others included the following:** ➢ Obtained list of ongoing tax litigations from Management along with their assessment of the cases based on past precedents, judgements and matters in the jurisdiction, legal opinions sought by Management and correspondences with tax department. ➢ Analysed and discussed with our internal tax team to evaluate Management's assessment of the outcome of these litigations. They considered legal precedence and other rulings in evaluating Management's position on these tax litigations. ➢ Evaluated the status of the recent and current tax assessments/inquiries, results of previous tax assessments and changes in the tax environment. ➢ Verified disclosure of the tax positions, tax loss carry forwards and tax litigations in the standalone Ind AS financial statements.

Information other than the financial statements and Auditors' report thereon

The Holding Company's Management and Board of Directors are responsible for the preparation of the other information. Other information comprises the information included in the Holding Company's Annual report but does not include the consolidated financial statements and our Auditor's report thereon.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed and based on the work done/ audit report of other auditor, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Holding Company's Management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act, 2013 that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group including its joint ventures in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. The respective Board of Directors of the Companies included in the Group and of its joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each of the Group and its joint ventures and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the Management and Board of Directors of the entities included in the Group and of its joint ventures are responsible for assessing the ability of the Group and of its joint ventures to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the Companies included in the Group and of its joint ventures are responsible for overseeing the financial reporting process of the Group and of its joint ventures.

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

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and

are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of Accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management and Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its joint ventures to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its joint ventures to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Other Matters

We did not audit the financial statements and other financial information in respect of subsidiary and joint ventures, whose financial results include total assets of Rs. 12,926.37 lakhs as at 31 March 2026, total revenues of Rs 19,722.74 lakhs, total net profit after tax of Rs 760.91 lakhs, total comprehensive income of Rs 775.59 lakhs, and net cash inflows of Rs. 472.81 lakhs for the year ended on that date. These Ind AS financial statements and other financial information have been audited by other auditors whose reports have been furnished to us by the Management. Our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of the subsidiary and joint ventures, and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary and joint ventures is based solely on report of such auditors.

Our opinion on the consolidated Ind AS financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements and other financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

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

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

b) In our opinion, proper books of account as required by law relating to preparation of

the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements.

d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act.

e) On the basis of the written representations received from the Directors of the Holding Company as on 31st March 2026 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary and its joint ventures, none of the Directors of the Group Company, its subsidiary and joint ventures, is disqualified as on 31st March 2026 from being appointed as a Director in terms of Section 164(2) of the Act.

f) With respect to the adequacy of internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in 'Annexure A'.

g) With respect to the matter to be included in the Auditor's Report under Section 197(16), in our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its Directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any Director is not in excess of the limit laid down under Section

197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

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

   a. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group, its associates and jointly controlled entities– Refer Note 47 to the consolidated financial statements.

   b. The Group and its joint ventures, did not have any material foreseeable losses on long-term contracts including derivative contracts.

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

   d. (i) The Management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

   (ii) The Management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

   (iii) Based on such audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material mis-statement.

   e. The dividend declared or paid during the year by the Company is in compliance with Section 123 of the Companies Act, 2013.

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

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

For **SAKSHI & ASSOCIATES**
Chartered Accountants
Firm's Registration No.: 025099N

SAKSHI KHARABANDA DEWAN
Proprietor
Membership No. 523802
UDIN : 26523802JEFVEP1645

Place : New Delhi
Date : 27 May 2026

Annexure I: List of entities consolidated as at 31st March 2026:

1. Himachal Energy Private Limited
2. HPL Electric & Power Ltd.-Shriji Designs
3. HPL Electric & Power Ltd. Trimurthi Hitech Co. Pvt. Ltd.-Shriji Designs

Annexure'A' to the Independent Auditor's Report

Report on Internal Financial Controls with reference to Consolidated Financial Statements

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the Internal financial controls over financial reporting of **HPL ELECTRIC & POWER LIMITED** ("the Company") as of March 31, 2026 in conjunction with our audit of the consolidated financial statements of the Company, its subsidiary and its joint ventures, as of that date, for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Parent, its subsidiary and joint ventures, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective Companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Internal financial controls over financial reporting of the Parent, its subsidiary and joint ventures, being incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by ICAI and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of Internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

Our audit of internal financial controls over financial reporting included obtaining an understanding of Internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by auditors of the subsidiary and joint ventures, which are incorporated in India, in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Internal financial controls system over financial reporting of the Parent, its subsidiary and joint ventures, which are incorporated in India.

Meaning of Internal Financial Controls Over Financial Reporting

A Company's Internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted Accounting principles. A Company's Internal financial control over financial reporting includes those policies and procedures that:

1. Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;
2. Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of Management and Directors of the Company; and
3. Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors referred to in the Other Matters paragraph below, the Parent, its subsidiary and joint ventures, which are incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2026, based on the criteria for Internal financial control over financial reporting established by the respective Companies considering the essential components of Internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matters

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to its subsidiary and joint ventures, which are incorporated in India, is based solely on the corresponding reports of the auditors of such entities.

Our opinion is not modified in respect of the above matter.

For **SAKSHI & ASSOCIATES**
Chartered Accountants
Firm's Registration No.: 025099N

SAKSHI KHARABANDA DEWAN
Proprietor
Membership No. 523802
UDIN : 26523802JEFVEP1645

Place : New Delhi
Date : 27 May 2026

HPL Electric & Power Limited

CIN NO.: L74899DL1992PLC048945

Consolidated Balance Sheet

as at 31st March 2026

(₹ in Lakhs)

Particulars	Note	As at March 31, 2026	As at March 31, 2025
ASSETS			
Non-current assets			
Property, plant and equipment	3	60,825.39	49,194.75
Capital work in progress	4	4,097.69	762.37
Right of use Assets	5	531.64	644.16
Financial assets			
i. Investments	6	1,035.10	0.10
ii. Loans	7	257.10	186.98
Deferred tax assets (Net)	8	873.47	994.05
Other non-current assets	9	905.94	681.17
Total non-current assets		68,526.33	52,463.58
Current assets			
Inventories	10	74,850.90	69,666.96
Financial assets			
i. Trade receivables	11	76,527.34	71,367.68
ii. Cash and cash equivalents	12	3,270.52	2,717.36
iii. Bank balances other than (ii) above	13	4,845.58	3,410.81
iv. Loans	7	176.02	160.81
v. Other financial assets	14	3,602.76	1,632.26
Current tax assets (Net)	15	64.89	-
Other current assets	9	7,968.65	8,056.55
Total current assets		**171,306.66**	**157,012.43**
Total assets		**239,832.99**	**209,476.01**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	16	6,430.05	6,430.05
Other equity	17	**93,589.75**	**85,083.40**
Equity attributable to equity holders of the parent Company		**100,019.80**	**91,513.45**
Non-controlling interests		234.64	210.15
Total equity		**100,254.44**	**91,723.60**
Liabilities			
Non-current liabilities			
Financial liabilities			
i. Borrowings	18	9,983.26	2,089.82
ii. Lease liabilities	19	309.64	388.33
iii. Other financial liabilities	20	1,226.06	1,175.64
Provisions	21	1,881.84	1,342.91
Total non-current liabilities		**13,400.80**	**4,996.70**
Current liabilities			
Financial liabilities			
i. Borrowings	22	64,992.27	61,218.71
ii. Lease liabilities	19	223.30	233.28
iii. Trade payables	23		
a) total outstanding dues of micro enterprises and small enterprises		1,382.60	1,745.09
b) total outstanding dues of creditors other than micro enterprises and small Enterprises		52,175.81	41,239.08
iv. Other financial liabilities	20	4,456.27	5,126.75
Other current liabilities	24	**2,088.40**	**2,163.15**
Provisions	21	859.10	715.94
Current tax liabilities (Net)	15	-	313.71
Total current liabilities		**126,177.75**	**112,755.71**
Total liabilities		**139,578.55**	**117,752.41**
Total equity and liabilities		**239,832.99**	**209,476.01**

The accompanying notes are an integral part of consolidated financial statements

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

Sakshi Kharabanda Dewan
Proprietor
M. No.: 523802
UDIN : 26523802JEFVEP1645

Place : New Delhi
Dated : 27.05.2026

For and on behalf of the Board of Directors

Rishi Seth
Managing Director
DIN- 00203469

Lalit Seth
Director
DIN-00312007

Place : Kundli

Gautam Seth
Joint MD and CFO
DIN- 00203405
Camp at : Las Vegas, USA

Vivek Kumar
Company Secretary
M.No. A18491

Consolidated Statement of profit and loss

CIN : L74899DL1992PLC048945

for the year ended 31st March 2026

(₹ in Lakhs)

	Particulars	Note No	Year ended March 31, 2026	Year ended March 31, 2025
	Income:			
I.	Revenue from operations	25	181,109.67	170,024.40
II.	Other income	26	483.33	487.95
III.	**Total income (I + II)**		**181,593.00**	**170,512.35**
IV.	**Expenses:**			
	Cost of materials consumed	27	118,254.81	122,287.61
	Changes in inventories of finished goods, work-in-progress	28	(2,354.01)	(11,823.86)
	Employee benefits expense	29	21,390.08	19,937.26
	Finance cost	30	9,411.20	8,972.32
	Depreciation and amortization expenses	31	6,322.86	4,216.36
	Other expenses	32	15,675.39	14,158.23
	Total expenses		**168,700.33**	**157,747.92**
V.	**Profit before exceptional items and tax (III-IV)**		12,892.67	12,764.43
VI.	Exceptional items		544.68	-
VII.	**Profit before tax (V-VI)**		**12,347.99**	**12,764.43**
VIII.	**Tax expense:**			
	(1) Current tax	33	3,119.59	3,270.93
	(2) Deferred tax	33	103.15	94.79
IX.	**Profit for the year (VII-VIII)**		**9,125.25**	**9,398.71**
X.	**Other comprehensive income**			
	Items that will not be reclassified to profit or loss			
	Remeasurement of post employment benefit obligations		66.03	(58.86)
	Income tax relating to these items		(17.44)	14.91
	Other comprehensive income for the year, net of tax		**48.59**	**(43.95)**
XI.	**Total comprehensive income for the year (IX+X)**		9,173.84	9,354.76
	Profit for the year attributable to			
	Equity shareholders of parent company		9,101.18	9,376.93
	Non controlling interests		24.07	21.78
			9,125.25	**9,398.71**
	Total comprehensive income for the year attributable to			
	Equity shareholders of parent company		9,149.35	9,333.06
	Non controlling interests		24.49	21.70
			9,173.84	**9,354.76**
XII.	Earnings per equity share of ₹10/- each	34		
	(1) Basic		14.15	14.58
	(2) Diluted		14.15	14.58

The accompanying notes are an integral part of consolidated financial statements

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

Sakshi Kharabanda Dewan
Proprietor
M. No.: 523802
UDIN : 26523802JEFVEP1645

Place : New Delhi
Dated : 27.05.2026

For and on behalf of the Board of Directors

Rishi Seth
Managing Director
DIN- 00203469

Gautam Seth
Joint MD and CFO
DIN- 00203405
Camp at : Las Vegas, USA

Lalit Seth
Director
DIN-00312007

Vivek Kumar
Company Secretary
M.No. A18491

Place : Kundli

Consolidated Cash Flow Statement

for the year ended 31st March 2026

(₹ in Lakhs)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
A. Cash flow from operating activities	**(Audited)**	**(Audited)**
Net profit/ (loss) before tax	12,347.99	12,764.43
Adjustments for :		
- Depreciation and amortisation expenses	6,322.86	4,216.36
- Finance expenses	9,411.20	8,972.32
- Interest income	(449.18)	(454.41)
- Loss / (profit) on sale of fixed assets	38.13	79.13
Operating profit before working capital changes	**27,671.00**	**25,577.83**
Adjustments for :		
Decrease/(increase) in trade receivables	(5,071.77)	(1,663.35)
Decrease/(increase) in other financial and non-financial assets	(1,897.06)	(4,592.56)
Decrease/(increase) in inventories	(5,183.93)	(12,383.60)
(Decrease)/increase in trade payables	10,574.23	12,502.75
(Decrease)/increase in other financial, non financial liabilities and provisions	53.30	(2,839.54)
Cash generated from operations	**26,145.77**	**16,601.53**
- Taxes paid (net of refunds)	(3,498.19)	(2,780.86)
Net cash from operating activities (A)	**22,647.58**	**13,820.67**
B. Cash flow from investing activities		
- Payment for property, plant & equipment	(17,996.90)	(7,620.22)
- (Increase)/ decrease in capital work in progress	(3,335.32)	267.43
- Payment for acquiring right of use of assets	(284.30)	(276.20)
- Proceeds from sale of property, plant and equipments	-	93.76
- Security deposits (paid)/received	(70.12)	68.25
- Investment in shares	(1,035.00)	-
- Interest income received	449.18	454.41
Net cash used in investing activities (B)	**(22,272.46)**	**(7,012.57)**
C. Cash flow from financing activities		
- Proceeds/(repayment) from working capital loan (net)	3,773.56	7,926.90
- Proceeds/(repayment) from long term loan	7,893.45	(4,884.00)
- Payment of lease liabilities interest portion	(68.82)	(64.54)
- Finance expenses	(9,342.38)	(8,907.78)
- Payment of dividend	(643.00)	(643.00)
Net cash used in financing activities (C)	**1,612.81**	**(6,572.42)**
Net changes in cash & cash equivalents (A+B+C)	1,987.93	235.68
Cash & cash equivalents at the beginning of the year	6,128.17	5,892.49
Cash & cash equivalents at the end of the period	8,116.10	6,128.17

The accompanying notes are an integral part of consolidated financial statements

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

Sakshi Kharabanda Dewan
Proprietor
M. No.: 523802
UDIN : 26523802JEFVEP1645

Place : New Delhi
Dated : 27.05.2026

For and on behalf of the Board of Directors

Rishi Seth
Managing Director
DIN- 00203469

Gautam Seth
Joint MD and CFO
DIN- 00203405
Camp at : Las Vegas, USA

Lalit Seth
Director
DIN-00312007

Vivek Kumar
Company Secretary
M.No. A18491

Place : Kundli

Consolidated Statement of changes in equity

for the year ended 31st March 2026

I) Equity Share Capital (₹ in Lakhs)

Particulars	Notes	Number	Amounts
Balance as at 1st April 2024		64,300,486	6,430.05
Changes during the year	16	-	-
Balance as at 31st March 2025		64,300,486	6,430.05
Changes during the year	16	-	-
Balance as at 31st March 2026		64,300,486	6,430.05

II) Other equity (₹ in Lakhs)

Particulars	Notes	Reserve & surplus				Total
		Security premium	Capital reserve	General reserve	Retained earnings	
Balance as at 1st April 2024	**17**	**36,601.35**	**(1,933.84)**	**3,788.31**	**37,937.52**	**76,393.34**
Profit for the year		-		-	9,376.93	9,376.93
Other comprehensive income		-		-	(43.87)	(43.87)
Total comprehensive income		-	-	-	9,333.06	9,333.06
Transaction with owners in their capacity as owners:						
Final equity dividend					(643.00)	(643.00)
Balance as at 31st March 2025		**36,601.35**	**(1,933.84)**	**3,788.31**	**46,627.58**	**85,083.40**
Profit for the year		-	-	-	9,101.18	9,101.18
Other comprehensive income					48.17	48.17
Total comprehensive income		-	-	-	9,149.35	9,149.35
Transaction with owners in their capacity as owners:						
Final equity dividend		-	-	-	(643.00)	(643.00)
Balance as at 31st March 2026		**36,601.35**	**(1,933.84)**	**3,788.31**	**55,133.93**	**93,589.75**

The accompanying notes are an integral part of consolidated financial statements

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

Sakshi Kharabanda Dewan
Proprietor
M. No.: 523802
UDIN : 26523802JEFVEP1645

Place : New Delhi
Dated : 27.05.2026

For and on behalf of the Board of Directors

Rishi Seth
Managing Director
DIN- 00203469

Lalit Seth
Director
DIN-00312007

Place : Kundli

Gautam Seth
Joint MD and CFO
DIN- 00203405
Camp at : Las Vegas, USA

Vivek Kumar
Company Secretary
M.No. A18491

HPL Electric & Power Limited
CIN NO.: L74899DL1992PLC048945

Notes forming part of the consolidated financial statements
for the year ended 31st March 2026

Note-1

COMPANY OVERVIEW

HPL Electric & Power Limited (CIN : L74899DL1992PLC048945) ('the Company') and its subsidiaries (collectively referred to as "Group") is a limited company domiciled in India and incorporated under the provisions of the Companies Act, 1956 having its registered office at 1/20, Asaf Ali Road, New Delhi. The Group is one of the leading players and India's fastest growing electrical and power distribution equipment manufacturer with products ranging from Industrial and Domestic Circuit Protection Switchgears, Cables, Energy Saving Meters, LED Lamps and Luminaries for Domestic, Commercial and Industrial applications, Modular Switches covering the entire range of household, commercial and industrial electrical needs.

The Group has R&D facilities located at Gurgaon and Kundli in Haryana, approved by Department of Scientific & Industrial Research (DSIR), Ministry of Science & Technology.

The Financial statements were approved by the Board of Directors for issue in accordance with resolution passed on May 27, 2026.

Note-2

SIGNIFICANT ACCOUNTING POLICIES

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

A) Basis of Preparation

i) Compliance with Ind AS

The financial statements have been prepared on accrual and going concern basis and comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act)[Companies(Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

ii) Historical cost convention

The financial statements have been prepared on a historical cost basis, except for certain financial assets and liabilities that are measured at fair value.

B) Principles of consolidation and equity accounting

(i) Subsidiaries

Subsidiaries are all entities (including structured entities) over which the group has control. The group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases.

The group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Inter-company transactions, balances and unrealized gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred assets. Accounting policies of the subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group.

Non-controlling interest in the results and equity of subsidiaries are shown separately in the consolidated statement of profit and loss, consolidated statement of changes in equity and balance sheet respectively.

C) Property plant and equipment

Freehold land is carried at cost. All other items of property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment, if any. The cost comprises of purchase price, taxes, duties, freight and other incidental expenses directly attributable and related to acquisition and installation of the concerned assets and are further adjusted by the amount of CENVAT /GST/VAT credit availed wherever applicable. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Depreciation methods, estimated useful lives and residual value

Depreciation on buildings, machinery and equipment's has been provided on straight-line basis over the estimated useful lives of the respective assets. Intangible assets are amortised over their estimated useful economic lives on straight line basis. Freehold land and work in progress are not depreciated. The estimated useful lives considered for providing depreciation on other substantial assets are as follows:

Building- 35-45 years

Plant & Machinery-15-25 years

Computers-3-5 years

Furniture & Fixtures-10-15 years

Office Equipments-5-10 years

Vehicles-8-10 years

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

D) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. Internally generated intangibles, excluding capitalized development cost, are not capitalized and the related expenditure is reflected in Statement of Profit and Loss in the period in which the expenditure is incurred. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use.

Research and development cost

Research expenditure and development expenditure that do not meet the criteria as given in Ind AS-38 “Intangible Assets” are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period.

Amortisation methods and periods

The Group amortises intangible assets with a finite useful life using the straight-line method over their estimated useful life of 3-6 years.

The amortization period and the amortization method for an intangible asset with a finite useful life is reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortization period or method, as appropriate and are treated as changes in accounting estimates. The amortization expense on intangible assets with finite lives is recognised in the Statement of Profit and Loss.

Gains or losses arising from disposal of the intangible assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the assets are disposed off.

E) Impairment of non-financial assets

The carrying amounts of the assets are reviewed at each Balance sheet date for any indication of impairment based on internal/external factors. If any such indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset’s recoverable amount. An asset’s recoverable amount is the higher of an asset’s or cash-generating unit’s (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

Impairment losses including impairment on inventories are recognised in the Statement of Profit and Loss.

F) Financial Instruments

i) Financial Assets

A) Initial recognition and measurement

All financial assets and liabilities are initially recognised at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition.

B) Subsequent measurement

a) Financial assets carried at amortised cost

A financial asset is measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

b) Financial assets carried at fair value through other comprehensive income (FVTOCI)

A financial asset is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

c) **Financial assets carried at fair value through profit or loss (FVTPL)**

A financial asset which is not classified in any of the above categories are measured at FVTPL.

C) **Investment in subsidiaries**

The Group has accounted for its investments in subsidiary at cost.

D) **Other Equity Investments**

All other equity investments are measured at fair value with changes in fair value recognised in statement of profit and loss except for those equity investments for which the Group has elected to present the value changes in 'Other Comprehensive Income'.

E) **Impairment of financial assets**

In accordance with Ind AS 109, the Group uses 'Expected Credit Loss' (ECL) model, for evaluating impairment of financial assets other than those measured at fair value through profit and loss (FVTPL).

Expected credit losses are measured through a loss allowance at an amount equal to:

- The 12 months expected credit losses(expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date; or
- Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument).

For trade receivables Group applies 'simplified approach' which requires expected lifetime losses to be recognised from initial recognition of the receivables. The Group uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date these historical default rates are reviewed and changes in the forward looking estimates are analysed.

For other assets, the Group uses 12 month ECL to provide for impairment loss where there is no significant increase in credit risk. If there is significant increase in credit risk full lifetime ECL is used.

ii) **Financial Liabilities**

A) *Initial recognition and measurement*

All financial liabilities are recognised at fair value and in case of loans net of directly attributable cost. Fees of recurring nature are directly recognised in the Statement of Profit and Loss as finance cost.

B) *Subsequent measurement*

Financial liabilities are carried at amortised cost using the effective interest rate method (EIR). Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

G) **Income recognition**

Interest income

Interest income from debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Group estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

Dividends

Dividends are recognised in profit or loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Group, and the amount of the dividend can be measured reliably.

H) **Inventories**

Raw materials and stores, work in progress, traded and finished goods are stated at the lower of cost and net realisable value. Cost of raw materials and traded goods comprises cost of purchases. Cost of work-in-progress and finished goods comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Cost of inventories also include all other costs incurred in bringing the inventories to their present location and condition. Costs are assigned to individual items of inventory on the basis of weighted average cost basis. Costs of purchased inventory are determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

I) Revenue Recognition

Effective April 1, 2018, the Group has applied Ind AS 115 which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognised. Ind AS 115 replaces Ind AS 18 Revenue and Ind AS 11 Construction Contracts. The Group has adopted Ind AS 115 using the cumulative effect method. The effect of initially applying this standard is recognised at the date of initial application (i.e. April 1, 2018). The standard is applied retrospectively only to contracts that are not completed as at the date of initial application and the comparative information in the statement of profit and loss is not restated – i.e. the comparative information continues to be reported under Ind AS 18 and Ind AS 11. The impact of adoption of the standard on the financial statements of the Group is insignificant.

Revenue is recognised upon transfer of control of promised products or services to customer in an amount that reflects the consideration which the Group expects to receive in exchange for those products or services, which is usually at the time of delivery of products or services to the customer. Revenue from sale of product is measured at fair value of consideration received /receivable, net of returns, trade allowances, rebates, value added taxes, Goods and Service Tax (GST) and amounts collected on behalf of third parties. Revenue is recognised when it is probable that economic benefits associated with the transaction will flow to the entity, amount of revenue can be measured reliably and entity retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold.

Contract assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

J) Contract Balances

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional. A receivable represents the Company's right to an amount of consideration that is unconditional.

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.

A trade receivable is recognised if an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in section (Financial instruments – initial recognition and subsequent measurement).

K) Employee Benefits

(i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

(ii) Post-Employment Benefits

Defined Contribution Plan: A defined contribution plan is a post-employment benefit plan under which the Group pays specified contributions to a separately entity. The Group has defined contribution plans for the post-employment benefits namely provident fund scheme. The Group's contribution in the above plans is recognised as an expense in the Statement of Profit and Loss during the year in which the employee renders the related service.

Defined Benefit Plans: The Group has defined benefit plan namely Gratuity for employees. The liability in respect of gratuity plans is calculated annually by independent actuary using the projected unit credit method. The Group recognises the following changes in the net defined benefit obligation under Employee benefits expense in statement of profit or loss:

- Service costs comprising current service costs, past service costs , gains and losses on curtailment and non-routine-settlements
- Net Interest expense

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in Other comprehensive income. They are included in retained earnings in the Statement of Changes in Equity and in the Balance Sheet. Remeasurements are not reclassified to profit or loss in subsequent periods.

Termination benefits are recognized as an expense immediately.

L) Borrowing Cost

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

Other borrowing costs are expensed in the period in which they are incurred.

M) Income Tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

N) Lease

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

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

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. For these short-term and low value leases, the Company recognizes the lease payments as an operating

expense on a straight-line basis over the term of the lease. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets as below:

Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the underlying assets (i.e. 30 and 60 years)

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment. Refer to the accounting policies in section 'Impairment of nonfinancial assets'.

Lease Liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate.

Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

Company as a lessor

Leases for which the Company is a lessor is classified as finance or operating lease. Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

O) Foreign Currency Transactions

Items included in the financial statements of the Group are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian rupee (INR), which is the Group's functional and presentation currency.

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss.

P) Earnings Per Share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Group
- by the weighted average number of equity shares outstanding during the financial year.

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, wherever applicable, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

Q) Provisions and Contingent liabilities

Provisions for legal claims, service warranties, volume discounts and returns are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

A contingent liability is possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases, where there is a liability that cannot be recognised because it cannot be measured reliably. The Group does not recognise a contingent liability but disclose its existence in the financial statements unless the probability of outflow of resource is remote.

R) Other Operating Revenues

i) Government Grant

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions.

Government grants relating to income are deferred and recognised in the profit or loss over the period necessary to match them with the costs that they are intended to compensate and presented within other income.

Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to profit or loss on a straight-line basis over the expected lives of the related assets and presented within other income.

ii) Export Benefit

Revenue from export benefits arising from Duty entitlement pass book (DEPB scheme), duty drawback scheme, merchandise export incentive scheme are recognised on export of goods in accordance with their respective underlying scheme at fair value of consideration received or receivable

S) Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief operating decision maker (CODM). CODM monitors the operating results of all strategic business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit and loss and is measured consistently with profit and loss in the financial statements.

T) Contributed equity

Equity shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

U) Dividends

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

V) Cash and Cash Equivalents

For the purpose of presentation in the Statement of Cash flows, Cash and Cash equivalents includes cash on hand, deposits held at call, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the Balance Sheet.

W) Offsetting financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Group or the counterparty.

X) Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III, unless otherwise stated.

Y) Changes in significant accounting policies

The Ministry of Corporate Affairs has notified amendments to certain Ind AS effective from 1st April 2025 (.i.e Ind AS 1, Ind AS 7, Ind AS 107 and Ind AS 12). These amendments relate to classification of liabilities with covenants, supplier finance arrangements, and Pillar Two tax rules. These amendments do not have any material impact on the financial statements of the Company, in the current or future reporting periods and on foreseeable future transactions.

Z) Significant accounting judgements, estimates and assumptions

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the assets or liabilities affected in future periods.

Judgements, Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

a) Defined benefit plan-Gratuity

The cost of defined benefit plans (i.e. Gratuity benefit) is determined using actuarial valuations. An actuarial valuation involves making various assumptions which may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and future pension increases. Due to the complexity of the valuation, the underlying assumptions and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. In determining the appropriate discount rate, management considers the interest rates of long term government bonds with extrapolated maturity corresponding to the expected duration of the defined benefit obligation. The mortality rate is based on publicly available mortality tables for the specific countries. Future salary increases and pension increases are based on expected future inflation rates for the respective countries. Further details about the assumptions used, including a sensitivity analysis, are given in Note 40.

b) Impairment of Financial assets

The impairment provisions of financial assets are based on assumptions about risk of default and expected loss rates. The Group uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

c) Warranty provision

Warranty Provisions are measured at discounted present value using pre-tax discount rate that reflects the current market assessments of the time value of money and the risks specific to the liability. A warranty provision is determined based on the historical percentage of warranty expense to sales for the same types of goods for which the warranty is currently being determined. The same percentage to the sales is applied for the current accounting period to derive the warranty expense to be accrued. It is adjusted to account for unusual factors related to the goods that were sold, such as defective inventory lying at the depots. It is very unlikely that actual warranty claims will exactly match the historical warranty percentage, so such estimates are reviewed annually for any material changes in assumptions and likelihood of occurrence.

d) Depreciation/amortisation and useful lives of property plant and equipment/intangible assets

Property, plant and equipment / Intangible assets are depreciated /amortised over their estimated useful lives, after taking into account estimated residual values. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation / amortisation to be recorded during any reporting period. The useful lives and residual values are based on the Group's historical experience with similar assets and take into account anticipated technological changes. The depreciation/amortisation for future period is revised if there are significant changes from previous estimates.

e) Events occurring after Balance Sheet date

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

f) Provisions

Provisions and liabilities are recognised in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability requires the application of judgment to existing facts and circumstances, which can be subject to change. The carrying amounts of provisions and liabilities are reviewed regularly and revised to take account of changing facts and circumstances.

g) Exceptional items

The Company presents certain items of income and expenses as 'Exceptional Items' in the Statement of Profit and Loss, when these are of such size, nature, or incidence that their separate disclosure is necessary to explain the performance of the Company for the period. These items are presented separately to provide a better understanding of the financial performance of the Company

HPL Electric & Power Limited

CIN NO.: L74899DL1992PLC048945

Notes forming part of the Consolidated Financial Statements as at and for the year ended 31st March 2026

3 Property, plant and equipment (₹ in Lakhs)

S.No.	Particulars	Gross Block				Accumulated Depreciation				Net Block
		1st April 2025	Additions	Deletion / Adjustment	31st March 2026	1st April 2025	For the year	Deletion / Adjustment	31st March 2026	31st March 2026
1	Freehold Land	14,395.01	-	-	14,395.01	-	-	-	-	14,395.01
2	Building	10,040.92	14.90	-	10,055.82	2,437.07	246.36	-	2,683.43	7,372.39
3	Plant & Machinery *	45,570.54	17,299.21	(36.56)	62,833.18	19,519.67	5,562.02	(0.67)	25,081.02	37,752.16
4	Furniture & Fittings	481.13	137.17	(5.46)	612.84	219.07	51.78	(3.45)	267.40	345.44
5	Office Equipment	159.15	96.84	(7.25)	248.74	50.67	34.07	(6.76)	77.98	170.76
6	Vehicles	989.32	135.64	(0.01)	1,124.95	214.84	120.48	-	335.32	789.63
	TOTAL	**71,636.07**	**17,683.76**	**(49.28)**	**89,270.54**	**22,441.32**	**6,014.71**	**(10.88)**	**28,445.15**	**60,825.39**

(₹ in Lakhs)

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

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

HPL Electric & Power Limited
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Notes forming part of the Consolidated Financial Statements as at and for the year ended 31st March 2026

4 CWIP ageing schedule as at March 31, 2026

(₹ in Lakhs)

S No	Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
1	Project in process at Gurugram	2,542.49	-	-	-	2,542.49
2	Project in process at Kundli	1,555.20	-	-	-	1,555.20
	Total	**4,097.69**	-	-	-	**4,097.69**

CWIP ageing schedule as at March 31, 2026

(₹ in Lakhs)

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

5 Right of use assets

(₹ in Lakhs)

Particulars	FY 25-26 Leasehold Buildings and P&M	FY 24-25 Leasehold Buildings and P&M
Gross carrying value		
As at 01 April	1,011.18	524.08
Additions	195.63	546.58
Disposals	-	(59.48)
As at 31st March	**1,206.81**	**1,011.18**
Accumulated depreciaiton		
As at 01 April	367.02	205.90
Additions	308.15	220.60
Disposals	-	(59.48)
As at 31st March	**675.17**	**367.02**
Net carrying value		
As at 31st March	**531.64**	**644.16**

6 Non-current investments

(₹ in Lakhs)

Particulars	As at 31st March 2026	As at 31st March 2025
Investment in Shares		
Apraava Bhopal Smart Meter Pvt Ltd (1,000 Equity Shares of ₹ 10 each fully paid up)	0.10	0.10
(31st March 2025: 1,000 Equity Shares of ₹ 10 each fully paid up)		
Investment in 9% Non-Convertible Cummulative Redeemable Preference Shares		
HPL India Ltd, (1,03,50,000 Pref Shares of ₹ 10 each)	1,035.00	-
Total	**1,035.10**	**0.10**
Aggregate amount of unquoted investments	**1,035.10**	**0.10**

Notes forming part of the Consolidated Financial Statements as at and for the year ended 31st March 2026

7 Loans

(Unsecured, considered good) (₹ in Lakhs)

Particulars	Non-current		Current	
	As at March 31, 2026	As at March 31, 2025	As at March 31, 2026	As at March 31, 2025
Security Deposits	257.10	186.98	176.02	160.81
Total	**257.10**	**186.98**	**176.02**	**160.81**

8 Deferred tax assets/(liability)

(₹ in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
The balance comprises temporary differences attributable to:	-	-
Provision for employee benefits	642.80	513.89
Provision for warranties	83.91	56.69
Provision for doubtful debts	394.47	534.88
Property, plant and equipment	(2,159.89)	(2,227.92)
Others	114.47	192.05
MAT credit	1,797.71	1,924.46
Total deferred tax assets	**873.47**	**994.05**

Movement in deferred tax assets (₹ in Lakhs)

Particulars	Provision for employee benefits	Provision for warranties	Provision for doubtful debts	Total
At 1st April 2024	**670.04**	**112.75**	**721.34**	**1,504.13**
(Charged)/credited:				
- to profit or loss	(156.15)	(56.06)	(186.46)	(398.67)
- to other comprehensive income	-	-	-	-
At 31st March 2025	**513.89**	**56.69**	**534.88**	**1,105.46**
(Charged)/credited:				
- to profit or losss	128.91	27.22	(140.41)	15.72
- to other comprehensive incomes	-	-	-	-
At 31st March 2026	**642.80**	**83.91**	**394.47**	**1,121.18**

Particulars	Property, plant and equipment	Others	MAT Credit	Total
At 1st April 2024	**(3,021.84)**	**531.19**	**2,060.45**	**(430.20)**
(Charged)/credited:				
- to profit or loss	793.92	(339.14)	(135.99)	318.79
- to other comprehensive income	-	-	-	-
At 31st March 2025	**(2,227.92)**	**192.05**	**1,924.46**	**(111.41)**
(Charged)/credited:				
- to profit or losss	68.03	(77.58)	(126.75)	(136.30)
- to other comprehensive incomes	-	-	-	-
At 31st March 2026	**(2,159.89)**	**114.47**	**1,797.71**	**(247.71)**

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9 Other assets

(₹ in Lakhs)

Particulars	Non-current		Current	
	As at March 31, 2026	As at March 31, 2025	As at March 31, 2026	As at March 31, 2025
Receivable on deferred basis to related parties	473.85	561.74	-	-
Prepaid Expenses	0.48	1.25	1,681.99	1,541.11
Balance with government authorities	-	-	1,229.89	1,498.42
Advance to Suppliers*	431.61	118.18	2,192.05	1,771.10
Duty drawback recoverable	-	-	2.65	8.05
Other project assets	-	-	2,862.07	3,237.87
Total	**905.94**	**681.17**	**7,968.65**	**8,056.55**

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

10 Inventories

(₹ in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
(Valued at lower of cost and net realisable value unless otherwise stated)		
a. Raw Materials and components		
(i) Raw materials	33,296.35	30,350.82
(ii) Material-in-transit	492.73	630.17
b. Work-in-progress	24,661.70	25,014.24
c. Finished goods	16,341.45	13,634.90
d. Stores and spares	58.67	36.83
Total	**74,850.90**	**69,666.96**

11 Trade Receivables

(₹ in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Unsecured		
(i) Trade receivables-considered good	76,527.34	71,367.68
(ii) Trade receivables-credit impaired	1,394.63	1,952.50
	77,921.97	73,320.18
Less: Allowances for trade receivables-credit impaired	(1,394.63)	(1,952.50)
Total	**76,527.34**	**71,367.68**

Trade receivable ageing schedule as at March 31, 2026

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment						Total
	Not due	Less than 6 Months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivable- Considered good	60,570.10	9,204.75	1,963.89	911.99	971.58	2,905.03	76,527.34
Undisputed trade receivable-Credit impaired	-	-	-	-	-	1,394.63	1,394.63
Disputed trade receivable- Considered good	-	-	-	-	-	-	-
Disputed trade receivable-Credit impaired	-	-	-	-	-	-	-
Less : Impairment allowance for trade receivables- Credit impaired	-	-	-	-	-	(1,394.63)	(1,394.63)
Total	**60,570.10**	**9,204.75**	**1,963.89**	**911.99**	**971.58**	**2,905.03**	**76,527.34**

Notes forming part of the Consolidated Financial Statements as at and for the year ended 31st March 2026

Trade receivable ageing schedule as at March 31, 2025 (₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment						Total
	Not due	Less than 6 Months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivable-Considered good	50,032.26	13,492.99	1,664.23	1,866.24	1,952.37	2,359.59	71,367.68
Undisputed trade receivable-Credit impaired	-	-	-	-	-	1,952.50	1,952.50
Disputed trade receivable-Considered good	-	-	-	-	-		-
Disputed trade receivable-Credit impaired	-	-	-	-	-		-
Less : Impairment allowance for trade receivables- Credit impaired	-	-	-	-	-	(1,952.50)	(1,952.50)
Total	**50,032.26**	**13,492.99**	**1,664.23**	**1,866.24**	**1,952.37**	**2,359.59**	**71,367.68**

12 Cash and Cash Equivalents

(₹ in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Cash and Cash equivalents		
Balances with banks	3,180.69	2,680.43
Cash on hand	89.83	36.93
	3,270.52	**2,717.36**

13 Other Bank Balances

(₹ in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Balances with Banks held as Margin Money	4,845.58	3,410.81
Total	**4,845.58**	**3,410.81**

14 Other financial assets

(₹ in Lakhs)

Particulars	Current	
	As at March 31, 2026	As at March 31, 2025
Earnest money deposit	3,344.65	875.09
Insurance claim Recoverable	47.73	47.73
Contract Asset Recoverable	210.38	709.44
Total	**3,602.76**	**1,632.26**

15 Current tax assets (Net)

(₹ in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Advance Income Tax (net of provision for tax)	64.89	-
Total	**64.89**	**-**

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Notes forming part of the Consolidated Financial Statements as at and for the year ended 31st March 2026

Current tax liability (Net)

(₹ in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Current tax liability (net of advance tax and tax deducted at source)	-	313.71
Total	-	**313.71**

16 Share Capital

(₹ in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
(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 2026		As at 31st March 2025	
	Number	Amount ₹	Number	Amount ₹
Shares outstanding at the beginning of the year	64,300,486	6,430.05	64,300,486	6,430.05
Shares Issued during the year	-	-	-	-
Shares outstanding at the end of the year	64,300,486	6,430.05	64,300,486	6,430.05

(d) Rights, Preferences and Restrictions attached to the shares

The company has only one class of equity shares having a par value of ₹10 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the company, the holders of equity shares are entitled to receive remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding. dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing annual general meeting. In the event of liquidation of the company, the holders of equity shares are entitled to receive remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

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

Name of Shareholder	As at 31st March 2026		As at 31st March 2025	
	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
HPL Electronics Private Limited	11,652,130	18.12	11,652,130	18.12

Notes forming part of the Consolidated Financial Statements as at and for the year ended 31st March 2026

(f) Shareholding of promoters:

Name of Shareholder	As at 31st March 2026		As at 31st March 2025	
	No. of Equity Shares held	% of Holding	No. of Equity Shares held	% of Holding
Mr. Lalit Seth	8,030,228	12.49	8,030,228	12.49
Mr. Rishi Seth	2,231,740	3.47	2,231,740	3.47
Mr. Gautam Seth	2,231,740	3.47	2,231,740	3.47
Mrs. Praveen Seth	2,133,098	3.32	2,133,098	3.32
HPL India Ltd	17,573,238	27.33	17,573,238	27.33
HPL Electronics Private Limited	11,652,130	18.12	11,652,130	18.12
HPL Holdings Private Limited	2,842,655	4.42	2,842,655	4.42
Jeson Imprex Private Limited	24,000	0.04	24,000	0.04

17 Reserves and Surplus

(₹ in Lakhs)

(a) Securities Premium	As at March 31, 2026	As at March 31, 2025
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 will be utilised in accordance with the provisions of the Companies Act 2013.

(₹ in Lakhs)

(b) Capital reserve	As at March 31, 2026	As at March 31, 2025
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)

(c) General Reserve	As at 31st March 2026	As at 31st March 2025
Opening Balance - General reserve	3,788.31	3,788.31
(+) Current Year Transfer	-	-
Closing Balance	**3,788.31**	**3,788.31**

General Reserve : General reserve is used to transfer profits from retained earnings for appropriation purposes. The amount is to be utilised in accordance with the provision of the Companies Act, 2013

Notes forming part of the Consolidated Financial Statements as at and for the year ended 31st March 2026

(₹ in Lakhs)

(d) Retained earnings	As at March 31, 2026	As at March 31, 2025
Opening balance - retained earnings	46,627.58	37,937.52
(+) Net Profit/(Loss) for the current year	9,101.18	9,376.93
(-) Dividend on Equity Shares	(643.00)	(643.00)
Items of other comprehensive income recognised directly in retained earnings		
- Remeasurements of post-employment benefit obligation, net of tax	48.17	(43.87)
Closing Balance	**55,133.93**	**46,627.58**
Total Reserves & Surplus (a+b+c)	**93,589.75**	**85,083.40**

Retained earnings

Retained earnings are profits that the Company has earned till date less transfer to General Reserve, dividend or other distribution or transaction with shareholders

18 Borrowings

(₹ in Lakhs)

Particulars	Non-Current	
	As at March 31, 2026	As at March 31, 2025
Secured		
Term loan from banks	6,382.77	1,986.96
Vehicle loans - from banks	100.49	102.86
Unsecured Loans		
Term loan from banks	3,500.00	-
Total	**9,983.26**	**2,089.82**

Secured term loan

The part of outstanding term loan (including current maturity of long term borrowings as per note 22) amounting to Rs. 1.82 crores is secured by way of first pari-passu charge over immovable properties of the Company with working capital lenders and also first charge on movable fixed assets financed by term lenders with FACR of 1.33 and second pari-passu charge on entire current assets of the Company AND part of term loan (including current maturity of long term borrowings as per note 22) amounting to Rs. 16.76 crores is secured by way of first pari-passu charge over entire current assets of the Company both present and future with working capital lenders and collaterally secured by way of 1st pari-passu charge on entire fixed assets of the Company excluding movable fixed assets financed by term lenders, the outstanding of which is 1.82 crores as mentioned above with FACR of 1.33 and also secured by way of 1st pari-passu charge equitable mortgage on land and building with working capital lenders and term lenders of Rs 1.82 crores as mentioned above and 2nd pari-passu charge on fixed assets financed by term lenders of Rs. 1.82 crores and also secured by way of personal guarantee of three promoter directors on entire term loans, and remaining part of term loan amounting of Rs 89.78 crores is secured by way of first charge on the fixed assets financed by them and second pari pasu charge on the current assets of the Company, and first pari passu charge by way of EM on entire immovable fixed assets at 6 locations of the Company, both present & future, with WC lenders and term lenders (i.e. INR 1.82 + 16.76 +89.78) and also secured by way of personal gurantee of three promotor Directors.

Nature	As at March 31, 2026	Interest rate	Frequency of payments	Maturity
Term Loan 1	181.94	6 Month T Bill + spread 3.35% p.a.	Quarterly	June, 2027
Term Loan 2	75.78	3 Month T Bill + spread 3.13% p.a.	Quarterly	May, 2026
Term Loan 3	1,600.00	SBI 6 Month MCLR + spread 0.65% p.a.	Quarterly	January, 2027
Term Loan 4	1,272.93	Linked with RR with spread of 300bps	Monthly	June, 2028
Term Loan 5	5,623.23	1 Month MCLR + Spread 0.15%	Quarterly	March, 2030
Term Loan 6	2,082.18	Repo rate + spread 2.45% p.a.	Monthly	July, 2029
Term Loan 7	3,500.00	"2 Month RLLR + 190 bps"	Monthly	January, 2029
Total	**14,336.06**			

The interest rates on above term loans varies from 7.15% p.a. to 9.25% p.a. Vehicles loans are secured against hypothecation of respective vehicles and are repayable in maximum 32 instalments and last date of installment is Nov, 2028. The loan carries an interest rate from 7.55% p.a. to 8.75% p.a.

Notes forming part of the Consolidated Financial Statements as at and for the year ended 31st March 2026

Maturity profile of term loans including current maturities is as below: (₹ in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Not later than one year or on demand	4,453.29	4,835.12
Later than one year but not two years	4,359.45	1,980.02
Later than two year but not three years	3,928.20	6.94
More than 3 years	1,595.12	-
Total	**14,336.06**	**6,822.08**

Maturity profile of vehicle loans including current maturities is as below: (₹ in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Not later than one year or on demand	131.55	168.04
Later than one year but not two years	80.13	68.14
Later than two year but not three years	20.36	34.72
Later than three year but not four years	-	-
Total	**232.04**	**270.90**

19 Lease liabilities

(₹ in Lakhs)

Particulars	Non-current		Current	
	As at March 31, 2026	As at March 31, 2025	As at March 31, 2026	As at March 31, 2025
Lease Liabilities (refer note 38)	309.64	388.33	223.30	233.28
Total	**309.64**	**388.33**	**223.30**	**233.28**

20 Other financial liabilities

(₹ in Lakhs)

Particulars	Non-current		Current	
	As at March 31, 2026	As at March 31, 2025	As at March 31, 2026	As at March 31, 2025
Expenses Payable	-	-	368.53	493.61
Interest Accrued but not due	-	-	59.45	37.70
Employee Benefits Payable	-	-	2,461.80	2,161.49
Security deposit received	1,226.06	1,175.64	-	-
Other liability*	-	-	1,566.49	2,433.95
Total	**1,226.06**	**1,175.64**	**4,456.27**	**5,126.75**

*Includes Rs Nil. (PY 11,000,000,10% Cumulative Compulsorily Redeemable Preference Shares)

21 Provisions

(₹ in Lakhs)

Particulars	Non-current		Current	
	As at March 31, 2026	As at March 31, 2025	As at March 31, 2026	As at March 31, 2025
(a) Provision for employee benefits				
Gratuity	1,602.05	1,155.74	251.86	182.47
Leave Encashment	-	-	553.64	495.39
	1,602.05	**1,155.74**	**805.50**	**677.86**
(b) Other Provisions				
Provision for Warranties	279.79	187.17	53.60	38.08
	279.79	187.17	53.60	38.08
Total	**1,881.84**	**1,342.91**	**859.10**	**715.94**

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.

HPL Electric & Power Limited

CIN NO.: L74899DL1992PLC048945

Notes forming part of the Consolidated Financial Statements as at and for the year ended 31st March 2026

(i) Movements in provisions

Movements in warranty provision during the financial year, are set out below: (₹ in Lakhs)

Particulars	Warranty
As at 1st April 2024	**357.74**
Charged/(credited) to profit or loss	
- additional provisions recognised	300.31
- unused amounts reversed	
- unwinding of discount	(7.49)
Amounts used during the year	(425.31)
As at 31st March 2025	**225.25**
Charged/(credited) to profit or loss	
- additional provisions recognised	200.00
- unused amounts reversed	
- unwinding of discount	3.39
Amounts used during the year	(95.25)
As at 31st March 2026	**333.39**

22 Short Term Borrowings

(₹ in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Loans repayable on demand		
-Secured Loans		
- From Banks	60,407.42	56,215.55
- Current maturities of long term borrowings	4,453.29	4,835.12
- Current maturities of vehicle loans	131.56	168.04
Total	**64,992.27**	**61,218.71**

1. Working capital facilities (Fund based and Non Fund Based) are availed from consortium of banks led by State Bank of India. The lead bank has linked its cash credit interest rate with 3 months MCLR + spread 0.0% with three monthly reset. and WCL interest with applicable T Bill linked to the tenure of WCL facility and these working capital facilities are repayable on demand. Working capital facilities alongwith term lenders of Rs 16.76 Crores are secured by way of first pari passu charge over entire current assets of the Company including stock and receivables both present and future and first charge on pari passu basis over Company's entire fixed assets (excluding movable fixed assets financed by Term Lenders the outstanding of which is Rs. 1.82 Crores with FACR of 1.33 on which Term lenders have first pari passu charge). Working Capital lenders have also 1st pari passu charge by way of EM on land and building with Term Lenders Rs 1.82 Crore + 89.78 Crore at Company's 6 manufacturing locations. Working capital facilities and term loans are also secured by personal guarantees of three promoter directors and further secured by subservient charge over the movable fixed assets of the Company created out of the proceeds of the outstanding terms loans of (Rs 1.82 Crore + Rs 89.78 Crore) along with FACR of 1.33 both present and future.

2. Working capital facilities are availed from Canara Bank. The Bank has linked its interest rate with RLLR + spread of 0.45% p.a. and are repayable in demand.

   Working capital facilities (fund based and non fund based) are secured by exclusive charge on the entire current assets of the company including stocks, receivables, other current assets etc. both present and future and collateral secured by EMT on the industrial land & building situated at Khewat/ Khatanui No. 13/14 Khasra No. 42 to 55 situated at Shevala, Pargana Basal Dist. Solan, Himachal Pradesh Admeasuring total area 8 Bigha 3, Biswa in the name of Company and also have exclusive charge on the entire movable fixed assets (both present and future) and also secured by personal guarantees of promotor directors of the holding company.

Notes forming part of the Consolidated Financial Statements as at and for the year ended 31st March 2026

Net Debt Reconciliation

This section sets out an analysis of net debt and the movements in net debt for each of the periods presented

(₹ in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Cash and cash equivelents	8,116.10	6,128.17
Long term borrowings	(14,568.11)	(7,092.97)
Short term borrowings	(60,407.42)	(56,215.56)
Net debt	**(66,859.43)**	**(57,180.36)**

(₹ in Lakhs)

Particulars	Cash and cash equivalents	Long term Borrowings	Short term borrowings	Total
Net debt as at 1st April 2024	**5,892.49**	**(14,213.38)**	**(48,087.25)**	(56,408.14)
Cash flows	235.68	-	-	235.68
Repayment/(Proceeds) working capital loan (net)	-	-	(8,128.31)	(8,128.31)
Repayment/(Proceeds) secured term loan	-	7,230.42	-	7,230.42
Interest accrued	-	(110.00)	-	(110.00)
Net debt as at 31st March 2025	**6,128.17**	**(7,092.96)**	**(56,215.56)**	**(57,180.35)**
Cash flowss	1,987.93	-	-	1,987.93
Repayment/(Proceeds) working capital loan (net)	-	-	(4,191.86)	(4,191.86)
Repayment/(Proceeds) secured term loan	-	(7,475.15)	-	(7,475.15)
Interest accrued	-	-	-	-
Net debt as at 31st March 2026	**8,116.10**	**(14,568.11)**	**(60,407.42)**	**(66,859.43)**

Utilised amount of bank guarantees (performance and bid bonds) as at 31st March 2026 : ₹ 52,780.03/- lakhs (PY ₹ 46,333.28/- lakhs)

23 Trade Payables

(₹ in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Trade Payables		
(a) Total outstanding of Micro and Small Enterprises under MSMED Act, 2006* (Refer note 39)	1,382.60	1,745.09
(b) Total outstanding of creditors other than Micro and Small Enterprises	52,175.81	41,239.08
Total	**53,558.41**	**42,984.17**

Trade payable ageing schedule as at March 31, 2026

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment					Total
	Not due	Less than 1 Year	1-2 years	2-3 years	More than 3 years	
Trade payables-MSME	1,382.60	-	-	-	-	1,382.60
Trade payables-Others	11,800.35	40,375.46	-	-	-	52,175.81
Disputed dues- MSME	-	-	-	-	-	-
Disputed dues- Others	-	-	-	-	-	-
Total	**13,182.95**	**40,375.46**	-	-	-	**53,558.41**

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Notes forming part of the Consolidated Financial Statements as at and for the year ended 31st March 2026

Trade payable ageing schedule as at March 31, 2025 (₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment					Total
	Not due	Less than 1 Year	1-2 years	2-3 years	More than 3 years	
Trade payables-MSME	1,745.09	-	-	-	-	1,745.09
Trade payables-Others	10,260.12	30,791.77	-	-	187.19	41,239.08
Disputed dues- MSME	-	-	-	-	-	-
Disputed dues- Others	-	-	-	-	-	-
Total	**12,005.21**	**30,791.77**	**-**	**-**	**187.19**	**42,984.17**

24 Other Current Liabilities

(₹ in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Statutory dues payable	2,085.61	2,160.39
Unpaid Dividend	2.79	2.76
Total	**2,088.40**	**2,163.15**

* As per the provisions of the Companies act 2013, during the year Company has transferred unpaid dividend balance of Rs 0.98/- lakhs (PY. Rs 1.16/- lakhs) related to FY 2017-18 to Investor's Education and Protection Fund (IEPF).

25 Revenue from operation

(₹ in Lakhs)

Particulars	Year ended 31st March, 2026	Year ended 31st March, 2025
Sale of Products		
Finished Goods	181,109.67	170,024.40
Total	**181,109.67**	**170,024.40**

Particulars of Sale of products (₹ in Lakhs)

Particulars	Year ended 31st March, 2026	Year ended 31st March, 2025
Finished goods		
Metering, Systems & Services	102,643.15	107,560.92
Consumer, Industrial & Services	78,466.52	62,463.48
Total	**181,109.67**	**170,024.40**

26 Other Income

(₹ in Lakhs)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Interest income from financial assets at amortised cost	449.18	454.41
Other non-operating income	34.15	33.54
Total	**483.33**	**487.95**

27 Particulars of Raw Materials Consumed

(₹ in Lakhs)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Copper	28,547.57	22,726.07
Electronic Components	51,804.63	63,314.64
Engineering Plastic	23,482.52	22,945.15
Packing	1,921.40	1,958.83
Others	12,498.69	11,342.92
Total	**118,254.81**	**122,287.61**

Notes forming part of the Consolidated Financial Statements as at and for the year ended 31st March 2026

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

(₹ in Lakhs)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Inventories (at close)		
Finished Goods	16,341.45	13,634.90
Work-in-Progress	24,661.70	25,014.24
	41,003.15	**38,649.14**
Inventories (at commencement)		
Finished Goods	13,634.90	10,259.52
Work-in-Progress	25,014.24	16,565.76
	38,649.14	**26,825.28**
Total	**(2,354.01)**	**(11,823.86)**

29 Employee Benefits Expense

(₹ in Lakhs)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Salaries and wages	20,760.79	19,074.69
Contribution to provident and other funds	341.70	308.49
Staff welfare expenses	287.59	554.08
Total	**21,390.08**	**19,937.26**

30 Finance Cost

(₹ in Lakhs)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Interest expenses	7,843.93	7,218.29
Interest on lease liability (*refer note no 38)	68.82	64.54
Other borrowing costs- Bank Charges	1,498.45	1,579.49
Interest expense on financial liabilities measured at amortized cost	-	110.00
Total	**9,411.20**	**8,972.32**

31 Depreciation and Amortization Expenses

(₹ in Lakhs)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Depreciation on property, plant and equipment	6,014.71	3,995.76
Depreciation of right-of-use assets	308.15	220.60
Total	**6,322.86**	**4,216.36**

Notes forming part of the Consolidated Financial Statements as at and for the year ended 31st March 2026

32 Other Expenses

(₹ in Lakhs)

Particulars	Year ended 31st March, 2026	Year ended 31st March, 2025
Power and Fuel	1,749.80	1,455.75
Job Work Charges	526.99	230.50
Rent	426.74	279.88
Repairs & Maintenance	1,902.98	1,727.85
Research & Development Expenses	1,362.48	1,012.20
Testing Expenses	685.67	811.72
Rates and taxes excluding taxes on income	373.62	177.62
Legal & Professional Expenses	972.92	857.34
Travelling & Conveyance	1,594.48	1,549.90
Communication Expenses	150.53	133.10
Printing & Stationery	113.30	109.23
Insurance	415.10	315.87
Membership & Subscription	53.08	26.03
Commission on sales	830.31	911.29
Provision for expected credit loss	50.41	224.42
Advertisement and business promotion	1,828.74	2,054.04
Freight Outward	2,084.79	1,708.66
Product Warranties	191.32	277.48
Loss on sale of Fixed Assets	38.13	79.13
Donation	120.56	111.57
Auditors remuneration	31.10	26.85
Contribution towards Corporate Social Responsibility	171.15	77.00
Miscellaneous Expenses	1.19	0.80
Total	**15,675.39**	**14,158.23**

32(a) Auditor's Remuneration

(₹ in Lakhs)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Audit Fees	26.25	22.60
Tax Audit Fees	4.85	4.25

32(b) Corporate Social Responsibility Expenditure :-

As per the provisions of section 135 of the Companies Act, 2013, the Company has to spend at least 2% of average net profits of the preceding three financial years towards Corporate Social Responsibility ("CSR"). Accordingly, a CSR committee has been formed for carrying out CSR activities. The areas for CSR activities are promoting education including special education and promoting healthcare including preventive health care.

(₹ in Lakhs)

Details of CSR Expenditure		Year ended March 31, 2026	Year ended March 31, 2025
a)	**Gross amount required to be spent by the Company during the year**	161.44	78.23
b)	**Amount spent during year ended 31st March 2025**		
	Contribution/acquisition of an asset	-	-
	Contribution to other purpose other than above	171.15	77.00
	Add : Excess spent amount from previous year utilized during the current year	6.96	8.19
Total amount spent		**178.11**	**85.19**
Excess/(short) (a-b)	**Excess spent to be carry forward to next year financial year**	**16.67**	**6.96**

Notes forming part of the Consolidated Financial Statements as at and for the year ended 31st March 2026

33 Income tax expense

(₹ in Lakhs)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Current tax		
Current tax on profits for the year	3,119.59	3,270.93
Total current tax expense	**3,119.59**	**3,270.93**
Deferred tax		
Deferred tax expense/(income) for the period	(23.60)	(41.20)
MAT credit entitlement/Setoff	126.75	135.99
Total deferred tax expense/(benefit)	**103.15**	**94.79**
Income tax expense	**3,222.74**	**3,365.72**

(₹ in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Profit before income tax expense	12,347.99	12,764.43
Tax at the Indian tax rate of 25.168% (31st March 2024 – 34.944%)	3,161.57	3,268.28
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Corporate social responsibility expenditure	43.61	19.38
Interest due on preference shares	-	32.03
Interest on late payment	20.39	-
Loss on sale/scrap of FA	9.60	17.94
Other items	(12.43)	28.09
Income tax expense	**3,222.74**	**3,365.72**

34 Earnings per share

(₹ in Lakhs)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
(i) Profit after tax	9,101.18	9,376.93
(ii) Weighted average number of equity shares for basic EPS	64,300,486	64,300,486
(iii) Weighted average number of equity shares for dilutive EPS	64,300,486	64,300,486
(iv) Nominal value per Equity Shares	10	10
(v) Earning Per Share (Basic)	14.15	14.58
(vi) Earning Per Share (Dilutive)	14.15	14.58

35 Fair value measurements

(₹ in Lakhs)

Financial instruments by category	31st March 2026		31st March 2025	
	FVTPL	Amortised cost	FVTPL	Amortised cost
Financial assets				
Trade receivables	-	76,527.34	-	71,367.68
Loans	-	433.12	-	347.79
Cash and Bank Balances	-	8,116.10	-	6,128.17
Investments	-	1,035.00	-	-
Other Financial Assets	-	3,602.76	-	1,632.26
Total financial assets	**-**	**89,714.32**	**-**	**79,475.90**
Financial liabilities				
Borrowings	-	74,975.53	-	63,308.53
Trade payables	-	53,558.41	-	42,984.17
Other Financial Liabilities	-	6215.27	-	6,924.00
Total financial liabilities	**-**	**134,749.21**	**-**	**113,216.70**

Notes forming part of the Consolidated Financial Statements as at and for the year ended 31st March 2026

(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, 2026	Level 1	Level 2	Level 3	Total
Financial assets				
Trade receivables	-	-	76,527.34	76,527.34
Loans	-	-	433.12	433.12
Cash and bank balances	-	-	8,116.10	8,116.10
Investments	-	-	1,035.00	1,035.00
Other financial assets	-	-	3,602.76	3,602.76
Total financial assets	**-**	**-**	**89,714.32**	**89,714.32**
Financial liabilities				
Borrowings	-	-	74,975.53	74,975.53
Trade payables	-	-	53,558.41	53,558.41
Other financial liabilities	-	-	6,215.27	6,215.27
Total financial liabilities	**-**	**-**	**134,749.21**	**134,749.21**
As at March 31, 2025				
Financial assets				
Trade receivables	-	-	71,367.68	71,367.68
Loans	-	-	347.79	347.79
Cash and bank balances	-	-	6,128.17	6,128.17
Other financial assets	-	-	1,632.26	1,632.26
Total financial assets	**-**	**-**	**79,475.90**	**79,475.90**
Financial liabilities				
Borrowings	-	-	63,308.53	63,308.53
Trade payables	-	-	42,984.17	42,984.17
Other financial liabilities	-	-	6,924.00	6,924.00
Total financial liabilities	**-**	**-**	**113,216.70**	**113,216.70**

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 2026 and 31st March 2025 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.

Notes forming part of the Consolidated Financial Statements as at and for the year ended 31st March 2026

(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, 2026.

Movement in ECL on trade receivable: (₹ in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
At the beginning of year	1,952.50	1,811.29
Provision during the year	50.41	224.42
Bad debts written off	(608.28)	(83.21)
Total ECL	**1,394.63**	**1,952.50**

(B) Liquidity risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at reasonable price. The Company's objective is to at all times maintain optimum levels of liquidity to meet its cash and liquidity requirements. The Company closely monitors its liquidity position and maintains adequate source of financing through the use of short term bank deposits and cash credit facility. Processes and policies related to such risks are overseen by senior management.

(i) Maturities of financial liabilities

The table below provides details regarding the contractual maturities of significant financial liabilities:

Contractual maturities of financial liabilities: (undiscounted) (₹ in Lakhs)

Particulars	Less than 1 year	1 to 5 years	Total
31st March 2026			
Borrowings	64,992.27	9,983.26	74,975.53
Trade payables	53,558.41	-	53,558.41
Lease liabilities (undiscounted)	265.46	337.72	603.18
Other financial liabilities	4,456.27	1,226.06	5,682.33
Total	**123,272.41**	**11,547.04**	**134,819.45**
31st March 2025			
Borrowings	61,218.71	2,089.82	63,308.53
Trade payables	42,984.17	-	42,984.17
Lease liabilities (undiscounted)	284.83	438.60	723.43
Other financial liabilities	5,126.75	1,175.64	6,302.39
Total	**109,614.46**	**3,704.06**	**113,318.52**

(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 2026. 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 2026.

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(i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. There Company is exposed to risk of changes in borrowing rates. The Board continuously monitors the prevailing interest rates in the market.

Interest rate risk exposure

The exposure of the group's borrowing to interest rate changes at the end of the reporting period are as follows:

Sensitivity

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates. (₹ in Lakhs)

Particulars	Impact on profit after tax	
	31st March 2026	31st March 2025
Interest rate (increase by 100 basis points)*	(749.76)	(633.09)
Interest rate (decrease by 100 basis points)*	749.76	633.09

* Holding other variables constant

(ii) Foreign currency risk

The company operates internationally and is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the trade receivables and payables. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the company's functional currency (INR).

The Company's exposure to foreign currency risk at the end of the reporting period expressed in INR, are as follows

(₹ in Lakhs)

Particulars	As at March 31, 2026		As at March 31, 2025	
	Foreign currency	Indian Rupee	Foreign currency	Indian Rupee
Trade receivables				
United States Dollar (USD)	21.65	2,049.17	20.06	1,717.18
Great Britain Pound (GBP)	0.77	97.20	-	-
Australian Dollar (AUD)	0.37	24.07	0.49	26.51
Euro (EUR)	0.74	80.21	0.43	39.40
Net exposure to foreign currency risk (assets)		**2,250.65**		**1,783.09**
Trade payables				
United States Dollar (USD)	119.53	11,312.92	83.53	7,148.37
Euro (EUR)	0.02	1.66	0.03	2.91
Japanese Yen (JPY)	0.15	0.09	48.15	27.50
Net exposure to foreign currency risk (liabilities)		**11,314.67**		**7,178.78**

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.

Notes forming part of the Consolidated Financial Statements as at and for the year ended 31st March 2026

(₹ in Lakhs)

Particulars	Impact on profit after tax	
	31st March 2026	31st March 2025
USD sensitivity		
INR/USD - Increase by 1%*	(92.64)	(54.31)
INR/USD - Decrease by 1%*	92.64	54.31
EUR sensitivity		
INR/EUR - Increase by 1%*	0.79	0.36
INR/EUR - Decrease by 1%*	(0.79)	(0.36)
GBP sensitivity		
INR/GBP - Increase by 1%*	0.97	-
INR/GBP - Decrease by 1%*	(0.97)	-
JPY sensitivity		
INR/JPY - Increase by 1%	(0.00)	(0.28)
INR/JPY - Decrease by 1%	0.00	0.28
AUD sensitivity		
INR/AUD - Increase by 1%	0.24	0.27
INR/AUD - Decrease by 1%	(0.24)	(0.27)

* 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 2026, 31st March 2025.

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 2026	31st March 2025
Borrowings	74,975.53	63,308.53
Cash and Bank Balances	(8,116.10)	(6,128.17)
Net debt	**66,859.43**	**57,180.36**
Equity	100,254.44	91,723.60
Net debt to equity ratio	66.69%	62.34%

(₹ in Lakhs)

(b) Dividends	31st March 2026	31st March 2025
(i) Equity shares		
Final dividend for the year ended March 31, 2025 of INR 1.00	(643.00)	(643.00)
(March 31, 2024 – INR 1.00) per fully paid share		

Notes forming part of the Consolidated Financial Statements as at and for the year ended 31st March 2026

(ii) Dividends not recognised at the end of the reporting period

In addition to the above dividends, since year end the directors have recommended the payment of a final dividend of ₹ 1.00 per (10%) fully paid equity share. This proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting.

38. Leases

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

At the date of commencement of the lease, the Group recognises a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases), variable lease and low value leases. For these short-term, variable lease and low value leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying value may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely 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, 2026.

(₹ in Lakhs)

Particulars	FY 25-26 ROU Asset Leasehold Buildings and P&M	FY 24-25 ROU Asset Leasehold Buildings
Gross carrying value		
As at 01 April	**644.16**	**318.18**
Additions	195.63	546.58
Deletion during the year	-	-
Depreciation of Right of use assets	(308.15)	(220.60)
Net carrying value 'As at 31 March	**531.64**	**644.16**

Notes forming part of the Consolidated Financial Statements as at and for the year ended 31st March 2026

ii) The following is the carrying value of lease liability for the year ended March 31, 2026 (₹ in Lakhs)

Particulars	Leasehold Buildings and P&M	Leasehold Buildings
As at 01 April	**621.61**	**351.22**
Additions	195.63	546.59
Finance cost accrued during the year	68.82	64.54
Deletion during the year	-	-
Payment of lease liabilities	(353.12)	(340.74)
Net carrying value 'As at 31 March	**532.94**	**621.61**
Current maturities of Lease Liability	223.30	233.28
Non-Current Lease Liability	309.64	388.33

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 2026 ₹1,382.60/-(P.Y. ₹ 1,745.09/- 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 2026 – 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 2026 – 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 2026	As at 31st March 2025
Employer's contribution to Provident Fund	317.05	284.86
Employer's contribution to ESI	19.83	19.81
Employer's contribution to Welfare Fund	4.82	3.82
Total	**341.70**	**308.49**

b Defined Benefit Plans

The following tables summaries the components of net benefit expense recognised in the statement of profit or loss and the funded status and amounts recognised in the balance sheet for the respective plans:

Notes forming part of the Consolidated Financial Statements as at and for the year ended 31st March 2026

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

(₹ in Lakhs)

Particulars	Gratuity (Non Funded)	
	As at 31st March 2026	As at 31st March 2025
Defined Benefit obligation at beginning of the year	1,338.21	1,130.54
Current Services Cost	210.49	150.87
Interest Cost	94.21	81.96
Past Service Cost net off curtailment Gain/Losses	398.60	-
Benefit paid	(121.58)	(84.02)
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	(66.03)	58.86
Defined Benefit obligation at end of the year	**1,853.90**	**1,338.21**

Note: Consequent to the implementation of the Code on Wages, 2019, the Company has reassessed the definition of wages applicable for employee benefits, resulting in a change impacting past service. Based on initial discussions and representations from management, the resultant impact of Rs 724.67/- lakhs has been treated as a past service cost and has been recognised through profit or loss in accordance with Ind AS 19.

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

(₹ in Lakhs)

Particulars	As at 31st March 2026	As at 31st March 2025
Present value of defined benefit obligation	1,853.90	1,338.21
Amount recognised in Balance Sheet- Asset / (Liability)	**1,853.90**	**1,338.21**

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

(₹ in Lakhs)

Particulars	As at 31st March 2026	As at 31st March 2025
Current Service Cost	210.49	150.87
Past Service Cost net off curtailment Gain/Losses	398.60	-
Interest Cost	94.21	81.96
Net defined benefit expense debited to statement of profit and loss	**703.30**	**232.83**

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

(₹ in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Actuarial changes arising from changes in demographic assumptions	-	-
Actuarial changes arising from changes in financial assumptions	-	-
Actuarial changes arising from changes in experience adjustments	(66.03)	58.86
Recognised in other comprehensive income	**(66.03)**	**58.86**

iv) Principal assumptions used in determining defined benefit obligation

Mortality table	IALM 2012-14 Ultimate	IALM 2012-14 Ultimate
Discount Rate	7.90 % p.a	7.04 % p.a
Rate of escalation in salary(per annum)	5.00 % p.a	5.00 % p.a
Withdrawal rate (Per Annum)	1 - 5 % p.a	1 - 5 % p.a

Notes forming part of the Consolidated Financial Statements as at and for the year ended 31st March 2026

1. The estimates of rate of escalation in salary considered in actuarial valuation are after taking into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is as certified by the Actuary.

2. Discount rate is based on the prevailing market yields of Indian Government securities as at the balance sheet date for the estimated term of the obligations.

v) Quantitative sensitivity analysis for significant assumptions is as below: (₹ in Lakhs)

Increase / (decrease) on present value of defined benefits obligations at the end of the year	As at March 31, 2026	As at March 31, 2025
Discount Rate		
Increase by 1%	1,715.40	1,229.37
Decrease by 1%	2,001.98	1,455.15
Salary Increase		
Increase by 1%	1,993.68	1,456.08
Decrease by 1%	1,720.84	1,227.58

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

vi) Maturity profile of defined benefit obligation (undiscounted) (₹ in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Within the next 12 months (next annual reporting period)	251.86	182.47
Between 2 and 5 years	361.10	242.78
Between 5 and 10 years	1,240.94	912.96
Total expected payments	**1,853.90**	**1,338.21**

vii) The average duration of the defined benefit plan obligation at the end of the reporting period is 13.59 years (31st March 2025: 13.32 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.

41 Segment Reporting

a) The segment reporting of the Group has been prepared in accordance with Ind AS-108, “Operating Segment” (specified under section 133 of the Companies Act, 2013, read with Rule 7 of Companies (Accounts) Rules, 2015). For management purposes, the company is organised into business units based on its products and services and has identified two reportable segments viz Metering, Systems & Services and Consumer, Industrial & Services on the basis of the nature of products, the risk return profile of individual business and the internal business reporting systems.

b) Revenue and expenses have been identified to a segment on the basis of relationship to operating activities of the segment. Revenue and expenses which relate to enterprise as a whole and are not allocable to a segment on reasonable basis have been disclosed as “Unallocated”.

c) Segment assets and segment liabilities represent assets and liabilities in respective segments. Investment, tax related assets and other assets and liabilities that cannot be allocated to a segment on reasonable basis have been disclosed as “Unallocated”

Notes forming part of the Consolidated Financial Statements as at and for the year ended 31st March 2026

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

(₹ in Lakhs)

	Revenue	As at March 31, 2026	As at March 31, 2025
(A)	**Segment Revenue**		
	Metering, Systems & Services	102,643.15	107,560.92
	Consumer, Industrial & Services	78,466.52	62,463.48
		181,109.67	**170,024.40**
(B)	**Results**		
	Segment Results		
	Metering, Systems & Services	17,988.08	18,298.72
	Consumer, Industrial & Services	8,010.66	7,150.76
		25,998.74	**25,449.48**
	Unallocated expenses net of income	3,694.87	3,712.73
	Operating Profit	22,303.87	21,736.75
	Interest Expenses	9,411.20	8,972.32
	Exceptional items	544.68	-
	Profit before tax	12,347.99	12,764.43
	Tax Expenses	3,222.74	3,365.72
	Profit after tax	**9,125.25**	**9,398.71**
(C)	**Other Information**		
	Segment Assets		
	Metering, Systems & Services	152,941.18	131,767.08
	Consumer, Industrial & Services	85,655.08	76,333.99
	Unallocated	1,236.73	1,374.94
		239,832.99	**209,476.01**
	Segment Liabilities		
	Metering, Systems & Services	39,345.38	31,030.82
	Consumer, Industrial & Services	24,959.35	20,624.06
	Unallocated	75,273.82	66,097.53
		139,578.55	**117,752.41**
	Capital Expenditure		
	Metering, Systems & Services	12,470.40	6,896.25
	Consumer, Industrial & Services	5,213.36	723.97
		17,683.76	**7,620.22**
	Depreciation		
	Metering, Systems & Services	4,763.57	2,960.29
	Consumer, Industrial & Services	1,559.29	1,256.07
		6,322.86	**4,216.36**
	Segment Revenue		
	The following is the distribution of Company's revenue by geographical market :-		
	Domestic Market	178,203.69	167,204.70
	Overseas Market	2,905.98	2,819.70
		181,109.67	**170,024.40**

42 Related Party Disclosure

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

(A) Entities in which directors are interested:

(1) HPL India Limited
(2) HPL Power Corporation Limited
(3) HPL Electronics Private Limited
(4) Jesons Impex Private Limited
(5) Amerex Private Limited
(6) HPL Holdings Private Limited
(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

Notes forming part of the Consolidated Financial Statements as at and for the year ended 31st March 2026

(C) Non Executive Directors

(1) Mr. Hargovind Sachdev (up to 12.04.2025)
(2) Mrs. Rashmi Viz
(3) Mr. Dhruv Goyal
(4) Mr. Ajit Sood (* Appointed w.e.f 13.04.2025)

(D) Relatives of Key Management Personnel

(1) Mrs. Praveen Seth
(2) Mrs. Pooja Seth
(3) Mrs. Vani Seth
(4) Mr. Achintya Seth (*Appointed as Management Trainee w.e.f 15.04.2025)
(5) Ms. Amartiy Seth (*Appointed as Management Trainee for a period from 15.04.2025 to 31.07.2025)

(iii) Key management personnel compensation (₹ in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Short-term employee benefits	724.27	698.83
Dividend paid during the year	124.94	124.94
Total Compensation	**849.21**	**823.77**

(iv) Details of tranactions with Related Parties:- (₹ in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Purchase of services		
1. HPL India Ltd	360.05	458.02
Sale of Services		
1. HPL India Ltd	56.51	-
Dividend paid to entities in which directors are interested		
1. HPL Electronics Private Limited	116.52	116.52
2. HPL Holdings Private Limited	28.43	28.43
3. HPL India Ltd	175.73	175.73
4. Jesons impex Pvt Ltd	0.24	0.24
Transaction with Key Managerial Person Managerial Remuneration		
1. Managerial Remuneration	724.27	698.83
2. Director sitting fees	14.95	12.60
3. Dividend Paid	124.94	124.94
Transaction with relatives of Key Managerial Person		
1. Dividend Paid	21.33	21.33
2. Remuneration/Stipend	18.36	-

Notes forming part of the Consolidated Financial Statements as at and for the year ended 31st March 2026

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

(₹ in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Deferred receivables		
1. HPL India Ltd	473.85	561.74
Loans and advances		
1. HPL India Ltd	-	844.16
Other financial liability		
11,000,000,10% Cumlative Compulsorily Redeemable Preference Shares		
Mr Lalit Seth	-	750.75
Mr Praveen Seth	-	536.25
Mr Rishi Seth	-	429.00
Mr Gautam Seth	-	429.00

The transactions with related parties were undertaken in the ordinary course of business and on normal commercial terms. 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 2026, The Group has not recorded any impairment of receivables relating to amounts owed by related parties .This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

43 a) Interests in other entities

The entities on which the group exercises control as at 31st March 2026 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 March 31, 2026	As at March 31, 2025
Himachal Energy Private Limited	Manufacturing	India	97.15	97.15
HPL Electric & Power Pvt.Ltd.- Shriji Designs	Lighting Projects	India	-	97
HPL Electric & Power Pvt.Ltd. Trimurthi Hitech Co. Pvt. Ltd.- Shriji Designs	Lighting Projects	India	-	94

Name of entity	Principal activities	Place of business/ country of incorporation	Ownership interest held by non-controlling interests (in %)	
			As at March 31, 2026	As at March 31, 2025
Himachal Energy Private Limited	Manufacturing	India	2.85	2.85
HPL Electric & Power Pvt.Ltd.- Shriji Designs	Lighting Projects	India	-	3
HPL Electric & Power Pvt.Ltd. Trimurthi Hitech Co. Pvt. Ltd.- Shriji Designs	Lighting Projects	India	-	6

Note: HPL Electric & Power Pvt Ltd-Shriji Designs & HPL Electric & Power Pvt.Ltd. Trimurthi Hitech Co. Pvt. Ltd.-Shriji Designs ceased to be JV partner w.e.f 31.03.2026.

Notes forming part of the Consolidated Financial Statements as at and for the year ended 31st March 2026

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 March 31, 2026	As at March 31, 2025
Current assets	6,394.20	6,807.28
Current liabilities	4,593.06	5,132.77
Net current assets	1,801.14	1,674.51
Non-current assets	6,532.17	5,807.04
Non-current liabilities	99.96	107.35
Net non-current assets	6,432.21	5,699.69
Net assets	**8,233.35**	**7,374.20**
Accumulated NCI	**234.64**	**210.15**

(₹ in Lakhs)

Summarised statement of profit & loss	As at March 31, 2026	As at March 31, 2025
Revenue	19,722.74	10,336.20
Profit for the year	844.46	764.13
Other comprehensive income	14.69	(2.63)
Total comprehensive income	**859.15**	**761.50**
Profit allocated to NCI	24.49	21.70
Dividends paid to NCI	-	-

(₹ in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Cash flows from operating activities	1,752.43	777.45
Cash flows from investing activities	(1,118.52)	(59.33)
Cash flows from financing activities	(158.26)	(672.44)
Net increase/ (decrease) in cash and cash equivalents	**475.65**	**45.68**

44 Statutory Group information

Additional information as required under Schedule III to the Companies Act, 2013 of enterprises consolidated as Subsidiaries:

(₹ in Lakhs)

Name of Enterprises	Net Assets, i.e. Total Assets minus Total Liabilities		Share in Profit & Loss	
	As % of Consolidated Net Assets	Amount	As % of Consolidated Profit & Loss	Amount
Parent Company				
HPL Electric & Power Ltd	91.79%	92,021.10	91.02%	8,306.16
Subsidiary Companies				
Himachal Energy Pvt Ltd	8.21%	8,233.34	9.89%	902.64
HPL Electric & Power Pvt Ltd-Shriji Designs	0.00%	-	-0.24%	(22.21)
HPL Electric & Power Pvt.Ltd. Trimurthi Hitech Co. Pvt. Ltd.-Shriji Designs	0.00%	-	-0.67%	(61.34)
Total	**100.00%**	**100,254.44**	**100.00%**	**9,125.25**

Notes forming part of the Consolidated Financial Statements as at and for the year ended 31st March 2026

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	69.77%	33.90	90.91%	8,340.06
Subsidiary Companies				
Himachal Energy Pvt Ltd	30.23%	14.69	10.00%	917.33
HPL Electric & Power Pvt Ltd-Shriji Designs	0.00%	-	-0.24%	(22.21)
HPL Electric & Power Pvt.Ltd. Trimurthi Hitech Co. Pvt. Ltd.-Shriji Designs	0.00%	-	-0.67%	(61.34)
Total	**100.00%**	**48.59**	**100.00%**	**9,173.84**

45 The Company do not have any outstanding commercial paper period ending 31st March, 2026. (P Y ₹ Nil)

46 Operating leases

The Company has taken various residential/ commercial premises under cancellable operating leases. These lease agreements are normally renewed on expiry. There are no restrictions placed upon the company by entering into these leases. Lease payments recognized in the Statement of Profit & Loss as rent expenses for the year.

47 Contingent Liabilities:

(₹ in Lakhs)

S.No	Name of Statute	Description	As at 31st March 2026	As at 31st March 2025
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	Employee's Provident Fund Act, 1952	Demand for EPF before EPF appellate, Tribunal, New Delhi.	2.40	2.40
6	Haryana Vat Act, 2003	Demand for sales tax before Haryana Tax Tribunal for 2013-14	80.59	80.59
7	Haryana Vat Act, 2003	Haryana Tax Tribunal, Chandigarh-Final demand after Rectification on 31.07.2017 (Revision Pending)	-	3.61
8	Haryana Vat Act, 2003	Haryana Tax Tribunal, Chandigarh-Pending for Rectification for 2012-13	-	1.97
9	Haryana Vat Act, 2003	Haryana Tax Tribunal, Chandigarh-Pending for Rectification for 2013-14	-	3.73
10	Haryana Vat Act, 2003	Haryana Tax Tribunal, Chandigarh-Pending for Rectification for 2014-15	-	0.52
11	Haryana Vat Act, 2003	Demand for sales tax before Jt Excise Excise & Taxation Commissioner, Ambala for 2014-15	-	55.72
12	Haryana Vat Act, 2003	Demand for Sales Tax before Haryana Tax, Tribunal, Rohtak for 2015-16	-	41.89

Notes forming part of the Consolidated Financial Statements as at and for the year ended 31st March 2026

S.No	Name of Statute	Description	As at 31st March 2026	As at 31st March 2025
13	Central Excise Act, 1944	Demand for Excise Duty before Deputy Comm.Central GST Gurgram for 2016-17.	1.72	1.72
14	Finance Act, 1994	Demand for Service Tax Credit before Asstt. Commissioner Gurugram for 2015-16 to 2017-18	14.78	14.78
15	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
16	Haryana Vat Act, 2003	Demand for Sales Tax before Haryana Tax, Tribunal, Rohtak for 2016-17	-	73.54
17	CGST Act, 2017	Demand for GST before Joint Excise and Taxation Commissioner Gurgaon (West) Ward 1:Gurgaon (West):Gurgaon Haryana for 2017-18	54.80	54.80
18	CGST Act, 2017	Demand for GST before Joint Excise and Taxation Commissioner Gurgaon (West) Ward 1:Gurgaon (West):Gurgaon Haryana for 2017-18	69.05	69.05
19	CGST Act, 2017	Demand for GST before Joint Excise and Taxation Commissioner Gurgaon (West) Ward 1:Gurgaon (West):Gurgaon Haryana for 2018-19	6.30	6.30
20	CGST Act, 2017	Demand for GST before Joint Excise and Taxation Commissioner Gurgaon (West) Ward 1:Gurgaon (West):Gurgaon Haryana for 2019-20	10.04	10.04
21	CGST Act, 2017	Demand for GST before Joint Excise and Taxation Commissioner Gurgaon (West) Ward 1:Gurgaon (West):Gurgaon Haryana for 2020-21	54.08	54.08
22	CGST Act, 2017	Demand for GST before Joint Commissioners of State tax Thane city Thane : Maharashtra for 2017-18	-	15.78
23	CGST Act, 2017	Demand for GST before Deputy Commissioners .Gandhi Maidan: Patna West: Bihar for 2018-19	18.11	18.11
24	CGST Act, 2017	Demand for GST before Deputy Commissioner, Sector-9 Lucknow(B) Lucknow I ; Uttar Pradesh for 2018-19	2.19	-
25	CGST Act, 2017	Demand for GST before Deputy Excise and Taxation Commissioner Gurgaon (West): Haryana for 2021-22	13.28	-
26	Income Tax Act, 1961	Demand for Income Tax u/s 143(1) for AY 2025-26 pending before CPC for rectification	11.17	-
27	Income Tax Act, 1961	Demand for Income Tax u/s 143(1) for AY 2022-23 pending before CPC for rectification	7.55	-
28	Income Tax Act, 1961	Demand for Income Tax u/s 143(1) for AY 2020-21 pending before CPC for rectification	4.40	-

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.

Notes forming part of the Consolidated Financial Statements as at and for the year ended 31st March 2026

48 Additional Regulatory information

S No	Particulars	Numerator	Denomiator	"As at 31st March 2026"	"As at 31st March 2025"	Variance
1	Current ratio	Current assets	Current liabilities	1.36	1.39	-2.16%
2	Debt-Equity ratio	Total Debt (Including lease liabilities)	Shareholder's equity	0.75	0.69	8.70%
3	Debt service coverage ratio	Earnings available for debt service*	Interest exp on long term and short term borrowing during the period +Scheduled principal repayement of long term borrowing	1.80	1.64	9.76%
4	Return on equity ratio	Net profits after taxes	Average shareholders equity	9.60%	10.89%	-11.85%
5	Inventory Turnover Ratio	Revenue from operations	Average Inventory	2.51	2.68	-6.34%
6	Trade receivables turnover ratio	Revenue from operations	Average trade receivables	2.45	2.41	1.66%
7	Trade payable turnover ratio	Net credit pruchases	Average trade payables	2.51	3.34	-24.85%
8	Net capital turnover ratio	Revenue from operations	Average working capital	4.05	3.72	8.87%
9	Net profit ratio	Net profits for the year	Revenue from operations	5.04%	5.53%	-8.86%
10	Return on capital employed	Profit before interest and taxes	Average Capital employed**	13.06%	14.49%	-9.87%
11	'Return on Investments	Profit before interest and taxes	Average total Assets	9.69%	10.95%	-11.51%

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

** Net Worth + Total borrowings + Deferred tax liabilities - Deferred Tax Assets

Note : Explanation for change in ratio by more than 25%

(i) Return on equity ratio, ROCE and Net profit ratio are improved due to growth in revenue with stable margins.

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

49 Additional regulatory information required by Schedule III of Companies Act, 2013

(I) Details of Benami property: No proceedings have been initiated or are pending against the Company for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.

(II) Utilisation of borrowed funds and share premium: The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries

The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like on behalf of the ultimate beneficiaries

Notes forming part of the Consolidated Financial Statements as at and for the year ended 31st March 2026

(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.

(IX) During the year there are no transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

(X) During the year, the Company has not been declared a wilful defaulter by any bank, financial institution, or other lender during the reporting period.

(XI) Registration of charges or satisfaction with Registrar of Companies;

During the year, the Company has created charges over its assets in favour of lenders and has duly filed the necessary charge-related forms and returns with the Registrar of Companies (ROC) within the prescribed statutory timelines.

50 Previous year's figure have been regrouped/ re-arranged, wherever considered necessary to make them comparable with corresponding year ending 31st March, 2026.

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

Sakshi Kharabanda Dewan
Proprietor
M. No.: 523802
UDIN : 26523802JEFVEP1645

Place : New Delhi
Dated : 27.05.2026

For and on behalf of the Board of Directors

Rishi Seth
Managing Director
DIN- 00203469

Gautam Seth
Joint MD and CFO
DIN- 00203405
Camp at : Las Vegas, USA

Lalit Seth
Director
DIN-00312007

Place : Kundli

Vivek Kumar
Company Secretary
M.No. A18491

NOTICE

NOTICE is hereby given that the 34th Annual General Meeting of the Members of HPL Electric & Power Limited will be held on Thursday, September 24, 2026 at 11:30 A.M. through Video Conferencing (VC) or Other Audio Visual Means (OAVM) for which purpose the Registered Office of the Company situated at 1/20, Asaf Ali Road, New Delhi – 110002 shall be deemed as the venue for the Meeting and the proceedings of the AGM shall be deemed to be made thereat, to transact the following businesses:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements including the Consolidated Financial Statements of the Company for the Financial Year ended 31st March, 2026 together with the Reports of the Board of Directors and Auditors thereon.
2. To declare Final Dividend of Rs. 1.00 per equity share of face value of Rs. 10/- each for the Financial Year ended 31st March, 2026.
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.

SPECIAL BUSINESS

4. **Ratification of Remuneration of the Cost Auditors**

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

"**RESOLVED THAT** pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s), enactment(s) or re-enactment(s) thereof, for the time being in force), the company hereby ratifies the remuneration of Rs. 1,50,000 (Rupees one lakh Fifty Thousand only) plus Service Tax/ GST & re-imbursement of out–of–pocket expenses incurred in connection with the cost audit of the Company payable to M/s. M.K. Singhal & Co., Cost Accountants (Registration No. 00074), the Cost Auditors who have been appointed by the Board of Directors of the Company, to conduct the audit of the cost records of the Company for the financial year ending 31st March, 2027.

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 : 10th August, 2026
Place : Kundli

Regd. Office: 1/20, Asaf Ali Road,
New Delhi – 110002

NOTES:

1. The Ministry of Corporate Affairs ("MCA") has vide its circular no. 14/2020 dated 8th April 2020, 17/2020 dated 13th April 2020, 20/2020 dated 5th May 2020, 2/2021 dated 13th January, 2021, 19/21 dated 8th December 2021, 21/2021 dated 14th December 2021; 02/2022 dated 5th May 2022 ; 10/2022 & 11/2022 dated 28th December 2022, 09/2023 dated 25th September 2023 and 09/2024 dated September 19, 2024, 03/2025 dated September 22, 2025 ("MCA Circulars") and the applicable provision of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 permitted the holding of the Annual General Meeting ("AGM") through Video Conferencing or other audio video means (VC/OAVM) without the physical presence of the members at AGM venue.

2. In compliance with the aforesaid provisions of the Companies Act, 2013 ("Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and aforementioned MCA Circulars, SEBI Circulars, the AGM of the Company is being held through VC / OAVM. Hence, members can attend and participate in the ensuing Annual General Meeting through VC/OAVM.

3. Pursuant to the provisions of Section 105 of the Act, a proxy is allowed to attend and vote at a general meeting on behalf of a Member who is not able to attend personally. Since this AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence, the Proxy Form and Attendance Slip are not annexed to this Notice.

4. The Company has enabled VC / OAVM facility for participation of members in the AGM. Instructions for participation in the AGM through VC / OAVM are provided under the 'Instructions to Members' section given in the Notice.

5. The business as set out in the Notice will be transacted through electronic voting (e-voting) system and the Company is providing e-voting facility. Instructions and other information relating to e-voting are provided under the 'Instructions to Members' section given in the Notice.

6. Corporate members intending to attend the AGM through their authorized representatives are requested to send a certified copy of the Board resolution authorizing their representative to attend and vote on their behalf at the AGM through e-mail to deepak.kukreja@dmkassociates.in or einward.ris@kfintech.com or hplcs@hplindia.com

7. An explanatory statement pursuant to Section 102 (1) of the Companies Act, 2013 in respect of Special businesses specified above is annexed hereto.

8. Information required under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Listing Regulations') in respect of appointment / re-appointment of directors is furnished in this Notice as **Annexure A**

9. In terms of MCA and SEBI notifications, Notice of the 34th AGM along with the Annual Report 2025-26 are being sent only by electronic mode to those members whose email addresses are registered with the Company/ Depository participants ('DPs'). A letter providing the web-link, including the exact path, where complete details of the Annual Report is available are being sent to those shareholder(s) who have not so registered their email addresses. Members who have not yet registered their email addresses are requested to follow the procedure provided under the 'Instructions to Members' section given in the Notice. Further, the Notice calling the AGM and the Annual Report has been uploaded on the website of the Company at www.hplindia.com The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited at www.bseindia.com and National Stock Exchange of India Ltd at www.nseindia.com The same is also available on the website of KFin at https://evoting.kfintech.com

10. The dividend on the equity shares, if declared at the Annual General Meeting, will be paid subject to deduction of tax at source within 30 days from the date of the AGM to those members:

a) Whose names appear as member in the register of member of the company on Thursday, September 17, 2026; and

b) Whose names appear as Beneficial Owners in the list of Beneficial Owners on Thursday, September 17, 2026 furnished by National Security Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) for this purpose.

11. Shareholders who have not yet en-cashed their dividend warrant(s) for the financial year 2018-19 and/or any subsequent financial years, are requested to submit their claim to KFin immediately to avoid transferring of their unpaid dividend amount to IEPF Account.

12. During the year, amount of Un-claimed Final Dividend for the Financial Year 2017-18 has been deposited in the Investor Education and Protection Fund (IEPF). Further amount of Un-claimed final dividend for the Financial Year 2018-19 is due for deposited to the Investor Education and Protection Fund (IEPF) on October 28, 2026.

13. Concerned shareholders may still claim the shares or apply for refund to the IEPF Authority in Web Form No IEPF -5 available on https://www.iepf.gov.in/content/iepf/global/master/Home/Home.html

14. Members are further requested to note that pursuant to the provisions of Section 124 and 125 of Companies Act,

2013, the dividends if not en-cashed for a period of 7 years consecutively from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund (IEPF) and the shares in respect of which dividends remain unclaimed for seven consecutive years are also liable to be transferred to the de-mat account of the IEPF Authority and no claim with the Company shall lie in respect thereof. In view of this, Members are requested to claim their dividends from the Company, within the stipulated timeline.

15. 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

16. 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.

17. Members who are holding shares in physical form are advised to submit complete particulars of their bank account to the RTA at einward.ris@kfintech.com to facilitate electronic remittance of dividend. This would help avoiding fraudulent encashment of the warrants.

18. Members can avail the facility of nomination in respect of shares held by them in physical form pursuant to the provisions of section 72 of the Act. Members desiring to avail this facility may send their nomination in the prescribed Form no. SH-13, duly filled in, to the RTA. The prescribed form can be obtained from the RTA or the secretarial department of the Company. Further SEBI vide its Circular dated 16th March 2023 has mandated to furnish Form ISR-3 for opting out of Nomination by physical shareholders in case the shareholder do not wish to register for Nomination.

19. SEBI vide its Circular, mandated that the security holders (holding securities in physical form), whose folio(s) do not have PAN or Choice of Nomination or Contact Details or Mobile Number or Bank Account Details or Specimen Signature updated, shall be eligible for any payment including dividend, interest or redemption in respect of such folios, only through electronic mode with effect from 1st April, 2024, upon their furnishing all the aforesaid details in entirety. Further, any service requests or complaints received from the member, are not processed by RTA till the aforesaid details/ documents are provided to RTA.

    SEBI has introduced Form ISR - 1 alongwith other relevant forms to lodge any request for registering PAN, KYC details or any change/ updation thereof.

    Members may also note that SEBI vide its Circular dated January 25, 2022, as amended, has mandated listed companies to issue securities in dematerialized form only while processing service requests viz. Issue of duplicate securities certificate; claim from unclaimed suspense account; renewal/exchange of securities certificate; endorsement; sub-division/splitting of securities certificate; consolidation of securities certificates/folios; transmission and transposition.

    In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialization, Members are requested to dematerialize the shares held by them in physical form.

    Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR–4. Relevant details and forms prescribed by SEBI in this regard including the mode of dispatch are available on the website of the Company at https://investor.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.

20. 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/

21. 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.

22. 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.

23. As per regulation 40 of the Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized 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 dematerialized form.

24. 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 dematerialized form may send such communication to their respective DPs and those holding shares in physical form may send such communication to the RTA.

25. Since, the 34th AGM is being held in an electronic mode through VC / OAVM, the route map is not provided.

26. Pursuant to circulars issued by the Securities and Exchange Board of India (SEBI) during 2023, a common Online Dispute Resolution mechanism has been introduced for resolving disputes arising in the Indian securities market. The related regulatory requirements have been consolidated by SEBI through its Master Circular dated 11 August 2023.

    In case of any grievance, investors are advised to first approach the Company directly. If the grievance remains unresolved, it may be escalated through SEBI's SCORES portal. In the event the investor is still not satisfied after exhausting the available remedies, the dispute may be referred for resolution through SEBI's Online Dispute Resolution Portal (ODR Portal), which can be accessed at https://smartodr.in/login

    For the convenience of investors, a direct link to the ODR Portal is also available on the homepage of the Company's website: https://www.hplindia.com.

27. Under the IEPF Saksham Niveshak Program, a "100 Days' Campaign" was conducted from 28 July 2025 to 6 November 2025 to help shareholders update their KYC and bank account details and to facilitate the claim of unpaid and unclaimed dividends relating to earlier financial years. The objective of the campaign was to assist shareholders in completing the required formalities in time and to help prevent the transfer of such amounts to the Investor Education and Protection Fund (IEPF). Following the encouraging response, the Company has initiated Second 100 Days' Campaign, which commenced on 1 April 2026 and will continue until 9 July 2025. Shareholders are encouraged to make use of this opportunity to update their KYC and bank account details and to claim any unpaid or unclaimed dividends within the prescribed timelines, thereby avoiding the transfer of such amounts to the IEPF.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

ITEM NO. 4

M/s M. K. Singhal & Co., Cost Accountants (Registration No.-00074) are appointed as the Cost Auditors of the Company by the Board in its meeting held on August 10, 2026, on the recommendation of the Audit Committee, to conduct the audit of the cost records maintained by the Company in connection with manufacture of Switch Gears, Cables and Lights for the Financial Year ending 31st March, 2027 at a remuneration of Rs. 1,50,000 (Rupees One Lakh Fifty Thousand only) plus Service Tax/GST & re-imbursement of out–of–pocket expenses incurred in connection with the cost audit of the Company.

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and the Companies (Cost Records and Audit) Rules, 2014, as amended from time to time, the remuneration payable to the Cost Auditors as approved by the Board of Directors on the recommendation of Audit Committee, shall be ratified by the members of the Company. Accordingly, consent of the shareholders is sought for ratification of remuneration amounting to Rs. 1,50,000/- (Rupees one lakh Fifty Thousand only) plus Service Tax/GST & re-imbursement of out–of–pocket expenses incurred in connection with the cost audit of the Company.

Accordingly, approval of the members is being sought for passing an Ordinary Resolution as set out at Item No. 4 of the Notice for ratification of the remuneration payable to the Cost Auditors for the Financial Year ending 31st March, 2027.

None of the Directors/ Key Managerial Personnel of the Company /their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 4 of the Notice.

The Board recommends the Resolution set forth at Item No. 4 of the Notice for approval of the members as an Ordinary Resolution.

By order of the board
For **HPL Electric & Power Limited**

Vivek Kumar
Company Secretary and
Compliance officer
M. No. A18491

Date : August 10, 2026
Place : Kundli

Regd. Office: 1/20, Asaf Ali Road,
New Delhi – 110002

ANNEXURE -A

INFORMATION PURSUANT TO REGULATION 36 OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND SECRETARIAL STANDARDS -2 ISSUED BY ICSI REGARDING DIRECTORS SEEKING APPOINTMENT/ RE-APPOINTMENT

Particulars	Mr. Rishi Seth (Managing Director)
Age	55 years
DIN	00203469
Qualification(s)	MBA in Finance
Experience	31 years
Expertise in Specific functional area/Brief Profile	An MBA in Finance with more than 31 years of experience, Mr. Rishi Seth is a man of sharp vision. As the Managing Director, he has been instrumental in HPL Group's organic growth and is responsible for shaping the strategic perspective that has led to the diversification and expansion of HPL into new avenues including EPC projects. He looks after the Institutional and Government business in addition to a smart meter manufacturing facility. He has also been instrumental in the Company's foray into green projects. His major achievement includes HPL's growth into utility segment, making the Group stand tall as the largest Electronic Energy Meter manufacturer.
Terms & Conditions of re-appointment along with remuneration sought to be paid	As per Explanatory Statement.
Remuneration Last Drawn	Please refer Corporate Governance Report
Date of first appointment on the Board	29.09.2000
Relationship with other Directors/ Manager/ Key Managerial Personnel of the Company	Mr. Rishi Seth is Son of Mr. Lalit Seth, Chairman & Whole time Director of the Company and Brother of Mr. Gautam Seth, Jt. Managing Director & CFO of the Company
Number of Board Meetings attended during the year	Please refer Corporate Governance Report
Listed Companies from which Director has resigned in the past 3 years.	Nil
Other Directorships held (including listed entity, if any)	1. HPL India Ltd. 2. HPL Electronics Pvt. Ltd. 3. Jesons Impex Pvt. Ltd. 4. HPL Power Corporation Ltd. 5. HPL Holdings Private Limited 6. Sai Advanced Technologies Private Limited
Chairmanship/ Membership of the Committee of the Board of other Companies	Nil
Number of Shares held in the Company including shareholding as a beneficial owner.	22,31,740 equity shares of Rs. 10/- face value

INSTRUCTIONS TO MEMBERS

i. In compliance with the provisions of Section 108 of the Act, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, Regulation 44 of the SEBI Listing Regulations 2015 and in terms of SEBI vide circular no. SEBI/HO/CFD/CMD/ CIR/P/2020/242 dated December 9, 2020 in relation to e-Voting Facility Provided by Listed Entities, the Members are provided with the facility to cast their vote electronically, through the e-Voting services provided by KFin, on all the resolutions set forth in this Notice. The instructions for e-Voting are given herein below.

The company has engaged the services of KFin Technologies Limited (KFin) to provide e-voting (including remote e-voting) facility for members to cast their votes in a secure manner. The Board in its meeting held on Monday, August 10, 2026 has appointed Mr. Deepak Kukreja and Mrs. Monika Kohli, Practicing Company Secretaries to act as the scrutinizer and alternate scrutinizer respectively, to scrutinize e-voting and conduct the voting process at the AGM in a fair and transparent manner. In terms of the requirements of the Act and the Rules made there under, the Company has fixed Thursday, September 17, 2026 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. Thursday, September 17, 2026.

The remote e-voting facility begins on Monday, September 21, 2026 (9:00 a.m. IST) and ends on Wednesday, September 23, 2026 (5:00 p.m. IST). During this period, the members of the company, holding shares either in physical form or in dematerialised form, as on the cut-off date on Thursday, September 17, 2026 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.

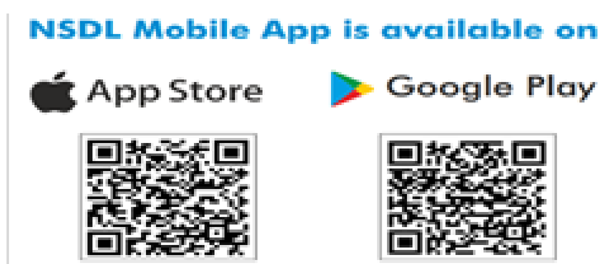
vi. In case of Individual Shareholders holding securities in demat mode and who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date may follow steps mentioned below under "Login method for remote e-Voting and joining 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) Method of login / access to Depositories (NSDL / CDSL) e-voting system in case of individual members holding shares in demat mode

Type of member	Login Method
Individual members holding securities in demat mode with NSDL	**A. Instructions for existing Internet-based Demat Account Statement ("IDeAS") facility Users:** i) Visit the e-services website of NSDL https://eservices.nsdl.com either on a personal computer or on a mobile. ii) On the e-services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. Thereafter enter the existing user id and password. iii) After successful authentication, members will be able to see e-voting services under 'Value Added Services'. Please click on "Access to e-voting" under e-voting services, after which the e-voting page will be displayed. iv) Click on company name, i.e. 'HPL ELECTRIC & POWER LIMITED', or e-voting service provider, i.e. KFin. v) Members will be re-directed to KFin's website for casting their vote during the remote e-voting period and voting during the Meeting.

Type of member	Login Method
	B. Instructions for those Members who are not registered under IDeAS: i) Visit https://eservices.nsdl.comfor registering. ii) Select “Register Online for IDeAS Portal” or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp. iii) Proceed with completing the required filds iv) Follow steps given in point A. **C. Alternatively, instructions for directly accessing the e-voting website of NSDL** i) Visit the e-voting website of NSDL https://www.evoting.nsdl.com/. ii) Once the home page of e-voting system is launched, click on the icon “Login” which is available under ‘Shareholder / Member’ section. A new screen will open. iii) Members will have to enter their User ID (i.e. the sixteen digit demat account number held with NSDL), password / OTP and a Verification Code as shown on the screen. iv) After successful authentication, members will be redirected to NSDL Depository site wherein they can see e-voting page. v) Click on company name, i.e. HPL ELECTRIC & POWER LIMITED, or e-voting service provider name, i.e. KFin, after which the member will be redirected to e-voting service provider website for casting their vote during the remote e-voting period and voting during the Meeting. vi) Members can also download the NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience. 
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 URL: https://web.cdslindia.com/myeasitoken/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.

<table>
<tr><th>Type of member</th><th>Login Method</th></tr>
<tr><td></td><td>B. Instructions for users who have not registered for Easi / Easiest

i) Visit URL: https://web.cdslindia.com/myeasitoken/home/login for registering.

ii) Proceed to complete registration using the DP ID, Client ID (BO ID), etc.

iii) After successful registration, please follow the steps given in point no.A above to cast your vote.

C. Alternatively, instructions for directly accessing the e-voting website of CDSL

i) Visit www.cdslindia.com

ii) Provide demat Account Number and PAN

iii) System will authenticate user by sending OTP on registered mobile and email as recorded in the demat Account.

iv) After successful authentication, please enter the e-voting module of CDSL. Click on the e-voting link available against the name of the Company, viz., 'HPL ELECTRIC & POWER LIMITED' or select KFin.

v) Members will be re-directed to the e-voting page of KFin to cast their vote without any further authentication.</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">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.</td></tr>
<tr><td colspan="2">Helpdesk for Individual members holding securities in demat mode for any technical issues related to login through NSDL / CDSL:</td></tr>
<tr><td>Securities held with NSDL</td><td>Please contact NSDL helpdesk by sending a request at evoting@nsdl.co.inor call at: 022-4886 7000 and 022-2499 7000</td></tr>
<tr><td>Securities held with CDSL</td><td>Please contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.comor contact at toll free no.: 1800 22 55 33</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

Type of member	Login Method
Members whose email IDs are registered with the Company / Depository Participants(s)	**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: https://evoting.kfintech.com/ ii) Enter the login credentials (i.e. User ID and password). In case of physical folio, User ID will be EVEN (E-Voting Event Number) ________, followed by folio number. In case of Demat account, User ID will be your DP ID and Client ID. However, if a member is registered with KFin for e-voting, they can use their existing User ID and password for casting the vote. iii) After entering these details appropriately, click on "LOGIN". iv) Members will now reach password change Menu wherein they are required to mandatorily change the password. The new password shall comprise of minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character (@,#,$, etc.,). The system will prompt the member to change their password and update their contact details viz. mobile number, email ID etc. on first login. Members may also enter a secret question and answer of their choice to retrieve their password in case they forget it. It is strongly recommended that members do not share their password with any other person and that they take utmost care to keep their password confidential. v) Members would need to login again with the new credentials. vi) On successful login, the system will prompt the member to select the "EVEN" i.e., 'HPL ELECTRIC & POWER LIMITED - AGM" and click on "Submit" vii) On the voting page, enter the number of shares (which represents the number of votes) as on the cut-off date under "FOR/AGAINST" or alternatively, a member may partially enter any number in "FOR" and partially "AGAINST" but the total number in "FOR/AGAINST" taken together shall not exceed the total shareholding as mentioned herein above. A member may also choose the option ABSTAIN. If a member does not indicate either "FOR" or "AGAINST" it will be treated as "ABSTAIN" and the shares held will not be counted under either head. viii) Members holding multiple folios / demat accounts shall choose the voting process separately for each folio / demat account. ix) Voting has to be done for each item of the Notice separately. In case a member does not desire to cast their vote on any specific item, it will be treated as abstained. x) A member may then cast their vote by selecting an appropriate option and click on "Submit". xi) A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once a member has voted on the resolution (s), they will not be allowed to modify their vote. During the voting period, members can login any number of times till they have voted on the Resolution(s).

Type of member	Login Method
Members whose email IDs are not registered with the Company / Depository Participants(s)	**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/updated their e-mail address, are requested to register the same (i) with the Depository Participant(s) where they maintain their demat accounts, if the shares are held in electronic form, and (ii) Members holding shares in physical mode, who have not registered/updated their e-mail address with the Company/RTA, are requested to register/update their e-mail address by submitting Form ISR-1 (available on the website of the Company at https://www.hplindia.com/photos/investor-pdf/Form%20ISR-1.pdf & on the website of KFin https://ris.kfintech.com/clientservices/isc/default.aspx.)duly filled and signed along with requisite supporting documents to Kfin Technologies Limited at Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad 500 032. ii. Members holding shares in dematerialized mode who have not registered theire-mail address with their Depository Participant(s) are requested to register/update their e-mail address with the Depository Participant(s) with which they maintain their demat accounts. iii. After due verification, the Company/Kfintech will forward your login credentials to your registered e-mail address. iv. Follow the instructions at II(A)(i) to (xi)to cast your vote. v. Members can also update their mobile number and e-mail address in the "user profile details" in their e-voting login on https://evoting.kfintech.com

III) Method / Access to join the Meeting on KFin system and to participate and vote thereat -

Type of member	Login Method
All shareholders, including Individual, other than Individual and Physical, for attending the Meeting of the Company through VC / OAVM and e-voting during the meeting	**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.

OTHER INSTRUCTIONS FOR JOINING THE MEETING THROUGH VC / OAVM

i. Members will be able to attend the Meeting through VC / OAVM or view the live webcast of the Meeting at https://emeetings.kfintech.com/ by using their remote e-voting login credentials and selecting the 'EVEN' for Company's Meeting. Members who do not have the User ID and Password for e-voting or have forgotten the User ID and Password may retrieve the same by following the remote e-voting instructions mentioned in the Notice. Further, members can also use the OTP based login for logging into the e-voting system.

   Members may join the Meeting through laptops, smart phones, tablets or ipads for better experience. Further, members are requested to use internet with a good speed to avoid any disturbance during the Meeting. Members will need the latest version of Chrome, Safari, Internet Explorer, MS Edge or Mozilla Firefox 22.

ii. Members attending the AGM through VC/OAVM shall be counted for the purpose of reckoning the quorum for the meeting under Section 103 of the Act.

iii. Members will be required to grant access to the webcam to enable VC / OAVM. Further, Members connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

iv. The Members who have not cast their vote through remote e-voting shall be eligible to cast their vote through e-voting system available during the AGM. E-voting during the AGM is integrated with the VC / OAVM platform. The Members may click on the voting icon displayed on the screen to cast their votes.

v. Members are requested to attend and participate at the Meeting through VC / OAVM and cast their vote either through remote e-voting facility or through e-voting facility to be provided during Meeting. The facility of e-voting during the Meeting will be available to those members who have not cast their vote by remote e-voting. Members, who cast their vote by remote e-voting, may attend the Meeting through VC / OAVM, but will not be entitled to cast their vote once again on the resolutions. If a member casts votes by both modes, i.e. voting at Meeting and remote e-voting, voting done through remote e-voting shall prevail and vote at the Meeting shall be treated as invalid.

vi. Facility of joining the Meeting through VC / OAVM shall open 30 (thirty) minutes before the time scheduled for the Meeting and shall be kept open throughout the Meeting. Members will be able to participate in the Meeting through VC / OAVM on a first-come-first-serve basis. Up to 2,000 shareholders will be able to join the Meeting on a first-come-first-serve basis.

   Large members (i.e. members holding 2% or more shareholding), promoters, institutional investors, directors, key managerial personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors, etc. will not be subject to the aforesaid restriction of first-come first-serve basis.

vii. Institutional Members are encouraged to attend and vote at the AGM through VC / OAVM.

viii. SPEAKER REGISTRATION: The Members who wish to speak during the meeting may register themselves as speakers for the AGM to express their views. They can visit https://emeetings.kfintech.com and login through the user id and password provided in the mail received from Kfintech. On successful login, select 'Speaker Registration' which will open from Sunday, September 20, 2026 (09:00 a.m. IST) up to Monday, September 21, 2026 (05.00 p.m. IST) Members shall be provided a 'queue number' before the meeting. The Company reserves the right to restrict the speakers at the AGM to only those Members who have registered themselves, depending on the availability of time for the AGM.

ix. POST YOUR QUESTION: The Members who wish to post their questions prior to the meeting can do the same by visiting https://emeetings.kfintech.com Please login through the user id and password provided in the mail received from Kfintech. On successful login, select 'Post Your Question' option which will be opened from 9:00 AM on Sunday, September 20, 2026 to 5:00 PM on Monday, September 21, 2026.

x. In case of any query and/or grievance, in respect of voting by electronic means, Members may refer to the Help & Frequently Asked Questions (FAQs) and E-voting user manual available at the download section of https://evoting.kfintech.com (KFintech Website) or contact Mr. Anandan K, Asst. Vice President at evoting@kfintech.com or call KFintech's toll free No. 1-800-309-4001 for any further clarifications.

xi. The Members, whose names appear in the Register of Members / list of Beneficial Owners as on Thursday, September 17, 2026, being the cut-off date, are entitled to vote on the Resolutions set forth in this Notice. A person who is not a Member as on the cut-off date should treat this Notice for information purposes only. Once the vote on a resolution(s) is cast by the Member, the Member shall not be allowed to change it subsequently.

xii. In case a person has become a Member of the Company after dispatch of AGM Notice but on or before the cut-off date for E-voting, he/she may obtain the User ID and Password in the manner as mentioned below:

a) If e-mail address or mobile number of the Member is registered against Folio No./ DP ID Client ID, then on the home page of https://evoting.kfintech.com, the Member may click "Forgot Password" and enter Folio No. or DP ID Client ID and PAN to generate password.

b) Member may call on Kfintech's toll-free number 1800309 4001 (from 9:00 a.m. (IST) to 6:00 p.m. (IST) on all working days).

c) Member may send an e-mail request to einward.ris@kfintech.com After due verification of the request, User ID and password will be sent to the Member.

d) If the Member is already registered with Kfintech's e-voting platform, then he/she/it can use his/her/its existing password for logging-in.

xiii. The Scrutinizer shall immediately after the conclusion of voting at the AGM, first count the votes cast during the AGM, there after unblock the votes cast through remote e-voting and make a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, and submit the report to the Chairman of the company or a person authorized by him in writing in that respect, as per the provisions of Companies Act, 2013 and SEBI Listing Regulations, 2015, who shall countersign the same and declare the results of the voting forthwith as per the Statutory timelines.

xiv. The voting results declared along with the scrutinizer's report will be placed on the company's website www.hplindia.com and on the website of KFin at https://evoting.kfintech.com after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the Stock Exchange(s).

xv. The transcript of this annual general meeting shall be made available on the website of the company i.e www.hplindia.com

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Notes

HPL Electric & Power Limited

Concept, Content & Design
(info@wyatt.co.in)