

Technology that cares

Annual Report 2023-24



FY 24,
Highlights
₹2,812 Crore
Revenue from Operations

↑ 11.2% YoY

₹144 Crore
EBITDA

₹76.5 Crore
PAT

₹4,120 Crore
Market Capitalisation as on
28th March 2024

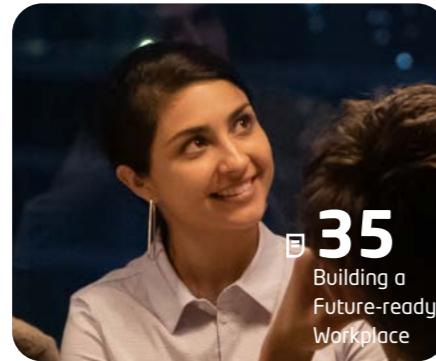


To view Annual Report 2023-24 online

Forward-looking statements

Some information in this report may contain forward-looking statements which include statements regarding Company's expected financial position and results of operations, business plans and prospects etc. and are generally identified by forward-looking words such as "believe," "plan," "anticipate," "continue," "estimate," "expect," "may," "will" or other similar words. Forward-looking statements are dependent on assumptions or basis underlying such statements. We have chosen these assumptions or basis in good faith, and we believe that they are reasonable in all material respects. However, we caution that actual results, performances or achievements could differ materially from those expressed or implied in such forward-looking statements. We undertake no obligation to update or revise any forward-looking statement, whether as a result of new information, future events, or otherwise. The usage of the acronym 'OEL' has been made for the purpose of addressing Orient Electric Limited, across the chapters.

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Technology that cares

At Orient Electric, we have embarked on a transformation journey to become the most customer-centric brand in our industry. Our emphasis also extends to becoming the employer of choice for a diverse and inclusive workforce. This transformative journey depicts a major shift in our thought process, influencing how we design our products, communicate their benefits and respond to market trends. Our objective is to be the brand of choice and to achieve this, we are offering aesthetically pleasing and thoughtfully designed products that integrate seamlessly into the hectic lifestyles of today's consumers. Further, we are enhancing our approach with an added layer of care, focusing on driving purposeful innovation and leveraging technology to make a positive impact on our consumers' daily lives.



About CK Birla Group

The CK Birla Group, with a revenue of over US \$3 billion, is an Indian multinational conglomerate. With over 35,000 employees, the group operates 52 manufacturing facilities across India and the world, with a presence in diverse sectors including technology, automotive, home and building, and healthcare.

The CK Birla Group continuously adapts to stay ahead in a changing world. By harnessing technology and investing in people and digital transformation, the Group consistently remains agile and delivers profitable growth. Viewing value creation through a global lens, our companies operate without borders.

The CK Birla Group companies include Birlasoft Limited, GMMCO Limited,

National Engineering Industries Limited (manufacturer of NBC Bearings), Orient Cement Limited, HIL Limited, Orient Electric Limited, CK Birla Healthcare Private Limited (CK Birla Hospitals and Birla Fertility & IVF), Orient Paper & Industries Limited, AVTEC Limited, and Neosym Industry Limited.

Our companies share a common purpose of serving customers, partners and communities to create long term value through trust based relationships.

Our commitment to our community

The Trusts supported by the CK Birla Group engage in a range of activities and institutions, across the fields of healthcare, science & technology, education and art and culture.

Our educational institutions include the Birla Institute of Technology (BIT) in Mesra, Modern High School (MHS) and Modern High School International (MHSI) in Kolkata and Rukmani Birla Modern High School in Jaipur.

The group also runs the G.P. Birla Archaeological Astronomical and Scientific Research Institute, the BM Birla Science Centre, the BM Birla Planetarium, the GP Birla Centre and the Nirmala Birla Gallery of Modern Art.

The Trust hospitals run by the group are CMRI (Calcutta Medical Research Institute) and BM Birla Heart Research Centre in Kolkata and Rukmani Birla Hospital in Jaipur.

Our group revenue
\$3 billion
and growing



Chairman's Message



Our prudent capital allocation strategy remains focused on investments in research and development, technological advancements, and strategic initiatives. These efforts lay a robust foundation for sustained long-term growth and reaffirm our commitment to delivering first-to-market products and solutions.



Dear Shareholders,

This year has been marked by extraordinary events impacting a significant portion of the global population. Global inflationary trends and geopolitical conflicts are causing supply chain disruptions and driving volatility in commodity prices. Despite these pressures and other global headwinds, macroeconomic indicators for the Indian economy have been positive. India has experienced overall economic growth and an upward trend in consumer spending, leading to steady urban demand for consumer durables.

Despite a varying business environment, we have delivered robust growth with improved gross margins on the back of continued investments in our strategic drivers. Our impressive growth this year in both our ECD and Lighting and Switchgear segments was driven by an improved product mix and cost reduction initiatives. Our continued commitment to customer-centricity, innovation, technology and adherence to sustainable business practices form the cornerstone of our

success. These efforts also reflect our pioneering commitment to shaping the future of our industry.

I am happy to share with you the commencement of our new greenfield manufacturing plant in Hyderabad, which adheres to Industry 4.0 standards. This state-of-the-art facility for TPW and ceiling fans will enhance our capability to deliver top-quality products and enable us to better serve the market, especially in southern India.

We have been awarded the Great Place to Work (GPTW) certification for the fifth consecutive year, underscoring our dedication to fostering a positive and inclusive workplace culture. Talent diversification continues to be a cornerstone of our growth strategy, allowing us to harness diverse expertise and drive innovation.

As we look ahead, we are dedicated to building a future-ready organization. Our prudent capital allocation strategy remains focused on investments

in research and development, technological advancements, and strategic initiatives. These efforts lay a robust foundation for sustained long-term growth and reaffirm our commitment to delivering first-to-market products and solutions. At Orient Electric, caring for our consumers is ingrained in our philosophy, and we persistently strive to empower them with solutions that cater to their evolving needs and enhance their daily lives.

I extend my gratitude to our dedicated team, partners, customers and shareholders for the unwavering support and trust in Orient Electric. Your confidence and partnership fuel our progress, and we remain committed to delivering both value and growth.

Regards,

CK Birla
Chairman

Managing Director & CEO Message



We believe our success is a direct result of our deep understanding of evolving customer preferences. This understanding has guided our efforts over the years, as we expanded our product portfolios, improved accessibility and availability, and elevated service standards. At the core of our approach is leveraging technology to ensure every interaction with our products and services reflects our commitment to the highest levels of customer satisfaction and delight.

Dear Shareholders,

I am glad to share that your company's continued efforts and investments in strategic growth areas have enabled us to deliver a robust performance for the last fiscal year, with a healthy revenue growth and improved gross margins. While navigating challenges from the BEE transition in fans and price erosion in LED bulbs during the first half of the fiscal year, we demonstrated resilience and gained significant traction in the second half, culminating in a strong finish to the year and setting the stage for sustained growth.



Despite macroeconomic volatility in different parts of the globe, the Indian economy has remained buoyant, riding on stable policy reforms, infrastructural improvements, and its growing popularity as a favourable investment destination. India also continues to build on its growing popularity as a major global manufacturing hub. The country, therefore, stands at the cusp of new opportunities - creating multiple avenues of growth for companies like ours.

The consumer durable market in India continues to be attractive, driven by a combination of rising disposable incomes, urbanisation, and an increasing desire for modern, convenient living. As urban centers expand and consumer preferences evolve, there is a noticeable shift towards high-quality, technologically advanced products that enhance daily lives. This trend has been particularly beneficial for us, as our strategic focus on customer-centric innovation aligns perfectly with this shift.

Performance Overview

In the past fiscal year, the Company recorded an operational revenue of ₹ 2812.1 Crore, reporting a growth of 11.2% in comparison to the previous year. Our gross margin stood at 30.4% and revenue from Electrical Consumer Durables (ECD) segment touched ₹ 1983 Crore, a year-on-year improvement of 13.2%, primarily driven by the growing demand for premium and energy efficient products.

Our thrust on strengthening the Direct-To-Market (DTM) distribution model added impetus to the Fans business. This strategic pivot has yielded positive results, as evidenced by increased market share and a 65% y-o-y revenue growth in DTM states. Looking ahead, sustained investments aimed at fortifying the breadth and depth of our distribution network are set to strengthen our market presence further. Additionally, we plan to leverage insights gained from DTM markets to optimise operations in other regions. Our

international business demonstrated a healthy growth despite geopolitical uncertainty in some of our key markets. We will continue to diversify our presence geographically and build multiple categories to grow this business.

Our Lighting and Switchgear business sustained the momentum built over the last few years, reaching revenues of ₹ 829 Crore, with a 6.7% y-o-y increase. Notably, our Lighting division delivered steady performance across both B2B and B2C channels, with the B2B and B2G segment emerging as strong growth drivers, buoyed by the government's enhanced emphasis on infrastructure and real estate. Our B2B channel, encompassing Professional Luminaires and Facade Lighting, delivered an impressive double-digit year-on-year growth in FY24. Our entry into the promising wires & cables segment with the introduction of electrical house wires, has received positive traction among trade partners and influencers, thereby propelling the growth of the switchgear portfolio.

Our financial performance for the year demonstrates significant growth and resilience amidst challenging conditions. Along with a healthy revenue growth, our gross margin improved by 253 bps y-o-y (30.4%), on the back of a favourable product mix and price adjustments. Our Working Capital Cycle, improved to 16 days in FY24 compared to 18 days in the previous year. Also, our healthy cash generation and comfortable liquidity position enabled prudent capital allocation strategies, driving our ability to pursue growth opportunities and enhancing shareholder value. We executed a total Capex of ₹ 182 Crore in FY24, reinforcing our commitment to sustained growth and operational excellence.

In Step with Customer Preferences

We believe our success is a direct result of our deep understanding of evolving customer preferences. This understanding has guided our efforts over the years, as we expanded our product portfolios, improved accessibility and availability, and elevated service standards. At the core of our approach is leveraging technology to ensure every interaction with our products and services reflects our commitment to the highest levels of customer satisfaction and delight.

Customer-Centric Product Innovation

Our relentless focus on developing innovative, high-quality products catering to the evolving customer needs has been pivotal to our success. We introduced a number of new products across our categories during the year under review. In Lighting, we introduced new value-added products in the consumer luminaires segment, such as COB, downlighters, and panels, to address market price erosion. We also expanded our professional luminaires range with new products for tunnel, border, warehouse and national highway lighting, ensuring we meet diverse customer needs across various sectors. In Fans, we augmented our energy saving BLDC Pro Fans range with premium and mid-premium models in multiple designs and across price points. With features like IoT controls, 50% energy saving BLDC motor, and integrated lighting, these fans represent a leap forward in technology, design, and energy efficiency. In Appliances, we expanded our already extensive lineup of air coolers with addition of new high-capacity models across Desert and Commercial categories.

Our research and development efforts continue to be a cornerstone of our consumer-centric strategy. To stay ahead of market trends, we continuously refresh our product portfolio, ensuring it aligns with evolving consumer preferences. This approach fuels a steady stream of

innovation, keeping our offerings both relevant and competitive.

Customer Service Enhancement

During the year, we continued to invest in our service infrastructure to ensure prompt, efficient, and responsive support. We launched a slew of new service initiatives, such as “8-8-88” and “Service Karwaan” to offer seamless assistance to our valued customers and trade partners. These efforts significantly improved our after-sales service and reinforced our commitment to customer service excellence. We actively listen to our customers through various channels like WhatsApp, social media, and emails and address their feedback and concerns. Additionally, we have dedicated apps for our dealers and service technicians which facilitate efficient issue resolution.

Expanding Distribution and Reach

Our strategic decision to adopt a direct-to-market (DTM) approach in specific states is yielding significant results, evident from the consistent market share growth. Leveraging insights gained from DTM markets, we are effectively implementing learnings across other states where we collaborate with our distribution partners. This adaptive approach ensures that our strategies remain agile and responsive to varying market dynamics, driving sustained growth across all territories. During the year, we also intensified our efforts in modern trade and large format retail (LFR) and deepened partnerships with prominent chains such as Croma, Reliance, Vijay Sales, Vishal Megamart, among others.

Building New Channels of Distribution

Our digital business has seen a high double-digit growth in revenue, with e-commerce channels continuing to gain a larger share of our business. To support the growth of our digital business, we will continue to improve our product market fit along with sharply targeted marketing investments on e-commerce platforms. We have also launched our direct-to-consumer portal, enabling consumers to access detailed information about our products and make purchases conveniently through the

platform itself. These strategic investments underscore our commitment to bringing our brand closer to customers and ensuring seamless accessibility to our products across various channels.

Nation-Building Projects

We have successfully executed high-visibility projects, such as the Srinagar Smart City, Ganga Patna Setu Bridge, Sudarshan Setu, and Mumbai Metro Rail Corporation, using our facade lighting and streetlights. As a prominent player in the field of facade lighting, we are actively collaborating with government bodies nationwide to illuminate iconic buildings and sites. I feel proud to say that we are among the few Indian lighting brands who have successfully developed design competencies for such complex projects which require superior technical expertise, aesthetic design sensibility, and project execution capabilities. Our continued focus on business-to-business (B2B) and business-to-government (B2G) segments, particularly in professional luminaires, is aiding the overall growth of our Lighting business.

Community Initiatives

Continuing our commitment to community development, we launched ‘Ujjwal’, a comprehensive upskilling program for electricians. Through this NSDC-certified program, we have upskilled more than 5000 electricians nationwide during FY24, providing them with the ‘Skill India’ certification on successful completion of training. We also furthered our efforts for the holistic development of the two girls’ schools we have adopted in Faridabad, Haryana.

Moving Ahead with Strength and Agility

As we move ahead, our focus remains on driving growth through consumer-centric innovation and building a future-ready organisation. Our strategic priorities are centred around realising the growth potential of the organisation, enhancing operational efficiencies, and fulfilling evolving customer requirements with innovative solutions that add convenience to their everyday life. Our relentless focus on strengthening our R&D capabilities reflects our resolve to

innovate and thrive in a competitive market environment. We are confident that our consumer-focused approach to new product development will not only help us to meet evolving consumer demands but also reinforce our position as a leader in the Indian consumer electricals space.

Our strategic investments towards capacity building, including the establishment of a new greenfield manufacturing plant for fans in Hyderabad and the introduction of a new production line for Switchgears, are anticipated to support our growth objectives. Our Hyderabad facility, adhering to Industry 4.0 standards, boasts automated assembly and packing lines, material transfer systems, and a state-of-the-art paint shop. Through the integration of robotics and cloud computing, we have revitalized traditional manufacturing processes, paving the way for consistent quality and remarkable productivity enhancements.

We recognise the importance of investing in our people to build a future-ready organization. Our continuous efforts are directed towards fostering a high-performance culture where everyone has the opportunity to learn, grow, and thrive. By creating an environment that encourages innovation, collaboration, and continuous improvement, we empower our workforce to drive the company’s success. The unique perspectives that come from our diverse talent foster innovation, while our commitment to continuous learning and development ensures we remain competitive and adaptive in a rapidly evolving market.

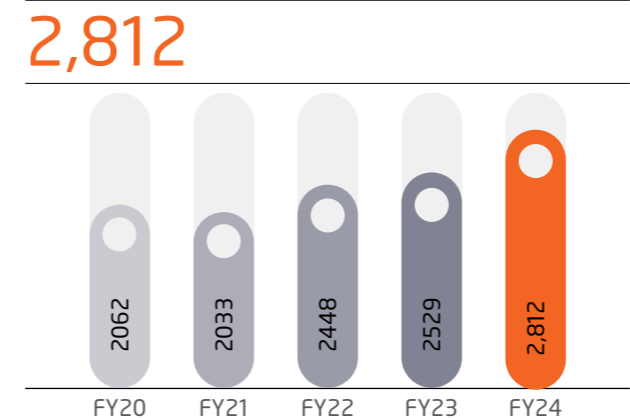
I remain thankful to our esteemed shareholders and diverse stakeholders for their continued trust and support. I am also deeply thankful to our talented team, whose dedication, teamwork, and resilience empower us to achieve our organizational goals. As we steer the Company towards new horizons of growth and market leadership, we are actively shaping an agile and future-ready organisation.

Regards,

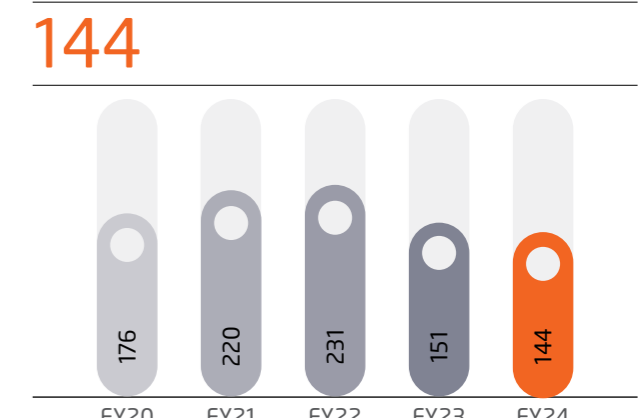
Ravindra Singh Negi
Managing Director & CEO

Key Financial Highlights

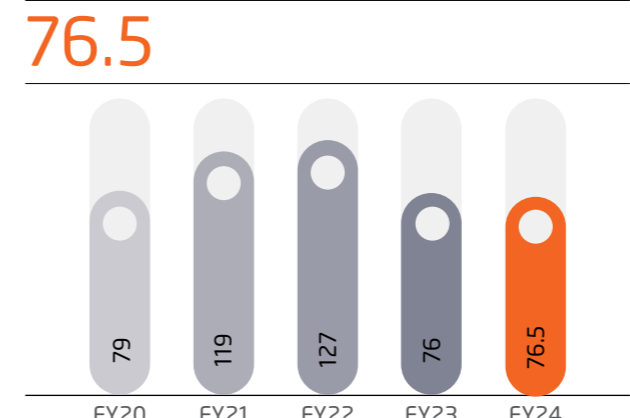
Revenue from Operations (₹ crore)



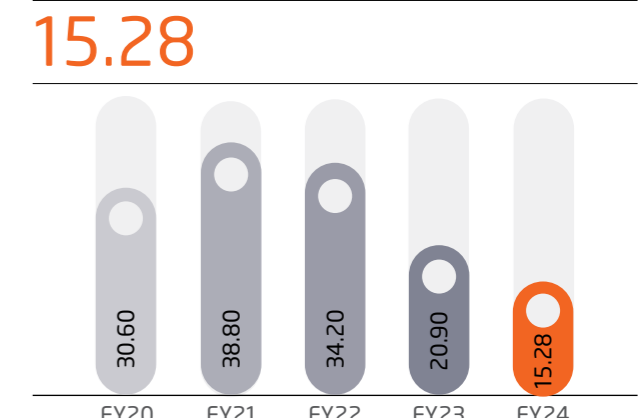
EBITDA (₹ crore)



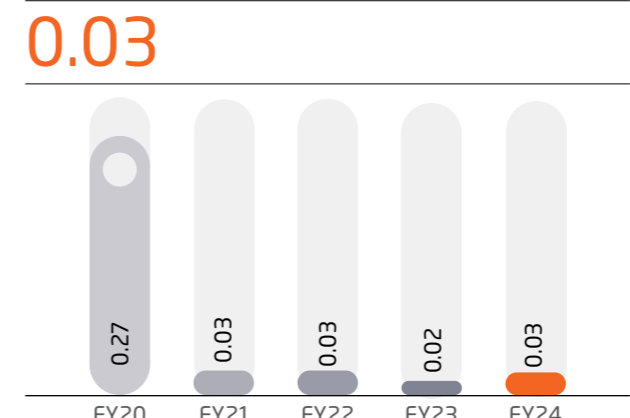
PAT (₹ crore)



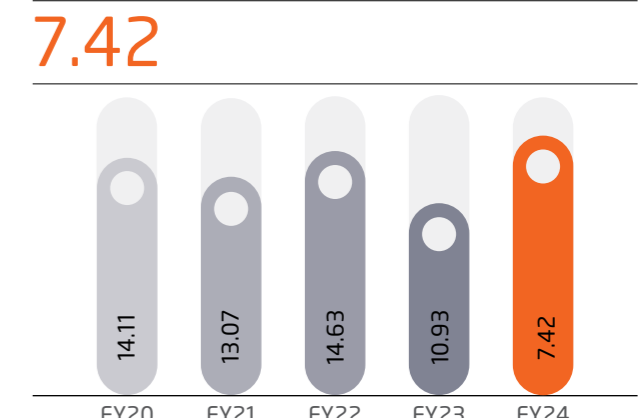
RoCE (in %)



Debt Equity Ratio (In Times)



Fixed Asset Turnover Ratio (in ₹)



Elevating lifestyles with convenient home solutions

With ever-evolving consumer expectations, we focus on delivering thoughtful solutions that make life simpler and more convenient. Our commitment to innovation ensures each product delivers superior value and genuine delight.

We aspire to elevate the quality of life of our customers consistently. In keeping with this objective, we remain focused on understanding the evolving needs of our consumers. Through consistent product innovation, we ensure that we are providing our consumers with greater comfort and convenience.

We continue to build on our legacy by adapting to industry trends and creating value for our stakeholders in more ways than one. At Orient Electric, we foster a culture of innovation, enhance consumer touch points and deliver superior customer experiences.



A Heritage Brand, Still?

Yes, but with a contemporary edge—combining our storied past with a forward-thinking approach to create thoughtful, modern solutions for today’s consumers.

About Orient Electric

With seven decades of experience, at Orient Electric, we have established ourselves as one of the leading electrical consumer brands in the industry. Our wide product portfolio, including fans, lighting solutions, home appliances, switchgear and other electrical accessories, are ushering in an enriching experience for our consumers.

Over time, we have fortified our core competencies by enhancing our manufacturing capabilities, expanding our distribution network, refining our after-sales services and diversifying our product portfolio. These efforts have been pivotal in shaping a consumer-centric brand. Additionally, we have recorded significant market growth in India and are establishing leadership in exports, operating in over 30 countries.

1,35,000+

Retail Outlets

450+

Cities

30+

Countries



Vision

Spreading Happiness by Smart Application of Technology



Mission

We are a leading Indian electrical brand with significant global presence. We are focused on making customers happy by consistently providing smart electrical solutions through innovation, world-class manufacturing practices, knowledgeable and customer-oriented distribution network, highly responsive after sales service and engaged employees



Our Values



Excellence

We are committed to the highest standards of professional ethics and honesty



Integrity

We are credible, we do what we say.



Collaboration

We act in accordance to our roles and responsibilities.



Trust

We are accountable for both our successes and failures and do not allocate blame.



Care

We speak up openly without fear.

Innovating for Consumer Delight. Always!

Driven by a deep understanding of our consumers, we leverage our strong manufacturing and R&D capabilities to deliver innovative and thoughtfully designed products.



Taking bold strides towards the future

Our steadfast commitment to excellence in manufacturing, R&D, and design at Orient Electric ensures we remain at the forefront of innovation, delivering products with superior value propositions to our customers. We actively identify and address consumer needs, bringing technologically advanced, first-to-market products that are designed with the consumer in mind. To further enhance the design and functionality of our offerings, we have established an Innovation Centre and a state-of-the-art Design Studio at our Faridabad plant. Moreover, we have recently established a new, state-of-the-art greenfield manufacturing facility in Hyderabad to enhance our capability to produce superior quality, best-in-class products at competitive costs. Its strategic location not only enhances our ability to efficiently serve the South and Western markets but also facilitates our expansion into overseas geographies.

Our manufacturing capabilities

At OEL, we are committed to manufacturing excellence and investing in technology, infrastructure and talent to stay ahead of the curve. To achieve this, we maintain a sharp focus on R&D and manufacturing and supplier capabilities, constantly striving to innovate and improve our product offerings. Our state-of-the-art manufacturing facilities at Noida, Faridabad, Kolkata and now Hyderabad are equipped with the latest technologies, allowing us to maintain high standards of quality.

Our innovative strategies

Operating in a dynamic sector with rapidly evolving consumer preferences, innovation emerges as the essential ingredient for our long-term growth. We ensure that all our product innovation strategies are crafted based on the insights received from surveys to meet diverse customer needs. Our

overarching objective has always been to seamlessly integrate technology into our product line. To this end, we continuously align our R&D efforts with the latest market trends; this approach enables us to consistently refine and expand our portfolio.

Commitment to consumer-centric innovation

Operating in a dynamic sector with rapidly evolving consumer preferences, innovation emerges as the essential ingredient for our long-term growth. We place our customers at the heart of our innovation process. By leveraging insights gathered from consumer surveys and real-time feedback, we ensure that our product development strategies are finely tuned to meet diverse and changing consumer needs. Our commitment to innovation goes beyond mere product improvement; it is about creating market-first solutions that significantly uplift the consumer experience. Integrating advanced technology into our products, we aim to enhance the everyday lives of our consumers. Our continuous drive for innovation ensures that we stay ahead

of market trends, offering solutions that are both relevant and future ready.

Sustained focus on Research and Development

R&D is the cornerstone of our manufacturing excellence. Our dedicated R&D team relentlessly pursues innovative solutions to meet the evolving needs of our customers. We continuously invest in state-of-the-art laboratories and testing facilities, enabling our team to experiment with new materials, technologies, and designs. This proactive approach allows us to continuously enhance our product portfolio and offer a differentiated value proposition to our consumers. The results of our R&D efforts are evident in many groundbreaking innovations such as AeroSeries fans and health-centric EyeLuv LED lights. From smarter home appliances to more efficient lighting solutions, our products reflect our commitment to technological advancement and customer satisfaction. Investing in R&D not only helps us gain a competitive edge but also drives long-term productivity and profitability. By continuously improving and innovating, we ensure that our products remain relevant and our operations efficient.



Our strengths



Advanced Innovation Centre

Our state-of-the-art innovation centre is equipped with top-tier infrastructure, featuring advanced research labs and accredited testing centres. This facility, accredited by NABL, promotes collaboration, experimentation and the development of innovative solutions.



In-House Capability Building

We have built strong in-house capabilities across various stages of the product lifecycle, including industrial design, engineering design, prototyping, testing and validation. In lighting, we have an established competence center for electronics, focusing on the design of drivers and PCBs for LED products.



State-of-the-Art Design Studio

Our design studio, equipped with advanced machinery, enhances our design capabilities. It empowers our designers to innovate, explore new concepts and develop unique designs.



In-House Prototyping Lab

Our in-house prototyping lab reduces turnaround time and accelerates the iterative design process. This facility allows us to quickly validate and refine product concepts, leading to faster go-to-market.

Ahead in the Technology Curve

The advent of Industry 4.0 and automation signifies a fundamental shift with profound implications for the industry in which we operate. At OEL, our focus extends beyond merely staying abreast of these technological advancements; rather, we integrate them into every facet of our operations.

Hyderabad plant: Setting new standards

We have recently commenced commercial operations at our newly established manufacturing plant in Hyderabad, Telangana. Adhering to Industry 4.0 standards, it features advanced automation technologies designed to enhance productivity and efficiency while maintaining stringent safety and environmental standards. This plant represents a significant milestone in our growth strategy, enabling us to produce top-notch quality products at competitive costs. Strategically located, the Hyderabad facility allows us to leverage our proximity to the southern and western regions of India, enhancing our ability to serve these key markets with greater efficiency. Additionally, the advanced automation and state-of-the-art technology will enable us to develop superior quality products for international markets, aiding our international business. With this new facility, we are not only boosting our production capabilities but also reinforcing our dedication to delivering exceptional products and value to our customers, both domestically and globally.



Automated Paint Shop

Our automated paint shop will manufacture both powder and liquid coatings, ensuring consistent quality and significantly improving the fit, feel, and finish of our products. This automated system eliminates human exposure to hazardous chemicals, thereby enhancing workplace safety.

Automated Material Transfer

Material handling within our factory will be managed by Autonomous Mobile Robots (AMRs), without human supervision. The AMRs facilitate the efficient transfer of materials, including finished goods, to the warehouse floor.

Automated Blade Riveting and Segregation

Our factory features advanced automated blade riveting and segregation systems, ensuring precise and efficient assembly of components.

Automated Assembly Line

Our factory's assembly line features cutting-edge technology, achieving lower cycle times and enhanced productivity. This automation will help improve product quality and increase worker safety.

Automated Packing Line

Our automated packing line are designed to perform tasks including palletizing, box forming, tapping and strapping.

Sustainability

Our factory places a strong emphasis on sustainability, with dedicated green spaces throughout the premises. The facility maximises the use of natural light, reducing dependency on artificial lighting, and employs motion sensor lights to optimize electricity usage. Additionally, the factory features ETP-STP-WTP systems to reuse water and treat waste, highlighting our commitment to environmental stewardship.



Driving Technological Excellence in Lighting

Our manufacturing expertise in lighting is underpinned by advanced design and robust R&D capabilities in both B2C and B2B segments. We have an established competence centre which has helped us to improve our product reliability and cost efficiency while also enabling us to develop tailor-made products to meet specific requirements. With specialized expertise in design of advanced facade lighting and smart lighting solutions, we deliver products that harmoniously blend cutting-edge technology with aesthetic appeal. Furthermore, our strong R&D capabilities drive continuous innovation, keeping us at the forefront of lighting technology and product development.



Delighting consumers with a plethora of choices

With consumers becoming increasingly technology-savvy, staying abreast of emerging technologies and market trends is paramount.

Our deep understanding of consumer preferences, combined with our commitment to R&D and innovation, empowers us to consistently deliver superior value to our consumers. Our approach revolves around offering technologically advanced and thoughtfully designed products and solutions that cater to their evolving needs.

Consumer insights driven New Product Development

Central to our innovation strategy is the integration of consumer insights into new product development. Through extensive market research and surveys, we gain deep insights into the preferences and behaviours of new-age consumers, and utilize real-time feedback from customers on our new product launches. This data-driven approach ensures that our products resonate with our target audience, offering solutions that are not only functional but also align with evolving lifestyle and technological trends. During FY24, we introduced a number of new products across our categories. Following the BEE transition and the growing demand for energy-efficient fans, we expanded our energy saving BLDC fans range with new models in premium and mid-premium segments. Equipped with features such as IoT controls, integrated lighting, and reverse rotation, these fans align with the consumers' desire for smart, stylish, and technologically advanced solutions.

In the air cooler category, we have introduced high-capacity models tailored for Desert and Commercial applications, targeting larger spaces that require enhanced cooling capabilities. Some of the new models launched included Smartchill

125L, Avante 105L and Titan 100L in desert cooler category and Maxochill 100L in commercial cooler category. These coolers come equipped with fan blades with Aero Fan technology which ensures an impressive and longer air throw of up to 60-feet. From plastic to metal coolers and commercial to industrial air coolers, we offer a wide range of cooling solutions catering to diverse needs and usage environments.

In lighting, we strengthened our product portfolio in both consumer and professional luminaires. Taking into consideration the market price erosion, we launched new value-added products like COB, downlighters, and panels in consumer luminaires. Additionally, our professional luminaires range has been expanded to include new solutions for tunnel, border, warehouse, and national highway lighting applications. Our strategic focus on B2B lighting segment over the past couple of years has started to yield results. We have gained strong traction in this space, marked by a significant increase in enquiries and a robust order book for our professional luminaires. Additionally, we have made notable strides in facade lighting, underscored by successful execution of prestigious projects like Srinagar Smart

City, Ganga Patna Setu Bridge, Sudarshan Setu, and Mumbai Metro Rail Corporation.

The introductions of new products across categories have been pivotal in driving our growth for FY24. These additions have enriched our product portfolio, ensuring a healthy mix that caters effectively to diverse consumer needs and market demands. With a steadfast commitment to understanding consumer needs and leveraging our strengths in R&D and manufacturing, we will continue to evolve our product offerings to meet and exceed consumer expectations.

Superior price-value proposition

Our approach to product development is grounded in providing a superior price-value proposition to our consumers. By optimising our manufacturing processes and supply chain efficiencies, we ensure that our products not only meet high-quality standards but also remain competitively priced in the market. We have also institutionalised cost-saving initiatives through Centres of Excellence to enhance efficiency and build economies of scale for pricing the product right. This enables us to deliver maximum value to our customers without compromising on performance or reliability.

Smarter LED lights: Innovative Solutions for Our Customers



Advanced IoT-Based Outdoor LED Lighting

We have developed a state-of-the-art street light controller module that uses 3G 4G, nb-IoT and RF technology for real-time communication with centralised cloud platforms. These smart streetlights are equipped with sensors and controllers that automate functions, including on off scheduling, dimming and fault detection, making them highly efficient especially with the integration of cutting-edge IoT technology.

Implementation

Our smart lighting solutions are currently undergoing rigorous testing and refinement before deployment. Once these tests are successful, we will roll out large-scale deployments in collaboration with local authorities to ensure their seamless integration into city grids.

These lighting systems will transform urban living by enhancing visibility, safety and energy efficiency. Real-time monitoring and predictive maintenance will reduce downtime and operational costs, making cities smarter and more efficient.

New line for MCBs at Noida plant

Besides the new manufacturing facility at Hyderabad, we have added a new line for MCBs at our Switchgears plant in Noida, equipped with state-of-the-art automatic calibration and verification line for MCBs. Supported by a fully equipped R&D center, this enhancement strengthens the company's capability to develop technologically advanced, industry-leading products.

New Product Launches

Technologically advanced BLDC fans with new-age designs and finishes



Ecotech Prime



i-Falcon with Remote



Jazz BLDC



Wendy BLDC

Further enhanced our fan offerings across categories



Subaris with Remote



Mozart



Falcon Speedstar



Desk 25



Wall 47



Wall 44



Heavy Duty Exhaust



Thunderstorm Pro

Stylish and technologically advanced water heaters for modern spaces



Aura Instant Pro



Aura Rapid Pro



Calidus Pro



Enamour Classic Neo



Enamour Classic Pro



Orient EVA



Cronos Pro / Smart



Ecoswift Pro

Compact yet powerful mixer grinders for effortless cooking



Ultra Blend



Smart Blend



Geenie



Power Blend

Kitchen appliances to simplify your daily cooking



Cooksmart



ICT Sizzle



POWERHOT Electric Kettle

Superior quality, heavy weight dry irons for effortless ironing

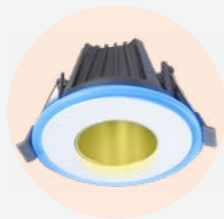


Lyvi



Gusto

Multiple products launched across consumer and professional luminaires



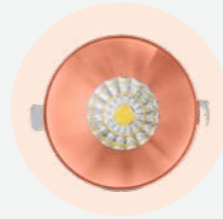
Rainbow COB Downlighter



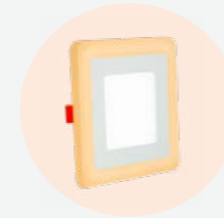
Ranger Dual



Prism Twist COB Downlighter



Prism Deep Downlighter



Rainbow Panel Square



Prism Surface COB Downlighter



Flexi Spot Light



K Type Wall light



Emergency Lantern Lamp



Crescent Emergency Desk Lamp



Prism Surface COB Downlighter



LED Flood Light Razor

Decorative lights to add sparkle to festivities



Joylite Curtain Diya



Joylite Curtain Mannat Ball



Joylite Kuber Yantra Swastik



Joylite Golden Toran

Scaling Up and Staying Connected, How?

By diversifying sales channels, advancing our digital footprint, delivering exceptional after-sales service, and employing a customer-centric marketing approach.

Driving Market Success: Expanding Reach, Elevating Engagement

Expanding our distribution

We are strategically diversifying and expanding our sales channels to align with evolving consumer buying behaviour, aiming to enhance our market reach, capture greater market share, and achieve a competitive advantage. Our implementation of direct-to-market (DTM) distribution approach in fans in select states has yielded significant success, evidenced by consistent market share growth. We are also leveraging the insights gained to inform our strategies in other states where we work with distribution partners. Our focus remains on improved retail visibility and ensuring that the brand is available at most outlets. In line with this, we also enhanced our focus on large format retail (LFR) and partnered with leading retail chains like Croma, Reliance, Vijay Sales, and Vishal Megamart during the year under review. Our focus is to expand sales channels across our categories. Going forward, we anticipate these efforts will not only

generate tangible benefits in terms of revenue growth and market share, solidifying our position in key markets and fostering stronger relationships with our customers.

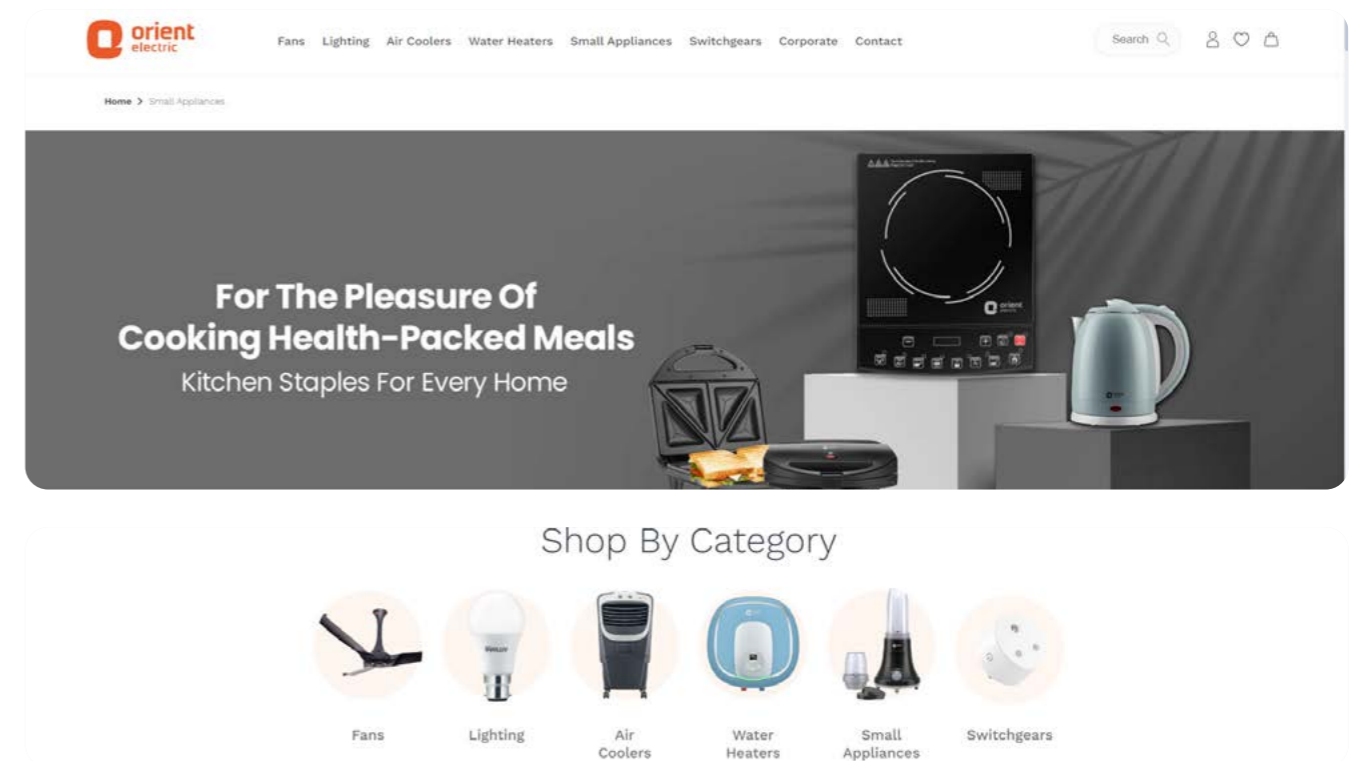
Driving accessibility and convenience through Digital

Our digital business has experienced robust revenue growth, with e-commerce channels playing an increasingly significant role. Throughout the year under review, we intensified our efforts to strengthen our presence and scale all our categories on e-commerce platforms. Our goal is not only to drive revenue growth but also to foster deeper customer relationships. Additionally, we focused on key account management, fostering deeper engagement with platforms like Amazon and Flipkart. During the year, we also ventured into quick commerce with partners like Swiggy Instamart and

Blinkit, responding to the increasing demand for swift delivery services in a rapidly evolving market. Simultaneously, significant improvements in our supply chain have ensured seamless operations and elevated overall customer experience. As we advance our Direct-to-Market strategy, an efficient supply chain network will play a crucial role.

We also launched our direct-to-consumer (D2C) portal, which enables customers to access more information about our products, helping them make an informed buying decision. This platform gives us full control over how we present our brand and products and allows us to engage directly with customers, enhancing engagement through personalised communication and targeted marketing.

Our focus remains on expanding our reach and optimising interactions across all touchpoints to foster engagement, enhance accessibility, and deliver unparalleled convenience.



Delivering Superior After-Sales Service

We have established a robust after-sales service network aimed at swiftly resolving customer issues, thus fostering trust and loyalty. Our commitment to delivering exceptional customer service, timely technical support, and flawless service execution forms the cornerstone of our operations. To ensure accessibility and convenience, our initiatives prioritize prompt problem resolution and proactive communication across multiple channels. Also, we offer extensive training and development programs for our frontline personnel, enhancing their communication skills and knowledge to effectively meet customer needs. Furthermore, our call centers are equipped with advanced dialler management systems, enabling our trained agents to handle calls promptly and effectively, thereby improving our First-Time Resolution (FTR) rates.

8-8-88 Winter Care Program

The service initiative '8 Hours, 8 Cities, 88 Days' (8-8-88) was introduced as part of our Winter Care Program, aimed at elevating service standards and enhancing customer satisfaction. This program specifically targeted improvements in service delivery for water heaters and room heaters in selected cities across India.

8 HOURS:

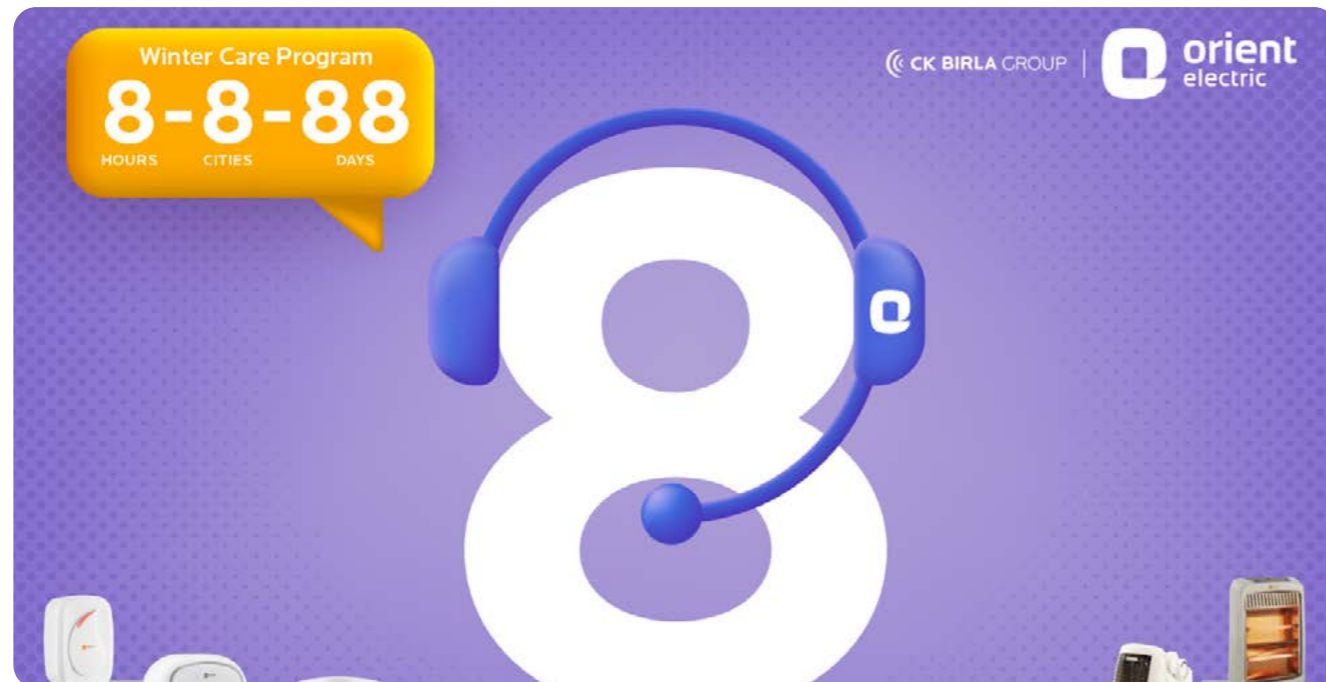
Lightning-fast service call completion within 8 hours of logging

8 CITIES:

Delhi, Noida, Ghaziabad, Lucknow, Amritsar, Chandigarh, Patna, Kolkata

88 DAYS:

4th December 2023 to 29th February 2024



Service Excellence through advanced CRM, ORM and Service Networks

Our robust tech-driven Customer Relationship Management (CRM) systems underscore our commitment to real-time monitoring and prompt resolution of customer concerns. These systems optimize workflows, ensuring efficient management of customer data, interactions, and personalized services. We diligently monitor customer

interactions, expedite response times, and streamline operations. Alongside email assistance as an alternative support channel, WhatsApp for Business facilitates seamless customer outreach and rapid responses, enhancing comprehensive support across various communication platforms. We have implemented a comprehensive Online Reputation Management (ORM) strategy which involves continuous monitoring

of online platforms, including social media, review sites, and forums, to track customer feedback and sentiments. In addition, during the year, we established a direct Authorized Service Centre (ASC) network strategically located for our Fans markets. This initiative has significantly improved our response capabilities, providing prompt assistance to the customers.



Marketing Strategy and Initiatives

The marketing strategy at OEL is crafted around a customer-centric approach, aimed at driving growth, increasing visibility, and nurturing strong customer relationships. Our marketing mix is strategically designed to build consideration for our product portfolio as well as drive point-of-sale effectiveness through both digital channels and physical retail environments.

Driving growth across categories

Our marketing efforts are directed at driving growth across our product categories including fans, lighting, home appliances, switches and switchgears. Our aim is to enhance market presence, engage our diverse consumer base, and elevate brand visibility across all our touchpoints. During the year, we executed impactful campaigns across ATL, BTL, print, digital, and experiential platforms, capturing our audience's attention, boosting brand awareness, and driving business growth in respective categories.

These campaigns were further complemented by hyperlocal activations, market storming and deployment of engaging point-of-sale materials, generating heightened customer interest and engagement. Additionally, leveraging shopper insights, we optimize our on-ground activations to ensure improved visibility and engagement. Our steadfast marketing efforts in Direct-To-Market (DTM) states have translated into an impressive 65% year-over-year revenue growth, reflecting the effectiveness of our targeted approach in these geographies.

Deepening our engagement with our channel partners is crucial for us and so we regularly share with them new product launches, schemes and offers, and other relevant information in both static and video formats. This ensures our dealers and retailers stay informed and engaged, equipped with the latest updates to effectively promote and sell our products. In lighting and switchgears, we actively engage with architects and electricians, who are the category influencers, to drive brand advocacy.

Integrated marketing approach

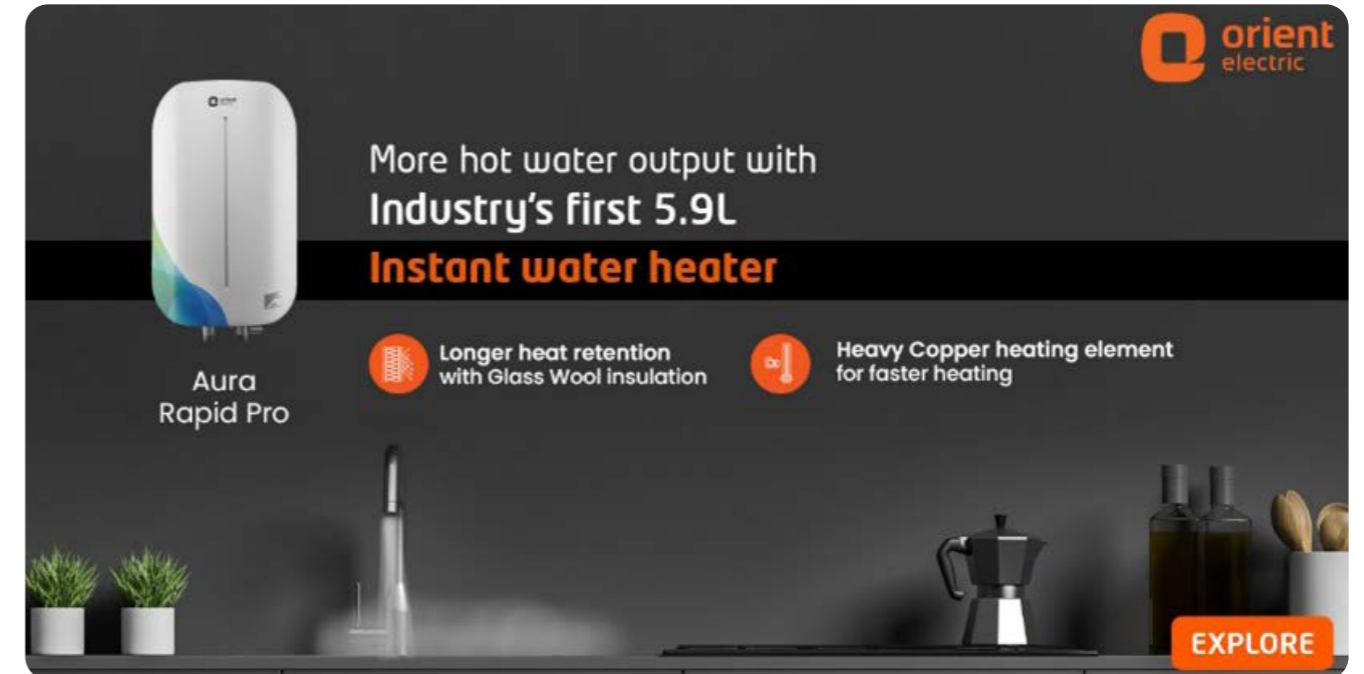
Our marketing strategy seamlessly integrates offline and online efforts to create a cohesive brand experience. This holistic approach allows us to reach our diverse audience effectively, enhancing engagement and fostering lasting connections. We craft our marketing campaigns to ensure consistent messaging across all touchpoints, from television and print media to social media platforms and online advertisements. While TV remains pivotal for broad reach, we are now allocating over 25% of our total budget to digital. Recognising the digital-first customer journey, we utilize a blend of TV, CTV, Meta platforms, and OTT for extensive top-of-the-funnel reach. Investments in search advertising on Google, Amazon, and Flipkart target customers actively seeking our products. E-commerce is integral to the customer journey, and so we're using various digital channels including social commerce and DSPs to target younger audiences and women.

Bolstering new channels of growth

Given the fact that a majority of consumer decision journeys start online today, we have significantly increased our on-platform spending across major online marketplaces, including Amazon and Flipkart, to connect with this new-age consumer. This strategic move is aimed at enhancing our product visibility, expanding customer reach, and driving sales effectively in a competitive digital landscape. We employ targeted digital advertising across platforms like Google and social media to attract and convert customers. We also leverage influencer partnerships to promote our select products and drive conversions. An important aspect of our e-commerce strategy is creating informative and engaging content that empowers customers with valuable product information, ultimately aiding informed purchase decisions. As part of our commitment to enhancing consumer touchpoints and elevating customer experience, we launched our D2C

website during the review year. This platform is being continuously optimized with best SEO practices to boost search engine visibility and attract organic traffic. We curate engaging content like blogs and videos to educate and engage customers, while personalized email campaigns nurture leads and drive repeat purchases. Our D2C site also serves as a showcase for our extensive product range and facilitates seamless new product launches, ensuring a comprehensive and enriching shopping experience for our customers.

We are also placing a significant emphasis on our large format retail business where we continue to support by increasing product visibility and engagement. We achieve this by training our ISDs (In-Store Demonstrators) effectively, ensuring our products are well-represented and enhancing sales while building strong partnerships with retail chains.



Driving Excellence with Insights

Customer centricity guides everything at OEL, from product development to marketing strategies, and so we rely heavily on consumer insights. Through consumer surveys and data analysis, we delve deep into consumer purchasing behaviours and their preferences and feedback to form our strategies. This deep understanding is continuously enabling us to expand our product portfolio across categories to ensure availability in a wide range of designs and price points, catering to the diverse preferences of our consumers. Furthermore, these insights help us to develop and deliver effective marketing campaigns that resonate with our target audiences, allowing us to communicate our products' unique value propositions and ensuring our messages are both relatable and compelling. By strategically aligning our marketing initiatives with consumer preferences and market trends, we continue to grow our customer base, increase market share, and strengthen our position as a market leader.



Key campaigns

Our campaigns begin with a thorough analysis of consumer insights, including market trends, consumer pain points, and preferences. Using these insights, we craft holistic marketing strategies aimed at reaching our customers most effectively. An essential part of our planning and execution involves closely monitoring our progress. We track key performance indicators (KPIs) to assess how well our campaigns are working and use this data to make informed decisions for continuous optimization.

Future Of Fans

Pata nahin cricket ka future kaisa hoga, par fans ka future pata hai!

The FutureOfFans campaign stemmed out of our desire to reimagine fans in context of modern homes. The TV commercial, featuring brand ambassador MS Dhoni in a never-seen-before avatar, ingeniously used a futuristic narrative to assert that the future of fans is

already here, with the premium Orient BLDC Pro fans. These fans represent a leap forward in technology, design, and energy efficiency. The TVC, which was been done in eight languages to resonate with different audiences, was strongly flanked by print, digital, and OOH. The campaign resonated with audiences, sparking interest in our BLDC Pro fans.

Lightstallations

Illuminated iconic buildings across India in Tricolour for Independence Day

Building on our #OrientLightsUpIndia initiative, we illuminated a number of landmark buildings and sites across India in Tricolour in celebration of India's 77th Independence Day. We used our indigenously developed Façade lighting to illuminate these buildings, with the option to program lighting levels, colours, and effects

through controllers. We proudly refer to these beautifully lit structures as 'Lightstallations'.

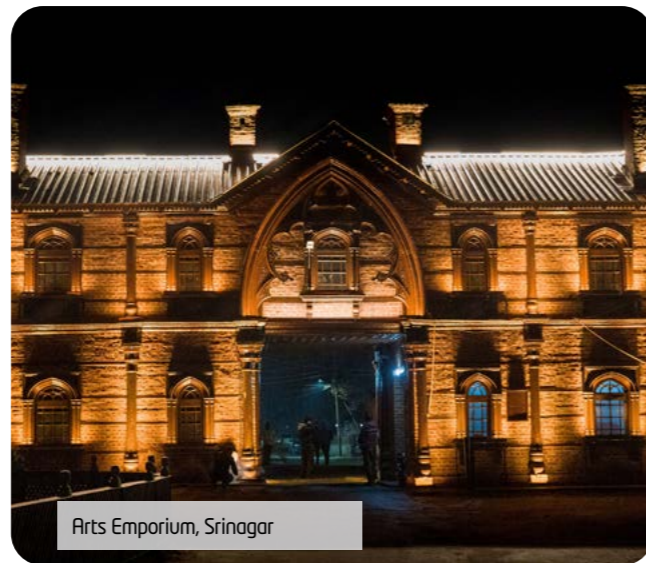
- Srinagar Smart City
- Ganga Patna Setu Bridge
- Sudarshan Setu
- Mumbai Metro Rail Corporation
- ONGC Headquarters, New Delhi

- Izzatnagar Railway Station, Bareilly
- Main Gate, Shanti Stupa, and the gate of Mahabodhi International Meditation Centre (Leh)
- Ambhora Bridge, Nagpur

Our capability to deliver exceptional projects is fuelling traction in our façade lighting business and garnering interest from government bodies nationwide.



Ambhora Bridge, Nagpur



Arts Emporium, Srinagar



Sudarshan Setu, Gujarat



Leh Main Gate

Festive campaign

Diwali ki raunak tab chhayegi, jab har ghar se roshni aayegi

Diwali symbolizes the celebration of bonds and the essence of togetherness. This formed the basis of our festive campaign. Our TVC beautifully showcased MS Dhoni illuminating every house in his cherished, old neighbourhood with the resplendent glow of made-in-India Orient Joylite festive lights, echoing the message that the true essence of Diwali is only complete when we illuminate every home and heart. The campaign struck a chord with audiences across the country. The 4-week long campaign covered TV, print, digital, and social media.



Building a Future-Ready Workforce, How?

By investing in new organisational capabilities, prioritising upskilling and reskilling, and building robust talent pipelines for the future.



Building a Future-ready Workplace

With a firm belief that our success is rooted in our people, at OEL, we are committed to building a future-ready workforce that is diverse, agile, and resilient. To achieve this, we remain focused on attracting high-calibre talent and building enduring capabilities, preparing our people for current and future opportunities

Attracting High Caliber Talent

At the core of every customer-first organisation lies a talented team. A diverse talent pool enriches our perspective, bringing valuable outside insights, driving strategic capability development. During the year under review, we made significant investments not only to enhance our capabilities but also to cultivate a high-calibre, diverse talent pool.

Diversity of Talent

We believe that a more diverse and inclusive workforce, particularly with more women in the right roles, creates an environment critical to our long-term business success. In our industry, diversity brings a breadth of perspectives essential for understanding diverse consumer needs and ensures that products are designed, marketed, and serviced to resonate with all demographics. Our efforts towards diversity have resulted in a 47% increase in the representation of women across all levels of our organization over the past year. In FY24, we doubled our hiring



of women employees and witnessed a five-fold increase in women in service roles. Notably, women now comprise 30% of our leadership roles, underscoring our dedication to fostering diversity and inclusion across the organisation.

Building New Organizational Capabilities

As part of our ongoing journey of transformation and growth, we remain steadfast in our commitment to investing in new organisational capabilities and building robust talent pipelines for the future. This year, we made significant strides in these areas, ensuring that we are well-positioned to meet the evolving demands of the market and maintain our competitive edge. In our DTM operations for fans, we've bolstered our sales and service teams through targeted hiring efforts. For E-commerce, our focus remains on acquiring talent critical for enhancing performance metrics, managing our product categories effectively, and optimising supply chain operations. Similarly, in large format

retail (LFR), we have strengthened sales and account management capabilities. Significant efforts have gone into optimising the delivery organisation for our wires business. These initiatives reflect our commitment to building resilient teams to drive sustained growth across our businesses.

Nurturing Future Leaders - Orient Campus Program

Our campus recruitment program for Management Trainees (MT) and Graduate Engineer Trainees (GET) has been pivotal in attracting and onboarding talented young individuals from top-tier educational institutions, who will be instrumental in driving our growth journey. Our leadership team was actively involved in the hiring process, conducting pre-placement talks and participating in panel interviews, ensuring thorough candidate evaluations. By leveraging EvueMe, the world's first digital-human AI recruiter, for comprehensive technical and behavioural assessments, we have significantly raised the quality of our selection process. Additionally, forging strong partnerships with leading universities and colleges has ensured a consistent influx of skilled graduates into our talent pool. Our comprehensive induction program includes plant visits, a 'campus to corporate' transition module, and a deep dive into all facets of our organization's operations. Following this, our campus recruits undergo a structured six-month training program that prepares them for their roles at OEL.



Building a Strong Leadership Foundation

Our leadership development initiatives are meticulously designed to meet the dynamic demands of the industry. We emphasise nurturing strategic thinkers, tech-savvy innovators, and versatile professionals capable of thriving in today's complex business landscape. These programs prioritise practical, scenario-based learning, preparing our future leaders to drive growth and foster a culture of excellence.

Key Features of Saksham

Saksham

Saksham, our new Learning Management System (LMS), serves as a comprehensive platform offering a wide array of resources, courses, and personalized learning opportunities. Whether refining skills for current roles or exploring new career paths, Saksham provides essential tools and support.

| | | |
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| <p>Extensive Course Selection: A wide range of courses covering various areas such as Behavioural Skills, Business Skills, Change Management, Communication Skills, Customer Centricity, Customer Service, HR, Ethics & Compliance, Leadership Skills, Marketing, Productivity, Personal Development, Product & Technical, Sales & Service are offered.</p> | <p>Collaborative Learning Environment: Collaboration and knowledge exchange through social learning features, facilitating connections and the sharing of insights are encouraged.</p> | <p>24/7 Accessibility: Round-the-clock access across various devices, enabling learning at your convenience, whether you are in the office, at home, or on the move.</p> |
| <p>Customised Learning Paths: Personalized learning routes based on your role and interests, ensuring access to relevant and captivating content that meets your specific requirements are catered to.</p> | <p>Interactive Learning Experience: Educational activities are transformed into engaging experiences through gamified elements, making learning both enjoyable and interactive.</p> | <p>Real-Time Progress Monitoring: Learning journey in real-time can be tracked, monitoring achievements and pinpointing areas for improvement.</p> |
| | | <p>Bite-Sized Learning Modules: Complex concepts are broken into easily digestible modules, enhancing efficiency and manageability in the learning process.</p> |

Embark

Embark is our ongoing 12-week blended learning program designed to empower young leaders across our organisation. This initiative integrates learning, practical application, and real-world experience to enhance personal productivity, professional skills, and deepen understanding of our organisational ethos.

Throughout the Embark program, participants immerse themselves in mastering nine essential skills.

This is our comprehensive 12-week blended learning programme, meticulously crafted to empower young leaders throughout our organisation. This innovative initiative seamlessly integrates learning and, practical application, and hands-on experience to elevate personal productivity, hone professional skills and foster a profound comprehension of our organisational ethos. Throughout the duration of Embark, participants immerse themselves in mastering nine essential skills

| | | | | |
|---|---|--|---|---|
|  |  |  |  | |
| Resilience | Critical thinking | Embracing feedback | Problem-solving | |
|  |  |  |  |  |
| Dependability | Cultivating a growth mindset | Ensuring consistent productivity | Crafting on-point messaging | Promoting effective teamwork |

Orange Leaders

Orange Leaders is a holistic initiative aimed at transforming our managers into effective leaders. By focusing on a wide range of competencies and skills, Orange equips future leaders to navigate transitions, ensure stability, and drive long-term success through consistent practices, effective communication, and strong coaching abilities.

Care in our DNA

For us, "Care" is not only one of our core values, but also the essence of who we are as a company. We prioritize empathy and support for our employees, striving to nurture a workplace where they feel valued, respected, and empowered. Our commitment to care extends to our valued customers, where it translates into deeply understanding their needs and consistently delivering exceptional service and products.

Listening to Our Employees

We prioritize understanding and responding to our employees' needs, concerns, and experiences through initiatives like Amber and Employee Connect. Amber, an AI-powered chatbot, serves as our dedicated listening officer, providing a confidential space for employees to openly share feedback. Through personalized one-on-one communication, we ensure that every employee's voice is heard and valued. Additionally, Employee Connect entails regular sessions across levels and functions, where we listen attentively to their needs, concerns, and feedback. These efforts reflect our commitment to fostering a supportive and caring work environment, underscored by our recognition as a Great Place to Work (GPTW) for the fifth year in a row.

Celebrating Successes Together

Acknowledging and celebrating the hard work and achievements of our teams and individuals is a cornerstone of our culture. Our Rewards and Recognition (R&R) programs are meticulously designed to highlight outstanding contributions, fostering a deep sense of pride and accomplishment among our employees. The quarterly HiFlyer program exemplifies this commitment by recognizing top performers across the organization. Additionally, our Wow cards initiative enables colleagues to offer on-the-spot recognition, expressing gratitude and acknowledging each other's efforts promptly. Moving forward, we are committed to enhancing our R&R framework to ensure a workplace where recognition thrives.



Supporting Policies

Our policies at Orient Electric are crafted with a clear focus on the well-being of our employees. This includes healthcare support, equal opportunity policies, maternity and paternity benefits, menstrual leave for women employees, and access to counselling and emotional support. Besides this, we have other policies and programs in place which focus on women's health and safety and their equal representation in the workplace. Additionally, we maintain a zero-tolerance policy for sexual harassment and have established a committee to handle complaints and ensure a safe working environment. These initiatives reflect our commitment to fostering a workplace where every team member feels valued and supported.

Enhancing Employee Engagement

We believe in fostering an engaging workplace culture, and to achieve this, we prioritize engagement through a variety of initiatives and activities. Our #AmazingWomenOfOrient initiative celebrates the incredible contributions of our women workforce, highlighted by a week-long celebration during International Women's Day 2023. We organise team get-togethers and offsites to team bonding and camaraderie. Festivals are celebrated joyfully across our offices and plants, nurturing a strong sense of community. We also hosted Badminton & Table Tennis Championship during the year to promote healthy competition among employees. We remain dedicated to fostering active employee engagement in our workplace through ongoing initiatives and new endeavours.



Voices of #AmazingWomenOfOrient



The Company's policies and culture allow me to maintain a perfect balance between my professional and personal life, enhancing my productivity and overall well-being.

Pragya Johri
Digital Marketing



It has been an exciting journey at Orient Electric, being a part of SCM function and working closely with Digital businesses. The sub-function heads and leaders are easily approachable. I admire the women friendly policies which are completely aligned with organisation's values.

Pallavi Jha
Supply Chain



My journey in this Company has been a transformative experience, evolving from a novice, eager to learn into a more seasoned professional. Climbing the corporate ladder at Orient Electric has been the most exciting part of my journey. The journey has taught me to be articulate in thought and empathetic in approach. I navigated through various challenges, each teaching me invaluable lessons and shaping my professional growth. The supportive environment and collaborative culture here allowed me to develop new skills and gain confidence in my abilities. As I took on increased responsibilities, I discovered my passion for problem-solving and driving impactful change. Today, I look back with pride at the milestones achieved and look forward with enthusiasm to the future, continuously striving to contribute to our shared success. Orient Electric is indeed a great place to work, as it leads by example for everyone by being the most employee friendly company.

Swati Sinha
Human Resources



Building a Robust Infrastructure for Technological Advancement

We are steadfastly enhancing our IT capabilities to not only maximize operational efficiency but also empower our teams and catalyse business growth. This strategic focus underscores our commitment to leveraging technology as a catalyst for growth and a driver of innovation across our organization

Boosting Productivity and Security

We have successfully implemented the Manufacturing Execution System (MES) by Dassault Systems in Hyderabad, optimizing capacity use. Our adoption of the PURDUE model has strengthened Operational Technology (OT) security, ensuring robust infrastructure protection.

State-of-the-Art Data center

We have established a new, state-of-the-art data center to serve as the central hub for our critical digital infrastructure. This data center has been engineered to accommodate essential systems such as the Manufacturing Execution System (MES) and various other applications vital to our operations. To ensure seamless continuity and reliability, the data center is equipped with robust backup systems.

Introducing Traceability 2.0

Across our organisation, including manufacturing plants and warehouses, we have implemented Traceability 2.0 which uses QR codes to track components through every stage from quality checks to shipment, enhancing supply chain visibility.

Securing ERP with SAP Compliance

We have fortified our ERP system, SAP, with a suite of SAP-compliant security tools including Security Weaver, Segregation of Duty, and Authorization management. These enhancements are pivotal in mitigating the risk of inadvertent errors and unauthorized access to sensitive business data.

Strengthening Cybersecurity Measures

We are continually enhancing our cybersecurity framework to safeguard our data, technology assets, and the uninterrupted flow of our business operations. By implementing advanced threat detection systems and comprehensive security protocols, we ensure robust protection against cyber threats.

Resilient Digital Infrastructure

Our commitment to maintaining a resilient digital infrastructure is evident in our comprehensive disaster recovery strategy. With multiple layers of control, secure backups, and encryption technologies deployed both on-cloud and on-premises, we safeguard business continuity and data integrity against unforeseen disruptions.

Preparing for Data Protection Regulations

Anticipating the implementation of the Digital Personal Data Protection (DPDP) Act of 2023, we are proactively aligning our data management practices with stringent regulatory requirements. This proactive approach ensures that we uphold the highest standards of data privacy and compliance.

Enhanced Integration and Automation

We have significantly enhanced the integration capabilities between E-commerce marketplace and internal systems, including ERP through an advanced middleware. This integration facilitates seamless and efficient operations, ultimately leading to enhanced customer experience.

Optimized Master Data Management:

Automation integrated into our ERP system has revolutionised our approach to Master Data management. By automating data entry, validation, and maintenance processes, we have achieved heightened accuracy, efficiency, and consistency in managing critical business information.

Improved connectivity and access management

To strengthen identity and access lifecycle management, we have implemented Single Sign-On (SSO) and Identity and Access Management (IDAM) across endpoints and SAP, Product Information Management (PIM), and Privileged Access Management (PAM). This ensures secure and streamlined access control throughout our systems and operations. For the optimization of Server resources, we use virtualization technology.

AI-powered security enhancements

Our commitment to maintaining robust information security is strengthened by AI-powered enhancements integrated directly into our firewall systems. This technology provides real-time threat intelligence, enabling proactive threat detection, rapid response, and continuous improvement of our cybersecurity capabilities.



Driving Financial Excellence for Sustainable Shareholder Returns

By leveraging strategic financial management and seizing growth opportunities, we ensure sustained value creation for our investors.



Strong financial position and judicious investments

Robust liquidity and prudent financial management have fortified our financial strength. This has also enabled agile decision-making and supported prudent investments in sustainable growth by leveraging technology. Our ability to fully self-fund a Rs. 210+ crore project in Hyderabad underpins our sound financial footing and preparedness to undertake future growth initiatives.



Cost optimisation and efficiency

Our persistent focus on product cost optimisation has delivered significant results, contributing to an increase of over 3% in our bottom line. This commitment to cost leadership has permeated our organisational culture, fostering a mindset of continuous cost consciousness and efficiency.



Sustained free cash flow and financial flexibility

We have consistently generated free cash flow, maintaining a negative net-debt position. This financial strength demonstrates our ability to generate cash in excess of our debt obligations, providing us with the flexibility and resilience to manage our financial commitments and pursue growth opportunities.



Diverse funding and liquidity options

Our ongoing focus on diversifying our funding and liquidity options enables us to capitalise on multi-directional growth opportunities, mitigate risks from potential funding disruptions and adapt swiftly to changing market conditions or unforeseen financial demands. This enhances financial stability by ensuring ample resources for ongoing operations, investments and strategic initiatives. Additionally, we are consistently strengthening our reserves to navigate volatile and unpredictable market conditions with resilience.



Capital allocation and strategic decision-making

Our ability to allocate capital to high-return opportunities is driven by a rigorous strategic decision-making process, supported by meticulous financial scrutiny to ensure optimal returns on investments. We have made prudent choices in our growth journey, including forays into direct-to-market, digital business, large format retail and the Lighting B2B and B2G segments. Additionally, our ongoing investments in enhancing internal capabilities for both products and personnel are yielding promising results.



Technology integration in financial processes

The majority of our financial processes are now powered by technology, ensuring seamless, system-controlled and timely execution of transactions. This technological integration extends to our product portfolio and fully digitised operations, enhancing operational efficiency and enabling data-driven decision-making across the organisation.



Working capital management and vendor financing

Efficient working capital management, combined with enhanced leverage through vendor and channel financing, has effectively controlled exposures while extending credit and liquidity support to our business partners. Additionally, our well-networked banking arrangements strengthen our extensive and tailored facilities, enabling swift business actions across the ecosystem.



Curated policies for business expansion

We have curated flexible policies to ensure robust controls and support for our business partners, facilitating expansion into new channels such as direct-to-market, B2B, tender and digital. These policies also contribute to diversifying our product portfolio, mitigating risks and capitalising on new growth opportunities.



Good governance and ethical practices

At Orient Electric, we adhere to the highest standards of corporate governance, steering us towards sustainable growth, social responsibility, and a customer-centric approach. These standards ensure transparency, accountability, and adherence to ethical practices in all our decisions. By upholding these principles, we continually nurture trust among our stakeholders.



Environmental, Social, and Governance

Sustainability at Orient Electric has evolved beyond regulatory compliance to become a strategic imperative. This shift has enhanced efficiency, reduced risks and bolstered our brand reputation, driving long-term profitability. Our commitment to sustainable growth ensures a positive impact on the environment and communities we serve, ensuring inclusivity and sustainability for all.

Towards this, we have integrated energy-efficient solutions which marks a significant step in optimising our manufacturing processes. These advancements not only reduce our carbon footprint but also conserve resources, promoting sustainable industrial practices. Additionally, replacing hazardous chemicals with eco-friendly alternatives in metal surface treatment reflects our dedication to adopting safer and more sustainable manufacturing methods.

- 1** SEBI's Business Responsibility and Sustainability Report (BRSR)

We are reporting on the nine principles of SEBI BRSR and are in compliance with the requirements thereunder.
- 2** Sustainable Development Goals (SDGs)

We map our business operations to 17 SDGs, thus facilitating our corporate strategy with the needs of today's society and aligning with tomorrow's opportunities.
- 3** Global Reporting Initiative (GRI)

We map our business activities to over 60 GRI standards, which identify stakeholder inclusiveness and outline five steps for comprehensive stakeholder inclusiveness and engagement.

Aligning with UN SDGs

Guided by the UN Sustainable Development Goals (SDGs), we are integrating sustainability into our core business strategy, nurturing a culture of responsibility, innovation and collaboration. Our operations are designed to include sustainable practices, contribute to community development and safeguard the environment. Through these initiatives, we reaffirm our commitment to building a more inclusive, peaceful, and prosperous world for present and future generations, inculcating the essence of 'Technology that Cares'.



Environment

In our commitment to sustainability and environmental stewardship, we have implemented comprehensive initiatives aimed at efficient water management, responsible waste disposal, and energy conservation. With a focus on minimizing our ecological footprint and promoting environmental sustainability, we have integrated conservation measures into our operations while ensuring compliance with regulations and taking responsibility for our environmental impact.

Energy and Environment Conservation

Innovative Techniques

We have invested in innovative procedures to reduce the adverse impact of manufacturing processes on the environment. Our BLDC technology in fans and air coolers results in up to 50% less energy consumption.

Energy Conservation Initiatives

We have undertaken various measures to conserve energy, including the reduction in the usage of air conditioners, improving loading capacity, and removing shrink-wrap machines, leading to reductions in electricity consumption.

By adopting energy-efficient technologies and installing renewable energy sources such as solar panels, we demonstrate our commitment to reducing our carbon footprint and leading the transition toward a sustainable energy future. This initiative has resulted in the **generation of 68,381 kilowatt-hours (KWH) of renewable energy from our solar plant.**

3,57,36,845 MJ

Total Energy Consumption, a decrease of 34,02,454 MJ compared to FY'23.

1 MW

PNG generator Installed

620 KVA

Dual fuel generator Installed



Environmental Conservation Initiatives

Our green premises contribute to environmental conservation and climate change mitigation through initiatives such as tree plantations, tree-LED lighting, and renewable energy systems. These efforts result in reduced energy consumption and greenhouse gas emissions.

ISO 14001:2015

Faridabad, Kolkata and Noida Plants Certified for Environment Management System

ISO 50001:2018

Faridabad Plant Certified for the Energy Management System

Tree Plantation

Conscious efforts are made to conserve flora and fauna through mass tree plantation initiatives.

We launch a tree plantation campaign on World Environment Day which represents a significant contribution to natural capital, promoting carbon sequestration,

soil stabilization, and habitat provision for diverse species. This grassroots effort is dedicated to enhancing life on land by conserving and restoring forests, combating desertification, and halting and reversing land degradation.

Sustainable manufacturing

Greener Alternatives in Metal Surface Treatment

We have substituted hazardous chemicals like Chromium and Phosphating with Nano (Ceramic coating) for metal surface treatment. This enhances the quality and sustainability of our manufacturing processes, by fostering innovation and sustainable industrial practices and reducing environmental harm.

Innovative and Sustainable Production Techniques

We have implemented various sustainable production techniques, including VEDs in electrical devices, non-solder type B22 aluminum caps in LED lamps, and BLDC motor and inverter technology in products. These innovations further our commitment to eco-friendly manufacturing.

Water Management

Conservation Measures

We have embedded conservation measures into our operations and embraced sustainable strategies across our business and production processes. We are committed to replenishing natural resources and implementing initiatives to restore these valuable assets.

Compliance and Responsibility

To minimize untreated wastewater from our facilities, we ensure compliance with relevant regulations. Additionally, we take responsibility for providing clean drinking water, sanitation, and washrooms to government schools in Faridabad.

Effluent Treatment Plant (ETP)

Orient Electric's Effluent Treatment Plant represents a proactive measure in ensuring water is not merely a resource used but a resource reused. By transforming processed wastewater into reusable, deionized water, we emphasize the importance of clean water and sanitation through the efficient use and recycling of water in industrial processes.

381 KL

Total water conserved

Ultrafiltration (UF) Plant within the Sewage Treatment Plant (STP)

To further optimise water resources and promote sustainability, we have installed an Ultrafiltration (UF) Plant within our Sewage Treatment Plant (STP). This advanced filtration system processes wastewater for horticultural purposes and floor cleaning. This effort aligns with the need for sustainable consumption and production patterns, ensuring the sustainable management of water and wastewater.

5,554 KL

Total water conserved

Rainwater Harvesting

The rainwater harvesting systems installed at our Faridabad factory preserve approximately 45 days' worth of rainfall annually. Groundwater levels are monitored using piezometers and digital telemetry, enhancing our water management efficiency.

Additionally, the rainwater harvesting structures installed at Government Girl's High School in Kaurali, Faridabad, **annually harvest nearly 3.3 million liters of rainwater.** Also, approximately 3 million liters of water are recharged annually from RO wastewater.

Waste Management

Waste Management Strategies

We are committed to reducing and managing waste through various strategies and mechanisms. Initiatives include the use of biodegradable packaging, recycling flexible plastic waste, and converting canteen waste into compost for internal use.

609 MT

of total waste generated, a significant reduction compared to previous year

Sewage and Effluents Treatment

Effluents from our factories are efficiently treated in sewage treatment plants and the treated water is used for cleaning and gardening purposes, ensuring responsible waste disposal practices.

6,770 KL

increase in treated wastewater discharged compared to previous year

Hazardous and Electronic Waste Management

By implementing comprehensive hazardous waste management and streamlining electronic waste disposal systems, we mitigate soil and water contamination and curb the potential release of toxic substances into natural habitats. The co-processing of waste paint sludge resulted in the processing of 269.82 metric tons of waste paint sludge, utilised as fuel in cement kilns. This effort minimises the adverse effects of waste on ecosystems and climate.

Eco-friendly Packaging

To reduce the environmental footprint of packaging, we have adopted biodegradable materials. This switch significantly limits ecological damage caused by persistent waste, which calls for responsible consumption and production patterns, which focuses on the sustainable use of terrestrial ecosystems and halting biodiversity loss.

Extended Producer Responsibility (EPR) for Plastic Waste

Our approach to Extended Producer Responsibility (EPR) for plastic waste underscores our accountability across the entire product lifecycle. By assuming responsibility for the post-consumer stage of plastic products, we actively reduce environmental pollution and advocate for a circular economy.

Sustainable Food Waste Management

We have adopted an onsite compost mechanism to turn organic waste into a valuable asset for improving soil fertility. This initiative reduces greenhouse gas emissions from landfills, addressing climate change mitigation, and closes the loop in the food production cycle.

268 KG

Food waste composted

Social

We at Orient Electric believe that nurturing an environment of inclusivity, well-being, and social responsibility is essential for organizations striving to make a meaningful impact. We understand that success extends beyond mere profitability. It includes the empowerment of individuals, the promotion of diversity, and the enhancement of societal well-being. Through our approach encompassing initiatives ranging from women's empowerment and employee well-being to corporate social responsibility initiatives, we are committed to creating a workplace and community where every individual thrives.

Education, Skill Development and Women Empowerment

Ujjwal - Electrician upskilling

In partnership with Dee Foundation and Teach India, over 5,000 electricians across India received upskilling training. Led by experienced trainers, the program focused on technical skills, interpersonal skills, digital literacy, and financial management, aligning with the National Skill Development Corporation framework.

5000+

Electricians trained



₹2.96 crore

CSR Expenditure in FY24

Girl's School Infrastructure Enhancement

Our flagship CSR project focuses on renovating and modernizing government girls' schools in Faridabad, Haryana. Partnering with "EK Sangharsh," the project aims to improve educational infrastructure by installing rainwater harvesting systems, repairing meal and cultural activity areas and classrooms enhancing cleanliness and hygiene standards, providing stationary, arranging sports facilities, felicitating meritorious girls, and ensuring safety with boundary walls and CCTV cameras. The initiative provides a good learning environment for girls, nurturing academic success and well-being.

~2000

Girls benefitted

Healthcare

Critical Care Partnership

We collaborate with SJM Hospital, Noida, to offer medical assistance to underprivileged individuals suffering from critical illnesses. Through this partnership, we established NICU/ICU wards and covered medical treatment expenses for those from disadvantaged backgrounds, ensuring access to critical healthcare services.

1 NICU / 1 ICU

NICU/ICU wards established

~1,500

Marginalised people supported with medical treatment



Mind Culture Program Support

Contributing to the Mind Culture Program by Ramakrishna Mission, we support workshops for young students on emotional maturity, time management, work-life balance, and stress management. These sessions aim to nurture personal and professional development, equipping individuals with essential life skills for success.

Campus Infrastructure Development

We contributed to the infrastructure development at Chanakya University's Global Campus. Established with the objective of providing world-class education accessible to all, the university offers interdisciplinary programs integrated with Indian Knowledge Systems to groom inspiring leaders with life-mastering skills.



First Referral Unit Enhancement

In association with Ek-Sangharsh, we have undertaken initiatives to upgrade medical infrastructure and enhance patient care services at First Referral Unit-1, a government hospital in Faridabad. The hospital, primarily serving women and children, received necessary testing and treatment machines, including a bubble CPAP machine for newborns, a biochemistry analyzer machine for accurate diagnostics, and modern operation theater lights, ensuring efficient and quality healthcare delivery.



Partnership for Nutritious Meals

We collaborate with the Akshaya Patra Foundation to tackle malnutrition by providing freshly prepared, nourishing meals to students in select government schools in Delhi. This initiative targets children from low-income families, addressing their nutritional needs and promoting better health outcomes.

2000+

Children were provided with nutritious food



Governance

To reduce operational risk, protect assets, and respect moral and legal obligations, Orient Electric maintains strict governance policies and procedures. We protect sensitive information and earn customers' trust by following data privacy and security policy. Furthermore, a culture of strong risk management is encouraged by our enterprise risk management strategy, which makes it possible to identify, evaluate, and mitigate risks for stakeholder protection and business continuity.

Integrity is of the utmost importance, as evidenced by our Code of Ethics and Whistle-Blower Policy, which are regularly reinforced through training sessions. Our dedication to integrity, openness, and good governance is demonstrated by our ranking as one of India's Most Trusted and Iconic Brands.

We promote technology and use digitalization to improve accountability, efficiency, and transparency—all of which are essential in the current digital

world. Through automation of sales, distribution, collection management, and human resources operations, investments in digitization projects seek to increase operational efficiency and transparency. Strong governance procedures are ensured by digital technologies that support compliance monitoring, insider trading control, lawsuit management, and vendor/customer onboarding. More details on Governance are provided in Corporate Governance Report.

4

Independent Directors on the Board (2/3rd of total Board strength)

100%

Meetings attended by Independent Directors (cumulative)



Board of Directors



Mr. Chandra Kant Birla
Chairman

Chandra Kant Birla, aged 69 years, is the Chairman and Non-Executive Director of the Company. He is the Chairman of several companies of the CK Birla Group. The Group has interests across industries such as automotive, technology, infrastructure, building products, healthcare, and education. He is also a keen philanthropist and deeply committed to creating a sustainable positive impact.



Mr. Ravindra Singh Negi
Managing Director and CEO

Mr. Ravindra Singh Negi, aged 52 years, holds a PGDM from the FORE School of Management. With nearly three decades of experience in the Fast-Moving Electrical Goods (FMEG) and Telecom sectors, he has held key leadership positions at reputed brands. Ravindra has a proven track record of leading large-scale business transformations, turning around businesses, and delivering strong P&L growth.



Mr. TCA Ranganathan
Independent Director

Mr. TCA Ranganathan, aged 70 years, holds a graduate degree from St Stephen's College, Delhi, and Post Graduate degree in Economics from Delhi School of Economics. He was associated with State Bank of India. He was the Chairman and Managing Director of Export-Import Bank of India and the non-executive chairman of Indian Overseas Bank. He is currently associated as an arbitrator on the panels of the various stock exchanges and the Indian Council of Arbitration. He has more than 42 years of experience in corporate finance, international banking, and investment banking.



Mr. K Pradeep Chandra
Independent Director

Mr. K Pradeep Chandra, aged 67 years, is a retired IAS officer. He holds a bachelor's degree in mechanical engineering from the Indian Institute of Technology, Madras; a master's degree in Marketing from Indian Institute of Management, Calcutta; a master's degree in Finance from Atkinson Graduate School of Management, Willamette University, USA and a Doctoral degree in Public Administration from University of South California, USA. He has headed several state public sector undertakings and has more than 39 years of experience in Education, Finance, and the Industries and Commerce Departments of the Governments of Andhra Pradesh and Telangana, with significant policy contributions. He retired as the Chief Secretary of Telangana State. He is also an independent director and Chairman of the Board of MosChip Technologies Ltd.



Mrs. Alka Marezban Bharucha
Independent Director

Mrs. Alka Marezban Bharucha, aged 67 years, holds a bachelor's degree in Arts with Honours from the University of Mumbai, a law degree from the University of Mumbai, and a Master's degree in law from the University of London. She is the founding partner of Bharucha & Partners, a solicitor of the Bombay High Court and the High Court of England and Wales, and an Advocate on record at the Supreme Court of India. She has over 35 years of experience in mergers and acquisitions, private equity investments, joint ventures, venture capital investments, and other financial transactions. She is engaged in representing transnational corporations for investments in the telecom, retail, logistics, defence, power, and banking sectors.



Mr. Raju Lal
Independent Director

Mr. Raju Lal, aged 61 years, is a Chartered Accountant. He has more than 30 years of diverse experience across various aspects of Strategic Planning & Execution, Operational Excellence & Process Optimization, Risk Management, Leadership & Team development, Change Management & Adaptability. He has also done various certification programs - Harvard- Journey to the Board Room Program, IMD Business School- Switzerland- Market Leadership Program, Kellogg School of Management- Advanced Management Program and IIM(A)- Advanced Management Program.

Corporate Information

Board of Directors

1. Chandra Kant Birla, Non-Executive Chairman
2. Ravindra Singh Negi, Managing Director & CEO
3. TCA Ranganathan, Independent Director
4. K Pradeep Chandra, Independent Director
5. Alka Marezban Bharucha, Independent Director
6. Raju Lal, Independent Director

Key Managerial Person

1. Ravindra Singh Negi, Managing Director & CEO
2. Saibal Sengupta, Chief Financial Officer
3. Hitesh Kumar Jain, Company Secretary

Registered Office

Unit VIII, Plot No. 7, Bhubaneswar, Bhubaneswar - 751 012, Odisha

Corporate Office

240, Okhla Industrial Estate
Phase III, Okhla, New Delhi - 110 020

Corporate Identification Number

L311000R2016PLC025892

Manufacturing Plants

1. 11, Industrial Estate, Sector 6, Faridabad - 121006, Haryana, India
2. C-130, Sector 63, Noida 201301, Uttar Pradesh, India
3. D-209, Sector 63, Noida 201301, Uttar Pradesh, India
4. 6, Ghore Bibi Lane, Kolkata - 700 054, West Bengal, India
5. Unit P8, Plot Number-7, E city, Maheswaram, Rangareddy -501359

Statutory Auditors

M/s S. R. Batliboi & Co. LLP
Chartered Accountants,
67, Institutional Area Sector 44, Gurugram - 122 003, Haryana, India

Internal Auditors

Deloitte Touch Tomatsu, LLP
7th Floor, Building No. 10, Tower B, DLF Cyber City,
Phase - II, Gurgaon, Haryana - 122002, India

Cost Auditors

Somnath Mukherjee, Cost Accountant
14E/5, Rajmohan Road, Uttarpara,
Hooghly, Kolkata- 712 258, West Bengal, India

Secretarial Auditors

A.K Labh & Co., Company Secretaries
40, Weston Street, 3rd Floor, Kolkata-700 013,
West Bengal, India

Bankers

State Bank of India.
HDFC Bank Ltd.
ICICI Bank Ltd.
IndusInd Bank Ltd.

Registrar and Share Transfer Agent

M/s Kfin Technologies Limited
(Unit: Orient Electric Limited)
Selenium Building, Tower B, Plot No. 31 & 32, Gachibowli,
Financial District, Panakramguda, Serilingampally, Rangareddy
Hyderabad - 500 032, Telangana, India

ISIN

INE142Z01019

Scrip Code

BSE - 541301
NSE - ORIENTELEC

Website

www.orientelectric.com

Statutory Reports and Financial Statements

Management Discussion & Analysis

Financial Performance

₹ 2,812 Crore

Revenue

₹ 144 Crore

Operating EBITDA

5.1%

Operating EBITDA margin

₹ 76.5 Crore

PAT

2.7%

PAT margin

15.3%

ROCE (Pre-Tax)

7.42

Fixed asset turnover ratio

0.03

Debt-Equity ratio

30.4%

Gross margins

₹ 2,750 Crore

Total Expenses

16

Working capital days

Global Economy

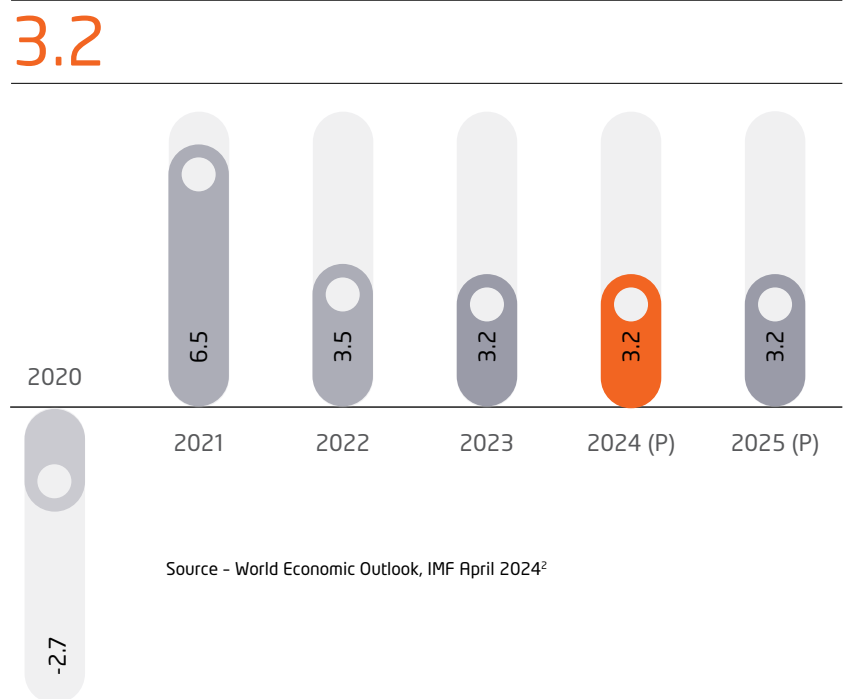
In the year 2023, the global economy exhibited notable resilience, expanding by 3.2%, despite facing geopolitical challenges and fluctuations in commodity prices, which led to inflationary pressures across both advanced and emerging markets. To combat rising inflation, major central banks implemented measured interest rate increases, effectively curbing its escalation. Inflation rates receded more swiftly than anticipated from its peak in CY2022, resulting in gradual economic recovery and job creation in the US, Europe, and other emerging markets, albeit persistent geopolitical tensions, disrupting global supply chains and trade. China's economy continued to experience strain throughout CY2023, a trend expected to persist into CY2024, given its significant manufacturing capabilities and supply chain influence, posing a potential risk to global economic stability. However, emerging economies like India, Vietnam, and Mexico are expected to show positive growth, backed by heightened foreign institutional investor interest.

Outlook

The global economy is anticipated to sustain a growth rate of 2.6% annually until CY 2025. While the final quarter of CY 2023 saw a modest growth of 0.4%, a more robust expansion of 0.8% is anticipated in the latter half of CY 2024.¹ Two key factors are expected to fuel this growth - subdued inflationary pressures which will result in increased consumer purchasing power and improved accessibility to credit for individuals as well as businesses. However, the projected growth rate is anticipated to be below the historical average due to elevated interest rates aimed at curbing inflation, reduced fiscal support amidst high debt levels, and sluggish underlying productivity gains.

Global GDP Growth Trend

(in %)



Source - World Economic Outlook, IMF April 2024²

Indian Economy

The Indian economy demonstrated remarkable resilience in the face of global economic challenges. A robust resurgence in consumer demand and strong performances across manufacturing, services, and agricultural sectors, buoyed by a favourable monsoon, have been pivotal in this growth trajectory. According to the National Statistical Office (NSO), India registered a real GDP growth of over 8.2% in FY 2023-24. Driven by overall economic growth, India's per capita gross national disposable income for the year under review, has increased to ₹ 2,14,951 compared to ₹ 1,74,816 in FY 2021-22.³ This rebound in economic growth can be attributed to India's sound macroeconomic fundamentals, burgeoning domestic demand, and prudent monetary policies implemented by the RBI.

The manufacturing sector experienced robust growth, expanding at double-digit rates, driven by positive business sentiments across sectors and resultant profitability. India Inc's interest coverage ratio, a measure of financial health, expanded for the third consecutive quarter in October-December 2023, supported by favourable raw material prices and cost efficiencies.⁴ Companies across various sectors, including automobiles, cement, consumer durables, hospitality, oil and gas, petrochemicals, pharmaceuticals, and power, witnessed improvements in their interest coverage ratios.

¹<https://www.spglobal.com/marketintelligence/en/mi/research-analysis/global-economic-outlook-march-2024.html>

²<https://www.imf.org/en/Publications/WEO/Issues/2024/04/16/world-economic-outlook-april-2024>

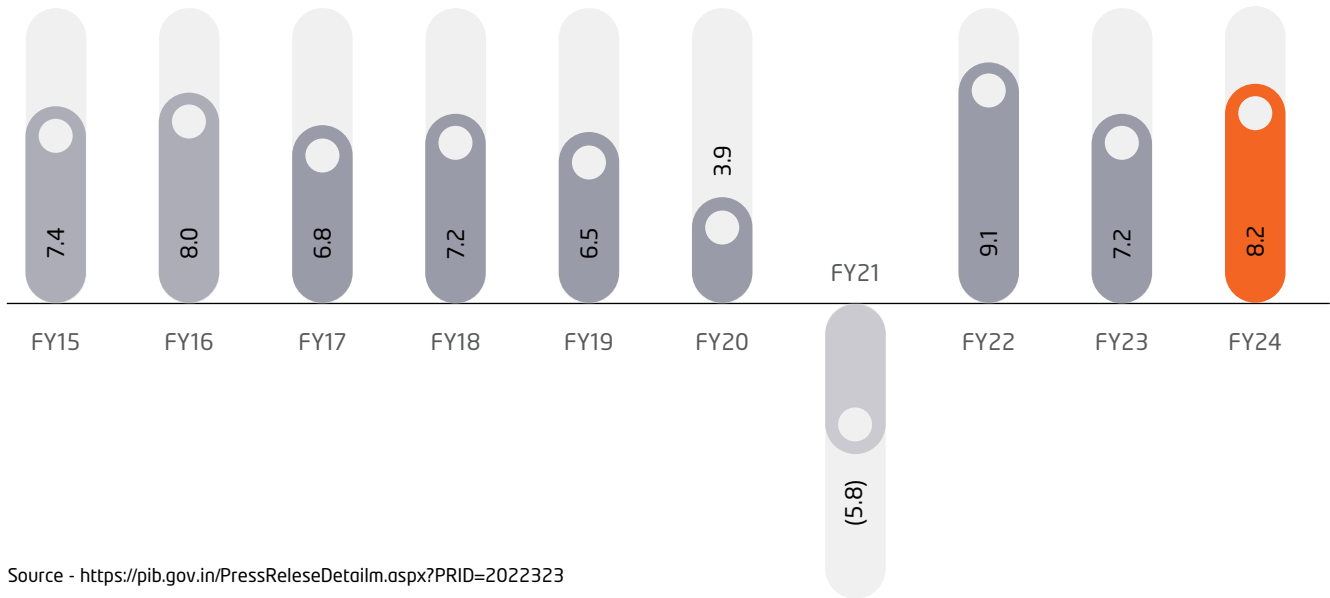
³https://www.mospi.gov.in/sites/default/files/press_release/PressNoteGDP31052024.pdf

⁴<https://www.icra.in/CommonService/OpenMediaS3?Key=9b0d9997-b6b5-45a8-a527-38278bf79d0b>

Real GDP Trend

(in %)

8.2



Source - <https://pib.gov.in/PressReleaseDetailm.aspx?PRID=2022323>

Outlook

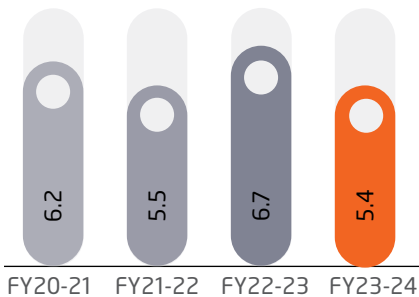
The Indian economy is on track to surpass the USD 5 trillion mark, setting its sights on nearing USD 7 trillion between 2025 and 2031⁵. Looking ahead to the following year, projections suggest that the GDP growth is likely to remain robust at 7.4% during 2024-25. The CPI inflation is projected to average 4.4% during 2024-25, lower than 5.4% projected for 2023- 24, with most of the decline occurring in H1:2024-25.

energy-efficient models. Similarly, smart lighting solutions are gaining traction, especially in urban areas, driven by the convenience of remote control and automation capabilities. Also, there is a marked rise in the adoption of LED lighting within the B2B space.

Retail Inflation in FY2023-24

(In %)

5.4



Source - Department of Economic Affairs, Ministry of Finance, April 2024⁶

Industry Overview

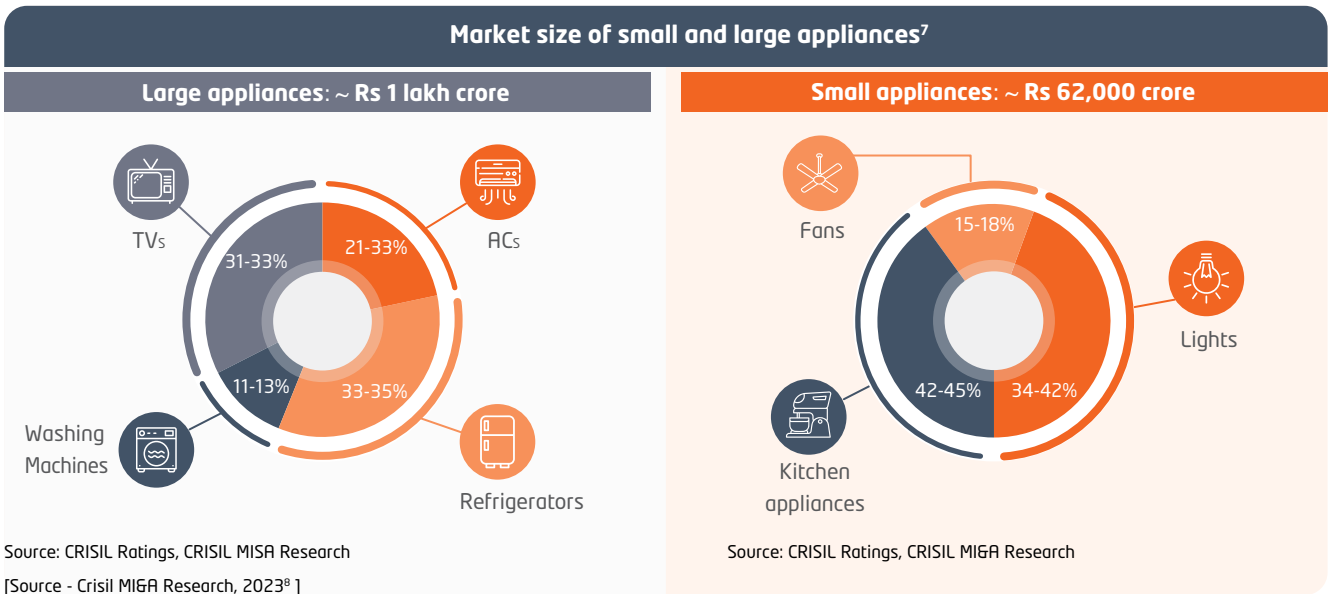
Indian Consumer Durables Market

Despite inflationary challenges and other global headwinds, India recorded overall economic growth during FY 2023-24. The Indian consumer durables market remained attractive, driven by several key factors including rising disposable incomes, urbanization, and technological advancements. Furthermore, the availability of convenient financing options is enabling consumers to access credit for purchasing durable goods. Within the fans segment, there is a discernible shift towards premium and

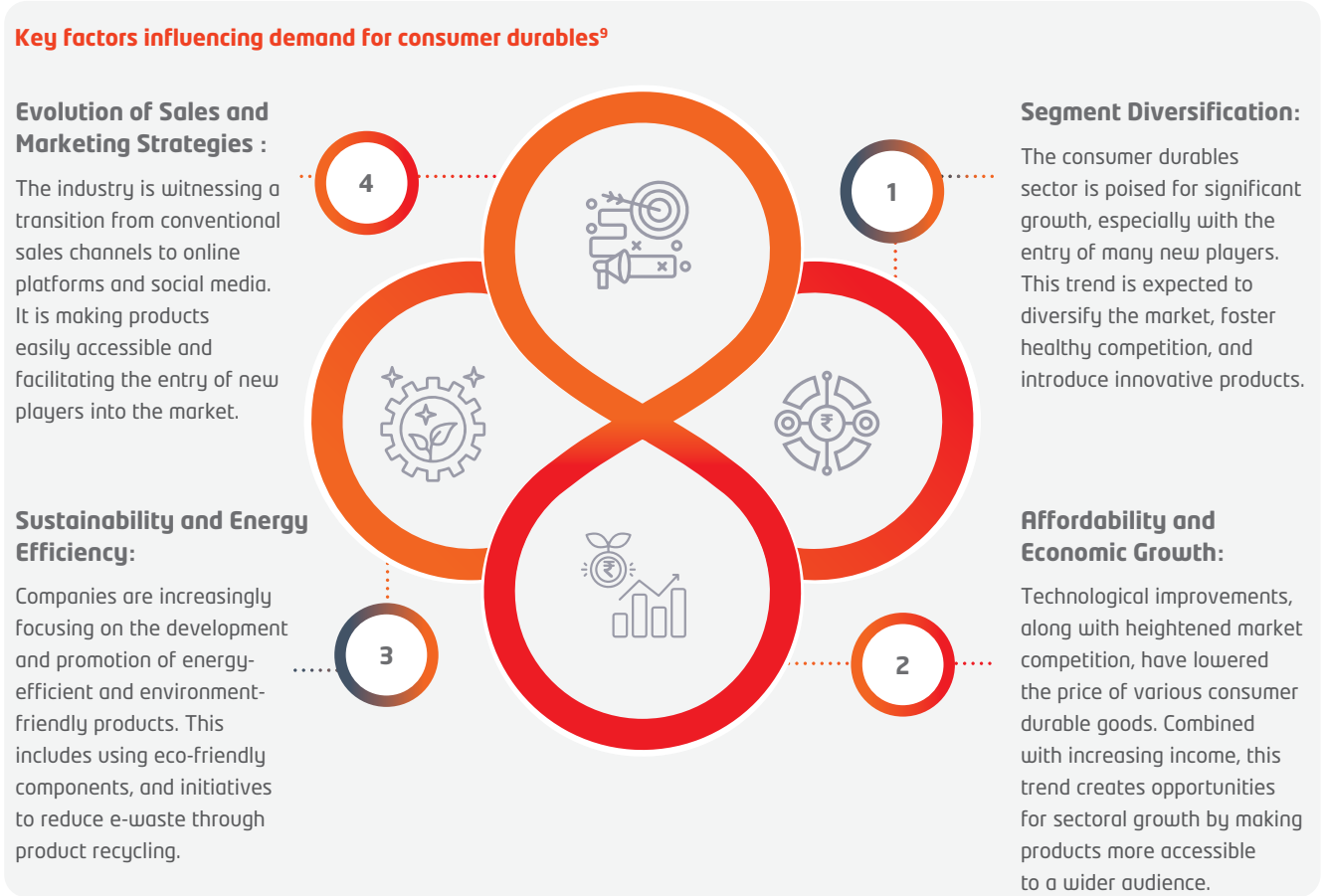
Looking ahead, the consumer durables market is poised for sustained growth as manufacturers intensify their focus on affordability, quality, and innovation. Challenges such as fluctuating raw material costs and evolving regulatory standards for energy efficiency will necessitate agile responses from industry players. Nonetheless, the outlook remains optimistic with opportunities expanding into tier II and tier III cities, where increasing disposable incomes and infrastructure development continue to drive demand.

⁵https://invest.up.gov.in/wp-content/uploads/2024/01/India-can_300124.pdf

⁶https://dea.gov.in/sites/default/files/Monthly%20Economic%20Review_March%202024_0.pdf



The consumer durables industry is predicted to grow to ₹1.48 lakh crore by FY2025. Government policies, such as the Production Linked Incentive (PLI) schemes, are significant growth drivers, as they encourage local manufacturing and attract foreign investment. Additionally, integrating smart technologies and the Internet of Things (IoT) in household appliances is further driving market expansion, catering to the growing consumer preference for convenience and connectivity.



⁷<https://www.crisilratings.com/content/dam/crisil/mailers/rating-newsletter/2023/december/counting-on-premiumisation.pdf>

⁸<https://money.rediff.com/news/market/appliance-industry-premiumization-investment-drive-growth-in-2024/3577320231226>

⁹<https://www.pwc.in/assets/pdfs/consulting/technology/emerging-technologies/iot/future-of-consumer-durables-and-electronics-in-india-the-changing-landscape.pdf>

Indian Ceiling Fan Industry¹⁰

The yearly market for ceiling fans in India consists of around 4.4 crore units. In FY 2023-24, the Indian ceiling fan industry was stabilizing post-BEE transition, witnessing renewed demand, with increased interest in energy-efficient fans and a surge in renovation and replacement-driven purchases. (Source: IMARC Group)

Emerging Trends

- Government initiatives aimed at housing development and the creation of smart cities are significant contributors to the rise in consumption of ceiling fans.
- Under the Pradhan Mantri Sahaj Bijli Har Ghar Yojana (Saubhagya scheme), the increased accessibility to electricity, particularly in rural regions, serves as a significant catalyst for the expansion of the ceiling fans market in India.
- Rising disposable income has changed consumer preferences, leading to the sale of premium fans with advanced features.
- Proliferation of diverse styles and designs, catering to varied consumer preferences and décor themes.
- Star-rated and BLDC fans continue to occupy 'top-of-the-mind' recall and are driving replacement market for ceiling fans.
- Shift towards organised players.
- Easy accessibility of a variety of ceiling fans on online platforms is aiding overall growth of the industry.

Did you know ?

BLDC ceiling fans are gaining popularity as they consume up to 50% less energy than regular fans, ensuring significant savings for consumers.

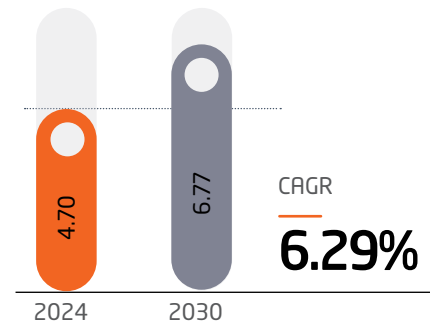
Indian LED Lighting Industry

India is set to experience growth momentum in the LED lighting market due to rapid volume growth. As of 2024, the market was valued at USD 4.70 billion, with projections indicating

an increase to USD 6.77 billion by CY 2030. This represents an annual growth rate of 6.29% over the period from CY 2024 to CY 2030¹¹. India is striving to position itself as a key manufacturing hub, with an ambitious target to export goods valued at USD 1 trillion by CY 2030. To support this vision, the National Manufacturing Policy has been developed to increase manufacturing sector's contribution to 25% of the GDP by CY 2025, a move that is anticipated to positively impact the LED lighting market.

India LED Lighting Market

Market Size in USD Billion



Emerging Trends

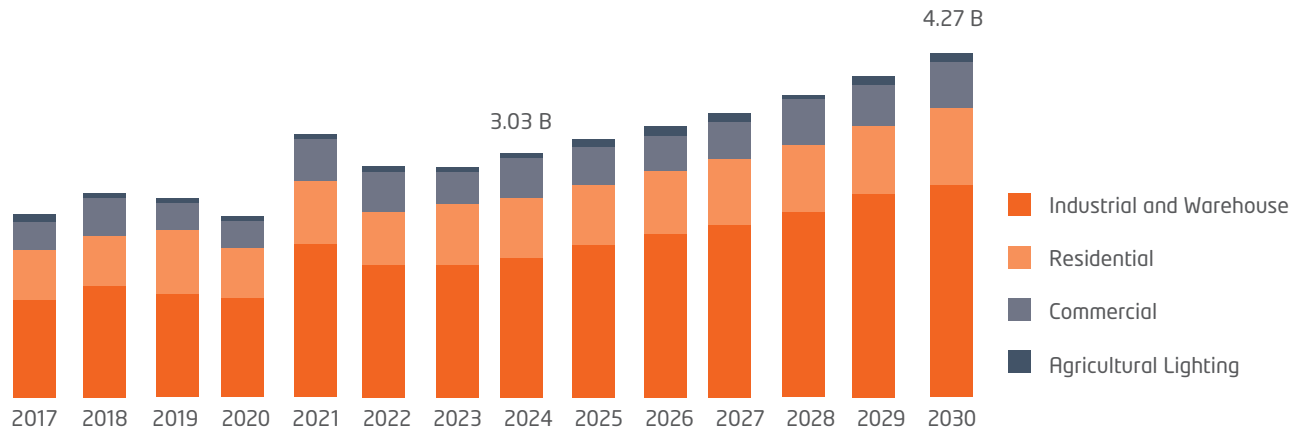
- The LED lighting market in India is on an upward trajectory, fuelled by advancements within the industrial sector and a rise in residential housing. Significant demand for LED lighting is currently spread across the North and South regions of India, assisted by rapid urbanisation.¹²
- Smart lighting is becoming increasingly popular due to its combination of LED lighting with smart technology, providing customers with a wide range of customisation options.
- The Government has also approved the PLI scheme for White Goods (Air Conditioners and LED Lights) to be implemented from FY2021-22 to FY 2028-29 with a budgetary outlay of Rs. 6238 crore.
- Street lighting, façade lighting, and various infrastructure projects are fuelling growth in India's lighting industry
- Movement of sales from conventional channels to online platforms is at a nascent stage.

¹⁰<https://pib.gov.in/PressReleasePage.aspx?PRID=1974191>

¹¹<https://www.mordorintelligence.com/industry-reports/india-led-lighting-market/market-size>

¹²<https://www.imarcgroup.com/indian-led-lighting-market#:~:text=Currently%2C%20the%20demand%20for%20LED,the%20use%20of%20LED%20lights>

Value Sales of LED Fixtures by Indoor Lighting, USD, India, 2017 - 2030



(Source: Mordor Intelligence)

Company Overview

Orient Electric Limited ('Orient Electric' or "OEL" or the 'Company'), tracing its origins back to the esteemed Calcutta Electrical Company, became a part of the CK Birla Group in 1954. Today, it is one-stop brand for electrical lifestyle solutions, the Company offers a variety of products for all seasons, including fans, home appliances, lighting, switches and switchgears. Orient Electric's journey of growth and transformation is propelled by customer-centricity and innovation, driving the development of cutting-edge products that cater to evolving consumer demands.

The Company broadly operates in two segments:



Electrical Consumer Durables

70.51%

(₹1,983 Crore - Revenue share in FY24)



Lighting and Switchgear

29.49%

(₹829 Crore - Revenue share in FY24)





Competitive Edge

1. **Brand:** Orient Electric Limited enjoys a rich multi-decade legacy with well-established brand recall, underpinned by growing trust and loyalty among consumers.
2. **Customer-Centric:** Orient Electric's customer-centric product strategy revolves around identifying and addressing consumer need gaps. The company consistently introduces innovative products that resonate with changing consumer preferences.
3. **Manufacturing and Innovation:** With state-of-the-art manufacturing facilities and a strong focus on research and development, Orient Electric stands at the forefront of producing superior quality products backed by technological innovations.
4. **Digitalisation:** The Company harnesses technology to streamline operations and optimise operational efficiency. The Company has heavily invested in digital tools like DMS and SFA, as well as internal process automation, vendor management, governance, and e-commerce capabilities.
5. **Governance:** The Company is dedicated to upholding the highest governance standards, characterised by ethical conduct, transparency, and accountability. Introduction of new policies, aligned to evolving sustainability and regulatory frameworks, help establish an effective oversight, segregation of duties and monitor business plans.
6. **Distribution Network:** A robust distribution network across the country continues to drive the market share. A strategic shift in distribution policy in important geographies, with the introduction of 'direct-to-market' approach, has aided faster market penetration.
7. **Talent Diversification:** Talent diversification stands as a strategic pillar essential for our sustained growth and innovation. Embracing diverse expertise within our workforce injects fresh perspectives and fosters a culture of creativity and adaptability. This approach enables us to better understand and serve the diverse needs of our customers, ultimately driving our expansion and market leadership.
8. **Customer Service** The Company enjoys an extensive network of service centres across India, enabling it to provide superior customer service. Multiple communication platforms, like email, WhatsApp, web, social media, and offline modes, ensure quick resolve of queries and build a strong connect with the customers. Additionally, robust feedback mechanisms ensure continuous improvement in product quality.
9. **Channel Expansion:** With a strong presence in both offline and online channels, the Company ensures better accessibility to OEL products. Our strategic expansion into e-commerce has not only increased revenue but also improved the availability of our products, making them easily accessible to customers through different platforms.
10. **Innovation:** The Company remains at the forefront of customer-centric innovation, harnessing modern-day technology to elevate consumer lifestyles through its products. Continuously striving to understand and fulfil the evolving needs of our customers, we introduce new offerings that enrich their experiences and exceed expectations.

Maintaining Strategic Excellence: The Ongoing Journey



Customer-Driven Marketing

The Company's marketing strategy is deeply rooted in consumer insights, driving product development that resonates with the preferences of the modern Indian consumer. Leveraging advanced analytics and data-driven insights, we delve deep into customer preferences, behaviours, and needs. This profound understanding enables us to tailor our marketing messages and offerings to specific customer segments effectively. During the year under review, our focus remained on differentiation within our portfolio, enhancing accessibility across channels, and elevating customer experience. Based on consumer insights, we expanded our product portfolio across categories to ensure availability in a diverse range of designs and price points, catering to the diverse preferences of our consumers.

During FY24, we further bolstered marketing efforts, encompassing combining both traditional and digital marketing channels, to successfully reach our target audiences. While TV remains our primary reach medium, we are now allocating more than 25 per cent of our total spending to digital, with an increased focus on E-commerce. A robust digital strategy was instrumental in guiding consumers through their research journey, ultimately increasing consideration for our brand. As part of our commitment to increasing consumer touchpoints and elevating customer experience, we launched our direct-to-consumer (D2C) portal, shop.orientelectric.com. Additionally, we prioritized trade support and visibility across key opinion stores and modern trade.

By strategically aligning our marketing initiatives with consumer preferences and market trends, we continue to strengthen our position as a market leader, driving sustained growth and delivering value to our consumers.



Customer-centric product innovation

Committed to customer-centric strategy, the Company introduced products that align with the ever-evolving needs of new-age consumers. Following the BEE transition in fans and considering the increasing demand for energy-efficient products, we expanded its range of BLDC fans with premium and mid-premium models. The growth in Fans has been faster than the industry growth during the year under review, driven by product portfolio expansion and product availability in multiple designs and across price points. Similarly, in air coolers, we introduced high-capacity models across Desert and Commercial categories catering to larger spaces that require larger cooling. Despite industry headwinds in Lighting, primarily due to price erosion in LED bulbs, we achieved strong growth driven by a healthy product mix and introduction of new, value-added products. We witnessed continued traction in B2B and façade lighting, supported by increasing inquiries and a robust order book.

Our focus remains on driving sustainable competitiveness while addressing consumer need gaps. We are particularly focusing on creating products relevant for the mass premium segment, enabling us to scale up profitability with higher average selling prices. Our product portfolio is continuously updated to cater to emerging consumer needs, driving a consistent innovation pipeline and ensuring our offerings remain relevant and competitive.



Enhancing customer service

During the year under review, enhancing customer service levels was one of our key focus areas. We continued to prioritize strengthening our service infrastructure, ensuring prompt and efficient support for our customers. In line with this commitment, we launched a slew of service initiatives like "8-8-88" and "Service Karwaan", aimed at providing seamless and responsive assistance to our valued customers. These initiatives have not only improved our after-sales service but have also reinforced our dedication to offering exceptional customer service. We have robust systems in place to listen to our customers effectively. We utilize various channels, including CRM, ORM, Whatsapp for Business, dedicated call centres, social media, and emails to ensure seamless interaction with our valued customers. Additionally, we provide dedicated apps for dealers and technicians, making it easier for them to communicate and resolve issues efficiently. As a responsible brand, we care about our customers and actively listen to their feedback and concerns.



Expanding distribution and reach

In a dynamic and competitive market, expanding distribution and outreach is crucial for the Company to gain a competitive edge. During FY24, the Company enhanced its focus in improving the accessibility and availability of its products. Our strategic move of direct-to-market (DTM) approach in select states has started paying off and we grew by 65% YoY in these states. We continued to implement learnings from DTM markets in other states where we work with distribution partners.

Our overall focus was on retail visibility and ensuring the brand is available at most retail outlets. Furthermore, we enhanced our focus on large format retail (LFR) and partnered with Croma, Reliance, Vijay Sales, and Vishal Megamart, among others, during the year under review.

Digital is an essential component of our overall strategy and so we continued to strengthen our presence on e-commerce platforms, with increased on-platform spending for marketing select products. This strategic move has resulted in 3x growth in gross digital sales over the last 2 years. During the year under review, we continued to invest in building robust in-house capabilities to drive the next phase of growth in this space. All these developments are aimed at bringing the brand closer to the customers and ensuring our products are readily accessible.



Capacity Expansion

Orient Electric is embarking on a strategic growth plan, marked by the commissioning of its new Greenfield venture in Hyderabad in May'2024, equipped with state-of-the-art machines. This plant is fully digitized, employing robotic operations and automation, adhering to Industry 4.0 standards. The level of automation in the plant is among the best in the world, setting new standards for manufacturing facilities. This move underscores the Company's dedication to bolstering its manufacturing capabilities in fans. The primary objective of this expansion is to serve the Indian market better, especially the Southern part of India, while adding

to the Company's capability to deliver top-quality products.

This increase in production capacity is a strategic business driver for unlocking long-term value. Orient Electric acknowledges the necessity of scaling its operation to match market demands and retain its competitive edge in the industry.



Talent Diversification

Orient Electric remains steadfast in its commitment to talent development, actively seeking top-tier professionals and fostering opportunities for their professional growth and advancement. Throughout FY2023-24, we maintained a dedicated focus on talent strengthening and diversification, recognizing the invaluable contributions of a diverse workforce. With an emphasis on cross-industry expertise hiring, we sought individuals with diverse cross-functional skills to occupy key positions within the organization. By actively recruiting from diverse talent pools, including young hires, we ensure a constant influx of creativity and dynamism into our teams. This approach not only enriches our talent pool but also fosters innovation and creativity across various business functions. Furthermore, as part of our unwavering commitment to diversity and inclusion, we prioritized the hiring of women in roles that align with their skills and capabilities. By providing equal opportunities for women to excel and thrive in their careers, we contribute to a more inclusive workplace culture and drive organizational success.



Building a vibrant culture

Orient Electric thrives on a vibrant, high-performance culture, where every employee is valued, empowered, and inspired to excel. Our 'Great Place to Work' certification for five consecutive years attest to our unwavering commitment to sustaining this dynamic environment. We continue to place a strong emphasis on talent acquisition and development, providing abundant opportunities for growth and advancement. The launch of 'Saksham', our new online learning management system, along with other training programs, underscores our dedication to ongoing development, ensuring our workforce remains agile and up to date with the latest skills and knowledge. Recognising inclusivity as essential to our growth, we are continuously working towards creating a diverse and inclusive environment where every voice is not only heard but valued. Through initiatives such as Women Connect sessions and inclusiveness workshops, we champion understanding and respect for diversity, reinforcing our commitment to inclusivity. Besides this, we have policies and programs in place which focus on our employees' health and safety and their equal representation in the workplace. Moreover, we prioritize recognizing and celebrating outstanding performances within the organisation through various rewards and recognition schemes, fostering a culture of appreciation and excellence. We are continually exploring new avenues to enhance employee satisfaction, engagement, and overall well-being, ensuring that Orient Electric remains a truly great place to work.





Financial Strength and Stability

Orient Electric's financial strength is deeply rooted in its strategic approach to cost optimization, capital utilization, and revenue diversification. The Company's continued focus on maintaining strong liquidity and robust cash generation enables the company to allocate capital effectively, supporting sustainable growth and strategic investments. Effective capital management practices ensure judicious resource allocation, minimizing financial risks and optimizing utilization. Despite increased investments impacting profitability margins during the year under review, Orient Electric anticipates improvements as these investments translate into top-line growth. The company continues to drive efficiencies through its structured cost savings program 'Sanchay'. Cost savings gained are being further channelled into strategic levers such as capability building, talent upliftment, and digital expansion, reflecting Orient Electric's commitment to innovation and market leadership.





Risk Management

| Risk | Description | Mitigation |
|--|--|---|
|  <p>Market Risk</p> | Potential losses arising from shifts in consumer demand dynamics and competitive landscapes remain a concern. The instability in raw material prices poses a notable threat to production costs, thereby impacting overall profitability of the Company. | <ul style="list-style-type: none"> To safeguard profit margins, the company has implemented various strategies such as establishing alternative sourcing channels, optimizing inventory levels to capitalize on bulk discounts, and adopting consistent long-term pricing policies Its R&D division remains focused on developing consumer-centric and cost-effective products that appeal to a larger consumer base. |
|  <p>Economic Risk</p> | Microeconomic factors like inflation, currency volatility, and overall economic stability, can affect OEL's operations and financial performance. Geopolitical uncertainties further exacerbate market dynamics, potentially creating imbalances between demand and supply for the company's products. | <ul style="list-style-type: none"> The Company adopts a robust operational strategy, that mitigate possible inflationary pressures. Automation, digitalisation and new technologies ensure costs remain with volume growth across product categories. To limit the risk of currency fluctuation, the Company has adopted a hedging policy that minimises exposure. |
|  <p>Environmental Risk</p> | Issues surrounding environmental sustainability, regulatory compliance, and the effects of climate change are important for business continuity. Proper disposal of electronic waste poses a significant environmental challenge for the Company. | <ul style="list-style-type: none"> The Company prioritises sustainable production methods, invests in eco-friendly technology, research and development and ensures proper e-waste management to minimise its environmental footprint. |
|  <p>Technological Risk</p> | Technological risk encompasses threats arising from rapid technological advancements, cybersecurity and data privacy that could result in the loss of confidential Company information. In addition, the necessity for continuous innovation to remain competitive and adapt to changing consumer preferences pose a significant risk for the Company. | <ul style="list-style-type: none"> The Company has integrated advanced technology into its operational processes and remains committed to staying abreast of the latest technological advancements to enhance its systems continually. Robust cybersecurity protocols, encompassing preventive measures, detection systems, incident response plans, and employee training, are rigorously implemented |
|  <p>Social Risk</p> | Navigating social responsibility, fostering positive community relations, ensuring ethical labour practices, and upholding a favourable reputation amidst societal expectations and continuous stakeholder engagement is important for business continuity. | <ul style="list-style-type: none"> The Company spearheads community development endeavours through various projects and initiatives within the area of its operations. A total of Rs. 2.96 crore was spent on 8 CSR projects during the year under review. |

Segment-wise Business Performance

Electrical Consumer Durables (ECD)

In the Electrical Consumer Durables sector, Orient Electric has demonstrated a robust performance with a year-on-year (YoY) revenue growth of 13.2% in FY2023-24. The revenue surged to Rs. 1,983 Crore in FY2023-24, up from Rs. 1,752 Crore in FY2022-23.¹³ This significant increase is indicative of the Company's strong market presence and the growing demand for electrical consumer durables.

Lighting and Switchgear

The Lighting and Switchgear sector has experienced positive growth, despite a downturn in the price of lamps and battens. This shows the Company's ability to perform well in difficult conditions. The revenue for this segment in FY2023-24 stood at Rs. 829 Crore, registering a modest YoY growth of 6.7% from Rs. 777 Crore in FY2022-23. Despite the challenges faced by the industry, the Lighting and Switchgear segment of the Company demonstrated resilience and performed well in the fiscal year 2024 and is expected to grow further in the coming years.

FY2024 in Review

| Key Financial metrics | FY 2023-24 | FY 2022-23 |
|------------------------------------|------------|------------|
| Revenue from Operations (in Crore) | 2,812 | 2,529 |
| EBITDA (in Crore) | 144 | 151 |
| PAT (in Crore) | 76 | 76 |
| EPS (in Rupees) | 3.53 | 3.57 |
| Expenses (in Crore) | 2,750 | 2,453 |
| Current Ratio (In times) | 1.28 | 1.46 |
| Equity-Debt ratio (In times) | 0.03 | 0.02 |
| Gross Margin (in %) | 30.4 | 27.9 |
| Working Capital (in days) | 16 | 18 |

Capital Expenditure

Research and Development

Orient Electric places its customer-focused strategy at the core of all research and development (R&D) initiatives. This approach enables the Company to be at the forefront of technological progress, leading market trends and consistently developing and delivering products that meet the evolving demands of modern consumers.

The Company is committed to enhancing its R&D investments to drive innovation. The new manufacturing facility in Hyderabad is expected to significantly bolster these efforts, further enhancing the Company's innovation capabilities.



Human Capital

Orient Electric recognises the critical role of human capital in its success and is committed to investing in its workforce. The Company strives to create a welcoming, collaborative and supportive work environment that reflects its core values of integrity, collaboration, trust and care. This dedication to cultivating a nurturing and empowering workplace has earned OEL the 'Great Place to Work®' certification for five consecutive years.

OEL views its employees as its most valuable asset and the driving force behind its success and sustainable growth. The Company places a significant emphasis on nurturing and developing its human capital and has implemented various training and development programmes aligned with business objectives.

Creating a positive and inclusive work environment is a key priority for the Company. In line with this, it has introduced menstrual leave for female employees, reinforcing its commitment to inclusivity and employee well-being. Moreover, the Company has implemented various policies focusing on women's health and safety, promoting equal representation in the workplace. The Company also regularly conducts organisation-wide sessions to raise awareness and understanding of unconscious bias and its impact in the workplace.

Furthermore, the Company recognises the importance of leadership development and talent management and is focused on nurturing internal talent with the aim of developing a leadership pipeline that is committed to driving the Company's growth.



Corporate Social Responsibility

The Company's Corporate Social Responsibility (CSR) endeavours focus on various socio economic aspects including the promotion of education and women's empowerment, improvement of healthcare and hygiene standards, supporting skill development, addressing hunger, and supporting environmental sustainability .

[For more detailed information about our CSR initiatives, please refer to the Environmental, Social and Governance (ESG) section and the Director's Report in this Annual Report.]

Internal Control

The Company's internal control is a crucial part of its robust governance processes and is incorporated into daily operations. Throughout the financial year, the internal control system has been enhanced with targeted audit plans that align with pre-audit and interim audit of several new operational areas. The audit processes are regularly

adjusted to ensure the reliability and accuracy of accounting records. This allows the Company to produce timely, accurate and fair financial and management information that complies with current standards and laws.

The Company's Internal Financial Control Policy, along with the Whistle-blower Policy and a Fraud Risk Framework Policy, helps to identify various risks and address them promptly by senior management. A comprehensive Internal Audit Programme has been carried out by an independent internal auditor of the Company. This auditor presents critical and high-risk observations to the Audit Committee and the Board for review on a quarterly basis.

The Internal Audit function helps to anchor, supervise and monitor the effectiveness and adequacy of all control systems. All audit observations and improvement recommendations are promptly implemented, with regular follow-ups after closure. This ensures the Company maintains a high standard of financial control and governance.

Cautionary Statement

This discussion and analysis, contain what we call 'forward-looking statements. These are the predictions or expectations about the future performance of the Company. They are based on the Company's current objectives, projections and estimates. However, these statements are not guaranteeing. They are subject to laws and regulations and involve uncertainties and risks.

The actual results may be quite different from the predictions. This could be due to

various factors that affect the Company's operations. These include competition in the industry, the cost of employing staff and significant changes in India's political and economic environment. Other factors include environmental standards, tax laws, legal disputes and labour relations.

It is important to remember that these forward-looking statements do not guarantee future performance. They should not be relied upon too much. They involve both known and unknown risks and uncertainties. These could cause the actual performance and financial results

in the future to be significantly different from the predictions.

It is advised not to depend on these forward-looking statements. The Company will update them as required by securities laws, but will not commit to updating them if circumstances change or if the estimates or opinions change.

In conclusion, while these statements provide a glimpse into the Company's future, they are merely predictions and are subject to change. Therefore, they should be used with caution and not be the sole basis for any decision-making.

Report of Board of Directors

Dear Members,

Your Directors have pleasure to present the report on the business and operations of Orient Electric Limited (the 'Company' or 'Orient Electric') and the audited financial statements, for the financial year ended March 31, 2024.

OVERVIEW OF FINANCIAL RESULTS

Key highlights of financial performance for the year ended March 31, 2024, is summarised as below:

(₹ in Crores)

| Particulars | 2023-24 | 2022-23 |
|---|-----------------|-----------------|
| Revenue from operations | 2,812.12 | 2,529.17 |
| Other Income | 15.54 | 26.98 |
| Total Revenue | 2,827.66 | 2,556.15 |
| Total Expenditure (Before Depreciation, Amortization & Finance Cost) | 2,667.80 | 2,378.56 |
| Profit before Finance Costs, Depreciation and Amortisation | 159.86 | 177.59 |
| Depreciation and Amortization Expense | 59.02 | 53.50 |
| Finance Costs | 23.26 | 22.15 |
| Exceptional item (Gain) | 18.68 | - |
| Profit Before Tax (PBT) | 96.26 | 101.94 |
| Tax | 20.99 | 26.09 |
| Profit After Tax (PAT) | 75.27 | 75.85 |
| Other comprehensive Income / (Losses) | 1.28 | 0.5 |
| Total comprehensive income for the year | 76.55 | 76.35 |
| Dividend | 32.00 | 42.48 |
| Transfer to General Reserve | 15.00 | 15.00 |
| Balance carried to Balance Sheet | 617.59 | 563.36 |
| Earnings per Share (Basic) (In ₹) | 3.53 | 3.57 |

HIGHLIGHTS OF OPERATIONAL PERFORMANCE:

Orient Electric showed a satisfactory operational performance for the Financial Year 2023-24. Though the industry was sporadically affected by headwinds caused by geopolitical turmoil, unprecedented seasonality disruptions and technology changes, the Company has been able to perform with resilience posting a recovery with an uptick in the second half of the financial year'24. Furthermore, the industry and the Company has also been subjected to several regulatory changes in course of the year which had short term cascading impact on the business delivery and financial performance. During the year under review, the Electric Consumer Durables ('ECD') showed a robust growth backed by distribution strengthening, launch of new models of fans like Ecotech, I-Falcon, Jazz- Antidust, and widening the depth into e-commerce platform. Lighting, Switchgear and Wiring Accessories ('Lighting') segment saw a moderate growth mainly impacted by value erosion of LED lamps due to technology changes which brought costs down for the industry. The Company has further expanded its distribution footprint through transition to and leveraging the Direct-to-Market ('DTM') structure in Fans and is now present in eight markets

which are showing encouraging high double-digit growth and market share expansion. The Company is further strengthening its position in the e-commerce and large format retail channels and in its journey towards scaling up these channels has recorded high growth during the year with increased share of business, primarily from the ECD segment. With the objective of getting closer to our customers, the Company launched its direct-to-consumer website, 'shop.orientelectric.com', offering entire range of products, seasonal promotions and introducing new features to enhance customer experience. Throughout the year, the Company kept expanding product offerings in ECD and Lighting segments. Showcasing our expertise in façade lighting, during the celebration of 77th Independence Day of India, the Company illuminated several iconic buildings across India, such as Rail Bhawan and Baroda House in New Delhi, Leh Main Gate, Bharati Park in Puducherry, Varanasi Cantt. Railway Station in Tricolours as part of our '#OrientlightsupIndia' Initiative. The Company is proud to be associated with the illumination of the prestigious 'Sudarshan Setu' at Dwarka, Gujarat, apart from many other notable projects detailed in the business sections in the Annual Report.

The setup of the Company's state-of-the-art manufacturing facility at the greenfield site in Hyderabad got commissioned in May 2024 and commercial production commenced from May 06, 2024.

More detailed insights into our operations, are presented in the 'Management Discussion and Analysis' report forming part of this Annual Report.

FINANCIAL HIGHLIGHTS

Revenue from operations was ₹2812.12 crores as against ₹2,529.17 crores in the previous year, recording a decent growth of 11.18%. Employee cost as a percentage to revenue from operations was 9.21% (₹258.88 crores) as against 7.61% (₹192.6 crores) in the previous year. Other expenses as a percentage to revenue from operations was 16.07 % (₹451.92 crores) as against 14.30% (₹361.78 crores) in the previous year. Profit before exceptional items and tax for the current year is ₹77.58 crores as against ₹101.94 crores in the previous year, a variance of 23.90 %. Profit after tax for the current year is ₹75.27 crores as against ₹75.85 crores in the previous year a variance of 0.76 %. During and for the financial year 2023-24, the Company paid ₹20.99 crores as direct tax as compared to ₹26.09 crores during and for the financial year 2022-23.

AWARDS & ACCOLADES

During the financial year 2023-24, the Company has received following prestigious awards and accolades:

Great Place To Work - Certified for the fifth year in a row. This certification is the recognition of our people centric practices, enhanced employee engagement, relentless pursuit of excellence and commitment to nurturing a high-performance culture.

Iconic Brands of India - Orient Electric was featured among the "Iconic Brands of India" for the year 2023 by ET Edge - An Economic Times Initiative. This prestigious accolade is a testament to your Company's growth journey over the years, consumer-centric business model, continued brand relevance and consumer trust.

Super Brand India 2024 - Conferred for the sixth consecutive time in the fans category, fourth consecutive time in the coolers category, and third consecutive time in the lighting products category. This prestigious recognition is not just an accolade,

rather a testament to the trust that consumers place in the Company across multiple product categories.

DIVIDEND

During the financial year 2023-24, the Board of Directors (**'Board'**) has declared an interim dividend of ₹0.75 (75%) per equity share of the face value of ₹1 each on February 01, 2024, which was paid to the shareholders on and from February 21, 2024.

Further, the Board, at its meeting held on May 09, 2024, has recommended a final dividend of ₹0.75 per equity share of ₹1 each of the Company, for the year ended March 31, 2024, subject to the approval of the shareholders at the ensuing Annual General Meeting (**'AGM'**) of the Company.

In order to determine the eligibility of shareholders to receive the dividend for the fiscal year ended on March 31, 2024, the Register of Members and Share Transfer Books of the Company will be closed from July 26, 2024 to August 01, 2024 (both days inclusive).

The total dividend amount for the financial year 2023-24, including the proposed final dividend, amounts to ₹1.50 (150%) per equity share of the face value of ₹1 each.

As per the Income-Tax Act, 1961, as amended, dividend paid or distributed by the companies are now taxable in the hands of the shareholders. The Company shall, accordingly, make the payment of the final dividend after deduction of tax at source, at the rates prescribed therein.

The dividend recommended by the Board is in accordance with the Dividend Distribution Policy of the Company. The Dividend Distribution Policy, in terms of Regulation 43A of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulation, 2015 (**'Listing Regulations'**) is available on the Company's website: <https://www.orientelectric.com/images/investors/dividend-distribution-Policy.pdf>.

UNCLAIMED DIVIDEND

Details of dividend paid by the Company earlier and not claimed so far are provided in the Corporate Governance Report, forming part of this report.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

During the financial year ended March 31, 2024, the Company did not extend any loans, provide guarantees or securities, or make investments that fall under the provisions of Section 186 of the Companies Act, 2013. **(‘Act’)**

TRANSFER TO GENERAL RESERVE

The Company has transferred ₹15 crores to the General Reserve for the financial year ended March 31, 2024.

SHARE CAPITAL

During the financial year 2023-24 there was no change in the Authorised share capital of the Company and it stands at ₹25,00,00,000 divided into 25,00,00,000 equity shares of ₹1/- each. During the year under review, the Paid-up share capital of the Company increased from 21,27,85,578 equity shares of ₹1 each to 21,33,65,899 equity shares of ₹1 each pursuant to allotment of 5,80,321 equity shares upon exercise of equal number of vested stock options by the employees, granted under Orient Electric Employee Stock Option Scheme - 2019.

SHARES UNDER UNCLAIMED SUSPENSE ACCOUNT

Details of equity shares of the Company lying in Orient Electric Limited - Unclaimed Suspense Account, as on March 31, 2024, as per the provisions of Regulations 34, 39 read with Schedule V(F) of Listing Regulations, are provided in the Corporate Governance Report forming part of this Annual Report.

ORIENT ELECTRIC EMPLOYEE STOCK OPTION SCHEME - 2019

As part of Long-Term Incentive Programme, the Company introduced ‘Orient Electric Employee Stock Option Scheme-2019’ (**‘ESOP Scheme’**), during the financial year 2018-19. The ESOP Scheme is in compliance with the SEBI (Share Based Benefits and Sweet Equity) Regulations, 2021 (**‘ESOP Regulations’**) and Listing Regulations. During the year under review 11,17,387 new Stock Options were granted to the eligible employee of the Company under the said ESOP Scheme, while 4,31,961 Stock Options lapsed.

Details of ESOPs, required under ESOP Regulations, are provided under financials of the Company and can also be accessed at the Web-link: <https://www.orientelectric.com/images/investors/ESOP-Website-Disclosure-Mar2024.pdf>.

DEPOSITS

The Company has not accepted any deposits from the public under Chapter V of the Act and the Rules related thereto and, as such, no amount of principal or interest was outstanding as on the balance sheet date. The Company has not accepted any loan from any of its directors.

HOLDING, SUBSIDIARY, ASSOCIATE AND JOINT VENTURE COMPANIES

During the financial year ended March 31, 2024, the Company had no holding, subsidiary, associate, or joint venture company.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

During the year under review, there have been following changes in the Board members and Key Managerial Personnel of the Company:

- Mr. Rakesh Khanna (DIN:00266132) resigned as the Managing Director and Chief Executive Officer (**‘CEO’**) of the Company w.e.f. the close of business hours on April 03, 2023. The Board members placed on record their appreciation for all the contribution and guidance rendered by Mr. Rakesh Khanna during his over 9 years’ tenure with the Company.
- Mr. Rajan Gupta (DIN: 07603128), who was appointed as the Managing Director & CEO, of the Company w.e.f. April 04, 2023, approved by the shareholders through Postal Ballot on June 21, 2023, resigned from the Company due to his personal reasons w.e.f. the close of business hours on July 14, 2023.
- The Board on the recommendation of the Nomination and Remuneration Committee and after considering the expertise and experience of Mr. Desh Deepak Khetrapal (DIN: 02362633), Vice-Chairman, appointed him, as the Managing Director of the Company for a period of 1 year effective from July 15, 2023 and designated him as Vice-Chairman and Managing Director. Shareholders of the Company approved the appointment of Mr. Desh Deepak Khetrapal as the Managing Director with overwhelming majority through Postal Ballot on September 10, 2023.
- The Board on the recommendation of the Nomination and Remuneration Committee appointed Mr. Raju Lal (DIN: 10347289) as a Non-Executive, Independent Director of the Company effective from October 11, 2023 and the said appointment is approved by the shareholders

with overwhelming majority through a Postal Ballot on December 10, 2023.

- In accordance with the provisions of the Act and in terms of the Memorandum and Articles of Association of the Company, Mr. Chandra Kant Birla, Non-Executive Director and Chairman of the Company is liable to retire by rotation at the ensuing AGM and has offered himself for re-appointment.

All the Independent Directors have given declarations that they continue to meet the criteria of independence as laid down under Section 149(6) of the Act and Regulation 16(1) (b) of the Listing Regulations and that they are not debarred from holding the office of Director by virtue of any SEBI order or any other such authority. All the Independent Directors have confirmed that they are complying with the Rules 6(1) and 6(2) of the Companies (Appointment and Qualification of Directors) Rules, 2014, with respect to registration with the data bank of Independent Directors maintained by the Indian Institute of Corporate Affairs. In the opinion of the Board, the Independent Director appointed during the year under review, possesses, required skills, knowledge and, expertise (including the proficiency).

In terms of the provisions of Section 2(77) of the Act, none of the Directors and Key Managerial Personnel of the Company are related to each other.

Except as mentioned above, during the year under review, there was no other change in Directorship or Key Managerial Personnel of the Company.

BOARD EVALUATION

In accordance with the provisions of the Act and the Listing Regulations, annual performance evaluation of the Board, its committees, and the Directors was carried out during the year under review, under the supervision of Nomination and Remuneration Committee, in line with the Company's Nomination and Remuneration Policy. More details on the Board Evaluation are provided in the Corporate Governance Report for the financial year 2023-24 which forms part of this Annual Report.

FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTORS

Details of the familiarization provided to Independent Directors during the financial year 2023-24 are provided in the Corporate Governance Report for the financial year 2023-24 which forms part of this Annual Report.

DIRECTOR'S RESPONSIBILITY STATEMENT

Pursuant to section 134(5) of the Act, your directors, to the best of their knowledge and belief, confirm that:

- In the preparation of the Annual Accounts for the financial year ended March 31, 2024, the applicable Accounting Standards have been followed along with proper explanation relating to material departures, wherever applicable;
- The directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;
- The directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- The directors have prepared these Annual Accounts on a going concern basis;
- The directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and operating effectively; and
- The directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

PARTICULARS OF DIRECTORS AND EMPLOYEES

Pursuant to the provisions of Section 197 of the Act read with Rule 5(1) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the percentage increase in remuneration, ratio of remuneration of Director and Key Managerial Personnel ('KMP') to the median of employees' remuneration, (as required under the Act) are provided in **Annexure A**.

Details of remuneration of employees in term of the provisions of Section 197 of the Act read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are provided in a separate annexure and forms part of this Report. Pursuant to the provision of Section 136 of the Act this Report is being sent to the shareholders

of the Company excluding the statement of particulars of employees. The said information is available for inspection at the registered office of the Company up to the date of the forthcoming AGM. Any member interested in obtaining a copy of the said statement may write to the Company Secretary at investor@orientelectric.com and the same will be furnished upon such request.

BOARD AND ITS COMMITTEES

The Board met five (5) times during the financial year 2023-24. The details of the same are provided in the Corporate Governance Report which forms part of the Annual Report.

The Board has established several Committees of directors, each entrusted with specific responsibilities and empowered with adequate authority to address diverse issues efficiently, ensuring prompt resolution. These Committees operate with defined terms of reference, outlining their purpose, role, and responsibilities.

The Committees constituted by the Board include:

- Audit Committee
- Nomination and Remuneration Committee
- Stakeholders' Relationship Committee
- Corporate Social Responsibility Committee
- Risk Management Committee

Complete details regarding the composition, roles, terms of reference, powers, and meetings of the aforementioned committees are provided in the Corporate Governance Report, which is an integral part of the Annual Report.

All recommendations and / or suggestions made by the respective Committees are presented to the Board for approval or information, as necessary. Throughout the financial year ended March 31, 2024, all recommendations and suggestions mandated by the Committees were duly accepted by the Board. These Committees convene meetings as required to fulfill their roles and responsibilities effectively or as stipulated under statutory requirements.

MEETING OF INDEPENDENT DIRECTORS

A meeting of the Independent Directors was convened separately on January 12, 2024, in line with best prevailing

corporate governance practices. More details about this meeting are provided in the Corporate Governance Report.

CORPORATE GOVERNANCE

Orient Electric's corporate governance philosophy is based on fostering and maintaining the culture of trust, ethics, honesty, transparency and fixing accountability, which are fundamental to a good corporate governance framework. These are reflection of core values of the Company which have been imbibed in our day-to-day functioning. Following these good practices enable the Company to create sustainable long-term value for its stakeholders.

Orient Electric's Corporate Governance Report for the financial year ended March 31, 2024, is included in this Annual Report. A Certificate from the Managing Director and Chief Financial Officer of the Company, in compliance with Listing Regulations, is annexed to the Corporate Governance Report. M/s. S.R. Batliboi & Co. LLP, Chartered Accountants, have confirmed the Company's compliance with the conditions of Corporate Governance stipulated in the Listing Regulations which confirmation is also annexed to the Corporate Governance Report.

RISK MANAGEMENT

The current business environment is very dynamic, challenging, and volatile which opens up several inherent risks. Apart from external, there are risks internal to the business operations of the Company. All these risks require a structured risk management process to timely identify and implement the measures to mitigate them. Our ability to create sustainable value for our stakeholders is dependent on recognizing and effectively addressing key risks that exist in our environment. The Company has a strong framework for risk management in place to help with this. Any major hazards to the organization's reputation, operational continuity, environment, compliance, and employee health and safety are identified, prioritized, mitigated, monitored, and reported by the Company, using this framework, on a regular basis throughout the year. The Board constituted a Risk Management Committee. Its composition and terms of reference are provided in the Corporate Governance Report. The Company has a risk management policy in place, which includes details about identification of elements of risk, if any, which in the opinion of the Board may threaten the existence of the Company.

The Board confirms that, as of the date of this report, the risks identified together with mitigation plans undertaken do not foreseeably threaten the existence of the Company or its going concern status.

INTERNAL FINANCIAL CONTROLS

The Company has in place a robust Internal Finance Control system commensurate with its size and complexities. More details on the Company's control systems are provided in the Corporate Governance Report and Management Discussion and Analysis Report.

NOMINATION AND REMUNERATION POLICY

To harmonize the aspirations of human resources consistent with the goals of the Company and in terms of the provisions of the Act, rules made thereunder and the Listing Regulations, the Company has implemented Nomination and Remuneration Policy. The key objectives of this Policy, inter-alia, include:

- Laying down the criteria for board membership, ensuring an appropriate balance between Executive and Non-Executive directors.
- Outlining a framework to ensure that the Company's remuneration levels are aligned with industry practices.
- Establishing an effective method for evaluating the performance of the Board, its Committees, and individual directors.

The salient features of the Nomination and Remuneration Policy of the Company are outlined in the Corporate Governance Report which forms part of the Annual Report. There was no amendment in the Policy during the financial year 2023-24. The Policy is also available on the website of the Company at <https://www.orientelectric.com/images/investors/nomination-remuneration-policy.pdf>.

AUDITORS

Statutory Auditors & Audit Report

M/s. S.R. Batliboi & Co. LLP, Chartered Accountants (ICAI Firm Registration Number 301003E/ E300005), acting as the Statutory Auditors of the Company, continuing their second term until the conclusion of the 10th AGM.

The Audit report for the financial year 2023-24, issued by the Statutory Auditors, does not contain any qualification, reservation, or adverse remarks. The Auditors have also confirmed that during their audit process for the financial year 2023-24, they did not observe any events indicating the commission of fraud by the officers or employees of the Company. Therefore, no instances of fraud were reported to the Audit Committee, Board, or the Central Government, as the case may be, as required under Section 143(12) of the Act.

Secretarial Auditor

Secretarial Auditors, M/s A. K. Labh & Co., Practicing Company Secretaries, issued the Secretarial Audit Report for the financial year 2023-24, as required under the Act and Rules made thereunder, as well as Regulation 24A of the Listing Regulations. The report does not contain any qualification, reservation, or adverse remarks and has been provided in **Annexure B** to this Report.

Additionally, in compliance with Regulation 24A of the Listing Regulations, the Secretarial Compliance Report for the financial year 2023-24 was received from Mr. A.K. Labh and was timely filed with the stock exchanges. This report pertains to the Company's adherence to the Securities and Exchange Board of India Act, 1992, the Securities Contracts (Regulation) Act, 1956, and the Rules, Regulations, Circulars, and Guidelines issued thereunder, as applicable.

The Secretarial Compliance Report is available on the Company's website and can be accessed at the following weblink: <https://www.orientelectric.com/images/investors/secretarial-compliance-report-2024.pdf>

The Board on the recommendation of the Audit Committee, has appointed M/s A. K. Labh & Co., Practicing Company Secretaries, (Certificate of Practice No. 3238), as the Secretarial Auditor to conduct an audit of the secretarial records for the financial year 2024-25.

Cost Auditor

The Company is maintaining proper cost records in compliance with the requirements of Section 148 of the Act read with the Companies (Cost Records and Audit) Rules, 2014, as amended. Mr. Somnath Mukherjee, Cost Accountant in Practice (M. No. - 5343), appointed as the Cost Auditor of the Company for conducting the audit of the cost records of specific products for the financial year ended March 31, 2024, shall provide the Cost Audit Report for the financial year 2023-24 within the timeframe prescribed under the Act and the rules made thereunder.

Upon the recommendation of the Audit Committee, the Board has appointed Mr. Somnath Mukherjee, Cost Accountant in Practice (M. No. - 5343) as the Cost Auditor of the Company for the financial year 2024-25. Pursuant to the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor requires ratification by the shareholders. Therefore, the Board recommends the ratification of the remuneration payable to the Cost Auditor by the shareholders at the ensuing AGM.

SUSTAINABILITY - BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

We at Orient Electric, being one of the leading consumer electric goods companies, always remain cautious of the impact of our actions on the environment. In order to create a healthier future for our planet, we continue to foster belief and intensify sustainable activities by harnessing technology to combat climate change, conserve electricity and water, manage waste effectively and reduce green-house gas emission.

On the social front, the Company's efforts are directed towards making underprivileged strata of our society including women, empowered by providing better means of education, helping them enhance their technical and soft skills, and arranging improved healthcare facilities. Orient Electric is committed to fostering diversity and inclusion within our workforce, promoting employee wellness and enhancing their overall experience.

In accordance with Regulation 34(2)(f) of the Listing Regulations, the Business Responsibility and Sustainability Report ('BRSR') of the Company disclosing its actions on Environmental, Social, and Governance ('ESG') parameters during the financial year 2023-24, forms part of the Annual Report.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Pursuant to Regulation 34 of the Listing Regulations, the Management Discussion and Analysis Report for the year under review is presented in a separate section, forming an integral part of this Annual Report.

CORPORATE SOCIAL RESPONSIBILITY

The Company has established a Corporate Social Responsibility Policy ('CSR Policy') that articulates our commitment to social responsibility and delineates guidelines and mechanisms for implementing impactful programs aimed at the welfare and sustainable development of communities. The CSR Policy can be accessed at the website of the Company at: <https://www.orientelectric.com/images/investors/corporate-social-responsibility-policy.pdf>. During the year, no amendments were made the Company's CSR Policy.

In accordance with Section 134(3)(o) of the Act and Rule 8 of the Companies (Corporate Social Responsibility) Rules, 2014, as amended, the annual report on Corporate Social Responsibility activities undertaken by the Company, during the reporting period is provided as **Annexure C** to this Report.

PREVENTION OF SEXUAL HARRASMENT OF WOMEN AT WORKPLACE

Orient Electric has zero tolerance for any kind of discrimination or harassment. Pursuant to the provisions of Sexual Harassment of women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ('POSH') and the Rules made thereunder, the Company has in place a policy on Prevention of Sexual Harassment at Workplace. The Company has constituted Internal Committees at all its working locations, as applicable, in India to consider and resolve complaint(s), if any received under POSH. During the financial year 2023-24, no complaint was reported under the provisions of the POSH. The requisite details mandated by POSH are provided in the Corporate Governance Report, which is part of this Annual Report.

RELATED PARTY TRANSACTIONS

All transactions of the Company with its related parties during the financial year 2023-24 were at arm's length basis and in the ordinary course of business operations of the Company, which were pre-approved by the Independent Directors in the Audit Committee. All related party transactions are quarterly reviewed by the Audit Committee. To provide a framework for the related party transactions and also to identify the material related party transaction, the Company has implemented a Related Party Transaction Policy, which can be accessed at the website of the Company at: <https://www.orientelectric.com/images/investors/related-party-policy.pdf>.

During the reporting period, there were no material related party transactions as per Listing Regulation and the Related Party Transaction Policy of the Company. Accordingly, the declaration in Form AOC-2 under Section 134(3)(h) of the Act is not applicable. All related party transactions of the Company during the financial year 2023-24 are provided in **Note No. 34** of the Financial Statements.

COMPLIANCE WITH THE PROVISIONS OF SECRETARIAL STANDARDS

The Company has diligently adhered to the applicable Secretarial Standards, namely SS-1 on 'Meeting of the Board of Directors' and SS-2 on 'General Meetings' issued by The Institute of Company Secretaries of India. The Company has ensured full compliance with these standards to maintain the highest standards of corporate governance and regulatory adherence.

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

Information in accordance with the provisions of Section 134(3) (m) of the Act, read with Rule 8 of the Companies (Accounts) Rules, 2014 regarding conservation of energy, technology absorption and foreign exchange earnings and outgo, is given in the statement annexed as Annexure D hereto and forms a part of this Report.

CHANGE IN THE NATURE OF BUSINESS OF THE COMPANY

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

MATERIAL CHANGES AND COMMITMENTS AFFECTING FINANCIAL POSITION BETWEEN END OF THE FINANCIAL YEAR AND DATE OF REPORT

There are no material changes and commitments affecting the financial position of the Company between the end of the financial year 2023-24 under review and the date of this Report, except as disclosed in this report or any annexure thereof.

INVESTOR EDUCATION AND PROTECTION FUND

In accordance with the provisions of the Act and the Investor Education and Protection Fund (Accounting, Audit, Transfer, and Refund) Rules, 2016 ('**IEPF Rules**'), all unclaimed dividends are mandated to be transferred to the Investor Education and Protection Fund ('**IEPF**') after a period of seven consecutive years. Additionally, shares on which dividends remains unclaimed by shareholders for seven consecutive years or more are required to be transferred to the demat account of the Investor Education and Protection Fund Authority ('**IEPF Authority**') as per the IEPF Rules. Following the transfer, shareholders can reclaim the aforementioned shares along with any accrued dividends by submitting an application to the IEPF Authority as per the prescribed procedure available on www.iepf.gov.in, accompanied by the requisite documents stipulated under the IEPF Rules. Upon receipt of the application, the Company submits an online verification report to the IEPF Authority, overseen by the Nodal Officer. All corporate benefits arising from such shares, including dividends (excluding rights shares), are credited to the IEPF. Details regarding the dividend amounts transferred to the IEPF Authority in respect of shares transferred to IEPF Authority, are provided in the Corporate Governance Report included in this Annual Report.

ANNUAL RETURN

Pursuant to Section 92(3) read with Section 134(3)(a) of the Act, the Annual Return as on March 31, 2024 is available on the Company's website at <https://www.orientelectric.com/images/investors/Annual-Return-31-Mar-2024.pdf>.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY ANY REGULATORS OR COURT

During the financial year 2023-24, there were no significant or material orders passed by the Regulators or Courts or Tribunals impacting the going concern status and operations of the Company in the future.

AFFIRMATIONS

1. To the best of our knowledge and the information available, no application has been made under the Insolvency and Bankruptcy Code, hence the requirement to disclose the details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016, as amended, during the year along with their status as at the end of the financial year is not applicable.
2. During the year under review, your Company has not made any onetime settlement with any bank or financial institution.

ACKNOWLEDGEMENTS

Your directors take this opportunity to express gratitude to Company's valued customers, trusted suppliers, banks and financial institutions, dedicated channel partners, business associates, Central and State Governments and esteemed shareholders for their enduring trust, support, and steadfast confidence in the Company. Your directors acknowledge and hereby extend their heartfelt appreciation for the unwavering dedication, support and commitment demonstrated by the Company's employees across all levels.

For and on behalf of the Board of Directors

Orient Electric Limited

Chandra Kant Birla

Chairman

DIN:00118473

Place: New Delhi

Date: May 09, 2024

Annexure A

Details of Remuneration as per Section 197 of the Companies Act, 2013 ('Act') and Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.**A. Details as per Section 197 of the Act and Rule 5(1):**

- (i)
- Ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2023-24:**

| Name of Director | Designation | Ratio of Remuneration to median remuneration of employees |
|----------------------------|------------------------------------|---|
| #Mr. Desh Deepak Khetrapal | Vice- Chairman & Managing Director | 27.27 |

- (ii)
- Percentage increase / (decrease) in the remuneration of Directors, Chief Executive Officer, Chief Financial Officer and Company Secretary, in the financial year 2023-24 is as follows:**

| S. No. | Name of the Directors / KMP's | Name of the Directors / KMP's | Percentage increase / (decrease) in remuneration in the financial year 2023-24 ^A |
|--------|-------------------------------|------------------------------------|---|
| 1 | #Mr. Desh Deepak Khetrapal | Vice- Chairman & Managing Director | N.A. |
| 2 | Mr. Saibal Sengupta | Chief Financial Officer | 7% |
| 3 | Mr. Hitesh Kumar Jain | Company Secretary | 7% |

^ASince Non-Executive and Independent Directors receives no remuneration except sitting fees and commission, the above details in para (i) and (ii) are not applicable.

#Appointed Managing Director and designated as Vice Chairman & Managing Director with effect from July 15, 2023.

Mr. Rakesh Khanna and Mr Rajan Gupta, resigned from the services of the Company as Managing Director and Chief Executive Officer, w.e.f. close of business hours on April 03, 2024 and July 14, 2023, respectively, the details in para (i) and (ii) above are not provided / not applicable.

- (iii)
- Percentage increase in the Median Remuneration of employees in the financial year:**

During the financial year 2023-24, median annual remuneration of employees increased by 5% over the previous financial year.

- (iv)
- Number of Permanent Employees on the rolls of the Company:**

The Company had 1190 permanent employees on its rolls as on March 31, 2024.

- (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 percentage increase in the salaries of employees other than the managerial personnel during the financial year 2023-24 was 7.20%. Any increase in the remuneration of Managing Director is not applicable as the present Managing Director took over the office w.e.f. July 15, 2024.

- (vi) The Company affirms that the remuneration to directors and employees during the financial year 2023-24 is as per its Nomination and Remuneration Policy.**

For and on behalf of the Board of Directors

Orient Electric Limited
Chandra Kant Birla

Chairman

DIN:00118473

Place: New Delhi

Date: May 09, 2024

Annexure B

SECRETARIAL AUDIT REPORT**FOR THE FINANCIAL YEAR ENDED March 31, 2024**

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

To
The Members,
Orient Electric Limited
Unit VIII, Plot No. 7
Bhoinagar, Bhubaneswar - 751 012
Odisha

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Orient Electric Limited** having its Registered Office at Unit VIII, Plot No. 7, Bhoinagar, Bhubaneswar - 751 012, Odisha (hereinafter called the '**Company**'). 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 books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended 31.03.2024 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.

Auditors' Responsibility

Maintenance of Secretarial Records is the responsibility of the management of the Company. Our responsibility is to express an opinion on existence of adequate Board process and compliance management system, commensurate to the size of the Company, based on these secretarial records as shown to us during the said audit and also based on the information furnished to us by the officers' and the agents of the Company during the said audit.

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

We have not verified the correctness, appropriateness and bases of financial records, books of accounts and decisions taken by the Board and by various committees of the Company during the

period under scrutiny. We have checked the Board process and compliance management system to understand and to form an opinion as to whether there is an adequate system of seeking approval of respective committees of the Board, of the members of the Company and of other authorities as per the provisions of various statutes as mentioned hereinafter.

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

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

Our report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness or accuracy with which the management has conducted the affairs of the Company.

We report that, we have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended 31.03.2024 according to the provisions of (as amended):

- (i) The Companies Act, 2013 (**the 'Act'**) and the rules made there under;
- (ii) Secretarial Standards as issued by The Institute of Company Secretaries of India;
- (iii) The Securities Contracts (Regulation) Act, 1956 and the rules made there under;
- (iv) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (v) Foreign Exchange Management Act, 1999 and the rules and regulation made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

(vi) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992:

- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulation, 2011;
- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (c) 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;
- (d) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- (e) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; and

We further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has specifically complied with the provisions of the following Act:

1. Bureau of Indian Standards Act, 2016
2. Bureau of Energy Efficiency

to the extent of its applicability to the Company during the financial year ended 31.03.2024 and our examination and reporting is based on the documents, records and files as produced and shown to and the information and explanations as provided to us by the Company and its management and to the best of our judgment and understanding of the applicability of the different enactments upon the Company. Further, to the best of our knowledge and understanding there are adequate systems and processes in the Company commensurate with its size and operation to monitor and ensure compliances with applicable laws including general laws, labour laws, competition law, environmental laws, etc.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. as mentioned above.

During the period under review, provisions of the following regulations / guidelines / standards were not applicable to the Company:

- (i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;

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

- (iii) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021.

- (iv) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulation, 2018.

We further report that:

- (a) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, and Independent Directors.
- (b) Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- (c) Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.
- (d) 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:

- (a) The Company has allotted 5,80,321 equity shares against exercise of equal number of ESOPs (Employee Stock Options) by the employees of the Company during the financial year under report.
- (b) The Company is in compliance with Regulations 3(5) and 3(6) SEBI (Prohibition of Insider Trading) Regulations, 2015 and has a Structured Digital Database in place.

For **A. K. LABH & Co.**
Company Secretaries

(CS A. K. LABH)
Practicing Company Secretary
FCS - 4848 / CP No.- 3238
UDIN:F004848F00033806

Place: Kolkata
Dated: May 09, 2024

Annexure C

Annual Report on Corporate Social Responsibility ('CSR') activities for the financial year 2023-24.**1. Brief outline of CSR Policy of the Company:**

In compliance with the provisions of Section 135 of the Act and the Companies (Corporate Social Responsibilities) Rules, 2014, as amended, the Company has framed its Corporate Social Responsibility ('CSR') Policy which outlines its philosophy on CSR. The Company's guiding principle for CSR is 'through sustainable measures, actively contribute to the social, economic and environmental development of the community in which the Company operates ensuring participation from the community and thereby create value for the nation'. The Company's CSR activities are mainly towards education and skill development, women empowerment and creating better health facilities for the underprivileged strata of the society.

Key highlights of the CSR projects undertaken during the year-**a. Education, Skill Development and Women Empowerment**

Education, skill development and women empowerment is one of the themes, the Company's CSR activities are directed for. The Company believes that '**Education gives you wings to fly**'. With this belief, during the financial year 2023-24, the Company has undertaken following projects under this area:

- **Ujjwal - Electrician upskilling**

Electricians play a crucial role in our societies, ensuring the smooth functioning of infrastructure and utilities that are essential for modern life. Their expertise is indispensable, yet many in this profession lack formal training and recognition. Recognising this gap, Orient Electric, undertook an impactful CSR initiative, Ujjwal, wherein, the Company in association with Dee Foundation, a not-for-profit registered charitable trust, and Teach India, has upskilled more than 5,000 electricians across India. Led by certified and experienced trainers, sessions in this project were meticulously designed to cover critical aspects of the trade, alongside focusing on interpersonal skills, digital literacy and financial management. The project was aimed to enhance the employability of electricians by equipping them with broader skills. The main aspect of the project was its alignment with National Skill Development Corporation framework, with electricians received Skill India certification after completion of training.

- **Renovation & Modernisation of Govt Girls Schools**

One of the flagship CSR projects of Orient Electric revolves around enhancing the educational infrastructure of government schools, particularly focusing on providing a conducive environment for girl students. The Company has adopted two government girl's schools in Faridabad district of Haryana - 'Government Girls Senior Secondary School, NH-3, PIT, Faridabad', and 'Government Girls Higher Secondary School, village Kaurali, Faridabad' to uplift the infrastructure in these schools with the objective to provide better educational facilities to girl students. 'EK Sangharsh' a not-for-profit public charitable trust, registered under the Indian Trust Act, 1882, based out of Faridabad, Haryana, acted as the implementing agency for this project. Key activities include installation of rain water harvesting structures for water conservation, repair of meal cum cultural activities area equipped with proper flooring and shed to cover students from harsh sunlight and inclement weather conditions, enhancing cleanliness and hygiene standards, renovation of washrooms, building boundary wall to ensure the safety and security of students, teachers and other staff, installation of CCTV cameras in both the schools, indoor games facilities, floor tiles in rooms of the primary wing. To create an atmosphere of unity and shared enthusiasm, the Company organized a vibrant sports and cultural meet at Government Girls Senior Secondary School, NH-3, PIT, wherein students of both the schools participated. Meritorious students from the both the schools were awarded with bicycles. This strategic enhancement aimed to provide girls students with a safer and more comfortable study environment, conducive to their overall well-being and academic success.

- **Mind Culture Program**

During the year under review, Orient Electric had contributed to the Mind Culture Program being run by Ramakrishna Mission. This program aims to build a center for learning and development focusing on organizing workshops for young students in modular formats covering Emotional Maturity & Ego Management, Managing Superior-Subordinate relationship at work, Time Management, Understanding weaknesses and overcoming on those, Work-life balance, Mindfulness at work and Stress Management & Control.

- **Campus Infrastructure Development at Chanakya University**

During the year under review, the Company contributed for infrastructure development at Chanakya University's Global Campus. Chanakya University is a not-for-profit private university established by the Act of the Karnataka State Legislature in 2021, with the objective to provide world class education facilities, accessible and affordable to all, development of youths who are rooted in ideals and groom them into becoming inspiring leaders with life-mastering skills. University offers unique new-age programmes that are inter and trans-disciplinary in nature and integrated with Indian Knowledge Systems.

b. Healthcare – Improved and affordable medical facilities

Taking into account the impact that healthcare has had on society as a whole, the Company began working with hospitals and health care centers to improve healthcare infrastructure and offer better care and medical support to those from disadvantaged social groups experiencing serious and potentially fatal medical emergencies.

- **Critical Care- Tie-up with SJM Hospital, Noida**

Orient Electric has partnered with SJM hospital, Noida with an objective to provide medical assistance to the people from underprivileged sections of society suffering from critical illness. During the year under review, the Company set up NICU/ICU ward and

provided for the medical treatment expenses for critical illness for people coming from poor strata.

- **First Referral Unit – 1, Faridabad**

Recognising the importance of better healthcare facilities, especially for women, in promoting community well-being, the Company, in association with Ek-Sangharsh, a not-for-profit registered charitable, has undertaken various measures to upgrade medical infrastructure and improved patient care services at First Referral Unit-1, in Faridabad, a hospital of Government of Haryana, providing medical treatments mainly to women and Children. During the year the Company provided necessary testing / treatment machines, installed a bubble CPAP machine specifically designed for newborn infants, ensuring timely and effective respiratory support for neonatal patients, a biochemistry analyser machine to upgrade the hospital's laboratory facilities, enabling accurate and efficient diagnostic testing, and upgraded the hospital's surgical facilities, including the installation of ultra-modern Operation Theater lights.

c. Eradicating Hunger

In order to address the serious problem of malnutrition, Orient Electric has partnered with the Akshaya Patra Foundation, a not-for-profit public charitable trust registered under the Indian Trust Act, 1882, to provide freshly prepared, nourishing meals to students enrolled in some of the government schools in Delhi. The program benefits school children from low-income families, addressing nutritional needs and improving their health. It also supports families by reducing their financial burden and responsibilities.

2. Composition of CSR Committee as at March 31, 2024

| S. No. | Name of Director | Designation / Nature of Directorship | CSR Committee Meeting FY 23-24 | |
|--------|---------------------------|--------------------------------------|--------------------------------|-----------------------------|
| | | | Number of meetings held | Number of meetings attended |
| 1 | Mr. K Pradeep Chandra | Chairman/Independent Director | 3 | 3 |
| 2 | Mr. Desh Deepak Khetrapal | Member/Executive Director | 3 | 3 |
| 3 | Mr. TCA Ranganathan | Member/Independent Director | 3 | 3 |

3. Provide the web-link where 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, CSR Policy and CSR projects approved by the Board are available on the website of the Company and can be accessed through the following weblinks:

- a. Composition of CSR Committee: <https://www.orientelectric.com/investors/board-of-directors>
- b. CSR Policy: <https://www.orientelectric.com/images/investors/corporate-social-responsibility-policy.pdf>.
- c. CSR projects: <https://www.orientelectric.com/investors/other-disclosures/csr-projects>

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.

Weblink: <https://www.orientelectric.com/investors/other-disclosures/csr-projects>

The Company's average CSR obligation, during the last three financial years, does not cross the limit of ₹ 10 crores or more as prescribed under Rule 8(3) of Companies (Corporate Social Responsibility Policy) Rules, 2014, therefore the requirement of undertaking impact assessment of CSR projects was not applicable on the Company during the financial year 2023-24. However, the Company has, through an independent entity, voluntarily carried out the impact assessment of some of its CSR projects undertaken during previous financial years. Summary of this impact assessment report is attached as an **Annexure C (a)** with this report.

5. CSR Obligation for the financial year 2023-24:

| | (₹ in Crores) |
|---|---------------|
| (a) Average net profit of the Company as per Section 135(5) | 144.70 |
| (b) Two percent of average net profit of the Company as per section 135(5) | 2.90 |
| (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 | Nil |
| (e) Total CSR obligation for the financial year 2023-24 (5b+5c-5d) | 2.90 |

6. CSR Spend details for the financial year 2023-24:

| | (₹ in Crores) |
|--|---------------|
| (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project) | 2.91 |
| (b) Amount spent in Administrative Overheads | Nil |
| (c) Amount spent on Impact Assessment, if applicable* | 0.05 |
| (d) Total amount spent for the Financial Year 2023-24 [6(a)+6(b)+6(c)] | 2.96 |

*To access the impact of the CSR activities being carried out, the Company voluntarily got the impact assessment done for some of its key projects undertaken in previous years.

(e) CSR amount spent or unspent for the Financial Year 2023-24:

| Total Amount Spent for the Financial Year (INR Crores) | Amount Unspent (INR Crores) | | | | |
|--|---|------------------|---|--------|------------------|
| | Total Amount transferred to Unspent CSR Account as per sub-section (6) of section 135 | | Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135 | | |
| | Amount | Date of transfer | Name of the fund | Amount | Date of transfer |
| 2.96 | Not Applicable | | | | |

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

| Sl. No. | Particulars | Amount (INR Crores) |
|---------|---|---------------------|
| (i) | Two percent of average net profit of the company as per section 135(5) | 2.90 |
| (ii) | Total amount spent for the Financial Year 2023-24 (including the amount set-off) | 2.96 |
| (iii) | Excess amount spent for the financial year 2023-24 [(ii)-(i)] | 0.06 |
| (iv) | Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any | Nil |
| (v) | Amount available for set off in succeeding financial years [(iii)-(iv)] | 0.06 |

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

| Sl. No. | Preceding Financial Year | Amount transferred to Unspent CSR Account under section 135(6) (INR Crores) | Balance Amount in Unspent CSR Account under sub-section (6) of section 135 (INR Crores) | Amount spent in the financial year (INR Crores) | Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135, if any | | Amount remaining to be spent in succeeding financial years (INR Crores) | Deficiency, if any |
|---------|--------------------------|---|---|---|---|------------------|---|--------------------|
| | | | | | Amount (INR Crores) | Date of Transfer | | |
| 1 | 2020-21 | Nil | NA | Nil | NA | NA | Nil | Nil |
| 2 | 2021-22 | Nil | NA | Nil | NA | NA | Nil | Nil |
| 3 | 2022-23 | Nil | NA | Nil | NA | NA | Nil | Nil |

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year 2023-24:
 Yes No

If Yes, enter the number of Capital assets created/ acquired: 5

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year 2023-24:

| 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 amount spent(Crores) | Details of entity/ Authority/ beneficiary of the registered owner | | |
|---------|---|--------------------------------------|--|------------------------------------|---|---------------------------------|--|
| | | | | | CSR Registration Number, if applicable | Name | Registered address |
| 1. | Automated Clinical Chemistry Analyser, Bubble CPAP Machine, Operation Theatre LED Light | 121003 | 17.02.2024 13.03.2024 19.03.2024 | 0.08 | NA | First Referral Unit -1 Hospital | Sector-30, Faridabad-121003, Haryana |
| 2 | NICU Setup & Healthcare equipments, Examination light | 207307 | 27.08.2023 19.01.2024, | 0.15 | NA | SJM Multispeciality Hospital, | Plot No. 1, Sector 63, Noida, Gautam Buddha Nagar, Uttar Pradesh |

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

For **Orient Electric Limited**

K. Pradeep Chandra

Chairman - CSR Committee
DIN:05345536

May 09, 2024
Place: United States

For **Orient Electric Limited**

Desh Deepak Khetrapal

Vice- Chairman & Managing Director
DIN: 02362633

May 09, 2024
Place: New Delhi

Annexure C (a)

Executive Summary of Independent Impact Assessment of Orient Electric Limited CSR Projects

Chrysalis Services Private Limited (**Chrysalis Services**) was entrusted in the financial year 2023-24 to undertake an Independent Impact Assessment Evaluation of Orient Electric Limited's (the '**Company**' or '**OEL**') major CSR Projects completed in the financial years 2020-21, 2021-2022 and 2022-2023. A team of researchers from Chrysalis Services independently conducted assessments to evaluate the effectiveness and overall impact of the assigned projects on their intended beneficiaries and communities.

Process adopted by Chrysalis Services:

- **Understanding Project Objective:** by discussion with the management.
- **Desk Review:** Review of agreements with the implementing partners and project completion reports.
- **Research Design:** Development of the quantitative and qualitative data collection tool for evaluation.
- **Field Visit and Data Collection:** Quantitative data collection through survey questionnaires and qualitative through Key Informant Interviews, Focused Group Discussions, direct observation, and smiley scale exercises.
- **Data Analysis:** Analysis and interpretation of collected data.
- **Reporting:** Consolidated report recording and recommendations.

Projects:

1. Renovation of Government Girls Higher Secondary School, Kaurali

Objective

To improve the quality of education and overall learning experience for girl students by upgrading the school infrastructure, enhancing sports facilities, and improving the aesthetics and functionality of the school.

Overview of the Project

OEL, in association with 'Ek Sangharsh' a not-for-profit organisation, acted as Implementing Agency, has transformed Government Girls Higher Secondary School (**GGHS**) Kaurali, Faridabad, Haryana, over FY20, FY22, and

FY23. The project included comprehensive renovations and modernization, such as repair of classrooms, constructing new toilet block, sports ground, whitewash, installing an RO water purifier, providing dual desks and stools, upgrading electrical fittings, power back-up, setting up computer lab and library. Additional efforts included installing interlocking tiles, rainwater harvesting structures, and various environmental conservation initiatives.

Outcome

- The comprehensive renovation, modernization, and infrastructure development benefited 221 students in FY-20, 319 students in FY-22, and 250 students in FY-23.
- All the school staff appreciated the renovation and construction work. 100% of the survey respondents appraised the activities done in GGHS for improving overall infrastructure, sitting arrangements and environmental conservation efforts. 95% of the survey respondents rated library facilities as excellent and 5% as good.
- Rainwater Harvesting conserves ~3,297,000 litres of water annually from rainfall and ~28-30 lakh litres annually from RO wastewater.

2. Renovation and Modernization of Government Girls Senior Secondary School

Objective

To improve the quality of education and overall learning experience for the girl students by upgrading the school infrastructure, improving the aesthetics and functionality of the school.

Overview of the Project

In FY23, OEL in association with 'Ek Sangharsh' a not-for-profit organisation, acted as Implementing Agency, renovated and modernized the Government Girls Senior Secondary School (**GGSS**) in Faridabad, Haryana. The project included constructing new toilets, cycle shed, installing CCTV cameras, repairing the main gate, upgrading electrical fittings, and building septic tanks for safe waste disposal.

Outcome

- Renovation and construction work benefited approximately 1883 girl students and 50

staff members, enhancing their learning and working environment.

- All the school staff, including the principal, expressed appreciation for the renovation and construction work.
- 100% of the survey respondents appreciated the renovation work carried out in GGSS and confirmed that sufficient water is now available in new toilets built. 98% of the survey respondents were satisfied with the construction of the new toilets. 99% of the survey respondents found the cycle shed beneficial. 100% of the respondents confirmed that these infrastructure development works improved the ambience of the GGSS as well as enhanced the security of girl students. The enhancements work improved the school's infrastructure, creating a safer and more conducive learning environment for students

3. Support for Children's Education During COVID

Objective

To provide continued education and support to students from marginalized communities during COVID-19 pandemic through online classes and empower students for academic progress.

Overview of the Project

In FY22, OEL partnered with Jayaprakash Narayan Memorial Trust ('JPNMT'), a not-for-profit organisation, acted as Implementing Agency, to support children's continued education during Covid-19 in Vidya and Child ('V&C') School, Noida, Uttar Pradesh. It addressed educational challenges in marginalised communities by providing support for the holistic development opportunities, including online classes, arts programs, life skills classes, career readiness programs for students' future and parent engagement. The project also included providing tablets and internet data packs to teachers helping them to take online classes of the students, teachers' salaries, and training sessions to enhance digital education skills.

Outcome

- The project ensured continued education and academic support of 321 students in classes 1st to 8th (school education) and 33 in classes 9th to 12th (after school centre).
- 100% of the survey respondents confirmed the support from OEL helped students continued their education and got timely feedback from teachers, aided by tablets provided by OEL. 96% of the survey respondents from classes 6th to 8th agreed

that teachers provided clear instructions for online assignments. 88% of the survey respondents confirmed that teachers were able to offer additional help and support during the transition to online classes.

- Tablets given to teachers during COVID are still being used to display digital content, especially for teaching nursery to 2nd grade students by connecting them with LED Screens, which is showcasing the project's sustainability beyond the crisis.

4. Mid-Day Meal for Government School Students

Objective

To eradicate hunger among school students by providing them with freshly cooked nutritious meals.

Overview of the Project

The Company's Mid-day Meal project in Delhi during FY23, implemented by Akshaya Patra, a Not-for-profit public charitable organisation, focused on providing nutritious meals to students to eradicate hunger and improve their well-being. It aimed to address hunger among school students, impact on attendance and enrolment, ensuring access to nutritious food for academic success.

Outcome

The project for mid-day meal served 1,93,499 nutritionally balanced meals as per Government guidelines to 2,023 students from 6 schools over 99 working days. High standards of hygiene were maintained in the meals served in schools, preventing food borne illnesses. The project encouraged community participation by serving midday meals to parents during parent-teacher meetings, ensuring quality assurance and feedback.

5. Critical Care and Medical Assistance -SJM Hospital

Objective

To enhance the healthcare services and support for underprivileged individuals by providing specialized medical care, equipment, and financial assistance, thereby improving their access to quality healthcare.

Overview of the Project

In FY22 and FY23, the Company undertook large-scale healthcare projects at SJM Hospital, Noida, to enhance medical care facilities for underprivileged individuals. The project involved setting up specialized wards, distributing COVID-19 vaccines, providing medical equipment to

hospitals, reimbursing treatment costs for patients, and conducting health check-up camps.

Outcome

- The Project positively impacted 2,494 individuals over two years (1,018 beneficiaries in FY22 and 1,476 in FY23), showcasing its reach.
- 100% of the survey respondents expressed contentment with the accessibility and availability of medical equipment as well as cleanliness, hygiene and enhanced quality of treatment in the Orient Ward.
- 83% of the survey respondents who received a discount on bed and testing charges rated it as very helpful.
- This initiative improved healthcare accessibility for economically weaker sections.

6. Critical Care and Medical Assistance - Sir Ganga Ram Hospital

Objective

To provide financial support for critical illnesses to economically weaker individuals, improving their health outcomes and reducing the financial burden on families. It also seeks to increase healthcare accessibility for marginalised communities and address disparities in healthcare access.

Overview of the Project

The Company partnered with Sir Ganga Ram Hospital, Delhi, in FY 23 to support economically weaker individuals with critical illnesses, including cancer, chronic kidney disease, chronic liver disease, lung disease, heart disease, coronary artery disease, and multiple ailments.

Outcome

Orient Electric's support enabled 41 economically weaker individuals to access critical medical treatments without financial burden. The project improved healthcare accessibility for marginalised communities by providing access to quality medical treatment at Sir Ganga Ram Hospital.

- The project addressed the healthcare needs for economically weaker sections, removing disparities in healthcare access by ensuring underprivileged individuals had equal access to healthcare services, helped them to alleviate the financial burdens and significantly improved health outcomes and quality of life for beneficiaries.

7. Critical Care and Medical Assistance - First Referral Unit, Government Hospital

Objective

To enhance healthcare facilities at First Referral Unit-1 by providing essential medical equipment, leading to improved patient care and treatment.

Overview of the Project

The Company provided essential equipments such as Haematology Analyser, Electrolyte Analyser, ECG Machine, labour room delivery table and infusion pump to First Referral Unit-1, Faridabad, in FY23 to enhance medical facilities for underprivileged individuals. The project improved diagnostics, maternal and child healthcare and patient comfort.

Outcome

- The hospital conducted 2,406 CBC tests and 68 electrolyte tests using diagnostic machines, performed 1,118 deliveries on the new delivery table, and used the sponsored infusion pump 83 times in NBCU.
- 100% of survey respondents stated they were diagnosed and treated properly at the hospital and confirmed that healthcare services at First Referral Unit-1 have improved a lot. 96% reported no challenges in accessing healthcare services and 72% of patients surveyed have used lab services and were very satisfied with testing facilities.

Detailed impact assessment reports for each of the above projects are available on the website of the company and can be assessed at <https://www.orientelectric.com/investors/other-disclosures/csr-projects>

Annexure D

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

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

A. CONSERVATION OF ENERGY

At Orient Electric, we're always exploring ways to minimize the adverse impacts on the environment, as much as possible, in both the products we sell and the manufacturing processes the Company use. The Company in its manufacturing operations has taken following steps which helped in conservation of energy:

- **Advance Manufacturing Process:** Variable Frequency Drive control panels installed at assembly lines and liquid paint shop in fans manufacturing plant at Faridabad, resulting in saving of 3,845 KWH/month electricity. Further, IE-2 types of motor were replaced by IE-4 types of motor which are super premium energy efficient and helped save 1,110 KWH/month electricity.
- **Lower Carbon Footprint:** In appliances, the Expanded Polystyrene (EPS) packing is replaced by Pulp packing, as Pulp packing is often made from recycled paper or sustainable wood fibers, which consumes less energy to produce as compared to EPS. Manufacturing EPS involves the use of fossil fuels and emits greenhouse gases. On the other hand, pulp packing is produced using sustainable sources which have lower carbon footprint, contributing to reduced environmental impact and energy usage.
- **BEE Star label Compliant products:** All fan models have been converted to BEE Star labelled models for regular production which consumes less energy. BLDC TPW fans have been developed to reduce power consumption from 65~70 Watt to 30~35 Watt.

Alternate Source of Energy:

- Dual fuel kit is installed in generator sets to meet the compliance requirements of Commission for Air Quality Management ('CAQM') in National Capital Region and adjoining areas, which reduces the consumption of diesel by using alternative fuel (70% PNG and 30% diesel).
- At Faridabad plant, installed 1.1 MW new gas generator set for reducing the air pollution and meeting compliance as per CAQM GRAP requirement.

- The Company continues to promote the use of alternative source of energy. Solar streetlight project execution for BREDA is the biggest example of using solar energy.

Investment:

The Company invested ₹4.1 crores for setting up Variable Speed Drive air-compressor to control the flow of energy from the main lines to the manufacturing process.

B. TECHNOLOGY ABSORPTION AND RESEARCH & DEVELOPMENT**TECHNOLOGY ABSORPTION:**

- BLDC motor design has been optimized with Ex Winding without any impact on performance. This technology has been implemented in all BLDC fan models.
- Ceiling fans are made to meet ISI marked Compliance (IS374:2019 norms).
- Fans Range is expanded by launch of new models like Speed star, Arina, Ecotech prime and Mozart.
- Integrated/Seamless Blade and motor Trim with IMD technology implemented in Mozart fan.
- Aeroseries range of fans has been expanded by launch of Aerosense IOT enabled fan and Aeroslim with 3 LED Light. Both these fans are smart fan with ABS blades ensuring High Air delivery.

Benefits derived by the use of new technology:

The new technology used in the fan's models results in reduction in power consumption and enhanced performance. Launch of new fan models has enhanced the premium fans portfolio.

Technology Imported and year of import:

No technology imported from any country outside India during the year under review.

Whether the technology has been fully absorbed:

Not applicable.

RESEARCH AND DEVELOPMENT ACTIVITIES:

Specific Areas of Research and Development:

- Special Anti-scaling coating on heating element reduces salt deposition on the surface of heating element submerged to water. This coating provides the protection from corrosion, which helps to increase the life of heating element.
- Inhouse developed low voltage PCBA for fan models to ensure product reliability.
- Designs for range of water heaters has been upgraded to achieve the 5 Star ratings pursuant to requirement of BEE notification resulting ~10% saving in energy consumption. This design has received approval from BEE.
- Innovative lens developed and being used in LED products like High Bay (150 lm/W), Street light (140-150 lm/W) for National Highways which increases efficiency of lights, thereby increases the spacing between two poles yet keeping the minimum lux requirement on the road. Higher efficacy helps in consuming lesser power, meeting lux requirements on street and increase in spacing between poles reduces the number of poles to be used thereby reduction in usage of the metal.

Expenditure incurred on Research and development:

- Spent approximately ₹18 lacs in procuring software licenses (KEIL, IAR, ALTIUM) for establishing competency in IOT domain and enabling new PCB design.
- Spent approximately ₹20 lacs in developing Pulp Packaging material compatibility.
- Spent approximately ₹50 lacs in innovations in lighting and switchgear products.

Benefits derived from the expenditure incurred on Research and Development:

- Inhouse development of BLDC PCBA has helped the Company to create a reliable electronics base and full control over PCBA design.
- Elimination of base plate from LED bulb and yet maintaining the required junction temperature of LEDs not only helped in reducing the cost of bulbs but also in reducing to a great extent the usage of aluminium.

Future Plan of Actions:

The Company is continuously making its efforts to introduce products with technology which offer considerable saving in energy consumption, high performance, low level of noise and longer product life. These efforts include but not limited to, designing BLDC motor for appliances, air coolers and entry level fans and introduction of moulded magnet ring.

FOREIGN EXCHANGE EARNINGS AND OUTGO

Details of foreign exchange earnings and outgo for the financial year 2023-24 is as follows:

| Particulars | (₹in Crores) | |
|---------------------------|---|---|
| | For the financial year ended March 31, 2024 | For the financial year ended March 31, 2023 |
| Foreign Currency Earnings | 127.18 | 97.30 |
| Foreign Exchange Outgo | 94.83 | 79.36 |

For and on Behalf of the Board of Directors
For Orient Electric Limited

Chandra Kant Birla

Date: May 09, 2024
Place: New Delhi

Chairman
DIN: 00118473

Business Responsibility & Sustainability Report - 2023-24

Orient Electric Limited ('OEL' or the 'Company'), a CK Birla Group Company, is a prominent player in the Indian Electric Consumer Durables and Lighting, Switchgear and Wiring accessories. With a legacy spanning nearly seven decades, OEL offers a comprehensive range of lifestyle electrical products including fans, lighting, home appliances, switchgear and wiring.

Rather than solely focusing on market share, OEL emphasizes creating unique consumer experiences and capturing market niches with innovative products. Traded on both BSE Ltd. & National Stock Exchange of India Ltd., the Company is committed towards adopting cutting-edge technology and energy efficiency in its products and safety for its consumers.

Operating from manufacturing facilities in Noida, Faridabad, Hyderabad and Kolkata, OEL is one of the leading exporters of fans and a significant player in the Fans and LED bulb market in India.

In this report, the words - 'Orient Electric', 'OEL', 'We', 'Our', 'the Company' are used interchangeably to denote Orient Electric Ltd.



SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity:

| 1. | Corporate Identity Number (CIN) of the Listed Entity | L311000R2016PLC025892 | | | | | | |
|---------------------------------------|--|---|----------------------|------------|---------------------------------------|------------|----------|--------|
| 2. | Name of the Listed Entity | Orient Electric Limited | | | | | | |
| 3. | Year of incorporation | 2016 | | | | | | |
| 4. | Registered office address | Unit -VIII, Plot No. 7, Bhoingar, Bhubaneswar-751012, Odisha, India | | | | | | |
| 5. | Corporate address | 240, Okhla Industrial Estate, Okhla Phase III, New Delhi, Delhi -110020, India | | | | | | |
| 6. | E-mail | investor@orientelectric.com | | | | | | |
| 7. | Telephone | 011-40507000 | | | | | | |
| 8. | Website | www.orientelectric.com | | | | | | |
| 9. | Financial year for which reporting is being done | 2023-24 | | | | | | |
| 10. | Name of the Stock Exchange(s) where shares are listed | <table border="1"> <thead> <tr> <th>Name of the Exchange</th> <th>Stock Code</th> </tr> </thead> <tbody> <tr> <td>National Stock Exchange of India Ltd.</td> <td>ORIENTELEC</td> </tr> <tr> <td>BSE Ltd.</td> <td>541301</td> </tr> </tbody> </table> | Name of the Exchange | Stock Code | National Stock Exchange of India Ltd. | ORIENTELEC | BSE Ltd. | 541301 |
| Name of the Exchange | Stock Code | | | | | | | |
| National Stock Exchange of India Ltd. | ORIENTELEC | | | | | | | |
| BSE Ltd. | 541301 | | | | | | | |
| 11. | Paid-up Capital | ₹ 21,33,65,899/- | | | | | | |
| 12. | Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report - | Mr. Saibal Sengupta Chief Financial Officer Phone No. - 011-40507000, Email - investor@orientelectric.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). - | All the disclosures are made in this report 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 dt. 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 dt. 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 Consumer Durables | Manufacturing and Trading of Electrical | 70.51 |
| 2. | Lighting, Switchgear and Wiring Accessories | Fans, Appliances, Lighting, MCBs, Switches, Cables, Wiring devices and accessories | 29.49 |

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. | Ceiling Fans | 27503 | 43.40 |
| 2. | TPW Fans | 27503 | 11.77 |
| 3. | Lighting | 27400 | 24.99 |
| 4. | Switchgear & Wires | 27331/27339 | 4.49 |
| 5. | Water Heater | 27502 | 4.72 |
| 6. | Cooler | 27509 | 3.85 |

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 | 4 | 39* | 43 |
| International | 0 | 1 | 1 |

*Includes warehouses

19. Markets served by the entity:

a. Number of locations

| Locations | Number |
|----------------------------------|--------|
| National (No. of States) | 36* |
| International (No. of Countries) | 33 |

*Includes 28 States and 8 Union Territories of India

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

Contribution from exports was 4.67% of the total turnover, for the reporting period.

c. A brief on types of customers

The Company serves a diverse clientele, catering to both industrial and retail sectors, encompassing business-to-business (B2B) and business-to-customer (B2C) transactions.

Additionally, a small portion of its operations entails interactions with governmental entities, known as business-to-government (B2G).

IV. Employees

20. Details as at the end of Financial Year:

a. Employees and workers (including differently abled):

| S. No. | Particulars | Total (A) | Male | | Female | |
|------------------|--------------------------------|-------------|-------------|--------------|------------|--------------|
| | | | No. (B) | % (B / A) | No. (C) | % (C / A) |
| EMPLOYEES | | | | | | |
| 1. | Permanent (D) | 1190 | 1115 | 93.70 | 75 | 6.30 |
| 2. | Other than Permanent (E) | 60 | 52 | 86.67 | 8 | 13.33 |
| 3. | Total Employees (D + E) | 1250 | 1167 | 93.36 | 83 | 6.64 |
| WORKERS | | | | | | |
| 4. | Permanent (F) | 162 | 110 | 67.90 | 52 | 32.10 |
| 5. | Other than Permanent (G) | 2132 | 1825 | 85.60 | 307 | 14.40 |
| 6. | Total workers (F + G) | 2294 | 1935 | 84.35 | 359 | 15.65 |

b. Differently abled Employees and workers:

| S. No. | Particulars | Total (A) | Male | | Female | |
|------------------------------------|--|-----------|-----------|---------------|-----------|-----------|
| | | | No. (B) | % (B / A) | No. (C) | % (C / A) |
| DIFFERENTLY ABLED EMPLOYEES | | | | | | |
| 1. | Permanent (D) | 00 | 00 | 00 | 00 | 00 |
| 2. | Other than Permanent (E) | 00 | 00 | 00 | 00 | 00 |
| 3. | Total differently abled employees (D + E) | 00 | 00 | 00 | 00 | 00 |
| DIFFERENTLY ABLED WORKERS | | | | | | |
| 4. | Permanent (F) | 1 | 1 | 100.00 | 00 | 00 |
| 5. | Other than permanent (G) | 2 | 2 | 100.00 | 00 | 00 |
| 6. | Total differently abled workers (F + G) | 3 | 3 | 100.00 | 00 | 00 |

21. Participation/ Inclusion/ Representation of women

| | Total (A) | No. and percentage of Females | |
|--------------------------|-----------|-------------------------------|-----------|
| | | No. (B) | % (B / A) |
| Board of Directors* | 6 | 1 | 16.67 |
| Key Management Personnel | 2 | 0 | 0.00 |

* Mr. Desh Deepak Khetrapal serves as the Vice Chairman and Managing Director of Orient Electric Ltd., hence counted only in Board of Directors.

22. Turnover rate for permanent employees and workers

| | FY 2023-24 | | | FY 2022-23 | | | FY 2021-22 | | |
|---------------------|------------|--------|-------|------------|--------|-------|------------|--------|-------|
| | Male | Female | Total | Male | Female | Total | Male | Female | Total |
| Permanent Employees | 24.98 | 26.98 | 25.09 | 25.52 | 40.43 | 26.30 | 22.95 | 39.53 | 23.80 |
| Permanent Workers | 7.44 | 0.00 | 4.98 | 3.92 | 0.00 | 3.92 | 5.50 | 0.00 | 5.50 |

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

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

The Company does not have any holding, subsidiary or associate Companies, including joint ventures.

VI. CSR Details

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

(ii) Turnover (in Rs.) - 2,812.12 lacs

(iii) Net worth (in Rs.) - 638.93 lacs

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 web-link for grievance redress policy) | FY 2023-24 | | | FY 2022-23 | | |
|---|---|--|--|---|--|--|---|
| | | Number of complaints filed during the year | Number of complaints pending resolution at close of the year | Remarks | Number of complaints filed during the year | Number of complaints pending resolution at close of the year | Remarks |
| Communities | Yes | Nil | Nil | None | Nil | Nil | None |
| Investors (other than shareholders) | Yes Weblink- https://www.orientelectric.com/images/investors/grievance-redressal-policy.pdf | Nil | Nil | None | Nil | Nil | None |
| Shareholders | Yes Weblink- https://www.orientelectric.com/images/investors/grievance-redressal-policy.pdf | 6 | Nil | None | 2 | Nil | None |
| Employees and workers | Yes Weblink- https://www.orientelectric.com/images/investors/grievance-redressal-policy.pdf | 26 | 9 | All grievances of the employees and workers are addressed in a structured manner under the ambit of the policies of the organization. | 8 | 5 | All grievance of employees and workers are addressed in a structured manner under the ambit of the policies of the organization |
| Customers | Yes https://orient.servitiumcrm.com/orient/getCustomerInfo.jsp | 18,62,855 | 6,865 | Grievances and suggestions received across channels | 15,76,890 | 9,015 | Grievances and suggestions received across channels |
| Value Chain Partners | Yes https://www.orientelectric.com/images/investors/whistle-blower-policy.pdf | Nil | Nil | None | Nil | Nil | None |

26. Overview of the entity's material responsible business conduct issues pertaining to environmental and social matters that present a risk or an opportunity to the business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications

| 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. | Product Safety | Risk | Product safety holds paramount importance for electric consumer goods manufacturers like Orient Electric. Malfunctioning appliances can lead to fires or other hazards, causing property damage, injuries or fatalities. Such malfunctions pose risks of litigation and negative consumer sentiment, potentially impacting brand value, revenue growth, or market share. Failure to report known product safety hazards to relevant authorities can result in penalties. | The Company boasts a robust quality control and testing team that endeavours to minimize the likelihood of product malfunction or recall. This effort not only captures additional market share but also limits exposure to regulatory and litigation risks. | Negative implications (There was no financial impact in FY 23-24) |
| 2. | Product Lifecycle Environmental Impacts | Opportunity | The companies in the Electric Consumer Durable industry are continually striving to differentiate their products from those of their competitors. One crucial differentiating factor is the environmental impact of products throughout their lifecycle, often associated with the cost of appliance usage. This issue entails a company's capacity to design products with the entire lifecycle in mind, from creation and usage to disposal. Specifically, this involves energy and water efficiency of appliances, and building & designing of the products in an environment friendly manner. The Company prioritises designing and manufacturing products with improved environmental impacts to increase consumer demand and market share. Furthermore, the Company strives to minimize the environmental impact of its products, aiming to address critical provisions related to areas such as GHG emissions reduction and extended producer responsibility in a better manner. | NA | Positive implication |

¹Material issues identified are referred from the Sustainability Accounting Standards Board (SASB) 2023-24 version. SASB Standards are maintained and enhanced by the International Sustainability Standards Board (ISSB); this follows the SASB's merger with the International Integrated Reporting Council (IIRC) into the Value Reporting Foundation (VRF) and subsequent consolidation into the IFRS® Foundation in 2022.

| 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) |
|--------|---------------------------|--|--|--|--|
| 3. | Innovation | Opportunity | Operating in a competitive industry, the companies face the risk of falling behind if they fail to introduce smarter and more innovative products in their respective segments. However, this also presents OEL with an opportunity to stay ahead of the curve by boosting its innovation efforts, thereby developing more user- and environmental friendly products and increasing both the top and bottom lines of OEL. The Company has a dedicated R&D department working towards better, smarter & durable products for its consumers. | NA | Positive implication |
| 4. | Geo political risk | Risk | The Company caters to the demand for its products in numerous countries, each of which may pose geo-political risks arising due to pandemic, conflicts between countries etc. which can adversely affect the business operations of the Company. | The Company routinely conducts assessments of its global markets and demand factors in light of geopolitical risks. This facilitates effective inventory planning. | Negative implication (There was no financial impact in FY 23-24) |



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) | Policies formulated under the applicable statutory provisions are approved by the Board of Directors, while other policies are formulated by the respective Business/Function Heads and approved by the Managing Director and/or the concerned Business/Function Head, as applicable. | | | | | | | | |
| | c) Web Link of the Policies, if available: | | | | | | | | | |
| S. No. | Name of policy | Link to Policy | Policy – BRSR Principles Alignment | | | | | | | |
| 1 | Related Party Policy | https://www.orientelectric.com/images/investors/related-party-policy.pdf | P1 | | | | | | | |
| 2 | Code of Conduct for Directors and Senior Management | https://www.orientelectric.com/images/investors/code-of-conduct-for-directors-and-senior-management.pdf | P1 | | | | | | | |
| 3 | Archival Policy | https://www.orientelectric.com/images/investors/archival-policy.pdf | P1 | | | | | | | |
| 4 | Disciplinary Action Policy | Intranet | P1 | | | | | | | |
| 5 | Media Communications Policy | Intranet | P1 | | | | | | | |
| 6 | Promotion Policy | Intranet | P1 | | | | | | | |
| 7 | Privacy Policy | https://www.orientelectric.com/privacy-policy | P2 | | | | | | | |
| 8 | Employee Insurance Policy | Intranet | P3 | | | | | | | |
| 9 | Cab Booking Policy | Intranet | P3 | | | | | | | |
| 10 | Confirmation Policy | Intranet | P3 | | | | | | | |
| 11 | Crèche Policy | Intranet | P3 | | | | | | | |
| 12 | Group mediclaim policy (GMP POLICY) | Intranet | P3 | | | | | | | |
| 13 | Hiflyer Policy | Intranet | P3 | | | | | | | |
| 14 | HIV & AIDS Policy | Intranet | P3 | | | | | | | |
| 15 | Laptop Desktop Data Card Policy | Intranet | P3 | | | | | | | |
| 16 | Leave Attendance policy | Intranet | P3 | | | | | | | |
| 17 | Transfer Relocation Policy | Intranet | P3 | | | | | | | |
| 18 | Salary Advance Policy | Intranet | P3 | | | | | | | |
| 19 | Variable Pay Policy | Intranet | P3 | | | | | | | |
| 20 | WOW Policy | Intranet | P3 | | | | | | | |
| 21 | International Travel Policy | Intranet | P3 | | | | | | | |
| 22 | Internal Job Posting | Intranet | P3 | | | | | | | |
| 23 | Nomination and Remuneration Policy | https://www.orientelectric.com/images/investors/nomination-remuneration-policy.pdf | P3 | | | | | | | |
| 24 | Code of Conduct for Fair Disclosure of UPSI | https://www.orientelectric.com/images/investors/code-of-conduct-for-fair-disclosure-of-upsi.pdf | P3 | | | | | | | |
| 25 | Dividend Distribution Policy | https://www.orientelectric.com/images/investors/dividend-distribution-Policy.pdf | P4 | | | | | | | |
| 26 | Whistle Blower Policy | https://www.orientelectric.com/images/investors/whistle-blower-policy.pdf | P5 | | | | | | | |
| 27 | Corporate Social Responsibility Policy | https://www.orientelectric.com/images/investors/corporate-social-responsibility-policy.pdf | P6 | | | | | | | |
| 28 | Materiality of Events and Information | https://www.orientelectric.com/images/investors/determining-materiality-of-events-and-informations.PDF | P7 | | | | | | | |
| 29 | Social Media Policy/ Photo and video release policy | Intranet | P7 | | | | | | | |
| 30 | Familiarization Programme | https://www.orientelectric.com/images/investors/familiarisation-programme.pdf | P8 | | | | | | | |
| 31 | Terms & Conditions of Appointment of Independent Directors | https://www.orientelectric.com/images/investors/Terms-Conditions-of-Appointment-of-Independent-Directors.pdf | P8 | | | | | | | |
| 32 | Policy on Equal Opportunity | Intranet | P8 | | | | | | | |
| 33 | Whistle Blower Policy- | https://www.orientelectric.com/images/investors/whistle-blower-policy.pdf | P9 | | | | | | | |

Following are the exhaustive list of policies pertaining to each Principle:

| | |
|---|---|
| Principle P1: Transparency & Accountability | <ul style="list-style-type: none"> • Code of Ethical Standards and Behavioural Conduct • Risk Management Policy • Code of Conduct to Regulate Monitor and Report Trading by Designated Persons • Related Parties Transactions Policy • Policy for Determination of Materiality of Events or Information • Whistle-blower Policy • Non-discrimination Policy • Information Technology Policy • Archival Policy • Code of Conduct for Directors and Senior Management |
| Principle P2: Product Responsibility | <ul style="list-style-type: none"> • Risk Management Policy • CSR Policy • Information Technology Policy • Information Security Management System Policy • Environment Health and Safety Policy |
| Principle P3: Employee Development | <ul style="list-style-type: none"> • Nomination & Remuneration Policy • Dividend Distribution Policy • Prevention of Sexual Harassment Policy • Code of Ethical Standards and Behavioural Conduct • Whistle-blower Policy • Non-discrimination Policy • Working Hours Policy • Employee Handbook and/or HR Policy Document |
| Principle P4: Stakeholder Engagement | <ul style="list-style-type: none"> • Code of Conduct to Regulate • Monitor and Report Trading by Designated Persons • Nomination & Remuneration Policy • Dividend Distribution Policy • Related Parties Transactions Policy • Policy for Determination of Materiality of Events / Information • Whistle blower Policy • Working Hours Policy |
| Principle P5: Human Rights | <ul style="list-style-type: none"> • Code of Ethical Standards and Behavioural Conduct • Prevention of Sexual Harassment Policy • Whistleblower Policy • Child Labour Policy • Non-discrimination Policy |
| Principle P6: Environment Principle | <ul style="list-style-type: none"> • CSR Policy • Environment Policy • Energy Management System Policy |
| Principle P7: Policy Advocacy | <ul style="list-style-type: none"> • Code of Ethical Standards and Behavioural Conduct • Code of Conduct to Regulate, Monitor and Report Trading by Designated Persons • Related Parties Transaction Policy • Policy for Determination of Materiality of Events / Information Policy • CSR Policy • Whistleblower Policy • Non- discrimination Policy • Information Security Management Policy |

| | |
|--|--|
| Principle P8: Inclusive Growth | <ul style="list-style-type: none"> • Familiarization Program for Independent Directors • Code of Ethical Standards and Behavioural Conduct • Prevention of Child Labour Policy • Non-discrimination Policy • Fair Remuneration Policy • Equal Opportunity Policy |
| Principle P9: Customer Value | <ul style="list-style-type: none"> • Code of Ethical Standards and Behavioural Conduct • Whistle blower Policy • Information Technology Policy |
| 2. Whether the entity has translated the policy into procedures. (Yes / No) | Yes |
| 3. Do the enlisted policies extend to your value chain partners? (Yes/No) | No |
| 4. Name of the national and international codes/certifications/labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trusted) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle. | <p>The policies mentioned above are based on the Principles of National Guidelines on Responsible Business Conduct ('NGRBC'). Additionally, the Company has obtained the ISO certifications as listed below for its plants:</p> <ul style="list-style-type: none"> • ISO 14001:2015 - Environmental Management Systems (Plants at Noida, Faridabad and Kolkata) • ISO 45001:2018 - Operational Health & Safety Management Systems (Noida and Faridabad Plant) • ISO 50001:2018 - Energy Management System (Faridabad Plant) • ISO 9001:2015 - Quality Management Systems (Noida, Faridabad and Kolkata Plant) |
| 5. Specific commitments, goals and targets set by the entity with defined timelines, if any. | <p>In its Environment, Social and Governance ('ESG') journey, aligned with global targets, Orient Electric looks forward to setting short, medium, and long-term targets for the sustainability KPIs mentioned below:</p> <ol style="list-style-type: none"> Energy Conservation Waste Management Water Management Climate Change mitigation GHG reduction, and Biodiversity protection <p>To start with, the Company has set up short term ESG targets, which were achieved through number of measures, including:</p> <ol style="list-style-type: none"> 1. Extended Producer Responsibility: Fixed targets of plastic waste recycling and achieved through recyclers. 2. BLDC Technology: Ensured complete integration of BLDC technology in several models of fans and air coolers. 3. Transition to Energy-Efficient LED Lighting. 4. Promotion of BEE Star-Rated Products: Increase the share of BEE star-rated products in product portfolio. 5. ISO 50001:2018 Certification: Implemented and adhering to the requirements of ISO 50001:2018 standard at Faridabad plant. 6. Expansion of Renewable Energy Sources: Increase the percentage of energy derived from renewable sources. 7. Reduced CO2 emission by starting to use dual fuel generator sets instead of diesel generators. 8. Pulp Packaging: Expanded Polystyrene packaging replaced by pulp packaging in many of our products. |
| 6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met. | |

Governance, leadership and oversight

7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements

ESG factors are vital to Orient Electric’s quest of excellence in every sphere of our operations. We are happy to underline our dedication to tackling ESG related issues, establishing challenging goals, and achieving important benchmarks. While integrating sustainable practices into our operations presented some challenges, we’re proud of the significant progress we’ve made. We’ve taken proactive steps to address these obstacles, fostering a culture of resilience and long-term sustainability. Our carefully planned goals demonstrate our steadfast commitment to going above and beyond industry norms and legal obligations. Especially, our accomplishments in reducing the negative impact of manufacturing process on the environment, encouraging diversity and inclusion, and improving governance structures demonstrate our dedication to ethical business practices.

8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies) Vice Chairman & Managing Director - Orient Electric Limited
Email-investor@orientelectric.com

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. Risk Management Committee (**‘RMC’**) of the Board of Directors is additionally entrusted with the responsibility of overall supervising the actions of the Company relating to ESG. RMC reviews all risks, including sustainability risks, and the mitigation actions thereof. Additionally, the Governance Risk and Compliance Committee of the Company reviews and identifies all the risks pertaining to the Company, lays down mitigation strategies and actions to address those identified risks. The Audit Committee reviews matters pertaining to compliance and governance. The Corporate Social Responsibility Committee reviews for strategies, plans and actions being taken for engagement with society and environmental protection.

10 Details of Review of NGRBCs by the Company:

| Subject for Review | Indicate whether review was undertaken by Director / Committee of the Board/Any other Committee | | | | | | | | | Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify) | | | | | | | | |
|--|--|----|----|----|----|----|----|----|----|---|----|----|----|----|----|----|----|----|
| | P1 | P2 | P3 | P4 | P5 | P6 | P7 | P8 | P9 | P1 | P2 | P3 | P4 | P5 | P6 | P7 | P8 | P9 |
| Performance against above policies and follow up action | The Board of Directors, Risk Management Committee, Audit Committee and Corporate Social Responsibility Committee, as applicable based on their terms of reference, periodically review the Company’s progress against sustainability parameters and policies. They are guided on actions to be taken and review progress against these parameters. | | | | | | | | | Periodically | | | | | | | | |
| Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances | Operational issues are addressed on an ongoing basis as they are identified. The Company utilizes compliance monitoring software to track, monitor, and comply with regulations in real-time. | | | | | | | | | The Compliance Report is presented before the Audit Committee and Board of Directors quarterly. | | | | | | | | |

| | P1 | P2 | P3 | P4 | P5 | P6 | P7 | P8 | P9 |
|--|--|----|----|----|----|----|----|----|----|
| 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. | The Company seeks assurances and comfort regarding its policies, procedures, and codes through periodic audits conducted by external agencies, as applicable or required, in addition to periodic internal evaluations at the Board and Committee levels. For the purpose of this report, an extensive assessment of the operationalization and effectiveness of the policies mentioned in this section is conducted by Dhir & Dhir Associates, an eminent law firm. | | | | | | | | |

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

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



SECTION C:

PRINCIPLE WISE PERFORMANCE DISCLOSURE

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

Essential Indicators

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

| Segment | Total Number of training and awareness programmes held | Topics/principles covered under the training and its impact | % age of persons in respective category covered by the awareness programmes |
|---|--|---|---|
| Board of Directors Key Managerial Personnel | 15 | Awareness, including Technical and Functional, are imparted through detailed presentations during Board / Committee meetings covering wide areas encompassing all principles including risks, threats and mitigations, business continuity, social responsibilities and governance. | 100.00 |
| Employees other than BoD and KMPs | 61 | Awareness programs covers vast areas of Functional & Behavioural Training, POSH, Ethical Business Conduct, Human Resource Practices, Product Trainings, Compliances and Prohibition of Insider Trading. | 31.67 |
| Workers | 139 | Workers undergo specialized training programs focusing on health, safety and skill development. | >90.00 |

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, basis the materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on our website:

| Monetary | | | | | |
|-----------------|-----------------|---|-----------------|-------------------|---------------------------------------|
| | NGRBC Principle | Name of the regulatory/ enforcement agencies/ judicial institutions | Amount (in INR) | Brief of the Case | Has an appeal been preferred (Yes/No) |
| Penalty/Fine | | | | | |
| Settlement | | | NIL | | |
| Compounding Fee | | | | | |
| Non-Monetary | | | | | |
| Imprisonment | | | | | |
| Punishment | | | NIL | | |

The Company, its Directors and/or KMPs have not been subjected to any thresholds of the materiality policy to pay any fines, penalties, punishments, awards, compounding fees, or settlement amounts in the financial year.

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

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

The Company's vision and mission emphasize ethics and transparency as essential components. This commitment to upholding the highest ethical standards is further demonstrated through its Code of Ethical Standards and Behavioral Conduct, which encompasses anti-bribery and anti-corruption measures. This reflects the Company's unwavering dedication to transparent and equitable business practices.

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

| | FY 23-24 | FY 22-23 |
|------------|----------|----------|
| Directors* | Nil | Nil |
| KMPs* | Nil | Nil |
| Employees* | Nil | Nil |
| Workers* | Nil | Nil |

* Based upon declarations by the Directors/KMPs/Employees/Workers , as applicable.

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

| | FY 23-24 | | FY 22-23 | |
|--|----------|---------|----------|---------|
| | Number | Remarks | Number | Remarks |
| Number of complaints received in relation to issues of conflict of interest of the Directors | Nil | None | Nil | None |
| Number of complaints received in relation to issues of Conflict of Interest of the KMPs | Nil | None | Nil | None |

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.

During the reporting year, there were no instances of corruption or conflicts of interest that necessitated intervention from regulators, law enforcement agencies, or judicial institutions.

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

| | FY 23-24 | FY 22-23 |
|-------------------------------------|----------|----------|
| Number of days of accounts payables | 82 | 76 |

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 23-24 | FY 22-23 |
|----------------------------|--|----------|----------|
| Concentration of Purchases | a. Purchases from trading houses as % of total purchases | 1.52 | 1.00 |
| | b. Number of trading houses where purchases are made from | 28 | 23 |
| | c. Purchases from top 10 trading houses as % of total purchases from trading houses | 1.2 | 0.80 |
| Concentration of Sales | a. Sales to dealers / distributors as % of total sales | 90.46 | 90.33 |
| | b. Number of dealers / distributors to whom sales are made | 4,085 | 3,274 |
| | c. Sales to top 10 dealers / distributors as % of total sales to dealers / distributors | 34.4 | 36.9 |
| Share of RPTs in | a. Purchases (Purchases with related parties / Total Purchases) | 0.58 | 0.56 |
| | b. Sales (Sales to related parties / Total Sales) | 0.03 | 0.03 |
| | c. Loans & advances (Loans & advances given to related parties / Total loans & advances) | Nil | Nil |
| | d. Investments (Investments in related parties / Total Investments made) | Nil | Nil |

Leadership Indicators

1. Awareness programmes conducted for value chain partners on any of the Principles during the financial year:

| Total number of awareness programmes held | Topic/principles covered under the training | % age of value chain partners covered (by value of business done with such partners) under the awareness programmes |
|---|---|---|
| 156 | Training sessions are conducted for service technicians to enhance their skills, deepen their product knowledge, and familiarize them with the proper use of safety gear. | 100.00 |

2. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No). If yes, provide details of the same.

The Company has stringent measures in place to mitigate any conflicts of interest, outlined within the Code of Conduct for Directors and Senior Management, as well as the Code of Ethical Standards and Behavioural Conduct for employees. These codes/ policies offer precise directives and procedures to manage both actual and potential conflicts of interest. Directors, through their disclosures at the beginning of the financial year, inform to the Board of Directors, the details of the entities wherein they are interested and also the nature of their interest therein. The internal Human Resources Management System of the Company provides a platform to its employees to disclose any conflicts of interest in transactions, if any.

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

Essential Indicators

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

| | Current Financial Year (%) | Previous Financial Year (%) | Details of improvements in the environmental and social impacts |
|-------|----------------------------|-----------------------------|--|
| R&D | 80.25 | 57.00 | The Company prioritizes investments in research and development ('R&D') and capex aimed at enhancing product efficiency, with a primary focus on advancing the sustainability of its products. A significant portion of R&D capex is allocated towards energy efficiency in the products by implementing advance technologies, the star ratings of fans and appliances, as well as developing BLDC models known for their energy efficiency and extended lifespan, increasing the star level of the products thereby generating positive environmental and social impacts. |
| Capex | 13.15 | 2.59 | |

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

The on-boarding process for vendors/suppliers involves multiple stages of screening and scrutiny. The Company gives preference to vendors who comply with applicable statutory requirements. The Company continuously monitors its sourcing through defined processes involving required checks and controls to eliminate the usage of hazardous substances. The process includes a complete due diligence of vendors/suppliers. In its ESG journey, the Company shall continue its vigil and efforts to further enhance its performance in coming years.

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

Orient Electric endeavors to source its input materials sustainably by establishing a robust mechanism. The Company has also assessed its value chain partners for potential sustainability impacts thereby ensuring most of its products are adhering to sustainable practices. In its ESG journey, the Company shall continue its progressive efforts in the said domain.

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

The recycling of plastic waste and e-waste is being carried out through recycler(s) approved by the Central Pollution Control Board ('CPCB') under the Extended Producer Responsibility ('EPR') framework. This indicates that the recyclers have met the stringent criteria set forth by the CPCB for handling and processing these specific waste streams in an environmentally responsible manner.

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.**

The entity's activities fall under the purview of EPR for Plastic waste and E-waste. CPCB approved recyclers for both waste categories, has transferred credit points to the Company in exchange for its responsible waste management practices. This arrangement signifies compliance with environmental regulations and a commitment to sustainable waste management.

Leadership Indicators

1. Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?

| NIC Code | Name of Product/ Service | % of total Turnover Contributed | Boundary for which the Life Cycle Perspective / Assessment was conducted | Whether conducted by independent external agency (Yes/No) | Results communicated in public domain (Yes/No) If yes, provide the web-link. |
|-------------|--------------------------|---------------------------------|--|---|--|
| 27503 | Ceiling Fans | 43.40 | The Company's LCP model represents a cradle-to-gate system. | No | No |
| 27503 | TPW Fans | 11.77 | | | |
| 27400 | Lighting | 24.99 | | | |
| 27331/27339 | Switchgear & Wires | 4.49 | | | |
| 27502 | Water Heater | 4.72 | | | |
| 27509 | Cooler | 3.85 | | | |

2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.

| Name of Product/ Service | Description of the risk/ concern | Action Taken |
|--|---|--|
| Ceiling Fan TPW Fan Lights (P Lum & C Lum) Water Heater | Use of Expanded Polystyrene (EPS) for Packaging | Implemented pulp trays packaging in several of our products to decrease the usage of Expanded Polystyrene packaging. Corrugated fitments have been implemented in approximately 70% of the stock to reduce the usage of packaging material. Polybags with a thickness of 51 microns or more are being used in production / packaging in accordance with government guidelines. |
| Ceiling Fan | Electricity Consumption of the Product | The usage of BLDC motors has resulted in a reduction in product power consumption of up to 50%. |

*Life cycle assessment of the aforementioned products is being conducted from FY 2022-23.

3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).

| Indicate input material | Recycled or re-used input material to total material | |
|-------------------------|--|----------|
| | FY 23-24 | FY 22-23 |
| Not Applicable | | |

4. Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled and safely disposed, as per the following format:

| | FY 23-24 | | | FY 22-23 | | |
|--------------------------------|----------|----------|-----------------|----------|----------|-----------------|
| | Re-Used | Recycled | Safely Disposed | Re-Used | Recycled | Safely Disposed |
| Plastics (including packaging) | Nil | Nil | Nil | Nil | Nil | Nil |
| E-waste | Nil | Nil | Nil | Nil | Nil | Nil |
| Hazardous Waste | Nil | Nil | 0.07 | Nil | Nil | Nil |
| Other waste | Nil | Nil | Nil | Nil | Nil | Nil |

5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category

| Indicate product category | Reclaimed products and their packaging materials (as percentage of products sold) for each product category. |
|---------------------------|--|
| | Not Applicable |

PRINCIPLE 3: Businesses should provide goods and services in a manner that is sustainable and safe

Essential Indicators

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

| | % of employees covered by | | | | | | | | | | |
|---------------------------------------|---------------------------|------------------|---------------|--------------------|---------------|---------------------|---------------|--------------------|---------------|---------------------|---------------|
| | Total (A) | Health Insurance | | Accident Insurance | | Maternity Insurance | | Paternity Benefits | | Day Care facilities | |
| | | No. (B) | % (B/A) | No. (C) | % (C/A) | No. (D) | % (D/A) | No. (E) | % (E/A) | No. (F) | % (F/A) |
| Permanent Employees | | | | | | | | | | | |
| Male | 1115 | 1115 | 100.00 | 1115 | 100.00 | 00 | 0.00 | 1115 | 100.00 | 1115 | 100.00 |
| Female | 75 | 75 | 100.00 | 75 | 100.00 | 75 | 100.00 | 00 | 0.00 | 75 | 100.00 |
| Total* | 1190 | 1190 | 100.00 | 1190 | 100.00 | 75 | 100.00 | 1115 | 100.00 | 1190 | 100.00 |
| Other than Permanent Employees | | | | | | | | | | | |
| Male | 52 | 52 | 100.00 | 52 | 100.00 | 00 | 0.00 | 52 | 100.00 | 52 | 100.00 |
| Female | 8 | 8 | 100.00 | 8 | 100.00 | 8 | 100.00 | 00 | 0.00 | 8 | 100.00 |
| Total* | 60 | 60 | 100.00 | 60 | 100.00 | 8 | 100.00 | 52 | 100.00 | 60 | 100.00 |

*Percentage of (D) & (E) - maternity & paternity benefit (resp.) is calculated as 100% considering (A) as total employees for the purpose of the said benefit, as per FAQs on BRSR issued by NSE

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

| | % of workers covered by | | | | | | | | | | |
|-------------------------------------|-------------------------|------------------|---------------|--------------------|---------------|---------------------|---------------|--------------------|-------------|---------------------|-------------|
| | Total (A) | Health Insurance | | Accident Insurance | | Maternity Insurance | | Paternity Benefits | | Day Care facilities | |
| | | No. (B) | % (B/A) | No. (C) | % (C/A) | No. (D) | % (D/A) | No. (E) | % (E/A) | No. (F) | % (F/A) |
| Permanent Workers | | | | | | | | | | | |
| Male | 110 | 110 | 100.00 | 110 | 100.00 | 00 | 0.00 | 00 | 0.00 | 00 | 0.00 |
| Female | 52 | 52 | 100.00 | 52 | 100.00 | 52 | 100.00 | 00 | 0.00 | 00 | 0.00 |
| Total* | 162 | 162 | 100.00 | 162 | 100.00 | 52 | 100.00 | 00 | 0.00 | 00 | 0.00 |
| Other than Permanent Workers | | | | | | | | | | | |
| Male | 1825 | 1825 | 100.00 | 1825 | 100.00 | 00 | 0.00 | 00 | 0.00 | 00 | 0.00 |
| Female | 307 | 307 | 100.00 | 307 | 100.00 | 307 | 100.00 | 00 | 0.00 | 00 | 0.00 |
| Total* | 2132 | 2132 | 100.00 | 2132 | 100.00 | 307 | 100.00 | 00 | 0.00 | 00 | 0.00 |

*Percentage of (D) - maternity benefit (resp.) is calculated as 100% considering (A) as total employees for the purpose of the said benefit, as per FAQs on BRSR issued by NSE

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

| | FY 23-24 | FY 22-23 |
|---|----------|----------|
| Cost incurred on well-being measures as a % of total revenue of the company | 0.29 | 0.26 |

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

| Benefits | FY 23-24 | | | FY 22-23 | | |
|----------|--|--|--|--|--|--|
| | 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 | NA | NA | NA | NA | NA | NA |

* All permanent employees, including permanent staff, receive compensation exceeding the ESI threshold, rendering them ineligible for ESI benefits. Permanent employees are enrolled in the group medical insurance program for comprehensive coverage.

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 offices have entry ramps, lifts, Persons with Disabilities toilets, and are also wheelchair accessible to accommodate differently abled employees and workers.

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.

The Company is dedicated to fostering equal opportunities in the workplace, ensuring they are provided equal opportunities without discrimination based on age, gender, or ethnicity. Our Equal Opportunity policy is in accordance with the Rights of Persons with Disabilities Act, 2016.

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 | 100.00 | 100.00 | 100.00 | 100.00 |
| Female | 100.00 | 100.00 | 100.00 | 100.00 |
| Total | 100.00 | 100.00 | 100.00 | 100.00 |

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

| | Yes / No (If Yes, then give details of the mechanism in brief) |
|--------------------------------|---|
| Permanent Workers | Several forums, including the Work Committee, Grievance Committee, POSH Committee, and Canteen Committee, are available to workers for addressing their grievances. |
| Other than Permanent Workers | Yes, HR Help Desk is available in addition to a complaint register and emails to respective HR spoc. |
| Permanent Employees | There is a dedicated AI platform called Amber available to employees. They can also approach via in-person or through emails to dedicated HR spoc entrusted to handle grievances. |
| Other than Permanent Employees | Each location has its own designated HR team or helpdesk to handle grievances. |

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

| Category | FY 23-24 | | | FY 22-23 | | |
|---------------------------|--|---|-----------|--|---|-----------|
| | 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 | 1190 | 0 | 0.00 | 951 | 0 | 0.00 |
| Male | 1115 | 0 | 0.00 | 900 | 0 | 0.00 |
| Female | 75 | 0 | 0.00 | 51 | 0 | 0.00 |
| Total Permanent Worker | 162 | 35 | 21.60 | 83 | 22 | 26.50 |
| Male | 110 | 35 | 31.81 | 74 | 22 | 29.72 |
| Female | 52 | 0 | 0.00 | 09 | 0 | 0.00 |

8. Details of training given to employees and workers:

| | FY 23-24 | | | | | FY 22-23 | | | | |
|------------------|-------------|-------------------------------|---------------|----------------------|---------------|------------|-------------------------------|---------------|----------------------|---------------|
| | 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 | 1115 | 1115 | 100.00 | 1115 | 100.00 | 900 | 900 | 100.00 | 900 | 100.00 |
| Female | 75 | 75 | 100.00 | 75 | 100.00 | 51 | 51 | 100.00 | 51 | 100.00 |
| Total | 1190 | 1190 | 100.00 | 1190 | 100.00 | 951 | 951 | 100.00 | 951 | 100.00 |
| Workers | | | | | | | | | | |
| Male | 110 | 110 | 100.00 | 110 | 100.00 | 74 | 32 | 43.24 | 42 | 56.76 |
| Female | 52 | 52 | 100.00 | 52 | 100.00 | 09 | 09 | 100 | 0 | 0.00 |
| Total | 162 | 162 | 100.00 | 162 | 100.00 | 83 | 41 | 49.40 | 42 | 50.60 |

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

| Category | FY 23-24 | | | FY 22-23 | | |
|------------------|-------------|-------------|---------------|------------|------------|---------------|
| | Total (A) | No. (B) | % (B/A) | Total (C) | No. (D) | % (D/C) |
| Employees | | | | | | |
| Male | 1115 | 1115 | 100.00 | 900 | 900 | 100.00 |
| Female | 75 | 75 | 100.00 | 51 | 51 | 100.00 |
| Total | 1190 | 1190 | 100.00 | 951 | 951 | 100.00 |
| Workers | | | | | | |
| Male | 110 | 110 | 100.00 | 74 | 29 | 39.19 |
| Female | 52 | 52 | 100.00 | 09 | 0 | 0.00 |
| Total | 162 | 162 | 100.00 | 83 | 29 | 34.94 |

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 of such system?

Yes, the Company has implemented an Occupational Health and Safety Management System, and its Noida and Faridabad Plants are certified to ISO 45001:2018 standards.

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 conducts regular evaluations of its workspace to identify and mitigate hazards. It utilizes Hazard Identification & Risk Assessment (HIRA) for identifying health and safety hazards. Additionally, the Company follows procedures for hazard identification and risk control for both routine and non-routine work.

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

The Company conducts daily safety audits at its plants to report work-related hazards and maintains a risk control register for all types of hazard reporting.

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

A medical examination is conducted every six months, and necessary statutory submissions are made to the government. All employees are covered under health insurance.

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

| Safety Incident/Number | Category | FY 23-24 | FY 22-23 |
|---|-----------|----------|----------|
| Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked) | Employees | Nil | Nil |
| | Workers | Nil | Nil |
| Total recordable work-related injuries | Employees | Nil | Nil |
| | Workers | 12 | Nil |
| No. of fatalities | Employees | Nil | Nil |
| | Workers | Nil | Nil |
| High consequence work-related injury or ill-health (excluding fatalities) | Employees | Nil | Nil |
| | Workers | Nil | Nil |

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

The Company is committed to providing a healthy and safe working environment for its employees and workers. It consistently strives to improve business practices and takes proactive steps to create a healthy workplace. Some of the proactive measures taken include:

1. Establishment of clear health and safety policies.
2. Regular risk assessments and management procedures.
3. Comprehensive employee training on safety protocols.
4. Provision of necessary safety equipment and facilities.
5. Offering health and wellness programs.
6. Organising health check-up camps.
7. Conducting regular inspections and audits.
8. Encouraging employee involvement in safety initiatives.
9. Ensuring compliance with health and safety regulations.
10. Developing and practicing emergency response plans.
11. Continuous monitoring and improvement of safety measures.
12. Near Miss Reporting.
13. Safety Audit by Line Supervisor.

14. Hazards Identification and Risk Assessment (HIRA) Regular Review.
15. ISO 45001:2018: Audit by external certification agency
16. Mock Drills.
17. Kaizens and Rewards and Recognition.
18. OHC Centre with Ambulance van.
19. Tie up with Hospitals.
20. Reactive Measures: Incident Recording and Incident Investigation and Corrective and Preventive Actions.

The Company conducts various activities to enhance safety culture, including:

1. Holding Safety committee meetings every quarter.
2. Organizing Safety and Environment weeks with promotional activities.
3. Conducting Tree plantation drives.
4. Providing awareness sessions on handling electric devices and gazettes, and Emergency Procedure Plans.
5. Regular adherence to SOPs, timely training sessions, and consistent efforts to improve health and safety culture contribute to fostering a secure and supportive work environment.

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

| | FY 23-24 | | | FY 22-23 | | |
|--------------------|-----------------------|---------------------------------------|---|-----------------------|---------------------------------------|---------|
| | 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 | 18 | 6 | The Complaints were pertaining to issues w.r.t routine working conditions, which including those received towards the close of the financial year, were addressed promptly, | Nil | Nil | None |
| Health & Safety | 8 | 3 | The Complaints were pertaining to issues w.r.t few safety related matters which including those received towards the close of the financial year, were addressed promptly, | Nil | Nil | None |

14. Assessments for the year:

| | % of your plants and offices that were assessed (by entity or statutory authorities or third parties) |
|-----------------------------|---|
| Health and safety practices | 100.00 |
| Working Conditions | 100.00 |

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.

One of the key priorities of the Company is workplace safety. The Company has always emphasized safety and individual responsibility. As part of safety measures, regular safety audits and plant safety rounds are conducted, along with prompt closure of reported unsafe acts and conditions. Additionally, elevator checks/service and HVAC servicing are carried out at regular intervals.

Leadership Indicators**1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N)?**

Yes. All employees and workers are covered.

2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners

According to the contractual obligations, the respective manpower providing organizations are required to deduct and deposit the applicable statutory dues without delay. Periodic confirmatory proof of compliance is taken by the Company.

3. Provide the number of employees / workers having suffered high consequence work- related injury/ ill-health/ fatalities (as reported in Q11 of Essential Indicators above), who have been / are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

| | Total no. of affected employees/workers | | No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment | |
|-----------|---|----------|---|----------|
| | FY 23-24 | FY 22-23 | FY 23-24 | FY 22-23 |
| Employees | Nil | Nil | Nil | Nil |
| Workers | Nil | Nil | Nil | Nil |

4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No)

Yes, the Company prioritizes skill development and enhancement, organizing regular sessions to upgrade the skills of its workforce, contributing to their lifelong learning journey. This investment benefits them not only during their employment but also in their post-retirement pursuits.

5. Details on assessment of value chain partners:

| | % of value chain partners (by value of business done with such partners) that were assessed |
|--|---|
| Health and safety practices | The Company conducted an assessment of value chain partners through a Survey Form that covers various aspects of ESG principles, reflecting a comprehensive approach to sustainability assessment. This form includes inquiries on elements of working conditions and health and safety, aiming to evaluate the vendor's performance across these dimensions. |
| Working Conditions | |
| 71.86 % of value chain partners were assessed on the mentioned parameters. | |

6. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.

Few health & safety provisioning related observations are noted at some of the value chain partners out of the exercise done in aforementioned table 5. The Company shall look forward to address the same in coming years.

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

Essential Indicators

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

Orient Electric considers its stakeholders to be essential and values developing strong ties with them. Using an analysis of their influence on the Company's operations and business, the stakeholders– both internal and external– are identified by the OEL. The community at large, regulatory agencies, shareholders, workers, suppliers, and customers are among the key stakeholders identified.

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

| Stakeholder Group | Whether identified as Vulnerable & Marginalized Group (Yes/No) | Channels of Communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community, Meetings, Notice Board, Website, Other) | Frequency of engagement (Annually/ Half yearly/ Quarterly/ Others) | Purpose and scope of engagement including key topics and concerns raised during such engagement |
|---|--|---|---|--|
| Employees | No | In person/ Email/ SMS/ Meetings/ Notice Board/ HR Portal | Continued engagement/ Daily/ Monthly/ Need basis | Employee connect session/ Learning and Developments / Health and Wellness |
| Customers | No | Email / SMS /Calls | Daily / Monthly/ Quarterly/ Periodically / need basis (at sales/ service times) | Product related information and Services |
| Suppliers | No | Email / Meetings | Monthly / Periodically / need basis | Follow up w.r.t input material / goods / service/ order delivery |
| Investors | No | Email, Meetings | Periodically | Business Operations/ Governance |
| Analysts | No | Email, Meetings | Need Basis | Business Operations |
| Shareholders | No | Email, SMS, Newspaper Advertisement, Letters, Annual Report, Notices, Dissemination on Company's website and portals of Stock Exchanges | Periodically | Statutory requirement and for the benefit of the shareholders in terms of claiming their unclaimed shares and dividend and for getting their KYC details, etc. updated in the system |
| Regulatory Bodies | No | Through returns / filings / submissions etc. | Periodically | For completing statutory compliance requirements |
| Community around our plants including school going children, village youths and family belonging to underprivileged section | Yes | Meetings, Notice Board, Website, display on the locations | Periodically | Statutory Requirement. CSR activities |

Leadership Indicators

1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.

The Company regularly engages with various stakeholders to discuss issues related to its business operations, focusing on environmental, social and governance parameters. It also hires consultants to conduct in-depth analysis and due diligence. The analysis report is subsequently reviewed by management and, when necessary, submitted to the board.

2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.

Yes, based on discussions between management and the Board, the Board provides guidance to management on steps to be taken regarding the mentioned topics, directing them to incorporate these directives into existing policies or formulate new ones as necessary. These topics encompass ERM Policy, processes for capitalizing assets,

SOPs for servicing defective products, CSR Projects and employee background verification.

3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups.

Orient Electric is deeply committed to engaging with and addressing the concerns of vulnerable and marginalized stakeholder groups. Through various community outreach programs, the Company actively collaborates with local NGOs and community leaders to raise awareness and provide support to these communities. Our employees also play a vital role in this effort through volunteering activities, offering assistance and companionship to those in need. Our CSR projects are mainly towards education, woman empowerment, skill enhancement and improved medical care.

Some of the key actions are:

- **Ujjwal - Electrician Upskilling:** Orient Electric partnered with Dee Foundation and Teach India to upskill over 5,000 electricians across India, enhancing their employability and providing broader skills training aligned with the National Skill Development Corporation framework.
- **Renovation & Modernisation of Govt. Girls' Schools:** Adopting two government girls' schools in Faridabad, Orient Electric enhanced infrastructure with facilities like rainwater harvesting, improved

sanitation, safety measures, and organized sports events, aiming to provide a conducive learning environment for girls.

- **Mind Culture Program:** Orient Electric contributed to the Mind Culture Program by Ramakrishna Mission, focusing on emotional maturity, time management, work-life balance, and stress management workshops for students.
- **Campus Infrastructure Development at Chanakya University:** Orient Electric contributed to infrastructure development at Chanakya University's Global Campus, aiming to provide world-class education facilities accessible to all, development of youths who are rooted in ideals and groom them into becoming inspiring leaders with life-mastering skills.
- **Nutritious Food to Children:** Orient Electric partnered with Akshaya Patra Foundation to provide nourishing meals to students in government schools in Delhi, addressing malnutrition among children from low-income families.
- **Improved Medical facilities:** Orient Electric upgraded medical infrastructure and patient care services by providing necessary medical equipment and facilities in SJM Hospital, Noida and First Referral Unit -1, Faridabad, a government hospital and also providing for free medical assistance and treatment expenses for critical illnesses for underprivileged individuals.

PRINCIPLE 5: Businesses should respect and promote human rights

Essential Indicators

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

| Category | FY 2023-24 | | | FY 2022-23 | | |
|------------------------|-------------|--------------------------------------|---------------|-------------|--------------------------------------|---------------|
| | Total (A) | No. of employees/workers covered (B) | % (B/A) | Total (C) | No. of employees/workers covered (D) | % (D/C) |
| Employees | | | | | | |
| Permanent | 1190 | 1190 | 100.00 | 951 | 951 | 100.00 |
| Other than permanent | 60 | 60 | 100.00 | 50 | 50 | 100.00 |
| Total Employees | 1250 | 1250 | 100.00 | 1001 | 1001 | 100.00 |
| Workers | | | | | | |
| Permanent | 162 | 162 | 100.00 | 83 | 20 | 24.09 |
| Other than permanent | 2132 | 2132 | 100.00 | 2068 | 1182 | 57.16 |
| Total Workers | 2294 | 2294 | 100.00 | 2151 | 1202 | 55.88 |

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

| Category | FY 23-24 | | | | | FY 22-23 | | | | |
|-----------------------------|-----------|-----------------------|---------|------------------------|---------|-----------|-----------------------|---------|------------------------|---------|
| | 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 | 1190 | 0 | 0.00 | 1190 | 100.00 | 951 | 0 | 0.00 | 951 | 100.00 |
| Male | 1115 | 0 | 0.00 | 1115 | 100.00 | 900 | 0 | 0.00 | 900 | 100.00 |
| Female | 75 | 0 | 0.00 | 75 | 100.00 | 51 | 0 | 0.00 | 51 | 100.00 |
| Other than Permanent | 60 | 0 | 0.00 | 60 | 100.00 | 50 | 0 | 0.00 | 50 | 100.00 |
| Male | 52 | 0 | 0.00 | 52 | 100.00 | 47 | 0 | 0.00 | 47 | 100.00 |
| Female | 8 | 0 | 0.00 | 8 | 100.00 | 3 | 0 | 0.00 | 3 | 100.00 |
| Workers | | | | | | | | | | |
| Permanent | 162 | 108 | 66.67 | 54 | 33.33 | 83 | 41 | 49.40 | 42 | 50.60 |
| Male | 110 | 56 | 50.91 | 54 | 49.09 | 74 | 32 | 43.24 | 42 | 56.75 |
| Female | 52 | 52 | 100.00 | 00 | 0.00 | 09 | 09 | 100 | 0 | 0.00 |
| Other than Permanent | 2132 | 1662 | 77.95 | 470 | 22.05 | 2068 | 1499 | 72.48 | 569 | 27.51 |
| Male | 1825 | 1355 | 74.25 | 470 | 25.75 | 1846 | 1288 | 69.78 | 558 | 30.22 |
| Female | 307 | 307 | 100.00 | 00 | 0.00 | 222 | 211 | 95.05 | 11 | 04.95 |

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

a. Median remuneration/ Wages:

| Gender | Male | | Female | |
|----------------------------------|--------|--|--------|--|
| | Number | Median remuneration/ Salary/ Wages of respective category (Rs. in Crores/year) | Number | Median remuneration/ Salary/ Wages of respective category (Rs. in Crores/year) |
| Board of Directors (BoD)**^ | 1 | 2.10 | 0 | 0 |
| Key Managerial Personnel^ | 2 | 1.52 | 0 | 0 |
| Employees other than BoD and KMP | 1112 | 0.09 | 75 | 0.09 |
| Workers** | 110 | 0.02 | 52 | 0.01 |

* Remuneration is being paid only to Managing Director. Non-executive directors are not paid any remuneration except sitting fees and commission, therefore, not considered.

^Remuneration includes variable pay for financial year 23-24 as per Provisions Policy of the Company.

** Workers include the Permanent Workers of Orient Electric

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

| | FY 23-24 | FY 22-23 |
|--|----------|----------|
| Gross wages paid to females as % of total wages* | 6.05 | 6.62 |

*Female Workers include the Permanent Female Workers of the Company

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 Resource department takes care of all human rights related issues.

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

The Company is committed to give its workers and employees a safe and healthy work environment. It has put in place a strong system to sustain a safety-conscious workplace culture. To handle any issues that may come up, a number of committees have been established, including the Canteen Committee, Whistle-blower Committee, Internal Complaint Committee under POSH, Grievance Committee, and Work Committee. For the purpose of handling inquiries and complaints, specific HR points of contact have been established to each location and factory.

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

| | FY 23-24 | | | FY 22-23 | | |
|-----------------------------------|-----------------------|---|---------|-----------------------|---|---------|
| | Filed during the year | Pending resolution at the end of the year | Remarks | Filed during the year | Pending resolution at the end of the year | Remarks |
| Sexual harassment | Nil | Nil | None | Nil | Nil | None |
| Discrimination at workplace | Nil | Nil | None | Nil | Nil | None |
| Child Labour | Nil | Nil | None | Nil | Nil | None |
| Forced Labour/ Involuntary Labour | Nil | Nil | None | Nil | Nil | None |
| Wages | Nil | Nil | None | Nil | Nil | None |

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

| Category | FY 23-24 | | | FY 22-23 | | |
|---|----------|-----|------|----------|-----|------|
| Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH) | Nil | Nil | None | Nil | Nil | None |
| Complaints on POSH as a % of female employees/ Workers | Nil | Nil | None | Nil | Nil | None |
| Complaints on POSH upheld | Nil | Nil | None | Nil | Nil | None |

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

The Company is committed to provide a secure and encouraging work environment to all its employees and workers. In compliance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition, and Redressal) Act, 2013, the Company has formulated Prevention of Sexual Harassment (POSH) Policy. All accusations pertaining to sexual harassment are handled by internal committees. Grievance procedures are divided into several phases. If a grievance remains unresolved, it moves up to the Head Office level from the local hierarchy, which includes HR SPOCs. The Company has put in place a Whistle-blower Policy to report suspicious transactions.

9. Do human rights requirements form part of your business agreements and contracts?

Yes, the Company makes sure that all of the relevant and necessary clauses are included in all of its contracts and commercial agreements.

10. Assessments for the year:

| | % of your plants and Offices that were assessed (by entity or statutory authorities or third parties) |
|-----------------------------|---|
| Child Labour | 100% offices and plants assessed by the Company |
| 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 9 above.

There were no significant risks arising from the assessments. However, the Company has robust mechanisms in place to address any human rights issues that may arise.

Leadership Indicators

1. Details of a business process being modified / introduced as a result of addressing human rights grievances/complaints

The Company is committed to provide a secure workplace for its workers and employees. Since no grievances were found, no procedures were changed. If the need ever arises, the Company does, however, have a strong grievance redressal procedure in place.

2. Details of the scope and coverage of any Human rights due-diligence conducted.

During the reporting year, no human rights due-diligence was conducted.

3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

Yes, visitors with challenges can access the Company's Corporate Office and plants. They have wheelchair accessibility, lifts and ramps available if needed. Furthermore, the Company continuously strives to enhance its infrastructure to guarantee accessibility for every guest.

4. Details on assessment of value chain partners

| | % of value chain partners (by value of business done with such partners) that were assessed |
|----------------------------------|---|
| Sexual Harassment | The Company evaluates its value chain partners based on business and human rights criteria through a value chain survey form. This form is structured to assess vendors' adherence to both ethical business practices and fundamental human rights standards. |
| Discrimination at workplace | |
| Child Labour | |
| Forced Labour Involuntary Labour | |
| Wages | |
| Others - Please Specify | 71.86 % of value chain partners were assessed on the mentioned parameters. |

5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.

During assessments, it was observed that some of the vendors assessed are not taking appropriate environmental measures. The Company shall increase its engagement with suppliers on key areas of sustainability, conduct regular audits, pursue options with lower environmental footprints including exploring options of using renewable energy, and track environmental impact KPIs.

PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment

Essential Indicators

1. Details of total energy consumption (in Megajoules) and energy intensity, in the following format:

| Parameter | FY 23-24 | FY 22-23 |
|---|-----------------------|---------------------|
| From renewable sources | | |
| Total electricity consumption (A) | 2,85,602.40 | 2,98,278.00 |
| Total fuel consumption (B) | 1,16,95,233.90 | 94,65,753.60 |
| Energy consumption through other sources (C) | 0 | 0 |
| Total energy consumed from renewable sources (A+B+C) | 1,19,80,836.30 | 97,64,031.60 |

| Parameter | FY 23-24 | FY 22-23 |
|--|-----------------------|-----------------------|
| From non-renewable sources | | |
| Total electricity consumption (D) | 2,27,89,195.50 | 1,85,49,198.00 |
| Total fuel consumption (E) | 9,66,813.67 | 1,08,26,070.40 |
| Energy consumption sources (F) through other | 0 | 0 |
| Total energy consumed from non-renewable sources (D+E+F) | 2,37,56,009.17 | 2,93,75,268.40 |
| Total energy consumed (A+B+C+D+E+F) | 3,57,36,845.47 | 3,91,39,300.00 |
| Energy intensity per rupee of turnover (Total energy consumed / Revenue from operations) | 0.0013 MJ/₹ | 0.0015 MJ/₹ |
| Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / Revenue from operations adjusted for PPP) | 0.028 | 0.034 |
| Energy intensity in terms of physical output | - | - |

* For the calculation of Energy, Warehouses have also been taken into consideration for the FY 23-24, unlike FY 22-23.

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.

There hasn't been an external review or analysis conducted to assess various aspects of our operations, performance, or compliance with standards or regulations.

2. **Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any**

Sites / Facilities / Plants of the Company are not included within the ambit of the Perform, Achieve, and Trade (PAT) Scheme initiated by the Government of India.

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

| Parameter | FY 2023-24 | FY 2022-23 |
|--|------------------|------------------|
| Water withdrawal by source (in kilolitres) | | |
| (i) Surface water | 0 | 0 |
| (ii) Groundwater | 29,762.54 | 22,391.40 |
| (iii) Third party water | 8,657.25 | 6,148.29 |
| (iv) Seawater / desalinated water | 0 | 0 |
| (v) Others (Packaged Drinking Water) | 90.57 | 69.35 |
| Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v) | 38,510.36 | 28,609.04 |
| Total volume of water consumption (in kilolitres) | 18,335.93 | 16,069.77 |
| Water intensity per rupee of turnover (Water consumed / turnover) | 0.000000652 kl/₹ | 0.000000635 kl/₹ |
| Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / Revenue from operations adjusted for PPP) | 0.000015 | 0.000014 |
| Water intensity in terms of physical Output | - | - |

*For the calculation of water management, Warehouses have also been taken into consideration for the FY 23-24, unlike FY 22-23.

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.

There hasn't been an external review or analysis conducted to assess various aspects of our operations, performance, or compliance with standards or regulations.

4. Provide the following details related to water discharged

| Parameter | FY 2023-24 | FY 2022-23 |
|--|------------------|------------------|
| Water discharge by destination and level of treatment (in kilolitres) | | |
| (i) To Surface water | 0 | 0 |
| - No treatment | | |
| - With treatment - please specify level of treatment | | |
| (ii) To Groundwater | 0 | 0 |
| - No treatment | | |
| - With treatment - please specify level of treatment | | |
| (iii) To Seawater | 0 | 0 |
| - No treatment | | |
| - With treatment - please specify level of treatment | | |
| (iv) Sent to third-parties | | |
| - No treatment | 989.13 | 124.10 |
| - With treatment - Primary and Tertiary treatment | 19,185.30 | 12,415.17 |
| (v) Others | 0 | 0 |
| - No treatment | | |
| - With treatment - please specify level of treatment | | |
| Total water discharged (in kilolitres) | 20,174.43 | 12,539.27 |

*For the calculation of water discharge, Warehouses have also been taken into consideration for the FY 23-24, unlike FY 22-23

Note: Indicate if any independent assessment/ evaluation/assurance have been carried out by an external agency? (Y/N) If yes, name of the external agency.

There hasn't been an external review or analysis conducted to assess various aspects of our operations, performance, or compliance with standards or regulations.

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

Process wastewater is treated at Orient Electric's Faridabad Plant. The process wastewater undergoes a comprehensive treatment process within our Effluent Treatment Plant (ETP). Initially, it undergoes treatment through Ultra Filtration (UF) and Reverse Osmosis (RO) plants, culminating in the Deionization (DM) plant. Through this series of treatments, we successfully convert the wastewater into Deionized (DM) water, which is then reintroduced into our industrial processes. Approximately 50% of this treated water is reused within the production processes, contributing to a fully sustainable water usage model. The remaining 50% is reintegrated into the inlet water tank for further treatment, ensuring optimal resource utilization.

Furthermore, our approach extends to the treatment of domestic sewage water, which is addressed through our Sewage Treatment Plant (STP). After undergoing treatment, a portion of this treated wastewater, around 50%, finds application in activities such as floor cleaning and the maintenance of our horticulture and green spaces. This dual-stage treatment not only ensures the effective management of our wastewater but also contributes to our commitment to environmental sustainability and resource conservation.

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

| Parameter | Please specify unit | FY 2023-24 | FY 2022-23 |
|-------------------------------------|---------------------|------------|--|
| NOx | Kg | 13.33 | The air emissions of the entity were meagre, hence not reported. |
| SOx | Kg | 2.62 | |
| Particulate matter (PM) | Kg | 1.52 | |
| Persistent organic pollutants (POP) | - | - | |
| Volatile organic compounds (VOC) | - | - | |
| Hazardous air pollutants (HAP) | - | 0 | |
| Others - CO | Kg | 7.60 | |

Note: Indicate if any independent assessment/ evaluation/assurance have been carried out by an external agency? (Y/N) If yes, name of the external agency.

Independent assessments for air emissions testing have been conducted for the Kolkata, Faridabad and Noida plants. The Kolkata Plant's testing was carried out by Bharat Foundation, which is recognized by the West Bengal Pollution Control Board. For the Faridabad Plant, the air emissions testing was conducted by Arihant Laboratory. And, for the Noida plants, the evaluation was carried out by NABL certified lab named Newcon Lab.

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

| Parameter | Unit | FY 2023-24 | FY 2022-23 |
|---|---|--|--|
| Total Scope 1 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available) | Metric tonnes of CO ₂ equivalent | 802.44 | 761.60 |
| Total Scope 2 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available) | Metric tonnes of CO ₂ equivalent | 5,127.57 | 4,173.57 |
| Total Scope 1 and Scope 2 emissions per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations) | | 0.000000211 Metric tonnes of CO ₂ equivalent / ₹ | 0.000000195 Metric tonnes of CO ₂ equivalent/₹ |
| Total Scope 1 and Scope 2 emissions per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP) | | 0.00000047 | 0.00000043 |
| Total Scope 1 and Scope 2 emissions intensity in terms of physical output | | - | - |

*For the calculation of GHG emissions, Warehouses have also been taken into consideration for the FY 23-24, unlike FY 22-23.

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.

There hasn't been an external review or analysis conducted to assess various aspects of our operations, performance, or compliance with standards or regulations.

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

Company is into various projects aimed towards reduction of GHG emissions:

- (i) Installation of 1 megawatt (MW) power natural gas (PNG) gensets
- (ii) Implementation of a compost machine for food waste utilization in the Company's garden.
- (iii) Procurement of energy-efficient motors for conservation efforts.
- (iv) Utilization of renewable energy through solar plant installation.
- (v) Implementation of a dual fuel kit for 620 KVA generator (70% diesel and 30% PNG).
- (vi) Achievement of ISO 50001:2018 in Faridabad Plot-11 certification for Energy Management System (ENMS) by TUV SUD.
- (vii) Tree plantation initiative carried out in IMT Faridabad.
- (viii) Attainment of ISO 14001:2015 certification in Faridabad Plot-11 for Environmental Management System by TUV SUD.
- (ix) Substituted hazardous Chromium and Phosphating with Nano (Green Chemical) for metal surface treatment processes, thereby contributing to the reduction of water pollution.

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

| Parameter | FY 2023-24 | FY 2022-23 |
|---|-------------------------------|--------------------------------|
| Total Waste generated (in metric tonnes) | | |
| Plastic waste (A) | 111.00 | 61.88 |
| E-waste (B) | 1.48 | 1.23 |
| Bio-medical waste (C) | 0.02 | 0.02 |
| Construction and demolition waste (D) | 10.00 | 15.00 |
| Battery waste (E) | 0.00 | 0.001 |
| Radioactive waste (F) | 0 | 0 |
| Other Hazardous waste. Please Specify, if any. (G) (Used Oil) | 141.16 | 143.56 |
| Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector) (Paper waste, Carton box waste, Wood waste) | 345.50 | 4,762.37 |
| Total (A+B + C + D + E + F + G + H) | 609.16 | 4,984.06 |
| Waste intensity per rupee of turnover (Total waste generated / Revenue from operations) | 0.00000022 metric tonnes/₹ | 0.000000197 metric tonnes/₹ |
| Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / Revenue from operations adjusted for PPP) | 0.00000049 | 0.00000044 |
| Waste intensity in terms of physical output | | |
| For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes) | | |
| Category of waste - Plastic and e-waste | | |
| (i) Recycled | 111.31 | 4637.14 |
| (ii) Re-used | 0.00 | 0.00 |
| (iii) Other recovery operations | 0.00 | 0.000 |
| Total | 111.31 | 4637.14 |
| For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes) | | |
| Category of waste - Hazardous and non-hazardous waste | | |
| (i) Incineration | 142.05 | 0.01 |
| (ii) Landfilling | 255.20 | 5.79 |
| (iii) Other disposal operations | 100.60 | 341.12 |
| Total | 497.85 | 346.92 |

*For the calculation of waste management, Warehouses have not been taken into consideration for the FY 23-24

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.

There hasn't been an external review or analysis conducted to assess various aspects of our operations, performance, or compliance with standards or regulations.

10. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes

Waste Management Strategy Implemented by Orient Electric Ltd:

i. Hazardous Waste Management:

- The Company has established partnerships with authorized recyclers approved by the

Pollution Control Board for the responsible management of hazardous waste generated during manufacturing processes.

- The Company maintains strict compliance with all regulations concerning the handling, transportation and disposal of hazardous waste.

ii. Electronic Waste (E-Waste) Management:

- The Company has partnered with authorized e-waste recyclers to handle the proper disposal and recycling of electronic waste generated from outdated or non-functional electronic equipment.

- Collection points within the organization have been established to facilitate the proper disposal of electronic waste by employees.

iii. Extended Producer Responsibility (EPR) for Plastic Waste:

- The Company has successfully implemented an EPR program to take responsibility for managing the plastic waste generated by its products.
- Initiatives implemented to reduce the use of plastic in packaging and product design along with partnerships with recycling facilities to ensure effective plastic waste recycling.

iv. Organic Waste Management:

- The Company has implemented a composting program to manage organic waste, including canteen waste.
- Onsite composting facilities have been set up. Collaborations with local composting facilities have also been established to convert organic waste into compost.

- Employees have been educated about the importance of segregating organic waste and encouraged to participate in composting initiatives.

v. Continuous Improvement and Monitoring:

- The Company conducts regular reviews of waste management practices to identify areas for improvement and optimization.
- Audits are regularly conducted to ensure compliance with waste management regulations and Company policies.
- Employee engagement and participation in waste reduction and recycling efforts are continuously encouraged through training programs and awareness campaigns.
- Through the ongoing implementation of this comprehensive waste management strategy, the Company continues to effectively reduce its environmental footprint, maintain compliance with regulatory requirements, and contribute to a more sustainable future.

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 | Types 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. |
|--------|--------------------------------|---------------------|---|
|--------|--------------------------------|---------------------|---|

The Company refrains from conducting its operations in environmentally fragile or ecologically sensitive regions. This strategic decision underscores the Company's commitment to responsible business practices and environmental stewardship, avoiding potential harm to delicate ecosystems. By deliberately choosing locations that are not ecologically sensitive, the Company aims to minimize its environmental impact and contribute to the preservation of biodiversity and natural habitats.

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

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

N/A

12. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, and Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:

| Serial Number | 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 |
|---------------|---|---------------------------------------|---|---------------------------------|
|---------------|---|---------------------------------------|---|---------------------------------|

The Company adheres to all relevant environmental laws and regulations.

Leadership Indicators

1. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):

For each facility / plant located in areas of water stress, provide the following information:

- Name of the area : Faridabad - Plot 11
- Nature of operations : Manufacturing
- Water withdrawal, consumption and discharge in the following format:

| Parameter | FY 2023-24 | FY 2022-23 |
|---|-----------------|------------------|
| Water withdrawal by source (in kilolitres) | | |
| (i) Surface water | - | - |
| (ii) Groundwater | 21,410.89 | 15,791.40 |
| (iii) Third party water | 4,919.51 | 4,188.44 |
| (iv) Seawater / desalinated water | - | - |
| (v) Others | - | - |
| Total volume of water withdrawal (in kilolitres) | 26,330.40 | 19,979.84 |
| Total volume of water consumption (in kilolitres) | 11,895.10 | 13,314.67 |
| Water intensity per rupee of turnover (Water consumed / turnover) | 0.00000042 kl/₹ | 0.000000526 kl/₹ |
| (i) Into Surface water | - | - |
| - No treatment | | |
| - With treatment - please specify level of treatment | | |
| (ii) Into Groundwater | - | - |
| - No treatment | | |
| - With treatment - please specify level of treatment | | |
| (iii) Into Seawater | - | - |
| - No treatment | | |
| - With treatment - please specify level of treatment | 0 | |
| (iv) Sent to third-parties | 14,435.3 | 6,665.17 |
| - No treatment | 0 | - |
| - With treatment - Primary and tertiary treatment | 14,435.3 | 6,665.17 |
| (v) Others | | |
| - No treatment | - | - |
| - With treatment - please specify level of treatment | | |
| Total water discharged (in kilolitres) | 14,435.3 | 6,665.17 |

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.

There hasn't been an external review or analysis conducted to assess various aspects of our operations, performance, or compliance with standards or regulations.

2. Please provide details of total Scope 3 emissions & its intensity, in the following format:

For the calculation of Scope 3 parameters, only Waste Generation is taken into consideration

| Parameter | Unit | FY 2023-24 | FY 2022-23 |
|---|---|-------------|--------------|
| Total Scope 3 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available) - Limited | Metric tonnes of CO ₂ equivalent | 1,26,062.52 | Not assessed |
| Total Scope 3 emissions per rupee of turnover | Metric tonnes of CO ₂ Equivalent/₹ | 0.0000045 | |

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.

There hasn't been an external review or analysis conducted to assess various aspects of our operations, performance, or compliance with standards or regulations.

3. With respect to the ecologically sensitive areas reported at Question 11 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.

The Company refrains from conducting its operations in environmentally fragile or ecologically sensitive regions.

4. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

| S. No. | Initiative undertaken | Details of the initiative (Web-link, if any, may be provided along-with summary) | Outcome of the initiative |
|--------|---|--|---|
| 1. | Installation of 1 megawatt (MW) power natural gas (PNG) gensets - Faridabad Plot 11 | The initiative involves installing 1 MW power natural gas (PNG) gensets to generate on-site electricity. Its goal is to boost operational efficiency, reliability, and sustainability. By using natural gas, it reduces reliance on external power, cuts costs and lessens environmental impact. Additionally, the gensets provide backup power during grid failures. Overall, it's a strategic investment to enhance energy resilience, competitiveness and sustainability. | The substitution of diesel with PNG leads to a decrease in greenhouse gas (GHG) emissions, aligning with regulatory requirements such as the Central Pollution Control Board's Comprehensive Action Plan (CAP) for Graded Response Action Plan (GRAP). This transition not only fulfills compliance obligations but also contributes to environmental stewardship by curbing the release of harmful pollutants. By adhering to the regulations set forth by the Central Pollution Control Board, the Company demonstrates its commitment to sustainable practices and environmental responsibility. |
| 2. | An ETP has been equipped with a DM plant and UF-RO plant, serving as a recycling facility to transform wastewater generated by the ETP into demineralized (DM) water. - Faridabad Plot 11 | The initiative involves the installation of a DM (demineralization) plant and UF-RO (Ultrafiltration-Reverse Osmosis) plant within the Effluent Treatment Plant (ETP). This integrated system serves as a recycling facility aimed at converting wastewater generated by the ETP into demineralized water. By implementing this initiative, the company seeks to optimize water usage, reduce environmental impact, and ensure responsible resource management. | Through the implementation of the initiative, a total of 381 kilolitres of water has been conserved. |
| 3. | Implementation of a compost machine for food waste utilization in the Company garden. - Faridabad Plot 11 | The initiative entails the implementation of a compost machine to effectively utilize food waste within the Company's garden. This composting process aims to convert organic waste into nutrient-rich compost, which can then be used to enrich the soil and enhance the overall health and productivity of the garden. Through this sustainable practice, the Company aims to reduce waste sent to landfills while simultaneously promoting environmental stewardship and resource efficiency. | A total of 268 kilograms of waste food has been composted for utilization in the Company garden, promoting sustainability and reducing waste sent to landfills. |

| S. No. | Initiative undertaken | Details of the initiative (Web-link, if any, may be provided along-with summary) | Outcome of the initiative |
|--------|---|--|---|
| 4. | Procurement of energy-efficient motors for conservation efforts.- Faridabad Plot 11 | The initiative involves the procurement of energy-efficient motors as part of conservation efforts. These motors are selected for their ability to optimize energy usage, thereby reducing overall energy consumption and promoting sustainability. By upgrading to energy-efficient motors, the Company aims to enhance operational efficiency, minimize environmental impact and contribute to long-term conservation goals. | The TBC (Total Benefit Cost) analysis related to the aforementioned initiative serves to assess the overall impact and effectiveness of procuring energy-efficient motors for conservation efforts. It evaluates factors such as reduced energy consumption, cost savings, environmental benefits, and potential return on investment. By conducting a comprehensive TBC analysis, the Company can quantify the tangible and intangible benefits derived from this initiative, enabling informed decision-making and ensuring the maximum value proposition for sustainability efforts. |
| 5. | Co-processing of waste paint sludge - Faridabad Plot 11 | The initiative involves the co-processing of waste paint sludge, which refers to the practice of utilizing waste paint residues as alternative raw materials or fuels in industrial processes such as cement kilns. By incorporating paint sludge into the cement manufacturing process, the Company aims to minimize waste generation, reduce environmental pollution and optimize resource utilization. This sustainable practice not only helps in waste management but also contributes to the conservation of natural resources and supports circular economy principles. | The outcome of the initiative involves the sustainable utilization of waste paint as a fuel source in the cement kiln, resulting in the processing of 269.82 metric tons (MT) of waste paint sludge. |
| 6. | Utilization of renewable energy through solar plant installation. - Faridabad Plot 11 and Head office | By utilizing solar power, the Company aims to reduce reliance on non-renewable energy sources, lower carbon emissions, and promote environmental sustainability. This initiative contributes to energy diversification, cost savings and resilience against fluctuating energy prices. Additionally, it demonstrates the Company's commitment to corporate social responsibility and environmental stewardship. | The outcome of the initiative resulted in the generation of 68,381 kilowatt-hours (KWH) of renewable energy through the solar plant. |
| 7. | Implementation of a dual fuel kit for 620 KVA generator - Faridabad Plot 11 | The initiative involves the implementation of a dual fuel kit for a 620 kilovolt-ampere (KVA) generator. This kit enables the generator to run on either diesel or PNG, providing flexibility in fuel usage and potentially reducing operational costs. By utilizing natural gas, the Company aims to lower emissions and enhance environmental sustainability. Additionally, the dual fuel capability ensures reliability and resilience in power generation, particularly during fluctuations in fuel availability or pricing. Overall, the initiative aims to optimize efficiency, reduce environmental impact and improve energy resiliency. | The outcome of the initiative with the implementation of the dual fuel kit results in the utilization of 70% diesel and 30% natural gas (PNG) for the 620 KVA generator, contributing to reduced emissions, improved efficiency and enhanced sustainability in power generation operations. |

| S. No. | Initiative undertaken | Details of the initiative (Web-link, if any, may be provided along-with summary) | Outcome of the initiative |
|--------|---|--|--|
| 8. | Achievement of ISO 50001:2018 certification for Energy Management System (ENMS) by TUV SUD. - Faridabad Plot 11 | The initiative involves the successful attainment of ISO 50001:2018 certification for the Energy Management System (ENMS) by TUV SUD. This certification signifies the company's commitment to implementing systematic approaches to continuously improve energy performance, enhance energy efficiency, and reduce energy consumption. It demonstrates compliance with international standards and best practices in energy management, reflecting the Company's dedication to sustainability and responsible resource usage. | Achieving ISO 50001:2018 certification for the Energy Management System (ENMS) by TUV SUD signifies the company's commitment to sustainable practices and efficient resource management. This certification ensures that the Company has implemented effective energy management strategies, leading to reduced energy consumption, cost savings, and enhanced environmental stewardship. Additionally, it enhances the Company's reputation and credibility among stakeholders, showcasing its dedication to sustainability and responsible business practices. |
| 9. | Attainment of ISO 14001:2015 certification for Environmental Management System by TUV SUD.- Faridabad plot 11 and Kolkata | This certification signifies the Company's commitment to implementing effective environmental management practices and minimizing its environmental impact. It demonstrates compliance with international standards and regulations, showcasing the Company's dedication to sustainability and responsible environmental stewardship. Achieving ISO 14001:2015 certification reflects the Company's proactive approach to environmental management and its ongoing efforts to improve environmental performance. | The outcome of achieving ISO 14001:2015 certification for the Environmental Management System (EMS) by TUV SUD underscores the company's dedication to sustainable practices and environmental responsibility. |
| 10. | Tree plantation initiative carried out in IMT Faridabad. - Faridabad Plot 11 | The initiative involves a tree plantation drive conducted in IMT Faridabad, where 250 plants were planted. This endeavour aims to contribute to environmental conservation, enhance green cover, and promote biodiversity in the area. By planting trees, the initiative seeks to mitigate the effects of climate change, improve air quality, and create a more sustainable and eco-friendly environment for the community and future generations. | <p>The tree plantation initiative in IMT Faridabad, which saw the planting of 250 plants, yields various positive outcomes. These include an increase in green cover, improved air quality, and the fostering of biodiversity, all contributing to a healthier and more sustainable environment. Additionally, the initiative promotes community engagement and environmental stewardship, encouraging residents to take ownership of their surroundings and participate in efforts to enhance the local ecosystem.</p> <p>Furthermore, this initiative aligns with broader sustainability goals by creating green spaces and improving overall quality of life for residents. The newly planted trees provide shade, beautify the surroundings, and create a more pleasant and liveable environment. Overall, the tree plantation initiative in IMT Faridabad serves as a proactive step towards building a more sustainable and resilient community, with long-lasting benefits for both people and the environment.</p> |

| S. No. | Initiative undertaken | Details of the initiative (Web-link, if any, may be provided along-with summary) | Outcome of the initiative |
|--------|---|---|---|
| 11. | An Ultrafiltration (UF) Plant has been set up within the Sewage Treatment Plant (STP) to conduct additional filtration of wastewater, enabling its reuse in horticulture and floor cleaning purposes. - Faridabad Plot 11 | The initiative involves the installation of an Ultrafiltration (UF) Plant within the Sewage Treatment Plant (STP) to conduct advanced filtration of wastewater. This treated water is then reused for horticultural purposes and floor cleaning, aiming to optimize water resources and promote sustainability. | Through the implementation of the initiative, a total of 5,554.26 kilolitres of water has been conserved. |

5. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.

Orient Electric Ltd.'s Business Continuity and Disaster Management Plan emphasizes the commitment to safety and readiness to address any potential emergency, whether originating from internal operations or external factors, occurring at any time of the day or night, including holidays. Clear responsibilities are assigned to ensure the protection of all individuals both on-site and off-site from accidents, emergencies, and disastrous situations.

The plan ensures the establishment of adequate assembly points and emergency control procedures, with comprehensive instruction provided to all involved personnel. Identification and mapping of high-risk areas are conducted, along with the estimation of emission rates and dispersion behaviours.

External agencies are engaged in mutual aid efforts to prevent emergencies from escalating into disasters. The Business Continuity Plan (BCP) document serves as a guide, offering procedures to assist process owners in minimizing disruptions to business operations and mitigating the impact on the brand image.

A list of potential events that may result in operational disruptions or supply interruptions to customers is outlined

in the BCP document. Each identified risk event includes a description of probable "Risk Drivers" that could lead to its occurrence. Action plans are defined for respective process owners against each risk event to ensure continuity of operations.

6. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard?

The Company has not undertaken any mitigation or adaptation measures as of yet.

7. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.

The Company assessed its value chain partners through a comprehensive value chain survey form. This form solicited disclosures on various parameters critical to sustainability, including environmental certifications, sustainability audits, responsible sourcing practices, options for low emission transportation, Scope 1 & 2 greenhouse gas emissions, utilization of renewable energy sources, Life cycle assessment, sustainability reports, etc.

71.86% of Company's value chain partners were assessed on various parameters including sustainability.

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

Essential Indicators

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

The Company has four (4) trade and industry chambers/ associations.

b). List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to:

| S. No. | Name of the trade and industry chambers/ associations | Reach of trade and industry chambers/ associations (State/National) |
|--------|---|---|
| 1. | The Indian Fan Manufacturers Association | National |
| 2. | Electric Lamp and Component Manufacturers Association | National |
| 3. | Indian Electric and Electronics Manufacturers Association | National |
| 4. | Electrical Research & Development Association | National |

2. Provide details of corrective action taken or underway on any issues related to anticompetitive conduct by the entity, based on adverse orders from regulatory authorities

| Name of authority | Brief of the case | Corrective action taken |
|--|-------------------|-------------------------|
| Not Applicable, as there were no adverse orders reported from any regulatory authorities during the fiscal year 2023-24. | | |

Leadership Indicators

1. Details of public policy positions advocated by the entity:

| S. No. | Public policy advocated | Method resorted for such advocacy | Whether information available in public Domain? (Yes/No) | Frequency of Review by Board (Annually/ Half yearly/ Quarterly / Others – please specify) | Web Link, if available |
|--------|-------------------------|-----------------------------------|--|---|------------------------|
|--------|-------------------------|-----------------------------------|--|---|------------------------|

The Company engages with industry associations to advocate for industry advancement and public welfare. It maintains a Code of Conduct Policy and a Code of Ethical Standards and Behavioural Conduct to uphold the highest standards of business conduct in its interactions with these associations and industry bodies.

PRINCIPLE 8: Businesses should promote inclusive growth and equitable development

Essential Indicators

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

| Name and Brief details of project | SIA Notification No. | Date of notification | Whether conducted by independent external agency (Yes/No) | Results communicated in public domain (Yes/No) | Relevant Web Link |
|-----------------------------------|----------------------|----------------------|---|--|-------------------|
|-----------------------------------|----------------------|----------------------|---|--|-------------------|

Not Applicable

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

| S. No. | Name of Project for which R&R is ongoing | State | District | No. of Project Affected Families (PAFs) | 5 of PAFs covered by R&R | Amounts paid to PAFs in the FY (in INR) |
|----------------|--|-------|----------|---|--------------------------|---|
| Not Applicable | | | | | | |

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

The people at large can raise questions and concerns through many channels of communication that the Company uses. The Company routinely interacts with the community and works closely with them to enhance and elevate them through various CSR projects. During the fiscal year 2023-24, the Company has, through an independent agency, carried out an impact assessment of some of its major CSR projects undertaken in previous years to assess the impact on the society and concerns, if any. In order to immediately and openly resolve any complaints, it closely monitors the advancement of these programmes.

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

| | FY 2023-24 | FY 2022-23 |
|--|------------|------------|
| Directly sourced from MSMEs/ small producers | 56.00 | 45.59 |
| Directly from within India | 44.00 | 66.26 |

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 2023-24 | FY 2022-23 |
|--------------|------------|------------|
| Rural | 0.00 | 0.00 |
| Semi-urban | 0.00 | 0.00 |
| Urban | 48.86 | 40.21 |
| Metropolitan | 51.14 | 59.79 |

Leadership Indicators

1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):

| Details of negative social impact identified | Corrective action taken |
|--|-------------------------|
| Not Applicable | |

2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:

| S. No. | State | Aspirational District | Amount spent (In INR) |
|----------------|-------|-----------------------|-----------------------|
| Not Applicable | | | |

3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? (Yes/No)

No. Orient Electric does not give preference and does not discriminate with any supplier.

- (b) From which marginalized /vulnerable groups do you procure?

Not Applicable

- (c) What percentage of total procurement (by value) does it constitute?

Not Applicable

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:

| S. No. | Intellectual Property based on traditional knowledge | Owned/ Acquired (Yes/No) | Benefit shared (Yes / No) | Basis of calculating benefit share |
|----------------|--|--------------------------|---------------------------|------------------------------------|
| Not Applicable | | | | |

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.

| Name of authority | Brief of the case | Corrective Action taken |
|-------------------|-------------------|-------------------------|
| Not Applicable | | |

6. Details of beneficiaries of CSR Projects:

| S. No. | CSR Project | No. of persons benefitted from CSR projects | % of beneficiaries from vulnerable and marginalized groups |
|--------|--|---|--|
| 1. | Ujjwal - Electrician Upskilling. | 5,127 | 100.00 |
| 2. | Infrastructure Development of Government Girls School (NIT 03) in Faridabad, Haryana to promote Education and women empowerment. | 1,728 Girl Students | < 90.00 |
| 3. | Renovation & Modernisation of Govt Girls School, Kaurali, Faridabad to promote Education and women empowerment. | 214 Girl Students | < 90.00 |
| 4. | Mind Culture Program to build a centre for learning and development for young students by Ramakrishna Mission | - | Not ascertainable |
| 5. | Campus Infrastructure Development at Chanakya University to provide world class education facilities. | - | Not ascertainable |
| 6. | Critical Care Tie-up with SJM Hospital, Noida to provide medical assistance and treatment expenses for critical illnesses for underprivileged individuals. | 1,184 patients | 100.00 |
| 7. | Upgrade of medical infrastructure and patient care services at First Referral Unit - 1, Faridabad, mainly serving women and children, by providing necessary medical equipment and facilities. | 3,702 | 100.00 |
| 8. | Mid-Day meals to girl students studying in government schools in Delhi through Akshay Patra. | 2,096 Children | < 90.00 |

PRINCIPLE 9: Businesses should engage with and provide value to their consumers in a responsible manner

Essential Indicators

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

The processes for receiving and reacting to consumer complaints and feedback are described below.

- Helpline: A specific helpline number, 1800 103 7574, is available on multiple platforms, including the website, for consumers to relay their concerns and inquiries. Our Service team manages incoming calls and provides appropriate responses.
- Email: Customers can reach out to us via email using the address Customer.connect@orientelectric.com, utilizing our Non-Voice channels.
- Chat: WhatsApp Chat# 88263 13838 serves as a platform for clients to engage with our live operators.
- Website: Our website enumerates all available contact methods for customers. An online form facilitates direct communication with the customer service team.

- e) Feedback Calls/Surveys: Customer service representatives conduct feedback calls or surveys to gauge satisfaction levels and ensure complaints are addressed as per expectations.
- f) Escalation Procedures: Should a customer concern remain unresolved, we have established escalation protocols. This involves forwarding the complaint to higher management or specialized staff equipped to handle escalated issues.

All complaints are routed through the Company's our contact centre operations team provider, I-energiser, who is currently handling them.

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 | 75.00 |
| Safe and responsible usage | 100.00 |
| Recycling and/or safe disposal | 100.00 |

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

| | FY 23-24 | | Remarks | FY 22-23 | | Remarks |
|--------------------------------|--------------------------|-----------------------------------|--|--------------------------|-----------------------------------|--|
| | Received during the Year | Pending resolution at end of year | | Received during the Year | Pending resolution at end of year | |
| Data Privacy | Nil | Nil | None | Nil | Nil | None |
| Advertising | 6 | Nil | Complaints received from ASCI were promptly resolved | 1 | Nil | Complaints received from ASCI were promptly resolved |
| Cyber-security | Nil | Nil | None | Nil | Nil | None |
| Delivery of essential services | Nil | Nil | None | Nil | Nil | None |
| Restrictive Trade Practices | Nil | Nil | None | Nil | Nil | None |
| Unfair Trade Practices | Nil | Nil | None | Nil | Nil | None |
| Others (Consumer Complaint) | 18,62,855 | 6,865 | Grievances and suggestions received across channels | 15,76,890 | 9,015 | Grievances and suggestions received across channels |

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

| Case Details | 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 a Privacy Policy in place to protect itself from various cyber-risks and privacy concerns. The Company's Privacy Policy describes how it collects, uses, shares, and protects information. The policy is available on the Company's website at <https://www.orientelectric.com/privacy-policy>. The Company has implemented robust IT systems and firewalls that protects the Company from any probable Cyber Security threat.

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.

No complaints have been reported regarding the delivery of essential services, cybersecurity, and customer data privacy, as well as the recurrence of product recalls.

7. Provide the following information relating to data breaches:

- a. Number of instances of data breaches :** NIL
- b. Percentage of data breaches involving personally identifiable information of customers:** NIL
- c. Impact, if any, of the data breaches:** Not Applicable

Leadership Indicators

1. Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).

The Company uses various platforms for circulating information relating to its products such as its website, social media handles and media advertisements.

Further, information relating all the products can be accessed on www.orientelectric.com

2. Steps taken to inform and educate consumers about safe and responsible usage of products and/ or services.

Educating and informing consumers about the safe and responsible usage of products and services is crucial for both customer satisfaction and compliance with safety regulations. Here are some typical steps performed by the Company.

- **Clear Labelling and Packaging:** The Company ensures that product packaging includes clear instructions for safe use and addresses any safety concerns.

- **User Manuals and Guides:** Each product is accompanied by user manuals or guides containing detailed instructions on safe and ethical usage, including assembly, maintenance, and troubleshooting guidance.

- **Customer Service Support:** Trained customer service representatives are available to assist and advise customers on product usage and safety. Customers can reach out for assistance via phone, email, live chat, or social media.

- **Compliance with Regulations:** The Company strictly adheres to regulations and standards governing product safety and labeling. Compliance with these regulations ensures that consumers have accurate information regarding product usage and safety.

By implementing these measures, the company aims to empower consumers to make informed decisions and utilize products and services in a safe and responsible manner.

3. Mechanisms in place to inform consumers of any risk of disruption/ discontinuation of essential services.

While a mechanism is in place for informing consumers through IVR and WhatsApp messaging platforms, it's noteworthy that no such situation necessitating activation occurred during the years.

4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)

All product information is displayed in accordance with regulatory laws. The Company lists the exact characteristics and advantages of its products on its items, together with the details required by applicable rules, the Bureau of Indian Standard, the Legal Metrology Act of 2009, the Goods and Services Tax Act of 2017, the Companies Act of 2013, and other relevant laws.

The Company's website, www.orientelectric.com and media marketing also emphasize product characteristics and advantages. The Company follows ethical production and consumption practices.

Customer satisfaction surveys are conducted on a regular basis throughout the year with suitable sample sizes.

ANNEXURE –

Alignment of BRSR with Global Reporting Initiative ('GRI') and United Nations Sustainable Development Goals ('SDG')

1. Sections A¹

Section A of BRSR: General Disclosures Alignment with GRI

| | |
|-----|---|
| 1. | No direct linkage |
| 2. | GRI 2: General Disclosures 2021 GRI 2-1: Organizational details |
| 3. | No direct linkage |
| 4. | No direct linkage |
| 5. | GRI 2: General Disclosures 2021 GRI 2-1: Organizational details |
| 6. | GRI 2: General Disclosures 2021 GRI 2-3: Reporting period, frequency and contact point |
| 7. | GRI 2: General Disclosures 2021 GRI 2-3: Reporting period, frequency and contact point |
| 8. | No direct linkage |
| 9. | GRI 2: General Disclosures 2021 GRI 2-3: Reporting period, frequency and contact point |
| 10. | No direct linkage |
| 11. | No direct linkage |
| 12. | GRI 2: General Disclosures 2021 GRI 2-3: Reporting period, frequency and contact point |
| 13. | GRI 2: General Disclosures 2021 GRI 2-2: Entities included in the organization's sustainability reporting |
| 14. | GRI 2: General Disclosures 2021 GRI 2-6: Activities, value chain and other business relationships |
| 15. | GRI 2: General Disclosures 2021 GRI 2-6: Activities, value chain and other business relationships |
| 16. | GRI 2: General Disclosures 2021 GRI 2-6: Activities, value chain and other business relationships |
| 17. | GRI 2: General Disclosures 2021 GRI 2-6: Activities, value chain and other business relationships |
| 18. | GRI 2: General Disclosures 2021 GRI 2-7: Employees GRI 2-8 Workers who are not employees |
| 19. | GRI 405: Diversity and Equal Opportunity 2016 GRI 405-1 Diversity of governance bodies and employees |
| 20. | GRI 401: Employment 2016 GRI 401-1: New employee hires and employee turnover |
| 21. | GRI 2: General Disclosures 2021 GRI 2-2: Entities included in the organization's sustainability reporting |
| 22. | GRI 201: Economic Performance 2016 GRI 201-1: Direct economic value generated and distributed |
| 23. | GRI 2: General Disclosures 2021 GRI 2-25: Processes to remediate negative impacts |
| 24. | GRI 3: Material Topics 2021 GRI 3-1: Process to determine material topics GRI 3-2: List of material topics GRI 3-3: Management of material topics a. describe |

2. Section B¹

Management and Process disclosures

1. GRI 2: General Disclosures 2021
GRI 2-23: Policy commitments
2. GRI 2: General Disclosures 2021
(e) 2-24: Embedding policy commitments
3. GRI 2: General Disclosures 2021
(e) 2-24: Embedding policy commitments
4. No direct linkage
5. GRI 3: Material Topics 2021
GRI 3-3 Management of material topics
6. GRI 3: Material Topics 2021
GRI 3-3 Management of material topics
7. GRI 2: General Disclosures 2021
GRI 2-22: Statement on sustainable development strategy
8. GRI 2: General Disclosures 2021
GRI 2-13: Delegation of responsibility for managing impacts
9. GRI 2: General Disclosures
GRI 2-9: Governance structure and composition
10. No direct linkage
11. GRI 2: General Disclosures 2021
GRI 2-5: External assurance
12. No direct linkage





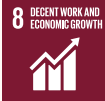

3. Section C² BRSR Principles

| BRSR | GRI | SDG |
|---|--|---|
| <p>PRINCIPLE 1 - Businesses should conduct and govern themselves with integrity, and in a manner that is ethical, transparent and accountable -</p> <p>ESSENTIAL INDICATORS</p> | <p>GRI 2: General Disclosures 2021 -</p> <p>GRI 2-17: Collective knowledge of the highest governance body</p> <p>GRI 2-23: Policy commitments</p> <p>GRI 2-25: Processes to remediate negative impacts</p> <p>GRI 2-27: Compliance with laws and regulations</p> <p>GRI 3: Disclosures on material topics GRI 3-3 - Management of material topics</p> <p>GRI 205 - Anti-corruption</p> <p>GRI 205-3: Confirmed incidents of corruption and actions taken</p> |   |
| <p>PRINCIPLE 1 - Businesses should conduct and govern themselves with integrity, and in a manner that is ethical, transparent and accountable -</p> <p>LEADERSHIP INDICATORS</p> | <p>GRI 2-10: Nomination and selection of the highest governance body</p> <p>GRI 2-15: Conflicts of interest</p> <p>GRI 2-24: Embedding policy commitments</p> | |

¹ https://www.globalreporting.org/media/ioqnxrnx/sebi_brsb_gri_linkage_doc.pdf


² https://www.mca.gov.in/Ministry/pdf/NationalGuideline_15032019.pdf

| BRSR | GRI | SDG |
|---|--|---|
| <p>Principle 2 - Businesses should provide goods and services in a manner that is sustainable and safe -</p> <p>ESSENTIAL INDICATORS</p> | <p>GRI 301: Materials 2016</p> <p>GRI 301-2: Recycled input materials used</p> <p>GRI 3: Management of Material Topics GRI 3-3: Management of material topics</p> <p>GRI 306-2 Management of significant waste-related impacts</p> |     |
| <p>Principle 2 - Businesses should provide goods and services in a manner that is sustainable and safe -</p> <p>LEADERSHIP INDICATORS</p> | <p>GRI 3: Disclosures on material topics GRI 3-3: Management of material topics</p> <p>GRI 301: Materials 2016</p> <p>GRI 301-2: Recycled input materials used</p> <p>GRI 301-3: Reclaimed products and their packaging materials</p> <p>GRI 306-2: Management of significant waste-related impacts</p> |  |
| <p>Principle 3 - Businesses should respect and promote the well-being of all employees, including those in their value chains -</p> <p>ESSENTIAL INDICATORS</p> | <p>GRI 201: Economic Performance 2016 GRI 201-1: Defined benefit plan obligations and other retirement plans GRI 2-25: Processes to remediate negative impacts</p> <p>GRI 2: General Disclosure 2021 GRI 2-30: Collective bargaining agreements</p> <p>GRI 3: Disclosures on material topics GRI 3-3: Management of material topics</p> <p>GRI 401: Employment 2016</p> <p>GRI 401-2: Benefits provided to full- time employees that are not provided to temporary or part-time employees</p> <p>GRI 401-3: Parental leave</p> <p>GRI 403: Occupational Health and Safety 2018</p> <p>GRI 403-1: Occupational health and safety management system</p> |       |
| <p>Principle 3 - Businesses should respect and promote the well-being of all employees, including those in their value chains -</p> <p>LEADERSHIP INDICATORS</p> | <p>GRI 403-2: Hazard identification, risk assessment, and incident investigation</p> <p>GRI 403-5: Worker training on occupational health and safety</p> <p>GRI 403-6: Promotion of worker health GRI 403-9: Work-related injuries</p> <p>GRI 403-10: Work-related ill health</p> <p>GRI 404: Training and Education 2016 GRI 404-1: Average hours of training per year per employee</p> <p>GRI 404-2: Programs for upgrading employee skills and transition assistance programs</p> <p>GRI 404-3: Percentage of employees receiving regular performance and career development reviews</p> <p>GRI 404: Training and Education 2016 GRI 404-2: Programs for upgrading employee skills and transition assistance programs</p> <p>GRI 3: Disclosures on material topics GRI 3-3: Management of material topics</p> <p>GRI 414: Supplier Social Assessment 2016</p> <p>GRI 414-2: Negative social impacts in the supply chain and actions taken</p> | |

| BRSR | GRI | SDG |
|---|---|--|
| <p>Principle 4 - Businesses should respect the interests of and be responsive to all its stakeholders -</p> <p>ESSENTIAL INDICATORS</p> | <p>GRI 2: General Disclosures 2021 GRI 2-29: Approach to stakeholder engagement</p> <p>GRI 3: Disclosures on material topics GRI 3-1: Process to determine material topics</p> |   |
| <p>Principle 4 - Businesses should respect the interests of and be responsive to all its stakeholders -</p> <p>LEADERSHIP INDICATORS</p> | <p>GRI 2: General Disclosures 2021 GRI 2-12: Role of the highest governance body in overseeing the management of impacts</p> <p>GRI 2-13: Delegation of responsibility for managing impacts</p> <p>GRI 3: Disclosures on material topics GRI 3-1: Process to determine material topics</p> <p>GRI 2: General Disclosures 2021 GRI 2-29: Approach to stakeholder engagement</p> |  |
| <p>Principle 5 - Businesses should respect and promote human rights -</p> <p>ESSENTIAL INDICATORS</p> | <p>GRI 2: General Disclosures 2021</p> <p>GRI 2-13: Delegation of responsibility for managing impacts</p> <p>GRI 2-19 Remuneration policies a. describe the remuneration policies for members of the highest governance body and senior executives</p> <p>GRI 2-21 Annual total compensation ratio</p> <p>GRI 2-23 Policy commitments</p> <p>GRI 2-24: Embedding policy commitments</p> <p>GRI 2-25: Processes to remediate negative impacts</p> <p>GRI 3: Disclosures on material topics GRI 3-3 Management of material topics</p> <p>GRI 202: Market Presence 2016 GRI 202-1 Ratios of standard entry level wage by gender compared to local minimum wage</p> <p>GRI 205: Anti-Corruption 2016</p> <p>GRI 205-2 Communication and training about anti-corruption policies and procedures</p> <p>GRI 403: Occupational Health and Safety 2018</p> <p>GRI 403-5 Worker training on occupational health and safety</p> <p>GRI 404: Training and Education 2016 GRI 404-1 Average hours of training per year per employee</p> <p>GRI 405: Diversity and Equal Opportunity 2016</p> <p>GRI 405-2 Ratio of basic salary and remuneration of women to men</p> <p>GRI 406: Non-discrimination 2016</p> <p>GRI 406-1 Incidents of discrimination and corrective actions taken</p> <p>GRI 410: Security Practices 2016</p> <p>GRI 410-1 Security personnel trained in human rights policies or procedures</p> |    |

| BRSR | GRI | SDG |
|---|---|---|
| <p>Principle 5 - Businesses should respect and promote human rights -</p> <p>LEADERSHIP INDICATORS</p> | <p>GRI 2: General Disclosures 2021 GRI 2-25 Processes to remediate negative impacts</p> <p>GRI 3: Material Topics 2021 GRI 3-1: Process to determine material topics</p> <p>GRI 3-3: Management of material topics</p> <p>GRI 414: Supplier Social Assessment 2016</p> <p>GRI 414-1 New suppliers that were screened using social criteria</p> <p>GRI 414-2 Negative social impacts in the supply chain and actions taken</p> | |
| <p>Principle 6 - Businesses should respect and make efforts to protect and restore the environment -</p> <p>ESSENTIAL INDICATORS</p> | <p>GRI 302: Energy 2016</p> <p>GRI 302-1 Energy consumption within the organization</p> <p>GRI 302-3: Energy intensity</p> <p>GRI 303: Water and Effluents 2018 GRI 303-1: Interactions with water as a shared resource</p> <p>GRI 303-3: Water withdrawal</p> <p>GRI 303-5: Water consumption</p> <p>GRI 304: Biodiversity 2016</p> <p>GRI 304-1: Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas</p> <p>GRI 305: Emissions 2016</p> <p>GRI 305-1 Direct (Scope 1) GHG emissions</p> <p>GRI 305-2: Energy indirect (Scope 2) GHG emissions.</p> <p>GRI 305-4: GHG emissions intensity</p> <p>GRI 305-5: Reduction of GHG emissions</p> <p>GRI 305-7: Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions</p> <p>GRI 306: Waste 2020</p> <p>GRI 306-2 Management of significant waste related impacts</p> <p>GRI 306-3 Waste generated</p> <p>GRI 306-5 Waste directed to disposal</p> <p>GRI 2: General Disclosures 2021</p> <p>GRI 2-27 Compliance with laws and regulations</p> <p>GRI 3: Material Topics 2021</p> <p>GRI 3-3 Management of material topics</p> <p>GRI 413: Local Communities GRI 413-1 Operations with local community engagement, impact assessments, and development programs</p> |  <p>The SDG icons shown are: 3 Good Health and Well-being, 6 Clean Water and Sanitation, 7 Affordable and Clean Energy, 12 Responsible Consumption and Production, 13 Climate Action, 14 Life Below Water, and 15 Life on Land.</p> |

| BRSR | GRI | SDG |
|--|--|---|
| <p>Principle 6 - Businesses should respect and make efforts to protect and restore the environment -</p> <p>LEADERSHIP INDICATORS</p> | <p>GRI 302: Energy 2016 GRI 302-1: Energy consumption within the organization GRI 303: Water and Effluents 2018 GRI 303-3 Water withdrawal GRI 303-4 Water discharge GRI 304: Biodiversity 2016 GRI 304-2 Significant impacts of activities, products and services on biodiversity GRI 304-3 Habitats protected or restored GRI 305: Emissions 2016 GRI 305-3 Other indirect (Scope 3) GHG emissions GRI 305-4 GHG emissions intensity GRI 308: Supplier Environmental Assessment 2016 GRI 308-1 New suppliers that were screened using environmental criteria</p> | |
| <p>Principle 7 - Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent -</p> <p>ESSENTIAL INDICATORS</p> | <p>GRI 308: Supplier Environmental Assessment 2016 GRI 308-1 New suppliers that were screened using environmental criteria GRI 308-2 Negative environmental impacts in the supply chain and actions taken GRI 3: Material Topics 2021, GRI 3-3 Management of material topics The organization shall report how it manages anti-competitive behaviour</p> |  |
| <p>Principle 7 - Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent -</p> <p>LEADERSHIP INDICATORS</p> | <p>GRI 2: General Disclosures 2021 GRI 2-28 Membership associations GRI 3: Material Topics 2021 GRI 3-3 Management of material topics The organization shall report how it manages anti-competitive behaviour GRI 415: Public Policy 2016</p> |  |
| <p>Principle 8 - Businesses should promote inclusive growth and equitable development -</p> <p>ESSENTIAL INDICATORS</p> | <p>GRI 2: General Disclosures 2021 GRI 2-25 Processes to remediate negative impacts GRI 3: Material Topics 2021 GRI 3-3 Management of material topics The organization shall report how it manages local communities GRI 204: Procurement Practices 2016 GRI 204-1 Proportion of spending on local suppliers GRI 413: Local Communities 2016 GRI 413-1 Operations with local community engagement, impact assessments, and development programs</p> |  |

| BRSR | GRI | SDG |
|--|---|---|
| <p>Principle 8 - Businesses should promote inclusive growth and equitable development - LEADERSHIP INDICATORS</p> | <p>GRI 3: Material Topics 2021 GRI 3-3 Management of material topics GRI 413: Local Communities 2016 GRI 413-1 Operations with local community engagement, impact assessments, and development programs</p> |  |
| <p>Principle 9 - Businesses should engage with and provide value to their consumers in a responsible manner - ESSENTIAL INDICATORS</p> | <p>GRI 417: Marketing and Labeling 2016 GRI 417-1 Requirements for product and service information and labelling GRI 418: Customer Privacy 2016 GRI 418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data GRI 3: Material Topics 2021 GRI 3-3 Management of material topics</p> |  |
| <p>Principle 9 - Businesses should engage with and provide value to their consumers in a responsible manner - LEADERSHIP INDICATORS</p> | <p>GRI 417: Marketing and Labeling 2016 GRI 417-1 Requirements for product and service information and labelling GRI 418: Customer Privacy 2016 GRI 418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data GRI 3: Material Topics 2021 GRI 3-3 Management of material topics</p> | |

Note:

All SDG mapping done against respective principles are based on an indicative SDG mapping matrix provided in National Guidelines on Responsible Business Conduct by MCA, GoI. All the mentions of the GRI™ and SDG is the intellectual property of respective organisations and copyright of all the Logos used belong to respective organisations/ institutions.

Corporate Governance Report - FY 2023-24

CORPORATE GOVERNANCE PHILOSOPHY

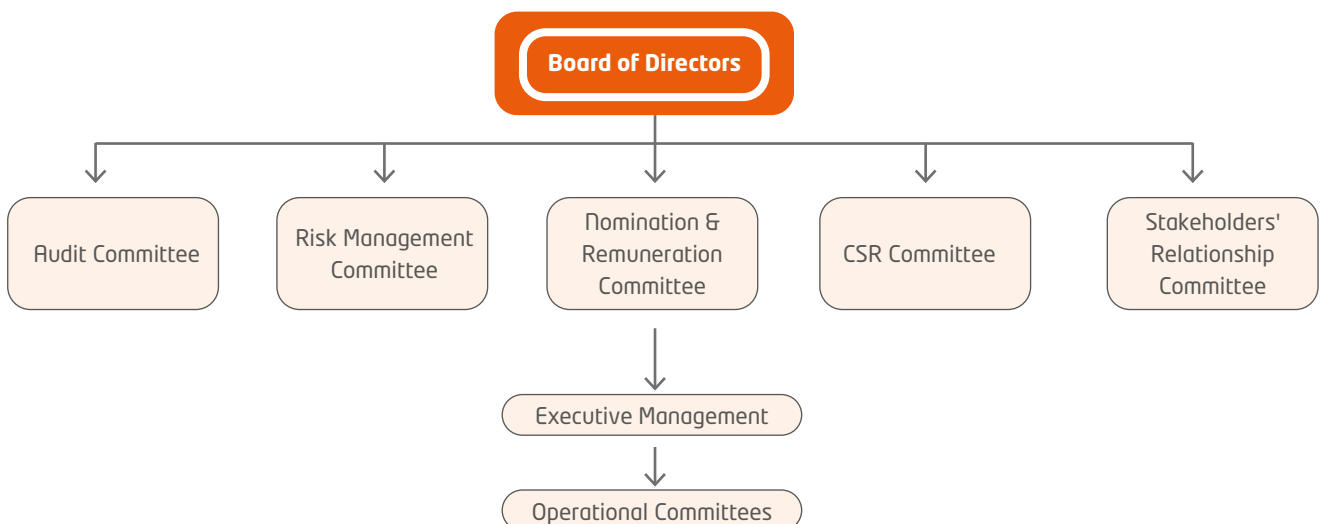
Orient Electric Limited ('Orient Electric' or the 'Company' or 'We' or 'Our'), strives to foster a culture of trust, ethics, honesty, and transparency each and every day. Our goal to be a reputed partner in progress and a responsible corporate citizen is fundamentally anchored in your Company's commitment towards strong corporate governance procedures. Maintaining high standards of corporate governance practices is a testimony to well-founded systems and processes of the Company assuring trust and confidence to all stakeholders on the conduct of the business. We follow embedded guidelines that help us make wise choices for long-term shareholder value proposition and sustainable growth without sacrificing ethics, social responsibility, environmental stewardship and statutory compliances.

Guiding Principles - Code of Ethical Standards and Behavioural Conduct



The set of guiding principles for the Company's governance notion is its Code of Ethical Standards and Behavioural Conduct (the 'Code'), which reflects the Mission, Vision, and Values of Orient Electric. The Code mandates all employees to uphold the highest standards of financial, professional, and ethical integrity in every aspect of business operations. The Company is dedicated to establishing a work environment that is always devoid of harassment and discrimination, where employees are appreciated and given the right conditions to promote excellent performance and behaviour. The purpose of the Code is to offer a framework for defining employee behavior in course of business operations. Within the all-pervasive professional behavior, the Code fosters mutual respect. It is not recommended to act in a way that undermines, threatens, ridicules, intimidates, or denigrates others and has an adverse effect on productivity. Improper behaviour is never encouraged. Regulatory non-compliance has zero tolerance.

Multi-tiered Governance Structure at Orient Electric



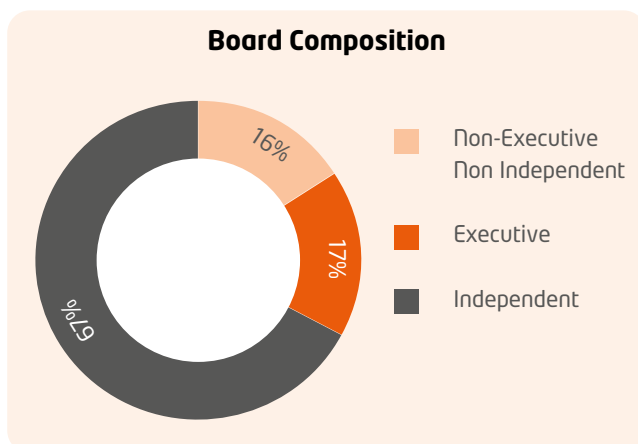
BOARD OF DIRECTORS

The Board of Directors (**'Board'**) plays a crucial role in overseeing how the management serves the short and long-term interests of all its stakeholders. The Board keeps a close eye on how the management team looks after the interests of every stakeholder and the executive team strives to keep the Board effective, well-informed and independent.

Board Composition – an Independent & Professional Board

The Company has a diverse composition of Executive and Non-Executive Directors including Independent Directors and Women Director which meets the requirements specified under Section 149(4) of the Companies Act, 2013 (the **'Act'**) and Regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the **'Listing Regulations'**). The Directors have extensive experience in business, finance, internal controls, governance, laws, strategy and administration. The composition of the Board not only meets the legal requirements but also makes it a diversified Board with mixed blend of professional, experiences and expertise.

Profile of the Directors of the Company encompassing their skills, expertise in specific functional areas and competencies can be accessed at <https://www.orientelectric.com/investors/regulation-disclosures> and also provided in the Annual report for financial year 2023-24.



The core skills, expertise, and competencies identified by the Board as essential for the Company's efficient operations and available in each of the directors of the Company as on March 31, 2024, are as follows:

| Name of Director | Core Skills / Expertise/Competency |
|-----------------------------------|--|
| Mr. Chandra Kant Birla | Leadership, Entrepreneurship, Diversity of Industrial Perspective, Depth of Financial Knowledge, Business Strategy, Sustainability, Governance, Risk and Compliance |
| *Mr. Desh Deepak Khetrapal | Leadership, General Management, Manufacturing Expertise, Diversity of Perspective, Financial Expertise, Business Strategy, Sustainability, Governance, Risk and Compliance |
| Mr. TCA Ranganathan | Leadership, Financial Acumen, Banking, Diversity of Perspective, Business Strategy, Sustainability, Governance, Risk and Compliance |

As on March 31, 2024, the Board consist of 6 Directors headed by Non-Executive Chairman, one Executive Director, designated as Vice Chairman & Managing Director and four Non-Executive Independent Directors one of whom is a Women Director. The Chairman of the Board is a Non-Executive Director related to the Promoter but not related to the Managing Director or any other Directors of the Company. A clear distinction exists between the roles and duties of the Chairman and those of the Managing Director. In compliance with the provisions of the Act and Regulation 17A and 26A of the Listing Regulations, none of the Directors of the Company serves as:

- A director in more than 10 public limited companies;
- A director in more than 7 listed entities;
- An Independent director in more than 7 listed entities;
- An Independent director in more than 3 listed entities in case he/she serves as a Whole-time Director/ Managing Director in any listed entity; and
- A member of more than 10 Committees or Chairperson of more than 5 Committees, across all the Indian public limited companies in which he/ she is a director.

Every Director of the Company at the start of the financial year discloses their directorships and committee positions they occupy in different companies and also the changes therein, whenever such change takes place. None of the directors of the Company is, inter-se, related to each other.

Skills / Expertise / Competencies identified by the Board of Directors

The Board of the Company is made up of industry leading experts and high skilled professionals of repute. They possess strong financial acumen, strategic astuteness, leadership qualities, and are well participated in the key strategic decision making and good operational conduct of the Company, devoting sufficient time to meetings. The Board, from time to time, evaluates its composition, skills, and diversity to ensure that the composition align with both legal and business needs.

| Name of Director | Core Skills / Expertise/Competency |
|------------------------------------|--|
| Mr. K Pradeep Chandra | Leadership, Financial Acumen, Diversity of Perspective, Business Strategy, Sustainability, Governance, Risk and Compliance, Administration |
| Mrs. Alka Marezban Bharucha | Leadership, Financial Acumen, Diversity of Perspective, Business Strategy, Governance, Risk and Compliance |
| Mr. Raju Lal | Leadership, Depth of Financial and accounting knowledge, Diversity of Perspective, Business Strategy, Governance, Risk and Compliance |

* Appointed as Managing Director ('MD') and designated Vice Chairman & MD w.e.f. July 15, 2023.

Process for appointment of new Director

The Board apex governing body, responsible for supervision of overall operations of the Company, is appointed by the shareholders. It has ultimate responsibility for the development of strategy, management, general affairs, direction, performance and long-term success of the business. As per Nomination and Remuneration policy of the Company, the Nomination and Remuneration Committee ('NRC') is entrusted with the responsibility to identify the skill and expertise required for the Board and accordingly identify an individual for induction as a Board member and recommend his/her appointment to the Board in accordance with Nomination and Remuneration Policy of the Company. Based upon the recommendation of the NRC, the Board considers and approves the appointment of the individual as an Additional Director and recommends to the shareholders for approval.

Independent Directors

Independent Directors are Non-Executive Directors as defined under the Act, rules framed thereunder and the Listing Regulations.

Independent Directors of the Company as part of their annual declarations confirm that:

1. they fulfil the criteria of independence as per Act and Listing Regulations;
2. in terms of Regulation 25(8) of the Listing Regulations, they are not aware of any circumstances or situations which exist or may be reasonably anticipated that could impair or impact their ability to discharge their duties with independent judgment; and
3. they are in compliance with the Rule 6(3) of the Companies (Appointment and Qualification of Directors) Rules, 2014.

In the opinion of the Board, based upon the above declarations, all Independent Directors of the Company fulfil the conditions of Independence specified in Section 149 of the Act and Regulation 16(1)(b) of the Listing Regulations and are independent of the Board and management.

The Company issues formal letter of appointment/ re-appointment to Independent Directors containing, inter alia, the role, functions, duties, responsibilities and the Code of Conduct. The terms and conditions of the appointment of Independent Directors are available on the Company's website at <https://www.orientelectric.com/images/investors/Terms-Conditions-of-Appointment-of-Independent-Directors.pdf>.

Induction and Familiarization

Every Director is familiarised and oriented about the business and the key operational procedures of the Company by the Executive Director and/or by the Senior management officials on a continuous basis through various presentations and sessions. They are provided deep insights on various matters including values, mission and vision of the Company, group & organisation structure, Board procedures, senior management, industry in which the Company operates, business & operations, strategies, competition, products and new launches, market presence, revenues, budgets, regulatory updates, sustainability, internal controls, material risks alongwith their mitigation plans.

The details of the above familiarization programmes for the Independent Directors can be accessed at: <https://www.orientelectric.com/images/investors/familiarisation-programme.pdf>.

Meeting of Independent Directors

A separate meeting of the Independent Directors of the Company, excluding Executive Directors and Management representatives, was convened and held on January 12, 2024, as mandated by Schedule IV to the Act and Regulation 25(3) of the Listing Regulations. All the Independent Directors attended this meeting. Mr. K. Pradeep Chandra, an Independent Director chaired this meeting of Independent Directors. At the meeting, the Independent Directors, apart from reviewing the performance of the Executive Director, Non-Executive Director, Chairman and the Board, also discussed and accessed the quality, quantity and timeliness of information being provided by the management to the directors for helping them to perform their duties as directors / members of the committee, effectively and reasonably.

Directorship and Committee positions held by Directors

The details of Directorship, inter-se relationship, number of Directorship(s) and Committee Membership(s) / Chairpersonship(s) held by the Directors of the Company in **public companies** as on March 31, 2024 are as under:

| Name of Director(s) | Category | No. of Directorship held [#] | No. of Committees [@] | | Name of other Listed Entities | | No. of shares held in the Company |
|------------------------------------|------------------------------------|---------------------------------------|------------------------------------|-------------|---|---|-----------------------------------|
| | | | Membership (including Chairperson) | Chairperson | In which he / she is a Director | Category of Directorship | |
| Mr. Chandra Kant Birla | Chairman - Promoter -Non-Executive | 8 | 1 | 1 | <ul style="list-style-type: none"> • Birlasoft Limited • HIL Limited • Orient Cement Limited • Orient Paper & Industries Limited | Non-Executive Director | 34,85,893 |
| *Mr. Desh Deepak Khetrapal | Vice Chairman & Managing Director | 3 | 5 | Nil | <ul style="list-style-type: none"> • Orient Cement Limited • HIL Limited | Managing Director Non-Executive Director | Nil |
| Mr. TCA Ranganathan | Independent - Non-Executive | 2 | 2 | 2 | Security and Intelligence Services (India) Limited | Independent Director | Nil |
| Mr. K Pradeep Chandra | Independent - Non-Executive | 2 | 4 | Nil | Moschip Technologies Limited | Independent Director | Nil |
| Mrs. Alka Marezban Bharucha | Independent - Non-Executive | 8 | 7 | 4 | <ul style="list-style-type: none"> • Hindalco Industries Limited • Honda India Power Products Limited • Ultratech Cement Limited • Aditya Birla Sun Life AMC Limited • ITC Limited | Independent Director | Nil |
| Mr. Raju Lal | Independent - Non- Executive | 2 | 1 | Nil | LT Foods Ltd | Independent Director | Nil |

* Appointed as MD and Designated as Vice Chairman & MD w.e.f. July 15, 2023.

#Excludes directorships in foreign companies, companies registered under Section 8 of the Act, private companies and alternate directorships.

@Membership(s) / Chairmanship(s) of only Audit and Stakeholders' Relationship committees in all public limited companies are considered.

Note: Since Mr. Rakesh Khanna resigned as MD & CEO w.e.f. April 03, 2023 and Mr. Rajan Gupta, appointed as MD & CEO w.e.f. from April 04, 2023 and resigned w.e.f. July 14, 2023, their details are not provided in the above table of Board of Directors.

Meetings - Information flow to the Board of Directors:

The primary function of the Board is to ensure the long-term sustainable profitable growth of the Company for the mutual benefit of all stakeholders. The Board is responsible for various statutory and operational functions to effectively manage the Company. To enable the Board to carry out its functions effectively, the Directors are provided with all the necessary information well in advance with Agendas or otherwise so that they familiarize themselves with the information in a meaningful way. The Directors may procure additional documents / information or call for separate discussions as they may require for this purpose.

Board / Committee meetings are scheduled in consultation with Board members to allow for adequate planning and meaningful participation. In cases of special and urgent business needs, approval is obtained through resolutions by circulation as permitted by law. These resolutions are noted and confirmed in subsequent meetings.

Notice and agenda for Board / Committee meetings are provided to all Directors at least one week in advance. The agenda is set by the Company Secretary in consultation with the Managing Director and Chief Financial Officer and covers items outlined in Listing Regulations as relevant and applicable. Detailed notes on agenda items are included to facilitate informed decision-making by Directors. For facilitating the ease of participation of Directors, either traveling or present elsewhere, the Company also provides video / audio-conferencing facilities for attending meetings. Information being provided to the Directors includes but not limited to, annual / mid-term operational and capital budgets, financial results, annual

strategic plans, business reviews, review of internal, statutory, secretarial and cost audits, details of investor grievances, business acquisitions / expansion plans, important business / management decisions, new product launch, capacity enhancement, set up of new manufacturing facility, capital expenditures, capital allocation, proposal for declaration of dividends, appointment, remuneration and severance of directors, key managerial personnel, leadership / senior management, corporate actions, details of investor grievances, material developments, fatal or serious accidents, dangerous occurrences, material effluent or pollution problems, any material default in financial obligations, risks including cyber security and their mitigation plans material litigations, proposed / unforeseen related party transactions, sustainability initiatives, corporate social responsibility activities, statutory / compliance matters, regulatory updates. Documents containing Unpublished Price Sensitive Information are provided at a shorter notice, pursuant to the general consent being taken from the Board / committees. Proper actions are taken on the feedbacks, suggestions and directives of the Board / committees on various strategic, compliance and other matters. An action taken report is presented in the succeeding meeting.

Directors' participation in Board and General Meetings

During the financial year 2023-24, the Board convened five meetings on the following dates: May 12, 2023, July 14, 2023, August 02, 2023, November 03, 2023, and February 01, 2024. The interval between any two Board meetings was well within the maximum allowed gap of 120 days.

The attendance of the Board members at the Board meetings and the Annual General Meeting ('AGM') of the Company held during financial year 2023-24, is as follows:

| Name of Director | Board meetings held & attended | % of attendance | Attendance at last AGM |
|--|--------------------------------|-----------------|------------------------|
| Mr. Chandra Kant Birla (Non-Executive Chairman, Promoter) | 5 out of 5 | 100 | Yes |
| *Mr. Desh Deepak Khetrapal (Vice-Chairman & Managing Director) | 5 out of 5 | 100 | Yes |
| **Mr. Rajan Gupta (Managing Director & CEO) | 1 out of 2 | 50 | NA |
| Mr. TCA Ranganathan (Non-Executive Independent Director) | 5 out of 5 | 100 | Yes |
| Mr. K Pradeep Chandra (Non-Executive Independent Director) | 5 out of 5 | 100 | Yes |
| Mrs. Alka Marezban Bharucha (Non-Executive Independent Director) | 5 out of 5 | 100 | Yes |
| #Mr. Raju Lal (Non-Executive Independent Director) | 2 out of 2 | 100 | NA |

* Appointed as Managing Director and designated as Vice- Chairman & MD w.e.f. July 15, 2023

**Appointed as MD & CEO w.e.f. April 04, 2023 and resigned w.e.f. July 14, 2023. Only two meetings were held during his tenure.

#Appointed as Independent Director w.e.f. October 11, 2023 and two meetings were held during the financial year 2023-24 post his appointment.

COMMITTEES OF THE BOARD

The Board has constituted various statutory committees with specific terms of reference as provided under the Act and the Listing Regulations to handle the specific responsibilities and strengthen the governance structure of the Board. Each Committee operates within its defined terms of reference, outlining its scope, powers, responsibilities, and composition. The Chairperson of each Committee provides the Board with a summary of discussions taken during the respective Committee meeting. The process and procedures being followed for the Board meetings are equally applicable for the Committee meetings. Minutes of the Committee meetings are circulated to the respective Committee members and also placed before the Board for noting. Special invitees may attend Committee meetings upon request. Throughout the year, the Board has endorsed all recommendations put forth by the respective Committees.

Committees of the Board as on March 31, 2024:

| Audit Committee | Risk Management Committee | Nomination & Remuneration Committee | Corporate Social Responsibility Committee | Stakeholders Relationship Committee |
|---------------------------------|---------------------------------|-------------------------------------|---|-------------------------------------|
| Mr. TCA Ranganathan (C) | Mr. TCA Ranganathan (C) | Mrs. Alka Marezban Bharucha (C) | Mr. K Pradeep Chandra (C) | Mrs. Alka Marezban Bharucha (C) |
| Mr. Desh Deepak Khetrapal (M) | Mr. Desh Deepak Khetrapal (M) | Mr. C K Birla (M) | Mr. Desh Deepak Khetrapal (M) | Mr. Desh Deepak Khetrapal (M) |
| Mr. K Pradeep Chandra (M) | Mr. K Pradeep Chandra (M) | Mr. TCA Ranganathan (M) | Mr. TCA Ranganathan (M) | Mr. K Pradeep Chandra (M) |
| Mrs. Alka Marezban Bharucha (M) | Mrs. Alka Marezban Bharucha (M) | Mr. K Pradeep Chandra (M) | | |
| Mr. Raju Lal (M) | Mr. Raju Lal (M) | | | |

C - Chairman, M - Member

AUDIT COMMITTEE

The primary function of the Audit Committee is to support the Board in fulfilling its governance and oversight responsibilities in relation to financial reporting, internal control structure, risk management, internal and external audit functions, regulatory compliances and ethical accountability. The composition and terms of reference of the Audit Committee is in line with the requirements stipulated in Section 177 of the Act and Regulation 18(1) of the Listing Regulations. As on March 31, 2024, Audit Committee comprises of five members, out of which four being Independent Directors. Chairman of the Audit Committee is an Independent Director and all its members possess financial literacy and expertise in accounting and financial management. The Company Secretary serves as the secretary to the Audit Committee.

Summary of Committee's Role / Responsibilities:

The Audit Committee's roles and responsibilities as stipulated by Listing Regulation and the Act, *inter-alia*, includes the following:

1. Overseeing the Company's financial reporting and reviewing financial statements, policies, and compliances.
2. Recommending auditor's appointments and remuneration, and monitoring auditors' independence and performance.

3. Appointment of Chief Financial Officer.
4. Reviewing Internal Audit and evaluating internal controls and risk.
5. Reviewing fund usage and suggesting actions.
6. Approving transactions with related parties.
7. Scrutinizing loans, investments, and assets and ensuring adequacy of internal audit.
8. Addressing payment defaults and overseeing whistleblowing mechanisms.
9. Undertaking any other functions assigned by the Board or mandated by laws, rules, or regulations.

Meetings and Attendance

At least one meeting of the Audit Committee is held in each quarter. Maximum gap between two consecutive meetings did not exceed one hundred and twenty days. Senior Management Personnel including, Chief Financial Officer, Strategy Head, Group Internal Audit Head, the Chief Internal Auditor, Statutory Auditors and Internal Auditors are invitees to the Audit Committee meetings. During the financial year 2023-24, four

Audit Committee meetings were held on May 12, 2023, August 02, 2023, November 03, 2023 and February 01, 2024. All recommendations made by the Audit Committee were accepted by the Board. The Chairman of the Committee was present at the AGM, held on August 02, 2023.

Audit Committee: Composition, number of meetings held during the financial year 2023-24 and attendance therein:

| Name & Category of the Director | Meetings held & attended | % of attendance |
|---|--------------------------|-----------------|
| Mr. TCA Ranganathan (C) <i>Independent Director</i> | 4 out of 4 | 100 |
| Mr. Desh Deepak Khetrapal (M) <i>Executive Director</i> | 4 out of 4 | 100 |
| Mr. K Pradeep Chandra (M) <i>Independent Director</i> | 4 out of 4 | 100 |
| Mrs. Alka Marezban Bharucha (M) <i>Independent Director</i> | 4 out of 4 | 100 |
| #Mr. Raju Lal (M) <i>Independent Director</i> | 1 out of 1 | 100 |

C - Chairman, M- Member

#Appointed as member of the Audit Committee w.e.f. November 03, 2023.

Internal Controls and Risk Management

The Company maintains a robust system of Internal Controls which is commensurate with its size and complexity of business operations. The robust Internal Control System helps provide efficiency in execution, ensures completeness of data and records, and increases reliability on reports. These internal controls also facilitate optimum utilization of resources, protect Company's assets and investors' interests. The Company has implemented Internal Financial Controls, Whistle Blower Policy, Fraud Risk Framework Policy and Risk Management Policy, to address different risks. Standard Operating Procedures and policies are established to guide business operations, with function heads responsible for ensuring compliance. Continuous internal monitoring mechanisms facilitate the timely identification of risks and issues. An independent external audit team, supported by internal audit department, conducts audits in accordance with an approved annual internal audit plan, endorsed by the Audit Committee, which is worked out in alignment with business priorities and developments. Audits focus on reviewing internal controls and risks across the Company's operations, including plants, offices, warehouses, and centrally controlled businesses and functions. A summary of

significant audit observations and associated follow-up actions are presented quarterly before the Audit Committee. The Audit Committee regularly reviews significant audit findings of the Internal Audit Function, covering operational, financial and other areas and providing guidance on strengthening internal controls. The Management rigorously tests the Company's control environment to ensure its effectiveness, which is later audited by both the Statutory and Internal Auditors.

Vigil Mechanism - Whistle Blower Policy

The Company has set up a robust Vigil Mechanism and has adopted a Whistle Blower Policy to report concerns about unethical behavior, actual or suspected fraud, or violation of the Company's Code of Conduct. The said policy is in line with the requirements of the Vigil Mechanism under the Act and covers instances of leakage of unpublished price sensitive information as per SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018. Under the Vigil Mechanism, the Company has dedicated an email ID, wherein the whistle blower can report any acts of unacceptable behaviour inconsistent with the Company's Code of Conduct, having an adverse effect on the Company's financials and reputation and instances of sharing of unpublished price sensitive information. Access of this email is provided only to Ombudsman. The person can report the matter anonymously too, in sealed envelope addressed to Ombudsman. The Whistle Blower policy of the Company provides for adequate safeguards against victimisation of persons who blow the whistle and also provides for direct access to the Chairperson of the Audit Committee. During the financial year 2023-24, no person has been denied access to the Audit Committee to report any concern. The Audit Committee of the Company oversees the implementation of the Whistle Blower Policy. Matters reported are investigated properly, impartially and within the allowed time frame by the Whistle Blower Committee / Team authorised for specific matters, maintaining complete confidentiality. Every quarter a report is presented before the Audit Committee as well as the Board on the matters / complaints received, if any, in vigil mechanisms along with status of investigation and proposed actions. During the financial year 2023-24, no such complaint was received in Vigil Mechanism. The Whistle Blower Policy of the Company has been disseminated within the Company and can also be assessed at <https://www.orientelectric.com/images/investors/whistle-blower-policy.pdf>.

Fees paid to Statutory Auditor

During the financial year 2023-24, Company had paid following fees to the statutory auditors and the entities in their network firm:

| S. No. | Particulars | Purpose | Amount* |
|--------------|--|-----------------------------------|-------------|
| 1 | M/s. S.R. Batliboi & Co. LLP | Statutory Audit | 0.59 |
| | | Other Services | 0.06 |
| 2 | Ernst & Young LLP, (Network firms / entity) | Consultancy / Advisory Charges | 0.29 |
| Total | | | 0.94 |

*Excluding reimbursement of expenses, surcharges, and taxes.

RISK MANAGEMENT COMMITTEE

The Board has constituted the Risk Management Committee in accordance with the requirements of the Listing regulations, to identify risks across various areas of operations and develop policies to mitigate them. The primary objective of the Committee is to assist the Board in identifying potential events that, if they occur, may affect the entity and to manage those risks within its risk appetite. The Committee ensures timely communication of risk assessment and mitigation procedures to the members of the Audit Committee and the Board. The Company has adopted a Risk Management Policy in accordance with the provisions of the Act and Listing Regulations. The Risk Management Committee comprises of five Directors out of whom four are Non-Executive Directors and one is Executive Director. The Company Secretary of the Company acts as the Secretary to the Committee. The Chief Risk Officer is permanent invitee to the Committee meetings.

Summary of Committee's Role / Responsibilities:

The Risk Management Committee's roles and responsibilities as stipulated by Listing Regulation, inter-alia, includes the following:

1. Formulating a comprehensive Risk Management Policy covering: (a) Identification of internal and external risks; (b) Measures for risk mitigation and Business continuity planning.
2. Establishing appropriate methodology, processes, and systems to monitor and evaluate risks, overseeing policy implementation and evaluating system adequacy.
3. Periodically reviewing the policy in light of industry dynamics.
4. Periodically reporting Committee discussions, recommendations, and actions to the Board
5. Reviewing Chief Risk Officer appointment, removal, and remuneration.

6. Coordinate activities with other committees, obtaining information from employees and seeking legal / professional / expert advice or opinion.
7. Monitor and review the Risk Management Plan periodically and ensuring appropriate risk management systems and controls are in place.
8. Perform any other functions as necessary, mandated under the Act, Listing Regulations, or any other law or directed by the Board.

Meetings and Attendance:

During the financial year 2023-24, the Committee met three times on April 05, 2023, September 29, 2023 and March 22, 2024. Further, the time gap between two consecutive meetings did not exceed 180 days. The Chairman of the Risk Management Committee was present at the last AGM, held on August 02, 2023.

Risk Management Committee: Composition, number of meetings held during the financial year 2023-24 and attendance therein:

| Name & Category of the Director | Meetings held & attended | % of attendance |
|--|--------------------------|-----------------|
| Mr. TCA Ranganathan (C) <i>Independent Director</i> | 3 out of 3 | 100 |
| Mr. Desh Deepak Khetrpal (M) <i>Vice- Chairman & Managing Director</i> | 3 out of 3 | 100 |
| Mr. K Pradeep Chandra (M) <i>Independent Director</i> | 3 out of 3 | 100 |
| Mrs. Alka Marezban Bharucha (M) <i>Independent Director</i> | 3 out of 3 | 100 |
| # Mr. Raju Lal (M) <i>Independent Director</i> | 1 out of 1 | 100 |

C - Chairman, M- Member

#Appointed member of the Risk Management Committee w.e.f. November 03, 2023.

NOMINATION AND REMUNERATION COMMITTEE

The composition and terms of reference of the Nomination and Remuneration Committee ('NRC') is in line with the requirements of Section 178 of the Act and Regulation 19 of the Listing Regulations. NRC consists of four Non-Executive Directors out of whom three are Independent Directors. The Company Secretary acts as the secretary to the NRC. The NRC also plays the role of the Compensation Committee under the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ('SEBI SBEB Regulations'), and administers the Orient Electric Employee Stock Option Scheme-2019.

Summary of Committee's Role/Responsibilities:

Role/ responsibilities of NRC, inter-alia, includes the following:

1. Devising policies on Board diversity and director's / senior management's appointment / remuneration.
2. Identifying qualified candidates for leadership roles.
3. Sets performance evaluation criteria for Directors and ensure competitive and motivating remuneration.
4. Maintains transparency in remuneration and performance alignment and balances fixed and incentive pay based on goals.
5. Recommending remuneration for senior management.
6. Overseeing the administration of the Employee Stock Option Scheme of the Company.
7. Undertaking any other functions specified under the Act, Listing Regulations, or any other role prescribed by law or the Board of Directors.

Meetings and Attendance:

NRC met three times during the financial year 2023-24, on May 12, 2023, July 14, 2023 and February 01, 2024. The Chairperson of the NRC was present at the last AGM, held on August 02, 2023.

NRC - composition, number of meetings held during the financial year 2023-24 and attendance therein:

| Name & Category of the Director | Meetings held & attended | % of attendance |
|--|--------------------------|-----------------|
| Mrs. Alka Marezban Bharucha (C) <i>Independent Director</i> | 3 out of 3 | 100 |
| Mr. Chandra Kant Birla (M) <i>Non-Executive Director, Promoter</i> | 3 out of 3 | 100 |
| Mr. TCA Ranganathan (M) <i>Independent Director</i> | 3 out of 3 | 100 |
| Mr. K Pradeep Chandra (M) <i>Independent Director</i> | 3 out of 3 | 100 |

C - Chairperson, M- Member

Nomination and Remuneration Policy

In accordance with the provisions of the Act and the Listing Regulations, the Company has adopted a Nomination and Remuneration Policy for the Directors, Key Managerial Personnel and Senior Management of the Company. This policy can be assessed at <https://www.orientelectric.com/images/investors/nomination-remuneration-policy.pdf>.

The said policy, inter-alia, provides for various factors to be considered by the NRC for finalising and recommending any candidate for the position of Director, Key Managerial Personnel or Senior Management Person, fixing their remuneration, in whatever form, including ESOPs, if any, and evaluation of performance of the Board, its committees and individual Directors. This policy provides that the remuneration of Managing Director, Chief Executive Officer, Key Managerial Personnel and Senior Management Officers will have a mix of fixed and performance linked pay. The payment of performance linked payment is based on the performance of the individuals and the overall performance of the Company for the year.

Remuneration - Executive Directors

Remuneration of Managing Director is a mix of fixed pay, allowances and performance linked pay.

Details of remuneration of Managing Director(s) of the Company for the financial year 2023-24 are as under:

(INR crores unless otherwise stated)

| Name | Salary, Allowances & Perquisites | Annual performance Linked Pay & performance criteria | Retiral Benefit | Total | Notice Period/ Severance Fee | No. of Shares held |
|---|----------------------------------|--|-----------------|-------|------------------------------|--------------------|
| Mr. Desh Deepak Khetrapal* [^] | 1.71 | 0.39 | Nil | 2.10 | Nil | Nil |
| Mr. Rajan Gupta [#] | 1.41 | 0.67 | 0.11 | 2.19 | 1.60 | Nil |
| Mr. Rakesh Khanna [#] | 0.02 | Nil | 0.003 | 0.023 | 0.34 | 1,09,328 |

[^]The remuneration does not include gratuity and leave benefits, as they are determined on actuarial basis for the Company as a whole. Annual performance linked pay for the financial year 2023-24 has been considered as per the provision taken in the financials of the Company in accordance with its provision policy.

[#]Appointed as Managing Director and designated as Vice - Chairman & Managing Director of the Company w.e.f. July 15, 2023. He is also Managing Director of Orient Cement Limited and the remuneration paid to him from the Company is in compliance with the provisions of the Act.

[#]Remuneration details for following are for the period they remained in the employment of the Company during financial year 2023-24:

- Mr. Rajan Gupta was appointed as the Managing Director and CEO of the Company w.e.f. April 04, 2023, and he resigned w.e.f. close of business hours on July 14, 2023. He was granted 3,32,180 number of stock options, which were lapsed upon his separation from the Company.
- [§]Mr. Rakesh Khanna resigned as the Managing Director and CEO of the Company w.e.f. the close of business hours on April 03, 2023. Number of shares held are as on March 31, 2024.

Non- Executive Director(s)

Non-Executive Directors including Independent Directors are paid remuneration in the form of Commission, subject to the overall limit of 1% as prescribed under the Act and also approved by the shareholders of the Company. The specific amount of Commission distributed amongst the Non-Executive Directors is determined by the Board, following recommendations from the Nomination and Remuneration Committee. Payment to any non-executive director does not exceed fifty per cent of the total payment made to all the non-executive directors during the year under review. Payment of commission is based upon various factors including attendance at Board and Committee meetings, Chairmanships held by Directors on various Committees and overall contribution in the operational and strategic matters. In addition to Commission, Non-Executive Directors are compensated with sitting fees for their participation in Board and Committee meetings, adhering to the limits prescribed by the Act.

Details of sitting fees and Commission paid / payable by the Company to all the Non- Executive Directors during the financial year 2023-24, are as follows:

(INR crores unless otherwise stated)

| Directors' Name | Sitting fees | Commission [#] | Shareholding (No.) |
|-----------------------------|--------------|-------------------------|--------------------|
| Mr. Chandra Kant Birla | 0.07 | 0.32 | 34,85,893 |
| *Mr. Desh Deepak Khetrapal | 0.05 | - | Nil |
| Mr. TCA Ranganathan | 0.16 | 0.14 | Nil |
| Mr. K Pradeep Chandra | 0.17 | 0.12 | Nil |
| Mrs. Alka Marezban Bharucha | 0.15 | 0.12 | Nil |
| **Mr. Raju Lal | 0.05 | 0.06 | Nil |

[#]For the financial year 2023-24.

*For the period before appointment as Managing Director w.e.f. July 15, 2023.

**Appointed as Independent Director w.e.f. October 11, 2023.

Apart from above, there was no other pecuniary relationship or transaction of the Non-Executive Directors with the Company. During the year, the Company has not issued any convertible securities and no such securities of the Company, accordingly, held by any Director of the Company.

Directors' Performance Evaluation

Evaluation of the Board of Directors is an important part of the Board's Corporate Governance framework. The purpose of the Board evaluation is to continuously improve governance at the Board level with the involvement of all stakeholders in a harmonious environment.

In Orient Electric, Board Evaluation is a three-tier process conducted under the supervision of Nomination and Remuneration Committee within the framework of Section 149(8) read with Section 178 and Schedule IV of the Act, Regulations 17(10), 19(4) and Part D of Schedule II of the Listing Regulations and considering the guidance note issued by the Securities and Exchange Board of India. First, the Independent Directors evaluated the performance of the Chairman, the Executive Director, and the complete Board. Thereafter, each individual director, each committee of the Board and the complete board get evaluated. Evaluation is carried out on the basis of a set of questionnaires responded by each individual director / committee member separately for other directors / committee member, except for himself / herself.

Evaluation of the Chairperson included parameters such as demonstration of effective leadership, process for settling Board agenda, freedom of expression of views by other board members, quality of discussions at the meetings, communication with the Board members, use of time and overall efficiency of meetings. Evaluation of directors was based on several parameters including acquaintance with business, effective participation, domain knowledge, compliance with code of conduct, dedication of time and effort to understand the Company and its business, quality of contribution during meetings, application of knowledge and experience in strategic considerations, communication

inter se between board members and others. Evaluation of committees included parameters such as effective composition, clearly defined roles and responsibilities, effectiveness in fulfilling assigned duties, communication effectiveness with the Board, Senior Management, and Key Managerial Personnel. Independent Directors underwent additional evaluation to assess their performance and adherence to independence criteria, ensuring their autonomy from management.

Outcome of Performance Evaluation

Following are key outcome of evaluation exercise, as communicated to the Board:

- Directors appreciated the values espoused by the Chairman and described him as an excellent leader.
- Managing Director is very competent and showcasing complete professionalism.
- Effective and free deliberation happens during the meetings. Each director is devoting sufficient time and efforts in the matters being placed for discussion before the meetings.
- The Board and all the Committees of the Board are discharging respective responsibilities effectively.
- Executive, Non-Executive and Independent Directors are meeting all the criteria.
- The Board processes are adequate and effective. The meetings are properly organised. All details and relevant documents are provided to the Directors well in advance, facilitating the fruitful discussion and decisions during the meetings.

Directors and Officers Liability Insurance (D&O)

As per the provisions of the Listing Regulations, the Company has taken a Directors and Officers Liability Insurance (D&O) on behalf of all directors including Independent Directors and Senior Officers, of the Company for indemnifying any of them against any liability alleged for any negligence, default, misfeasance, breach of duty or breach of trust.

Senior Management and Changes therein

Basis the criteria specified in Regulations 169(1)(d) of the Listing Regulations, the NRC has identified the officers of the Company based upon their position and roles who would be categorised as 'Senior Management Personnel' ('SMP'). Details of SMP as on March 31, 2024 and changes therein during the year are as under:

| Name | Designation |
|---------------------|---|
| Ms. Avani Birla | President Strategy |
| Mr. Saibal Sengupta | Chief Financial Officer |
| Mr. Gaurav Dhawan | BU Head - Electric Consumer Durables |
| Mr. Kapil Kohli | Head - Digital Revenue & Retail |
| Ms. Anika Agarwal | Chief Marketing & Customer Experience Officer |
| Mr. Aditya Kohli | Chief Human Resource Officer |

| Name | Designation |
|------------------------------|---|
| Mr. Bhagirath Singh Galgat | Head- Manufacturing Excellence & Special Projects |
| *Ms. Jyotsna Balasubramanian | Head - Internal Audit |
| Mr. Hitesh Kumar Jain | Company Secretary |

*Joined w.e.f. October 04, 2023.

- Mr. Salil Kapoor, BU Head - Appliances resigned w.e.f. July 10, 2023
- Mr. Manoj Dhar, Head - Internal Audit, resigned w.e.f. May 25, 2023.
- Mr. Puneet Dhawan, Exec. Vice President - Lighting BU & Switchgear, Wiring Accessories, resigned w.e.f. December 31, 2023.

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The composition and terms of reference of the Corporate Social Responsibility ('CSR') Committee is in line with the Section 135 of the Act. The CSR Committee comprises of three Directors, out of whom two are Independent Directors. The Chairman of the Committee is an Independent Director. The Company Secretary of the Company acts as the secretary to the CSR Committee.

Summary of Committee's Role / Responsibilities:

The CSR Committee's roles and responsibilities, in accordance with the Act and the Companies (Corporate Social Responsibility Policy) Rules, 2014, include:

1. Formulates CSR Policy aligned with Schedule VII of the Act.
2. Recommends the budget for CSR activities.
3. Monitor CSR Policy implementation.
4. Review the progress of identified CSR activities.
5. Develop and recommends Annual Action Plan to the Board, including approved projects, execution methods, fund utilization details, monitoring mechanisms, and impact assessment.

Meetings and Attendance:

During the financial year 2023-24, the CSR Committee met three times i.e. on May 12, 2023 and November 03, 2023 and February 01, 2024. The Chairman of the CSR Committee was present at the last AGM, held on August 02, 2023.

CSR Committee: Composition, number of meetings held during financial year 2023-24 and attendance therein:

| Name & Category of the Director | Meetings held & attended | % of attendance |
|---|--------------------------|-----------------|
| Mr. K Pradeep Chandra (C) <i>Independent Director</i> | 3 out of 3 | 100 |
| Mr. Desh Deepak Khetrapal (M) <i>Executive Director</i> | 3 out of 3 | 100 |
| Mr. TCA Ranganathan (M) <i>Independent Director</i> | 3 out of 3 | 100 |

C - Chairperson, M- Member

Corporate Social Responsibility Policy

The Company has a Policy on CSR which outlines the Company's philosophy and responsibility and lays down the guidelines and mechanism for undertaking socially impactful activities towards welfare and sustainable development of the community around the area of its operations and other parts of the Country. The Policy strives towards welfare and sustainable development of the different segments of the community, specifically the deprived and underprivileged segment.

The Policy is available on the Company's website at <https://www.orientelectric.com/images/investors/corporate-social-responsibility-policy.pdf>.

STAKEHOLDERS' RELATIONSHIP COMMITTEE

In accordance with the requirements of Section 178 and regulation 20 of the Listing Regulations, the Board has constituted the Stakeholders' Relationship Committee ('**SR Committee**'), to supervise the effective redressal of grievances and addressing the concerns of stakeholders. As on March 31, 2024, the SR Committee comprises of three Directors, with a majority being Independent Directors. The Chairperson of the SR Committee is a Woman Independent Director. In compliance with Regulation 6 of the Listing Regulations, the Company Secretary serves as the Compliance Officer of the Company and Secretary to the SR Committee.

Summary of Committee's Role / Responsibilities:

The roles and responsibilities of the SR Committee are in line with the requirements of Section 178 of the Act and Regulation 20 read with Part D of Schedule II of the Listing Regulations, which, inter-alia, include the following:

1. Supervises swift resolution of shareholder grievances, including share transfer / transmission and dividend issues and ensures efficient share transfer and transmission processes.
2. Reviews measures to enhance shareholders' voting rights.
3. Assesses Registrar and Share Transfer Agent performance and service standards.
4. Initiates actions to minimize unclaimed dividends and ensure timely receipt of documents by shareholders and facilitates share issuance for duplicate / remat / renewal requests.
5. Undertaking any other functions or obligations as assigned by the Board.

Meetings and Attendance

During the financial year 2023-24, the SR Committee met two times i.e. on August 02, 2023 and February 01, 2024. The Chairperson of the SR Committee was present at the last AGM, held on August 02, 2023.

SR Committee: Composition, number of meetings held during financial year 2023-24 and attendance therein:

| Name & Category of the Director | Meetings held & attended | % of attendance |
|---|--------------------------|-----------------|
| Mrs. Alka Marezban Bharucha (C) <i>Independent Director</i> | 2 out of 2 | 100 |
| Mr. Desh Deepak Khetrapal (M)[#] <i>Executive Director</i> | 2 out of 2 | 100 |
| Mr. K Pradeep Chandra (M) <i>Independent Director</i> | 2 out of 2 | 100 |

C - Chairperson, M- Member

[#]Appointed w.e.f. July 15, 2023

Investor's Grievance Redressal Mechanism

The SEBI has streamlined the process of seeking resolution of grievances by the shareholders. Shareholders are now required to approach the authorities chronologically.

a. Shareholder's Service Requests – Company / RTA

Shareholders are now first required to approach the company / RTA for seeking resolutions of its concerns / grievances. Shareholders' concerns related to share transfers, transmission, dematerialisation of shares, dividend payments and all other investor-related services are attended to and processed at the office of the Company's RTA. For any grievances /complaints, shareholders may contact the RTA at inward.ris@kfintech.com. For any escalations, shareholders may write to the Company at investor@orientelectric.com.

The manner and process of making application as per the revised framework and operational guidelines thereto is available in the Investors section on the website of the Company at <https://www.orientelectric.com/investors/regulation-disclosures#investors-contact>.

b. Web-based Query Redressal System – RTA of the Company provides Web-based Query Redressal System which the shareholders may utilise to seek redressal of their grievances. Shareholders may visit <https://karisma.kfintech.com/client/>, register themselves and raise queries in "investors Query" option for query

registration. After logging in, shareholders can submit their query in the "QUERIES" option provided on the website, which would give the grievance registration number. For accessing the status / response to their query, the same number can be used at the option "VIEW REPLY" after 24 hours. The shareholders can continue to put additional queries relating to the case till they are satisfied.

Shareholders are also encouraged to provide their feedback on the services provided by the Company and its RTA by submitting the Shareholder Satisfaction Survey Form, in order to enable the Company to improve its services. This feedback Form is available in the Investor section on the website of the Company, weblink of the same is as follows: <https://www.orientelectric.com/images/investors/shareholders-feedback-form.pdf>

c. SCORES - SEBI Complaints Redress System

The investor's complaints are processed in a centralised web-based complaints redressal system. The salient features of this system are as stated under:

1. Centralised database of all complaints;
2. Online upload of Action Taken Reports (ATRs) by concerned companies; and
3. Online viewing by investors of actions taken on the complaint and its current status.

Through SCORES the investors can view online, the actions taken and current status of the complaints. In its efforts to improve ease of doing business, SEBI has launched a mobile app "SEBI SCORES", making it easier for investors to lodge their grievances with SEBI, as they can now access SCORES at their convenience on a smart phone.

d. Online Dispute Resolution Portal – SEBI's alternative Dispute Resolution Mechanism

Pursuant to the SEBI (Alternative Dispute Resolution Mechanism) (Amendment) Regulations, 2023, the SEBI vide its circular dated July 31, 2023 as amended by circular dated August 04, 2023, introduced the mechanism of Online Dispute Resolution ('ODR') with the objective to streamline the dispute resolution process in the Indian securities market under the aegis of stock exchanges and depositories, called as Market Infrastructure Institutions ('MIIs') and launched a common ODR Portal, which harnesses online conciliation and online arbitration for resolution of disputes arising in the Indian Securities Market. All MIIs are required to provide access of ODR Portal to listed companies, including their Registrar and Share Transfer Agents and investors in the securities market to facilitate the resolution of their disputes in a time bound manner through online conciliation / arbitration by the empaneled conciliators / arbitrators. After exhausting the options for resolution of the grievance through direct service request with the company / RTA and SCORE, if the investors are still not satisfied with the outcome and the matter is not pending before any judicial authority, they can initiate dispute resolution through the ODR Portal. A link for ODR Portal can be accessed at the website of the Company at <https://www.orientelectric.com/investors/regulation-disclosures#investors-contact>

Investors' Complaints

Details of complaints received and resolved during the financial year 2023-24 are as follows:

No. of Complaints pending at beginning of the financial year: 0
 No. of Complaints received during the financial year: 6
 No. of Complaints resolved during the financial year: 6
 No. of Complaints pending at the end of the financial year: 0

GENERAL BODY MEETINGS

Particulars of past three AGMs and the summary of Special Resolutions passed therein are as follows:

| AGM | Financial Year | Venue | Day and Date | Time | Special Resolutions Passed |
|-----|----------------|--|------------------------------|----------|---|
| 7th | 2023-24 | Held through VC/ORVM Deemed venue: Unit - VIII, Plot No. 7, Bhoinagar, Bhubaneshwar-751012 (Odisha) | Wednesday August 02, 2023 | 03:30 PM | None |
| 6th | 2022-23 | Held through VC/ORVM Deemed venue: Unit - VIII, Plot No. 7, Bhoinagar, Bhubaneshwar-751012 (Odisha) | Monday, July 25, 2022 | 03:30 PM | Remuneration of Mr. Rakesh Khanna, Managing Director & CEO of the Company, for the financial year 2022-23 |
| 5th | 2021-22 | Held through VC/ORVM Deemed venue: Unit - VIII, Plot No. 7, Bhoinagar, Bhubaneshwar-751012 (Odisha) | Thursday, July 29, 2021 | 03:00 PM | None |

All the above resolutions as placed before the shareholders of the Company were passed with the requisite majority.

Postal Ballot

During the financial year 2023-24, three postal ballots were conducted by the Company for seeking approval of its members. Details of these postal ballots are as under:

1. Postal Ballot Notice: May 12, 2023

Voting period: May 23, 2023 to June 21, 2023

Date of declaration of result: June 22, 2023

Scrutiniser: Mr. Atul Kumar Labh

Effective date of approval: June 21, 2023

Voting Results:

| Sr. No. | Resolution | Type of Resolution | Votes in Favour (No. & %) | Votes Against (No. & %) |
|---------|---|---------------------|------------------------------|----------------------------|
| 1 | Appointment of Mr. Rajan Gupta (DIN 07603128) as Director not liable to retire by rotation | Ordinary Resolution | 16,81,66,342 (95.14%) | 85,98,369 (4.86 %) |
| 2 | Appointment of Mr. Rajan Gupta (DIN 07603128) as the Managing Director of the Company | Ordinary Resolution | 16,82,50,812 (95.18 %) | 85,13,918 (4.82 %) |
| 3 | Approval of remuneration of Mr. Rajan Gupta, Managing Director & Chief Executive Officer of the Company | Ordinary Resolution | 1,340,30,845 (75.82%) | 4,27,33,834 (24.17%) |
| 4 | Approval of remuneration of Mr. Rakesh Khanna (DIN:00266132) | Ordinary Resolution | 15,90,47,595 (89.977%) | 1,77,17,079 (10.023%) |

2. Postal Ballot Notice: August 02, 2023**Voting period: August 12, 2023 to September 10, 2023****Date of declaration of result: September 11, 2023****Scrutiniser: Mr. Atul Kumar Labh****Effective date of approval: September 10, 2023****Voting Results:**

| Sr. No. | Resolution | Type of Resolution | Votes in Favour (No. & %) | Votes Against (No. & %) |
|---------|---|---------------------|------------------------------|----------------------------|
| 1 | Appointment of Mr. Desh Deepak Khetrapal (DIN: 02362633) as the Managing Director of the Company for a period of 1 year w.e.f July 15, 2023 | Ordinary Resolution | 16,51,93,965 (91.14%) | 1,60,61,337 (8.86%) |
| 2 | Approval of remuneration of Mr. Desh Deepak Khetrapal as Managing Director | Ordinary Resolution | 16,51,93,370 (91.14%) | 1,60,61,927 (8.86%) |

3. Postal Ballot Notice: November 03, 2023**Voting period: November 11, 2023 to December 10, 2023****Date of declaration of result: December 11, 2023****Scrutiniser: Mr. Atul Kumar Labh****Effective date of approval: December 10, 2023****Voting Results:**

| Sr. No. | Resolution | Type of Resolution | Votes in Favour (No. & %) | Votes Against (No. & %) |
|---------|---|--------------------|------------------------------|----------------------------|
| 1 | Appointment of Mr. Raju Lal as an Independent Director of the Company | Special Resolution | 18,31,63,277 (99.50%) | 9,06,245 (0.49%) |

Procedure followed for Postal Ballot

- The Postal Ballots were carried out in compliance with the provisions of Sections 108 and 110 and other applicable provisions of the Act, Rules framed thereunder, various circulars issued by the Ministry of Corporate Affairs (**'MCA'**) in this regard and Regulation 44 of the Listing Regulations. The Company engaged its Registrar and Share Transfer Agent (**'RTA'**) (**Kfin Technologies Limited**) for the purpose of providing e-Voting facility to all its shareholders, to enable them to cast their votes electronically. In accordance with the circulars, issues by MCA, physical ballot papers were not dispatched to the shareholders. Further, the communication of the assent or dissent of the members took place through the remote e-voting system only.
- The Notices also specified the procedure for registering the email addresses and obtaining the Notice of postal ballot and remote e-voting instructions by the shareholders whose email addresses were not registered with the depositories.
- The Board appointed Mr. Atul Kumar Labh, Company Secretary in Practice (Membership No. FCS 4848), of M/s. A.K. Labh & Co., Company Secretaries, as the Scrutinizer (**'Scrutinizer'**) for conducting the respective Postal Ballots through e-Voting in accordance with the provisions of the Act and the Rules made thereunder and the Listing Regulations in a fair and transparent manner.
- Advertisements were published in the Newspapers viz. 'Financial Express' (English) and 'Odiya Bhaskar' (Odiya) on May 23, 2023, August 12, 2023 and November 11, 2023, respectively, giving the requisite details as per the provisions of the Act, MCA circulars and Secretarial Standard - 2.
- The results of the respective Postal Ballots along with the Scrutinizer's report were placed on the websites of the Company www.orientelectric.com, RTA <https://evoting.kfintech.com> and were also communicated to the Stock Exchanges.

Special Resolution Proposed through Postal Ballot: As on the date of this Report, no special resolution is proposed to be passed through the Postal Ballot.

Extraordinary General Meeting: No Extraordinary General Meeting was held during the past 3 years.

GENERAL SHAREHOLDER INFORMATION

| | |
|--|---|
| AGM Day, Date, Time & Venue | Thursday, 01 August, 2024, 03:30, PM through Video Conferencing/ Other Audio - Visual Means. Deemed venue: Registered Office at Unit VIII, Plot No. 7, Bhoinagar, Bhubaneswar - 751012, Odisha |
| Financial Year | April 01 to March 31 |
| Book Closure Date for AGM and Final Dividend | Thursday, July 26, 2024 to Thursday, August 01, 2024 (Both days inclusive) |
| Listing of Equity Shares on Stock Exchanges | BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400001; National Stock Exchange of India Limited, Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E), Mumbai-400051 |
| Stock Code | BSE Limited: 541301 National Stock Exchange of India Ltd.: ORIENTELEC |
| ISIN | INE142Z01019 |
| Listing Fees | Listing fees as prescribed have been paid to the above stock exchanges for the financial year ended March 31, 2024. |
| Registrar and Share Transfer Agents | KFin Technologies Limited, Karvy Selenium Tower B, Plot 31-32, Gachibowli Financial District, Panakranga, Hyderabad 500 032 Tel: 1800 345 4001 (Tollfree) E-mail: einward.ris@kfintech.com Website: www.kfintech.com |
| Company Secretary / Compliance Officer & Contact Detail | Mr. Hitesh Kumar Jain, Company Secretary 240, Okhla Industrial Estate, Phase-III, Okhla, New Delhi-110020 Phone: +91 11 40507000 E-mail: investor@orientelectric.com |

Distribution of Shareholding according to size, class and categories of shareholders as on March 31, 2024

| No. of shares | No. of Shareholders | % | No. of Shares | % |
|------------------|---------------------|---------------|---------------------|---------------|
| 1-5000 | 1,03,668 | 99.24 | 1,59,59,451 | 7.48 |
| 5001-10000 | 355 | 0.33 | 25,68,634 | 1.20 |
| 10001-20000 | 184 | 0.17 | 26,15,713 | 1.22 |
| 20001-30000 | 61 | 0.05 | 15,19,233 | 0.71 |
| 30001-40000 | 36 | 0.03 | 12,28,351 | 0.57 |
| 40001-50000 | 18 | 0.01 | 8,28,568 | 0.39 |
| 50001-100000 | 36 | 0.03 | 24,34,332 | 1.14 |
| 100001-and Above | 98 | 0.09 | 18,62,11,617 | 87.27 |
| Total | 1,04,456 | 100.00 | 21,33,65,899 | 100.00 |

Category of Shareholding as on March 31, 2024

| Category | No. of Shares | (%) of Shares |
|-----------------------------------|---------------------|---------------|
| Promotor / Promoter Group | 8,17,33,294 | 38.31 |
| Public Shareholding | | |
| Institutional Investor | | |
| Mutual Funds | 5,54,17,304 | 25.97 |
| Financial Institutions and Banks | 1,52,012 | 0.07 |
| Insurance Companies | 14,26,242 | 0.67 |
| Alternative Investment Fund | 10,32,840 | 0.48 |
| Foreign Portfolio Investors | 1,39,07,225 | 6.52 |
| Non-Institutional Investor | | |
| Bodies Corporate and NBFC | 23,48,501 | 1.10 |
| Clearing Members | 409 | 0.00 |
| Non - Resident Individuals | 8,79,169 | 0.41 |
| TRUST | 59,452 | 0.03 |
| Overseas Corporate Bodies | 38,13,748 | 1.79 |
| IEPF | 5,57,238 | 0.26 |
| Qualified Institutional Buyer | 10,87,607 | 0.51 |
| Public and Others | 5,09,50,858 | 23.88 |
| Total Public Shareholding | 13,16,32,605 | 61.69 |
| Total Shareholding | 21,33,65,899 | 100.00 |

Dematerialization of Shares and Liquidity

99.69% of the Company's Equity Share Capital as on March 31, 2024, was held in dematerialised form with National Securities Depository Limited ('NSDL') and Central Depository Services (India) Limited ('CDSL').

Requests for dematerialisation of shares are processed by RTA after due verification and confirmation thereof is given to the respective depositories i.e. NSDL and CDSL, within the statutory time limit from the date of receipt of share certificates. A summary of approved transmissions, dematerialisation of shares, etc. is periodically placed before the SR Committee and the Board. Transactions involving issue of duplicate share certificates are approved by the SR Committee.

Share Transfer System

Share Transfer System of the Company is computerised and handled by RTA of the Company. The requests, if any, for share transfer, transmission, sub-division, consolidation, renewal, re-mat, duplicate etc. are processed by the RTA after verification of documents, within the prescribed time period. In accordance with the proviso to Regulation 40(1) of the Listing Regulations, effective from April 1, 2019, transfers of shares of the Company shall not be processed unless the shares are

held in dematerialized form with a depository. Accordingly, shareholders holding shares of the Company in physical form are urged to have their shares dematerialized so as to be able to freely transfer them.

Further, the shareholders may note that the trading in equity shares of the Company is permitted only in dematerialised form. As per revised framework, prescribed by SEBI, in order to expedite the processing, shares in the following service requests can be issued only in dematerialized form:

1. Issue of duplicate securities certificate
2. Claim from Unclaimed Suspense Account
3. Renewal / Exchange of securities certificate
4. Endorsement
5. Sub-division/Splitting of securities certificate
6. Consolidation of securities certificates/folios
7. Transmission
8. Transposition

As per the requirement of Regulation 40(9) of Listing Regulations, the Company has obtained the yearly certificate from the Company Secretary in practice for due compliance of share transfer formalities.

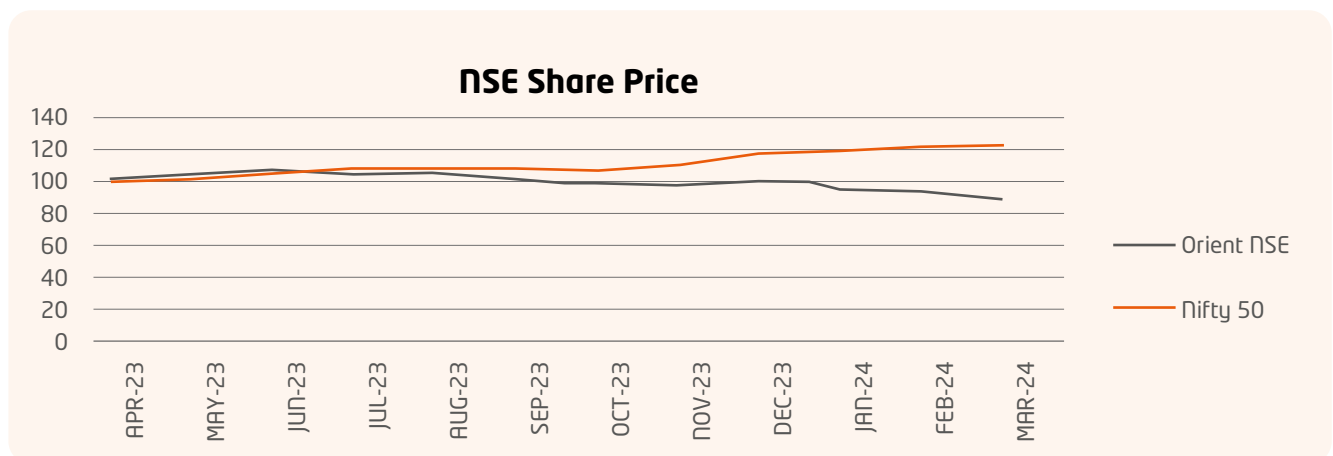
Updation of PAN, KYC and Nomination details by Physical Security holders

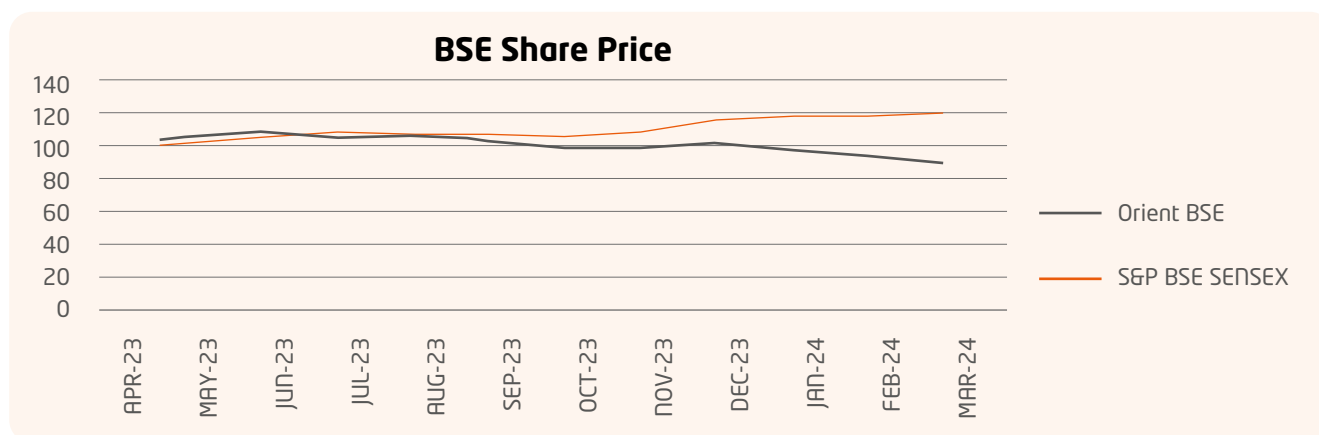
SEBI vide circular dated November 03, 2021 (subsequently amended by circulars dated December 14, 2021, March 16, 2023, Master Circular for Registrars to an Issue and Share Transfer Agents dated May 17, 2023 and November 17, 2023) has mandated for furnishing PAN, KYC, Contact details, Bank accounts details and Choice of Nomination details by holders of physical securities. Physical shareholders, in whose folios, the above details are not updated, shall be eligible for any payment including dividend, interest or redemption in respect of such folios, only through electronic mode with effect from April 01, 2024. In order to avoid withholding of dividend on such physical folios, holders of physical securities are advised to update their PAN, KYC, Contact details, Bank accounts details and Choice of Nomination details at the earliest. The relevant details of the Circular(s) and necessary forms in this regard have been made available on the website of the Company at www.orientelectric.com.

Members are advised to register their details with the RTA, in compliance with the said Circular(s) for smooth processing of their service requests.

Stock performance

| Month | BSE | | NSE | |
|--------|--------|--------|--------|--------|
| | High | Low | High | Low |
| Apr-23 | 262.25 | 220.00 | 260.00 | 220.00 |
| May-23 | 245.20 | 215.80 | 245.30 | 215.65 |
| Jun-23 | 247.40 | 232.00 | 247.50 | 232.00 |
| Jul-23 | 262.95 | 221.25 | 262.00 | 220.40 |
| Aug-23 | 247.00 | 226.15 | 247.00 | 225.65 |
| Sep-23 | 243.45 | 212.30 | 243.10 | 214.45 |
| Oct-23 | 229.95 | 207.55 | 229.80 | 207.70 |
| Nov-23 | 229.25 | 208.95 | 229.90 | 212.80 |
| Dec-23 | 246.00 | 215.15 | 246.00 | 215.15 |
| Jan-24 | 239.25 | 206.45 | 236.95 | 207.85 |
| Feb-24 | 227.10 | 189.10 | 227.60 | 189.00 |
| Mar-24 | 213.45 | 191.50 | 213.45 | 191.55 |





Transfer to Investor Education and Protection Fund

In terms of Sections 124 and 125 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (including any statutory modification(s) and / or re-enactment(s) thereof for the time being in force) (**'IEPF Rules'**), dividend, if not paid or claimed for a period of 7 (seven) years from the date of transfer to Unclaimed Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund (**'IEPF'**).

Further, according to the Act read with the IEPF Rules, all the shares in respect of which dividend has not been paid or claimed by the shareholders for 7 (seven) consecutive years or more shall also be transferred to the demat account of the IEPF Authority.

Details of the unclaimed dividend and shareholders whose shares are liable to be transferred to the IEPF Authority are available on the website of the Company at www.orientelectric.com.

The details of the dividends transferred to IEPF, in respect of the shares lying in IEPF, as on March 31, 2024, are as follows:

| Financial Year | Type of Dividend | Dividend declared on | Amount Transferred to IEPF (In Rs.) |
|----------------|------------------|----------------------|-------------------------------------|
| 2017-18 | Interim Dividend | February 12, 2018 | 2,78,619.00 |
| 2017-18 | Final Dividend | July 16, 2018 | 2,78,619.00 |
| 2018-19 | Interim Dividend | January 28, 2019 | 2,78,619.00 |
| 2018-19 | Final Dividend | July 16, 2019 | 2,78,619.00 |
| 2019-20 | Interim Dividend | January 28, 2020 | 3,62,204.70 |
| 2019-20 | Final Dividend | August 07, 2020 | 2,47,324.00 |
| 2020-21 | Interim Dividend | January 29, 2021 | 3,50,926.50 |
| 2020-21 | Final Dividend | July 29, 2021 | 5,98,075.50 |
| 2021-22 | Interim Dividend | January 20, 2022 | 3,35,308.50 |
| 2021-22 | Final Dividend | July 25, 2022 | 5,98,075.50 |
| 2022-23 | Interim Dividend | January 30, 2023 | 3,35,308.50 |
| 2022-23 | Final Dividend | August 02, 2023 | 3,63,072.50 |
| 2023-24 | Interim Dividend | February 01, 2024 | 3,47,351.50 |
| Total | | | 46,52,123.20 |

The members who have a claim on the dividends and shares transferred to the IEPF Authority may claim the same by submitting an online application in web Form No. IEPF-5 available on the IEPF website viz. www.iepf.gov.in and sending a physical copy of the same, duly signed to the Company, along with requisite documents enumerated in the Form No. IEPF-5. No claims shall lie against the Company in respect of the dividend and / or shares so transferred.

Nodal Officer

In accordance with the IEPF Rules, the Board of the Company have appointed the Company Secretary of the Company as the Nodal Officer. Details of the Nodal Officer for the purpose of co-

ordination with the IEPF Authority are available on the website of the Company at <https://www.orientelectric.com/investors/investors-contact>.

Dividend Distribution Policy

The Company has formulated a Dividend Distribution Policy in compliance of Regulations 43A of Listing Regulations which inter-alia specifies the external and internal factors including financial parameters that shall be considered while declaring dividend and the circumstances under which the shareholders of the Company may or may not expect dividend. Dividend Distribution Policy is available on the website of the Company and can be accessed through the Web-link: <https://www.orientelectric.com/images/investors/dividend-distribution-Policy.pdf>.

Status of Dividend Declared

Status of dividends, declared by the Company since inception, as on March 31, 2024 is as under:

(INR crores)

| Financial Year | Dividend Type | Declaration Date | Dividend Rate | Total pay-out | Amount Unclaimed |
|----------------|------------------|------------------|---------------|---------------|------------------|
| 2017-18 | Interim Dividend | 12.02.2018 | 0.50 | 10.61 | 0.05 |
| 2017-18 | Final Dividend | 16.07.2018 | 0.50 | 10.61 | 0.06 |
| 2018-19 | Interim Dividend | 28.01.2019 | 0.50 | 10.61 | 0.04 |
| 2018-19 | Final Dividend | 16.07.2019 | 0.50 | 10.61 | 0.03 |
| 2019-20 | Interim Dividend | 28.01.2020 | 0.65 | 13.79 | 0.08 |
| 2019-20 | Final Dividend | 07.08.2020 | 0.50 | 10.61 | 0.04 |
| 2020-21 | Interim Dividend | 29.01.2021 | 0.75 | 15.91 | 0.05 |
| 2020-21 | Final Dividend | 29.07.2021 | 1.25 | 26.52 | 0.08 |
| 2021-22 | Interim Dividend | 20.01.2022 | 0.75 | 15.91 | 0.05 |
| 2021-22 | Final Dividend | 25.07.2022 | 1.25 | 26.52 | 0.08 |
| 2022-23 | Interim Dividend | 30.01.2023 | 0.75 | 15.96 | 0.04 |
| 2022-23 | Final Dividend | 02.08.2023 | 0.75 | 16.00 | 0.04 |
| 2023-24 | Interim Dividend | 01.02.2024 | 0.75 | 16.00 | 0.00* |

*Dividend paid on February 21, 2024, unclaimed amount, therefore, can only be updated after expiry of 3 months from the date of dividend drafts.

The Company first remits the dividend in the shareholders' bank accounts through DC (Direct Credit) / NACH (National Automated Clearing House) / NEFT (National Electronic Funds Transfer). In cases where the core banking account details are not available, the Company issues the dividend demand drafts. Shareholders holding shares in electronic form, whose bank details are not updated in their demat accounts, can update the same to receive dividend directly in their bank account. Shareholders holding shares in physical form, can provide their bank details, including IFSC (Indian Financial System Code) and MICR (Magnetic Ink Character Recognition), to the Company's RTA to ensure safe and speedy credit of their dividend into their bank account. Effective from April 1, 2024, as per SEBI circular the Company shall not be able to pay the dividend in physical form in respect of shares held in physical form, wherein PAN, KYC, Nomination details are not available.

Shares in Unclaimed Suspense Account

In accordance with the requirements of Regulations 34 and 39 read with Schedule V(F) of Listing Regulations details of equity shares lying in Orient Electric Limited - Unclaimed Suspense Account, as on March 31, 2024, are as follows:

| Particulars | No. of Shareholders | No. of Shares |
|--|---------------------|---------------|
| Aggregate number of shareholders and outstanding shares lying in the Unclaimed Suspense Account as on April 01, 2023 | 24 | 2,42,910 |
| Number of shareholders who approached the Company for transfer of shares from suspense account during the year. | 1 | 84,000 |
| Number of shareholders to whom shares were transferred from suspense account during the year | 1 | 84,000 |
| Aggregate number of shareholders and outstanding shares lying in the Unclaimed Suspense account as on March 31, 2024 | 23 | 1,58,910 |

The voting rights on shares lying in Unclaimed Suspense Account shall remain frozen till the rightful owner claims the shares.

Plant and Office Locations

Registered Office

Unit-VIII, Plot No.7, Bhoinagar, Bhubaneswar-751012, Odisha

Corporate Office

240, Okhla Industrial Estate, Phase - III, Okhla, New Delhi - 110020, Delhi

Other Office

42, Legacy, Okhla Industrial Estate, Phase - III, Okhla, New Delhi - 110020, Delhi

Operational Manufacturing Units

- 11, Industrial Estate, Sector 6, Faridabad - 121006, Haryana
- D-209, Sector 63, Noida - 201301, Uttar Pradesh
- C-130, Sector 63, Noida - 201301, Uttar Pradesh
- 6, Ghore Bibi Lane, Kolkata - 700 054, West Bengal

- S-85 to S-94, E City, Raviryal, Maheswaram, Rangareddy, Hyderabad - 501359, Telangana

Apart from above, the Company has branches and warehouses at various locations.

CODES AND POLICIES

Code of Conduct

The Company has adopted a Code of Conduct for members of the Board and senior management personnel. The Company through its Code of Conduct provides guiding principles of conduct to promote ethical conduct of business, confirm equitable treatment of all stakeholders, and avoid practices like bribery, corruption and anti-competitive practices.

The Code of Conduct enjoins that the Board and senior management personnel must know and respect existing laws, accept and provide appropriate professional views, and be upright in his conduct and observe corporate discipline. The Code of Conduct for the Board and senior management has clear policy and guidelines for avoiding and disclosing actual or potential conflict of interest with the Company, if any. The Code of Conduct is available on the website of the Company at <https://www.orientelectric.com/images/investors/code-of-conduct-for-directors-and-senior-management.pdf>.

All members of the Board and senior management personnel have affirmed compliance with the Code of Conduct for Board and senior management for the financial year 2023-24. A declaration to this effect duly signed by the Managing Director of the Company, as on the date of declaration, is given below:

"I hereby confirm that the Company has obtained from all the members of the Board and Senior Management Personnel, affirmation that they have complied with the 'Code of Conduct' in respect of the financial year 2023-24."

Desh Deepak Khetrpal
Vice- Chairman & Managing Director
May 09, 2024

Code for prevention of Insider Trading

In accordance with the SEBI (Prohibition of Insider Trading) Regulations, 2015 ('PIT Regulations'), the Company has framed a Code of Conduct to Regulate, Monitor and Report trading by Designated Person ('Code for Prevention of Insider Trading') and a Code of Practices and Procedures for fair disclosure of Unpublished Price Sensitive Information ('Code of Fair Disclosure'). Further, the Company has established systems and procedures to prohibit insider trading activities by those in possession of Unpublished Price Sensitive Information. The Prevention of Insider Trading Code is reviewed and amended

suitably from time to time, to incorporate the amendments carried out by SEBI.

Regular trainings, inductions and workshops are conducted to educate and to create awareness amongst the Designated Persons on various aspects of Prevention of Insider Trading Code and the PIT Regulations and to ensure that the internal controls are adequate and effective to ensure compliance. These activities have created substantial awareness amongst the Designated Persons. Audit Committee on a quarterly basis reviews the compliances as per the provisions of the PIT Regulations.

The Board has also formulated a Policy for determination of 'legitimate purposes' as a part of the Code of Fair Disclosure as per the requirements of the PIT Regulations. The Code for Prevention of Insider Trading and Code of Fair Disclosure can be accessed at the website of the Company at <https://www.orientelectric.com/images/investors/code-of-conduct-for-fair-disclosure-of-upsi.pdf>.

MEANS OF COMMUNICATION

As a part of good corporate governance practice and in compliance with applicable regulatory provisions, the Company promptly disseminates material corporate information and developments for the benefit of its shareholders and analysts through multiple channels of communication, such as its website, portals of stock exchanges, press releases, newspapers and the Annual Reports. Below are some of the modes of communication Company utilises for speedy dissemination of information with its shareholders and others:

- 1. Financial Results:** Quarterly / Annual Financial Results are filed with the Stock Exchanges. Under Regulation 47(1) (b) of the Listing Regulations, the results in prescribed format are published in the Newspapers viz. Financial Express (National Daily) and Odiya Bhaskar (Regional Daily). The Quarterly / Annual Financial Results are also available on the Company's website www.orientelectric.com and Stock Exchanges' websites www.nseindia.com and www.bseindia.com.
- 2. Investors Relation and Earning calls:** After announcement of quarterly results, the management of the Company participates in earning calls to answer shareholders' and analysts' queries on financials and business operations. Transcript and audio recordings of such calls are promptly uploaded on the Company's website and the weblinks of the same are also shared with the stock exchanges. The presentations on performance of the Company are placed on the Company's website and intimated to the stock exchanges, for the benefit of the institutional investors, analysts and other shareholders after announcement

of the quarterly financial results. Apart from above, the Company also participates in structured conference calls and periodic investor / analyst interactions.

- 3. Annual Reports:** The Company, as per MCA and SEBI circulars, sends its Annual Report, containing, inter-alia, Notice of Annual General Meeting, Audited Financial Statement and Auditors Report thereon, Board's Report, Management Discussion and Analysis Report, Corporate Governance Report, Business Responsibility and Sustainability Report, and other important information, by e-mail to its shareholders. Shareholders, who request the physical copy of the Annual Report, are promptly provided the same. The Annual Report can also be accessed at the Company's website viz. <https://www.orientelectric.com/investors/regulation-disclosures#annual-reports>.
- 4. Stock Exchange Filing:** All important announcements, periodical disclosures and compliance filings are filed electronically with stock exchanges at NSE Electronic Application Processing System (NEAPS) and BSE Listing Centre (Listing Centre).

OTHER DISCLOSURES

Materially significant related party transactions

During the financial year 2023-24, the Company has not entered into any materially significant related party transactions, as defined under its Related Party Transaction Policy, which could have potential conflict with interest of the Company at large. All proposed transactions of the Company with its related parties are first critically examined on parameters such as - whether it is in the best interest of the Company and its shareholders, existence of arm's length criteria and if it is in the ordinary course of business operations. All transactions of the Company with its related parties, during the financial year 2023-24, were prior approved by the Audit Committee and is in compliance with the provisions outlined in the Act, including the Rules, and Regulation 23 of the Listing Regulations. Omnibus approval is taken in case of unforeseen transactions. None of the transactions with any of its related parties were in conflict with the interest of the Company, rather they synchronize and synergise with the Company's operations. Attention of members is drawn to the disclosure of transactions with the related parties set out in Note No. 34 of the Annual Financial Statements, forming part of the Annual Report.

The policy of the Company on Related Parties Transactions can be accessed on the Company's website at <https://www.orientelectric.com/images/investors/related-party-policy.pdf>.

The policy undergoes periodic reviews and necessary revisions to align with updated legal requirements, as applicable.

Compliance with Discretionary Requirements

The status of compliance with the discretionary requirements under the Listing Regulations is provided below:

1. Separate posts of Chairman and the Managing Director

The Company has separate individuals hold the positions of Chairman and the Managing Director of the Company since its inception.

2. Audit Opinion

It has always been the Company's endeavour to present Financial Statements with unmodified audit opinion, i.e. without any qualification. The Statutory Auditors have issued an unmodified audit opinion on the Company's Financial Statements for the financial year ended March 31, 2024.

3. Internal Audit

The Internal Audit Head reports to the Audit Committee of the Board.

Disclosures relating to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company is committed for ensuring that all employees work in an environment that not only promotes diversity and equality but also mutual trust, equal opportunity and respect for human rights. As per the requirement of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules made thereunder, the Company has adopted a Policy on Prevention, Prohibition and Redressal of Sexual Harassment of Women at Workplace, for the prevention of sexual harassment which is aimed at providing every woman at the workplace a safe, secure and dignified work environment and constituted Internal Complaints Committees ('ICC') to deal with complaints relating to sexual harassment at workplace.

ICCs have been constituted as per procedure prescribed in the law. All complaints are investigated and conducted as per the tenets of the law and Company policy. The investigation reports and recommendations are forwarded to the Managing Director and Chief Human Resources Officer for action. A quarterly summary report is also placed before the Audit Committee and the Board. The details of ICC members have been prominently displayed across all offices in publicly accessible areas. Further, awareness and training sessions about the Prevention of Sexual Harassment at workplace are being conducted.

The details relating to the number of complaints received and disposed off during the financial year 2023-24 are as under:

Number of complaints pending as at the beginning of the financial year - Nil

Number of complaints filed during the financial year - Nil

Number of complaints disposed off during the financial year - Nil

Number of complaints pending as at the end of the financial year - Nil

4. Disclosure of Accounting Treatment

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards ('Ind AS') notified under the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) (Amendment) Rules, 2016 read with Section 133 of the Act.

5. Global Depository / American Depository Receipts

The Company has not issued any Global Depository / American Depository receipts or warrants or such other convertible securities and no such security is outstanding.

6. Commodity Price Risk and Foreign Exchange Risk & Hedging Activities

The Company has adopted a foreign exchange hedging policy whereunder it manages the foreign exchange risk with appropriate hedging cover. The Company uses forward exchange contracts to hedge against its foreign currency exposures. Foreign exchange transactions are covered with strict limits placed on the amount of uncovered exposure, if any, at any point in time. During financial year 2023-24, the Company has not done any hedging in commodities, as per SEBI Circular dated November 15, 2018. Details on foreign currency exposure are provided in note no. 40 in the notes to the Financial Statements.

Disclosures by Management to the Board

During the year, there were no transactions of a material nature with the promoters, the directors or the management that had any potential conflict with the interests of the Company at large. All disclosures related to financial and commercial transactions where directors may have a potential interest are provided to the Board and the interested directors do not participate in the discussion nor do they vote on such matters. The Company does not have any subsidiary, therefore the requirements related to material subsidiary are not applicable to the Company.

Compliance by the Company

The Company has complied with the requirements of the SEBI and other statutory authorities on all matters relating to capital markets during the last three years.

There have been no instances of non-compliance on any matter as regards the rules and regulations prescribed by the Stock Exchanges, SEBI or any other statutory authority relating to capital markets during the last three years. No penalties or strictures have been imposed by them on the Company.

Loans and advances in the nature of loans to firms / companies in which Directors are interested

During the year under review, there were no loans given to any companies or firms in which directors of the Company are interested.

Credit Rating

During the financial year 2023-24, CareEdge Ratings (CARE Ratings Ltd) has re-affirmed the ratings for the Company's Long-term / Short-term bank facilities as "CARE AA; Stable/CARE A1+ (Double A; Outlook: Stable / A One Plus)" and for Short-term bank facilities as "CARE A1+ (A One Plus)".

Reconciliation of share capital audit

Reconciliation of Share Capital Audit Report in terms of SEBI Circular No. CIR / MRD / DP/ 30 / 2010 dated September 06, 2010 and SEBI Directive no. D&CC / FITTC / CIR-16 / 2002 dated December 31, 2002, confirming that the total issued capital of the Company is in agreement with the total number of shares in physical form and the total number of dematerialised shares held with NSDL and CDSL, is placed before the Board on a quarterly basis and is also submitted to the Stock Exchanges where the shares of the Company are listed. The quarterly audit of the Company's share capital is being conducted by the Secretarial Auditor of the Company.

MD & CFO Certification

As required under Regulation 17(8) of the Listing Regulations, the MD & CFO certificate for the financial year 2023-24 signed by Mr. Desh Deepak Khetrapal, Vice-Chairman & Managing Director and Mr. Saibal Sengupta, CFO of the Company was placed before the Board of Directors of the Company at its meeting held on May 09, 2024 and is annexed to this Report as **Annexure 1**.

Certificate from Company Secretary in Practice

A certificate from a Company Secretary in Practice, as per Regulation 34 read with Part C of Schedule V of the Listing Regulations, 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 / MCA or any such statutory authority is attached as **Annexure 2**.

Secretarial Compliance Report

The Annual Secretarial Compliance Report for the financial year 2023-24, as per SEBI Circular No. CIR / CFD / CMD1 / 27 / 2019 dated February 08, 2019 read with Regulation 24A of the Listing Regulations, issued by M/s. A. K. LABH & Co., Practicing Company Secretary and Secretarial Auditor of the Company, has been filed with the stock exchange well within the prescribed timeline.

Binding Agreements

During the financial year 2023-24, the shareholders, promoters, promoter group entities, related parties, directors, key managerial personnel, employees of the listed entity has not entered into any binding agreement among themselves or with the Company or with a third party, solely or jointly, which, either directly or indirectly or potentially or whose purpose and effect is to, impact the management or control of the Company or impose any restriction or create any liability on the Company.

Confirmation of Compliance

The Company has complied with all the mandatory requirements pertaining to the report on Corporate Governance. Further, it is also confirmed that the Company has complied with the requirements prescribed under Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Listing Regulations including disclosure requirements as enumerated under Schedule V thereto.

The Statutory Auditors' Certificate that the Company has complied with the conditions of Corporate Governance is annexed to this Report as **Annexure 3**.

**For and on behalf of Board of Directors
Orient Electric Limited**

Chandra Kant Birla

Chairman

DIN: 00118473

Place: New Delhi

Date: May 09, 2024

MD/CFO CERTIFICATION

(As per Regulation 17(8) of the Listing Regulations)

We, Vice Chairman & Managing Director and Chief Financial Officer, certify to the Board of Directors of Orient Electric Limited (the "Company") that:

- a. We have reviewed the financial statements and the cash flow statement for the year ended on March 31, 2024 and that to the best of our knowledge and belief:
 - i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
 - ii. these statements together present a true and fair view of the Company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.
- b. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- c. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of the 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 and operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d. We have indicated to the Auditors and the Audit Committee:
 - i. that there are no significant changes in internal control during the year;
 - ii. that there are no significant changes in accounting policies during the year other than those which have been disclosed in the notes to the financial statements; and
 - iii. that there are no instances of significant fraud of which we became aware or the involvement therein, of any member of management or an employee having a significant role in the Company's internal control system over financial reporting.

Desh Deepak Khetrpal
Vice-Chairman & Managing Director

DIN: 02362633

Date: May 09,2024

Saibal Sengupta
Chief Financial Officer

M. No. ACA 054373

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
Orient Electric Limited
Unit VIII, Plot No. 7
Bhoinagar, Bhubaneswar - 751012
Odisha

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Orient Electric Limited** having CIN : L311000R2016PLC025892 and having registered office at Unit VIII, Plot No. 7, Bhoinagar, Bhubaneswar - 751 012, Odisha (hereinafter referred to as '**the Company**'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2024 have been debarred or disqualified from being appointed or continuing as Directors of the Company 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. | Chandra Kant Birla | 00118473 | 19.01.2018 |
| 2. | Desh Deepak Khetrapal | 02362633 | 19.01.2018 |
| 3. | Tirumalai Cunnavakaum Anandanpillai Ranganathan | 03091352 | 19.01.2018 |
| 4. | Alka Marezban Bharucha | 00114067 | 19.01.2018 |
| 5. | Pradeep Chandra Kathi | 05345536 | 19.01.2018 |
| 6. | Raju Lal | 10347298 | 11.10.2023 |

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 has been issued relying on the documents and information as mentioned herein above and as were made available to us or as came to our knowledge for verification without taking any cognizance of any legal dispute(s) or sub-judice matters which may have effect otherwise, if ordered so, by any concerned authority(ies). This certificate is also 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.

Place : Kolkata

Date : May 09, 2024

Name : CS Atul Kumar Labh
Membership No. : FCS 4848
CP No. : 3238
PRCN : 1038/2020
UIN : S1999WB026800
UDIN : F004848F000338170

Annexure 3

Independent Auditor's Report on compliance with the conditions of Corporate Governance as per provisions of Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

To,
The Members of
Orient Electric Limited

1. The Corporate Governance Report prepared by Orient Electric Limited (hereinafter the "**Company**"), contains details as specified in regulations 17 to 27, clauses (b) to (i) and (t) of sub - regulation (2) of regulation 46 and para C, D, and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("**the Listing Regulations**") ('Applicable criteria') for the year ended March 31, 2024 as required by the Company for annual submission to the Stock Exchange.

Management's Responsibility

2. The preparation of the Corporate Governance Report is the responsibility of the Management of the Company including the preparation and maintenance of all relevant supporting records and documents. This responsibility also includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Corporate Governance Report.

3. The Management along with the Board of Directors are also responsible for ensuring that the Company complies with the conditions of Corporate Governance as stipulated in the Listing Regulations, issued by the Securities and Exchange Board of India.

Auditor's Responsibility

4. Pursuant to the requirements of the Listing Regulations, our responsibility is to provide a reasonable assurance in the form of an opinion whether, the Company has complied with the conditions of Corporate Governance as specified in the Listing Regulations.

5. We conducted our examination of the Corporate Governance Report in accordance with the Guidance Note on Reports or Certificates for Special Purposes and the Guidance Note on Certification of Corporate Governance, both issued by the Institute of Chartered Accountants of India ("ICAI"). The Guidance Note on Reports or Certificates

for Special Purposes requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.

6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.
7. The procedures selected depend on the auditor's judgement, including the assessment of the risks associated in compliance of the Corporate Governance Report with the applicable criteria. Summary of procedures performed include:
- i. Read and understood the information prepared by the Company and included in its Corporate Governance Report;
 - ii. Obtained and verified that the composition of the Board of Directors with respect to executive and non-executive directors has been met throughout the reporting period;
 - iii. Obtained and read the Register of Directors as on March 31, 2024 and verified that at-least one independent woman director was on the Board of Directors throughout the year;
 - iv. Obtained and read the following minutes of the Board of Directors, Committees thereof and other meetings held during the period from April 01, 2023 to March 31, 2024;
 - (a) Board of Directors;
 - (b) Audit Committee;
 - (c) Nomination and Remuneration Committee;
 - (d) Stakeholders Relationship Committee;

- (e) Risk Management Committee;
 - (f) Corporate Social Responsibility Committee.
 - (g) Annual General Meeting (AGM) / Extra Ordinary General Meeting (EGM) / Postal Ballot;
- v. Obtained necessary declarations from the directors of the Company;
 - vi. Obtained and read the policy adopted by the Company for related party transactions;
 - vii. Obtained the schedule of related party transactions during the year and balances at the year end. Obtained and read the minutes of the audit committee meeting wherein such related party transactions have been pre-approved by the audit committee;
 - viii. Performed necessary inquiries with the management and also obtained necessary specific representations from management.
8. The above-mentioned procedures include examining evidence supporting the particulars in the Corporate Governance Report on a test basis. Further, our scope of work under this report did not involve us performing audit tests for the purposes of expressing an opinion on the fairness or accuracy of any of the financial information or the financial statements of the Company taken as a whole.

Opinion

9. Based on the procedures performed by us, as referred in paragraph 7 above, and according to the information and explanations given to us, we are of the opinion that the Company has complied with the conditions of Corporate Governance as specified in the Listing Regulations, as

applicable for the year ended March 31, 2024, referred to in paragraph 4 above.

Other matters and Restriction on Use

10. This report 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.
11. This report is addressed to and provided to the members of the Company solely for the purpose of enabling it to comply with its obligations under the Listing Regulations with reference to compliance with the relevant regulations of Corporate Governance and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this report for events and circumstances occurring after the date of this report.

For **S.R. Batliboi & Co. LLP**

Chartered Accountants

ICAI Firm Registration Number:301003E/E300005

per **Amit Gupta**

Partner

Membership No: 501396

UDIN: 24501396BKFZPM6780

Place of Signature: New Delhi

Date: May 09, 2024

Independent Auditor's Report

To
The Members of
Orient Electric Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Orient Electric Limited (**"the Company"**), which comprise the Balance sheet as at March 31, 2024, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013, as amended (**"the Act"**) in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Financial Statements' section of our report. We are

independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the 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 financial statements for the financial year ended March 31, 2024. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.

| Key audit matters | How our audit addressed the key audit matter |
|---|--|
| <p>Revenue recognition</p> <p>For the year ended March 31, 2024, the Company has recognized revenue from contracts with customers amounting to ₹ 2,812.12 crores.</p> <p>Revenue from the sale of goods is recognized upon transfer of control of ownership of the goods to the customer, usually on delivery of goods. The Company considers estimated time of delivery of goods and this has an impact on the timing of revenue recognition. This increases the risk of misstatement of the timing and amount of revenue recognized in the financial statements.</p> | <p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> We evaluated the Company's accounting policies pertaining to revenue recognition and assessed its compliance in terms of Ind AS 115 - Revenue from Contracts with Customers. We obtained an understanding of the management's internal control over the revenue recognition process and the timing of the revenue recognition including key terms and conditions of the contracts with customers. We performed sales transactions testing based on a representative sampling of the sales invoices based on the terms and conditions of the sale orders, including the shipping terms; |

| Key audit matters | How our audit addressed the key audit matter |
|---|--|
| <p>In view of the above we have identified Revenue as a Key audit Matter.</p> | <ul style="list-style-type: none"> • We also tested sales transaction made near the year end by verifying samples of sales transactions occurring pre and post year end with supporting documentation including customer confirmation of receipt of goods. • We performed monthly analytical reviews to identify any unusual sales trends. • Assessed the relevant disclosure made in respect of revenue from contracts with customers within the financial statements. |

Other Information

The Company’s Board of Directors is responsible for the other information. The other information comprises the Director’s Report, Management Discussion and Analysis and Business Responsibility & Sustainability Report (BRSR) but does not include the financial statements and our auditor’s report thereon. The other information is expected to be made available to us after the date of this auditor’s report.

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

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it become available and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

The Company’s Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity 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 read with [the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the

accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Charged with Governance are also responsible for overseeing the Company’s financial reporting process.

Auditor’s Responsibilities for the Audit of the Financial Statements

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

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

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements for the financial year ended March 31, 2024 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 (**"the Order"**), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, based on our audit we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
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 except for the matters stated in the paragraph 2(i)(vi) below on reporting under Rule 11(g).
 - (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
 - (e) On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act;
 - (f) The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2(b) above on reporting under Section 143(3)(b) and paragraph 2(i)(vi) below on reporting under Rule 11(g);
 - (g) With respect to the adequacy of the internal financial controls with reference to these financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
 - (h) In our opinion, the managerial remuneration for the year ended March 31, 2024 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;

- (i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements - Refer Note 33 to the financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company
 - iv. a) The management has represented that, to the best of its knowledge and belief, 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 persons or entities, 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, no funds have been received by the Company from any persons or entities, 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 performed 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 (a) and (b) contain any material misstatement.

- v. The final dividend paid by the Company during the year, in respect of the same declared for the previous year is in accordance with section 123 of the Act to the extent it applies to payment of dividend.

The interim dividend declared and paid by the Company during the year and until the date of this audit report is in accordance with section 123 of the Act.

As stated in note 42 to the financial statements, the Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

- vi. Based on our examination which included test checks, the Company has used 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 except that, audit trail feature is not enabled for direct changes made using privileged access rights into the database, as described in note 51 to the financial statements. Further, as explained in the said note, we are unable to comment on whether certain features of the audit trail of the said software have operated throughout the year or whether there were any instances of the audit trail feature being tampered with in the absence of log of changes to certain audit trail features.

For **S.R. Batliboi & Co. LLP**

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

per Amit Gupta

Partner

Membership Number: 501396

UDIN: 24501396BKFZPL5647

Place of Signature: New Delhi

Date: May 09, 2024

Annexure "1" referred to in paragraph 1 under the heading "Report on other legal and regulatory requirements" of our report of even date

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- (B) The Company has maintained proper records showing full particulars of intangibles assets.
- (b) All Property, Plant and Equipment (including Property plant and equipment lying with third parties) have not been physically verified by the management during the year. However, there is a planned programme of verifying them once in three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) The title deeds of all the immovable properties (other than properties where the Company is the lessee and
- the lease agreements are duly executed in favour of the lessee) are held in the name of the Company.
- (d) The Company has not revalued its Property, Plant and Equipment (including Right of use assets) or intangible assets during the year ended March 31, 2024.
- (e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii) (a) The inventory has been physically verified by the management during the year. In our opinion, the frequency of verification by the management is reasonable and the coverage and procedure for such verification is appropriate. Inventories lying with third parties have been physically verified by management / confirmed by the third parties as at year end. No discrepancies of 10% or more in aggregate for each class of inventory were noticed in respect of such verifications.

- (b) As disclosed in note 14 to the financial statements, the Company has been sanctioned working capital limits in excess of Rs. five crores in aggregate from banks during the year on the basis of security of current assets of the Company. Based on the records examined by us in the normal course of audit of the financial statements, the quarterly statements filed by the Company with such banks are in agreement with the unaudited books of accounts of the Company except for the following quarter:

| Quarter ended Mar 31, 2024 | Value per books of account (₹ in crores) | Value per quarterly statement filed with bank (₹ in crores) | Discrepancy |
|-------------------------------|--|---|---|
| Trade Receivables | 472.26 | 487.95 | The quarterly statements filed with banks were based on the unaudited books of account which did not include the adjustments/ reclassification recorded by the Company at the time of preparation/finalization of financial statements as at and for the year ended March 31, 2024. |
| Trade Payables | 418.21 | 419.47 | |
| Inventories | 315.06 | 316.60 | |

- (iii) (a) During the year, the Company has not provided loans, advances in the nature of loans, stood guarantee or provided security to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(a) of the Order is not applicable to the Company.
- (b) During the year, the investments made are not prejudicial to the Company's interest. Further, during the year, the Company has not provided guarantees, provided security and granted loans and advances
- in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties.
- (c) The Company has not granted loans and advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(c) of the Order is not applicable to the Company.
- (d) The Company has not granted loans or advances in the nature of loans to companies, firms, Limited Liability

Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(d) of the Order is not applicable to the Company.

- (e) There were no loans or advance in the nature of loan granted to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(e) of the Order is not applicable to the Company.
- (f) The Company has not granted any loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(f) of the Order is not applicable to the Company.
- (iv) There are no loans, investments, guarantees, and security in respect of which provisions of sections 185 and 186 of the Companies Act, 2013 are applicable and accordingly, the requirement to report on clause 3(iv) of the Order is not applicable to the Company and hence not commented upon.
- (v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act and the rules made thereunder, to the

extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company and hence not commented upon.

- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, related to the manufacture of electrical goods, and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.
- (vii) (a) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues applicable to it though there have been serious delays in deposit of goods and services tax liability.

According to the information and explanations given to us and based on audit procedures performed by us, undisputed dues in respect of goods and services tax, provident fund, employees' state insurance, income-tax, service tax, sales-tax, duty of custom, duty of

excise, value added tax, cess and other statutory dues which were outstanding, at the year end, for a period of more than six months from the date they became payable, are as follows:

| Name of the Statute | Nature of the Dues | Amount (₹ in crores) | Period to which the amount relates | Due Date | Date of Payment | Remarks, if any |
|---|--|-------------------------|--|----------------------|--------------------|---|
| Goods and Services Tax Act, 2017 (including state tax acts) | GST on Interest for delayed payment and interest thereon | 4.18 | FY 2017-18 to FY 2023-24 | Various over 7 years | April 20, 2024 | Refer Note 50 to the financial statements |

- (b) The dues of goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, cess, and other statutory dues have not been deposited on account of any dispute, are as follows: -

| Name of the statute | Nature of the dues | ₹ in crore* | Period to which the amount relates | Forum where the dispute is pending |
|------------------------------------|---|-------------|--|---|
| Central Excise & Customs Act, 1962 | Disallowance of MODVAT/ CENVAT credit on inputs | 0.22 | 1994-1995, 1995-96 | Commissioner of Central Excise, Kolkata |
| Central Excise & Customs Act, 1962 | Excess ISD Credit transfer to units | 0.37 | 2013-14 | CESTAT, Kolkata |
| Central Excise & Customs Act, 1962 | Levy of duty on short return of Cottage Parties | 0.12 | 1975-76, 76-77, 81-84 to 84-85, 2000-01, 2002-03, 1993-94 to 1996-97 | Commissioner (Appeals) of Central Excise, Kolkata |

| Name of the statute | Nature of the dues | ₹ in crore* | Period to which the amount relates | Forum where the dispute is pending |
|---|--|-------------|------------------------------------|--|
| Central Excise & Customs Act, 1962 | Customs duty for imports of tools & dies | 0.93 | 2012-2015 | CESTAT, Kolkata |
| Madhya Pradesh VAT Act/CST Act, 2002 | Demand due to rejection of sales return | 0.08 | 2016-17 | Deputy Commissioner of Commercial Taxes |
| West Bengal VAT Act/ CST Act, 2003 | Demand for availing ineligible input tax credit | 0.07 | 2012-13 | The West Bengal Commercial Taxes Appellate & Revisional Board |
| Finance Act, 1994 | Denial of CENVAT Credit availed of as input services on job work services | 0.44 | 2004-05 | Joint Commissioner -Service Tax- New Delhi |
| West Bengal VAT Act, 2003 | Demand for availing ineligible input tax credit | 0.13 | 2017-2018 | Commissioner (A)-Sales Tax (West Bengal) |
| West Bengal VAT Act, 2003 | Disallowance of Sales Return, ITC, excess of unregistered purchase tax | 1.48 | 2014-15 | Joint Commissioner of Commercial Taxes, LTU, Kolkata |
| Haryana VAT Act/CST Act, 2003 | Demand for availing ineligible input tax credit and due to rejection of credit notes | 1.12 | 2017-18 | Deputy Excise & Taxation Commissioner-cum-Assessing Authority, Faridabad |
| Bihar VAT Act, 2005 | Demand of VAT | 0.29 | 2015-16 | Joint Commissioner, Patna |
| Bihar CST Act, 1993 | Demand of CST | 0.13 | 2015-16 | Joint Commissioner, Patna |
| Bihar VAT Act, 2005 | Demand of VAT | 0.11 | 2017-18 | Deputy Commissioner of State Tax, Patna |
| GST Act (Rajasthan), 2017 | Demand for difference in GSTR-2A with GSTR-3B | 0.03 | 2017-18 | Deputy Commissioner (GST), Jaipur |
| The Water (Prevention & Control of Pollution) Act, 1974 | Environment Compensation on alleged discharge from factory in violation of the prescribed standards. | -# | 2019-20 | High Court of Punjab & Haryana |
| Gujarat VAT Act, 2003 | Demand due to rejection of sales return | 0.13 | 2015-16 | Appellate Authority, Gujarat |
| Madhya Pradesh VAT Act, 2002 | Demand due to rejection of input tax rebate | 0.22 | 2017-18 | Appellate Authority, Madhya Pradesh |
| GST Act (Haryana), 2017 | Demand for difference in GSTR 1 & 9 and availing ineligible input tax credit | 0.31 | 2017-18 | GST Appellate Authority, Haryana |
| GST Act (Delhi), 2017 | Demand for availing ineligible input tax credit | 0.71 | 2017-18 | GST Appellate Authority, Delhi |
| GST Act (Tamil Nadu), 2017 | Demand for reverse charge and difference in GSTR 1 & 9 | 0.10 | 2017-18 | GST Appellate Authority, Tamil Nadu |
| GST Act (Uttar Pradesh), 2017 | Demand for detaining Goods vehicle | 0.31 | 2017-18 | GST Appellate Authority, Uttar Pradesh |
| GST Act (West Bengal), 2017 | Demand for availing ineligible input tax credit | 0.36 | 2018-19 | Deputy Commissioner (GST), West Bengal |
| GST Act (Telangana), 2017 | Demand for availing ineligible input tax credit | 0.24 | 2018-19 | Assistant Commissioner, Hyderabad |

*The Company has deposited ₹ 1.29 crore under protest in connection with above disputes.

#Net of deposit.

- (viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company and hence not commented upon.
- (ix) (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) The Company did not have any term loans outstanding during the year hence, the requirement to report on clause 3(ix)(c) of the Order is not applicable to the Company.
- (d) On an overall examination of the financial statements of the Company, no funds raised on short-term basis have been used for long-term purposes by the Company.
- (e) The Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on clause 3(ix)(e) of the Order is not applicable to the Company.
- (f) The Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on Clause 3(ix)(f) of the Order is not applicable to the Company.
- (x) (a) The Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company and hence not commented upon.
- (b) The Company has not made any preferential allotment or private placement of shares /fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company and hence not commented upon.
- (xi) (a) No fraud by the Company or no fraud on the Company has been noticed or reported during the year.
- (b) During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by cost auditor/ secretarial auditor or by us in Form ADT - 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
- (xii) The Company is not a nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(a), (b) and (c) of the Order is not applicable to the Company and hence not commented upon.
- (xiii) Transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.
- (xiv) (a) The Company has an internal audit system commensurate with the size and nature of its business.
- (b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.
- (xv) According to information and explanation given to us the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.
- (xvi) (a) According to information and explanation given to us the provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company.
- (b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities. Accordingly, the requirement to report on clause (xvi)(b) of the Order is not applicable to the Company.
- (c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.
- (d) There is no Core Investment Company as a part of the Group, hence, the requirement to report on clause 3(xvi)(d) of the Order is not applicable to the Company.
- (xvii) The Company has not incurred cash losses in the current financial year and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.

(xix) On the basis of the financial ratios disclosed in note 45 to the financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which 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) (a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Companies Act (the Act), in compliance with second proviso to sub

section 5 of section 135 of the Act. This matter has been disclosed in note 43 to the financial statements.

(b) There are no unspent amounts in respect of ongoing projects, that are required to be transferred to a special account in compliance of provision of sub section (6) of section 135 of Companies Act. This matter has been disclosed in note 43 to the financial statements.

(xxi) The Company is not required to prepare Consolidated Financial Statements, Accordingly, the requirement to report on clause 3(xxii) of the Order is not applicable to the Company.

For **S.R. Batliboi & Co. LLP**

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

per Amit Gupta

Partner

Membership Number: 501396

UDIN: 24501396BKFZPL5647

Place of Signature: New Delhi

Date: May 09, 2024

Annexure “2” to the Independent Auditor’s Report of even date on the Financial Statements of Orient Electric Limited

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 with reference to financial statements of Orient Electric Limited (“the Company”) as of March 31, 2024 in conjunction with our audit of the 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 the 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 Companies Act, 2013.

Auditor’s Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls with reference to these financial statements 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, as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to these financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to these financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to these financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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 with reference to these financial statements.

Meaning of Internal Financial Controls With Reference to these Financial Statements

A company’s internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial controls with reference to financial statements includes those policies and procedures that

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls With Reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls with reference

to financial statements were operating effectively as at March 31, 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **S.R. Batliboi & Co. LLP**

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

per Amit Gupta

Partner

Membership Number: 501396

UDIN: 24501396BKFZPL5647

Place of Signature: New Delhi

Date: May 09, 2024

Balance Sheet

(All amounts in Rupees Crores, unless otherwise stated)

| Particulars | Note No | As at March 31, 2024 | As at March 31, 2023 |
|--|--------------------|-------------------------|-------------------------|
| I) ASSETS | | | |
| A NON-CURRENT ASSETS | | | |
| a) Property, plant and equipment | 3 | 139.57 | 127.18 |
| b) Capital work-in-progress | 3 | 222.57 | 82.71 |
| c) Intangible assets | 4 | 14.17 | 18.34 |
| d) Intangible assets under development | 4(a) | 2.51 | 3.25 |
| e) Right of use asset | 37 | 82.05 | 80.28 |
| f) Financial assets | | | |
| (i) Trade receivables | 9 | 10.30 | 15.82 |
| (ii) Other financial assets | 5 | 17.62 | 14.80 |
| g) Deferred tax asset (net) | 16 | 30.16 | 25.45 |
| h) Non current tax assets | 11 | - | 10.15 |
| i) Other non current assets | 6 | 12.61 | 17.08 |
| | (A) | 531.56 | 395.06 |
| B CURRENT ASSETS | | | |
| a) Inventories | 7 | 315.06 | 284.64 |
| b) Financial assets | | | |
| (i) Investments | 8 | 37.33 | - |
| (ii) Trade receivables | 9 | 461.96 | 355.98 |
| (iii) Cash and cash equivalents | 10 | 65.69 | 163.64 |
| (iv) Other bank balances | 10(a) | 0.64 | 0.58 |
| (v) Other financial assets | 5 | 3.12 | 2.18 |
| c) Current tax assets | 11 | 1.70 | 11.86 |
| d) Other current assets | 6 | 33.93 | 34.57 |
| | (B) | 919.43 | 853.45 |
| C Assets held for sale | (C) | - | 16.12 |
| TOTAL ASSETS | (A)+(B)+(C) | 1,450.99 | 1,264.63 |
| II) EQUITY AND LIABILITIES | | | |
| D EQUITY | | | |
| a) Equity share capital | 12 | 21.34 | 21.28 |
| b) Other equity | 13 | 617.59 | 563.36 |
| | (D) | 638.93 | 584.64 |
| LIABILITIES | | | |
| E NON-CURRENT LIABILITIES | | | |
| a) Financial liabilities | | | |
| (i) Borrowings | 14 | - | - |
| (ii) Lease liabilities | 37 | 64.84 | 66.70 |
| b) Long term provisions | 15 | 20.84 | 18.56 |
| c) Other non current liabilities | 19 | 8.65 | 11.17 |
| | (E) | 94.33 | 96.43 |
| F CURRENT LIABILITIES | | | |
| a) Financial liabilities | | | |
| (i) Borrowings | 14 | 20.87 | 10.10 |
| (ii) Lease liabilities | 37 | 25.87 | 20.45 |
| (iii) Trade payables | 17 | - | - |
| - total outstanding dues of micro enterprises and small | | 170.67 | 109.83 |
| - total outstanding dues of creditors other than micro enterprises and small enterprises | | 373.24 | 343.14 |
| (iv) Other current financial liabilities | 18 | 44.99 | 41.27 |
| b) Short term provisions | 15 | 30.46 | 31.14 |
| c) Other current liabilities | 19 | 51.45 | 27.63 |
| d) Current tax liabilities | 20 | 0.18 | - |
| | (F) | 717.73 | 583.56 |
| G TOTAL LIABILITIES | (G)=(E)+(F) | 812.06 | 679.99 |
| TOTAL EQUITY AND LIABILITIES | (D)+(G) | 1,450.99 | 1,264.63 |
| Material accounting policies | 2 | | |

The accompanying notes form an integral part of the financial statements.
As per our report of even date attached.

For **S.R. Batliboi & Co. LLP**
Firm registration number: 301003E / E300005
Chartered Accountants

For and on behalf of the Board of Directors of Orient Electric Limited

Per Amit Gupta
Partner
Membership No.: 501396

C.K. Birla
Chairman and Director
(DIN 00118473)

D.D Khetrapal
Vice Chairman and
Managing Director
(DIN 02362633)

Saibal Sengupta
Chief Financial Officer
(ACA 54373)

Hitesh Kumar Jain
Company Secretary
(F 6241)

Place: New Delhi
Date: May 09, 2024

Place: New Delhi
Date: May 09, 2024

Statement of Profit and Loss

(All amounts in Rupees Crores, unless otherwise stated)

| Particulars | Note No | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|--|---------|--------------------------------------|--------------------------------------|
| A) INCOME | | | |
| Revenue from operations | 21 | 2,812.12 | 2,529.17 |
| Other income | 22 | 15.54 | 26.98 |
| Total income (A) | | 2,827.66 | 2,556.15 |
| B) EXPENSES | | | |
| Cost of raw materials and components consumed | 23 | 828.02 | 762.05 |
| Purchase of traded goods | | 1,136.91 | 1,028.95 |
| Changes in inventory of finished goods, work-in-progress and traded goods | 24 | (7.93) | 33.18 |
| Employee benefits expense | 25 | 258.88 | 192.60 |
| Finance costs | 26 | 23.26 | 22.15 |
| Depreciation and amortisation expense | 27 | 59.02 | 53.50 |
| Other expenses | 28 | 451.92 | 361.78 |
| Total expenses (B) | | 2,750.08 | 2,454.21 |
| (C) Profit before exceptional item and tax for the year (A-B) | | 77.58 | 101.94 |
| (D) Exceptional Item | 48 | 18.68 | - |
| E) Profit before tax (C)+(D) | | 96.26 | 101.94 |
| F) Tax expense | 29 | | |
| Current Tax | | 28.86 | 25.44 |
| Adjustment of tax relating to earlier year | | (2.71) | - |
| Deferred tax [charge/(credit)] | | (5.16) | 0.65 |
| | | 20.99 | 26.09 |
| G) Profit for the year (E)-(F) | | 75.27 | 75.85 |
| H) Other comprehensive income/(loss) | | | |
| Other comprehensive income not to be reclassified to profit or loss in subsequent periods | 31 | | |
| Re-Measurement gains on defined benefit plans | | 1.73 | 0.67 |
| Income tax effect [(charge)/credit] | | (0.45) | (0.17) |
| Other comprehensive income, net of tax | | 1.28 | 0.50 |
| I) Total comprehensive income for the year (G)+(H) | | 76.55 | 76.35 |
| Basic Earnings per equity share | 30 | 3.53 | 3.57 |
| Diluted Earnings per equity share | | 3.53 | 3.56 |
| [Nominal value of share ₹ 1 (Previous year: ₹ 1)] | | | |
| Material accounting policies | 2 | | |

The accompanying notes form an integral part of the financial statements.
As per our report of even date attached.

For **S.R. Batliboi & Co. LLP**
Firm registration number: 301003E / E300005
Chartered Accountants

Per Amit Gupta
Partner
Membership No.: 501396

Place: New Delhi
Date: May 09, 2024

For and on behalf of the Board of Directors of Orient Electric Limited

C.K. Birla
Chairman and Director
(DIN 00118473)

Saibal Sengupta
Chief Financial Officer
(ACA 54373)

D.D. Khetropal
Vice Chairman and
Managing Director
(DIN 02362633)

Hitesh Kumar Jain
Company Secretary
(F 6241)
Place: New Delhi
Date: May 09, 2024

Statement of Changes in Equity

a) Equity Share Capital

1) Current reporting period

(All amounts in Rupees Crores, unless otherwise stated)

| | No. in Crores | Amount |
|--|---------------|--------------|
| Equity Shares of ₹ 1 each issued, subscribed and fully paid | | |
| As at April 01, 2023 | 21.28 | 21.28 |
| Change in Equity share capital due to prior period errors | - | - |
| Restated balance as at April 1, 2023 | 21.28 | 21.28 |
| Changes in Equity share capital during the year | | |
| Issue of Equity share capital | 0.06 | 0.06 |
| As at March 31, 2024 | 21.34 | 21.34 |

2) Previous reporting period

| | No. in Crores | Amount |
|--|---------------|--------------|
| Equity Shares of ₹ 1 each issued, subscribed and fully paid | | |
| As at April 01, 2022 | 21.22 | 21.22 |
| Change in Equity share capital due to prior period errors | - | - |
| Restated balance as at April 1, 2022 | 21.22 | 21.22 |
| Changes in Equity share capital during the year | | |
| Issue of Equity share capital | 0.06 | 0.06 |
| As at March 31, 2023 | 21.28 | 21.28 |

b) Other Equity

| Particulars | Reserves and Surplus | | | | | Total |
|--|----------------------|--------------------|-----------------|-------------------|------------------------------|---------------|
| | Capital Reserve | Securities Premium | General Reserve | Retained Earnings | Share based payment Reserves | |
| As at April 1, 2022 | 0.05 | - | 254.83 | 256.70 | 8.51 | 520.09 |
| Changes in accounting policies/prior period errors | - | - | - | - | - | - |
| Restated balance as at April 1, 2022 | 0.05 | - | 254.83 | 256.70 | 8.51 | 520.09 |
| Profit for the year | - | - | - | 75.85 | - | 75.85 |
| Other comprehensive income for the year | | | | | | |
| Re-measurement gains / (losses) on defined benefit plans net of tax | - | - | - | 0.50 | - | 0.50 |
| Total Comprehensive income for the year | - | - | - | 76.35 | - | 76.35 |
| Transfer to general reserve | - | - | 15.00 | (15.00) | - | - |
| Addition to employee stock option (net) | - | - | - | - | 0.55 | 0.55 |
| Final equity dividend (Refer Note 42) | - | - | - | (26.52) | - | (26.52) |
| Addition on equity shares issued under employee stock option (Refer note 36) | - | 12.75 | - | - | (3.90) | 8.85 |
| Interim equity dividend (Refer Note 42) | - | - | - | (15.96) | - | (15.96) |
| As at March 31, 2023 | 0.05 | 12.75 | 269.83 | 275.57 | 5.16 | 563.36 |

Statement of Changes in Equity

| Particulars | Reserves and Surplus | | | | | Total |
|--|----------------------|--------------------|-----------------|-------------------|------------------------------|---------------|
| | Capital Reserve | Securities Premium | General Reserve | Retained Earnings | Share based payment Reserves | |
| Changes in accounting policies/prior period errors | - | - | - | - | - | - |
| Restated balance as at April 1, 2023 | 0.05 | 12.75 | 269.83 | 275.57 | 5.16 | 563.36 |
| Profit for the year | - | - | - | 75.27 | - | 75.27 |
| Other comprehensive income for the year | | | | | | |
| Re-measurement gains / (losses) on defined benefit plans net of tax | - | - | - | 1.28 | - | 1.28 |
| Total Comprehensive income for the year | - | - | - | 76.55 | - | 76.55 |
| Transfer to general reserve | - | - | 15.00 | (15.00) | - | - |
| Addition to employee stock option (net) | - | - | - | - | (2.61) | (2.61) |
| Final equity dividend (Refer Note 42) | - | - | - | (16.00) | - | (16.00) |
| Interim equity dividend (Refer Note 42) | - | - | - | (16.00) | - | (16.00) |
| Addition on equity shares issued under employee stock option (Refer note 36) | - | 12.29 | - | - | - | 12.29 |
| As at March 31, 2024 | 0.05 | 25.04 | 284.83 | 305.12 | 2.55 | 617.59 |

The accompanying notes form an integral part of the financial statements.
As per our report of even date attached.

For **S.R. Batliboi & Co. LLP**

Firm registration number: 301003E / E300005

Chartered Accountants

Per Amit Gupta

Partner

Membership No.: 501396

Place: New Delhi

Date: May 09, 2024

For and on behalf of the Board of Directors of Orient Electric Limited

C.K. Birla

Chairman and Director

(DIN 00118473)

Saibal Sengupta

Chief Financial Officer

(ACA 54373)

D.D. Khetrapal

Vice Chairman and

Managing Director

(DIN 02362633)

Hitesh Kumar Jain

Company Secretary

(F 6241)

Place: New Delhi

Date: May 09, 2024

Cash Flow Statement

(All amounts in Rupees Crores, unless otherwise stated)

| | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|---|--------------------------------------|--------------------------------------|
| (A) Cash flow from Operating Activities : | | |
| Profit before tax | 96.26 | 101.94 |
| Adjustments to reconcile profit before tax to net cash flows : | | |
| Depreciation and amortisation expense | 59.02 | 53.50 |
| Interest Expense | 10.62 | 8.81 |
| (Profit)/Loss on sale of property, plant & equipment (net) | (17.54) | 0.37 |
| Gain on termination of lease contract (net) | (0.78) | (0.49) |
| Bad debts / advances written off (net of reversals) | 0.03 | 0.28 |
| Provision for warranty claims (net) | 24.61 | 28.26 |
| Provision for doubtful debts & advances (net) | 6.84 | (3.88) |
| Provision/liabilities written back | (4.85) | (9.78) |
| Employee stock option expenses | 1.38 | 0.55 |
| Fair valuation impact of security deposit (net) | (0.10) | (0.13) |
| Interest income | (7.31) | (11.49) |
| Unrealised gain on fair valuation of financial instruments (net) | (0.12) | - |
| Unrealised exchange (gain)/loss (net) | 0.14 | (0.02) |
| Operating profit before working capital changes | 168.20 | 167.92 |
| Working capital adjustments : | | |
| Increase/(Decrease) in trade payables | 95.86 | 13.37 |
| Increase/(Decrease) in financial liabilities | 1.60 | (2.80) |
| Increase/(Decrease) in non financial liabilities | 21.30 | (3.91) |
| Increase/(Decrease) in provisions | (21.28) | (31.03) |
| (Increase)/Decrease in inventories | (30.42) | 41.43 |
| (Increase)/Decrease in trade receivables | (107.50) | 47.59 |
| (Increase)/Decrease in financial assets | (3.00) | (0.81) |
| (Increase)/Decrease in non financial assets | (0.84) | (7.14) |
| Cash generated from operations | 123.92 | 224.62 |
| Income tax paid (net of refund) | (5.66) | (34.89) |
| Net cash flow from operating activities | 118.26 | 189.73 |
| (B) INVESTING ACTIVITIES : | | |
| Purchase of property, plant and equipment and intangibles (including work in progress and capital advances) | (174.88) | (113.85) |
| Proceeds from sale of property, plant and equipment | 34.92 | 0.26 |
| Proceeds/(Payments) for/to term deposits with banks | (0.37) | (5.81) |
| Investment with Mutual Fund | (255.00) | - |
| Proceeds from sale of Investments (Mutual Fund) | 217.79 | - |
| Interest received | 7.02 | 9.46 |
| Net Cash Flows From / (Used in) Investing Activities | (170.52) | (109.94) |

Cash Flow Statement

(All amounts in Rupees Crores, unless otherwise stated)

| | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|---|--------------------------------------|--------------------------------------|
| (C) FINANCING ACTIVITIES : | | |
| Proceeds from share capital issued | 0.06 | 0.06 |
| Proceeds from securities premium | 8.30 | 8.85 |
| Repayment of principal portion of lease liabilities | (22.20) | (19.13) |
| Proceeds/(Repayment) of short term borrowings (net) | 10.77 | (4.62) |
| Repayment of interest portion of lease liabilities | (6.88) | (5.44) |
| Interest expense paid | (3.74) | (3.37) |
| Dividends paid | (32.00) | (42.48) |
| Net Cash Flows From/(used in) Financing Activities | (45.69) | (66.13) |
| Net Increase / (Decrease) in Cash & Cash Equivalents (A+B+C) | (97.95) | 13.66 |
| Cash & Cash Equivalents at the beginning of the year | 163.64 | 149.98 |
| Cash & Cash Equivalents at the end of the year (Refer note 10) | 65.69 | 163.64 |

Notes:

- i) The above Cash flow statement has been prepared under the "Indirect Method" as set out in Indian Accounting Standard-7, "Statement of Cash Flows".

The accompanying notes form an integral part of the financial statements.
As per our report of even date attached.

For **S.R. Batliboi & Co. LLP**
Firm registration number: 301003E / E300005
Chartered Accountants

Per Amit Gupta
Partner
Membership No.: 501396

Place: New Delhi
Date: May 09, 2024

For and on behalf of the Board of Directors of Orient Electric Limited

C.K. Birla
Chairman and Director
(DIN 00118473)

Saibal Sengupta
Chief Financial Officer
(ACA 54373)

D.D Khetrapal
Vice Chairman and
Managing Director
(DIN 02362633)

Hitesh Kumar Jain
Company Secretary
(F 6241)
Place: New Delhi
Date: May 09, 2024

Notes to the financial statements

for the year ended March 31, 2024

1. Corporate information

The Company was incorporated on October 10, 2016 and was a subsidiary of Orient Paper & Industries Ltd. (OPIL). A scheme of arrangement was filed with the National Company Law Tribunal to demerge the consumer electric business of the holding Company (OPIL) by transferring the same on a going concern basis to the Company w.e.f. March 1, 2017, which was subsequently approved by the National Company Law Tribunal.

Pursuant to Scheme of Arrangement, shares held by the demerged Company were cancelled and post demerger, the Company is no more a subsidiary of OPIL.

The Company is a public company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. The Company shares are listed on two recognised stock exchanges in India. The registered office of the Company is located at Unit VIII, Plot 7, Bhoinagar, Bhubneswar, Odisha.

The Company is primarily engaged in manufacture/purchase and sale of Electrical Consumer Durables, Lighting & Switchgear products. The Company presently has manufacturing facilities at Faridabad, Noida and Kolkata.

These financial statements were authorised for issue in accordance with a resolution of the Board of Directors on May 09, 2024.

2. Material accounting policies

a. Basis of preparation

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (IND AS) notified under the section 133 of the Companies Act 2013 (the Act) read with Companies (Indian Accounting Standards) Rule 2015 (as amended from time to time) and other relevant provision of the Act. The financial statements have been prepared on a historical cost basis, except for the following assets and liabilities:

- i) Certain financial assets and liabilities that is measured at fair value
- ii) Defined benefit plans-plan assets are measured at fair value

The financial statements are presented in Indian Rupees ('INR') and all values are rounded to nearest crore (INR 00,00,000) upto two decimal places, except when otherwise indicated.

b. Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current / non- current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

Notes to the financial statements

for the year ended March 31, 2024

All other liabilities are classified as non-current.

Deferred tax assets and deferred tax liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

c. Property, plant and equipment

Property, Plant and equipment including capital work in progress are stated at cost, less accumulated depreciation and accumulated impairment losses, 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 tax credit availed wherever applicable. The Company identifies and determines cost of each component/ part of the asset separately, if the component/ part have a cost which is significant to the total cost of the asset and has useful life that is materially different from that of the remaining asset. Similarly, when significant parts of plant and equipment are required to be replaced at intervals or when a major inspection/overhauling is required to be performed, such cost of replacement or inspection is capitalised (if the recognition criteria is satisfied) in the carrying amount of plant and equipment as a replacement cost or cost of major inspection/overhauling, as the case may be and depreciated separately based on their specific useful life. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in statement of profit and loss as incurred. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing fixed assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

Items of stores and spares that meet the definition of property, plant and equipment are capitalized at cost and depreciated over their useful life. Otherwise, such items are classified as inventories.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised.

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.

Property, plant and equipment held for sale is valued at lower of their carrying amount and net realizable value. Any write-down is recognised in the statement of profit and loss.

Depreciation on property, plant and equipment is provided on pro-rata basis with reference to the date of addition/disposal on straight-line method using the useful lives of the assets estimated by management based on technical evaluation; these rates are in certain cases differ from the lives prescribed under Schedule II of the Act.

The Company has used the following useful lives to provide depreciation:

| Class of Asset | Useful Lives as per Schedule II | Useful Lives estimated by the management (years) |
|-----------------------|---------------------------------|--|
| Factory Buildings | 30 | 30 |
| Non-Factory Buildings | 60 | 5 to 60 |
| Plant and equipment | 15 | 3 to 25 |
| Furniture & Fixtures | 10 | 3 to 10 |

Notes to the financial statements

for the year ended March 31, 2024

| Class of Asset | Useful Lives as per Schedule II | Useful Lives estimated by the management (years) |
|--|---------------------------------|--|
| Computers (included in office equipment) | 3 to 6 | 3 |
| Office Equipment | 5 | 5 |
| Vehicles | 8 | 8 |

Leasehold improvements are depreciated over the lease period.

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 intangible assets, excluding capitalized development costs, are not capitalized and expenditure is reflected in the Statement of Profit and Loss in the year in which the expenditure is incurred.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortised over the useful economic lives and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are 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 are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Statement of Profit and Loss.

Intangible assets being specialised Software and Technical Know-how are amortised on a straight line basis over their useful life (estimated by the management) of 3 to 5 years and 10 years respectively.

e. Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Where the Company is lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

(i) Right to use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date when 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

Notes to the financial statements

for the year ended March 31, 2024

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 assets, as follows:

| Class of asset | Useful Lives estimated by the management (years) |
|-----------------------|--|
| Leased Premises | 2-10 |
| Leased broadband line | 9 |

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 (g) Impairment of non-financial assets.

(ii) 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.

Where the Company is the lessor-

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Assets subject to operating leases are included in Property, plant & equipment. Lease income on an operating lease is recognized in the Statement of Profit and Loss on a straight-line basis over the lease term. Costs, including depreciation, are recognized as an expense in the Statement of Profit and Loss.

Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases contracts (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 of office equipment 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.

f. Borrowing costs

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the borrowings and exchange differences to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs directly attributable to the acquisition or construction of an asset that necessarily takes a substantial period of time to get ready for its intended use are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the year they occur.

Notes to the financial statements

for the year ended March 31, 2024

g. Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or Companies of 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 net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

The Company bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the Company's cash-generating units to which the individual assets are allocated. Impairment losses of continuing operations, including impairment on inventories, are recognised in the Statement of Profit and Loss.

For assets, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the Statement of Profit and Loss.

Intangible assets with indefinite useful lives are tested for impairment annually either individually or at the CGU level, as appropriate, and when circumstances indicate that the carrying value may be impaired.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

h. Government grants

Grants and subsidies from the government are recognized when there is reasonable assurance that (i) the Company will comply with the conditions attached to them, and (ii) the grant/subsidy will be received.

When the grant or subsidy relates to revenue, it is recognized as income on a systematic basis in the Statement of Profit and Loss over the periods necessary to match them with the related costs, which they are intended to compensate. Where the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

When the Company receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to the Statement of Profit and Loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset i.e. by equal annual instalments. When loans or similar assistance are provided by governments or related institutions, with an interest rate below the current applicable market rate, the effect of this favourable interest is regarded as a government grant. The loan or assistance is initially recognised and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received. The loan is subsequently measured as per the accounting policy applicable to financial liabilities.

i. Inventories

Raw materials, components, stores and spares are valued at lower of cost and net realizable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost of raw materials, components, stores and spares is determined on moving weighted average method.

Notes to the financial statements

for the year ended March 31, 2024

Work-in-progress and finished goods are valued at lower of cost and net realizable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. Cost of finished goods is determined on standard cost basis.

Traded goods are valued at lower of cost and net realizable value. Cost of purchase and other costs in bringing the inventories to their present location and condition. Cost of traded goods is determined on weighted average basis.

Saleable scrap, whose cost is not identifiable, is valued at net realisable value.

Stores and Spares which do not meet the definition of property, plant and equipment are accounted as inventories.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

j. Revenue from contract with customers

Revenue from contracts with customers is recognised when control of the goods are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods. The Company has generally concluded that it is the principal in its revenue arrangements because it typically controls the goods before transferring them to the customer.

The disclosures of significant accounting judgements, estimates and assumptions relating to revenue from contracts with customers are provided in Note 2.1.

Sale of Goods

Revenue from sale of goods is recognised at the point in time when control of the goods is transferred to the customer, generally on delivery of the goods.

The Company considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated (e.g., warranties, Sales points). In determining the transaction price for the sale of goods, the Company considers the effects of variable consideration, the existence of significant financing components, noncash consideration, and consideration payable to the customer (if any).

Variable consideration

If the consideration in a contract includes a variable amount, the Company estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved. Some contracts for the sale of goods provide customers with volume rebates. The volume rebates give rise to variable consideration.

- Volume rebates

The Company provides retrospective volume rebates to certain customers once the quantity of products purchased during the period exceeds a threshold specified in the contract. Rebates are offset against amounts payable by the customer. To estimate the variable consideration for the expected future rebates, the Company applies the most likely amount method for contracts with a single-volume threshold and the expected value method for contracts with more than one volume threshold. The selected method that best predicts the amount of variable consideration is primarily driven by the number of volume thresholds contained in the contract. The Company then applies the requirements on constraining estimates of variable consideration and recognises a refund liability for the expected future rebates.

- Significant financing component

The Company receives short-term advances from its customers. Using the practical expedient in Ind AS 115, the Company does not adjust the promised amount of consideration for the effects of a significant financing component if it expects, at contract inception, that the period between the transfer of the promised goods to the customer and when the customer pays for that goods will be one year or less.

Notes to the financial statements

for the year ended March 31, 2024

Warranty obligations

The Company typically provides warranties for general repairs of defects that existed at the time of sale, as required by law. These assurance-type warranties are accounted for under Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets. Refer to the accounting policy on warranty provisions.

In some contracts, the Company provides warranty to the customers. The warranty is accounted for as a separate performance obligation and a portion of the transaction price is allocated. The performance obligation for the warranty service is satisfied based on time elapsed.

Sales points programme

The Company has a sales point programme, which allows customers to accumulate points that can be redeemed for free products. The sales points give rise to a separate performance obligation as they provide a material right to the customer. A portion of the transaction price is allocated to the sales points awarded to customers based on relative stand-alone selling price and recognised as a contract liability until the points are redeemed. Revenue is recognised upon redemption of products by the customer.

When estimating the stand-alone selling price of the sales points, the Company considers the likelihood that the customer will redeem the points. The Company updates its estimates of the points that will be redeemed on a quarterly basis and any adjustments to the contract liability balance are charged against revenue.

Sales of Services

Revenue from installation and maintenance services are recognised at point of time upon completion of services.

Trade receivables

A receivable represents the Company's right to 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 - 'financial instruments - initial recognition and subsequent measurement'.

Contract liabilities

A contract liability is the obligation to transfer goods 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 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.

Refund liabilities

A refund liability is the obligation to refund some or all of the consideration received (or receivable) from the customer and is measured at the amount the Company ultimately expects it will have to return to the customer. The Company updates its estimates of refund liabilities (and the corresponding change in the transaction price) at the end of each reporting period. Refer to above accounting policy on variable consideration.

k. Other revenue streams

- Interest Income

For all debt instruments measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in other income in the statement of profit and loss.

Notes to the financial statements

for the year ended March 31, 2024

- **Export Benefits**

Export benefits arising from Duty Drawback scheme, Merchandise Export Incentive Scheme, Focus Market Scheme are recognised on shipment of direct exports. Revenue from exports benefits measured at the fair value of consideration received or receivable.

I. **Foreign currency transactions and balances**

The financial statements are presented in INR, which is the Company's functional currency.

Foreign currency transactions are initially recorded at functional currency's spot rates at the date the transaction first qualifies for recognition.

Foreign currency monetary items are translated using the functional currency spot rates prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction. Non-monetary items, which are measured at fair value or other similar valuation denominated in a foreign currency, are translated using the exchange rate at the date when such value was determined.

Exchange differences arising on the settlement or translation of monetary items are recognized in the Statement of Profit and Loss in the period in which they arise.

m. **Employee benefits**

i. **Short-term obligations**

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within twelve months after the end of the period in which the employees render the related service are recognised in respect of employee service upto the end of the reporting period and are measured at the amount expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

ii. **Other long-term employee benefit obligations**

- **Gratuity**

Gratuity liability is defined benefit obligation and is provided for on the basis of an actuarial valuation on projected unit credit (PUC) method made at the end of each financial year. The Company's gratuity fund scheme is managed by trust maintained with Insurance companies to cover the gratuity liability of the employees and premium paid to such insurance companies is charged to the statement of profit and loss.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements
- Net interest expense or income

- **Provident fund and Superannuation fund**

Retirement benefit in the form of Provident Fund, ESI and Superannuation Fund are defined contribution schemes. The Company has no obligation, other than the contribution payable to the fund. The Company recognizes contribution payable through provident fund scheme as an expense, when an employee renders the related services. If the contribution payable to scheme for service received before the balance sheet date exceeds the contribution already

Notes to the financial statements

for the year ended March 31, 2024

paid, the deficit payable to the scheme is recognised as liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognised as an asset to the extent that the prepayment will lead to, for example, a reduction in future payment or a cash refund.

- **Compensated Absences**

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the Statement of Profit and Loss and are not deferred. The Company presents the leave as a current liability in the balance sheet, to the extent it does not have an unconditional right to defer its settlement for 12 months after the reporting date. Where Company has the unconditional legal and contractual right to defer the settlement for a period beyond 12 months, the same is presented as non-current liability.

n. **Share based payments**

Employees (including senior executives) of the Company receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments (equity-settled transactions).

Equity-settled transactions

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model. That cost is recognised as employee benefits expense in the statement of profit and loss together with a corresponding increase in other equity as 'Share based payments reserve' in lines with requirement as per Ind AS 102 (Share based payments), over the period in which the performance and/or service conditions are fulfilled. The cumulative expense recognised for equity settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest. The statement of profit and loss expense or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Company's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions.

No expense is recognised for awards that do not ultimately vest because non-market performance and/or service conditions have not been met. Where awards include a market or non-vesting condition, the transactions are treated as vested irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

When the terms of an equity-settled award are modified, the minimum expense recognised is the expense had the terms had not been modified, if the original terms of the award are met. An additional expense is recognised for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee as measured at the date of modification. Where an award is cancelled by the entity or by the counterparty, any remaining element of the fair value of the award is expensed immediately through profit or loss.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

Notes to the financial statements

for the year ended March 31, 2024

o. Income taxes

Tax expense comprises current and deferred tax. Current income-tax is measured at the amount expected to be paid to or recovered from the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current income tax relating to items recognised outside Statement of Profit and Loss is recognised outside Statement of Profit and Loss (either in other comprehensive income or in equity). Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date. Deferred tax relating to items recognised outside Statement of Profit and Loss is recognised outside Statement of Profit and Loss (either in other comprehensive income or in equity).

Deferred tax liabilities are recognized for all taxable temporary differences. Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

p. Segment reporting

Identification of segments

The Company's operating businesses are organized and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets. The analysis of geographical segments is based on the areas in which the customers of the Company are located.

Allocation of common costs

Common allocable costs are allocated to each segment on a case to case basis applying the ratio, appropriate to each relevant case. Revenue and expenses, which relate to the enterprise as a whole and are not allocable to segment on a reasonable basis, are included under the head "Unallocated".

Unallocated items

Unallocated items include general corporate income and expense items which are not allocated to any business segment.

Segment accounting policies

The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole.

q. Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

Notes to the financial statements

for the year ended March 31, 2024

r. Provisions and contingent liabilities

- General Provisions

A provision is recognised when the Company has a present obligation (legal or constructive) as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

- Warranty Provisions

Provisions for warranty-related costs are recognised when the product is sold or service provided. Provision is based on technical estimates by the management based on past trends. The estimate of such warranty-related costs is revised annually.

- Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not 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 recognize a contingent liability but discloses its existence in the financial statements.

Provisions, contingent liabilities, contingent assets and commitments are reviewed at each balance sheet date.

s. Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

t. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

i. Financial Assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Financial assets are classified, at initial recognition and subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient, the Company initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient are measured at the transaction price determined under Ind AS 115. Refer to the accounting policies on Revenue from contracts with customers.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

Notes to the financial statements

for the year ended March 31, 2024

The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement financial assets are classified in following categories:

- Debt instruments at fair value through profit and loss (FVTPL)
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments at amortized cost
- Equity instruments

Where assets are measured at fair value, gains and losses are either recognised entirely in the statement of profit and loss (i.e. fair value through profit or loss), or recognised in other comprehensive income (i.e. fair value through other comprehensive income). For investment in debt instruments, this will depend on the business model in which the investment is held. For investment in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for equity instruments at FVTOCI.

Debt instruments at amortized cost

A Debt instrument is measured at amortized cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of EIR. EIR is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses. The EIR amortization is included in finance income in profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables.

Debt instruments at fair value through OCI

A Debt instrument is measured at fair value through other comprehensive income if following criteria are met:

- **Business Model Test:** The objective of financial instrument is achieved by both collecting contractual cash flows and for selling financial assets.
- **Cash flow characteristics test:** The contractual terms of the Debt instrument give rise on specific dates to cash flows that are solely payments of principal and interest on principal amount outstanding.

Debt instrument included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in the other comprehensive income (OCI), except for the recognition of interest income, impairment gains or losses and foreign exchange gains or losses which are recognised in statement of profit and loss. On derecognition of asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to

Notes to the financial statements

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statement of profit and loss. Interest earned whilst holding FVTOCI financial asset is reported as interest income using the EIR method.

Debt instruments at FVTPL

FVTPL is a residual category for financial instruments. Any financial instrument, which does not meet the criteria for amortized cost or FVTOCI, is classified as at FVTPL. In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Company has not designated any debt instrument as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognised in the statement of profit and loss.

Investments in mutual funds

Investment in mutual funds are measured at fair value through profit or loss (FVTPL).

Equity Investment

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS 103 applies are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised (i.e. removed from the Company's statement of financial position) when:

- The rights to receive cash flows from the asset have expired, or
- the Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass through" arrangement and either;
- the Company has transferred the rights to receive cash flows from the financial assets or
- the Company has retained the contractual right to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the Company has transferred an asset, the Company evaluates whether it has transferred substantially all the risks and rewards of the ownership of the financial assets. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all the risks and rewards of the ownership of the financial assets, the financial asset is not derecognised.

Where the Company has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

Notes to the financial statements

for the year ended March 31, 2024

Impairment of financial assets

In accordance with IND AS 109, the Company applies expected credit losses (ECL) model for measurement and recognition of impairment loss on the following financial asset and credit risk exposure:

- Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance,
- Financial assets that are debt instruments and are measured as at FVTOCI;

The Company follows "simplified approach" for recognition of impairment loss allowance on:

- Trade receivables or contract revenue receivables;
- All lease receivables resulting from the transactions within the scope of IND AS 116

Under the simplified approach, the Company does not track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. The Company uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix is based on its historically observed default rates over the expected life of trade receivable and is adjusted for forward looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward looking estimates are analysed.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the Company reverts to recognizing impairment loss allowance based on 12- months ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

- All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument.

As a practical expedient, the Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

ii. Financial liabilities:

Initial recognition and measurement

Financial liabilities are classified at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, and payables, net of directly attributable transaction costs. The Company financial liabilities include loans and borrowings including bank overdraft, trade payables, trade deposits, retention money, and liabilities towards services, sales incentive and other payables.

The measurement of financial liabilities depends on their classification, as described below:

Notes to the financial statements

for the year ended March 31, 2024

Trade Payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at fair value and subsequently measured at amortized cost using EIR method.

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.

Gains or losses on liabilities held for trading are recognised in the statement of profit and loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in IND AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognised in OCI. These gains/ losses are not subsequently transferred to profit and loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit and loss. The Company has not designated any financial liability as at fair value through profit and loss.

Loans and borrowings

Borrowings are initially recognised at fair value, net of transaction cost incurred. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognised in statement of profit and loss when the liabilities are derecognised as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

Embedded derivatives

An embedded derivative is a component of a hybrid (combined) instrument that also includes a non-derivative host contract with the effect that some of the cash flows of the combined instrument vary in a way similar to a standalone derivative. An embedded derivative causes some or all of the cash flows that otherwise would be required by the contract to be modified according to a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable, provided in the case of a nonfinancial variable that the variable is not specific to a party to the contract. Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the fair value through profit or loss.

If the hybrid contract contains a host that is a financial asset within the scope of Ind AS 109, the Company does not separate embedded derivatives. Rather, it applies the classification requirements contained in Ind AS 109 to the entire hybrid contract. Derivatives embedded in all other host contracts are accounted for as separate derivatives and recorded at fair value if their economic characteristics and risks are not closely related to those of the host contracts and the host contracts are not held for trading or designated at fair value through profit or loss. These embedded derivatives are measured at fair value with changes in fair value recognised in profit or loss, unless designated as effective hedging instruments.

Notes to the financial statements

for the year ended March 31, 2024

Offsetting of financial instruments:

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

Reclassification of financial assets:

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

The following table shows various reclassification and how they are accounted for:

| Original Classification | Revised classification | Accounting treatment |
|-------------------------|------------------------|--|
| Amortised cost | FVTPL | Fair value is measured at reclassification date. Difference between previous amortised cost and fair value is recognised in statement of profit and loss. |
| FVTPL | Amortised cost | Fair value at reclassification date becomes its new gross carrying amount. EIR is calculated based on the new gross carrying amount. |
| Amortised cost | FVTOCI | Fair value is measured at reclassification date. Difference between previous amortised cost and fair value is recognised in OCI. No change in EIR due to reclassification. |
| FVTOCI | Amortised cost | Fair value at reclassification date becomes its new amortised cost carrying amount. However, cumulative gain or loss in OCI is adjusted against fair value. Consequently, the asset is measured as if it had always been measured at amortised cost. |
| FVTPL | FVTOCI | Fair value at reclassification date becomes its new carrying amount. No other adjustment is required. |
| FVTOCI | FVTPL | Assets continue to be measured at fair value. Cumulative gain or loss previously recognised in OCI is reclassified to PGL at the reclassification date. |

Derivative financial instruments and hedge accounting

Initial recognition and subsequent measurement

The Company uses derivative financial instruments, such as forward currency contracts, to hedge its foreign currency risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss, except for the effective portion of cash flow hedges (if any), which is recognised in OCI and later reclassified to profit or loss when the hedge item affects profit or loss or treated as basis adjustment if a hedged forecast transaction subsequently results in the recognition of a non-financial asset or non-financial liability.

Notes to the financial statements

for the year ended March 31, 2024

u. Fair value measurement

The Company measures financial instruments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1- Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2- Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3- Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

v. Dividends

The Company recognises a liability to pay dividend to equity holders of the Company when the distribution is authorised, and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

w. Non-current assets held for sale

The Company classifies non-current assets and disposal groups as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use.

Non-current assets and disposal groups classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Costs to sell are the incremental costs directly attributable to the disposal of an asset (disposal group), excluding finance costs and income tax expense.

The criteria for held for sale classification is regarded as met only when the sale is highly probable, and the asset or disposal group is available for immediate sale in its present condition. Actions required to complete the sale/ distribution should indicate

Notes to the financial statements

for the year ended March 31, 2024

that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the sale and the sale expected within one year from the date of classification.

For these purposes, sale transactions include exchanges of non-current assets for other non-current assets when the exchange has commercial substance. The criteria for held for sale classification is regarded met only when the assets or disposal group is available for immediate sale in its present condition, subject only to terms that are usual and customary for sales of such assets (or disposal groups), its sale is highly probable; and it will genuinely be sold, not abandoned. The Company treats sale of the asset or disposal group to be highly probable when:

- The appropriate level of management is committed to a plan to sell the asset (or disposal group),
- An active programme to locate a buyer and complete the plan has been initiated (if applicable),
- The asset (or disposal group) is being actively marketed for sale at a price that is reasonable in relation to its current fair value,
- The sale is expected to qualify for recognition as a completed sale within one year from the date of classification, and
- Actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

Property, plant and equipment and intangible are not depreciated, or amortised assets once classified as held for sale. Assets and liabilities classified as held for sale are presented separately from other items in the balance sheet.

2.1 Significant accounting judgements, estimates and assumptions

The preparation of the 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, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Judgements

In the process of applying the Company's accounting policies, there are no significant judgements established by the management.

Revenue from contracts with customers

The Company applied the following judgements that significantly affect the determination of the amount and timing of revenue from contracts with customers:

Determining method to estimate variable consideration and assessing the constraint

Certain contracts for the sale of goods include volume rebates that give rise to variable consideration. In estimating the variable consideration, the Company is required to use either the expected value method or the most likely amount method based on which method better predicts the amount of consideration to which it will be entitled.

In estimating the variable consideration for the sale of goods with volume rebates, the Company determined that using a combination of the most likely amount method and expected value method is appropriate. The selected method that better predicts the amount of variable consideration was primarily driven by the number of volume thresholds contained in the contract. The most likely amount method is used for those contracts with a single volume threshold, while the expected value method is used for contracts with more than one volume threshold.

Before including any amount of variable consideration in the transaction price, the Company considers whether the amount of variable consideration is constrained. The Company determined that the estimates of variable consideration are not constrained based on its historical experience, business forecast and the current economic conditions. In addition, the uncertainty on the variable consideration will be resolved within a short time frame.

Notes to the financial statements

for the year ended March 31, 2024

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 that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Useful life of property, plant and equipment

The Company uses its technical expertise along with historical and industry trends for determining the economic life of an asset/component of an asset. The useful lives are reviewed by management periodically and revised, if appropriate. In case of a revision, the unamortised depreciable amount is charged over the remaining useful life of the assets.

- Defined benefit plans

The cost of the defined benefit gratuity plan and other post-employment defined benefits are determined using actuarial valuations. An actuarial valuation involves various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation 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. Further details about gratuity obligations are given in Note 30.

- Leases

The Company has several lease contracts that include extension and termination options. These options are negotiated by management to provide flexibility in managing the leased-asset portfolio and align with the Company's business needs. Management exercises significant judgement in determining whether these extension and termination options are reasonably certain to be exercised.

- Provisions and Contingencies

The assessments undertaken in recognising provisions and contingencies have been made in accordance with the applicable Ind AS. A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Where the effect of time value of money is material, provisions are determined by discounting the expected future cash flows. The Company has significant capital commitments in relation to various capital projects which are not recognized on the balance sheet. In the normal course of business, contingent liabilities may arise from litigation and other claims against the Company. Guarantees are also provided in the normal course of business. There are certain obligations which management has concluded, based on all available facts and circumstances, are not probable of payment or are very difficult to quantify reliably, and such obligations are treated as contingent liabilities and disclosed in the notes but are not reflected as liabilities in the financial statements. Although there can be no assurance regarding the final outcome of the legal proceedings in which the Company is involved, it is not expected that such contingencies will have a material effect on its financial position or profitability.

- Taxes

Uncertainties exist with respect to the interpretation of complex tax regulations, changes in tax laws, and the amount and timing of future taxable income. Given the nature of business differences arising between the actual results and the assumptions made, or future changes to such assumptions, could necessitate future adjustments to tax income and expense already recorded. The Company establishes provisions, based on reasonable estimates. The amount of such provisions is based on various factors, such as experience of previous tax audits and different interpretations of tax regulations by the taxable entity and the responsible tax authority. Such differences of interpretation may arise on a wide variety of issues depending on the conditions prevailing in the respective domicile of the companies.

Notes to the financial statements

for the year ended March 31, 2024

2.2 New and amended standards

The Ministry of Corporate Affairs has notified Companies (Indian Accounting Standards) Amendment Rules, 2023 dated 31 March 2023 to amend the following Ind AS which are effective for annual periods beginning on or after 1 April 2023. The Company applied for the first-time these amendments.

(i) Definition of Accounting Estimates - Amendments to Ind AS 8

The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. It has also been clarified how entities use measurement techniques and inputs to develop accounting estimates.

The amendments had no material impact on the Company's standalone financial statements.

(ii) Disclosure of Accounting Policies - Amendments to Ind AS 1

The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

The amendments do not have an material impact on the Company's disclosures of accounting policies and measurement, recognition or presentation of any items in the Company's financial statements.

(iii) Deferred Tax related to Assets and Liabilities arising from a Single Transaction - Amendments to Ind AS 12

The amendments narrow the scope of the initial recognition exception under Ind AS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences such as leases.

The Company previously recognised for deferred tax on leases on a net basis. As a result of these amendments, the Company has recognised a separate deferred tax asset in relation to its lease liabilities and a deferred tax liability in relation to its right-of-use assets. Since, these balances qualify for offset as per the requirements of paragraph 74 of Ind AS 12, there is no impact in the balance sheet. There was also no impact on the opening retained earnings as at 1 April 2023.

The amendments do not material impact on the Company's financial statements.

2.3 Standards notified but not yet effective

There are no standards that are notified and not yet effective as on date.

Notes to the financial statements

for the year ended March 31, 2024

(All amounts in Rupees Crores, unless otherwise stated)

3. Property, plant and equipment

| Particulars | Freehold Land | Factory Building (a) | Non Factory Building (a) | Plant & Machinery | Office Equipment's | Vehicles | Furniture & Fixtures | Total | Capital work-in-progress |
|-----------------------------|---------------|----------------------|--------------------------|-------------------|--------------------|-------------|----------------------|---------------|--------------------------|
| Cost | | | | | | | | | |
| As at April 01, 2022 | 29.00 | 28.37 | 4.78 | 215.25 | 19.47 | 1.24 | 19.81 | 317.92 | 1.52 |
| Additions | - | 0.01 | - | 21.86 | 4.43 | 0.28 | 1.59 | 28.17 | 81.69 |
| Disposals | - | (0.01) | - | (5.83) | (0.20) | (0.27) | (0.70) | (7.01) | - |
| Adjustments* | (16.12) | - | - | - | - | - | - | (16.12) | (0.50) |
| As at March 31, 2023 | 12.88 | 28.37 | 4.78 | 231.28 | 23.70 | 1.25 | 20.70 | 322.96 | 82.71 |
| Depreciation | | | | | | | | | |
| As at April 01, 2022 | - | 10.78 | 1.89 | 137.80 | 12.22 | 0.59 | 12.25 | 175.53 | - |
| Charge during the year | - | 0.99 | 0.43 | 20.11 | 3.21 | 0.10 | 1.78 | 26.62 | - |
| Disposals | - | (0.01) | - | (5.41) | (0.19) | (0.10) | (0.66) | (6.37) | - |
| As at March 31, 2023 | - | 11.76 | 2.32 | 152.50 | 15.24 | 0.59 | 13.37 | 195.78 | - |
| Net book value | 12.88 | 16.61 | 2.46 | 78.77 | 8.46 | 0.66 | 7.33 | 127.18 | 82.71 |
| Cost | | | | | | | | | |
| As at April 01, 2023 | 12.88 | 28.37 | 4.78 | 231.28 | 23.70 | 1.25 | 20.70 | 322.96 | 82.71 |
| Additions | - | 1.66 | 8.77 | 22.83 | 5.02 | - | 2.58 | 40.86 | 144.75 |
| Disposals | - | (0.67) | - | (2.11) | (0.27) | - | (0.33) | (3.38) | (4.89) |
| Adjustments/Revaluation | - | - | - | - | - | - | - | - | - |
| As at March 31, 2024 | 12.88 | 29.36 | 13.55 | 252.00 | 28.45 | 1.25 | 22.95 | 360.44 | 222.57 |
| Depreciation | | | | | | | | | |
| As at April 01, 2023 | - | 11.76 | 2.32 | 152.50 | 15.24 | 0.59 | 13.37 | 195.78 | - |
| Charge during the year | - | 0.86 | 0.99 | 20.19 | 4.08 | 0.10 | 1.97 | 28.19 | - |
| Disposals | - | (0.63) | - | (1.93) | (0.25) | - | (0.29) | (3.10) | - |
| As at March 31, 2024 | - | 11.99 | 3.31 | 170.76 | 19.07 | 0.69 | 15.05 | 220.87 | - |
| Net book value | 12.88 | 17.37 | 10.24 | 81.24 | 9.38 | 0.56 | 7.90 | 139.57 | 222.57 |

a. Factory buildings include gross block of ₹ 3.01 crores (March 31, 2023: ₹ 3.63 crores) [Accumulated depreciation ₹ 2.59 crores (March 31, 2023: ₹ 3.15 crores)], Net block ₹ 0.42 crores (March 31, 2023: ₹ 0.48 crores) in respect of leasehold improvements and non factory building includes gross block of ₹ 11.73 crores (March 31, 2023: ₹ 2.97 crores) [Accumulated depreciation ₹ 2.87 crores (March 31, 2023: ₹ 1.91 crores)], Net block ₹ 8.86 crores (March 31, 2023: ₹ 1.06 crores) in respect of leasehold improvements.

b. Title deeds of all immovable properties (other than properties where the Company is lessee and lease agreements are duly executed i.e. signed, sealed and delivered in favour of the lessee) are held in the name of the Company.

* Other adjustment in freehold land represent the Asset held for sale. For Details refer note 48.

Notes to the financial statements

for the year ended March 31, 2024

(All amounts in Rupees Crores, unless otherwise stated)

A- Capital-Work-in Progress (CWIP) ageing schedule

| Capital work-in-progress | Amount in CWIP for a period of | | | | Total |
|-----------------------------|--------------------------------|-----------|-----------|-------------------|---------------|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| Projects in progress | | | | | |
| As at March 31, 2024 | 53.12 | 169.22 | 0.10 | 0.13 | 222.57 |
| As at March 31, 2023 | 81.72 | 0.65 | 0.07 | 0.27 | 82.71 |

B- Capital work in progress whose completion is overdue or related possible cost overrun.

| Capital work-in-progress | Amount in CWIP to be completed in | | | | Total |
|--------------------------------------|-----------------------------------|-----------|-----------|-------------------|---------------|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| As at March 31, 2024 | | | | | |
| New manufacturing plant at Hyderabad | 212.61 | - | - | - | 212.61 |
| As at March 31, 2023 | | | | | |
| Moulds and dies for mixer grinder | 0.27 | - | - | - | 0.27 |

4. Intangible assets

| | Software | Technical know how | Total |
|-----------------------------|--------------|--------------------|--------------|
| Cost | | | |
| As at April 01, 2022 | 31.09 | 7.51 | 38.60 |
| Additions | 2.04 | - | 2.04 |
| As at March 31, 2023 | 33.13 | 7.51 | 40.64 |
| Amortisation | | | |
| As at April 01, 2022 | 11.42 | 5.33 | 16.75 |
| Charge during the year | 4.80 | 0.75 | 5.55 |
| As at March 31, 2023 | 16.22 | 6.08 | 22.30 |
| Net book value | 16.91 | 1.43 | 18.34 |
| Cost | | | |
| As at April 01, 2023 | 33.13 | 7.51 | 40.64 |
| Additions | 1.89 | - | 1.89 |
| As at March 31, 2024 | 35.02 | 7.51 | 42.53 |
| Amortisation | | | |
| As at April 01, 2023 | 16.22 | 6.08 | 22.30 |
| Charge during the year | 5.31 | 0.75 | 6.06 |
| As at March 31, 2024 | 21.53 | 6.83 | 28.36 |
| Net book value | 13.49 | 0.68 | 14.17 |

4(a)- Intangible assets under development

A- Intangible assets under development ageing schedule

| Intangible assets under development | Amount in Intangible assets under development for a period of | | | | Total |
|-------------------------------------|---|-----------|-----------|-------------------|-------------|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| Projects in progress | | | | | |
| As at March 31, 2024 | 0.06 | 2.27 | 0.18 | - | 2.51 |
| As at March 31, 2023 | 1.62 | 0.90 | 0.73 | - | 3.25 |

Notes to the financial statements

for the year ended March 31, 2024

(All amounts in Rupees Crores, unless otherwise stated)

B- Intangible assets under development whose completion is overdue or related possible cost overrun.

| Intangible assets under development | Amount in Intangible assets under development to be completed in | | | | Total |
|--------------------------------------|--|-----------|-----------|-------------------|-------------|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| As at March 31, 2024 | | | | | |
| New manufacturing plant at Hyderabad | 2.27 | - | - | - | 2.27 |
| As at March 31, 2023 | | | | | |
| B2B Customer Relationship | 0.73 | - | - | - | 0.73 |
| Management software | | | | | |

5. Other financial assets

| | As at March 31, 2024 | As at March 31, 2023 |
|--|-------------------------|-------------------------|
| Unsecured, considered good, except otherwise stated | | |
| Non-current | | |
| Security deposits at amortised cost | 11.90 | 8.57 |
| Deposits held as margin money* | 5.24 | 5.96 |
| Interest accrued on loans and deposits | 0.48 | 0.27 |
| | (A) | 17.62 |
| Current | | |
| Security deposits | 1.75 | 1.98 |
| Deposits held as margin money* | 1.09 | - |
| Interest accrued on loans and deposits | 0.28 | 0.20 |
| | (B) | 3.12 |
| Total other financial assets | (A+B) | 20.74 |
| | | 16.98 |

* Deposit held as margin money against the bank guarantees and others

6. Other assets

| | As at March 31, 2024 | As at March 31, 2023 |
|--|-------------------------|-------------------------|
| Unsecured, considered good, except otherwise stated | | |
| Non-current | | |
| Capital advances | 9.53 | 15.42 |
| Advances recoverable | | |
| Considered doubtful | 1.83 | 0.96 |
| Less : Provision for doubtful advances | 1.83 | 0.96 |
| | - | - |
| Deposits against demand under dispute | 1.29 | 1.21 |
| Prepaid expenses | 1.79 | 0.45 |
| | (A) | 12.61 |
| Current | | |
| Advances recoverable | 11.16 | 9.61 |
| Prepaid expenses | 11.90 | 9.00 |
| Balances with government authorities | 10.14 | 14.95 |
| Export benefit receivables | 0.73 | 1.01 |
| | (B) | 33.93 |
| Total other assets | (A+B) | 46.54 |
| | | 51.65 |

Notes to the financial statements

for the year ended March 31, 2024

(All amounts in Rupees Crores, unless otherwise stated)

7. Inventories

| | As at March 31, 2024 | As at March 31, 2023 |
|---|-------------------------|-------------------------|
| Valued at lower of cost and net realisable value | | |
| Raw materials & components | 98.90 | 77.23 |
| Work-in-progress | 2.88 | 2.98 |
| Finished goods | 81.60 | 97.12 |
| Traded goods | 126.22 | 102.24 |
| Stores and spares | 5.10 | 4.28 |
| At net realisable value | | |
| Scrap | 0.36 | 0.79 |
| | 315.06 | 284.64 |
| The above inventory includes stock in transit: | | |
| Raw materials | 0.81 | 2.23 |
| Traded goods | 3.90 | 2.36 |
| Finished goods | 4.75 | 5.83 |
| | 9.46 | 10.42 |

- a) During the year ended March 31, 2024 ₹ 6.12 crores (March 31, 2023: ₹(0.01) crores) was recognised as an expense for inventories carried at net realisable value.

8. Current Investments

| | As at March 31, 2024 | As at March 31, 2023 |
|--|-------------------------|-------------------------|
| Investments in Mutual funds measured at fair value through Profit and Loss (Quoted) | | |
| 1,28,068,301 units (March 31, 2023: Nil)-Axis Overnight Fund regular growth | 16.18 | - |
| 3,93,317,264 units (March 31, 2023: Nil)-Nippon India Overnight Fund Growth | 5.03 | - |
| 19,967,872 units (March 31, 2023: Nil)-HDFC Overnight Fund Growth | 7.03 | - |
| 28,010,639 units (March 31, 2023: Nil)-UTI Overnight Fund Growth | 9.09 | - |
| | 37.33 | - |
| Aggregate book value of quoted investment | 37.33 | - |
| Aggregate market value of quoted investment | 37.33 | - |

9. Trade receivables

| | As at March 31, 2024 | As at March 31, 2023 |
|--------------------------------------|-------------------------|-------------------------|
| Non Current | | |
| Unsecured, considered good | 10.30 | 15.82 |
| | 10.30 | 15.82 |
| Current | | |
| Secured, considered good | 25.20 | 25.42 |
| Unsecured, considered good | 436.76 | 330.56 |
| Credit impaired | 18.81 | 12.86 |
| | 480.77 | 368.84 |
| Less : Provision for credit impaired | 18.81 | 12.86 |
| | 461.96 | 355.98 |

Notes to the financial statements

for the year ended March 31, 2024

(All amounts in Rupees Crores, unless otherwise stated)

- No trade receivables are due from directors or other officers of the Company either severally or jointly with any other person. Nor any trade receivables are due from firms or private companies respectively in which any director is a partner, a director or a member.
- Trade receivables are generally non-interest bearing.
- Trade Receivables include due from related parties ₹ 0.11 crores (March 31, 2023: ₹ 0.22 crores) (Refer note 34).
- Ageing required as per schedule III is provided in note no. 46.

10. Cash and cash equivalents

| | Rs at March 31, 2024 | Rs at March 31, 2023 |
|--|-------------------------|-------------------------|
| Balances with banks: | | |
| - Current accounts | 23.18 | 63.19 |
| Cash on hand | - | - |
| Deposits with original maturity for less than 3 months | 42.51 | 100.45 |
| | 65.69 | 163.64 |

Note: There are no repatriation restrictions with regards to cash and cash equivalents as at the end of the reporting period and prior periods.

The undrawn committed borrowing facilities as of reporting date is ₹ Nil (31 March 2023 ₹ Nil)

Changes in liabilities arising from financing activities

i. For the year ended March 31, 2024

| | Lease Liabilities | Long Term Borrowings | Short Term Borrowings | Total liabilities from financing activities |
|--|----------------------|-------------------------|--------------------------|---|
| Balance as at March 31, 2023 | 87.15 | - | 10.10 | 97.25 |
| Addition on account of new leases during the year (refer note 37) | 33.80 | - | - | 33.80 |
| Deletion on account of termination of leases during the year (refer note 37) | (8.04) | - | - | (8.04) |
| Cash Flows | (22.20) | - | 10.77 | (11.43) |
| Interest Expense | 6.88 | - | 0.29 | 7.17 |
| Interest Paid | (6.88) | - | (0.29) | (7.17) |
| Balance as at March 31, 2024 | 90.71 | - | 20.87 | 111.58 |

ii. For the year ended March 31, 2023

| | Lease Liabilities | Long Term Borrowings | Short Term Borrowings | Total liabilities from financing activities |
|--|----------------------|-------------------------|--------------------------|---|
| Balance as at March 31, 2022 | 52.82 | - | 14.72 | 67.54 |
| Addition on account of new leases during the year (refer note 37) | 61.53 | - | - | 61.53 |
| Deletion on account of termination of leases during the year (refer note 37) | (8.07) | - | - | (8.07) |
| Cash Flows | (19.13) | - | (4.62) | (23.75) |
| Interest Expense | 5.44 | - | 0.72 | 6.16 |
| Interest Paid | (5.44) | - | (0.72) | (6.16) |
| Balance as at March 31, 2023 | 87.15 | - | 10.10 | 97.25 |

Notes to the financial statements

for the year ended March 31, 2024

(All amounts in Rupees Crores, unless otherwise stated)

10(a). Other bank balances

| | As at March 31, 2024 | As at March 31, 2023 |
|----------------------|-------------------------|-------------------------|
| Unclaimed dividend * | 0.64 | 0.58 |
| | 0.64 | 0.58 |

* Company can utilise the balance only towards settlement of unclaimed dividend.

11. Tax asset (Net)

| | As at March 31, 2024 | As at March 31, 2023 |
|--|-------------------------|-------------------------|
| Non Current | | |
| Advance payment of income tax and tax deducted at source (net of provisions) | - | 10.15 |
| Current | | |
| Advance payment of income tax and tax deducted at source (net of provisions) | 1.70 | 11.86 |
| Total | 1.70 | 22.01 |

12. Equity Share Capital

| | As at March 31, 2024 | | As at March 31, 2023 | |
|--|----------------------|--------------|----------------------|--------------|
| | No. in Crores | Amount | No. in Crores | Amount |
| Authorized share capital | 25.00 | 25.00 | 25.00 | 25.00 |
| Issued, subscribed and fully paid-up | 21.34 | 21.34 | 21.28 | 21.28 |
| 21,33,65,899 equity shares of ₹ 1/- each (March 31, 2023: 21,27,85,578 equity shares of ₹ 1/- each) | | | | |
| | 21.34 | 21.34 | 21.28 | 21.28 |

a) Rights, preferences and restrictions attached to shares

The Company has only one class of equity shares having par value of ₹ 1 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian rupees. The dividend, if proposed by the Board of Directors, is subject to the approval of the shareholders in the Annual General Meeting, except in case of interim dividend.

In the event of liquidation of the Company, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

b) Details of Shares held by promoters at the end of the year

| Promoter name | As at March 31, 2024 | | As at March 31, 2023 | | % Change during the year |
|--|----------------------|-------------------|----------------------|-------------------|--------------------------|
| | No. in Crores | % of total shares | No. in Crores | % of total shares | |
| Central India Industries Limited | 5.26 | 24.63% | 5.26 | 24.70% | - |
| Shekhavati Investments and Traders Limited | 1.28 | 6.02% | 1.28 | 6.04% | - |
| Amita Birla | 0.03 | 0.15% | 0.03 | 0.15% | - |
| Nirmala Birla | 0.34 | 1.59% | 0.34 | 1.60% | - |
| Avanti Birla | 0.01 | 0.06% | 0.01 | 0.06% | - |
| Avani Birla | 0.01 | 0.06% | 0.01 | 0.06% | - |
| Chandra Kant Birla | 0.35 | 1.63% | 0.35 | 1.64% | - |
| Amer Investments(Delhi) Limited | 0.14 | 0.67% | 0.14 | 0.67% | - |

Notes to the financial statements

for the year ended March 31, 2024

(All amounts in Rupees Crores, unless otherwise stated)

| Promoter name | As at March 31, 2024 | | As at March 31, 2023 | | % Change during the year |
|---|----------------------|-------------------|----------------------|-------------------|--------------------------|
| | No. in Crores | % of total shares | No. in Crores | % of total shares | |
| Hindusthan Discounting Company Limited | 0.23 | 1.08% | 0.23 | 1.09% | - |
| National Engineering Industries Limited | 0.05 | 0.25% | 0.05 | 0.25% | - |
| Jaipur Finance And Dairy Products Pvt.Ltd | 0.02 | 0.10% | 0.02 | 0.10% | - |
| India Silica Magnesite Works Limited | 0.02 | 0.09% | 0.02 | 0.09% | - |
| Universal Trading Company Limited | 0.09 | 0.43% | 0.09 | 0.43% | - |
| Rajasthan Industries Limited | 0.07 | 0.32% | 0.07 | 0.32% | - |
| Ashok Investment Corporation Limited | 0.07 | 0.32% | 0.07 | 0.32% | - |
| Gwalior Finance Corporation Limited | 0.17 | 0.79% | 0.17 | 0.80% | - |
| Bengal Rubber Company Limited | 0.02 | 0.09% | 0.02 | 0.09% | - |

As per records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

- c) **Aggregate number of shares bought back, or issued as fully paid up pursuant to contract without payment being received in cash or by way of bonus shares during the period of five years immediately preceding the date of Balance sheet:**

| | No. in crores | | | | |
|----------------------|---------------|---------------|---------------|----------------|----------------|
| | March 31,2023 | March 31,2022 | March 31,2021 | March 31, 2020 | March 31, 2019 |
| Equity shares issued | - | - | - | - | - |

13. Other equity

| | As at March 31, 2024 | As at March 31, 2023 |
|---|----------------------|----------------------|
| Capital Reserve | 0.05 | 0.05 |
| General reserve | | |
| Opening balance | 269.83 | 254.83 |
| Additions during the year | 15.00 | 15.00 |
| Closing balance | 284.83 | 269.83 |
| Securities premium | | |
| Opening balance | 12.75 | - |
| Add: Exercise of Employee stock options | 12.29 | 12.75 |
| Closing balance | 25.04 | 12.75 |
| Share based payment reserves (Refer note 36) | | |
| Opening balance | 5.16 | 8.51 |
| Additions during the year | 2.51 | 1.93 |
| Less: Option Vested and exercised during the year | 3.99 | 3.90 |
| Less: Lapsed during the year | 1.13 | 1.38 |
| Closing balance | 2.55 | 5.16 |
| Retained Earnings | | |
| Opening Balance | 275.57 | 256.70 |
| Add: Profit for the year | 75.27 | 75.85 |
| Less: Transferred to General reserve | 15.00 | 15.00 |

Notes to the financial statements

for the year ended March 31, 2024

(All amounts in Rupees Crores, unless otherwise stated)

| | As at March 31, 2024 | As at March 31, 2023 |
|---|-------------------------|-------------------------|
| Less : Interim Equity Dividend for the year ended March 31,2024 (Amount per share ₹ 0.75 (March 31, 2023: ₹ 0.75 per share)) (Refer note 42) | 16.00 | 15.96 |
| Less : Final Equity Dividend (Amount per share ₹ 0.75 for the year ended March 31, 2023 (March 31, 2022: ₹ 1.25)) (Refer note 42) | 16.00 | 26.52 |
| Add: Other comprehensive income for the year, net of tax | 1.28 | 0.50 |
| Closing Balance | 305.12 | 275.57 |
| Total | 617.59 | 563.36 |

Nature and description of reserve

- a. **Capital Reserve** - The Company recognized profit or loss on cancellation of Companies own equity instruments to capital reserve.
- b. **General Reserve** - General reserves are free reserves of the Company which are kept aside out of Company's profits to meet the future requirements as and when they arise.
- c. **Share based payment reserves** - The Company has a stock option scheme under which options to subscribe for the Company's shares have been granted to certain executives and senior employees. The share-based payment reserve is used to recognise the value of equity-settled share-based payments provided to employees, including key management personnel, as part of their remuneration. Refer to Note 36 for further details of these plans.
- d. **Retained Earnings** - Retained earnings are the accumulated profits earned by the Company till date, less transfer to general reserves, dividend and other distributions made to the shareholders.
- e. **Securities Premium** - Securities premium represents premium on issue of shares. It will be utilised in accordance with the provisions of the Companies Act, 2013.

14. Borrowings

| | As at March 31, 2024 | As at March 31, 2023 |
|---------------------------------|-------------------------|-------------------------|
| Current borrowings | | |
| From others (Unsecured) | | |
| Trade Acceptances | 20.87 | 10.10 |
| Total current borrowings | 20.87 | 10.10 |
| Total borrowings | 20.87 | 10.10 |

Note:

1. During the year, the Company has availed the facility of Trade Acceptances on Trade Receivable Discounting System (TReDs) and carries interest @ 6.49 % to 7.50% p.a. (March 31, 2023 carries interest @ 4.00% to 7.50% p.a.) and outstanding is repayable within a period of 45 days from the due date.
2. Loans and Borrowing has been utilised for the purpose it has been obtained.

Notes to the financial statements

for the year ended March 31, 2024

(All amounts in Rupees Crores, unless otherwise stated)

3. Company is having sanctioned working capital limits in excess of ₹5.00 crore in aggregate from banks during FY 2023-2024 on the basis of security of current assets of the Company and all quarterly statements of current assets filed by the Company with banks during the year are in agreement with the unaudited books of accounts except for the following quarter:

(Rs. in crores)

| Quarter ended Mar 31, 2024 | Value per books of account | Value per quarterly statement filed with banks | Reasons for discrepancy |
|-------------------------------|----------------------------------|--|--|
| Inventories | 315.06 | 316.60 | The quarterly statements filed with banks within stipulated time, were provisional, based on the unaudited books of account which did not include the adjustments/reclassifications recorded by the Company at the time of preparation/finalization of Statutory financial statements as at and for the year ended March 31, 2024. |
| Trade Payables | 418.21 | 419.47 | |
| Trade Receivables | 472.26 | 487.97 | |

15. Provisions

| | As at March 31, 2024 | As at March 31, 2023 |
|--|-------------------------|-------------------------|
| Non-current | | |
| Provision for gratuity (Refer note 31) | 6.76 | 5.63 |
| Provision for warranties | 14.08 | 12.93 |
| | 20.84 | 18.56 |
| Current | | |
| Provision for leave benefits | 9.93 | 10.04 |
| Provision for warranties | 20.53 | 21.10 |
| | 30.46 | 31.14 |

Provision for warranties

A provision is recognised for expected warranty claims on product sold under warranty as per the technical estimates made by the management based on historical trends. It is expected that most of this cost will be incurred over the warranty terms. The table below gives information about movement in warranty provisions.

| | As at March 31, 2024 | As at March 31, 2023 |
|------------------------------|-------------------------|-------------------------|
| Opening balance | 34.03 | 30.78 |
| Arisen during the year (net) | 24.61 | 28.26 |
| Utilized during the year | (24.03) | (25.01) |
| Closing balance | 34.61 | 34.03 |

16. Deferred tax asset/(liability) (Net)

The tax of significant temporary differences that resulted in deferred income tax assets and liabilities are as follows:

| | As at March 31, 2024 | As at March 31, 2023 |
|-------------------------------------|-------------------------|-------------------------|
| Deferred tax liability | | |
| Right of use asset | 20.65 | 20.20 |
| Others | 0.20 | 0.39 |
| Gross deferred tax liability | (20.85) | (20.59) |

Notes to the financial statements

for the year ended March 31, 2024

(All amounts in Rupees Crores, unless otherwise stated)

| | As at March 31, 2024 | As at March 31, 2023 |
|---|-------------------------|-------------------------|
| Deferred tax asset | | |
| Difference between book value and tax base of Property, plant & equipments and Intangible asset | 4.97 | 3.39 |
| Items disallowed under Section 43B of the Income tax Act, 1961 on payment basis | 6.55 | 5.38 |
| Impact of deferred revenue | 2.99 | 3.56 |
| Lease Liability | 22.84 | 21.93 |
| Provision for doubtful debts and advances | 4.95 | 3.22 |
| Provision for warranties | 8.71 | 8.56 |
| Gross deferred tax asset | 51.01 | 46.04 |
| Net deferred tax asset | 30.16 | 25.45 |

Reconciliation of deferred tax asset/(liability)

| | As at March 31, 2024 | As at March 31, 2023 |
|--|-------------------------|-------------------------|
| Opening balance | 25.45 | 26.27 |
| Deferred tax (charged)/credited during the year | | |
| - to the statement of profit and loss | 5.16 | (0.65) |
| - to other comprehensive income | (0.45) | (0.17) |
| Closing balance | 30.16 | 25.45 |

17. Trade payables

| | As at March 31, 2024 | As at March 31, 2023 |
|--|-------------------------|-------------------------|
| Trade payables including Acceptances | | |
| - total outstanding dues of micro enterprises and small enterprises (refer note 39 for details of dues to micro enterprises and small enterprises) | 170.67 | 109.83 |
| - total outstanding dues of creditors other than micro enterprises and small enterprise | 373.24 | 343.14 |
| | 543.91 | 452.97 |

- Trade payables are non-interest bearing and normally settled on 0 to 90 day terms.
- Trade Payables include due to related parties ₹ 7.23 crores (March 31, 2023 : ₹ 4.70 crores) (Refer note 34).
- Trade payables include acceptances of ₹ 95.02 crores (March 31, 2023: ₹ 119.20 Crores). Acceptances represent arrangements where suppliers of goods and services are initially paid by the banks, while Company continues to recognize the liability till settlement with the banks, which are normally effected within a period of 89 days.
- Ageing required as per schedule III is provided in note no. 47.

Notes to the financial statements

for the year ended March 31, 2024

(All amounts in Rupees Crores, unless otherwise stated)

18. Other financial liabilities (at amortised cost)

| | As at March 31, 2024 | As at March 31, 2023 |
|--|-------------------------|-------------------------|
| Current | | |
| Payables against purchase of property, plant and equipment | 14.91 | 12.79 |
| Trade and other deposits received | 29.44 | 27.90 |
| Unpaid dividend * | 0.64 | 0.58 |
| | 44.99 | 41.27 |

* There is no amount due for payment to the Investor Education and Protection Fund under Section 125 of Companies Act, 2013 as at the year end.

19. Other liabilities

| | As at March 31, 2024 | As at March 31, 2023 |
|----------------------------------|-------------------------|-------------------------|
| Non current | | |
| Deferred revenue (Refer note 38) | 8.65 | 11.17 |
| | 8.65 | 11.17 |
| Current | | |
| Advances from customers | 15.75 | 8.56 |
| Statutory dues payable | 32.49 | 16.09 |
| Deferred revenue (Refer note 38) | 3.21 | 2.98 |
| | 51.45 | 27.63 |

Deferred revenue

| | As at March 31, 2024 | As at March 31, 2023 |
|----------------------------|-------------------------|-------------------------|
| Opening balance | 14.15 | 16.33 |
| Arisen during the year | 0.52 | 0.37 |
| Recognized during the year | (2.81) | (2.55) |
| Closing balance | 11.86 | 14.15 |

20. Current tax liabilities (Net)

| | As at March 31, 2024 | As at March 31, 2023 |
|--------------------------------|-------------------------|-------------------------|
| Provision for income tax (Net) | 0.18 | - |
| | 0.18 | - |

21. Revenue from operations

| | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|---|--------------------------------------|--------------------------------------|
| Revenue from contracts with customers | | |
| Sale of products & services (refer note below) | | |
| Finished goods | 1,373.13 | 1,189.55 |
| Traded goods | 1,573.90 | 1,443.36 |
| Sale of services | 3.59 | 3.15 |
| | 2,950.62 | 2,636.06 |

Notes to the financial statements

for the year ended March 31, 2024

(All amounts in Rupees Crores, unless otherwise stated)

| | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|--|--------------------------------------|--------------------------------------|
| Less: Cash discount, rebates, incentives etc. | 178.74 | 146.90 |
| | 2,771.88 | 2,489.16 |
| Other operating revenue | | |
| Scrap sales | 36.91 | 37.09 |
| Revenue from contracts with customers - (A) | 2,808.79 | 2,526.25 |
| Other operating revenue - Export incentive - (B) | 3.33 | 2.92 |
| Revenue from operations - (A+B) | 2,812.12 | 2,529.17 |

Note: Refer note 38 for disclosure of revenue from contract with customers under Ind AS 115.

22. Other income

| | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|--|--------------------------------------|--------------------------------------|
| Interest income from: | | |
| Bank deposits | 3.43 | 4.94 |
| Unwinding of interest on security deposits | 0.10 | 0.13 |
| Customers and others* | 3.88 | 6.55 |
| Insurance and other claims | 0.29 | 0.34 |
| Unspent liabilities and unclaimed balances written back | 4.85 | 9.78 |
| Impairment allowance written back (net) | - | 3.88 |
| Exchange fluctuation (net) | 1.60 | 0.87 |
| Gain on termination of lease contract (net) | 0.78 | 0.49 |
| Fair value gain on investment at fair value through profit or loss (net)** | 0.49 | - |
| Miscellaneous income | 0.12 | - |
| | 15.54 | 26.98 |

* It includes interest income on income tax refund amounting to ₹0.65 crores (March 31, 2023 : ₹1.63 crores)

** Gain on fair value changes include ₹ 0.37 crores (March 31, 2023 : Nil) as Net gain on sale of investments.

23. Cost of raw materials and components consumed

| | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|---|--------------------------------------|--------------------------------------|
| Inventory at the beginning of the year | 77.23 | 85.83 |
| Add: Purchases and job work charges | 863.86 | 766.58 |
| | 941.09 | 852.41 |
| Less: Sales | 14.17 | 13.13 |
| Less: Inventory at the end of the year | 98.90 | 77.23 |
| Cost of raw material and components consumed | 828.02 | 762.05 |

Notes to the financial statements

for the year ended March 31, 2024

(All amounts in Rupees Crores, unless otherwise stated)

24. Changes in inventory of finished goods, work in progress and traded goods

| | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|---|--------------------------------------|--------------------------------------|
| Inventories at the end of the year | | |
| Work-in-progress | 2.88 | 2.98 |
| Finished goods | 81.60 | 97.12 |
| Traded goods | 126.22 | 102.24 |
| Scrap | 0.36 | 0.79 |
| | 211.06 | 203.13 |
| Inventories at the beginning of the year | | |
| Work-in-progress | 2.98 | 4.04 |
| Finished goods | 97.12 | 122.64 |
| Traded goods | 102.24 | 109.34 |
| Scrap | 0.79 | 0.29 |
| | 203.13 | 236.31 |
| (Increase)/ decrease in inventory | (7.93) | 33.18 |

25. Employee benefits expense

| | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|--|--------------------------------------|--------------------------------------|
| Salary, wages and bonus* | 237.69 | 175.59 |
| Employee stock option expenses (Refer note 36) | 1.38 | 0.55 |
| Contribution to provident and other funds | 8.92 | 7.37 |
| Gratuity expenses (Refer note 31) | 2.87 | 2.54 |
| Staff welfare expenses | 8.02 | 6.55 |
| | 258.88 | 192.60 |

*Net off reversal of Long term performance cash incentive amounting to Nil (March 2023: ₹ 9.61 crores as duly approved by Board of directors in meeting dated May 12, 2023)

26. Finance costs

| | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|---|--------------------------------------|--------------------------------------|
| Interest: | | |
| - on debts and borrowings | 0.29 | 0.18 |
| - on lease liability (Refer note 37) | 6.88 | 5.44 |
| - on Security Deposits, Advances and Others | 3.45 | 3.19 |
| Bill Discounting | 8.42 | 9.86 |
| Other finance charges | 4.22 | 3.48 |
| | 23.26 | 22.15 |

27. Depreciation and amortization expense

| | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|--|--------------------------------------|--------------------------------------|
| Depreciation on property, plant & equipment (Refer note 3) | 28.19 | 26.62 |
| Depreciation on Right of use assets(Refer note 37) | 24.77 | 21.33 |
| Amortization of intangible assets (Refer note 4) | 6.06 | 5.55 |
| | 59.02 | 53.50 |

Notes to the financial statements

for the year ended March 31, 2024

(All amounts in Rupees Crores, unless otherwise stated)

28. Other expenses

| | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|--|--------------------------------------|--------------------------------------|
| Consumption of stores and spares | 5.71 | 6.67 |
| Power and fuel | 11.43 | 10.16 |
| Freight charges | 82.01 | 69.82 |
| Rent and hire charges | 6.31 | 3.04 |
| Rates and taxes | 2.84 | 0.53 |
| Expense towards Extended producer responsibility (EPR) [Refer note 33(c)(3)] | 18.60 | - |
| Insurance | 1.55 | 1.26 |
| Repairs and maintenance | | |
| Plant and machinery | 2.17 | 2.60 |
| Buildings | 1.20 | 0.85 |
| Others | 1.29 | 0.55 |
| Advertising and sales promotion | 134.97 | 108.96 |
| Commission on sales | 6.36 | 3.81 |
| Payment to auditors | | |
| Audit fee (including limited review) | 0.59 | 0.59 |
| Tax audit fee | 0.06 | 0.06 |
| Other services | 0.01 | 0.01 |
| Reimbursement of expenses | 0.10 | 0.07 |
| Warranty and claims (net) | 24.61 | 28.26 |
| Travelling and conveyance | 27.32 | 20.74 |
| Professional and consultancy charges | 57.24 | 49.86 |
| Bad debts written off | 0.03 | 0.24 |
| Development Expense | 1.96 | 2.29 |
| Carrying & forwarding charges | 18.86 | 17.15 |
| Advances written off (net of reversals) | - | 0.04 |
| Director's sitting fees | 0.63 | 0.63 |
| Director's commission | 0.76 | 1.00 |
| Provision for doubtful debts and advances | 6.84 | - |
| Loss on sale of property, plant & equipment (net) | 1.17 | 0.37 |
| Expenditure towards corporate social responsibility (CSR) activities (Refer note 43) | 2.95 | 2.81 |
| Miscellaneous expenses | 34.35 | 29.41 |
| | 451.92 | 361.78 |

29. Income tax

| | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|---|--------------------------------------|--------------------------------------|
| a) Income tax expense in the Statement of Profit and Loss comprises: | | |
| Current tax | 28.86 | 25.44 |
| Adjustment of tax relating to earlier years | (2.71) | - |
| Deferred tax charge/(credit) | (5.16) | 0.65 |
| Income tax expense reported in the Statement of Profit and Loss | 20.99 | 26.09 |
| b) Other comprehensive income | | |
| Re-Measurement gains/(losses) on defined benefit plans | (0.45) | (0.17) |
| Income tax related to items recognised in OCI during the year: | (0.45) | (0.17) |

Entire deferred income tax for the year ended March 31, 2024 and March 31, 2023 relates to origination and reversal of temporary differences.

Notes to the financial statements

for the year ended March 31, 2024

(All amounts in Rupees Crores, unless otherwise stated)

A reconciliation of the income tax provision to the amount computed by applying the statutory income tax rate to the income before income taxes is summarized below:

| | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|---|--------------------------------------|--------------------------------------|
| Profit before income tax | 96.26 | 101.94 |
| Enacted income-tax rate in India | 25.17% | 25.17% |
| Computed expected tax expense | 24.23 | 25.66 |
| Impact of Tax on capital gain at lower rate | (1.18) | - |
| Adjustment of tax relating to earlier periods | (2.71) | - |
| Corporate social responsibility expense | 0.74 | 0.71 |
| Others | (0.09) | (0.28) |
| Income tax expense at effective tax rate | 20.99 | 26.09 |

30. Earnings per share (EPS)

The following table reflects the profit and share data used in the basic and diluted EPS computations:

| | March 31, 2024 | March 31, 2023 |
|---|----------------|----------------|
| Profit attributable to the equity shareholders of the Company used for calculation of basic and diluted EPS | 75.27 | 75.85 |
| | 75.27 | 75.85 |
| Basic earning per share | | |
| Weighted average number of equity shares used in calculating basic EPS | 21.33 | 21.26 |
| Basic Earnings per equity share (Nominal value of share ₹ 1) | 3.53 | 3.57 |
| Diluted earning per share | | |
| Weighted average number of equity shares used in calculating basic EPS | 21.33 | 21.26 |
| Effect of Dilution | | |
| Share options (No. of options in crores) | 0.02 | 0.05 |
| Weighted average number of equity shares outstanding (Nos.) during the year adjusted for the effect of dilution | 21.35 | 21.31 |
| Diluted Earnings per equity share (Nominal value of share ₹ 1) | 3.53 | 3.56 |

31. Employee benefits

A. Defined Benefit Schemes

Gratuity

The Company has a defined benefit gratuity plan. The gratuity plan is governed by The Payment of Gratuity Act, 1972. The scheme is funded with an insurance company in the form of qualifying insurance policy.

Every employee is entitled to a benefit equivalent to fifteen days' salary last drawn for each completed year of service in line with the Payment of Gratuity Act, 1972. The same is payable at the time of separation from the Company or retirement, whichever is earlier. The benefits vest after five years of continuous service.

The following tables summarises the components of net benefit expense recognized in the Statement of Profit & Loss and the funded status and amounts recognised in the balance sheet for the plan :

Notes to the financial statements

for the year ended March 31, 2024

(All amounts in Rupees Crores, unless otherwise stated)

i. Present Value of Defined Benefit Obligation

| | March 31, 2024 | March 31, 2023 |
|---|----------------|----------------|
| Obligations at beginning of the year | 17.58 | 16.68 |
| Current service cost | 2.39 | 2.33 |
| Interest expense | 1.29 | 1.07 |
| Amount recognised in profit or loss | 3.67 | 3.40 |
| Remeasurements | | |
| Actuarial (gain) / loss from change in demographic assumption | (0.31) | - |
| Actuarial (gain) / loss from change in financial assumption | 0.12 | (0.78) |
| Experience (gains)/losses | (1.77) | 0.15 |
| Amount recognised in other comprehensive income | (1.96) | (0.63) |
| Benefits paid | (4.29) | (1.87) |
| Obligations at year end | 15.00 | 17.58 |

ii. Fair Value of Plan Assets

| | March 31, 2024 | March 31, 2023 |
|---|----------------|----------------|
| Plan assets at beginning of the year, at fair value | 11.95 | 12.92 |
| Interest income | 0.87 | 0.83 |
| Amount recognised in profit or loss | 0.87 | 0.83 |
| Remeasurements | | |
| Return on plan assets, excluding amount recognised in interest income | (0.23) | 0.05 |
| Amount recognised in other comprehensive income | (0.23) | 0.05 |
| Employers contribution | 0.02 | 0.02 |
| Benefits paid | (4.29) | (1.87) |
| Plan assets at year end, at fair value | 8.33 | 11.95 |

iii. Assets and Liabilities recognized in the Balance Sheet

| | March 31, 2024 | March 31, 2023 |
|---|----------------|----------------|
| Present value of defined benefit obligation | 15.00 | 17.58 |
| Fair value of plan assets | 8.33 | 11.95 |
| Net (asset) / liability | 6.68 | 5.63 |

Note: Provision for gratuity in Note 15 is inclusive of ₹ 0.08 crore (March 31,2023 - ₹ Nil) for branch's employee.

iv. Defined benefit obligations cost for the year

| | March 31, 2024 | March 31, 2023 |
|--|----------------|----------------|
| Amount recognised in profit and loss account | | |
| Service cost | 2.39 | 2.33 |
| Interest cost (Net) | 0.41 | 0.24 |
| Amount recognised in other comprehensive income | | |
| Actuarial (gain)/loss | (1.73) | (0.67) |
| Net benefit expense | 1.07 | 1.90 |

Note: Gratuity expense in Note 25 is including expense off ₹ 0.07 crore (March 31, 2023 - ₹ (0.03) Crore) for branch's employee.

Notes to the financial statements

for the year ended March 31, 2024

(All amounts in Rupees Crores, unless otherwise stated)

v. Investment details of Plan Assets

The details of investments of plan assets are as follows:

| | March 31, 2024 | March 31, 2023 |
|--------------------------|----------------|----------------|
| Investments with insurer | 100% | 100% |

vi. Actuarial assumptions:

| | March 31, 2024 | March 31, 2023 |
|-----------------------------------|----------------|----------------|
| Discount rate | 7.15% | 7.30% |
| Expected rate of return on assets | 7.15% | 7.30% |
| Future salary increases | 9.00% | 9.00% |
| Withdrawal rate | | |
| Upto 45 years | 18.00% | 15.00% |
| Above 45 years | 18.00% | 15.00% |
| Retirement Age (Years) | 58 | 58 |

Note: The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

vii. Expected Contribution to the Fund in the next year

| | March 31, 2024 | March 31, 2023 |
|----------|----------------|----------------|
| Gratuity | 9.16 | 7.86 |
| | 9.16 | 7.86 |

viii. Maturity profile of the defined benefit obligation (undiscounted amount)

| Expected benefit payments for the period ended | 0-1 year | 2-5 years | Above 5 years | Total |
|--|----------|-----------|---------------|-------|
| March 31, 2024 | 2.99 | 9.08 | 9.85 | 21.92 |
| March 31, 2023 | 3.73 | 10.41 | 12.14 | 26.28 |

The weighted average duration of the defined benefit obligation as at March 31, 2024 is 4 years (March 31, 2023: 5 years).

The overall expected rate of return on assets is determined based on the market prices prevailing on that date, applicable to the period over which the obligation is to be settled.

ix. A quantitative sensitivity analysis for significant assumptions is as below:

| Assumptions | March 31, 2024 | | March 31, 2023 | |
|--|----------------|-------------|----------------|-------------|
| | Discount rate | | Discount rate | |
| | 1% increase | 1% decrease | 1% increase | 1% decrease |
| (Decrease)/Increase in gratuity defined benefit obligation | (0.66) | 0.72 | (0.79) | 0.86 |

| Assumptions | Future salary increase | | Future salary increase | |
|--|------------------------|-------------|------------------------|-------------|
| | Future salary increase | | Future salary increase | |
| | 1% increase | 1% decrease | 1% increase | 1% decrease |
| (Decrease)/Increase in gratuity defined benefit obligation | 0.70 | (0.65) | 0.84 | (0.79) |

Above sensitivity analysis is based on a change in assumption while holding all the other assumptions constant. In practice, this is unlikely to occur, and change in some of the assumptions may be correlated. When calculating the sensitivity of

Notes to the financial statements

for the year ended March 31, 2024

(All amounts in Rupees Crores, unless otherwise stated)

the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in balance sheet.

x. Risk exposure

The gratuity scheme is a final salary Defined Benefit Plan that provides for lump sum payment made on exit either by way of retirement, death, disability or voluntary withdrawal. The benefits are defined on the basis of final salary and the period of service and paid as lump sum at exit. Valuations are based on certain assumptions, which are dynamic in nature and vary over time. As such company is exposed to various risks as follow :

- a) Interest rate risk:** The plan exposes the Company to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability.
- b) Salary inflation risk:** Higher than expected increases in salary will increase the defined benefit obligation.
- c) Investment risk:** If Plan is funded then assets liabilities mismatch and actual investment return on assets lower than the discount rate assumed at the last valuation date can impact the liability.
- d) Demographic risk:** This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligation is not straight forward and depends upon the combination of salary increase, discount rate and vesting criteria .
- e) Liquidity risk:** This is the risk that the Company is not able to meet the short-term gratuity pay outs. This may arise due to non availability of enough cash/cash equivalent to meet the liabilities or holding of illiquid assets not being sold in time.
- f) Regulatory risk:** Gratuity benefits paid in accordance with the requirements of the Payment of Gratuity Act,1972 (as amended from time to time).There is a risk of change in regulations requiring higher gratuity pay-outs (e.g. Increase in the maximum limit on gratuity of ₹ 20,00,000).

B. Defined Contribution Plan :

The Company deposits an amount determined at a fixed percentage of basic pay every month to the State administered Provident Fund, Employee State Insurance (ESI) and Superannuation Fund for the benefit of the employees.

Amount recognised in the statement of profit or loss is as follows:

| | March 31, 2024 | March 31, 2023 |
|---|----------------|----------------|
| Contribution to provident / pension funds | 8.73 | 6.97 |
| Contribution to superannuation fund | 0.19 | 0.40 |
| | 8.92 | 7.37 |

32. Capital and other commitments

| | March 31, 2024 | March 31, 2023 |
|--|----------------|----------------|
| Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) | 16.17 | 79.98 |
| Bank guarantee provided against performance obligation under contracts with customer | 62.75 | 61.67 |

Notes to the financial statements

for the year ended March 31, 2024

(All amounts in Rupees Crores, unless otherwise stated)

33. Contingent liabilities

| | March 31, 2024 | March 31, 2023 |
|---|------------------------|----------------|
| A. Demands/claims by various Government authorities and others not acknowledged as debts and contested/to be contested by the Company: | | |
| 1. Excise and Custom Duty ¹ | 1.64 | 1.64 |
| 2. Sales Tax (incl. GST & entry tax) ² | 5.29 | 6.37 |
| 3. Worker compensation under dispute ³ | 1.09 | 0.21 |
| 4. Entry tax ⁴ | Amount Unascertainable | |
| 5. Environment Compensation (paid 50% demand under protest) ⁵ | 0.11 | 0.48 |
| 6. Export Promotion Capital Goods (EPCG) ⁶ | 1.36 | 0.27 |
| | 9.49 | 8.97 |

Notes :-

¹The demand raised by the tax authorities is mainly towards disallowance of availment of CENVAT credit and classification of product in different tax buckets.

²The demands raised by the tax authorities are mainly towards enhancement of turnover due to certain disallowances, and local sales tax demand upon completion of assessment and various other miscellaneous cases raised by the respective state authorities. Entry Tax (West Bengal) - In respect to litigation towards Entry tax (West Bengal), in current year, the company has opted for Settlement of dispute scheme, 2023 (West Bengal), whereby the demand against Entry Tax for FY 2013-14 to FY 2017-18 has been settled. As part of scheme, ₹ 1.69 crores has been paid against the total demand of ₹ 4.96 crores (including interest of ₹ 1.56 crores) and balance liability recorded in books of accounts amounting to ₹ 1.73 crores has been written back.

³In the year 2017, upon closure of CFL unit at Faridabad, Haryana the Company had transferred 13 employees from Faridabad to different office locations of Company. The workers, challenged their transfer and termination before Industrial Tribunal-cum-Labour Court -III, Faridabad (Haryana), which passed an order on April 30, 2024 under section 10(1)(c) of Industrial Dispute Act awarding reinstatement and payment of back wages for 13 erstwhile workers who were in litigation with the Company. As per impugned award, total back wages for these 13 persons at the rate of 50% of their last drawn wages amounts to ₹ 0.98 crores is to be paid by the Company. The Company is in the process of filing appeal/writ petition against this order in the High Court of Punjab and Haryana. Management believes that the ultimate outcome of this proceeding will not have a material impact on the Company's financial position.

⁴Entry Tax (Haryana) - Supreme Court of India vide its order dated Nov 11, 2016, upheld the right of State Government to impose the entry tax, however on the question regarding validity of each State Legislation imposing entry tax, the bench decided to let the issue be determined by regular High Court benches of the respective states. Pending decision of High Court of Punjab & Haryana, the impact, if any, is not ascertainable at this stage and hence no provision is considered in the financial statements.

⁵In the year 2021, Company had received a demand from Haryana State Pollution Control Board (HSPCB) stating that alleged discharge from its Faridabad factory was in violation of the consent limits/ prescribed standards. The Company challenged the demand in High Court of Punjab and Haryana. The matter has been disposed of, directing HSPCB to reconsider the submission of Company under the modified policy of HSPCB. In current year, HSPCB has reduced the demand towards environment compensation as per its modified policy from ₹ 0.48 crore to ₹ 0.11 Crore.

However, in view of the aforesaid demand raised by HSPCB, prosecution proceedings were initiated by HSPCB before the Magistrate Court, Faridabad, wherein summons were served on the Company and its directors. The summons have been challenged by the Company in High Court of Punjab and Haryana and the same is stayed by the Hon'ble court and is currently pending adjudication.

⁶The Company has pending export obligation on account of import duty exemption of ₹ 1.36 crores (March 31, 2023: ₹ 0.27 crores) on capital goods imported under the Export Promotion Capital Goods (EPCG). The Company expects to fulfil the obligation in due course of time.

No expenses has been accrued in the financial statements for the demands raised. Management believes that the ultimate outcome of this proceeding will not have an adverse impact on the Company's financial position and results of operation.

B. Other Litigations

1. During the earlier years, the Company had initiated legal action against Orient General Agencies (Bombay) Pvt Ltd ("OGA") and Apollo Supply Chain Private Limited (formerly Alco Logistics Private Limited) ("Apollo") for recovery of outstanding amount against which impairment allowance of ₹ 14.07 crores was already considered in books of accounts.

During the previous year ended March 31, 2023, Company, OGA and Apollo have made out of Court settlement of all the disputes between them and as per the terms of settlement OGA and Apollo have paid amount of ₹ 3 crores and ₹ 2.75 crores respectively as a full and final settlement towards recoveries under invoices raised against OGA as well as

Notes to the financial statements

for the year ended March 31, 2024

(All amounts in Rupees Crores, unless otherwise stated)

satisfaction of all damages, losses and claims raised by Company and counter claims by OGA and Apollo, in various courts across the country and thereby, all litigations filed by respective parties stands withdrawn/closed. Accordingly, an amount of ₹ 8.32 crores of trade receivables was adjusted against impairment allowance of ₹ 14.07 crores and amount of ₹ 5.75 crores was considered as 'Other income' in the financial statement for the year ended March 31, 2023.

2. In respect of Kolkata plant where a portion of land (about 2 bigha) was taken on sub-lease by the Company, lease agreement between owners of the said land and principal lessee expired in 1975. The owners filed eviction proceedings against the principal lessee in 1976 and the suit was decided in favour of the owners in Mar, 2007. The Company appealed against the same and vide interim order in May, 2007, the order of eviction and execution proceedings pursuant to decree were since stayed by Appellate Court, pending outcome of the appeal. However, pursuant to application by owners, the Court directed the Company to deposit of ₹ 60,000 p.m. w.e.f. 26th Mar, 2018 as occupational charges, which continues to be disclosed as 'deposit' under Note 5 of the financial statements. The appeal is currently at the final hearing stage by the Fast Track Court at Sealdah. Based on expert legal assessment, management believes that no liability needs to be accrued for rental expenses or decommissioning liabilities in the financial statements at this stage.
3. Other than above, the Company has certain litigations under Section 138 of Negotiable Instruments Act, 2018 and trade receivables against these cases has been provided for.
4. During the earlier year, two separate orders were passed by Hon'ble High Court of Delhi for alleged design infringement, where in one of the case, the Court had issued restraining order on the manufacturing, marketing, and selling of specific model of fans category by the Company and proceedings are in progress and the matter is subjudice.

Further, during the year, in respect to another matter, Company and other party through process of Mediation, have made out of court settlement of all the disputes between them and as per the terms of settlement, all claims and counter claims between Company and other party has been withdrawn.

The management, including its legal advisors, believes that the ultimate outcome of these proceedings will not have an adverse impact on the Company's financial position and results of operation.

C. Others

1. There are numerous interpretative issues relating to the Supreme Court judgement dated February 28, 2019 on Provident Fund (PF) on the inclusion of allowances for the purpose of PF contribution as well as its applicability of effective date. The Company is evaluating regarding various interpretative issues and its impact for the period before February 28, 2019.
2. The Code on Social Security, 2020 ('code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The code has been published in the Gazette of India. However, the date on which the code will come into effect has not been notified and the final rules/interpretation have not yet been issued. The Company will assess the impact of the code when it comes into effect and will record any related impact in the period the code and the related rules to determine the financial impact becomes effective.
3. The E-Waste (Management) Rules, 2022 issued by CPCB become applicable on the Company with effect from April 1, 2023. In respect to same, Company has obtained the EPR authorisation under E-Waste (Management) Rules, 2022 from CPCB as a Producer for certain category of products listed under the Schedule I of E-waste Rules and has partnered with third-party waste management organizations for collection and disposal of e-waste. In the current year, the Company, , has computed its obligation on the past sales whose product life has expired in the current year amounting to ₹ 18.60 crores which has been recognized in these financial statements. The said obligation is based on the management's best estimates, and no further liability is anticipated to devolve upon the Company in this regard.

Further as per the expert opinion obtained, the Company will have an obligation to complete the Extended Producer Responsibility targets in future years if it continues to remain market participant.

Notes to the financial statements

for the year ended March 31, 2024

(All amounts in Rupees Crores, unless otherwise stated)

34. Related party transactions

I. List of Related parties

A) Investing Company

- i. Central India Industries Limited

B) Public limited company in which director or manager is a director and holds along with his relatives, more than two percent of its paid up share capital

- i. Orient Paper and Industries Limited
- ii. Orient Cement Limited

C) Members of the Board of Directors / Key management personnel (KMP)

i. Chairman and Non-Executive Director

- a) Mr. C.K. Birla

ii. Managing Director & CEO

- a) Mr. Rakesh Khanna (upto April 03, 2023)
- b) Mr. Rajan Gupta (w.e.f. April 04, 2023 and upto July 14, 2023)
- c) Mr. Desh Deepak Khetrpal, Vice Chairman and Managing Director (w.e.f. July 15, 2023)

iii. Other Non-Executive Directors

- a) Mr. Desh Deepak Khetrpal, Non-Executive Vice Chairman (upto July 14, 2023)
- b) Mr. TCA Ranganathan, Independent director
- c) Mr. K. Pradeep Chandra, Independent director
- d) Ms. Alka Marezban Bharucha, Independent director
- e) Mr. Raju Lal, Independent director (w.e.f. October 11, 2023)

iv) Chief Financial Officer

- a) Mr. Saibal Sengupta

v) Company Secretary

- a) Mr. Hitesh Kumar Jain

D) Relative of Member of Board of Directors/KMP*

- i. Ms. Nirmala Birla
- ii. Ms. Amita Birla
- iii. Ms. Avani Birla
- iv. Ms. Avanti Birla

*Holding more than 2% of paid-up share capital in the Company alongwith Mr. C.K. Birla

E) Post employment benefit plans

- i. Birla Industries Provident Fund
- ii. Orient Electric Limited-Employees Gratuity Fund
- iii. Orient Electric Limited-Employees Superannuation Fund

Notes to the financial statements

for the year ended March 31, 2024

(All amounts in Rupees Crores, unless otherwise stated)

F) Other Related entities

- i. CK Birla Corporate Services Limited
- ii. Birlasoft Limited
- iii. National Engineering Industries Limited
- iv. GMMCO Limited
- v. AVTEC Limited
- vi. HIL Limited
- vii. CK Birla Healthcare Private Limited

II. Related party transactions and balances

The details of related parties transactions entered into by the Company for the year ended March 31, 2024 and March 31, 2023, and the details of amounts due to or due from related parties as at March 31, 2024 and March 31, 2023 are as follows:

| Particulars | Investing Company | | Public limited company in which director or manager is a director and holds along with his relatives, more than two percent of its paid up share capital | | Board of Directors/ Key management personnel (KMP) | | Relative of Member of a Board of Director/KMP (having 2% shareholding in the Company) | | Post employment benefit plans | | Others | | Total | |
|--|-------------------|----------------|--|----------------|--|----------------|---|----------------|-------------------------------|----------------|----------------|----------------|----------------|----------------|
| | March 31, 2024 | March 31, 2023 | March 31, 2024 | March 31, 2023 | March 31, 2024 | March 31, 2023 | March 31, 2024 | March 31, 2023 | March 31, 2024 | March 31, 2023 | March 31, 2024 | March 31, 2023 | March 31, 2024 | March 31, 2023 |
| Transactions during the year | | | | | | | | | | | | | | |
| Sale of goods/ (Return) | | | | | | | | | | | | | | |
| Orient Paper & Industries Limited | - | - | 0.76 | 0.51 | - | - | - | - | - | - | - | - | 0.76 | 0.51 |
| Orient Cement Limited | - | - | 0.04 | 0.11 | - | - | - | - | - | - | - | - | 0.04 | 0.11 |
| National Engineering Industries Limited | - | - | - | - | - | - | - | - | - | - | 0.00 | - | 0.00 | - |
| GMMCO Limited | - | - | - | - | - | - | - | - | - | - | 0.02 | 0.08 | 0.02 | 0.08 |
| AVTEC Limited | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| HIL Limited | - | - | - | - | - | - | - | - | - | - | - | 0.00 | - | 0.00 |
| CK Birla Healthcare Private Limited | - | - | - | - | - | - | - | - | - | - | - | 0.00 | - | 0.00 |
| Mr. Rakesh Khanna | - | - | - | - | 0.00 | 0.00 | - | - | - | - | - | - | 0.00 | 0.00 |
| Mr. Saibal Sengupta | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Ms. Avani Birla | - | - | - | - | - | - | 0.00 | 0.00 | - | - | - | - | 0.00 | 0.00 |
| Purchase of goods | | | | | | | | | | | | | | |
| GMMCO Limited | - | - | - | - | - | - | - | - | - | - | 0.11 | 0.99 | 0.11 | 0.99 |
| Rent | | | | | | | | | | | | | | |
| Orient Paper & Industries Limited | - | - | 0.28 | 0.28 | - | - | - | - | - | - | - | - | 0.28 | 0.28 |
| Professional and Consultancy Services | | | | | | | | | | | | | | |
| CK Birla Corporate Services Limited | - | - | - | - | - | - | - | - | - | - | 10.56 | 7.48 | 10.56 | 7.48 |
| Birlasoft Limited (IT Consultancy) | - | - | - | - | - | - | - | - | - | - | 2.96 | 2.47 | 2.96 | 2.47 |
| Miscellaneous expenses | | | | | | | | | | | | | | |
| CK Birla Corporate Services Limited | - | - | - | - | - | - | - | - | - | - | 0.22 | 0.77 | 0.22 | 0.77 |

Notes to the financial statements

for the year ended March 31, 2024

(All amounts in Rupees Crores, unless otherwise stated)

| Particulars | Investing Company | | Public limited company in which director or manager is a director and holds along with his relatives, more than two percent of its paid up share capital | | Board of Directors/ Key management personnel (KMP) | | Relative of Member of a Board of Director/KMP (having 2% shareholding in the Company) | | Post employment benefit plans | | Others | | Total | |
|---|-------------------|----------------|--|----------------|--|----------------|---|----------------|-------------------------------|----------------|----------------|----------------|----------------|----------------|
| | March 31, 2024 | March 31, 2023 | March 31, 2024 | March 31, 2023 | March 31, 2024 | March 31, 2023 | March 31, 2024 | March 31, 2023 | March 31, 2024 | March 31, 2023 | March 31, 2024 | March 31, 2023 | March 31, 2024 | March 31, 2023 |
| Contribution to fund | | | | | | | | | | | | | | |
| Birla Industries | - | - | - | - | - | - | - | - | 2.04 | 1.92 | - | - | 2.04 | 1.92 |
| Provident Fund | | | | | | | | | | | | | | |
| Employee benefit expenses (Refer note 1 and 3 below) | | | | | | | | | | | | | | |
| Ms. Avani Birla | - | - | - | - | - | - | 2.51 | 1.11 | - | - | - | - | 2.51 | 1.11 |
| Director's sitting fees & commission | | | | | | | | | | | | | | |
| Mr. C.K. Birla | - | - | - | - | 0.39 | 0.45 | - | - | - | - | - | - | 0.39 | 0.45 |
| Mr. TCA Ranganathan | - | - | - | - | 0.30 | 0.32 | - | - | - | - | - | - | 0.30 | 0.32 |
| Mr. K Pradeep Chandra | - | - | - | - | 0.29 | 0.27 | - | - | - | - | - | - | 0.29 | 0.27 |
| Ms. Alka Marezban Bharucha | - | - | - | - | 0.27 | 0.29 | - | - | - | - | - | - | 0.27 | 0.29 |
| Mr. Desh Deepak Khetrapal | - | - | - | - | 0.05 | 0.31 | - | - | - | - | - | - | 0.05 | 0.31 |
| Mr. Raju Lal | - | - | - | - | 0.10 | - | - | - | - | - | - | - | 0.10 | - |
| Dividend Paid | | | | | | | | | | | | | | |
| Central India Industries Limited | 7.88 | 10.51 | - | - | - | - | - | - | - | - | - | - | 7.88 | 10.51 |
| National Engineering Industries Limited | - | - | - | - | - | - | - | - | - | - | 0.08 | 0.11 | 0.08 | 0.11 |
| Mr. C.K. Birla | - | - | - | - | 0.52 | 0.70 | - | - | - | - | - | - | 0.52 | 0.70 |
| Ms. Nirmala Birla | - | - | - | - | - | - | 0.51 | 0.68 | - | - | - | - | 0.51 | 0.68 |
| Ms. Amita Birla | - | - | - | - | - | - | 0.05 | 0.07 | - | - | - | - | 0.05 | 0.07 |
| Ms. Avani Birla | - | - | - | - | - | - | 0.02 | 0.03 | - | - | - | - | 0.02 | 0.03 |
| Ms. Avanti Birla | - | - | - | - | - | - | 0.02 | 0.03 | - | - | - | - | 0.02 | 0.03 |
| Mr. Rakesh Khanna | - | - | - | - | - | 0.02 | - | - | - | - | - | - | - | 0.02 |
| Mr. Saibal Sengupta | - | - | - | - | 0.02 | 0.01 | - | - | - | - | - | - | 0.02 | 0.01 |
| Mr. Hitesh Kumar Jain | - | - | - | - | 0.00 | 0.00 | - | - | - | - | - | - | 0.00 | 0.00 |
| Balances outstanding | | | | | | | | | | | | | | |
| Trade receivables* | | | | | | | | | | | | | | |
| Orient Paper & Industries Limited | - | - | 0.10 | 0.09 | - | - | - | - | - | - | - | - | 0.10 | 0.09 |
| Orient Cement Limited | - | - | 0.01 | 0.13 | - | - | - | - | - | - | - | - | 0.01 | 0.13 |
| CK Birla Healthcare Private Limited | - | - | - | 0.00 | - | - | - | - | - | - | - | - | - | 0.00 |
| Mr. Rakesh Khanna | - | - | - | - | 0.00 | - | - | - | - | - | - | - | 0.00 | - |
| Trade payables* | | | | | | | | | | | | | | |
| CK Birla Corporate Services Limited | - | - | - | - | - | - | - | - | - | - | 4.52 | 1.95 | 4.52 | 1.95 |
| GMMCO Limited | - | - | - | - | - | - | - | - | - | - | 0.03 | 0.13 | 0.03 | 0.13 |
| Birlasoft Limited | - | - | - | - | - | - | - | - | - | - | 0.47 | 0.74 | 0.47 | 0.74 |
| Mr. C.K. Birla | - | - | - | - | 0.32 | 0.37 | - | - | - | - | - | - | 0.32 | 0.37 |
| Mr. TCA Ranganathan | - | - | - | - | 0.14 | 0.17 | - | - | - | - | - | - | 0.14 | 0.17 |
| Mr. K Pradeep Chandra | - | - | - | - | 0.12 | 0.14 | - | - | - | - | - | - | 0.12 | 0.14 |

Notes to the financial statements

for the year ended March 31, 2024

(All amounts in Rupees Crores, unless otherwise stated)

| Particulars | Investing Company | | Public limited company in which director or manager is a director and holds along with his relatives, more than two percent of its paid up share capital | | Board of Directors/ Key management personnel (KMP) | | Relative of Member of a Board of Director/KMP (having 2% shareholding in the Company) | | Post employment benefit plans | | Others | | Total | |
|---|-------------------|----------------|--|----------------|--|----------------|---|----------------|-------------------------------|----------------|----------------|----------------|----------------|----------------|
| | March 31, 2024 | March 31, 2023 | March 31, 2024 | March 31, 2023 | March 31, 2024 | March 31, 2023 | March 31, 2024 | March 31, 2023 | March 31, 2024 | March 31, 2023 | March 31, 2024 | March 31, 2023 | March 31, 2024 | March 31, 2023 |
| Ms. Alka Marezban Bharucha | - | - | - | - | 0.12 | 0.14 | - | - | - | - | - | - | 0.12 | 0.14 |
| Mr. Raju Lal | - | - | - | - | 0.06 | - | - | - | - | - | - | - | 0.06 | - |
| Mr. Desh Deepak Khetrapal | - | - | - | - | 0.39 | 0.19 | - | - | - | - | - | - | 0.39 | 0.19 |
| Ms. Avani Birla | - | - | - | - | - | - | 0.52 | 0.23 | - | - | - | - | 0.52 | 0.23 |
| Mr. Rakesh Khanna | - | - | - | - | - | 0.39 | - | - | - | - | - | - | - | 0.39 |
| Mr Saibal Sengupta | - | - | - | - | 0.44 | 0.21 | - | - | - | - | - | - | 0.44 | 0.21 |
| Mr. Hitesh Kumar Jain | - | - | - | - | 0.10 | 0.05 | - | - | - | - | - | - | 0.10 | 0.05 |
| Transactions during the year | | | | | | | | | | | | | | |
| Key management personnel compensation (Refer note 1 below) | | | | | | | | | | | | | | |
| | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Short-term employee benefits | | | | | | | | | | | | | | |
| Mr. Desh Deepak Khetrapal | - | - | - | - | 2.10 | - | - | - | - | - | - | - | 2.10 | - |
| Mr. Rakesh Khanna | - | - | - | - | 0.03 | 3.47 | - | - | - | - | - | - | 0.03 | 3.47 |
| Mr. Saibal Sengupta | - | - | - | - | 2.42 | 2.06 | - | - | - | - | - | - | 2.42 | 2.06 |
| Mr. Rajan Gupta | - | - | - | - | 2.22 | - | - | - | - | - | - | - | 2.22 | - |
| Mr. Hitesh Kumar Jain | - | - | - | - | 0.61 | 0.53 | - | - | - | - | - | - | 0.61 | 0.53 |
| Termination benefits | | | | | | | | | | | | | | |
| Mr. Rakesh Khanna | - | - | - | - | 0.69 | 0.21 | - | - | - | - | - | - | 0.69 | 0.21 |
| Mr. Rajan Gupta | - | - | - | - | 1.68 | - | - | - | - | - | - | - | 1.68 | - |
| Share-based payment transactions (Refer note 2 below) | | | | | | | | | | | | | | |
| Mr. Rakesh Khanna | - | - | - | - | - | 0.53 | - | - | - | - | - | - | - | 0.53 |
| Mr. Saibal Sengupta | - | - | - | - | - | 0.17 | - | - | - | - | - | - | - | 0.17 |
| Long term incentive plan (Refer note 3) | | | | | | | | | | | | | | |
| Mr. Rakesh Khanna | - | - | - | - | - | (1.24) | - | - | - | - | - | - | - | (1.24) |
| Mr. Saibal Sengupta | - | - | - | - | - | (0.94) | - | - | - | - | - | - | - | (0.94) |

* The amounts disclosed above are inclusive of GST wherever applicable.

Note 1: The remuneration to the key managerial personnel / others does not include the provisions made for gratuity and leave benefits, as they are determined on an actuarial basis for the Company as a whole.

Note 2: Share based payment transactions included above relates to fair value of options granted to Key Managerial Personnel under the ESOP scheme, that is amortised in the Profit & Loss during the grant period until the Vesting of the shares as per the scheme. (Refer Note 13c)

Note 3: Net off reversal of Long term performance cash incentive (Refer Note 25)

Notes to the financial statements

for the year ended March 31, 2024

(All amounts in Rupees Crores, unless otherwise stated)

35. Segment information

The segment reporting of the Company has been prepared in accordance with Ind AS-108, "Operating Segment" (specified under the section 133 of the Companies Act 2013 (the Act) read with Companies (Indian Accounting Standards) Rule 2015 (as amended from time to time) and other relevant provision of the Act).

Operating segments are defined as components of an enterprise for which discrete financial information so available is evaluated regularly by Chief Operating Decision Maker (CODM), in deciding how to allocate resources and assessing performance. Accordingly, the Company has identified two reportable business segments based on its product and services as follows:

- (i) **Electrical Consumer Durables** – Consists of manufacture / purchase and sale of electric Fans - ceiling, portable and airflow, along with components and accessories thereof, and Appliances- coolers, geysers and home appliances etc.
- (ii) **Lighting & Switchgear**– Consists of manufacture / purchase and sale of Lights & Luminaries- LED, street lights etc. and Switchgears- switches & MCB etc.

The CODM primarily uses a measure of revenue from operation and profit or loss to assess the performance of the operating segments on monthly basis.

The Company primarily operates in India and therefore the analysis of geographical segments is demarcated into its Within India and Outside India Operations.

Unallocated

Revenue, expenses, assets and liabilities have been identified to a segment on the basis of relationship to operating activities of the segment. Revenue, expenses, assets and liabilities which relate to enterprise as a whole and are not allocable to a segment on reasonable basis have been disclosed under unallocated.

Summary of segment information

| | March 31, 2024 | March 31, 2023 |
|--|-----------------|-----------------|
| A Business Segment | | |
| i Revenue from operations | | |
| Electrical Consumer Durables | 1,982.75 | 1,751.81 |
| Lighting & Switchgear | 829.37 | 777.36 |
| | 2,812.12 | 2,529.17 |
| Less: Inter segment | - | - |
| Total revenue from operations | 2,812.12 | 2,529.17 |
| ii Results | | |
| Segment results | | |
| Electrical Consumer Durables | 185.62 | 159.90 |
| Lighting & Switchgear | 116.42 | 116.20 |
| Segment operating profit | 302.04 | 276.10 |
| Other Unallocated Income / (Expenses) (net) | (208.07) | (157.47) |
| Exceptional Item (Refer note 48) | 18.68 | - |
| Operating profit | 112.65 | 118.63 |
| Finance costs | 16.39 | 16.69 |
| Profit before tax | 96.26 | 101.94 |
| iii Segment Assets | | |
| Electrical Consumer Durables | 902.71 | 667.15 |
| Lighting & Switchgear | 288.07 | 276.65 |
| Segment operating assets | 1,190.78 | 943.80 |
| Unallocated assets: | | |
| Property, plant and equipment (including capital work-in-progress) | 25.29 | 17.00 |

Notes to the financial statements

for the year ended March 31, 2024

(All amounts in Rupees Crores, unless otherwise stated)

| | March 31, 2024 | March 31, 2023 |
|---|-----------------|-----------------|
| Intangible assets (including assets under development) | 13.35 | 16.63 |
| Right of use asset | 59.15 | 48.56 |
| Cash & Bank Balances | 65.93 | 164.10 |
| Other Non current and Current Assets | 96.49 | 74.54 |
| Total Assets | 1,450.99 | 1,264.63 |
| iv Segment Liabilities | | |
| Electrical Consumer Durables | 457.04 | 371.02 |
| Lighting & Switchgear | 214.15 | 211.41 |
| Segment operating liabilities | 671.19 | 582.43 |
| Unallocated liabilities: | | |
| Borrowings | 20.87 | 10.10 |
| Lease liabilities | 64.94 | 53.88 |
| Provisions | 16.95 | 15.93 |
| Current Liabilities | 38.11 | 17.65 |
| Total Liabilities | 812.06 | 679.99 |
| v Capital Expenditure including capital advances | | |
| Electrical Consumer Durables | 146.73 | 111.68 |
| Lighting & Switchgear | 12.96 | 4.74 |
| | 159.69 | 116.42 |
| Other unallocated | 16.27 | 8.31 |
| | 175.96 | 124.73 |
| vi Depreciation and amortisation expenses | | |
| Electrical Consumer Durables | 21.22 | 20.34 |
| Lighting & Switchgear | 9.49 | 9.49 |
| | 30.71 | 29.83 |
| Other unallocated | 28.31 | 23.67 |
| | 59.02 | 53.50 |

B Geographical Segment

The Company primarily operates in India and therefore the analysis of geographical segments is demarcated into its Within India and Outside India Operations.

| | March 31, 2024 | March 31, 2023 |
|--|-----------------|-----------------|
| Revenue from external customers | | |
| Within India | 2,680.93 | 2,414.74 |
| Outside India | 131.19 | 114.43 |
| | 2,812.12 | 2,529.17 |
| Other segment information | | |
| Segment assets | | |
| Within India | 1,436.29 | 1,240.25 |
| Outside India # | 14.70 | 24.38 |
| | 1,450.99 | 1,264.63 |

Represents trade receivable and branch assets outside India

Note: The Company has common property, plant & equipment for producing goods for domestic and overseas markets. Hence, separate figures for fixed assets / additions to fixed assets have not been furnished.

Notes to the financial statements

for the year ended March 31, 2024

(All amounts in Rupees Crores, unless otherwise stated)

36. Share based payments

The Company has, vide special resolutions passed by postal ballot, effective from March 13, 2019, introduced and implemented 'Orient Electric Employee Stock Option Scheme 2019' ("ESOP Scheme"). The terms and broad framework of the ESOP Scheme has been approved by the Board of Directors of the Company at their meeting held on January 28, 2019. Pursuant to the provisions of Section 62(1)(b) and all other applicable provisions, if any, of the Companies Act, 2013 (the "Act") and the Companies (Share Capital and Debenture) Rules, 2014 read along with the provisions of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (SEBI ESOP Regulations), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations"), the Nomination and Remuneration Committee ("Remuneration Committee") of the Board of Directors of the Company is authorised to implement and administer the ESOP Scheme - 2019. The ESOP Scheme has been formulated in accordance with the SEBI ESOP Regulations.

Under the ESOP Scheme, the eligible employees shall be granted employee Stock Options in the form of Options ("Stock Options") which will be exercisable into equal number of equity shares of ₹ 1/- each of the Company.

Details of the ESOP Scheme:

- a) **Exercise Price:** Market Price of equity share as on the previous close rate on the Stock Exchange immediately preceding the date of the grant.
- b) **Vesting Period :**
 - (i) **Grant 1 to 3 :** 40% of options shall vest after 3 years from grant date and 60% of options shall vest after 4 years from grant date.
 - (ii) **Grant 4 to 6:** 40% of options shall vest after 2 years from grant date and 60% of options shall vest after 3 years from grant date.
 - (iii) **Grant 7:** 33.33 % of options shall vest every year upto 3 years from grant date.
- c) **Exercise Period:** 4 years post vesting.
- d) **Method of settlement:** Equity.
- e) **Vesting conditions:** Employee remaining in the employment of the Company during the vesting period.

In exercise of the powers, Remuneration Committee has, during the year granted a total of 11,17,387 (March 31, 2023: 3,40,924) new Stock Options to eligible employees of the Company as per ESOP Scheme- 2019, while 431,961 (March 31, 2023 : 2,20,017) Stock Options, granted in earlier years have been lapsed on account of separation of employee from the company.

Notes to the financial statements

for the year ended March 31, 2024

(All amounts in Rupees Crores, unless otherwise stated)

Particulars of Options outstanding as on March 31, 2024 are as follows:

| Particulars | March 31, 2024 | | | | | | | | | | | | | |
|---|------------------|------------------|------------------|------------------|-------------------|-------------------|-------------------|-------------------|------------------|------------------|------------------|------------------|-------------------|-------------------|
| | Grant 1 | | Grant 2 | | Grant 3 | | Grant 4 | | Grant 5 | | Grant 6 | | Grant 7 | |
| | Vesting Period-1 | Vesting Period-2 | Vesting Period-1 | Vesting Period-2 | Vesting Period-1 | Vesting Period-2 | Vesting Period-1 | Vesting Period-2 | Vesting Period-1 | Vesting Period-2 | Vesting Period-1 | Vesting Period-2 | Vesting Period-1 | Vesting Period-2 |
| Outstanding Stock Options (number) at the beginning of the year | - | 5,80,318 | - | 14,485 | - | 99,781 | 53,447 | 80,171 | 82,922 | 1,24,384 | - | - | - | - |
| Options granted during the year | - | - | - | - | - | - | - | - | - | - | 1,32,872 | 1,99,308 | 2,61,710 | 2,61,787 |
| Options Lapsed during the year | - | - | - | - | - | 99,781 | - | - | - | - | 1,32,872 | 1,99,308 | - | - |
| Options vested during the year | - | - | - | 14,485 | - | - | - | - | - | - | - | - | - | - |
| Options exercised during the year | - | 5,80,318 | - | - | - | - | - | - | - | - | - | - | - | - |
| Options outstanding at the end of the year | - | - | - | - | - | - | 53,447 | 80,171 | 82,922 | 1,24,384 | - | - | 2,61,710 | 2,61,787 |
| Exercise Price | 144.10 | 144.10 | 155.00 | 155.00 | 184.10 | 184.10 | 272.25 | 272.25 | 264.95 | 264.95 | 253.55 | 253.55 | 209.05 | 209.05 |
| Vesting Date | April 01, 2022 | April 01, 2023 | August 01, 2022 | August 01, 2023 | December 11, 2022 | December 11, 2023 | November 04, 2024 | November 04, 2025 | January 31, 2025 | January 31, 2026 | April 03, 2025 | April 03, 2026 | February 01, 2025 | February 01, 2026 |

Particulars of Options outstanding as on March 31, 2023 are as follows:

| Particulars | March 31, 2023 | | | | | | | | | | | | | |
|---|------------------|------------------|------------------|------------------|-------------------|-------------------|-------------------|-------------------|------------------|------------------|------------------|------------------|-------------------|-------------------|
| | Grant 1 | | Grant 2 | | Grant 3 | | Grant 4 | | Grant 5 | | Grant 6 | | Grant 7 | |
| | Vesting Period-1 | Vesting Period-2 | Vesting Period-1 | Vesting Period-2 | Vesting Period-1 | Vesting Period-2 | Vesting Period-1 | Vesting Period-2 | Vesting Period-1 | Vesting Period-2 | Vesting Period-1 | Vesting Period-2 | Vesting Period-1 | Vesting Period-2 |
| Outstanding Stock Options (number) at the beginning of the year | 5,33,555 | 8,00,335 | 9,656 | 14,485 | 66,521 | 99,781 | - | - | - | - | - | - | - | - |
| Options granted during the year | - | - | - | - | - | - | 53,447 | 80,171 | 82,922 | 1,24,384 | - | - | - | - |
| Options Lapsed during the year | - | 2,20,017 | - | - | - | - | - | - | - | - | - | - | - | - |
| Options vested during the year | - | - | 9,656 | - | - | - | - | - | - | - | - | - | - | - |
| Options exercised during the year | 5,33,555 | - | - | - | 66,521 | - | - | - | - | - | - | - | - | - |
| Options outstanding at the end of the year | - | 5,80,318 | - | 14,485 | - | 99,781 | 53,447 | 80,171 | 82,922 | 1,24,384 | - | - | - | - |
| Exercise Price | 144.10 | 144.10 | 155.00 | 155.00 | 184.10 | 184.10 | 272.25 | 272.25 | 264.95 | 264.95 | 253.55 | 253.55 | 209.05 | 209.05 |
| Vesting Date | April 01, 2022 | April 01, 2023 | August 01, 2022 | August 01, 2023 | December 11, 2022 | December 11, 2023 | November 04, 2024 | November 04, 2025 | January 31, 2025 | January 31, 2026 | April 03, 2025 | April 03, 2026 | February 01, 2025 | February 01, 2026 |

Notes to the financial statements

for the year ended March 31, 2024

(All amounts in Rupees Crores, unless otherwise stated)

Fair value of Options granted during the financial year 2023-24, has been determined using Black-Scholes model with following inputs:

| Particulars | March 31, 2024 | | | | | | | | | | | | | |
|--|------------------|------------------|------------------|------------------|-------------------|-------------------|-------------------|-------------------|------------------|------------------|------------------|------------------|-------------------|-------------------|
| | Grant 1 | | Grant 2 | | Grant 3 | | Grant 4 | | Grant 5 | | Grant 6 | | Grant 7 | |
| | Vesting Period-1 | Vesting Period-2 | Vesting Period-1 | Vesting Period-2 | Vesting Period-1 | Vesting Period-2 | Vesting Period-1 | Vesting Period-2 | Vesting Period-1 | Vesting Period-2 | Vesting Period-1 | Vesting Period-2 | Vesting Period-1 | Vesting Period-2 |
| Date of Grant | March 27, 2019 | March 27, 2019 | July 30, 2019 | July 30, 2019 | December 11, 2019 | December 11, 2019 | November 03, 2022 | November 03, 2022 | January 30, 2023 | January 30, 2023 | April 04, 2023 | April 04, 2023 | February 01, 2024 | February 01, 2024 |
| Stock price on the grant date | 144.10 | 144.10 | 155.00 | 155.00 | 184.10 | 184.10 | 272.25 | 272.25 | 264.95 | 264.95 | 253.55 | 253.55 | 209.05 | 209.05 |
| Exercise price | 144.10 | 144.10 | 155.00 | 155.00 | 184.10 | 184.10 | 272.25 | 272.25 | 264.95 | 264.95 | 253.55 | 253.55 | 209.05 | 209.05 |
| Expected term (years) | 5 | 6 | 5 | 6 | 5 | 6 | 4 | 5 | 4 | 5 | 4 | 5 | 4 | 4 |
| Weighted average fair value as on grant date | 63.37 | 68.67 | 61.89 | 67.89 | 73.57 | 81.8 | 112.26 | 112.26 | 86.25 | 111.33 | 92.76 | 106.75 | 74.09 | 74.09 |
| Expected price volatility | 40.60% | 39.80% | 35.75% | 35.54% | 34.35% | 35.15% | 38.48% | 38.48% | 29.21% | 37.30% | 36.17% | 37.84% | 34.24% | 34.24% |
| Risk free interest rate | 7.03% | 7.13% | 6.35% | 6.45% | 6.66% | 6.66% | 7.33% | 7.33% | 7.16% | 7.23% | 7.14% | 7.15% | 7.01% | 7.01% |
| Expected dividend yield | 0.69% | 0.69% | 0.69% | 0.69% | 0.69% | 0.69% | 0.73% | 0.73% | 0.75% | 0.75% | 0.79% | 0.79% | 0.72% | 0.72% |

Fair value of Options granted during the financial year 2022-23, has been determined using Black-Scholes model with following inputs:

| Particulars | March 31, 2023 | | | | | | | | | | | | | |
|--|------------------|------------------|------------------|------------------|-------------------|-------------------|-------------------|-------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| | Grant 1 | | Grant 2 | | Grant 3 | | Grant 4 | | Grant 5 | | Grant 6 | | Grant 7 | |
| | Vesting Period-1 | Vesting Period-2 | Vesting Period-1 | Vesting Period-2 | Vesting Period-1 | Vesting Period-2 | Vesting Period-1 | Vesting Period-2 | Vesting Period-1 | Vesting Period-2 | Vesting Period-1 | Vesting Period-2 | Vesting Period-1 | Vesting Period-2 |
| Date of Grant | March 27, 2019 | March 27, 2019 | July 30, 2019 | July 30, 2019 | December 11, 2019 | December 11, 2019 | November 03, 2022 | November 03, 2022 | January 30, 2023 | January 30, 2023 | - | - | - | - |
| Stock price on the grant date | 144.10 | 144.10 | 155.00 | 155.00 | 184.10 | 184.10 | 272.25 | 272.25 | 264.95 | 264.95 | - | - | - | - |
| Exercise price | 144.10 | 144.10 | 155.00 | 155.00 | 184.10 | 184.10 | 272.25 | 272.25 | 264.95 | 264.95 | - | - | - | - |
| Expected term (years) | 5 | 6 | 5 | 6 | 5 | 6 | 4 | 5 | 4 | 5 | - | - | - | - |
| Weighted average fair value as on grant date | 63.37 | 68.67 | 61.89 | 67.89 | 73.57 | 81.8 | 112.26 | 112.26 | 86.25 | 111.33 | - | - | - | - |
| Expected price volatility | 40.60% | 39.80% | 35.75% | 35.54% | 34.35% | 35.15% | 38.48% | 38.48% | 29.21% | 37.30% | - | - | - | - |
| Risk free interest rate | 7.03% | 7.13% | 6.35% | 6.45% | 6.66% | 6.66% | 7.33% | 7.33% | 7.16% | 7.23% | - | - | - | - |
| Expected dividend yield | 0.69% | 0.69% | 0.69% | 0.69% | 0.69% | 0.69% | 0.73% | 0.73% | 0.75% | 0.75% | - | - | - | - |

Notes to the financial statements

for the year ended March 31, 2024

(All amounts in Rupees Crores, unless otherwise stated)

Summary of the expenses recognised in the statement of profit and loss:

| Particulars | March 31, 2024 | March 31, 2023 |
|---|----------------|----------------|
| Expenses arising from equity settled share based payment plan (net) | 1.38 | 0.55 |

37. Leases

As a lessee

The Company has lease contracts for various Properties (e.g. Corporate office, Depots, Plants, Warehouse etc), leased lines, office equipment's etc used in its operations. Leases of property generally have lease terms between 2 to 10 years. The Company's obligations under its leases are secured by the lessor's title to the leased assets. Generally, the Company is restricted from assigning and subleasing the leased assets. There are several lease contracts that include extension and termination options which are further discussed below.

The Company also has certain leases of property and machinery with lease terms of 12 months or less and leases of office equipment with low value. The Company applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the period:

| | Leasehold Properties | Other | Total |
|---------------------------------|----------------------|-------------|---------------|
| Gross Block | | | |
| As at April 01, 2022 | 90.71 | 1.99 | 92.70 |
| Additions | 61.53 | - | 61.53 |
| Deletions | (15.70) | - | (15.70) |
| As at March 31, 2023 | 136.54 | 1.99 | 138.53 |
| Accumulated depreciation | | | |
| As at April 01, 2022 | 44.24 | 0.81 | 45.05 |
| Charge for the year | 21.03 | 0.30 | 21.33 |
| Deletion | (8.13) | - | (8.13) |
| As at March 31, 2023 | 57.14 | 1.11 | 58.25 |
| Net block | 79.40 | 0.88 | 80.28 |
| Gross Block | | | |
| As at April 01, 2023 | 136.54 | 1.99 | 138.53 |
| Additions | 33.80 | - | 33.80 |
| Deletions | (11.62) | - | (11.62) |
| As at March 31, 2024 | 158.72 | 1.99 | 160.71 |
| Accumulated depreciation | | | |
| As at April 01, 2023 | 57.14 | 1.11 | 58.25 |
| Charge for the year | 24.47 | 0.30 | 24.77 |
| Deletion | (4.36) | - | (4.36) |
| As at March 31, 2024 | 77.25 | 1.41 | 78.66 |
| Net block | 81.47 | 0.58 | 82.05 |

Set out below are the carrying amounts of lease liabilities and the movements during the period:

| | March 31, 2024 | March 31, 2023 |
|--|----------------|----------------|
| Balance as at beginning of the year | 87.15 | 52.82 |
| Additions | 33.80 | 61.53 |
| Accretion of interest | 6.88 | 5.44 |
| Payments | (29.08) | (24.57) |
| Deletion | (8.04) | (8.07) |
| Balance as at end of the year | 90.71 | 87.15 |

Notes to the financial statements

for the year ended March 31, 2024

(All amounts in Rupees Crores, unless otherwise stated)

| | March 31, 2024 | March 31, 2023 |
|-------------|----------------|----------------|
| Current | 25.87 | 20.45 |
| Non current | 64.84 | 66.70 |

The maturity analysis of lease liabilities are disclosed in Note 40

The effective interest rate for lease liabilities is 7.50%, with maturity between 2024-2031

The following are the amounts recognised in profit or loss

| | March 31, 2024 | March 31, 2023 |
|--|----------------|----------------|
| Depreciation expense of right-of-use assets | 24.77 | 21.33 |
| Interest expense on lease liabilities | 6.88 | 5.44 |
| Expense relating to short-term leases and low value leases (included in other expenses: Refer note 28) | 6.31 | 3.04 |
| Loss/(Gain) on termination of lease contracts (Net) | (0.78) | (0.49) |

The Company had total cash outflows for leases of ₹ 35.39 crores in March 31, 2024 (March 31, 2023: ₹ 27.61 crores). The Company also had non-cash additions to right-of-use assets and lease liabilities of ₹ 33.80 crores as at March 31, 2024 (March 31, 2023: ₹ 61.53 crores).

The Company has several lease contracts that include extension and termination options. These options are negotiated by management to provide flexibility in managing the leased-asset portfolio and align with the Company's business needs. Management exercises significant judgement in determining whether these extension and termination options are reasonably certain to be exercised.

38. Revenue from Contracts with Customers- Ind AS 115

38.1 Disaggregated revenue information

Set out below is the disaggregation of the Company's revenue from contracts with customers:

| Segment | March 31, 2024 | | |
|---|------------------------------|-----------------------|-----------------|
| | Electrical Consumer Durables | Lighting & Switchgear | Total |
| Type of goods and Services | | | |
| Sale of fans and appliances | 1,979.47 | - | 1,979.47 |
| Sale of lights, circuit breakers and switches | - | 825.73 | 825.73 |
| Sale of services | - | 3.59 | 3.59 |
| Total revenue from contracts with customers | 1,979.47 | 829.32 | 2,808.79 |
| India | 1,856.13 | 824.80 | 2,680.93 |
| Outside India | 123.34 | 4.52 | 127.86 |
| Total revenue from contracts with customers | 1,979.47 | 829.32 | 2,808.79 |
| Timing of revenue recognition | | | |
| Goods transferred at a point in time | 1,979.47 | 822.92 | 2,802.39 |
| Services transferred at a point in time on completion | - | 0.78 | 0.78 |
| Services transferred over the period of time | - | 2.81 | 2.81 |
| Total revenue from contracts with customers | 1,979.47 | 826.51 | 2,805.98 |

Notes to the financial statements

for the year ended March 31, 2024

(All amounts in Rupees Crores, unless otherwise stated)

| Segment | March 31, 2023 | | |
|---|---------------------------------|--------------------------|-----------------|
| | Electrical Consumer Durables | Lighting & Switchgear | Total |
| Type of goods and Services | | | |
| Sale of fans and appliances | 1,749.06 | - | 1,749.06 |
| Sale of lights, circuit breakers and switches | - | 774.04 | 774.04 |
| Sale of services | - | 3.15 | 3.15 |
| Total revenue from contracts with customers | 1,749.06 | 777.19 | 2,526.25 |
| India | 1,646.36 | 768.38 | 2,414.74 |
| Outside India | 102.70 | 8.81 | 111.51 |
| Total revenue from contracts with customers | 1,749.06 | 777.19 | 2,526.25 |
| Timing of revenue recognition | | | |
| Goods transferred at a point in time | 1,749.06 | 774.04 | 2,523.10 |
| Services transferred at a point in time on completion | - | 0.60 | 0.60 |
| Services transferred over the period of time | - | 2.55 | 2.55 |
| Total revenue from contracts with customers | 1,749.06 | 777.19 | 2,526.25 |

Set out below, is the reconciliation of the revenue from contracts with customers with the amounts disclosed in the segment information (Note 35):

| | March 31, 2024 | | March 31, 2023 | |
|---|---------------------------------|--------------------------|---------------------------------|--------------------------|
| | Electrical Consumer Durables | Lighting & Switchgear | Electrical Consumer Durables | Lighting & Switchgear |
| Total revenue from contracts with customers | 1,979.47 | 829.32 | 1,749.06 | 777.19 |
| Add: Export incentive | 3.28 | 0.05 | 2.75 | 0.17 |
| Revenue as per segment information | 1,982.75 | 829.37 | 1,751.81 | 777.36 |

38.2 Contract balances

| | March 31, 2024 | March 31, 2023 |
|-----------------------------|----------------|----------------|
| Trade receivables (net) | 472.26 | 371.80 |
| Contract assets | - | - |
| Contract liabilities | | |
| Advance from customers | 15.75 | 8.56 |
| Deferred revenue | 11.86 | 14.15 |

Trade receivables are non-interest bearing and are generally on terms of 45 to 90 days except in case of B2B tender business, where payment are as per contractual terms.

Contract liabilities include short-term advances received from customer to deliver goods and deferred revenue pertains to performance obligation which is yet to be delivered.

38.3 Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted price

| | March 31, 2024 | March 31, 2023 |
|---|-----------------|-----------------|
| Revenue as per contracted price | 3,090.42 | 2,805.13 |
| Adjustments | | |
| Cash discount, rebates, incentives etc. | 178.74 | 146.90 |
| Sales return | 107.99 | 134.16 |
| Deferred revenue (net) | (2.29) | (2.18) |
| Revenue from contract with customers | 2,805.98 | 2,526.25 |

Notes to the financial statements

for the year ended March 31, 2024

(All amounts in Rupees Crores, unless otherwise stated)

38.4 The transaction price allocated to the remaining performance obligation (unsatisfied or partially unsatisfied) as at March 31, 2024 are, as follows:

| | March 31, 2024 | March 31, 2023 |
|-------------------------|----------------|----------------|
| Advances from customers | 15.75 | 8.56 |
| Deferred revenue | 11.86 | 14.15 |

Management expects that the entire transaction price allotted to the unsatisfied contract as at the end of the reporting period will be recognised as revenue during the next financial year.

In some contracts, the Company provides warranty to the customers as per the contract. The warranty is accounted for as a separate performance obligation and a portion of the transaction price is allocated. The performance obligation for the warranty service is satisfied based on time elapsed.

39. Details of dues to micro enterprises and small enterprises as defined under the MSMED Act, 2006

| | March 31, 2024 | March 31, 2023 |
|---|----------------|----------------|
| The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year | | |
| Principal amount due to micro enterprises and small enterprises | 170.67 | 109.83 |
| Interest due on above | - | - |
| | 170.67 | 109.83 |
| The amount of interest paid by the buyer in terms of section 16 of the MSMED Act 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year. | - | - |
| The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act 2006. | - | - |
| The amount of interest accrued and remaining unpaid at the end of each accounting period | - | - |
| The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006 | - | - |

40. Financial risk management objectives and policies

The Company's principal financial liabilities comprise loans and borrowings, and trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's financial assets include trade and other receivables, cash and cash equivalents and security deposits that derives directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company has a Risk management policy and its management is supported by a Risk management committee that advises on risks and the appropriate financial risk governance framework for the Company. The Risk management committee provides assurance to the Company's management that the Company's 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. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

Notes to the financial statements

for the year ended March 31, 2024

(All amounts in Rupees Crores, unless otherwise stated)

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 risk comprises three types of risk: currency risk, interest rate risk and other price risk, such as commodity price risk and equity price risk. Financial instruments affected by market risk include trade payables, trade receivables, borrowings, etc.

Commodity price risk

The Company is affected by the price volatility of certain commodities. Its operating activities require the ongoing manufacture of electronic items and therefore require a continuous supply of copper and aluminium being the major input used in the manufacturing. Due to the significantly increased volatility of the price of the Copper and aluminium, the Company has entered into various purchase contracts for these material for which there is an active market. The Company maintain the level of these stocks as per the requirement of businesses and market which are discussed by the management on regular basis. Company operates in the way that saving/impact due to change in commodity price are pass on to the customers and therefore impact on profit due to change in price of commodity is unascertainable.

Interest rate risk

The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's debt obligations with floating interest rates. The Company's borrowings outstanding as at March 31, 2024 comprise of fixed rate loans and accordingly, are not expose to risk of fluctuation in market interest rate.

Foreign currency risk

The Company's exposure to foreign currency arises where a Company holds monetary assets and liabilities denominated in a currency different to the functional currency of that entity with Indian rupees (INR) . Set out below is the impact of a 5% change in the INR on profit and equity arising as a result of the revaluation of the Company's foreign currency financial instruments. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the year end for a 5% change in foreign currency rates. For a 5% strengthening/weakening of the INR against the relevant currency, there would be a comparable negative/positive impact on the profit or equity, as applicable.

| March 31, 2024 | Change in rate | Unhedged Foreign Currency (Net) | Effect on Profit before Tax |
|----------------|----------------|---------------------------------|-----------------------------|
| INR vs USD | 5% | 7.71 Trade receivable (gain) | 0.39 |
| INR vs AED | 5% | - Trade receivable (gain) | - |
| INR vs EURO | 5% | - Trade receivable (gain) | - |
| INR vs USD | 5% | 15.99 Trade payable (loss) | 0.80 |
| INR vs EURO | 5% | - Trade payable (loss) | - |

| March 31, 2023 | Change in rate | Unhedged Foreign Currency (Net) | Effect on Profit before Tax |
|----------------|----------------|---------------------------------|-----------------------------|
| INR vs USD | 5% | 4.93 Trade receivable (gain) | 0.25 |
| INR vs AED | 5% | 10.99 Trade receivable (gain) | 0.55 |
| INR vs EURO | 5% | 0.48 Trade receivable (gain) | 0.02 |
| INR vs USD | 5% | 10.52 Trade payable (loss) | 0.53 |
| INR vs EURO | 5% | 0.01 Trade payable (loss) | 0.00 |

Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables).

Notes to the financial statements

for the year ended March 31, 2024

(All amounts in Rupees Crores, unless otherwise stated)

Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made in the bank deposits and overnight debt mutual funds. The limits are set to minimize the concentration of risks and therefore mitigate financial loss through counter party's potential failure to make payments.

The Company's maximum exposure to credit risk for the components of the balance sheet at March 31, 2024 and March 31, 2023 is the carrying amounts. Trade Receivables and other financial assets are written off when there is no reasonable expectation of recovery, such as debtor failing to engage in the repayment plan with the Company. The Company's maximum exposure relating to financial assets is noted in liquidity table below.

| | March 31, 2024 | March 31, 2023 |
|---|----------------|----------------|
| Financial assets for which allowance is measured using 12 months Expected Credit Loss Method (ECL) | | |
| Cash and other bank balances | 66.33 | 164.22 |
| Other non current financial assets | 17.62 | 14.80 |
| Other current financial assets | 3.12 | 2.18 |
| | 87.07 | 181.20 |
| Financial assets for which allowance is measured using Life time Expected Credit Loss Method (ECL) | | |
| Trade receivables (net) | 461.96 | 371.80 |
| | 461.96 | 371.80 |

Balances with banks is subject to low credit risks due to good credit ratings assigned to these banks.

The following table summarizes the change in loss allowance measured using the life time expected credit loss model:

| | March 31, 2024 | March 31, 2023 |
|---|----------------|----------------|
| At the beginning of year | 12.86 | 25.06 |
| Net impairment allowance created/(reversed) during the year | 5.95 | (3.88) |
| Bad debts written off during the year | - | 8.32 |
| At the end of year | 18.81 | 12.86 |

Liquidity risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations or at a reasonable price. The Company's treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Company's net liquidity position through rolling forecasts on the basis of expected cash flows.

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of cash credits, bank loans among others.

Maturity profile of Financial liabilities

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments.

| Financial Liabilities | 0-1 year | 2-5 year | Above 5 years | Total |
|-------------------------------------|---------------|--------------|---------------|---------------|
| March 31, 2024 | | | | |
| Borrowings | 20.87 | - | - | 20.87 |
| Lease liabilities | 25.87 | 60.76 | 4.08 | 90.71 |
| Trade Payables | 543.91 | - | - | 543.91 |
| Other current financial liabilities | 44.99 | - | - | 44.99 |
| Total | 635.64 | 60.76 | 4.08 | 700.48 |

Notes to the financial statements

for the year ended March 31, 2024

(All amounts in Rupees Crores, unless otherwise stated)

| Financial Liabilities | 0-1 year | 2-5 year | Above 5 years | Total |
|-------------------------------------|---------------|--------------|---------------|---------------|
| March 31, 2023 | | | | |
| Borrowings | 10.10 | - | - | 10.10 |
| Lease liabilities | 20.45 | 61.28 | 5.42 | 87.15 |
| Trade Payables | 452.97 | - | - | 452.97 |
| Other current financial liabilities | 41.27 | - | - | 41.27 |
| Total | 524.79 | 61.28 | 5.42 | 591.49 |

41. Capital management

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders. The primary objective of the Company's capital management is to maximise the shareholder value and keep the debt equity ratio within acceptable range.

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, return capital to shareholders and issue new shares.

| Particulars | March 31, 2024 | March 31, 2023 |
|---|----------------|----------------|
| Cash and cash equivalents (Refer note 10) | 65.69 | 163.64 |
| Current liquid investment [Refer note 8] | 37.33 | - |
| Total (a) | 103.02 | 163.64 |
| Current Borrowings (Refer note 14)* | 20.87 | 10.10 |
| Total Borrowings (b) | 20.87 | 10.10 |
| Net Debt (c = b-a)** | - | - |
| Total Equity (d) | 638.93 | 584.64 |
| Gearing Ratio (c/d) | - | - |

*Borrowings does not include lease liability.

**Cash & Cash equivalents and liquid investments is greater than borrowings, hence debt is considered as nil.

42. Dividend paid and proposed

| Particulars | March 31, 2024 | March 31, 2023 |
|---|----------------|----------------|
| Dividend declared and paid during the year | | |
| Final dividend for the year ended March 31, 2023 ₹ 0.75 per share (March 31, 2022: ₹ 1.25 per share) | 16.00 | 26.52 |
| Interim dividend paid for the year ended March 31, 2024 ₹ 0.75 per share (March 31, 2023: ₹ 0.75 per share) | 16.00 | 15.96 |
| | 32.00 | 42.48 |
| Proposed dividend on equity shares * | | |
| Final dividend for the year ended March 31, 2024 ₹ 0.75 per share (March 31, 2023: ₹ 0.75 per share) | 16.00 | 15.96 |
| | 16.00 | 15.96 |

* Proposed dividends on equity shares are subject to approval of the shareholders of the Company at the Annual General Meeting and are not recognised as a liability as at March 31, 2024.

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for the year ended March 31, 2024

(All amounts in Rupees Crores, unless otherwise stated)

43. Corporate Social Responsibility

As per provisions of section 135 of the Companies Act, 2013, read alongwith the Rules made thereunder and Schedule VII thereto, the Company has to incur at least 2% of average net profits, as per section 198 of the Companies Act, 2013, of the preceding three financial years towards Corporate Social Responsibility ("CSR"). Accordingly, the Company has spent a sum of ₹ 2.95 crores (March 31, 2023: ₹ 3.02 crores) towards CSR activities as approved by the Board of Directors on the recommendations of CSR committee of the Company. This amount has been charged to the Statement of Profit And Loss.

| Details of CSR Expenditure: | Year ended March 31, 2024 | Year ended March 31, 2023 |
|---|------------------------------|------------------------------|
| a) Gross amount required to be spent by the Company during the year | 2.90 | 3.02 |

b) Amount spent during year ended:

| | Amount spent | | Amount yet to be spent | |
|--|----------------|----------------|------------------------|----------------|
| | March 31, 2024 | March 31, 2023 | March 31, 2024 | March 31, 2023 |
| (i) Construction/ acquisition of assets | - | - | - | - |
| (ii) On Purpose other than above | 2.95 | 2.81 | - | - |
| Add: Utilised from excess spent in last year | - | 0.21 | - | - |
| Total | 2.95 | 3.02 | - | - |

c) Movement of Excess CSR spend

| | Opening Balance brought forward from Previous year(A) | Excess/(Utilised) during the year (B) | Closing Balance carryforward to next FY (C)=A-B |
|------------|---|--|---|
| FY 2023-24 | - | 0.05 | 0.05 |
| FY 2022-23 | 0.21 | (0.21) | - |

44. Fair value measurements

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values:

| Financial instruments by category | Carrying value | | Fair value | |
|---|----------------|----------------|----------------|----------------|
| | March 31, 2024 | March 31, 2023 | March 31, 2024 | March 31, 2023 |
| Financial assets (at amortised cost) | | | | |
| Trade Receivables (non-current) | 10.30 | 15.82 | 10.30 | 15.82 |
| Other Financial assets (non-current) | 17.62 | 14.80 | 17.62 | 14.80 |
| Trade Receivables (current) | 461.96 | 355.98 | 461.96 | 355.98 |
| Cash and other bank balances (current) | 66.33 | 164.22 | 66.33 | 164.22 |
| Other Financial assets (current) | 3.12 | 2.18 | 3.12 | 2.18 |
| Sub-total (a) | 559.33 | 553.00 | 559.33 | 553.00 |
| Financial assets (at FVTPL) | | | | |
| Investments (Current) | 37.33 | - | 37.33 | - |
| Sub-total (b) | 37.33 | - | 37.33 | - |
| Total (a+b) | 596.66 | 553.00 | 596.66 | 553.00 |

Notes to the financial statements

for the year ended March 31, 2024

(All amounts in Rupees Crores, unless otherwise stated)

| Financial instruments by category | Carrying value | | Fair value | |
|--|----------------|----------------|----------------|----------------|
| | March 31, 2024 | March 31, 2023 | March 31, 2024 | March 31, 2023 |
| Financial Liabilities (at amortised cost) | | | | |
| Borrowings (non-current) | - | - | - | - |
| Lease liabilities (non-current) | 64.84 | 66.70 | 64.84 | 66.70 |
| Borrowings (current) | 20.87 | 10.10 | 20.87 | 10.10 |
| Lease liabilities (current) | 25.87 | 20.45 | 25.87 | 20.45 |
| Trade Payables (current) | 543.91 | 452.97 | 543.91 | 452.97 |
| Other financial liabilities (current) | 44.99 | 41.27 | 44.99 | 41.27 |
| | 700.48 | 591.49 | 700.48 | 591.49 |

The management assessed that bank balances, trade receivables, trade payables, short term borrowings and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

1. The fair values of the interest-bearing borrowings and loans are determined by using DCF method using discount rate that reflects the Company's borrowing rate as at the end of the reporting period. The own non-performance risk as at March 31, 2024 was assessed to be insignificant.
2. Long-term receivables/payables are evaluated by the Company based on parameters such as interest rates, risk factors, individual creditworthiness of the counterparty and the risk characteristics of the financed project. Based on this evaluation, allowances are taken into account for the expected credit losses of these receivables.

The significant unobservable inputs used in the fair value measurement categorised within Level 3 of the fair value hierarchy together with a quantitative sensitivity analysis as at March 31, 2024, are as shown below:

Fair value hierarchy

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: other techniques for which all inputs that have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3: techniques that use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

Quantitative disclosures of fair value measurement hierarchy for assets as on March 31, 2024

| | Carrying Value March 31, 2024 | Fair Value | | |
|--|----------------------------------|------------|---------|---------|
| | | Level 1 | Level 2 | Level 3 |
| Assets carried at amortised cost for which fair value are disclosed | | | | |
| Trade Receivables (non-current) | 10.30 | - | - | 10.30 |
| Other Financial assets (non-current) | 17.62 | - | - | 17.62 |
| Trade Receivables (current) | 461.96 | - | - | 461.96 |
| Cash and other bank balances (current) | 66.33 | - | - | 66.33 |
| Other Financial assets (current) | 3.12 | - | - | 3.12 |
| Assets carried at FVTPL for which fair value are disclosed | | | | |
| Investments (current) | 37.33 | 37.33 | - | - |

Notes to the financial statements

for the year ended March 31, 2024

(All amounts in Rupees Crores, unless otherwise stated)

| | Carrying Value March 31, 2024 | Fair Value | | |
|---|----------------------------------|------------|---------|---------|
| | | Level 1 | Level 2 | Level 3 |
| Liabilities carried at amortised cost for which fair value are disclosed | | | | |
| Borrowings (non-current) | - | - | - | - |
| Lease liabilities (non-current) | 64.84 | - | - | 64.84 |
| Borrowings (current) | 20.87 | - | - | 20.87 |
| Lease liabilities (current) | 25.87 | - | - | 25.87 |
| Trade Payables | 543.91 | - | - | 543.91 |
| Other financial liabilities (current) | 44.99 | - | - | 44.99 |

Quantitative disclosures of fair value measurement hierarchy for assets as on March 31, 2023

| | Carrying Value March 31, 2023 | Fair Value | | |
|---|----------------------------------|------------|---------|---------|
| | | Level 1 | Level 2 | Level 3 |
| Assets carried at amortised cost for which fair value are disclosed | | | | |
| Trade Receivables (non-current) | 15.82 | - | - | 15.82 |
| Other Financial assets (non-current) | 14.80 | - | - | 14.80 |
| Investments (current) | - | - | - | - |
| Trade Receivables (current) | 355.98 | - | - | 355.98 |
| Cash and other bank balances (current) | 164.22 | - | - | 164.22 |
| Other Financial assets (current) | 2.18 | - | - | 2.18 |
| Liabilities carried at amortised cost for which fair value are disclosed | | | | |
| Borrowings (non-current) | - | - | - | - |
| Lease liabilities (non-current) | 66.70 | - | - | 66.70 |
| Borrowings (current) | 10.10 | - | - | 10.10 |
| Lease liabilities (current) | 20.45 | - | - | 20.45 |
| Trade Payables | 452.97 | - | - | 452.97 |
| Other financial liabilities (current) | 41.27 | - | - | 41.27 |

45. Ratio Analysis and its elements

| S. No. | Ratio | Formula | As at 31 March 2024 | As at 31 March 2023 | Variance (%) | Reason |
|--------|--|---|---------------------------|---------------------------|--------------|--|
| (a) | Current Ratio (in times) | Current Assets/Current Liabilities | 1.28 | 1.46 | (12.41) | Not Applicable |
| (b) | Debt-Equity Ratio (in times) | Gross Debt/Equity | 0.03 | 0.02 | 89.08 | Change on account of increase in borrowing during the year |
| (c) | Debt Service Coverage Ratio (in times) | Earnings after tax but before interest, depreciation and exceptional items/(interest expense + principal payments of long term loans) | 3.05 | 3.62 | (15.75) | Not Applicable |
| (d) | Return on Equity Ratio (%) | Net Profit after tax/Net Worth | 11.78% | 12.97% | (9.20) | Not Applicable |

Notes to the financial statements

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(All amounts in Rupees Crores, unless otherwise stated)

| S. No. | Ratio | Formula | As at 31 March 2024 | As at 31 March 2023 | Variance (%) | Reason |
|--------|---|---|---------------------|---------------------|--------------|---|
| (e) | Inventory turnover ratio (in times) | COGS or Sales/ Average Inventory | 6.53 | 5.97 | 9.25 | Not Applicable |
| (f) | Trade Receivables turnover ratio (in times) | Net Credit Sales/ Average Trade Receivables | 6.57 | 6.32 | 3.92 | Not Applicable |
| (g) | Trade payables turnover ratio (in times) | Net Credit Purchases/Average Trade Payables | 4.01 | 3.98 | 0.87 | Not Applicable |
| (h) | Net capital turnover ratio (in times) | Revenue from Operations / Working capital | 13.94 | 9.37 | 48.78 | Increase in ratio on account of decrease in working capital during the year |
| (i) | Net profit ratio (%) | Net Profit after tax /Revenue from operations | 2.68% | 3.00% | (10.75) | Not Applicable |
| (j) | Return on Capital employed (%) | Earning before interest, exceptional item and taxes/ Capital Employed | 15.28% | 20.87% | (26.78) | Decrease on account of increase in capital employed . |
| (k) | Return on investment (%) | Income from investment measured at FVTPL/ Average current investment | 6.65% | - | 100 | Investment in mutual fund made in Current year. |

46. Trade Receivables ageing schedule

As at 31st March 2024

Non Current

| Particulars | Outstanding for following periods from due date of payment | | | | | | Total |
|---|--|-------------------|------------------|-----------|-----------|-------------------|--------------|
| | Not Due | Less than 6 month | 6 months -1 year | 1-2 years | 2-3 years | More than 3 years | |
| Undisputed | | | | | | | |
| (i) Trade receivables - considered good | 10.30 | - | - | - | - | - | 10.30 |

Current

| Particulars | Outstanding for following periods from due date of payment* | | | | | | Total |
|---|---|-------------------|------------------|-------------|-------------|-------------------|---------------|
| | Not Due | Less than 6 month | 6 months -1 year | 1-2 years | 2-3 years | More than 3 years | |
| Undisputed | | | | | | | |
| (i) Trade receivables - considered good | 332.59 | 104.61 | 16.26 | 5.38 | 1.84 | 1.28 | 461.96 |
| (ii) Trade receivables credit impaired | - | - | 5.81 | 2.41 | 0.67 | 3.13 | 12.02 |
| Disputed | | | | | | | |
| (i) Trade receivables credit impaired | - | - | 0.02 | 0.55 | 0.62 | 5.60 | 6.79 |
| Total | 332.59 | 104.61 | 22.09 | 8.34 | 3.12 | 10.02 | 480.77 |

Notes to the financial statements

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(All amounts in Rupees Crores, unless otherwise stated)

Rs at March 31, 2023
Non Current

| Particulars | Outstanding for following periods from due date of payment* | | | | | | Total |
|---|---|-------------------|------------------|-----------|-----------|-------------------|--------------|
| | Not Due | Less than 6 month | 6 months -1 year | 1-2 years | 2-3 years | More than 3 years | |
| Undisputed | | | | | | | |
| (i) Trade receivables - considered good | 15.82 | - | - | - | - | - | 15.82 |

Current

| Particulars | Outstanding for following periods from due date of payment* | | | | | | Total |
|---|---|-------------------|------------------|-------------|-------------|-------------------|---------------|
| | Not Due | Less than 6 month | 6 months -1 year | 1-2 years | 2-3 years | More than 3 years | |
| Undisputed | | | | | | | |
| (i) Trade receivables - considered good | 249.07 | 98.22 | 3.14 | 2.04 | 0.68 | 2.83 | 355.98 |
| (ii) Trade receivables credit impaired | - | - | 2.02 | 0.56 | 0.20 | 3.52 | 6.30 |
| Disputed | | | | | | | |
| (i) Trade receivables credit impaired | - | 0.00 | 0.09 | 0.51 | 0.10 | 5.85 | 6.56 |
| Total | 249.07 | 98.22 | 5.24 | 3.12 | 0.99 | 12.21 | 368.84 |

* Unadjusted credits in the customer account have been adjusted from the earliest outstanding amount of respective customer.

47. Trade Payable ageing schedule

Rs at March 31, 2024

| Particulars | Outstanding for following periods from due date of payment | | | | | Total |
|-----------------------------|--|------------------|-------------|-------------|-------------------|---------------|
| | Not Due | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| (i) MSME | 170.67 | - | - | - | - | 170.67 |
| (ii) Others | 294.29 | 77.79 | 0.81 | 0.20 | 0.15 | 373.24 |
| (iii) Disputed dues - MSME | - | - | - | - | - | - |
| (iv) Disputed dues - Others | - | - | - | - | - | - |
| Total | 464.96 | 77.79 | 0.81 | 0.20 | 0.15 | 543.91 |

Rs at March 31, 2023

| Particulars | Outstanding for following periods from due date of payment | | | | | Total |
|-----------------------------|--|------------------|-------------|-------------|-------------------|---------------|
| | Not Due | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| (i) MSME | 109.83 | - | - | - | - | 109.83 |
| (ii) Others | 285.99 | 55.06 | 1.47 | 0.42 | 0.20 | 343.14 |
| (iii) Disputed dues - MSME | - | - | - | - | - | - |
| (iv) Disputed dues - Others | - | - | - | - | - | - |
| Total | 395.82 | 55.06 | 1.47 | 0.42 | 0.20 | 452.97 |

Notes to the financial statements

for the year ended March 31, 2024

(All amounts in Rupees Crores, unless otherwise stated)

48. In previous year, Board of Directors of the Company had accorded their in-principal approval for disposal of land parcel at Hyderabad, total admeasuring 1,11,320 Sq.yards (hereinafter referred as "Land"). In accordance with Ind AS 105 "Non-Current Assets Held For Sale and Discontinued Operations" the said land was classified as 'Asset held for sale' as the carrying amounts of such asset is to be recovered principally through sales transaction rather than continuing use.

In Current year, company has executed the sale of said land for net consideration of ₹ 34.80 crores and accordingly, profit on sale of land of ₹ 18.68 crores has been disclosed as an exceptional item in current year financial statement.

49. Other Statutory information

- (i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.
- (ii) The Company does not have any transactions with companies struck off under section 248 of Companies Act, 2013.
- (iii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- (iv) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (v) 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.
- (vi) 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.
- (vii) The Company has not undertaken any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

50. During the year pursuant to a detailed assessment by an external expert, as per the provision of GST the Company has voluntarily recognized GST liability on interest income charged from customers on delayed payment for the period from July 01, 2017 to March 31, 2023. Accordingly, GST liability of ₹ 4.18 crores including interest of ₹ 1.59 crores has been recognised as on March 31, 2024 and the same has been paid subsequently. Further, out of the total liability, ₹ 1.19 crores will be recovered from the customers and the balance amount of ₹ 2.99 crores has been debited in the statement of profit and loss. No further liability is expected to devolve in this regard.

Notes to the financial statements

for the year ended March 31, 2024

(All amounts in Rupees Crores, unless otherwise stated)

51. The Company uses 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, except that audit trail feature is not enabled for direct changes to data for users with certain privileged access rights to the accounting software (SAP S4 Hana application) and the underlying database. Further, certain features of the audit trail to record direct changes in application was temporarily disabled during the year. However, there are no instance of audit trail being tampered during the year.

52. The figures have been rounded off to the nearest crore of rupees upto two decimal places. The figure 0.00 wherever stated represents value less than ₹ 50,000/-.

As per our report of even date attached.

For **S.R. Batliboi & Co. LLP**

Firm registration number: 301003E / E300005

Chartered Accountants

Per Amit Gupta

Partner

Membership No.: 501396

Place: New Delhi

Date: May 09, 2024

For and on behalf of the Board of Directors of Orient Electric Limited

C.K. Birla

Chairman and Director

(DIN 00118473)

Saibal Sengupta

Chief Financial Officer

(ACA 54373)

D.D Khetrapal

Vice Chairman and

Managing Director

(DIN 02362633)

Hitesh Kumar Jain

Company Secretary

(F 6241)

Place: New Delhi

Date: May 09, 2024

ORIENT ELECTRIC LIMITED

CIN: L31100OR2016PLC025892

Registered Office: Unit VIII, Plot No. 7, Bhoingar, Bhubaneswar, Odisha-751 012

Tel: 0674-2396930, **Fax:** 0674 - 2396364

Corporate Office: 240, Okhla Industrial Estate, Phase - III, Okhla, New Delhi -110020

E-mail - investor@orientelectric.com, **Website:** www.orientelectric.com

NOTICE

NOTICE is hereby given that the **8th (Eighth)** Annual General Meeting ('AGM' / 'Meeting') of the Members of **ORIENT ELECTRIC LIMITED (the 'Company')** will be held on **Thursday, the 1st Day of August 2024 at 3:30 p.m. (IST)**, through Video Conferencing ('VC') / Other Audio-Visual Means ('OAVM') to transact the following business:

ORDINARY BUSINESS

- 1. Receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2024 together with the reports of Board of Directors and Auditors' thereon.**

To consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT the Audited Financial Statements of the Company for the financial year ended March 31, 2024 together with the reports of the Board of Directors and Auditors thereon as circulated to shareholders of the Company, be and are hereby received, considered and adopted."

- 2. Declare final dividend of ₹ 0.75 (75%) per equity share of face value of ₹ 1 each for the financial year ended March 31, 2024 and to confirm the interim dividend of ₹ 0.75 (75%) per equity share, already paid during the financial year 2023-24.**

To consider and if thought fit, to pass the following resolutions as **Ordinary Resolution**:

"RESOLVED THAT the payment of final dividend at the rate of ₹ 0.75 (75%) per equity share of the face value of ₹ 1 each of the Company, for the financial year 2023-24, as recommended by the Board of Directors, be and is hereby declared and the same be paid out of the profits of the Company.

RESOLVED FURTHER THAT the interim dividend at the rate of ₹ 0.75 (75%) per equity share of the face value of ₹ 1 each

of the Company, paid during the financial year 2023-24, be and is hereby confirmed".

- 3. Appointment of Mr. Chandra Kant Birla (DIN: 00118473), who retires by rotation and being eligible, offers himself for re-appointment.**

To consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 152 and other applicable provisions, if any, of the Companies Act, 2013, Mr. Chandra Kant Birla (DIN: 00118473) who retires by rotation at this Annual General Meeting, and being eligible, offers himself for re-appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation."

SPECIAL BUSINESS

- 4. Appointment of Mr. Ravindra Singh Negi (DIN 10627944) as a Director, liable to retire by rotation.**

To consider and, if thought fit, to pass, the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 152, 161 and other applicable provisions, if any, of the Companies Act, 2013 ('Act'), and the Rules made thereunder, Regulation 17(1C) or any other provisions, if any, of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and in accordance with the Articles of Association of the Company and the Nomination and Remuneration Policy, Mr. Ravindra Singh Negi (DIN 10627944), who, on the recommendation of the Nomination and Remuneration Committee, was appointed by the Board of Directors (hereinafter referred to as '**Board**', which term shall, unless repugnant to the context or meaning thereof, be deemed to include

any committee thereof), as an Additional Director of the Company with effect from May 31, 2024 and designated as Managing Director and Chief Executive Officer and a Key Managerial Personnel and who holds office as Additional Director upto the date of eight Annual General Meeting ('AGM') of the Company or the last date upto which AGM should have been held, whichever is earlier, and in respect of whom, the Company has received a notice in writing under Section 160 of the Act proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation.

RESOLVED FURTHER THAT the Board be and is hereby authorized, on behalf of the Company, to do all such acts, deeds, matters and things, as it may deem fit, desirable or necessary, including but not limited to obtain all necessary approvals, statutory, contractual or otherwise, in relation to the above and to settle all matters, doubts, issues and questions, arising out of and incidental thereto, as may be necessary to give full effect to the foregoing resolution."

5. Appointment of Mr. Ravindra Singh Negi (DIN 10627944) as the Managing Director of the Company.

To consider and, if thought fit, to pass, the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT, pursuant to the provisions of Sections 196, 197 and other applicable provisions, if any, of the Companies Act, 2013 (**the 'Act'**), the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) read with Schedule V thereof and Regulation 17(1C) and any other regulations, if any, of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), in accordance with the Articles of Association of the Company, Nomination and Remuneration Policy and based on the recommendation of the Nomination & Remuneration Committee and approval of the Board of Directors of the Company (hereinafter referred to as the **'Board'** which term shall, unless repugnant to the context or meaning thereof, be deemed to include any committee thereof), and subject to the completion of necessary statutory formalities, if any, approval of the members of the Company be and is hereby accorded to the appointment of Mr. Ravindra Singh Negi (DIN 10627944) as the Managing Director & Chief Executive Officer, a Key Managerial Personnel of the Company, for a period of 5 (five) years with effect from May 31, 2024, on the terms and conditions of appointment in such manner

as agreed between the Board and Mr. Ravindra Singh Negi and as detailed in the explanatory statement to the Notice.

RESOLVED FURTHER THAT the Board be and is hereby authorized, on behalf of the Company, to do all such acts, deeds, matters and things, as it may deem fit, desirable or necessary, including but not limited to obtain all necessary approvals, statutory, contractual or otherwise, in relation to the above and to settle all matters, doubts, issues and questions, arising out of and incidental thereto, as may be necessary to give full effect to the foregoing resolution."

6. Approval of the terms of remuneration of Mr. Ravindra Singh Negi (DIN 10627944), Managing Director & Chief Executive Officer of the Company.

To consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Sections 196, 197, 198 and other applicable provisions, if any, of the Companies Act, 2013 (**the 'Act'**), the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) read with Schedule V to the Act, Section 62(1)(b) of the Act, the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, if any, the Articles of Association of the Company, Nomination and Remuneration Policy of the Company, and based on the recommendation of the Nomination and Remuneration Committee and the Board of Directors (hereinafter referred to as the **'Board'**, which term shall, unless repugnant to the context or meaning thereof, be deemed to include any committee thereof), and subject to completion of the necessary statutory formalities, if any, consent of the members of the Company be and is hereby accorded for payment of following remuneration and grant of other amenities to Mr. Ravindra Singh Negi (DIN 10627944) as the Managing Director & Chief Executive Officer of the Company, for a period of five years with effect from May 31, 2024 with liberty and power to the Board, to grant increments and to alter and vary from time to time, the terms and conditions of the remuneration, subject to the same not exceeding the limits specified hereinafter:

- a. Basic salary and allowances of ₹ 4,00,00,000/- (Rupees Four crores) per annum with such increments as the Board may decide from time to time, however subject to a ceiling of upto 25% of the last drawn basic salary and allowances.

- b. The following perquisites shall be allowed to Mr. Ravindra Singh Negi in addition to basic salary and allowances mentioned above:
- i. Leaves - In accordance with the rules framed by the Company.
 - ii. Contribution to Provident Fund and Superannuation / Annuity Fund as per policy of the Company in force, from time to time.
 - iii. Gratuity payable shall be at a rate not exceeding 15 days salary for each completed year of service or part thereof in excess of six months as per policy of the Company.
 - iv. Encashment of unavailed leave at the end of the tenure or at specified intervals will be as per policy of the Company in force, from time to time.
 - v. Group medical insurance and group personal accidental insurance as per policy of the Company in force, from time to time.
 - vi. Provision of chauffer driven car upto an Ex-showroom value of ₹65,00,000 (Rupees sixty-five lacs) and running and maintenance expenses thereof.
- c. Annual performance linked Compensation pay (by whatever name called) of ₹ 1,75,00,000 (Rupees one crore seventy five lacs) to be paid proportionately on 100% achievement of agreed targets and performance parameters as may be assigned by the Board, which may range between 80% to 120% based upon the performance, and thereafter with such revision in the total annual performance linked compensation as the Board may decide from time to time, however subject to a ceiling of upto 25% of the last annual performance linked compensation. Final annual performance linked compensation amount shall be decided by the Board, from time to time.
- d. Perquisites arising on the exercise of Stock Options equivalent to the value of ₹ 2,62,50,000 (Rupees two crores sixty two lacs fifty thousand) arrived on the basis of Fair Market Value (Black Scholes method) to be granted under the existing Orient Electric - Employee Stock Option Scheme 2019 or any new ESOP Scheme or in combination thereof, which on exercise are convertible into equivalent number of equity shares of face value of ₹ 1 each of the Company. The exact number of Stock Options, the Scheme, date of grant, vesting schedule and other details of such Stock Options shall be determined by the Board.

- e. Long Term Incentive of ₹ 2,62,50,000 (Rupees two crores sixty two lacs fifty thousand), payable in three equal annual tranches - 33.33% after the close of March 31, 2025, 33.33% after the close of March 31, 2026, and 33.34% after the close of March 31, 2027 on meeting the incremental value targets / financial parameters as and when decided by the Board.
- f. One time joining bonus of ₹1,88,00,000 (Rupees one crore eighty-eight lacs), subject to a clawback period of one year.

Subject to as aforesaid, the Managing Director & Chief Executive Officer shall be governed by such other Rules as are applicable to the Senior Management of the Company, from time to time.

RESOLVED FURTHER THAT the aggregate salary, perquisites, bonus, benefits, allowances and other payments shall continue to be paid to Mr. Ravindra Singh Negi in accordance with the applicable provisions of Schedule V of the Act and subject to the necessary approvals, if any required, in case of loss or inadequacy of profit during any financial year during his term.

RESOLVED FURTHER THAT the remuneration specified above for Mr. Ravindra Singh Negi, as Managing Director & Chief Executive Officer, may, subject to overall ceiling specified above and subject to Schedule V of the Act, be modified, during the tenure of his office, as may be agreed between the Board and Mr. Ravindra Singh Negi.

RESOLVED FURTHER THAT the Board be and is hereby authorised, on behalf of the Company, to do all such acts, deeds, matters and things, as it may deem fit, desirable or necessary, including but not limited to authorizing any director and / or employee of the Company for taking necessary action(s), obtain all necessary approvals, statutory, contractual or otherwise, in relation to the above and to settle all matters, doubts, issues and questions, arising out of and incidental thereto, as may be necessary to give full effect to the foregoing resolution."

7. Approval of the revised remuneration paid to Mr. Desh Deepak Khetrapal (DIN: 2362633).

To consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Sections 196, 197, 198 and other applicable provisions, if any, of the Companies Act, 2013 (**the 'Act'**), the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) read with Schedule V to the Act, applicable provisions

of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, if any, the Articles of Association of the Company, Nomination and Remuneration Policy of the Company, and based on the recommendation of the Nomination and Remuneration Committee and the Board of Directors (hereinafter referred to as the **'Board'**, which term shall, unless repugnant to the context or meaning thereof, be deemed to include any committee thereof), and subject to completion of the necessary statutory formalities, if any, revised remuneration of ₹ 27,50,000 (Rupees twenty seven lacs fifty thousand) per month inclusive of 20% variable pay from ₹ 25,00,000 (Rupees twenty five lacs) per month inclusive of 20% variable pay and as paid to Mr. Desh Deepak Khetrapal (DIN : 02362633), as Vice Chairman and Managing Director of the Company from April 1, 2024 till his resignation upto May 30, 2024 be and is hereby confirmed, approved and ratified.

RESOLVED FURTHER THAT the Board be and is hereby authorised, on behalf of the Company, to do all such acts, deeds, matters and things as it may deem fit, desirable or necessary, including but not limited to obtain all necessary approvals, statutory, contractual or otherwise, in relation to the above and to settle all matters, doubts, issues and questions, arising out of and incidental thereto, as may be necessary to give full effect to the foregoing resolution."

8. Ratification of remuneration to be paid to the Cost Auditor for the financial year 2024-25.

To consider and if thought fit, to pass the following resolutions as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any,

of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and Companies (Cost Records and Audit) Rules, 2014 (**'Rules'**) (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the remuneration as mentioned in the explanatory statement attached to this Notice and constituting part of the resolution and as approved by the Board of Directors of the Company for payment to Mr. Somnath Mukherjee, Cost Accountant in Practice (M.- No.- 5343) as Cost Auditor, for conducting the audit of cost records of the Company as per the provisions of the Rules, for the financial year ending March 31, 2025, be and is hereby ratified.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all such acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

By **Order of the Board of Directors**

Hitesh Kumar Jain
Company Secretary

(Membership No.: F6241)

Registered Office: Unit VIII,

Plot No. 7, Bhoinagar,

Bhubaneswar - 751012, Odisha

CIN: L31100OR2016PLC025892

Place: New Delhi

Date: May 30, 2024

NOTES

1. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 (the 'Act') relating to the Special Business to be transacted at the Annual General Meeting ('AGM' / 'Meeting') is annexed hereto.
2. In compliance with the circular issued by the Ministry of Corporate Affairs ('MCA'), vide its General Circular No. 9/2023 dated September 25, 2023, read alongwith General Circular Nos. 11/2022 dated December 28, 2022, 2/2022 dated May 05, 2022, 20/2021 dated December 8, 2021, 10/2021 dated June 23, 2021, 39/2020 dated December 31, 2020, 33/2020 dated September 28, 2020, 22/2020 dated June 15, 2020, 17/2020 dated April 13, 2020 and 14/2020 dated April 8, 2020, issued by the Ministry of Corporate Affairs ('MCA Circulars'), Circulars issued by the Securities and Exchange Board of India dated October 07, 2023 read with Circulars dated May 12, 2020, January 1, 2021, May 13, 2022, December 9, 2020 and January 05, 2023 (collectively referred to as 'SEBI Circulars') Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), Secretarial Standard on General Meetings ('SS-2') issued by the Institute of Company Secretaries of India and other applicable laws, rules and regulations (including any statutory modification or re-enactment thereof for the time being in force and as amended from time to time), the AGM of the Company is being held through Video Conferencing ('VC') / Other Audio-Visual Means ('OAVM'), without the physical presence of the members at a common venue. Deemed venue of the AGM shall be the Registered Office of the Company at Unit VIII, Plot No. 7, Bhoinagar, Bhubaneswar - 751012, Odisha.
3. Pursuant to the MCA Circulars the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC / OAVM and participate thereat and cast their votes through e-voting. Hence the Proxy Form and Attendance Slip are not annexed to this Notice.
4. In case of joint holders, only such joint holder who is higher in the order of names will be entitled to vote.
5. Since the AGM will be held through VC / OAVM, pursuant to the MCA Circulars, physical attendance of the members is not required at the AGM, and attendance of the members through VC / OAVM will be counted for the purpose of reckoning the quorum under section 103 of the Act. Route map of the venue of the Meeting is accordingly not annexed hereto.
6. For enabling the members to participate at the 8th AGM through VC / OAVM, the Company has appointed NSDL to provide VC / OAVM facility and e-voting facility for the AGM. Participation at the AGM through VC / OAVM shall be allowed on a first-come-first-served basis for 1000 members. This will not include large members (members holding 2% or more shareholding), Promoters, Institutional Investors, Chairman, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders' Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
7. The Register of Members and Share Transfer Books of the Company will remain closed from Friday, July 26, 2024 to Thursday, August 01, 2024 (both days inclusive).

ELECTRONIC DISPATCH OF ANNUAL REPORT AND PROCESS FOR REGISTRATION OF E-MAIL ID AND FOR OBTAINING COPY OF ANNUAL REPORT:

8. In accordance with the circulars issued by MCA and Securities and Exchange Board of India ('SEBI'), the Notice of the 8th AGM along with the Annual Report for the financial year 2023-24 is being sent by electronic mode to Members whose e-mail id is registered with the Company or the Depository Participants ('DP') or Registrar and Share Transfer Agent ('RTA') of the Company. Physical copy of the Notice of the 8th AGM along with Annual Report for the financial year 2023-24 shall be sent to those members who request for the same. Members may send their request on investor@orientelectric.com or through a request letter at the Corporate Office of the Company at 240, Okhla Industrial Estate, Phase -3, Okhla, New Delhi - 110020, addressed to the Company Secretary. Notice alongwith Annual Report for the financial year 2023-24 will also be available on the website of the Company at www.orientelectric.com, websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively, and also on the website of NSDL i.e. www.evoting.nsdl.com.
9. Members holding shares in physical form and who have not updated their e-mail ids with the Company are requested to update their e-mail ids and other details through updating their KYC by submitting the prescribed Form either to the RTA of the Company or directly to the Company in the manner specified hereunder in General Information - Update your KYC. Members holding shares in dematerialised ('Demat') mode are requested to register / update their e-mail addresses with the relevant

DPs. In case of any queries / difficulties in registering the e-mail address, members may write to the RTA at inward@kfintech.com or to the Company at investor@orientelectric.com.

DIVIDEND RELATED INFORMATION:

10. Final dividend as recommended by the Board of Directors for the financial year ended March 31, 2024, if approved at the AGM, will be payable to those members of the Company who hold shares:
- i. In Demat mode, based on the list of beneficial owners to be received from NSDL and CDSL as at the close of business hours on **Thursday, July 25, 2024, being the cut-off date.**
 - ii. In physical form, if the names appear in the Company's Register of Members as at the close of business hours on **Thursday, July 25, 2024, being the cut-off date.**

The final dividend will be payable on or before Saturday, August 31, 2024.

11. Members holding shares in Demat mode are hereby informed that bank particulars registered with their respective DPs, with whom they maintain their Demat accounts, will be used by the Company for the payment of dividend. Members holding shares in Demat mode are requested to intimate any change in their address and/or bank mandate to their DPs only, as the Company or its Registrar cannot act on any request received directly on the same.
12. Members holding shares in physical form are requested to intimate any change of address and / or bank mandate to RTA of the Company by sending a request in Form ISR-1 at Selenium Building, Tower-B, Plot No. 31 & 32, Financial District, Nanakramguda, Serilingampally, Hyderabad, Rangareddi, Telangana India - 500 032 or by email to inward.ris@kfintech.com from their registered email id.

SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/655 dated November 3, 2021 (subsequently amended by Circular Nos. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/687 dated December 14, 2021, SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37 March 16, 2023 and SEBI/HO/MIRSD/POD-1/P/CIR/2023/181 November 17, 2023) has mandated that with effect from April 1, 2024, dividend to security holders (holding securities in physical form), shall be paid only through electronic mode. Such payment shall be made only after furnishing the PAN, choice of nomination, contact details including mobile number, bank account details and specimen signature.

Further, relevant FAQs published by SEBI on its website can be viewed at the following link: https://www.sebi.gov.in/sebi_data/faqfiles/jan-2024/1704433843359.pdf

Tax on Dividend:

13. Members may note that pursuant to the Finance Act, as amended, dividend income is now taxable in the hands of the members and the Company is required to deduct tax at source ('TDS') from dividend paid to the members at the rates prescribed in the Income Tax Act, 1961. In order to enable the Company to determine the appropriate TDS rate as applicable, members are requested to submit the documents in accordance with the provisions of the Income Tax Act, 1961 and Rules thereto.
- i. **For Resident Members:** Tax at source shall be deducted under Section 194 of the Income Tax Act, 1961 at 10% on the amount of dividend declared and paid by the Company during financial year 2023-24, subject to PAN details registered/updated by the member. If PAN is not registered/updated in the demat account/folio as on the cut-off date, TDS would be deducted @20% as per Section 206AA of the Income Tax Act, 1961. No tax at source is required to be deducted, if during the financial year, the aggregate dividend paid or likely to be paid to an individual member does not exceed ₹ 5,000 (Rupees Five Thousand Only). Further, in cases where the shareholder provides Form 15G (applicable to any person other than a Company or a Firm) / Form 15H (applicable to an Individual who is of the age of 60 years and above), provided that the eligibility conditions are being met, no TDS shall be deducted. Notwithstanding the above, in case PAN of any member falls under the category of 'Specified Person', the Company shall deduct TDS @20% as per Section 206AB of the Income Tax Act 1961.
 - ii. **For Non-Resident Members:** Tax at source shall be deducted under Section 195 of the Income-Tax Act, 1961 at the applicable rates. As per the relevant provisions of the Income-Tax Act, 1961, the withholding tax shall be at the rate of 20% (plus applicable surcharge and cess) on the amount of dividend payable to non-resident members. As per Section 90 of the Income Tax Act, 1961, members may be entitled to avail lower TDS rate as per Double Taxation Avoidance Agreement ('DTAA'). To avail the Tax Treaty benefits, the non-resident member will have to provide the following:
 - a. Self-attested copy of Tax Residency Certificate obtained from the tax authorities of the country of which the member is a resident.

- b. Self-declaration in Form 10F.
- c. Self-attested copy of the Permanent Account Number (PAN Card) allotted by the Indian Income Tax authorities, if any.
- d. Self-declaration, certifying the following points:
- Member remained a tax resident of the country of its residence during the financial year 2023-24;
 - Member is eligible to claim the beneficial DTAA rate for the purposes of tax withholding on dividend declared by the Company;
 - Member has no reason to believe that its claim for the benefits of the DTAA is impaired in any manner;
 - Member is the ultimate beneficial owner of its shareholding in the Company and dividend receivable from the Company; and
 - Member does not have a taxable presence or a permanent establishment in India during the financial year 2023-24.
14. Notwithstanding the above, in case PAN falls under the category of 'Specified Person', member is mandatorily required to submit a declaration providing status of Permanent Establishment in India for the financial year 2024-25. As per Section 206AB of the Income Tax Act 1961, if the said declaration is not furnished, the Company shall deduct tax at source at twice the applicable rate.
15. The Company shall not be obligated to apply the beneficial DTAA rates at the time of tax deduction / withholding on dividend amounts. Application of beneficial DTAA Rate shall depend upon the completeness and satisfactory review by the Company of the documents submitted by the Non-Resident member.
16. In order to enable the Company to determine the appropriate TDS / withholding tax rate applicable, members are requested to provide the aforesaid details and documents **on or before July 25, 2024** at <https://ris.kfintech.com/form15> or by sending over email to einward.ris@kfintech.com from your registered email ID. No communication on the tax determination/deduction shall be entertained post July 25, 2024. Members may note that in case the tax on said dividend is deducted at a higher rate due to non-receipt of the aforementioned details/ documents, there would still be an option available to the member to file the return of income and claim an appropriate refund, if eligible.
17. In accordance with the provisions of the Income Tax Act 1961, TDS certificates can be made available to the members at their registered e-mail ID after filing of the quarterly TDS Returns of the Company, post payment of the said dividend.
18. Dividends, if not encashed for a consecutive period of 7 years, from the date of transfer to Unpaid / Unclaimed Dividend Account of the Company, are liable to be transferred to Investor Education and Protection Fund ('IEPF'). Further, the shares of a member who does not encash his / her dividend for a continuous period of 7 years, are also liable to be transferred to the demat account of IEPF Authority. In view of this, members, who have not yet claimed their dividend, paid by the Company upto and during the financial year ended March 31, 2024, are requested to claim their dividends from the Company / RTA, within the stipulated timeline. Information in respect of the unclaimed dividend as on March 31, 2024, will be uploaded on the website of the Company www.orientelectric.com after the AGM. The members, whose unclaimed dividends / shares have been transferred to IEPF, may claim the same as well as the corresponding dividend by making an application to the IEPF Authority, in Form No. IEPF-5 available on www.iepf.gov.in. The member can file only one consolidated claim in a financial year as per the IEPF Rules.
19. **KYC updation for physical members:** SEBI, vide its circular dated November 03, 2021 (subsequently amended by circulars dated December 14, 2021, March 16, 2023 and November 17, 2023) mandated that the security holders (holding securities in physical form), whose folio(s) are not updated with the KYC details (any of the details viz., PAN; Choice of Nomination; Contact Details; Mobile Number, Bank Account Details and signature, if any) shall be eligible for any payment including dividend, interest or redemption in respect of such folios, as may be applicable, only through electronic mode with effect from April 01, 2024. Further, such security holder shall not be able to lodge grievance or avail any service request from the RTA until the KYC details are updated. Therefore, members of the Company, holding shares in physical mode are requested to immediately update their aforesaid KYC details with the RTA of the Company to avoid any hardship / consequences as above. For facilitating the members to update their aforesaid KYC details, the Company has uploaded required forms - ISR1, ISR2, ISR3, ISR4, ISR-5, SH13 and SH14, as applicable, on its website viz. www.orientelectric.com.
- Members can download the Forms, as applicable / required, fill in the details and send to the RTA of the Company for updating the details.

20. As per Regulation 40(1) of the Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialised form. Further, in case of transmission, transposition etc. shares now can be issued only in demat form. In view of the above and to eliminate risk associated with physical shares and to avail various benefits of dematerialisation, members are advised to dematerialise their shares held in physical form. Members are accordingly requested to get in touch with any Depository Participant having registration with SEBI to open a Demat account or alternatively, contact RTA to seek guidance in the demat procedure. Members may also visit website of the depositories, NSDL viz. <https://nsdl.co.in/faqs/faq.php> or CDSL viz. <https://www.cdslindia.com/investors/open-demat.html> for further understanding of the demat procedure.

21. All the documents referred to in the accompanying Notice and Explanatory Statement shall be available for inspection through electronic mode, basis requests received on investor@orientelectric.com.

22. During the AGM, the Register of Directors and Key Managerial Personnel and their Shareholding, maintained under Section 170 of the Act, the Register of Contracts or Arrangements in which Directors are interested, under Section 189 of the Act and the Certificate from Secretarial Auditors of the Company certifying that the ESOP Schemes of the Company is being implemented in accordance with the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 shall be available for inspection electronically upon login at NSDL e-voting system at <https://www.evoting.nsdl.com>.

23. The details of the Director being re-appointed, at the 8th AGM are provided in **Annexure - A** of this Notice. The Company has received the requisite consent / declarations for the re-appointment under the Act and the rules made thereunder.

24. **VOTING THROUGH ELECTRONIC MEANS:**

i. Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended), Regulation 44 of Listing Regulations (as amended) and applicable Circulars, the Company is pleased to provide the facility to members to exercise their right to vote on the resolutions proposed to be passed at AGM by electronic means. For this purpose, the Company has appointed NSDL, as the authorised agency for facilitating voting through electronic means. The facility of casting votes by a member using remote e-voting system as well as e-voting on the date of the AGM will be provided by NSDL.

ii. The members, whose names appear in the Register of Members / list of Beneficial Owners as on the closure of **Thursday, July 25, 2024** i.e. a day prior to commencement of book closure date, being the cut-off date, are entitled to vote on the resolutions set forth in this Notice. The voting right of members shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date. A person who is not a member as on the cut-off date should treat this Notice of AGM for information purpose only.

iii. The members present in the AGM through VC / OAVM facility and have not cast their vote on the resolutions through remote e-voting, shall be eligible to vote during the AGM. The e-voting module shall be activated **30 minutes** before the scheduled time of the AGM and shall remain activated 15 minutes after the closure of AGM and shall be disabled by NSDL for voting thereafter.

iv. **Mr. Atul Kumar Labh, Company Secretary in Practice (Membership No. FCS 4848) (C.P. No. 3238), of M/s. A.K. Labh & Co., Company Secretaries, has been appointed as the Scrutinizer to scrutinize the voting process for the AGM, in a fair and transparent manner.**

INFORMATIONS AND INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING THE AGM ARE AS UNDER:

Members may cast their votes through electronic voting system from any place (remote e-voting).

| | |
|---|---|
| The remote e-voting period begins on | Monday, July 29, 2024 at 09:00 A.M. (IST) |
| The remote e-voting period end on | Wednesday, July 31, 2024 at 05:00 P.M. (IST) |

The remote e-voting module shall be disabled by NSDL for voting thereafter. The members, whose names appear in the Register of Members / Beneficial Owners as on the cut-off date i.e. Thursday, July 25, 2024, may cast their vote electronically. The voting right of members shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date. In addition, the facility for voting through e-voting system shall also be made available during the AGM. Once the vote on a resolution is cast by the member, thereafter the member shall not be allowed to change it subsequently. Members attending the AGM who have not cast their vote by remote e-voting shall be eligible to cast their vote

through e-voting during the AGM. Members who have voted through remote e-voting shall be eligible to attend the AGM, however, they shall not be eligible to vote during the AGM.

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are mentioned below:

Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting and joining virtual meeting for Individual members holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual members holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Members are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual members holding securities in demat mode is given below:

| Type of shareholders | Login Method |
|---|--|
| Individual members holding securities in demat mode with NSDL. | <ol style="list-style-type: none"> Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsd.com either on a Personal Computer or on a mobile. On the e-Services home page click on the ‘Beneficial Owner’ icon under ‘Login’ which is available under ‘IDeAS’ section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on ‘Access to e-Voting’ under e-Voting services and you will be able to see e-Voting page. Click on company name - ‘Orient Electric Limited’ or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsd.com. Select ‘Register Online for IDeAS Portal’ or click at https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsd.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon ‘Login’ which is available under ‘Shareholder / Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name ‘Orient Electric Limited’ or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Members can also download NSDL Mobile App ‘NSDL Speed-e’ facility by scanning the QR code mentioned below for seamless voting experience. |

NSDL Mobile App is available on

 App Store  Google Play



| Type of shareholders | Login Method |
|--|---|
| Individual members holding securities in demat mode with CDSL | <ol style="list-style-type: none"> Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then use your existing my easi username & password. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the e-voting is in progress as per the information provided by the Company. On clicking the e-voting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN Number from e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the e-voting is in progress and also able to directly access the system of all e-Voting Service Providers. |
| Individual members (holding securities in demat mode) login through their depository participants | <p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on the Company name - 'Orient Electric Limited' or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p> |

Important note: Members who are unable to retrieve User ID/ Password are advised to use '*Forget User ID*' and '*Forgot Password*' option available at abovementioned website.

Helpdesk for Individual members holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

| Login type | Helpdesk details |
|---|--|
| Individual members holding securities in demat mode with NSDL | Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.com or call at 022 - 4886 7000 |
| Individual members holding securities in demat mode with CDSL | Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33 |

B) Login Method for e-Voting and joining virtual meeting for members other than Individual members holding securities in demat mode and members holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

- Visit the e-Voting website of NSDL. Open web browser by typing the URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
- Once the home page of e-Voting system is launched, click on the icon '**Login**' which is available under 'Shareholder/ Member' section.

3. A new screen will open. You will have to enter your User ID, your Password / OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below:

| Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical | Your User ID is: |
|--|---|
| a) For members who hold shares in Demat account with NSDL. | 8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****. |
| b) For members who hold shares in Demat account with CDSL. | 16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****. |
| c) For members holding shares in Physical Form. | EVEN Number followed by Folio Number registered with the Company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001*** EVEN number of Orient Electric is 129111 |

5. **Password details for members other than Individual members are given below:**
- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- c) How to retrieve your 'initial password'?
- (i) If your email ID is registered in your demat account or with the Company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
- (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**
6. If you are unable to retrieve or have not received the 'Initial password' or have forgotten your password:
- a) Click on '**Forgot User Details/Password?**' (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
- b) 'Physical User Reset Password?' (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
- c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.com mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
- d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to 'Terms and Conditions' by selecting on the check box.
8. Now, you will have to click on 'Login' button.
9. After you click on the 'Login' button, Home page of e-Voting will open.

Step 2:

Cast your vote electronically and join AGM on NSDL e-Voting system.

How to cast your vote electronically and join AGM on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies 'EVEN' in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select 'EVEN' of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on 'VC/OAVM' link placed under 'Join Meeting'.
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on 'Submit' and also 'Confirm' when prompted.
5. Upon confirmation, the message 'Vote cast successfully' will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for members

1. Institutional members (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution / Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to aklabhcs@gmail.com with a copy marked to evoting@nsdl.com and investor@orientelectric.com. Institutional members (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on 'Upload Board Resolution / Authority Letter' displayed under 'e-Voting' tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the 'Forgot User Details/Password?' or 'Physical User Reset Password?' option available on www.evoting.nsdl.com to reset the password.

3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com. **For any grievances connected with facility for e-voting, please contact Ms. Pallavi Mhatre, Senior Manager, NSDL, 4th Floor, 'A' Wing, Trade World, Kamala Mills, Compound, Senapati Bapat Marg, Lower Parel, Mumbai, 400 013, or call on.: 022 - 4886 7000 or send a request at evoting@nsdl.com.**

Process for those members whose email ids are not registered with the depositories for getting the copy of this Notice, procuring user id and password and registration of email ids for e-voting for the resolutions set out in this Notice:

1. In case shares are held in physical mode please provide Folio No., Name of member, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to investor@orientelectric.com.
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to investor@orientelectric.com. If you are an Individual member holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e. **Login method for e-Voting and joining virtual meeting for Individual members holding securities in demat mode.**
3. Alternatively members may send a request to evoting@nsdl.com for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Members are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those members, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the resolutions through remote e-Voting and are otherwise

not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.

3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for remote e-voting.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of '**VC/OAVM**' placed under '**Join meeting**' menu against the Company name - **Orient Electric Limited**. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in this Notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Members who have questions may send their questions in advance latest by Thursday, July 25, 2024, mentioning their name, demat account number/folio number, email id, mobile number at investor@orientelectric.com. The same will be replied by the Company suitably.

Registration as Speaker at the AGM:

1. Members who would like to express their views or ask questions during the AGM may register themselves as a speaker shareholder by sending request from their registered e-mail address mentioning their name, DP ID and Client ID/Folio number, PAN, mobile number at investor@orientelectric.com on or before **Thursday, July 25, 2024 (5:00 p.m. IST)**. Those members who have registered themselves as a speaker will only be allowed to express their views/ ask questions during the AGM. The Company reserves the right to restrict the number of speakers and time for speaking, depending on the availability of time for the AGM.
2. Further members, who have registered themselves as speaker shareholder, will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.

Other instructions

1. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, unblock the votes cast through remote e-voting (votes cast during the AGM and votes cast through remote e-voting) and will submit a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or any other person so authorised, who shall countersign the same. The results will be announced within the time stipulated under the applicable laws.
2. The result declared along with the Scrutinizer's Report shall be displayed at the Registered Office and Corporate Office of the Company, as well as placed on the Company's website www.orientelectric.com and on the website of NSDL <https://www.evoting.nsdl.com> immediately. The Company shall simultaneously forward the results to National Stock Exchange of India Limited and BSE Limited, where the shares of the Company are listed.
3. The recorded transcript of the 8th AGM shall also be made available on the website of the Company, www.orientelectric.com in the Investor's section, as soon as possible after the AGM is over.
4. Subject to receipt of requisite number of votes, the Resolutions shall be deemed to have been passed on the date of AGM, i.e. August 01, 2024.
5. Members are requested to fill in and submit the Feedback Form available in the 'Investor' section on the Company's website www.orientelectric.com, to aid the Company in its constant endeavour to enhance the standards of service to its members.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item no. 4, 5 & 6

The Board of Directors (**'Board'**), pursuant to the provisions of Section 161 of the Companies Act, 2013 (**'Act'**), Articles of Association of the Company and upon recommendation of the Nomination and Remuneration Committee, has appointed Mr. Ravindra Singh Negi (DIN: 10627944) as an Additional Director (Executive) of the Company, w.e.f. May 31, 2024. As an Additional Director, Mr. Ravindra Singh Negi would hold office of Director upto the date of this 8th Annual General Meeting (**'AGM'**) of the Company or the last date upto which the AGM should have been held. Further, as per Regulation 17(1C) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, the approval of the members for appointment of a person on the Board of Directors of the company is required to be taken at the next general meeting or within three months from the date of such appointment. Therefore, the approval of the members is being sought through the appended resolution. The Company has received a notice under Section 160 of the Act from a member proposing the candidature of Mr. Ravindra Singh Negi for the Office of Director. Further, on the recommendation of the Nomination and Remuneration Committee and in accordance with the provisions of Section 196, 197 and 198 read with Schedule V to the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board appointed Mr. Ravindra Singh Negi as the Managing Director of the Company for a period of 5 (Five) years with effect from May 31, 2024, at such remuneration as specified in the proposed resolution no. 6. The appointment of, and payment of remuneration to, Mr. Ravindra Singh Negi is subject to the approval of the members of the Company. Mr. Ravindra Singh Negi is also designated as Chief Executive Officer of the Company and as a Key Managerial Personnel.

Mr. Ravindra Singh Negi has done PGDBM degree from Fore School of Management, Delhi. He has also completed many professional trainings such as Driving Business Success from ISB, Hyderabad, Leadership Development from CCL Singapore, Executive Leadership Development Program from MIT, Boston, etc. His last assignment was with Bajaj Electricals Limited where he was the Chief Operating Officer - Consumer Products. Prior to that, he has worked with Havells Limited, where he led their ECD segment. He has spent two decades at Bharti Airtel, where in his last role, he was CEO of the Delhi and NCR Circle. He is the former Chairman of the Indian Fans Manufacturers Association (IFMA).

Mr. Ravindra Singh Negi is a seasoned business leader who brings more than 26 years of experience across telecom and consumer durables/electric sectors. He has delivered hyper growth, turned around businesses and has managed business transformations while developing and mentoring strong leaders. He is a diligent and committed business leader with good people management skills

Mr. Ravindra Singh Negi is not disqualified from being appointed as a Director in terms of Section 164 of the Act. Further, for being eligible to be appointed as a Managerial Personnel, Mr. Ravindra Singh Negi satisfies the applicable conditions set out in sub-section (3) of Section 196 of the Act and Part-I of Schedule V thereto and he is not debarred from appointment by any order of the Securities and Exchange Board of India (**'SEBI'**) or any other competent authority.

The Nomination and Remuneration Committee / the Board of the Company are proposed to be authorised to revise the remuneration and other terms and conditions, from time to time, in accordance with the provisions of the Section 197 of the Act read with Schedule V thereto.

Additional details of Mr. Ravindra Singh Negi, required under Regulation 36 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard -2 on General Meetings, issued by the Institute of Company Secretaries of India, are given in **Annexure - A** to this Notice.

In compliance with the provisions of Sections 152, 161, 196, 197 and other applicable provisions of the Act, if any, read with Schedule V to the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and based upon the recommendation of the Nomination and Remuneration Committee, approval of the members of the Company is being sought for appointment of Mr. Ravindra Singh Negi as an Executive Director and also for Managing Director, liable to retire by rotation, who shall be a Key Managerial Personnel of the Company for a period of 5 (five) years with effect from May 31, 2024, on the terms and conditions including remuneration as detailed in the resolutions at item nos. 4, 5 and 6 respectively.

The details set out in the aforesaid resolutions read alongwith explanatory statement may be treated as written memorandum setting out the terms of appointment of Mr. Ravindra Singh Negi under Section 190 of the Act.

The Board recommends resolutions numbers 4, 5 and 6 as set out in the Notice, for the approval of the members of the Company as Ordinary Resolutions.

None of the Directors or Key Managerial Personnel or their relatives, except Mr. Ravindra Singh Negi himself, in his personal capacity are in any way concerned or interested, financially or otherwise, in the proposed resolutions as set out in the Notice.

Item no. 7

Mr. Desh Deepak Khetrapal, the Vice Chairman of the Company, was appointed as the Managing Director of the Company for a period of one year with effect from July 15, 2023 and designated as Vice Chairman and Managing Director. The appointment of Mr. Desh Deepak Khetrapal as the Managing Director of the Company was approved by the shareholders of the Company through Postal Ballot on September 10, 2023.

The Board of Directors on the recommendation of the Nomination and Remuneration Committee, keeping in mind the performance of Mr. Desh Deepak Khetrapal, revised his remuneration from existing ₹ 25,00,000 (Rupees twenty five lacs) per month inclusive of 20% variable pay to ₹ 27,50,000 (Rupees Twenty Seven lacs fifty thousand) per month inclusive of 20% variable pay effective from April 1, 2024. Since Mr. Khetrapal has resigned from the position of Vice Chairman & Managing Director as well as from the office of the Director of Company with effect from the close of business hours on May 30, 2024 due to his personal reasons, his aforesaid revised remuneration was paid to him till May 30, 2024 and the same need to be confirmed, approved and ratified by the members of the Company.

Mr. Desh Deepak Khetrapal holds an Honours degree in Business and Economics from Shri Ram College of Commerce and an MBA degree from Faculty of Management Studies, Delhi University. He has a rich experience in industrial, consumer, and retail businesses. He is a business leader with a track record of leading and transforming large and diversified organisations across various industries, including services, industrials, and consumer and retail businesses.

Additional details of Mr. Desh Deepak Khetrapal required under Secretarial Standard on General Meetings, issued by the Institute of Company Secretaries of India, are given in **Annexure - A** to this Notice.

The Board recommends the resolution with respect to payment of remuneration to Mr. Desh Deepak Khetrapal as set out in item no. 7 of the notice, for approval of the shareholders as an **Ordinary Resolution**.

None of the existing Directors or Key Managerial Personnel or their relatives, are in any way concerned or interested in the proposed resolution, financially or otherwise, as set out in the Notice.

Item no. 8

The Board of Directors on the recommendation of Audit Committee, appointed Mr. Somnath Mukherjee, Cost Accountant in Practice (M. NO.-5343), as the Cost Auditor of the Company for conducting the audit of the cost records of the Company for the financial year 2024-25, at a remuneration of ₹ 95,000/- (Rupees Ninety -Five thousand) excluding tax and out of pocket expenses which shall be reimbursed to him on actual basis.

In accordance with the provisions of Section 148 of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to Cost Auditor as recommended by the Audit Committee and approved by the Board of Directors, requires ratification by the shareholders of the Company.

Accordingly, the shareholders are requested to approve the remuneration of the Cost Auditor for the financial year 2024-25 as set out above for the aforesaid services to be rendered by him.

None of the Directors and Key Managerial Personnel and their relatives, are in any way, financially or otherwise, concerned or interested financially or otherwise, in the passing of the resolution set out at Item No. 8 of the Notice.

The Board of Directors of the Company recommends the resolution set forth at Item no. 8 of the accompanying Notice, for the approval of the shareholders as an **Ordinary Resolution**.

By Order of the Board of Directors

Hitesh Kumar Jain
Company Secretary

(Membership No.: F6241)

Registered Office: Unit VIII,

Plot No. 7, Bhoinagar,

Bhubaneswar - 751012, Odisha

CIN: L311000R2016PLC025892

Place: New Delhi

Date: May 30, 2024

Annexure -A
DETAILS OF DIRECTORS REQUIRED UNDER REGULATION 36 OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015, AND SECRETARIAL STANDARD – 2 ON GENERAL MEETINGS:

| Name | Mr. Chandra Kant Birla | Mr. Desh Deepak Khetrapal | Mr. Ravindra Singh Negi |
|--|---|---|--------------------------------|
| Date of first appointment on the Board | January 19, 2018 | January 19, 2018 | May 31, 2024 |
| Age | 69 years | 68 years | 52 years |
| Last gross remuneration | ₹ 39 lacs | ₹ 210 lacs | N.A. |
| Qualifications & expertise in specific functional area | (Sitting fees and commission) Mr. Chandra Kant Birla holds a bachelor degree of Arts. He heads the C. K. Birla group, a diversified business conglomerate, involved in various business verticals such as cement, paper, chemicals, consumer durables, auto components, precision bearings, building materials, construction, earth moving equipment, information technology, health care and education. | Refer Explanatory Statement | Refer Explanatory Statement |
| Relationship with other Directors, Manager and other Key Managerial Personnel of the Company | Nil | Nil | Nil |
| Number of Meetings of the Board attended during the financial year 2023-24 | 5 | 5 | N. A. |
| Directorships held in other Public Limited Companies in India | a. Orient Cement Limited b. Orient Paper & Industries Limited c. HIL Limited d. AVTEC Limited e. National Engineering Industries Limited f. Birlasoft Limited g. Neosym Industry Limited | a. Orient Cement Limited b. HIL Limited | N. A. |
| Chairmanship / Membership of Committees in other public limited companies in India* | Chairman of Stakeholder Relationship Committee in Birlasoft Limited | Orient Cement Limited: Member - Audit Committee and Stakeholders' Relationship Committee HIL Limited: Member - Audit Committee | N. A. |
| Resignation from the directorship of the listed companies in the past three years | Nil | Orient Electric Limited | N. A. |
| Shareholding in the Company (No. of shares) | Self :34,85,893 As a beneficial owner : Nil | Nil | Nil |

*Does not include sitting fee paid before appointment as Managing Director.

*Committees considered for this purpose are those prescribed in Regulation 26 of the Listing Regulations, viz. Audit Committee and Stakeholders' Relationship Committee.

 **CK BIRLA** GROUP



Orient Electric Limited

Registered Office:

Unit VIII, Plot No. 7, Bhoinagar,
Bhubaneswar-751012, Odisha

Phone 0674-2396930

Email: investor@orientelectric.com | customer.connect@orientelectric.com

Website: www.orientelectric.com

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