



Delivering

# IMPACT

across India's IT and  
Telecom landscape



Schneider Electric President Systems Limited

Annual Report  
2023-24

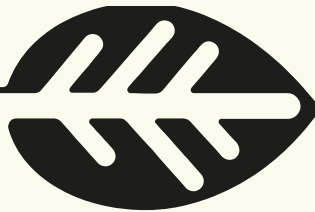
[schneiderelectricpresident.com](https://schneiderelectricpresident.com)

Life Is On





**IMPACT**  
Company



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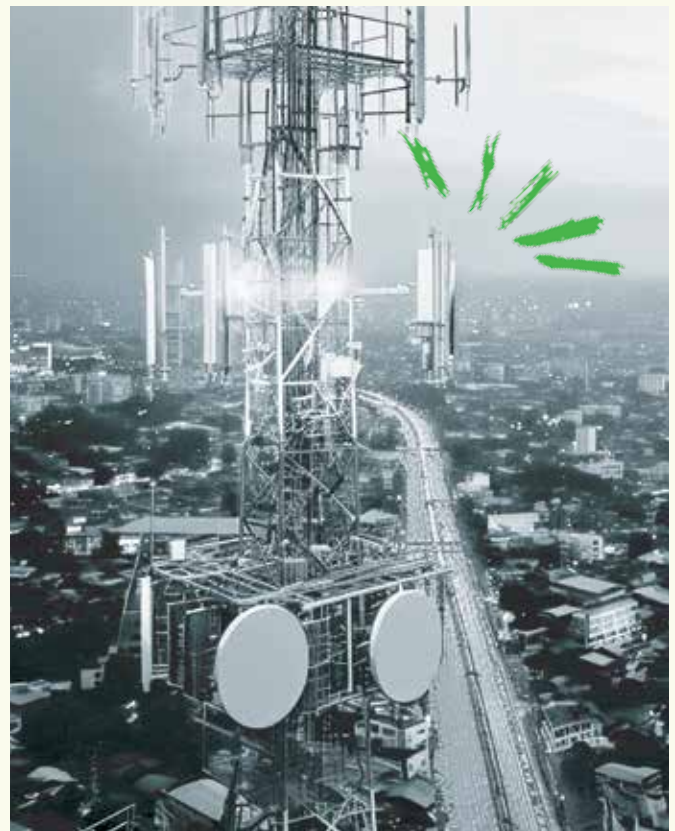
# Driving **IMPACT** Through Efficiency





# We uphold ethical business practices,

prioritise transparency, accountability, data security, and ensure that the Board maintains a keen oversight on our strategy and sustainability governance as we pursue growth in a dynamic business landscape.



# Corporate Information

## Schneider Electric President Systems Limited

CIN: L32109KA1984PLC079103\*

ISIN: INE155D01018

Symbol: SELECTRIC

Listed: Metropolitan Stock Exchange of India Limited (MSEI)

### Registrar & Share Transfer Agent (RTA)

Link Intime India Private Limited  
(formerly Universal Capital Securities Private Limited)  
Add: C-101, 247 Park, 1st Floor, LBS Road, Gandhi Nagar,  
Vikhroli (West), Mumbai - 400 083, India  
Phone: +91- 022- 49186178 /49186179  
Contact Person: Mr. Santosh Gamare  
Email: [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in)  
[santosh.gamare@linkintime.co.in](mailto:santosh.gamare@linkintime.co.in)

### Registered Office

5C/1, KIADB Industrial Area,  
Attibele, Bangalore Rural,  
Bangalore-562107, Karnataka, India  
Phone: +91 80 6788 8300  
Email: [companysecretary@se.com](mailto:companysecretary@se.com)

### Corporate Office

Schneider Electric  
Innovare, Beary Global Research Triangular (BGRT),  
6th Floor, Sy. No. 63/3B, Gorvigere Village,  
Bidarahalli Hobli, Bengaluru East Taluk,  
Whitefield Hoskote Road, Bengaluru- 560 115,  
Karnataka, India,  
Phone: +91 80 4554 0000  
Email: [companysecretary@se.com](mailto:companysecretary@se.com)

### Auditors

#### Statutory Auditors

M/s. S.N. Dhawan & Co LLP  
Add:51-52, II Floor, Udyog Vihar  
Phase IV, Gurugram,  
Haryana 122016, India

#### Secretarial Auditors

Chandrasekaran Associates  
Company Secretaries  
Add:11F, Pocket-IV, Mayur Vihar Phase-I,  
Delhi-110091, India

\* Corporate Identification Number (CIN) of the Company changed from U32109KA1984PLC079103 (Unlisted) to L32109KA1984PLC079103 (Listed) in the Master Data of Ministry of Corporate Affairs with effect from March 27, 2024 pursuant to listing of equity shares of the Company on MSEI.

# Social Responsibility: delivering deLIGHT



A group of volunteers from Schneider Electric- Kolkata office visited the plantation area in Nazat village, Sundarbans for Plantation activity



# Board of Directors



**Mr. Ranjan Pant<sup>1</sup>**  
Chairman, Independent,  
Non-Executive Director



**Mr. R. R. Nair**  
Independent,  
Non-Executive  
Director



**Mr. Anuj Kudesia<sup>2</sup>**  
Managing Director



**Mr. Shivaprasad  
Srinivas<sup>3</sup>**  
Whole-Time Director



**Mr. Subhrendu  
Sarkar<sup>4</sup>**  
Whole-Time Director,  
Chief Financial Officer

<sup>1</sup>Mr. Ranjan Pant, Independent Non-Executive Director, re-appointed as Chairman of the Board with effect from December 17, 2023.

<sup>2</sup>Mr. Anuj Kudesia, appointed as Managing Director with effect from May 27, 2024.

<sup>3</sup>Mr. Shivaprasad Srinivas, resigned from the position of Whole-Time Director with effect from March 13, 2024.

<sup>4</sup>Mr. Subhrendu Sarkar, held the position of Non-Executive Director until December 05, 2023 and appointed as Whole-Time Director and redesignated as Chief Financial Officer of the Company with effect from December 06, 2023.





**Mr. Arnab Roy<sup>5</sup>**  
Non-Executive  
Non-Independent  
Director



**Ms. Chitra Sukumar**  
Non-Executive  
Non-Independent  
Director



**Mr. Sachin Bhalla<sup>6</sup>**  
Non-Executive  
Non-Independent  
Director



**Mr. Prabhu P. Das<sup>7</sup>**  
Non-Executive  
Non-Independent  
Director



**Ms. Sapna Bhatia**  
Company Secretary &  
Compliance Officer

<sup>5</sup>Mr. Arnab Roy, resigned from the position of Non-Executive Non-Independent Director with effect from October 13, 2023.

<sup>6</sup>Mr. Sachin Bhalla, Non-Executive Non-Independent Director resigned from the position with effect from May 27, 2024.

<sup>7</sup>Mr. Prabhu Praveen Das, appointed as Non-Executive Non-Independent Director with effect from March 13, 2024

Note: For detailed information on above, please refer, Board's Report.

## Chairman's Message



Our firm belief in trust as a fundamental value guides our environmental, sustainability, and governance commitments. This unwavering commitment to ethics and sustainability assures our shareholders of our shared values and dedication.



*Life Is On*

**Mr. Ranjan Pant**  
Chairman

## Dear Shareholders

At Schneider Electric President Systems, we are dedicated to empowering all constituents to optimise energy and resources, driving progress, and sustainability for all. We embody this commitment as 'Life is On.' Our firm belief in trust as a fundamental value guides our environmental, sustainability, and governance commitments. This unwavering commitment to ethics and sustainability assures, our shareholders, of our shared values and dedication.

The Financial Year 2024 has been a positive year for the Company and its stakeholders. We are pleased to share with you our financial performance for the year and crucial decisions taken during the year.

Mr. Nair and I, Independent Directors, would like to express our gratitude to the management of the Company, who decided to list the equity shares of the Company and withdrew an appeal pending at Securities Appellant Tribunal (SAT) and successfully complied with the Securities and Exchange Board of India and Securities Appellant Tribunal Orders.

Further, we appreciate the management of the Company for their decision to list the equity shares of the Company on the Stock Exchange and dealing with the entire matter relating to all stakeholders, including minority shareholders, transparently and keeping the independent directors involved and complied with the Order by successfully listing of the Company at Metropolitan Stock Exchange of India Limited with effect from January 19, 2024.

In FY 2024, your Company operated with higher growth and for the first time ever, operating revenue of the Company has achieved the ~4,000 million club i.e., 3,929.72 MINR, as compared to 3,336.36 MINR in FY 2023, resulting in 17.8% annual growth. The Profit After Tax for FY 2024 stood at 299.66 MINR as compared to 166.89 MINR reported in the previous year. The profit before tax has grown to 405.45 MINR and crossed the milestone of +10%, as percentage of revenue from operations.

This year was crucial in testing our Company's resilience, innovation, and commitment to sustainable growth. Our financial results reflect our improved business model and

operational performance. Our good cash position provides an opportunity for our Company to pursue long-term targets and further consider expansion.

These achievements are enabled by our strategic focus on digital transformation and sustainability. We are particularly proud of our progress in advancing our sustainability goals. By integrating environmental, social, and governance (ESG) factors into our core business operations, we are creating long-term value for our shareholders while contributing to a more sustainable future.

We took several initiatives in terms of products that have been well-received by the market, reinforcing our position in our industry. Our expansion into new markets has also yielded promising results, with international sales contributing importantly to our growth. The industry has faced significant challenges, including economic uncertainty and rapid technological advancements. However, our proactive approach and agility have enabled us to navigate these complexities successfully. We continue to invest in cutting-edge technologies and talent to stay ahead of the competition.

Looking ahead, we are optimistic about our growth prospects. Our strategic initiatives for the coming year focus on digital transformation, sustainability, and enhancing customer experience. We aim to achieve sustainable growth while delivering value to our shareholders. Corporate governance and responsibility remain at the forefront of our agenda. We have strengthened our governance framework and enhanced our sustainability efforts to ensure we operate ethically and responsibly.

We are grateful for your unwavering support and trust and would like to extend my heartfelt appreciation to our dedicated employees, management team, and partners for their hard work and commitment. To our shareholders, thank you for your continued trust and support. Together, we will continue to build a resilient and prosperous future.

**Ranjan Pant**  
Chairman

## Managing Director's Message



We have made significant strides in ensuring global sustainability guidelines in all new products being rolled out from our factory covering material, process, and end of life recycling.



*Life Is On*

**Mr. Anuj Kudesia**  
Managing Director

## Dear Shareholders

At Schneider Electric, our dedication lies in empowering all individuals to optimise energy and resources, thereby driving progress and sustainability for the greater good. Our motto, "Life is On" encapsulates this unwavering commitment. We uphold trust as a fundamental value guiding our environmental, sustainability, and governance initiatives. Our steadfast commitment to ethics and sustainability assures our stakeholders of our shared values and unwavering dedication.

This principle of Trust underpins our relationships with customers, shareholders, employees, and the communities we serve. We have established the Trust Charter as our guiding Code of Conduct to underscore our unwavering commitment to ethics, safety, sustainability, quality, and cybersecurity.

Schneider Electric has recently launched Impact Values, the principles and beliefs of our culture that shape our day-to-day mindset and behaviours. Our new IMPACT Values and Employee Value Proposition represent the cornerstone. Shared values create the power to accelerate our company's growth, while also supporting the Individual's unique identity. As responsible individuals and a united group, we embrace the importance of abiding by laws and regulations, adhering to Schneider policies, and upholding strong ethical principles to build trust. As a Company, we believe that together we can create a legacy of impact that's as sustainable as it is successful. We help our customers be IMPACT Makers every day, turning sustainability ambitions into tangible actions through industrial automation, electrification, and digitisation. We don't just help our customers make an impact, we lead by example, and our supply chain is a critical way we do this. Our Supply Chain makes an IMPACT through our people and performance for our customers and planet.

Further, I am pleased to share the progress of the Schneider Electric President Systems Limited for FY 2024. The Company has operated with positive growth, and it gives me pleasure to announce that the first-ever operating revenue of the Company has achieved strong growth and is on the horizon of ~4,000 million club i.e., 3,929.72 MINR, resulting in 17.8% annual growth. The Profit After Tax has grown to 299.66 MINR and the Profit Before Tax has crossed the milestone of +10% as percentage of revenue from operations..

These results reflect the strength of our business model; and our commitment to delivering long-term value. Despite not all segments operating to full potential in the market, business plans were realigned to focus on the key growth sectors viz. IT Racks for data centres and our team worked diligently to ensure that we remain on track with our strategic goals.

We are continuously putting our efforts in advancing our sustainability goals. Sustainability is not just a corporate responsibility, it's a strategic imperative, and our actions this year reflect that commitment. By integrating sustainability into our core business operations, we have created long-term value for our shareholders while contributing to a more sustainable future.

We have made significant strides in ensuring global sustainability guidelines in all new products being rolled out from our factory covering material, process, and end of life recycling. These initiatives are designed to position us for sustainable growth and to capitalise on emerging opportunities in the market.

As we look forward, we are focused on being trusted partners to our stakeholders to address the new trends arising out of deploying infrastructure for complex Edge and AI related IT gear. We are confident that these efforts will enhance our competitive edge and create additional value for our shareholders.

I would like to extend my heartfelt appreciation to our dedicated employees, management team, and partners for their hard work and commitment.

Further, I would like to express my gratitude to our shareholders for your support and belief in the Company. Your confidence in our vision and strategy fuels our ambition to achieve even greater success. We remain committed to delivering strong returns and creating long-term value for our shareholders.

Thank you for your continued partnership.

Anuj Kudesia  
Managing Director

## Whole-Time Director and CFO Message



The global economy is expected to witness a synchronous rebound in 2025 as major election uncertainties will be out of the way while geopolitical uncertainties will continue to rise but I believe, India has already emerged as an economic superpower in an impending problem-ridden global financial landscape. The increased demand, healthier bank balance sheets and abundant investment opportunities all point towards an Indian juggernaut progressing the leaps without bounds for the global economy. Furthermore, as the global supply chain continues to reorganise, I believe Made in India campaign will get strengthen further from increased production and export opportunities. Increased digitisation, energy transition and government investment will align perfectly with our product portfolio, positioning us for strong growth in key segments.



*Life Is On*

**Mr. Subhrendu Sarkar**  
Whole-Time Director and  
Chief Financial Officer



Schneider Electric’s purpose is to empower all to make the most of our energy and resources, bridging progress and sustainability for all. At Schneider, we call this “Life is On”. We believe that trust is a foundational value. First, trust is earned, both by individuals and by organizations.

# Business Outlook



## Business Outlook

The Company is a leading designer, manufacturer, and supplier of standard and customized enclosure systems in India. Since the starting of operations in 1981, the company has been the market leader for over 3 decades in 19-inch enclosures for IT and Telecom infrastructure, systems management and operations, it began as President Systems, a small-scale Company.

**VISION:** It aims to be the leading provider of IT Infrastructure Solutions and Services.

**MISSION:** To deliver innovative, reliable, and effective products, solutions and services which exceeds customer's expectations.

The Company is specialized in manufacturing and providing solutions related to data center infrastructure. It is a part of the global Schneider Electric group, known for its expertise in energy management and automation solutions. It specifically focuses on designing, manufacturing, and servicing products related to data center infrastructure.

The company has a significant history in the field, dating back to its establishment in 1984. Over the years, it has evolved to become a key player in the Indian market for data center solutions. The Company is India's leading designer, manufacturer and supplier of standard and customized enclosure systems produced to address essential needs of rack-mount IT critical equipment in a variety of IT (Information Technology) environments. President offers a wide range of enclosures for server and networking applications for IT/

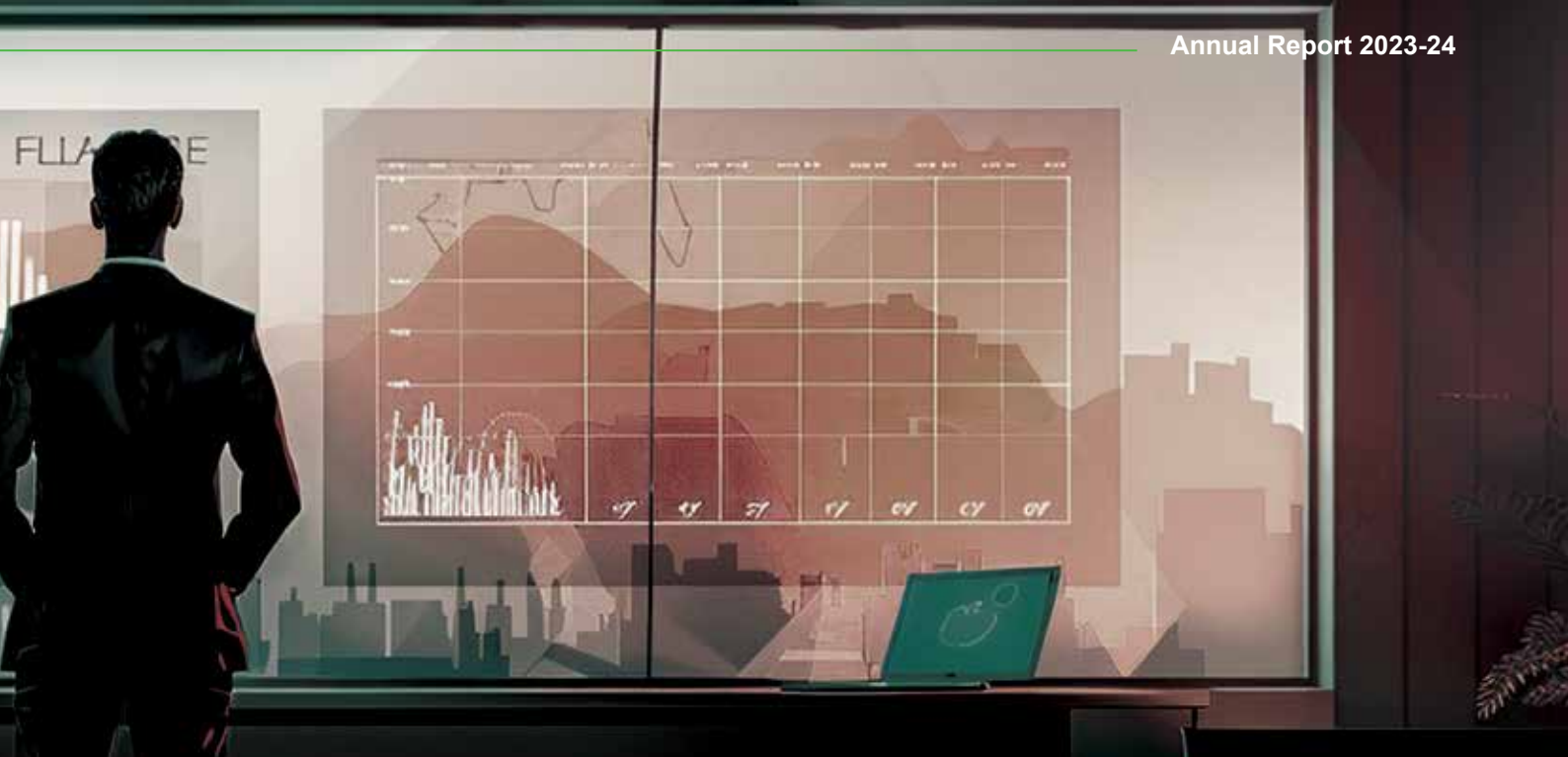
Networking and ITES ( Information Technology Enabled Services), Telecom, General and Industrial Electronics sectors' infrastructure, systems management, and operations. The enclosures are engineered to meet the latest IT standards for better management of space, airflow, and power supply integration.

The Company's operations predominantly relate to manufacture and designs electro-mechanical equipment/components i.e., enclosures, cabinets, "19" Racks, Card frames, Outdoor Cabinets, Integrated racks and parts and components for ATM machines.

The products manufactured by the Company consist of a wide range of modular enclosures conforming to International guidelines laid down by organizations such as ISO (International Organization for Standardization), IEC (International Electrotechnical Commission), DIN (Deutsches Institute für Normung), NEMA (National Electrical Manufacturer's Association), CSA (Canadian Standards Association), BIS (Bureau of Indian Standards), UL (Underwriters Laboratories) etc. related to manufacture of enclosures, card frames, components and accessories and trading of electrical equipment.

The operations of the Company are based at Bangalore and operates from its plant which is located in Attibele. The plants of the Company are based out of a 2,00,000 sq.ft manufacturing area and are equipped with state of the art machinery for sheet metal manufacturing. It is a fully integrated manufacturing plant including fabrication lines, automated pretreatment and powder coating lines, storage and material handling





equipment, effluent treatment plant, water treatment plant and manpower. The plants are ISO 9000, ISO 14000 certified and post-acquisition by our Promoter (Schneider Electric South East Asia (HQ) Pte. Ltd.) in 2011 all the processes are aligned as per the Schneider Electric production system practices. The Business development team of the Company is integrated with the Schneider Electric's team at group level and has its commercial offices across the country.

The Company serves both domestic and international markets, with a strong presence in India. Its products are used across various industries that rely heavily on data centers, including telecommunications, banking, IT services, and more. Geographies served by the Company and Revenue Segmentation by geographies are:

Geography	Revenue Segmentation
India	80%
Neighbouring Countries (Sri Lanka, Bangladesh, Nepal)	1%
Europe	3%
Pacific	12%
North America (NAM)	4%

The Company has not obtained any industry report which provides industry standard / industry recognized data-set with respect to the size, market share and quantity supplied. However, based on internal assessments of our Company, the following information is related to the market share categorisation:

Industries	Revenue Segmentation
Information Technology / Datacentre	09%
Telecommunications	20%
Contract Manufacturing	24%

**Technological Innovation:** As part of Schneider Electric group, the Company benefits from the global company's extensive research and development initiatives. This allows the Company to incorporate cutting-edge technologies into their products, enhancing reliability, efficiency, and sustainability of data center operations.

**Commitment to Sustainability:** The Company is committed to sustainability and energy efficiency in its products and operations. This aligns with Schneider Electric's global initiatives to provide solutions that help customers optimize energy consumption and reduce environmental impact.

The Company is a prominent player in the data center infrastructure sector, leveraging its expertise and technological advancements to provide reliable and efficient solutions to its customers worldwide.

Further, the Company with an intent to end the dispute referred in Board's Report- update on litigation – SEBI/SAT and in the interest of the Company and its shareholders, withdrew an appeal pending before SEBI/SAT and the Equity shares of the Company are now listed on the Metropolitan Stock Exchange of India with effect from January 19, 2024.

# Management Discussion and Analysis

## Industry Structure and Developments

**a) Data Center Expansion:** Data centers are the backbone of the digital economy, providing critical infrastructure for cloud computing, data storage, and various enterprise IT services. As the demand for digital services continues to surge, data center expansion has become a focal point for companies aiming to enhance their capabilities and support emerging technologies. The rapid growth of cloud computing has been a significant driver for data center expansion. As businesses shift from on-premises IT solutions to cloud-based models, the need for more data centers to support these services has grown. The shift to hybrid and multi-cloud environments is also pushing data center operators to expand their facilities and offer more flexible solutions.

With the rise of cloud computing, digital services, and the need for data storage, there has been a significant expansion of data centers in India. Data centers require a large number of IT racks to house servers, networking equipment, and storage devices.

Data center expansion is a dynamic field driven by technological advancements, changing market demands, and environmental concerns. Understanding the industry structure and recent developments provides insight into how data center operators and stakeholders are positioning themselves for future growth. As the digital economy continues to evolve, the data center industry will remain at the forefront of technological innovation and infrastructure development.

**b) Increasing Internet Usage:** The growing internet penetration in India has resulted in a surge in Digital Transformation of Services i.e., E-Commerce Growth, Streaming Services, Remote Work and Education, Social Networking, and digital entertainment. It is driven by technological advancements and the digital transformation of services. This has led to an increased demand for IT infrastructure, including IT racks to support the servers and networking equipment required to handle the rising internet traffic.

**c) Government Initiatives:** The Indian government's initiatives like Digital India and Smart Cities have fueled the demand for IT infrastructure across the country. These initiatives require the deployment of IT racks to house the necessary hardware and networking equipment for various digital services and smart city applications.

**d) Mobile and IoT Devices:** The widespread adoption of smartphones, tablets, and IoT (Internet of Things) devices has created a need for robust IT infrastructure. IT racks

are essential for storing and organizing the servers and networking equipment that support these devices and their associated services.

- e) **Business Digitization:** Indian businesses are increasingly embracing digital transformation to improve efficiency, productivity, and customer experience. This digitalization drive requires the deployment of IT infrastructure, including IT racks, to support the servers, storage, and networking equipment needed for various business applications.
- f) **Data Privacy and Security:** With the growing concerns around data privacy and security, organizations are focusing on building their own data centers or using colocation services. This has increased the demand for IT racks to securely house the servers and equipment that store and process sensitive data.

These drivers, among others, have contributed to the growth of IT racks in India as organizations strive to keep up with the evolving digital landscape and the increasing demand for reliable and scalable IT infrastructure.

### Opportunities and Threats:

#### Growth Drivers:

**47%**

Internet penetration in vs 10% in 2011

**3.4x**

Avg. data usage per month in (14 GB) vs 2017 (4 GB)

**>2x**

Social Media Users in India(518 Mn) vs US

**~3x**

Expected cloud computing market size (INR 1.1 Tn) in 2025 vs 2020

Infra Status'-& other favorable policies/ initiatives of Central & State govt. for DCs.

Industry 4.0 (IT-OT integration), Healthcare, Education & Research, BFSI growth, Smart Vehicles, Digital Farming, Smart Homes.

Edge deployments planned by BFSI (HDFC, Axis Bank), Automotive & Telecom Infra (RailTel) players.

#### Threats:

- Roll-out of 5G will be completed by FY 2024-25 and this will drive down the high-volume enclosures required in this segment.
- New players in the SMB segment expected to drive down prices.
- Dependency on few key accounts in some of the segments.

The Company offers a range of products and services tailored to meet the needs of data centers includes:

- **Data Center Racks and Enclosures:** Providing solutions for housing IT equipment securely and efficiently.
- **Cooling Solutions:** Products designed to manage and maintain optimal temperatures within data centers to ensure efficient operation and prevent overheating.
- **Power Distribution Units (PDUs):** Devices that distribute electric power to IT equipment in a data center.
- **Customized Solutions:** Tailored offerings to meet specific requirements of different data center setups.

The revenue of the Company is generated and majorly driven from four areas of business as below;

- a) **IT & Datacenter Business:** Standard and custom enclosures are offered for all kinds of deployment including large and medium datacenters / server rooms/ network closets etc. and also for retail deployments such as small offices and small and medium industries. For enhanced requirements custom solutions with integration of multiple value-added accessories are provided to the Customers. Fully integrated cabinets -inclusive of all-purpose cabinet / UPS for power / AC for cooling / Sensors/ Other Environmental monitoring components called as Micro Data Centers are provided as ready to use plug and play solutions. In this area, the Company address the customers under IT/ITES Enterprises, BFSI Institutions, Govt deployments including State WAN, State Datacenter, Public sector and Defense establishments.

- b) **Telecom Infrastructure:** In telecom area, the Company provides enclosure solutions for deployments which are indoor as well as outdoor. Though, the nature of cabinets for indoor applications are analogous to the cabinets used for IT cabinets mentioned above. The nature of application is different in terms of the equipment being stored inside and is predominantly for communication and follows different standards. The primary driver is the Outdoor cabinets, which are made to order business and hence involves all services from design /testing / manufacturing

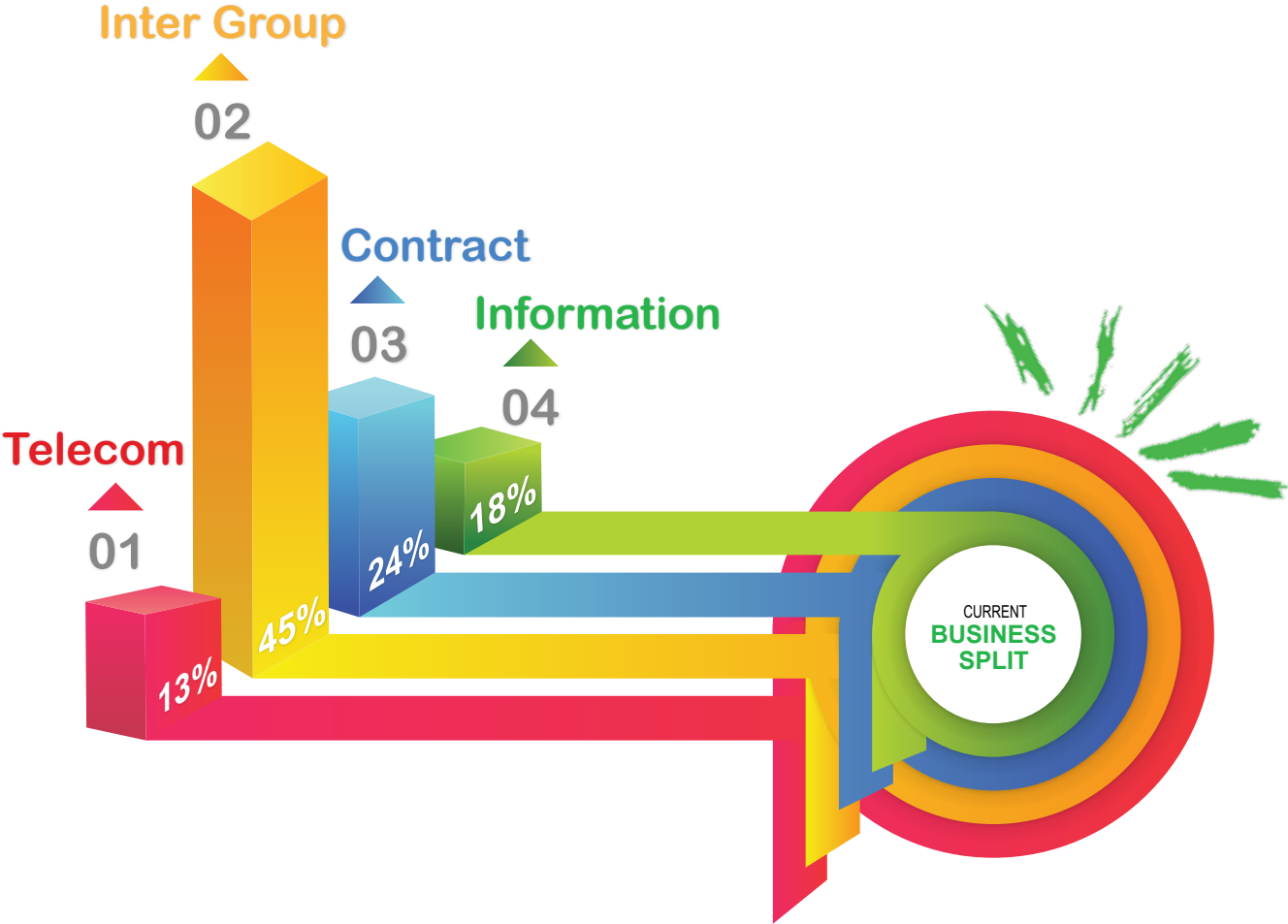
to deliver the right solution. These cabinets are part of the primary telecom infra and contains the complete electronics / communication / power devices which keeps the telecom networks functioning. As the cabinets are deployed in an all-weather situation, it has to satisfy a lot of critical criteria to sustain the expected lifecycle. Major customers in this area includes all Telecom service providers, OEM's (original equipment manufacturers) deploying Smart city solutions, Rail Network solutions, Greenfield Airports and Ports.

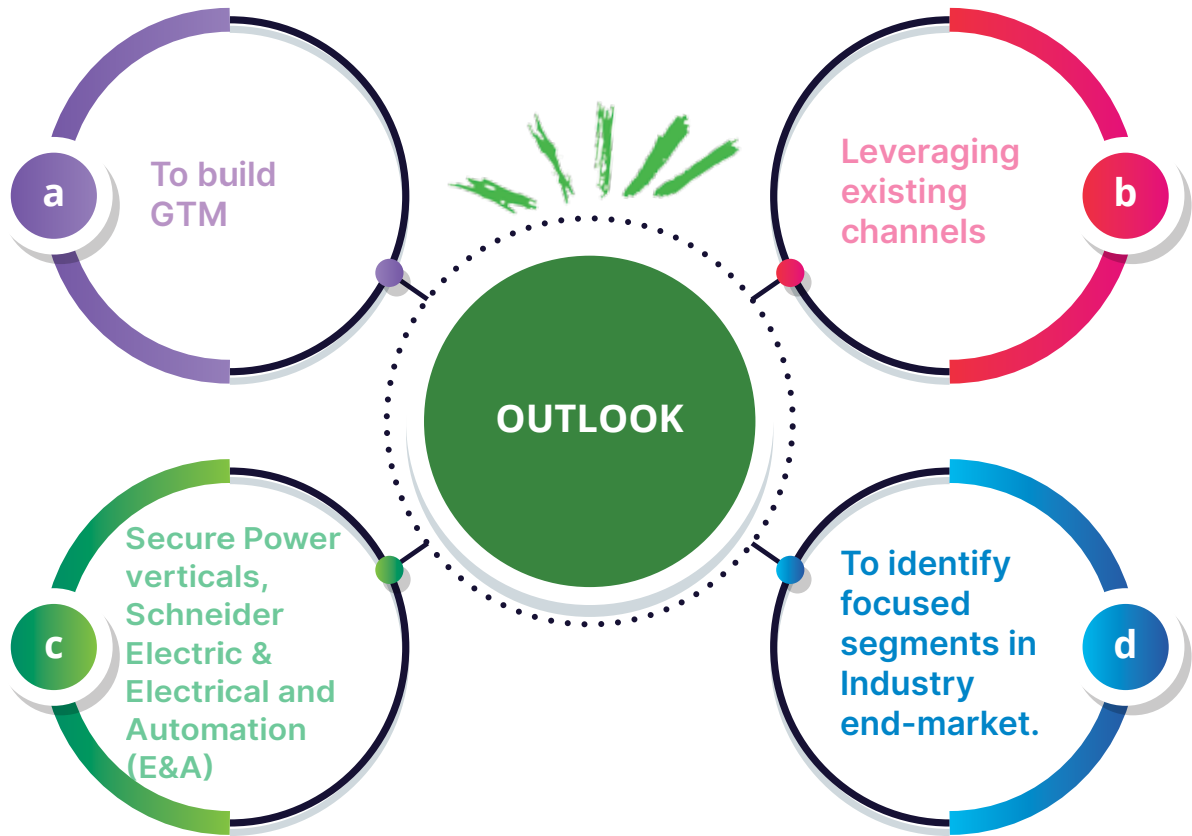
**c) Contract Manufacturing :** In Contract manufacturing, the Company provides build to print solutions where the designs are provided by the customers and the Company provides its processing / manufacturing services to the customers. The main demand from the customers in this area includes (i) to have large manufacturing facilities with capabilities to manufacture/process all activities internally

by setting up dedicated lines for the same. (ii) Flexibility of the facilities to adopt and deliver varying product mix demands. (iii) Availability of an agile global supply chain to source material /components at the most competitive rates and at the same time ensuring delivery performance. Global Telecom OEMs and Global ATM manufacturers have been key customers in this area.

**d) Schneider Internal Group Requirements:** Most of business units within Schneider Electric have a requirement for multiple types of applications in Electrical and Automation deployments. The Company provides manufacturing services for intercompany requirements and wherever demands arise, provide design and build services as well. Schneider's requirements within India and multiple regions outside like Pacific , Europe ,Middle East and North America are supported under this business.

The current business split for these areas is illustrated below:





**Priority Markets:** To build Comprehensive Portfolio, Channel Strategy & Capabilities and Create targeted value story.

**Risk Factors:**

- a) Loss of any of our suppliers or a failure by our suppliers to deliver some of our primary raw materials such as plastic parts, spel die cast parts, customer specific parts like locks and monitoring devices such as Universal Data Access etc. may have an adverse impact on our ability to continue our manufacturing process without interruption and our ability to manufacture and deliver the products to our customers without any delay. Further, restrictions on import of raw materials and an increase in shipment cost may adversely impact our business and results of operations.
- b) A certain amount of our revenue is generated from certain key customers, and the loss of one or more such customers, the deterioration of their financial condition or prospects, or a reduction in their demand for our products could adversely affect our business, results of operations, financial condition, and cash flows.
- c) The Company, like other organizations, is exposed to the risk of cyberattacks and data security, this could result in reputational damage, legal consequences, and financial losses.
- d) The steel industry is characterized by volatility in the prices of raw materials and energy which could adversely affect our profitability and ability to deliver.
- e) Our inability to expand or effectively manage our distributors or any disruptions in our distribution network may have an adverse effect on our business, results of operations and financial condition.
- f) Developments in the competitive environment in the steel industry, such as consolidation among our competitors, could have a material adverse effect on our competitive position and hence our business, financial condition, results of operations or prospects.

- g) Exposure to foreign currency fluctuation risks, particularly in relation to import of raw materials and export of products, which may affect our results of operations, financial condition and cash flows.

The Company analyzes all risks and ensure robust operational strategy, regular monitoring, appropriate policies and controls are in place to mitigate the risks.

### Internal Control System and their Adequacy

The Company has an Internal Control System, commensurate with the size, scale, and complexity of its operations. In compliance to requirements of the Act, your Company has put in place, an independent and objective inhouse internal audit department designed to provide reasonable assurance with regards to the effectiveness and adequacy of the internal control system, processes, and reliability of financial reporting. The internal audit plan is based on risk assessment, which is approved by the Audit and Risk Management Committee.

The in-house internal audit department, along with assistance from third party audit firms, provides audit assurance, add value to improve the Company's end to end processes through a systematic disciplined approach, from inception, through fieldwork to final reporting.

Also, as per requirements of the Act, a detailed internal financial control framework has been documented, reviewed, and updated annually. Control self-assessments are also performed by respective process owners annually for the defined key internal controls. Operating effectiveness of such framework is tested on annual basis and results are presented to Board/ Audit and Risk Management Committee.

Regular review of the internal audit reports submitted by the Internal Auditor and action plan for remedial actions put in place. The Audit and Risk Management Committee is continuously apprised of the action plan status The Committee also meets the Company's statutory auditors to ascertain, inter alia, their views on the adequacy of internal control systems in the Company and keeps the Board of Directors informed of its major observations, if any.

Basis the internal audit observations, the Company confirms that the internal financial controls were adequate and operating effectively.

The Board, on the recommendation of the Audit and Risk Management Committee, appointed Mr. Surender Kumar, as the Chief Risk Officer of the Company with effect from December 06, 2023.

### Discussion on Financial Performance with respect to Operational Performance:

The Operating Revenue of the Company was at INR 3,929.72 million for financial year ended on March 31, 2024, compared to INR 3,336.36 million in financial year 2022-23, resulting to solid 17.8% annual growth. Revenue is on horizon of ~4,000 million club.

The profit after tax for the financial year 2023-24 stood at INR 299.66 million compared to INR 166.89 million reported in the previous year. The profit before tax has crossed the milestone of +10%.

Consistent good cash position from last 2 years i.e., for the FY 2023-24 and FY 2022-23 stood at INR 402.92 million and INR 481.78 million respectively as compared to INR 14.06 million reported in the FY 2021-22. To pursue company's long-term mission & vision, the expansion plan is underway to move the needle to the next level.

The increased Return on Capital Employed (ROCE) for the FY 2023-24 stood at 22.57 times as compared to 14.59 times reported in the previous year.

### Material development in Human Resource / Industrial Relations Front

At the factory locations, several activities were undertaken by the Human Resource function on industrial safety and production related aspects. The industrial relations during the year under review were cordial. The Company had 201 employees on its role as on March 31, 2024, at its production facilities and offices across the country.

Disclaimer Statement: The Management Discussion and Analysis Statements made above are based on the data available with internal assessments and assumptions as to Government policies, economic and political developments. The Company cannot guarantee the accuracy of the assumptions and expectation of future events. The Company's actual results, performance or achievements may differ materially from projected performance in future.

# Board's Report





## BOARD'S REPORT

Dear Members,

Your directors take pleasure in presenting the 40<sup>th</sup> Annual Report on business and operations of the Schneider Electric President Systems Limited ("Company") together with Audited Financial Statements for the financial year ended March 31, 2024 ("FY 2024").

### Financial Results

(Rs. in Millions)

Particulars	March 31, 2024	March 31, 2023
Total Revenue	3,929.72	3,336.36
Total Expenses	3,562.36	3,146.70
EBITDA	512.93	316.01
Less: Finance Cost (Interest)	13.31	14.88
Less: Depreciation & Amortization expenses	94.17	70.75
Profit / (Loss) before Tax	405.45	230.38
Less: Provision for Tax	123.14	50.62
Less: Deferred Tax	(17.35)	12.87
Profit After Tax	299.66	166.89

### Company's Financial Performance and State of Affairs

The operating revenue of the Company was at Rs. 3,929.72 MIN for the financial year ended on March 31, 2024, compared to Rs. 3,336.36 MIN in the financial year 2022-23, resulting to strong 17.8% annual growth. Revenue is on horizon of ~4,000 MIN club.

The profit after tax for the financial year 2023-24 stood at Rs. 299.66 MIN compared to Rs. 166.89 MIN reported in the previous year. The profit before tax has grown to Rs. 405.45 MIN and crossed the milestone of +10%, as percentage of revenue from operations.

Consistent good cash position from last two (2) years i.e., for fiscal years 2023-24 and 2022-23 stood at Rs. 402.92 MIN and Rs. 481.78 MIN respectively as compared to Rs. 14.06 MIN reported in the fiscal year 2021-22.

To Pursue company's long-term mission & vision, the expansion plan is underway to move the needle to the next level. The increased ROCE for FY 2023-24 stood at 22.57 times as compared to 14.59 times reported in the previous year.

There is no change in nature of business of the Company during the year under review.

The update on quarterly and annual performance is shared with the members at appropriate times through publication of results

in newspaper, dissemination on the websites of Metropolitan Stock Exchange of India Limited (MSEI) and the Company.

### Material Changes and Events During the Year and upto the Date of this Report

During the year, the Company with an intent to end the dispute referred under as "Status update on litigation – SEBI/SAT" and in the interest of the Company and its shareholders, withdrew an appeal pending before SEBI/SAT on July 26, 2023, and complied with the SEBI Order dated January 19, 2021, to be read with SAT Order dated July 26, 2023, within 6 months from the date of the SAT Order as stated herein:

- (i) Securities And Exchange Board of India ("SEBI") Order bearing reference no WTM/GM/MIRSD/62/2020-21 dated January 19, 2021 ("SEBI Order"); and
- (ii) Securities Appellant Tribunal ("SAT") Order dated July 26, 2023, in the matter of Appeal No. 144 of 2021 ("SAT Order")

Accordingly, the Company chose to

- (i) List the equity shares of the Company on a stock exchange having nationwide terminals;

In terms of the SEBI Order, the Company was also required to:

- (ii) Facilitate an opportunity to [344 public shareholders (being 5.49% of the total share capital of the Company)

who have tendered their shares in the exit offer for buying back their shares tendered in such offer at the exit price (INR 200.40), if they choose to; and

- (iii) Inform the shareholders of the Company and also National Stock Exchange of India Limited (NSE), regarding the option availed, within a period of one month from the date of the SEBI Order.

The Company had informed its decision to list its equity shares in at least one of the stock exchanges having nationwide terminals namely the National Stock Exchange of India Limited (NSE), Bombay Stock Exchange (BSE) and the Metropolitan Stock Exchange of India Limited (MSEI) in accordance with the eligibility criteria prescribed by respective stock exchanges to the shareholders and NSE vide its intimation through

electronic channel (email) on August 21, 2023 and intimation to Shareholders who have not registered their email address with RTA was sent through physical letters (by way of registered post) on August 22, 2023.

The Board of Directors took note of the intent of the Company to end the dispute with Securities and Exchange Board of India ("SEBI") and to comply with the SEBI Order read with SAT Order as stated above in their meeting held on September 18, 2023. The Promoter had given their consent on September 20, 2023, to offer 331939 Equity Shares (Represents 5.49% of the Equity Shareholding of the Schneider Electric President Systems Limited) held by Schneider Electric South East Asia (HQ) Pte. Ltd. (Promoter/Company/SESEA) in the Schneider Electric President Systems Limited ("SEPSL") pursuant to SEBI/SAT Order.

The compliance in terms of Orders, was completed as per below timelines:

Action Items	Timelines and Status
Dispatch of Letter of Offer to Re-acquire Shares (by way of e-mail and physical letters) to 344 Exit Shareholders (i.e., such shareholders who had tendered its equity shares to the South East Asia HQ Pte. Ltd. under the exit offer) offering them to re-acquire their equity shares which were tendered during Exit Offer between 2017-2018 to Schneider Electric South East Asia HQ Pte Ltd ("SESEA")	November 16, 2023
Offer Period Window (minimum 7 working days):	
Open of Offer	November 21, 2023
Closing of Offer	November 29, 2023
Provided additional 7 days window to Exit Shareholder who recorded their consent within offer period window and who could not remit funds due to technical issues	December 07, 2023
Settlement by Transfer of Equity Shares by SESEA on receipt of payment with valid and complete documentation from the Exit Shareholders who applied for the same on or before.	December 18, 2023
Filing of listing application with MSEI	December 18, 2023

The Equity Shares of the Company got listed on Stock Exchange i.e., Metropolitan Stock Exchange of India Limited (MSEI) effective from January 19, 2024.

The Company had intimated NSE, SEBI and its Shareholders on completion of compliance with SEBI Order and compliance with listing of the Equity share of the Company on Metropolitan Stock Exchange of India Limited.

No other material changes and events except as detailed in this report in respective segment, affecting the financial position of the Company occurred during the financial year till the date of signing this report.

## Dividend

Keeping in view the Company's fund requirement for boosting growth / increase in capacity and expansion plan, your directors have not recommended any dividend for the year ended March 31, 2024.

Your Company has formulated Dividend Distribution Policy in accordance with Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations") and any amendments thereto, for bringing transparency in the matter of declaration of dividend and to protect the interest of investors. The policy can be accessed on the website of the Company under Investors Section at <https://www.schneiderelectricpresident.com/investors/policies.html>

## Reserves

The details of reserves of the Company are provided under the Note of Equity in financial statements.

## Public Deposits

During the financial year 2023-24, the Company has neither accepted nor renewed any deposits from public within the meaning of Section 73 of the Companies Act, 2013 ("the Act") read with Companies (Acceptance of Deposits) Rules, 2014 and as such, no amount on account of interest on deposits from Public was outstanding as on the date of the Balance sheet.

## Extract Of Annual Return

As required under Section 134(3)(a) of the Act, the Annual Return of the Company in the prescribed format (MGT-7) for the financial year ended March 31, 2024 in terms of Section 92(3) of the Act read with Rule 12 of the Companies (Management and Administration) Rules, 2014 is available on the website of the Company at <https://www.schneiderelectricpresident.com/investors/annual-returns.html>

## Board Of Directors

Your Company is managed and controlled by a Board comprising an optimum blend of Executive, Non-Executive, and Independent Directors. The Chairperson of the Board is a Non-Executive Independent Director.

At the year ended March 31, 2024, the Board has (06) directors comprising of Three (03) Non-Executive Directors including one (01) Women Director; two (02) Independent Directors; and one (01) Executive Director. The complete list of Directors of the Company has been provided in the Report on Corporate Governance forming part of this Annual Report.

## Change In Directorship

During the financial year 2023-24, there were following changes in the composition of the Board of Directors of the Company:

**Appointment(s)/Re-appointment(s):** The Board of Directors, based on the recommendation of the Nomination & Remuneration Committee (NRC) approved:

- Re-appointment of Mr. Ranjan Pant (DIN:00005410), as an Independent Director, for the second term of five (5) years effective from December 17, 2023, in their meeting held on June 20, 2023. Mr. Pant was also re-appointed as the Chairman of the Company effective from December 17, 2023. The re-appointment was approved by the shareholders at 39th Annual General Meeting (AGM) held on September 21, 2023.
- Re-appointment of Mr. RR Nair (DIN:00202551), as an Independent Director, for the second term of five (5) years effective from November 20, 2023, in their meeting held on June 20, 2023. The re-appointment was approved by the shareholders at 39th Annual General Meeting (AGM) held on September 21, 2023.
- Appointment of Mr. Subhrendu Sarkar (DIN:09813992) as Whole-Time Director and Chief Financial Officer of the Company in their meeting held on December 06, 2023, with effect from even date. The appointment was approved by Shareholders through Postal Ballot conducted electronically and resolution(s) was deemed to be passed on dated April 17, 2024.
- Appointment of Mr. Prabhu Praveen Das (DIN:10547092) as an Additional Director (Non-Executive) of the Company in its meeting held on March 13, 2024. The appointment was approved by the shareholders through Postal Ballot conducted electronically and resolution(s) was deemed to be passed on dated April 17, 2024.

## Director Retiring By Rotation

- In accordance with the provisions of the Act and Articles of Association of the Company, Ms Chitra Sukumar (DIN:09814015) Non- Executive Director, is retiring by rotation and being eligible, has offered herself for re-appointment. The Board, on the recommendation of NRC, recommends her re-appointment to the Members of the Company for their approval at ensuing Annual General Meeting.

In terms of the provisions of the Act and the Listing Regulations, NRC has identified list of core skills, expertise and competencies required for a person to possess in order to be selected as a Board member. The NRC also focuses on the qualification and competence of the person, professional experience, the positive attributes, standards of integrity, ethical behaviour, and independent judgement of the person in selecting a new Board member.

Brief profile of Ms. Chitra Sukumar, along with the details required pursuant to the provisions of the Act read with the Secretarial Standard-2 on the General Meetings issued by the Institute of Company Secretaries of India and SEBI (LODR) Regulations are given in the Notice of AGM.

Attention of the members is invited to the relevant items in the Notice of AGM.

The profile of Board of Directors can be accessed at Companies website at <https://www.schneiderelectricpresident.com/corporate/leadership.html>.

None of the Directors of your Company are disqualified for being appointed/re-appointed as the Directors in terms of Section 164(2)(a) and (b) of the Act as per the disclosures received from the Directors.

**Cessations:** During the financial year 2023-24, the following directors resigned from the Board of the Company:

- Mr. Arnab Roy (DIN:02522674) resigned from the position of Non-Executive Director of the Company from close of business hours on October 13, 2023, to explore opportunities outside Schneider Group and consequently, he ceased to be the member of respective committees from even date i.e., October 13, 2023.
- Mr. Shivaprasad Srinivas (DIN:09530278), resigned from the position of Whole-Time Director, with effect from March 13, 2024, due to change in role within the Schneider Group.

The Board places on record its appreciation for the valuable services provided by Mr. Arnab Roy and Mr. Shivaprasad Srinivas during their respective tenures.

### **Change in Board of Directors and Key Managerial Personnel(S) (KMPs) Post Closure of Financial Year March 31, 2024, Till Date of this Report**

- Mr. Anuj Kudesia (DIN:10629156), appointed as Managing Director and Key Managerial Personnel by the Board of Directors the Company in their meeting held on May 27, 2024, with effect from even date. The appointment was approved by Shareholders through

Postal Ballot conducted electronically and resolution(s) was deemed to be passed on July 04, 2024.

- Mr. Sachin Bhalla (DIN:07325708), resigned from the position of Non-Executive Director of the Company effective from May 27, 2024, due to reconstitution of Board and change in role within Schneider Group.

The Board places on record its appreciation for Mr. Bhalla for his invaluable services during his association with the Company.

Post closure of March 31, 2024, and as on date of this report, the Board has (06) directors comprising of Two (02) Non-Executive Directors including one (01) Women Director; Two (02) Independent Directors; and Two (02) Executive Directors.

### **Key Managerial Personnel(S) (KMPs)**

During the financial year 2023-24, following changes witnessed in Key Managerial Personnel of the Company:

- Mr. Subhrendu Sarkar (DIN:09813992) was appointed as Whole-Time Director and Chief Financial Officer of the Company with effect from December 06, 2023.
- Mr. Shivaprasad Srinivas, resigned as Whole-Time Director of the Company effective from March 13, 2024.

The Board places on record its appreciation for the services provided by Mr. Srinivas during his association with the Company.

The following Directors/Executives are KMPs of the Company as at the date of this report:

- (i) Mr. Anuj Kudesia, Managing Director
- (ii) Mr. Subhrendu Sarkar, Whole-Time Director and Chief Financial Officer
- (iii) Ms. Sapna Bhatia, Company Secretary and Compliance Officer

A comprehensive update on the changes in the Directorate of the Company along with directorships held in other companies, their skills and expertise have been explicated in the Report on Corporate Governance forming part of this Annual Report.

### **Criteria of Independence and Declaration from Independent Directors**

The NRC and the Board assess the independence of Directors at the time of appointment / re-appointment pursuant to the criteria laid down by the Company in line with the requirements of the Acts. Determination of independence is being re-assessed on yearly basis and as and when any new interests or relationships are disclosed by the Director.

The Company has received declarations from all the Independent Directors of the Company confirming that:

- (i) they meet the criteria of Independence as laid out under Companies Act, 2013 and SEBI (LODR) Regulations 2015;
- (ii) they have registered their names in the Independent Directors' Database;
- (iii) they are not aware of any circumstance or situation, which exists or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgement and without any external influence.

### Annual Performance Evaluation

In terms of the provisions of Section 178 of the Companies Act, 2013, the Listing Regulations and the Guidance Note on Board Evaluation issued by Securities & Exchange Board of India (SEBI), read with relevant rules made there and under and the directives issued by the Nomination and Remuneration Committee (NRC), the Company had carried out the Board Evaluation exercise for the financial year 2023-24.

The outcome of the Board Evaluation was discussed by the NRC and the Board at their respective meetings held on May 27, 2024

A detailed update on the Board Evaluation process and outcome is provided in the Corporate Governance Report, forming part of this Annual Report.

The Board evaluation was conducted through a questionnaire for the Board, Chairman, Committees, and individual Director based on criteria laid down for the Board and NRC pursuant to the provisions of the Act such as composition, role of the Board, Board communication, relationships, functioning of Board Committees, succession planning, strategic planning, etc. Evaluation of Committees was based on criteria such as frequency of meetings and time allocated for discussions at meetings, functioning of Board Committees etc.

The Board of Directors has evaluated the performance of Independent Directors during the year 2023-24 and opined that the integrity, expertise, and experience (including proficiency) of the Independent Directors are satisfactory.

### Board Meetings

The Board of Directors of the Company met five (5) times during the financial year 2023-24. For further details, please refer to Report on Corporate Governance, which forms a part of this

Annual Report. The gap intervening between two consecutive Board meetings was within the permissible limits as required under Companies Act 2013 and the Listing Regulations.

### Remuneration Policy and Criteria for Appointment of Directors

In terms of sub-section (3) of Section 178 of the Act and Regulation 19 read with Part D of Schedule II to the Listing Regulations, the NRC is responsible for formulating the criteria for determining qualification, positive attributes, and independence of a director.

The Board has adopted the policy on determining the remuneration to be paid to directors, key managerial personnel and senior management personnel and criteria for appointment of directors on December 06, 2023, in terms of SEBI(LODR) regulations and became effective from the date of listing of the Equity Shares of the Company on Metropolitan Stock Exchange of India Limited i.e., January 19, 2024.

The Policy also provides for the factors in evaluating the suitability of individual Board members with diverse background and experience that are relevant for the Company's operations.

Your Company follows a compensation categorized into fixed pay, benefits, and performance-based variable pay, which is paid based on the business performance and goals of the Company.

The Policy may be accessed from the Company's website at <https://www.schneiderelectricpresident.com/investors/policies.html>

We affirm that the remuneration paid to the directors, key managerial personnel and senior management is in accordance with the said remuneration policy.

### Committees of the Board

The Board supervises the execution of its responsibilities by the Committees and accordingly, has constituted sub-committees to focus on specific areas. The Committees of the Board play a crucial role in our governance structure ensuring that the right level of attention and consideration are given to specific matters. The Committees make informed decisions in line with the delegated authority.

The Board has following statutory Committees functioning in accordance with their respective roles and defined scope:

- i. Audit and Risk Management Committee\*
- ii. Nomination and Remuneration Committee
- iii. Environmental, Social and Governance & Corporate Social Responsibility Committee

#### iv. Stakeholders Relationship Committee

*\*Nomenclature of Audit Committee changed to Audit and Risk Management Committee with effect from December 06, 2023.*

In addition, the Board has constituted Finance Committee inter-alia to take care of the day-to-day finance and banking operations of the Company.

Information related to composition, terms of reference and number of meetings held for each committee are provided in the Corporate Governance Report, which forms part of this Annual Report.

### Risk Management

The Company has set up a robust risk management framework across the organization which facilitates identification, assessment, communication, and management of risk in effective manner. All five essential components of Committee of Sponsoring Organization (COSO) framework i.e., control environment, risk assessment, control activities, information communication and monitoring are considered while defining the control objective, as the intent is to ensure adherence to Company defined guidelines along with value addition through improvement in existing Company processes.

These procedures are periodically reviewed to ensure that the executive management controls risk through means of a properly defined framework, which is in line with best practices of current risk management. The primary objective of Risk Management is to assess the level of impact from any negative outcome of risks and the measures required to cover the organization from such risks.

The Audit and Risk Management Committee has approved and adopted Risk Management Policy on December 06, 2023. The same is available on the website of the Company at <https://www.schneiderelectricpresident.com/investors/policies.html>

### Internal Audit and Internal Financial Control

The Company has an Internal Control System, commensurate with the size, scale, and complexity of its operations. In compliance to requirements of the Act, your Company has put in place, an independent and objective inhouse internal audit department designed to provide reasonable assurance with regards to the effectiveness and adequacy of the internal control system, processes, and reliability of financial reporting. The internal audit plan is based on risk assessment, which is approved by the Audit and Risk Management Committee.

The in-house internal audit department, along with assistance from third party audit firms, provides audit assurance, add value to improve the Company's end to end processes through a systematic disciplined approach, from inception, through fieldwork to final reporting.

Also, as per requirements of the Act, a detailed internal financial control framework has been documented, reviewed, and updated annually. Respective process owners also perform control self-assessments annually for the defined key internal controls. Operating effectiveness of such framework is evaluated on annual basis and results are presented to Board/ Audit and Risk Management Committee.

The Audit and Risk Management Committee does a regular review of the internal audit reports submitted by the Internal Auditor an action plan for remedial actions is put in place. The Audit and Risk Management Committee is continuously apprised of the action plan status. The Committee also meets the Company's statutory auditors to ascertain, inter alia, their views on the adequacy of internal control systems in the Company and keeps the Board of Directors informed of its major observations, if any.

Basis the internal audit observations, the Company confirms that the internal financial controls were adequate and operating effectively.

### Corporate Social Responsibility

Your Company has been growing consistently and as per the reported profits, the Company is obliged to spend an earmarked amount in terms of the provisions of the Act, towards its CSR activities for the financial year 2023-24.

As part of its initiatives under CSR for the financial year under review, the Company has undertaken projects in the areas of Environment Conservation by Tree Plantation under the Environment domain and aims to create a carbon sink base by sequestration of carbon dioxide through plantation of 77833 trees.

Further, Schneider Electric (SE) Group ("Group") was actively involved in CSR activities during the previous years and has been positively impacting lives, through Skill development, education, clean energy for sustainable livelihood, and electrification and disaster response etc. The Group also aligned its programs to contribute to UN set Sustainable Development Goals 2030 ("SDG").

SE believe that Access to Energy is the basic human right and is the backbone of sustainable development. The Group initiatives are diversified and traverse across skilling the youth of the country in the electrical and solar domains, providing access



to energy to Indian hinterland, educating young minds to become ambassadors of energy and environment conservation, restoring energy infrastructure during an emergency.

To carry out these social initiatives, Schneider Electric India Foundation (SEIF) was established in 2008 with a vision to empower the lives of people from a disadvantaged background. The Group has collaborated with NGO Partners to successfully undertake flagship projects and create remarkable results in making a difference to the society. SEIF aims to empower lives for inclusive growth through Company's focused and diversified initiatives.

The Group wants everyone on our planet to have access to reliable, safe, efficient, and sustainable energy. With this overarching vision, the Group is running several programs that are aligned to realize this vision by empowering the people from financially disadvantaged backgrounds, both in the rural and urban, for inclusive growth through access to skills and access to electrical energy.

In the pursuit of Company's commitment to environmental stewardship and sustainability, the annual tree plantation initiative stood as a testament to the Company's dedication in creating a positive impact on the planet. This endeavour not only symbolizes the corporate responsibility but also embodies collective efforts to mitigate climate change and contribute to a greener future.

Throughout the year, CSR teams have come together to plant more than 70,000 saplings in various locations, including native species of mangrove Plantation at Sunderbans, West Bengal. This concerted efforts towards plantation of more than 70,000 trees which includes Mangrove Plantation in Sunderbans and Urban Plantation, executed in collaboration with CRPF Camps at Chennai and Pune has not only enriched the local biodiversity but also contributed to the reduction of carbon footprint.

The Mangrove Plantations and Urban Forestation have been more crucial for several reasons.

#### Mangrove Plantation:

- i. Ecosystem Preservation: Mangroves act as vital ecosystems, providing habitats for diverse marine life, including fish, crustaceans, and birds. They also serve

as breeding grounds for many species, contributing to biodiversity at large.

- ii. Carbon Sequestration: Mangroves are highly efficient at sequestering carbon dioxide from the atmosphere. Their dense root systems trap and store carbon, playing a significant role in mitigating climate change.
- iii. Natural Calamity Management: Mangroves help manage natural calamities such as tsunamis and hurricanes by reducing the intensity of waves and storm surges, thus protecting coastal communities and infrastructure from the devastating impact of such events.

#### Urban Forestation:

Under the Urban Forestation at CRPF Camps in Pune and Chennai, a total of 27833 trees were planted. Barran lands were identified inside the campus locations and plantations were completed to address ecological problems, improve soil health, reverse land degradation, halt desertification, and provide clean water through an intensified water cycle. Additionally, it seeks to enhance the well-being of security forces personnel and their families while fostering biodiversity and environmental sustainability .

The Urban forestation has Environmental, Social and Psychological and Biodiversity enhancement benefits, include:

- i. Improved air quality through the absorption of pollutants and carbon sequestration.
- ii. Mitigating the heat island effect, reducing area temperatures by 2-3 degrees Celsius.
- iii. Enhanced water infrastructure through rainfall absorption and conservation by plant root systems.
- iv. Reduction of erosion and sedimentation in the plantation zone by intercepting rainfall and surface runoff.
- v. Established parks and streets with trees encourage the use of open spaces and healthy, connected communities.
- vi. Increased wildlife habitat, including nesting areas for birds and shelter for small rodents and mammals.
- vii. Boosted bee activity and other small insect populations.

Under Mangrove Plantation, the Company has engaged with the local communities through Self Help Groups (SHG) who adopted the responsibility of planting the saplings with the intention of fostering a sentimental attachment to the trees, ensuring they were cared for post-planting rather than being left to fate. This commitment aimed to guarantee the survival rate and success of the plantation program. Post completion of 5-6 years, the mature mangrove ecosystem acts as a source of non-timber forest produce such as honey, wax, tannin and several fruits. These can be harvested to improve the livelihood status of the SHG members.

The benefit of this initiative extends beyond environmental conservation. It has provided an opportunity to the employees to actively engage in meaningful environmental action, fostering a sense of pride and unity within the Organization.

In addition to above, it has allowed the Company to forge valuable partnerships with local communities and environmental organizations, which has amplified the impact of the Company.

The Company takes immense pride in the spirit of volunteerism that runs deep within organization. The employees embody the value of compassion, community, and service, and continuously demonstrating their commitment to make a positive impact beyond the workplace.

The employees have been actively participating in a wide array of volunteering activities, ranging from environmental conservation efforts and community outreach programs to educational initiatives and disaster relief projects. Their

unwavering enthusiasm and selflessness have not only touched the lives of those they serve but have also inspired others within and outside our organization. Employees from various locations actively participated in tree plantation both at CRPF Camps and Mangrove Plantations..

As we reflect on the past year, the successful tree plantation initiative stands as a testament to our unwavering dedication to sustainable practices and environmental consciousness and remain resolute in commitment to preserving the planet for future generations.

Together, the Company shall continue to its efforts in collaboration with employees to sow the seeds of a sustainable future, one tree at a time.

In terms of the provisions of Section 135 of the Act and the rules framed thereunder, the CSR Committee constituted by the Board, had the following Directors as members, as of March 31, 2024:

- i. Mr. RR Nair, Non-Executive Independent Director<sup>1</sup>
- ii. Mr. Sachin Bhalla, Non-Executive Director
- iii. Ms. Chitra Sukumar, Non-Executive Director

Further, in order to reflect the element of sustainability/ESG principles within the scope of CSR, the Board of Directors have approved changing the nomenclature of CSR Committee to Environmental, Social and Governance & Corporate Social Responsibility Committee (“ESG & CSR Committee”) vide resolution passed by circular on May 10, 2024 and the Board further adopted ESG principles via its Charter (“ESG Charter”) in the Board meeting held on May 27, 2024 on recommendation of ESG & CSR Committee.

The statutory disclosures with respect to the ESG & CSR Committee and an Annual Report on CSR Activities forms part of this Report as Annexure I.

<sup>1</sup>Mr. RR Nair, Non-Executive Independent Director, appointed as Chairperson of the ESG & CSR Committee with effect from May 27, 2024, post closure of financial year March 31, 2024.

The CSR Policy and ESG Principles adopted by the Company as ESG Charter are available on the website of the Company and can be accessed from <https://www.schneiderelectricpresident.com/investors/policies.html>

## Auditors

### Statutory Auditors

M/s. S.N. Dhawan and Co, LLP, Chartered Accountants (Firm Registration No. 000050N/ N500045), were appointed as the



Statutory Auditors of the Company in the 37<sup>th</sup> Annual General Meeting held on September 20, 2021, for a period of five (05) consecutive years, until the conclusion of the 42<sup>nd</sup> AGM of the Company.

The Report given by the Auditors on the Financial Statements of the Company for financial year 2023-24 forms part of this annual report. There has been no qualification, reservation, adverse remarks, or disclaimer given by the Auditors in their report. Further, the Auditors Report being self-explanatory does not call for any further comments from the Board of Directors.

During the financial year 2023-24, no instances of fraud has been reported by the Statutory Auditors under Section 143(12) of the Act and the rules framed thereunder, neither to the Company nor to the Central Government.

The Statutory Auditors were also present virtually at the last 39<sup>th</sup> AGM of the Company.

#### **Cost Auditors & Cost Audit Report**

M/s. Rao, Murthy & Associates, Cost Accountants, Bengaluru (ICWA Registration No.000065), were appointed by the Board of Directors based on the recommendation of Audit Committee, to audit the cost records of the Company for the financial year 2023-24.

In terms of provision of Section 148 of the Act read with the Companies (Cost Records and Audit) Rules, 2014 as amended from time to time, the Company has maintained records in respect of the applicable products as specified by the Central Government, for the financial year ended March 31, 2024 and the Cost Audit Report for the financial year 2023-24 will be adopted as per applicable rules of the Act

The Board, on the recommendation of the Audit and Risk Management Committee, appointed M/s. Rao, Murthy & Associates, as Cost Auditors for financial year 2024-25. A resolution seeking ratification of the remuneration payable to the Cost Auditors for financial year 2024-25 forms part of the notice of the 40<sup>th</sup> AGM.

The Cost Audit Report for the financial year ended March 31, 2023, was adopted, and approved by the Audit Committee and Board of Directors in their meeting held on September 18, 2023. There has been no qualification, reservation, adverse remarks, or disclaimer given by the Auditors in their report.

A Certificate from M/s. Rao, Murthy & Associates has been received to the effect that their appointment as Cost Auditors

of the Company, would be in accordance with the limits as specified under Section 141 of the Act and Rules made thereunder.

#### **Secretarial Auditors**

M/s. Chandrasekaran Associates, Practicing Company Secretaries, New Delhi (ICSI Firm Registration No. PI988DE002500) were appointed as the Secretarial Auditors, to conduct the Secretarial Audit of the Company for the financial year 2023-24 as required under Section 204 of the Act and rules made thereunder. The Secretarial Audit Report highlights two statement of facts which are self-explanatory and does not call for any further comments from Directors. For more information, please refer Corporate Governance Report. The Secretarial Audit Report for financial year 2023-24 forms part of this report as Annexure II.

The Secretarial Auditors were present virtually at the last AGM of the Company.

#### **Internal Auditor**

The Board on the recommendation of Audit and Risk Management Committee (formerly known as Audit Committee), appointed Mr. Vinay Kumar Awasthi as Internal Auditor of the Company for the financial year 2023-24 to conduct the Internal Audit on the basis of detailed Internal Audit Plan, approved by the Committee.

#### **Subsidiary/ Joint Venture/ Associate Companies**

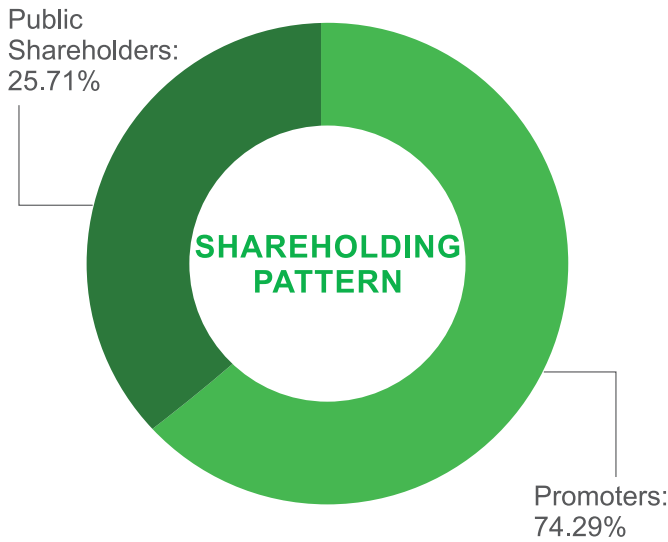
As on March 31, 2024, the Company does not have Subsidiary/ Joint Venture/ Associate Company.

#### **Share Capital**

As on March 31, 2024, the Authorized Share Capital of the Company was INR 12,00,00,000/- (Indian Rupees Twelve Crores Only) divided into 1,20,00,000 Equity Shares of INR 10/- (Indian Rupee Ten Only) each.

Issued, Subscribed and Paid-Up Equity Share Capital of the Company stands at INR 6,04,80,000/- (Indian Rupees Six Crore Four Lakh Eighty Thousand Only) divided into 60,48,000 Equity Shares of INR 10/- (Indian Rupee Ten Only) each.

During the financial year 2023-24, there has been no change in the Share Capital structure i.e., Equity Share Capital of the Company.



As on March 31, 2024, Schneider Electric South East Asia (HQ) Pte Ltd. (the “Promoters”) of the Company held 74.29% of the total share capital of the Company and remaining shares i.e., 25.71% were held by “Public Shareholders”.

### Buy Back of Securities/ Sweat Equity/ Bonus Shares

The Company has neither bought back any of its securities nor issued any sweat equity or bonus shares during the financial year 2023-24.

### Status Update on Litigation – SEBI/SAT

The equity shares of the Company were listed on the Bengaluru Stock Exchange and Pune Stock Exchange (Regional Stock Exchanges) and permitted to be traded on the BSE Limited (BSE). Consequent to de-recognition of the Regional Stock Exchanges by Securities and Exchange Board of India (SEBI), the BSE had suspended the trading of the equity shares of the Company effective from May 22, 2015.

As per the circular issued by SEBI for the exclusively listed companies of de-recognized stock exchanges, placed in the Dissemination Board, Schneider Electric South East Asia (HQ) Pte Ltd. (“the Promoter”) had provided an exit offer on February 14, 2017 to the public shareholders of the Company at an offer price of INR 200.40 per share. The offer price was as per the valuation carried out by an independent valuer empaneled with the National Stock Exchange of India (NSE) as per the circular issued by SEBI.

The public shareholders had an option to tender their shares to the Promoter until March 11, 2018, at the said price. In the exit offer provided to the public shareholders of the Company, 344

shareholders have tendered 331,939 equity shares i.e. (5.49% of the total share capital of the Company) to the Promoter of the Company.

In respect of the exit offer given, an appeal was filed by certain public shareholders (“Appellants”) of the Company before the Securities Appellate Tribunal (“SAT”) contending that SEBI has failed to consider the issues raised by the Appellants in their SCORES complaint and the SEBI Circulars regarding exit of Regional Stock Exchanges and Exclusively Listed Companies (ELCs) and further contending that the fair value price calculated as per the valuation report was incorrect.

SAT after considering the submissions made by the parties, disposed of the Appeal vide its order dated November 26, 2019 (“Order”) and directed SEBI to consider the issues raised by the Appellants and pass a reasoned order within three (3) months from the date of Order. In furtherance to this, on February 07, 2020, SEBI filed a Review Application before SAT seeking review of its Order, which was dismissed by SAT on February 21, 2020, and passed an order remanding the matter to SEBI, to reconsider the complaint and pass a reasonable order.

SEBI aggrieved by the SAT Order, approached the Hon’ble Supreme Court in Civil Appeal. Hon’ble Supreme Court by its order dated October 15, 2020, dismissed SEBI’s appeal with a direction to SEBI, to decide the matter ‘without being influenced by any observations made by SAT’ before.

### SEBI Order:

SEBI passed an Order dated January 19, 2021, (“SEBI Order”) disposing of the complaints and, inter alia, directed the Company to either:

- i. list the equity shares of the Company on a nationwide stock exchange; or
- ii. delist the Company in terms of the Delisting Regulations within a period of six (6) months from SEBI Order.

SEBI further directed that Company shall provide an opportunity to the shareholders who have tendered their shares in the exit offer (which closed on March 10, 2017) to buy back the shares at the exit price of INR 200.40/- per share.

The Company on advice of its law firm, representing before the Authorities, had filed a Writ Petition with Hon’ble Bombay High Court against the SEBI order dated January 19, 2021. The Hon’ble High Court by its order dated February 15, 2021, has directed the Company to approach the SAT in an Appeal, to review of the Order passed by the SEBI with an observation that the SAT shall not be influenced with its earlier order and dismissed the Writ petition.

The Company filed an appeal before the SAT in Appeal (L) No. 128 of 2021.

#### **Status:**

The Company with an intent to end the dispute and in the interest of the Company and its shareholders, withdrew an Appeal pending before SEBI/SAT on July 26, 2023, and complied with the SEBI Order dated January 19, 2021, to be read with SAT Order dated July 26, 2023, within 6 months from the date of the SAT Order as stated herein:

- i. Securities And Exchange Board of India ("SEBI") Order bearing reference no WTM/GM/MIRSD/62/2020-21 dated January 19, 2021 ("SEBI Order"); and
- ii. (Securities Appellant Tribunal ("SAT") Order dated July 26, 2023, in the matter of Appeal No. 144 of 2021("SAT Order")

The Equity Shares of the Company got listed on Stock Exchange i.e., Metropolitan Stock Exchange of India Limited effective from January 19, 2024.

The Company had intimated NSE, SEBI and Shareholders on completion of compliance with SEBI Order and the Equity share of the Company got listed on Metropolitan Stock Exchange of India Limited.

For more information on compliance with SEBI/SAT Orders, please refer Material Changes and Events.

#### **Directors' Responsibility Statement**

In terms of Section 134(3)(c) of the Act and to the best of their knowledge and belief, and according to the information and explanation provided to them, your Directors hereby confirm that:

- a) in the preparation of the annual accounts of the Company for the financial year ended March 31, 2024, the applicable accounting standards has been followed and there are no material departures from the same.
- b) they have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period.
- c) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

- d) they have prepared the annual accounts on a going concern basis.
- e) they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.
- f) they have devised proper systems to ensure compliance with the provision of all applicable laws and that such systems were adequate and operating effectively; and

#### **Secretarial Standards**

The Company has complied with the Secretarial Standards-1 (Meetings of Board of Directors) and Secretarial Standards-2 (General Meetings) issued and amended from time to time, by the Institute of Company Secretaries of India.

#### **Particulars of Loans, Guarantees, Securities, and Investments**

During the year ended as on March 31, 2024, the Company has neither extended any loan, or guarantees or provided any security on guarantees nor made any investments in terms of the provision of Section 186 of the Act.

Detail Information are given in the Schedule and Notes to the Financial Statements.

#### **Related Party Transactions**

All transactions entered with the Related Parties during the financial year 2023-24 were on arm's length basis and in ordinary course of business in terms of the Companies Act 2013. Post listing of equity shares of the Company on the Stock Exchange with effect from January 19, 2024, the Company has complied Listing Regulations as applicable.

During the financial year 2023-24, the Company has entered into arrangement/transaction with related parties which could be considered material in accordance with the Company's policy on Related Party Transactions or which is required to be reported in Form No. AOC-2 in terms of Section 134(3) (h) read with Section 188 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014. Details are annexed as Annexure III.

All related party transactions were entered into with related parties were placed before the Audit and Risk Management Committee for an approval on quarterly basis and post listing, the related party transactions were only approved by the Independent Directors of the Company, specifying the nature, value and terms and conditions of the same, executed during the quarter along with the approval granted, for its review from time to time.

The Company has formulated a policy on Related Party Transaction pursuant to provisions of the Act, and rules made thereunder and Listing Regulations and is available on the website of the Company at <https://www.schneiderelectricpresident.com/investors/policies.html>

## Particulars of Employees and Remuneration

The statement of disclosure pertaining to remuneration and other details as required under Section 197 of the Act read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (“Rules”), forms part of this Report and annexed as Annexure IV.

In terms of provision of Section 136 of the Act and Rule 5(2) of the Rules, the Report is being sent to the Members of the Company excluding the statement of particulars of employees as prescribed. 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 and the same will be furnished upon such request.

As on March 31, 2024, the Company had 201 employees on roll (permanent employees) and none of the employees drawing a remuneration as per provisions of section 197(12) of the Act and Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (the Rules). Accordingly, the disclosure in terms of Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is not applicable to the Company.

## Prevention of Sexual Harassment At Workplace

Your Company is committed to creating a safe and healthy work environment with zero tolerance for sexual harassment at workplace and has adopted a Policy on prevention, prohibition, and redressal of Sexual Harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules made thereunder.

The Company has constituted Internal Complaints Committees (ICCs) for every location where it operates which have been given the responsibility to receive and address the complaints. The essence of the policy is communicated to all employees across the organization at regular intervals and steps have been taken to create awareness about familiarization to the said policy by conducting periodical webinars for its employees, providing continuance information on digital platforms along with publishing of information on the notice boards of the premises. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

The matters reported under the established mechanism in the organisation are being reported in the Audit and Risk management Committee and Board of Directors on quarterly basis.

During the period under review, no cases were pending at the beginning of year and reported of alleging sexual harassment during the year and no complaint was pending for resolution at the end of the year.

## Whistle Blower Policy/Vigil Mechanism

The Company has in place a robust vigil mechanism for reporting genuine concerns related to unethical behaviour, actual or suspected fraud or violation of the Company’s code of conduct (Trust Charter) and other improper practice or wrongful conduct by employees or directors of the Company through its Whistle Blower Policy. As per the policy adopted, all complaints are reported to the Group Compliance Officer, who is independent of operating management. In line with the global practices, dedicated email IDs, a centralized database, a whistle-blower hotline, with multiple language options and a web-based portal have been created to facilitate receipt of complaints. All employees and stakeholders can register their integrity related concerns either by calling the toll-free number or by writing on the web-based portal.

Your Company investigates such complaints speedily, confidentially and in an impartial manner and take appropriate action to ensure that the requisite standards of professional and ethical conduct are always maintained. After the investigation, established cases are brought to the Schneider Electric Group Ethics Committee for decision-making. All whistle-blower cases are periodically presented and reported to the Company’s Audit and Risk Management Committee. The details of this process are also provided in the Report on Corporate Governance forming part of this Annual Report and the Whistle Blower Policy is available on Company’s website at <https://www.schneiderelectricpresident.com/investors/policies.html>

It is affirmed that no person of the Company has been denied access to the Audit and Risk Management Committee.

During the financial year 2023-24, the Company has not received complaints relating to unethical behaviour, actual or suspected fraud or violation of Company’s Trust Charter (formerly known as Principles of Responsibility) from any employee, director, or any other person under the provisions of Section 177 of the Act read with the Rules made thereunder.

## Code of Business Conduct and Ethics of the Company – Trust Charter

The Board of the Company has adopted a Code of Conduct and Ethics known as Trust Charter (formerly known as Principles of Responsibility) for the directors, senior executives, and employees of the Company. The objective is to conduct the Company’s business ethically and with responsibility, integrity,

fairness, transparency, and honesty. It sets out a broad policy for one's conduct in dealing with the Company, fellow directors, and employees and with the environment in which the Company operates.

The code is available on the Company's website at under Code of Conduct <https://www.schneiderelectricpresident.com/corporate/company-policy-charter.html>

### Code of Conduct for Prevention of Insider Trading

The Company has adopted the Code, in accordance with SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time on December 06, 2023, and became effective from the date of listing of equity shares of the Company on the Stock Exchange. i.e., January 19, 2024.

The objective of the Code of Conduct for Prevention of Insider Trading ("Code") of the Company is to protect the interest of shareholders at large, prevent misuse of any unpublished price sensitive information and prevent any insider trading activity by dealing in shares of the Company by its Designated Persons.

The Code has been circulated to all the designated persons from time to time and is also available on the website of the Company and can be accessed at <https://www.schneiderelectricpresident.com/investors/policies.html>

### Corporate Governance

The Company has been following corporate governance practices before listing of the Company at Stock Exchange i.e., January 19, 2024.

The Company considers Corporate Governance as an instrument to maximize value for all stakeholders, viz. investors, employees, shareholders, customers, suppliers, environment, and the community at large.

Pursuant to provisions as stipulated under Regulation 34 of the Listing Regulations, a report on the Corporate Governance, setting out the governance structure, principal activities of Board and its Committees and the policies and practices that enable the Board to fulfil its responsibilities together with a Certificate from a Practicing Company Secretary regarding compliance of the conditions of Corporate Governance, is provided under separate section in this Annual Report.

### Management Discussion and Analysis Report

Pursuant to Regulation 34 of the Listing Regulations, a detailed report on the Management Discussion and Analysis is presented in a separate section forming part of this Annual Report.

### Business Responsibility and Sustainability Report

Your Company is committed to fulfilling its economic, environmental, and social responsibilities while conducting its business and has embedded in its core business philosophy, the vision of societal welfare and environmental protection. It is conscious of its impact on the society within which it operates and has systems to either eliminate or control the adverse impact of its operations. In compliance with Regulation 34(2) (f) of the Listing Regulations, the Business Responsibility and Sustainability Report (BRSR) indicating the Company's performance against the principles of the 'National Guidelines on Responsible Business Conduct', is attached as part of the Annual Report. This would enable the Members to have an insight into environmental, social and governance initiatives of the Company. The Company has voluntarily opted to comply with the norm as part of corporate governance.

### Transfer of Unclaimed Dividend & Shares in Favor of Investor Education and Protection Fund (IEPF) Authority

No transfers of unpaid dividend and shares in IEPF were executed during the financial year ended March 31, 2024. However, in adherence to the provisions of section 125 of the Act, read with the IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules"), the shares on which dividends were not claimed and the unclaimed dividends for seven (7) consecutive years were transferred in favour of IEPF Authority, during the financial years as stated below, in accordance with the provisions of the Act.

As on March 31, 2024, total 20,758 equity shares are lying with the IEPF Authority.

Financial Year	Shares Held	No. of Records	No. of Shares
FY 2008-09	NSDL	1	1
	CDSL	3	173
	Physical	38	11367
	<b>Total</b>	<b>42</b>	<b>11541</b>
FY 2009-10	NSDL	8	976
	CDSL	1	1
	Physical	26	8240
	<b>Total</b>	<b>35</b>	<b>9217</b>
<b>Grand Total</b>			<b>20,758</b>

Your Company duly followed the procedure for transfer of shares and dividends as laid under the Act, the Listing Regulations and IEPF Rules and had sent the notices to the respective shareholders who have not claimed their dividend during the respective periods.

Further, the Shareholder can claim unclaimed dividend amount and the shares transferred to IEPF Demat Account, both from IEPF Authority, by making an application in Form IEPF-5 online on the website <http://www.iepf.gov.in> and by complying with requisite procedure as defined.

### Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo

The information on Conservation of Energy, Technology Absorption and Foreign Exchange Earnings & Outgo, as stipulated under Section 134(3)(m) of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014, is set out in the Annexure V to this Report.

### Detail of Manufacturing Plants

The detail of the manufacturing factories/plants of the Company located in the State of Karnataka are as under:

<b>Factory Unit-1</b>	Plot No. 5C/1, KIADB Industrial Area, Attibele, Bengaluru - 562107, Karnataka
<b>Factory Unit-2</b>	Plot No. 5C/1, Plot No 5-D, Survey No. 106 & 108, Ichhangur Village, KIADB Industrial Area KIADB Industrial Area, Attibele, Bengaluru - 562107, Karnataka

### Significant and Material Orders Passed by the Regulators or Courts or Tribunals

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

### Other Disclosures

Details of application made or any proceedings pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year along with their status as at the end of the financial year:

During the period under review, no application was made by or against the Company and accordingly, no proceeding is pending under the Insolvency and Bankruptcy Code, 2016.

The details of difference between amount of the valuation done at the time of one-time settlement and the valuation done while taking loan from the Banks or Financial Institutions along with reasons thereof:

During the year under review, the Company has not entered into any one-time settlement with Banks or Financial Institutions, therefore, there was no reportable instance of difference in amount of the valuation.

### Acknowledgement

Your Board takes this opportunity to express its deep and sincere appreciation and gratitude towards the shareholders, customers, business partners, vendors, bankers, and financial institutions for their continuous support to the Company, during the year.

The Board also immensely thank all the Departments of Government of India, the various ministries of the state governments, the central and state electricity regulatory authorities, tax authorities, and local authorities in areas where we are operational in India, for the co-operation rendered during the year and look forward to their continued support in the future.

In conclusion, we place on record our appreciation for the dedicated and consistent efforts made by the employees at all levels, to ensure that the Company continues to grow and excel in its field.

For and on Behalf of the Board of Directors

**Schneider Electric President Systems Limited**

**Anuj Kudesia**  
Managing Director  
DIN:10629156  
Place: Gurugram  
Date: May 27, 2024

**Subhrendu Sarkar**  
Whole-Time Director and  
Chief Financial Officer  
DIN:09813992  
Place: Kolkata  
Date: May 27, 2024

## Annexure I

## Annual Report on CSR Activities

for the financial year ended 2023-24

## 1. Brief outline on CSR Policy of the Company

The Company's mission is to contribute to the social and economic development of the underprivileged community. Through a series of interventions, the Company seeks to mainstream economically, physically, and socially challenged groups and to draw them into the cycle of growth, development, and empowerment. At the core of this, its commitment is to reach out to marginalized communities through its Sustainable Livelihood Initiatives.

Schneider Electric's strategy is to integrate its activities in community development, social responsibility and environmental responsibility and encourage each business unit or function to include these considerations into its operations.

In alignment with vision of the Company, Schneider Electric, through its CSR initiatives, will continue to enhance value creation in the society through its services, conduct & initiatives, so as to promote sustained growth for the society.

## 2. Composition of CSR Committee

Sl. No.	Name of Director	Designation/Nature of Directorship	No. of meetings of CSR Committee held during the year	No. of meetings of CSR Committee attended during the year
1	Mr. Ramakrishna Rajasekharan Nair	Non-executive Independent Director	2	2
2	Mr. Sachin Bhalla	Non-executive Director	2	2
3	Mr. Arnab Roy <sup>1</sup>	Non-executive Director	2	1
4	Ms. Chitra Sukumar <sup>2</sup>	Non-executive Director	2	1

<sup>1</sup>Mr. Arnab Roy, ceased to be member of the Committee from the close of business hours on October 13, 2023, due to resignation from the Board of Directors of the Company.

<sup>2</sup>Ms. Chitra Sukumar was appointed as the member of the Committee.

<sup>3</sup>The CSR committee did not have designated Chairperson and Chairperson was appointed at the respective CSR meetings.

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: The Composition of CSR committee, CSR Policy and CSR projects may be accessed from the Company's website at:

Composition of CSR committee:

<https://www.schneiderelectricpresident.com/corporate/leadership.html#board-committees>

CSR Policy: <https://www.schneiderelectricpresident.com/investors/policies.html>

CSR Projects: <https://www.schneiderelectricpresident.com/investors/csr-activities.html>

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

5. (a) Average net profit of the company as per sub-section (5) of section 135. **INR 21,48,33,600**

(b) Two percent of average net profit of the company as per sub-section (5) of section 135. **INR 42,96,672**

(c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: **Not Applicable**

(d) Amount required to be set off for the financial year, if any: **Not Applicable**

(e) Total CSR obligation for the financial year (b+c-d): **INR 42,96,672**

6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project). **INR 40,96,672**

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act	Local Area (Yes/No)	Location of the Project		Project duration	Amount allocated for the project (in Rs.)	Amount spent in the Current Financial Year (in Rs.)	Amount transferred to Unspent CSR Account for the project as per section 135(6) (in Rs.)	Mode of Implementation - Direct (Yes/No)	Name	CSR registration number
				State	District							
1	Tree Plantation	Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water	Yes	WB, Tamil Nadu	24 Pragnas, Chennai	2 years	40,96,672	40,96,672	NA	NO	Schneider Electric India Foundation	CSR00012125
<b>Total</b>							<b>40,96,672</b>	<b>40,96,672</b>				

- (b) Amount spent in Administrative Overheads: **INR 2,00,000**
- (c) Amount spent on Impact Assessment, if applicable: **Not Applicable**
- (d) Total amount spent for the Financial Year [(a)+(b)+(c)] **INR 42,96,672**
- (e) CSR amount spent or unspent for the financial year:

**Amount Unspent (In Rs.)**

Total Amount Spent for the Financial Year (In Rs.)	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
INR 42,96,672	-	-	-	-	-

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

Sl. No.	Particulars	Amount (in Rs.)
(1)	(2)	(3)
(i)	Two percent of average net profit of the company as per sub-section (5) of section 135	<b>INR 42,96,672</b>
(ii)	Total amount spent for the financial year	<b>INR 42,96,672</b>
(iii)	Excess amount spent for the financial year [(ii)-(i)]	-
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	-
(v)	Amount available for set off in succeeding financial years[(iii)-(iv)]	-



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

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

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

Yes  No

If yes, enter the number of Capital assets created/ acquired.

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

Sl. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity/ Authority/ beneficiary of the registered owner		
1	2	3	4	5	6		
					CSR Registration Number, if applicable	Name	Registered address

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

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

For and on Behalf of the Board of Directors  
Schneider Electric President Systems Limited

**Anuj Kudesia**  
Managing Director  
DIN:10629156  
Place: Gurugram  
Date: May 27, 2024

**RR Nair**  
Chairman-CSR Committee  
DIN:00202551  
Place: Bengaluru  
Date: May 27, 2024

**Subhrendu Sarkar**  
Whole-Time Director and  
Chief Financial Officer  
DIN:09813992  
Place: Kolkata  
Date: May 27, 2024

# Secretarial Audit Report

## for the financial year ended 31<sup>st</sup> March 2024

## Annexure II

To,  
The Members,  
**Schneider Electric President Systems Limited**  
5C/1, KIADB Industrial Area,  
Attibele, Bangalore -562107

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Schneider Electric President Systems Limited (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 Company’s books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 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:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2024 (“**Period under review**”) according to the provisions of:

- (i) The Companies Act, 2013 (“the Act”) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder to the extent of Regulation 76 of Securities and Exchange Board of India (Depositories and Participants), Regulations, 2018; Applicable w.e.f. January 19, 2024;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’):

- a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; **Applicable w.e.f. January 19, 2024\***
  - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; **Applicable w.e.f. January 19, 2024.\***
  - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **Applicable w.e.f. January 19, 2024.\***
  - d. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; **Not Applicable during the period under review.**
  - e. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; **Not Applicable during the period under review.**
  - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client to the extent of securities issued; **Applicable w.e.f. January 19, 2024.\***
  - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; **Not Applicable during the period under review and**
  - h. The Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018; **Not Applicable during the period under review.**
- \*During the period under review, compliances of the regulations enumerated in clause (iii) and sub clauses (a), (b), (c) and (f) of clause (v) mentioned above were required to comply by the Company with effect from January 19, 2024. Since the Equity Shares of the Company were listed on Metropolitan Stock Exchange of India Limited (“**MSEI**”) w.e.f January 19, 2024, vide its listing and trading approval dated January 17, 2024.
- (vi) The other laws, as informed and certified by the management of the Company which are specifically applicable to the Company based on the sectors/ Industry are:
    - a) Electricity Act, 2003 and the Rules made thereunder.
    - b) Hazardous Wastes (Management and Handling) Rules, 1989.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India and notified by Ministry of Corporate Affairs.
- (ii) Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. (“**Listing Regulations**”)

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

- (i) *Due to resignation of a Non-Executive Director [who was also the member of Corporate Social Responsibility Committee (“CSR”) and Audit committee (“AC”)] w.e.f October 13, 2023, during the period started from October 14, 2023, to November 05, 2023, composition of CSR and AC was not in compliance with section 135 and 177 of the Act respectively. As confirmed by the management of the Company, no meeting of CSR and AC has been convened or no approval by way of resolution by circulation has been granted by such committees during the aforesaid period.*
- (ii) *Pursuant to the provisions of regulation 30 of the Listing Regulations read with sub-para 7 of Para A of Part A of Schedule III of the Listing Regulations and SEBI circular SEBI/HO/CFD/CFD-PoD-1/P/CIR/2023/123 dated July 13, 2023, the information related to change in Directors of the Company required to be submitted to the stock exchange within 30 minutes from the conclusion of the Board meeting. However, submission related to change in Directors of the Company consequent upon the cessation of Mr. Shivaprasad Srinivas as Whole-Time Director and appointment of Mr. Prabhu Praveen Das as an Additional Non-Executive Director has been submitted within 5 hours of the conclusion of the Board meeting.*

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent atleast seven days in advance except in cases where meetings were convened at a shorter notice. The Company has complied with the provisions of the Act for convening the meeting at shorter notice. 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.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period, following major event/action has been happened which is deemed to have major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc:

- a) Consequent to De-recognition of Bangalore stock Exchange (“BSE”) and Pune Stock Exchange (“PSE”) in the financial year 2014-15 as Regional Stock Exchanges (“RSE”) by Securities Exchange Board of India (“SEBI”), BSE had suspended the trading of the equity shares of the Company effective May 22, 2015.

As per the circular issued by SEBI for the exclusively listed companies of de-recognized stock exchanges placed in the Dissemination Board. SEBI vide its circular dated October 10, 2016, provided the Exclusively Listed Companies (ELC) in the RSE to get themselves listed in the nationwide stock exchange or make an exit offer to the public shareholders. Company chose to make an exit offer as per the procedures of the SEBI Circular dated October 10, 2016 and Schneider Electric South East Asia (HQ) Pte Ltd. (“the Promoter”) had provided an exit offer on February 14, 2017 to the public shareholders of the Company at an offer price of Rs. 200.40 per share. The offer price was as per the valuation carried out by an independent valuer empanelled with the National Stock Exchange (NSE) as per the circular issued by SEBI. Total 344 Public shareholders holding 331,939 equity shares (5.49% of total shareholding) tendered their shares to the Promoter of the Company during the exit offer between 2017-18.

On March 2017, 31 Minority Shareholders of the Company (“Complainants”) made a complaint to SEBI that (i) the Company should have first made an attempt to list on a nationwide stock exchange, and (ii) that the fair price of INR 200.40/- per share arrived at by the valuer is incorrect. SEBI disposed-off the complaint stating that it has provided guidelines/procedures of exit and advised the public shareholders to refer the specific guidelines. The order further provided that if the complainant has any concerns on the valuations, they may take up the matter directly with the Company or the Stock Exchanges.

Complainants challenged the SEBI order before the Securities Appellant Tribunal (SAT), wherein SAT

passed an order disposing off the aforesaid Appeal and directing SEBI to reconsider the grievances raised by the Complainants and to pass a reasoned and speaking order in the matter and also clear its stand on its Circular dated October 10, 2016 (SAT Order).

SEBI being an aggrieved party from the SAT order approached the Hon'ble Supreme Court, wherein Hon'ble Supreme Court dismissed the appeal with a direction to SEBI to decide the matter 'without being influenced by any observations made by SAT'.

SEBI re-heard the minority shareholder through personal hearing scheduled on January 08, 2021. The SEBI passed an Order dated January 19, 2021, read with revised Order dated January 21, 2021 ("SEBI Order") directed the Company to either: (i) list the equity shares of the Company on a nationwide stock exchange or (ii) delist the Company in terms of the Delisting Regulations within a period of 6 months from SEBI Order. Further, the order also required the company to provide an opportunity to the shareholders who have tendered their shares the exit to buy back the shares. The Company was directed to intimate its decision to National Stock Exchange (NSE) and its shareholders as per option availed (as stated above) within a period of one month from the date of its order. i.e. February 15, 2021. However the company had filed a Writ Petition with Hon'ble Bombay High Court against the SEBI order dated January 19, 2021 on advice of its law firm, representing before the Authorities.

The Hon'ble High Court has directed the Company to approach the SAT for review of the Order passed by the SEBI and have stated that the SAT must not be influenced with its earlier order and dismissed the Writ petition.

The Company filed an appeal before the SAT in Appeal (L) No. 128 of 2021. Later on, the Company had withdrawn its appeal against the SEBI and decided to comply with the SEBI order dated January 19, 2021, read with SAT Order dated July 26, 2023., Consequently, The Company has listed its equity shares on the MSEI with effect from January 19, 2024.

**For Chandrasekaran Associates**  
**Company Secretaries**  
FRN: P1988DE002500  
Peer Review Certificate No.: 5715/2024

**Shashikant Tiwari**  
Partner

Membership No. F11919

Certificate of Practice No. 13050

UDIN: F011919F000435353

Date: May 27, 2024

Place: Delhi

Note:

- i. This report is to be read with our letter of even date which is annexed as Annexure-A to this report and forms an integral part of this report.

Annexure-A

To,  
The Members,  
**Schneider Electric President Systems Limited**  
5C/1, KIADB Industrial Area,  
Attibele, Bangalore -562107

Our report of even date is to be read along with its letter.

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on the random test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on random test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**For Chandrasekaran Associates**  
**Company Secretaries**  
FRN: P1988DE002500  
Peer Review Certificate No.: 5715/2024

Date: May 27, 2024  
Place: Delhi

**Shashikant Tiwari**  
Partner  
Membership No. F11919  
Certificate of Practice No. 13050  
UDIN: F011919F000435353

**FORM NO. AOC.2**

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

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

**1. Details of contracts or arrangements or transactions not at arm's length basis:** Not Applicable, No contracts or arrangements or transactions were entered into by the Company with the related parties during the year ended March 31, 2024, which were not at arm's length basis.

- (a) Name(s) of the related party and nature of relationship
- (b) Nature of contracts/arrangements/transactions
- (c) Duration of the contracts/arrangements/transactions
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any
- (e) Justification for entering into such contracts or arrangements or transactions
- (f) date(s) of approval by the Board
- (g) Amount paid as advances, if any:
- (h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188

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

Amount in Crores

(a) Name(s) of the related party and nature of relationship	Schneider Electric Mexico S.A DE C.V, Mexico – Fellow subsidiary
(b) Nature of contracts/arrangements/ transactions	Sale of Goods (Pricing for the contract/arrangement was on a Cost-plus mark - up basis and Reimbursements(if any) on actuals.)
(c) Duration of the contracts/arrangements/ transactions	For financial year 2023-24
(d) Salient terms of the contracts or arrangements or transactions including the value, if any:	<p>The Transaction entered for continuance of the business operations of the Company and meeting its supply requirements, to cater to the needs of the customers and business.</p> <p>The supplies are effected based on the Purchase Order (PO) issued by the Purchaser with terms and conditions as per Schneider Policy and required under the law. No separate contract was entered into between the Parties for the supplies of goods.</p> <p>Material terms and conditions are based on the contracts which inter alia include the rates which are based on prevailing market price and commercial terms as on the date of entering into the contract(s).</p> <p>The purchaser shall pay to the Company all relevant Direct and Indirect costs (including the overhead costs, other allocable costs and such other category of costs as mutually agreed to by both the Parties) plus an appropriate mark-up determined in adherence to the arm's length principle. The markup shall be determined on a year-to-year basis.</p> <p>The transaction value as on March 31, 2024 stood at INR 113 Crores.</p>

(e) Date(s) of approval by the Board, if any:	<p>The Board had approved material RPT transaction of INR 120 Crores on March 13, 2024 on recommendation of Audit and Risk management Committee and subsequently, the material RPT was approved by the members of the Company on April 17, 2024 vide Postal Ballot (E-Voting)</p> <p>Note:</p> <p>The equity shares of the Company got listed on the Stock Exchange with effect from January 19, 2024. Accordingly, the provisions of Listing Regulations became effective from even date.</p> <p>Therefore, approval of Shareholders for material related party transactions were sought from the date of listing of shares and shall be valid up to the closure of FY 2024-25 or for a period not exceeding fifteen months whichever is earlier in terms of per SEBI Circular dated March 30, 2022, and April 08, 2022.</p> <p>The Company had taken approval for Material RPTs for the FY 2023-24 and 2024-25.</p>
(f) Amount paid as advances, if any:	NIL

Note: The Company obtained shareholders' approval for Material Related Party Transactions with certain related parties for the financial year 2023-24 and 2024-25. However, only Related Party Transactions (RPTs) exceeded the materiality thresholds executed during the financial year 2023-24 has been considered. The other Related Party Transaction for which the Company has obtained approval and not exceeded the materiality thresholds are not considered for aforesaid disclosure

For and on Behalf of the Board of Directors  
**Schneider Electric President Systems Limited**

**Anuj Kudesia**  
Managing Director  
DIN:10629156  
Place: Gurugram  
Date: May 27, 2024

**Subhrendu Sarkar**  
Whole-Time Director and  
Chief Financial Officer  
DIN:09813992  
Place: Kolkata  
Date: May 27, 2024

## Annexure IV

### Disclosure in Board's Report as per Provisions of Section 197 of the Companies Act, 2013 Read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

S. No.	Particulars	Disclosures		
		Name of the Director	Category	Ratio
1	Ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year	Mr. Shivaprasad Srinivas (Until Marchh 13, 2024)	Whole-Time Director	2.62%
		Mr. Subhrendu Sudhakar (wef December 06, 2023)	Whole-Time Director and Chief Financial Officer	2.74%
		Name	Category	Increment%
2	Percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial yea	Mr. Shivaprasad Srinivas	Whole-Time Director	7.5%
		Mr. Subhrendu Sudhakar	Whole-Time Director and Chief Financial Officer	15%
		Sapna Bhatia	Company Secretary and Compliance Officer	7.5%
3	Percentage increase in the median remuneration of employees in the financial year	The median remuneration of the employees in the financial year was increased by 9.35%		
4	Number of permanent employees on the rolls of company	There were 201 employees in the Company as on March 31, 2024.		
5	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 increment in the financial year 2024 for Key Managerial Personnel: <ul style="list-style-type: none"> <li>• 10 % (average of 4 employees).</li> <li>• Average Increment in the financial year 2024 for non-Managerial Personnel/ rest of the employees: 8.7 % (rewards).</li> <li>• No exceptional increase given in the managerial remuneration</li> </ul>		
6	the key parameters for any variable component of remuneration availed by the directors;	As per Company Policy		
7	Affirmation that the remuneration is as per the remuneration policy of the Company.	Yes		
8	Particulars of employees posted and working in a country outside India, not being directors or their relatives, drawing more than sixty lakh rupees per financial year or five lakh rupees per month,	—		

For and on Behalf of the Board of Directors  
**Schneider Electric President Systems Limited**

**Anuj Kudesia**  
Managing Director  
DIN:10629156  
Place: Gurugram  
Date: May 27, 2024

**Subhrendu Sarkar**  
Whole-Time Director and  
Chief Financial Officer  
DIN:09813992  
Place: Kolkata  
Date: May 27, 2024



## Annexure V

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

## A. Conservation of Energy:

(i) The steps taken or impact on conservation of energy	<p>The company production activity is moderately energy intensive. Adequate measures have been taken to optimize energy consumption with initiatives such as, LED Lighting, Day light harvesting, PME &amp; RA, Green Energy initiative, LTE and STP for water recovery.</p> <p>Following are the projects in pipeline for execution to reduce energy consumption:</p> <ul style="list-style-type: none"> <li>(a) <b>PME RA</b> - Power Monitoring Expert is the Schneider Eco- Structure Solution which will provide the actionable data to take the appropriate decisions. The Company will be able to know the real energy loss in different levels (Incoming to machine level).</li> <li>(b) <b>IGBT RECTIFIER AND MACHINE AUTO CONTROL:</b> Conversion of Transformer rectifier to IGBT rectifier in Plating.</li> <li>(c) High energy consumption machines like Hydraulic unit auto shut off during an idle time in CNC machine to save energy.</li> <li>(d) <b>DAY LIGHT HARVESTING:</b> Replacement of GI sheet to transparent Poly carbonate sheet for better lighting in the shop floor. This will reduce the usage of approx. 25KW of light load in Day time.</li> <li>(e) <b>INVERTER DRIVEN AC:</b> Conversion of old Air conditioner to inverter-based air conditioner by (4 Star Rated Air Conditioner) with timer-based operation.</li> <li>(f) <b>HIGH EFFICIENCY AIR COMPRESSOR:</b> High Efficiency Permanent Magnet IE 4 standard with VSD (Variable Speed Drive with IoT enabled) to get the maximum output of air by optimized energy consumption by intelligent controller, Air leakage.</li> <li>(g) <b>STP:</b> Setting up of Johkasou (Domestic Wastewater Treatment System) to treat STP water for reuse with minimum energy and water used for gardening and for flushing.</li> <li>(h) <b>ENERGY EFFICIENT MOTORS:</b> Substitution of inefficient low PF old motors to high performance motors</li> <li>(i) <b>WATER COOLER &amp; HVLS FAN:</b> Water based membrane cooler will be installed in place of Air conditioner and HVLS fan can cover 4000 to 5000 SFT area for natural cooling in shop floor.</li> </ul> <p>Total energy consumption was equal to 3357438 KWH in 2023-24 year. Consumption per unit data cannot be provided as the product configurations varies and based on the model mix, it also becomes a variable.</p>
(ii) The steps taken by the company for utilizing alternate sources of energy;	NIL
(iii) The capital investment on energy conservation equipment;	<ul style="list-style-type: none"> <li>• High efficiency Permanent magnet IE 4 standard with VSD (Variable Speed Drive with IoT enabled) air compressor. Investment 60K euros.</li> <li>• PME - Power monitoring expert for energy monitoring all the equipment and office, investment 7K euros.</li> <li>• HVLS fans – High velocity low speed fans in shop floor for more area coverage. Investment 9K euros.</li> <li>• IGBT – rectifier instead of transformer-based rectifier-12K euros</li> <li>• Inverter based air conditioner foin office and admin area -7K euros.</li> <li>• STP – Sewage water treatment plant for reuse the water-27K euros.</li> <li>• Sodium vapor lamps to LED lamps conversion to reduce the energy consumption. Investment-12K euros.</li> </ul>

## B. Technology Absorption:

(i) Efforts made towards technology absorption	<ul style="list-style-type: none"> <li>• LDS (Lean Digitization System) implemented on shopfloor with following modules: E-Performance. E-Andon.</li> <li>• Rainwater harvesting ponds.</li> <li>• Green Belt development with Miyawaki plantation with 1500 plants.</li> </ul>
(ii) the benefits derived like product improvement, cost reduction, product development or import substitution	<p>The Company has in-house R&amp;D Facility, in which new product development and continual improvement in products and processes is an ongoing process.</p> <p>In the year 2023-24, new platforms of Industrial rack and new medium global offer for IT rack developed which is received well in the market. All products are designed in house, Prototypes are then developed and tested before introducing these products into the manufacturing range, the process of manufacturing established is based on the product features. Products are tested based on markets for Underwriter's Laboratory (UL), Intellectual Property (IP) etc. to give it a competitive advantage and reliability.</p>
<p>(iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)</p> <p>(a) The details of technology Imported.</p> <p>(b) The year of Import</p> <p>(c) Whether the technology has been fully absorbed</p> <p>(d) If not fully absorbed area where absorption has not taken place and the reasons thereof</p>	<p>No technology was imported during last 3 (three) financial years.</p>
(iv) the expenditure incurred on Research and Development.	<p>Development work on products and applications is continuous in nature and is debited to profit and loss account under respective head.</p>

## C. Foreign Exchange Earnings & Outgo:

		(INR in million)	
Sl. No.	Particulars	March 31, 2024	March 31, 2023
1	Foreign Exchange earned:	7.02	12.87
2	Foreign Exchange outgo:	-	-

For and on Behalf of the Board of Directors  
**Schneider Electric President Systems Limited**

**Anuj Kudesia**  
Managing Director  
DIN:10629156  
Place: Gurugram  
Date: May 27, 2024

**Subhrendu Sarkar**  
Whole-Time Director and  
Chief Financial Officer  
DIN:09813992  
Place: Kolkata  
Date: May 27, 2024

## Report on Corporate Governance

The Corporate Governance is driven by the pillars on transparency and fairness in action satisfying accountability and responsibility towards the stakeholders and encompasses a set of systems and practices to ensure that companies affairs are managed in a manner which ensures accountability, transparency, and fairness in all transactions in the widest sense. Corporate Governance means best management practices, compliance of law in true letter and spirit and adherence to ethical standards for effective management and distribution of wealth and discharge of social responsibility for sustainable development of all stakeholders.

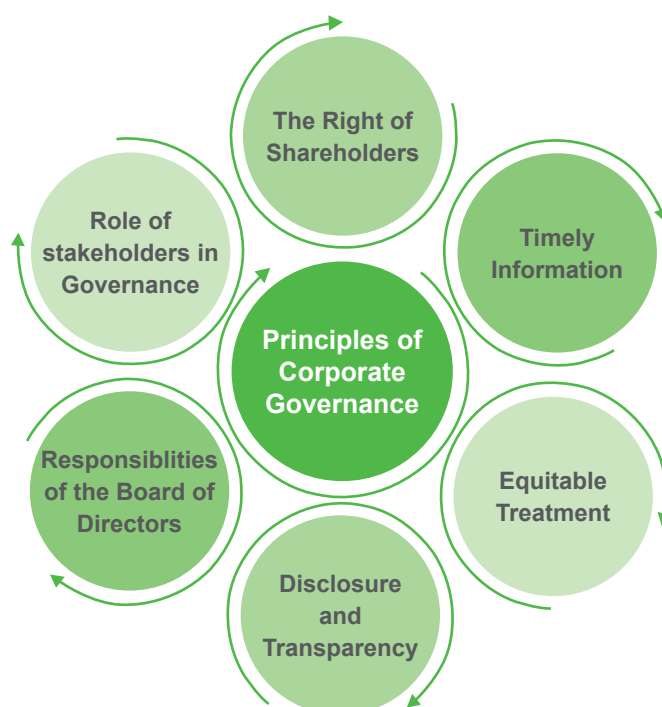
This report is prepared in accordance with the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“the Listing Regulations”). Besides adhering to the prescribed corporate governance practices as per Regulation 4(2) read with Chapter IV of the Listing Regulations, the Company voluntarily governs itself as per highest standards of ethical and responsible conduct of business. At Schneider, it is imperative that our Company affairs are managed in a fair and transparent manner. This is vital to gain and retain the trust of our stakeholders.

### SCHNEIDER'S PHILOSOPHY ON CORPORATE GOVERNANCE

Schneider Electric Group (“Schneider Electric/ SE / Group”) is committed to behave and act responsibly in relation to all its stakeholders. SE is convinced that its responsibility extends beyond compliance with local and international regulations, the Group is committed to doing business ethically, sustainably, and responsibly. Schneider’s business actions and decisions run on trust. The Company’s philosophy of Corporate Governance is to enhance the satisfaction of all the Company’s Stakeholders and improve overall corporate value, while balancing economic, social, and corporate value(s).

Within the overall framework established and adopted by the Group, your Company lives up to the highest standards of corporate governance, through initiatives that monitor and educate teams on ethics, safety, cybersecurity, and quality. Our actions are governed by our values and principles, which are reinforced at all levels within the Company. Over the years, we have strengthened our governance practices. These practices define the way how business is conducted, and value is generated. Stakeholders’ interests are considered before making any business decision.

The Company is equipped with a robust framework of Corporate Governance that considers the long-term interest of every stakeholder and operate on below principles of Corporate Governance.



### TRUST CHARTER: COMPANY'S CODE OF CONDUCT

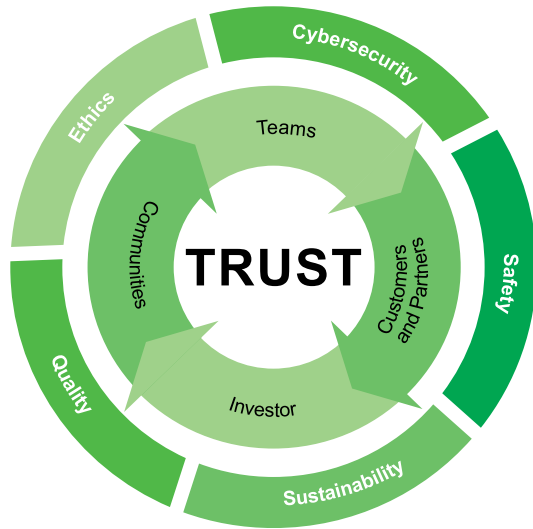
The Schneider Electric Trust Charter is the code of conduct that guides everything we do.

Schneider Electric Trust Charter acts as the Company's Code of Conduct (“Trust Charter/Code”). Schneider Electric’s purpose is to empower all to make the most of our energy and resources, bridging progress and sustainability for all. At Schneider, we call this “Life is on”.

The Code demonstrates its commitment to ethics, safety, sustainability, quality, and cybersecurity. The Code provides guidance and support required for conducting the business ethically and in the ambit of law.

Schneider Electric believes that trust is a foundational value which is earned and starts with walking the talk, in relying on mechanisms and not only intentions. Trust serves as an ethical compass for all our interactions with stakeholders and all relationships with customers, shareholders, employees,

and the communities we serve, in a meaningful, inclusive, and positive way. It is implemented via the Ethics & Compliance program with responsibilities at Board, executive, corporate, and operational levels.



The Company’s guiding principles are enshrined in the “Trust Charter” document (earlier known as “Principles of Responsibility”) of Schneider Electric Group which is also a tool for carrying out the Company’s social and moral responsibility in a more effective manner. The “Trust Charter” was launched in 2021 along with communication and learning tools that support dissemination to all employees. All employees are required to take the learning, either in digital or in-person, and followed by acknowledging their adherence to the “Trust Charter”.

Every year, a global campaign of mandatory trainings is run at Group level for all employees, called Schneider Essentials, and is available in different languages. From time to time, Schneider Electric conducts programs and session to raise awareness among employees. These internal communication campaign have been a great medium to draw together all the pillars of Trust into a single event, which consisted of keynotes, webinars and gathered more webinar attendees.

Under our 2025 Sustainability Strategy, we commit to live up to our principles of trust by holding ourselves and all around us to high social, governance and ethical standards.

**Compliance by Board of Directors and Employees**

The Schneider Trust Charter has been adopted by the Company and is applicable to all the Board Members, Senior Management Personnel, and employees. A copy of the Trust Charter is available on the website of the Company. The Trust Charter/Code has been circulated to the Directors and Senior Management Personnel. All the members of the Board and Senior Management have affirmed compliance with the Code as on March 31, 2024. A declaration to this effect, signed by the Managing Director is attached as Annexure A this report.

**ANTI-CORRUPTION**

The Company is committed in doing business with integrity and transparency and has a zero-tolerance approach to non-compliance with the anti-bribery policy. To promote and develop integrity in business activities, various anti-corruption initiatives have been created or strengthened. The Company prohibits bribery, corruption, and any form of improper payments / dealings in the conduct of business operations. Training / awareness programs are conducted on periodical basis to sensitize employees. A set of additional policies and procedures related to Conflict of Interest, Business Agents, and Gifts & Hospitality, have been created to operationalize the behavior rules of the Anti- Corruption policy.

**BOARD OF DIRECTORS**

The Board is the focal point and custodian of corporate governance for the Company. The Company recognizes and embraces the benefits of having a diverse Board and sees increasing diversity at Board level as an essential element in maintaining a competitive advantage. The Board has a fiduciary responsibility to ensure that the Company has clear goals aligned to shareholders’ value and its growth. The Board provides guidance and strategic direction to the Management in achievement of overall objectives. The Board always acts in good faith, with due diligence and care and in the best interests of all stakeholders.

The Board of Directors comprises of professionals of eminence drawn from diverse fields of expertise. They collectively bring to the fore a wide range of skills and experience to the Board, which elevates the quality of the Board’s decision-making process.

The brief profiles of Directors can be accessed at <https://www.schneiderelectricpresident.com/corporate/leadership.html#board-of-directors>

**a) Board Composition and Category**

The Board is well-structured and has optimum combination of Executive and Non-Executive Directors. The composition of the Board of Directors of the Company is in conformity with the provisions of the Companies Act, 2013 (‘the Act’) and Regulation 17 of the Listing Regulations.

The Chairperson of the Board is a Non-Executive Independent Director. Composition of the Board as on March 31, 2024, is as under:

Category	No. of Directors
Managing Director or Whole-Time Director	1
Non-Independent, Non-Executive Director	3
Independent, Non-Executive Director	2

**b) Attendance of Board Meetings and previous Annual General Meeting**

The details of Board and their attendance at Board Meetings and Annual General Meeting during the year under review are given in the table below:

Name of Director	Category of Directorship	Number of Board Meetings held and attendance during the Year					% of attendance	AGM <sup>5</sup> 21/09/2023
		June 20, 2023	September 18, 2023	December 06, 2023	February 06, 2024	March 13, 2024		
Mr. Ranjan Pant (C)	Independent Director						100%	Yes
Mr. RR Nair	Independent Director						100%	Yes
Mr. Arnab Roy <sup>1</sup>	Non-Executive Director		LA	NA	NA	NA	50%	Yes
Ms. Chitra Sukumar	Non-Executive Director				LA		80%	Yes
Mr. Prabhu Praveen Das <sup>2</sup>	Non-Executive Director	NA	NA	NA	NA		NA	NA
Mr. Sachin Bhalla <sup>4</sup>	Non-Executive Director						100%	Yes
Mr. Shivaprasad Srinivas <sup>3</sup>	Whole-Time Director						100%	Yes
Mr. Subhrendu Sarkar	Whole-Time Director and Chief Financial Officer						100%	Yes

(C): Chairperson of the Committee; : Video Conferencing; LA: Leave of Absence; NA: Not Applicable

<sup>1</sup>Mr. Arnab Roy, Non-Executive Director resigned from the Board of the Company with effect from close of business hours on October 13, 2023;

<sup>2</sup>Mr. Prabhu Praveen Das, appointed as Non- Executive Director in the meeting of Board of Directors held on March 13, 2024, effective from even date and attended meeting as an invitee.

<sup>3</sup>Mr. Shivaprasad Srinivas, resigned from the position of Whole-Time Director (KMP), with effect from March 13, 2024.

<sup>4</sup>Mr. Sachin Bhalla, Non-Executive Director, resigned from the Board of the Company with effect from May 27, 2024, post closure of financial year March 31, 2024.

<sup>5</sup>All the directors attended the Annual General Meeting held on September 21, 2023, conducted through Video Conferencing/ Other Audio-Visual Means (VC/OAVM).

**c) Number of directorships and memberships held in committees of other Companies.**

The number of directorships and memberships held in various committees in other companies, as on the date of this Report are given in the table below:

Name of Director	Category of Directorship	Number of Directorship in other entities <sup>1</sup>		Name of the other listed Companies in which holding position of Director and category of Directorship	Number of Committee <sup>2</sup> positions held in other public companies	
		All	Listed		Member	Chairman/ Chairperson
Mr. Ranjan Pant	Non-Executive Independent Director	2	1	Mahindra and Mahindra Limited <sup>3</sup> - Non-Independent Director	-	-
Mr. RR Nair	Non-Executive Independent Director	0	-	-	-	-
Mr. Anuj Kudeia <sup>4</sup>	Managing Director	0	-	-	-	-

Name of Director	Category of Directorship	Number of Directorship in other entities <sup>1</sup>		Name of the other listed Companies in which holding position of Director and category of Directorship	Number of Committee <sup>2</sup> positions held in other public companies	
		All	Listed		Member	Chairman/Chairperson
Ms. Chitra Sukumar	Non-Executive Director	0	-	-	-	-
Mr. Sachin Bhalla <sup>5</sup>	Non-Executive Director	0	-	-	-	-
Mr. Prabhu Praveen Das	Non-Executive Director	0	-	-	-	-
Mr. Subhrendu Sarkar	Whole-Time Director and Chief Financial Officer	0	-	-	-	-

<sup>1</sup>Does not include Directorships of Foreign Companies, Section 8 Companies and Private Limited Companies.

<sup>2</sup>Includes only Chairmanship/ Membership of the Audit Committee and Stakeholders' Relationship Committee only.

<sup>3</sup>Mr. Ranjan Pant, appointed as director of the other listed Company in the Board meeting held on February 14, 2024, effective from May 17, 2024.

<sup>4</sup>Appointed as Managing Director with effect from May 27, 2024.

<sup>5</sup>Ceased with effect from May 27, 2024

**d) Disclosure of Relationships between Directors inter-se**

As per declarations received from Directors, there is no inter-se relationship between Directors of the Company.

**e) Number of shares and convertible instruments held by non-executive directors.**

None of Non-Executive Directors holds any shares and convertible instruments in the Company.

**f) Familiarization Program to Independent Directors**

At the time of appointing an independent director, a formal Letter of Appointment is given, which inter alia explains the role, function, duties, and responsibilities of a director. The Director is also explained in detail the compliances required from him / her under the Act and the Listing Regulations and other relevant statutes or applicable laws and his / her affirmation is taken with respect to the same. Appointment letters issued to Independent Directors have been placed on the Company's website.

As a part of induction and continuing education program for Independent Directors, periodic presentations are made by the Directors/Function Heads at the Committee/Board Meetings and/or separate strategy meetings to apprise the Directors of the Company's business strategies, long-term plans, operations and performance, relevant legal/regulatory updates in the laws and regulations applicable to the Company.

**Attibele-Bengaluru Plant Visit**

During the year under review, as part of the familiarization program, the Company organized full-day visits to the plants of the Company located in Bangalore-Attibele, for the entire Board and Senior Management, to facilitate them to understand in detail, the operations of the Company and the industry in which it operates.

An interactive session with the Senior Management was also organized for the Independent Directors involving presentations on the working of plants to provide an insight on the processes and technologies involved in business operations.

The details of the familiarization program for the Independent Directors are available on the website of the Company at <https://www.schneiderelectricpresident.com/investors/policies.html>

**Independent Directors**

The Board consists of two (2) Independent Directors (IDs) and the following confirmations received from IDs may be noted for information:

- i. The Independent Directors have included their names in the data bank of Independent Directors maintained with the Indian Institute of Corporate Affairs in terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014.
- ii. In terms of Regulation 25(8) of the Listing Regulations, Independent Directors have confirmed that they are

not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties.

- iii. Based on the declarations received from the Independent Directors, the Board of Directors and the Nomination and Remuneration Committee have confirmed that they meet the criteria of independence as mentioned under Section 149(6) of the Companies Act, 2013 (the Act) and Regulation 16(1)(b) of the Listing Regulations and that they are independent of the management.

#### Meeting of Independent Directors

Independent Directors met once on September 18, 2023, during the financial year 2023-24 in compliance with the requirements of the Act, rules framed thereunder. The said Meeting was attended by both the Independent Directors without presence of other Board of directors and persons.

- i. Independent Directors took note that the entire matter relating to minority shareholders grievance and/or SEBI litigation has been dealt transparently with the Independent Directors and requested the Company to diligently document the same to demonstrate the

Board and Independent Directors are involved at all levels of decision making.

- ii. To update the Shareholders in the ensuing Annual General meeting and address the questions related to SEBI Order, timelines, listing of the Company on Stock Exchanges etc.
- iii. Common endeavor from an independent director's perspective is to add value to ensure the Board is aspirational driven as a company and collectively collaborate with each other to grow the business even at higher levels of aspiration. Therefore, it was advised to continue the engagement of senior personnel to participate and update the Board on regular basis on functions.

#### Matrix setting out the Skills/ Expertise/ Competence of the Board of Directors

The directors have extensive experience and a strong track record of value creation. It is a proven Board and management team, and the Board believes it has the correct balance of skills, reflecting a broad range of commercial and professional skills that is necessary to ensure the Company is equipped to deliver its objective.

A matrix setting out the core skills, expertise and competencies identified by the Board of Directors in the context of the Company's businesses and sectors as required for it to function effectively and those actually available with the Board along with the names of Directors as on March 31, 2024, are given below:

Name of the Director	Area of skills/expertise/competence						
	Leadership	Finance	Strategy and Planning	Technology and Digitalization	HR	Governance/Regulatory	Risk Management
Mr. Ranjan Pant	√	√	√	√	√	√	√
Mr. RR Nair	√	√	√	√	√	√	√
Ms. Chitra Sukumar	√	√	√	√	-	√	√
Mr. Sachin Bhalla	√	√	√	√	√	√	√
Mr. Prabhu Praveen Das	√	√	√	√	-	√	√
Mr. Subhrendu Sarkar	√	√	√	√	-	√	√
Mr. Arnab Roy <sup>1</sup>	√	√	√	√	√	√	√
Mr. Srinivas Shivaprasad <sup>2</sup>	√	√	√	√	√	√	√

The absence of a mark against a member's name does not necessarily mean the member does not possess the corresponding qualification or skills.

<sup>1</sup>Ceased with effect from October 13, 2023; and

<sup>2</sup>Ceased with effect from March 13, 2024.

## COMMITTEES OF BOARD

The Board has constituted various statutory and non-statutory committees to focus on specific areas and to take informed decisions from time to time. The Board has delegated its functioning in relevant areas to designated Board Committees to effectively deal with complex or specialized issues. The Board and Committees of the Board meet at such intervals as may be mandated by law or the terms of reference of such Committees, to transact the matters of business as may be delegated to such Committees by the Board.

The composition of Board Committees is in compliance with the applicable provisions of the Listing Regulations and the Act. The Board and Committee meetings of the Company for financial year 2023-24 were conducted in virtual mode, enabling the participation of the members across different regions to attend electronically through compliance with all the applicable laws in conducting the Board and Committee meetings electronically. The Committees can request special invitees to join the meeting, as and when required.

Statutory Committees	Audit and Risk Management Committee
	Nomination and Remuneration Committee
	Stakeholders Relationship Committee
	Environment Social and Governance & Corporate Social Responsibility Committee
Non-Statutory Committees	Finance Committee

### Audit and Risk Management Committee<sup>4</sup>

As on March 31, 2024, the Audit and Risk Management Committee of the Board comprises of three (03) Non-Executive Directors, out of which two (02) are Independent Directors. The composition of the Committee is compliant and follows the provisions of Section 177 of the Act and Listing Regulations. The Chairperson of the Committee is a Non-Executive Independent Director.

The composition of the Committee and attendance details at meetings held during FY24, are as follows:

Name of the Member	Category	Meeting Dates & Attendance					% of attendance
		June 20, 2023	September 18, 2023	December 06, 2023	February 06, 2024	March 13, 2024	
Mr. Ranjan Pant (C)	Independent Director						100%
Mr. RR Nair	Independent Director						100%
Mr. Arnab Roy <sup>1</sup>	Non-Executive Director		LA	NA	NA	NA	50%
Mr. Subhrendu Sarkar <sup>2</sup>	Non-Executive Director	NA	NA		NA	NA	100%
Mr. Sachin Bhalla <sup>3</sup>	Non-Executive Director	NA	NA	NA			100%

(C) Chairperson of the Committee; : Video Conferencing; LA: Leave of Absence; NA: Not Applicable

<sup>1</sup>Mr. Arnab Roy, Non-Executive Director resigned from the Board of the Company and ceased to member of the committee with effect from close of business hours on October 13, 2023.

<sup>2</sup>Mr. Subhrendu Sarkar, Non-Executive Director, appointed as member of Audit Committee with effect from November 06, 2023 subsequent to resignation of Mr. Arnab Roy.

Further, Mr. Sarkar ceased to be member of the Committee on his appointment as Whole-Time Director and Chief Financial Officer of the Company with effect from December 06, 2023.

<sup>3</sup>Mr. Sachin Bhalla, Non-Executive Director appointed as member of Audit and Risk Management Committee with effect from December 06, 2023.

<sup>4</sup>The Board of Directors changed nomenclature of Audit Committee to Audit and Risk Management Committee with effect from December 06, 2023.



The primary function of the Audit and Risk Management Committee (A&RMC) includes monitoring and providing effective supervision of the financial reporting and maintaining robustness of internal financial controls and Risk Management Framework ensures safety, builds trust, and enables achievement of the Company's strategic objectives by managing risks. The Committee's composition and powers are in compliance with the provisions of Section 177 of the Act and Regulation 18 and 21 of the Listing Regulations, besides other terms as referred by the Board of Directors.

The Committee also ensures that the Company is safe from volatility, the current and emerging risks and uncertainties surrounding its business. Having a robust risk management system and effective monitoring protocols will ensure that the Company continues to manage its existing risks while parallelly identifying any new risks that may impact its ability to create value over the long run. There is a mechanism in place to inform the Board members about the risk assessment and minimization procedures to ensure that the executive management controls risk by means of a properly defined framework.

The Committee is majorly led by a Non-Executive Independent Directors. All the members of the Committee are financially literate and possess requisite qualifications.

All the recommendations made by Audit and Risk Management Committee were accepted by the Board of Directors.

The Internal Auditor, Statutory Auditors, Cost Auditors, Risk officer and Accounts functional personnel, Zone General Counsel are invited and attend the meetings on requirement basis. The Committee invites such executives, as it considers appropriate, to brief the Committee on relevant matters. As part of the Board's annual evaluation of its effectiveness and that of its Committees, the Audit Committee assessed its own effectiveness. The members of the Audit Committee agreed that its overall performance had been effective during the year.

The role and terms of reference of the Audit and Risk Management Committee covers the areas as contemplated under Section 177 of the Act and Regulation 18(3) and 21 of Listing Regulations, besides other terms as referred by the Board of Directors.

Brief terms of Reference of the Committee inter alia include the following:









- i. To oversee company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient, and credible;
- ii. Review of the quarterly financial statements with the management before submission to the Board for approval.
- iii. Review and monitor the auditor's independence, performance, and effectiveness of audit process.
- iv. Recommend appointment, remuneration and terms of appointment of auditors including internal, tax and cost auditors.
- v. Approval of payment to statutory auditors, including cost auditors, for any other services rendered by them.
- vi. Approval or any subsequent modification of transactions with related parties of the Company including remuneration paid to executive directors and key managerial personnel.
- vii. To review with the management, statutory and internal auditors, the adequacy of the internal control systems and the audit plan its coverage and frequency of internal audit.
- viii. Review the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
- ix. Review the functioning of the whistle-blower mechanism / oversee the vigil mechanism.
- x. Formulating a Risk Management policy which shall include a framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability, cyber security risks or any other risk as may be determined by the Committee and measures for risk mitigation including systems processes for internal control of identified risks and business continuity plan.
- xi. Oversee implementation / Monitoring of Risk Management Plan and Policy.
- xii. Periodically review and evaluate the enterprise Risk Management and Policy and Practices with respect to risk assessment and risk management processes.
- xiii. Review of cyber security and related risks.
- xiv. Other roles and responsibilities as defined in the Regulations.


The detailed terms of reference of the Committee are available on the website of the Company.

#### **Nomination and Remuneration Committee**

As on March 31, 2024, the Nomination and Remuneration Committee of the Board comprises of three (03) Non-Executive Directors, out of which two (02) are Independent Directors. The Chairperson of the (NRC) is an Independent Director.

The composition of the Committee and attendance details at meetings held during FY 2024, are as follows:

Name of the Member	Category	Meeting Dates & Attendance			
		June 20, 2023	December 06, 2023	March 13, 2024	% of attendance
Mr. RR Nair (c)	Independent Director				100%
Mr. Ranjan Pant	Independent Director				100%
Mr. Chitra Sukumar	Non-Executive Director		LA		66.66%

(C) Chairperson of the Committee;  : Video Conferencing; LA: Leave of Absence; NA: Not Applicable

The Nomination and Remuneration Committee (NRC) is accountable for overseeing the key processes through which it can make recommendations to the Board on the structure, size and composition of the Board, KMP & Senior Management; and ensure that the appropriate mix of skills, experience, diversity, and independence is present on the Board and senior level for it to function effectively.

The composition of the NRC, its role and terms of reference are in compliance with Section 178 of the Act and Regulation 19 of the Listing Regulations. As part of the Board's annual evaluation of its effectiveness and that of its Committees, as described later in the report, the NRC assessed its own effectiveness. The members of the NRC agreed that its overall performance had been effective during the year.

Brief terms of reference of the Committee inter alia include the following:

- i. Formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the Directors, Key Managerial Personnel, and other employees.
- ii. Formulate the criteria for performance evaluation.
- iii. Devise a policy on Board Diversity.
- iv. Identify persons who are qualified to become Directors and Senior Management Personnel who may be appointed in senior management in accordance with the criteria laid down and to recommend to the Board their appointment and / or removal.
- v. Specify the manner for effective evaluation of performance of Board, its committees, and Individual Directors to be carried out either by the Board, Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance.
- vi. Recommend to the Board, all remuneration, in whatever form, payable to senior management.
- vii. Review Human Resource policies and overall human resources of the Company.

The detailed terms of reference of the Committee are available on the website of the Company.

### Performance Evaluation

The Company had carried out the comprehensive Board Evaluation exercise every year in terms of the provisions of Section 178 of the Companies Act, 2013 read with relevant rules made thereunder and the directives issued by the Nomination and Remuneration Committee (NRC).

Post listing of the equity shares of the Company on the Stock Exchange with effect from January 19, 2024, and in terms of Section 134(3)(p) of the Companies Act, 2013 (Act), read with rule as applicable every listed company at the end of preceding financial year should include a statement indicating the manner in which formal annual evaluation has been made by the Board of its own performance and that of its committees and individual directors in the Directors Report in terms of Section 178(2) of the Companies Act, 2013 (Act) read with applicable rules and Regulation 17(10) of SEBI (LODR) Regulations 2015 directs evaluation of Independent Director shall be done by the entire Board of Directors.

The performance evaluation has been conducted in terms of the requirements of the law.

The Board works with the NRC to lay down the evaluation criteria for the performance of the Chairperson, the Board, Board Committees, and Executive/Non-Executive/Independent Directors through peer evaluation, excluding the director being evaluated. The said criteria specify certain parameters like attendance, acquaintance with business, communication inter se between board members, effective participation, domain knowledge, compliance with code of conduct, vision and strategy, benchmarks established by global peers etc., which follows applicable laws, regulations, and guidelines.

The Company has conducted the Annual Evaluation of Board, Board of Directors, Chairman and Committee of the Board, to ensure effective governance on the Board as a best practice.

Every Director fills the questionnaire related to the performance of the Board, its Committees, Chairperson, and individual directors. The Directors who were subject to the evaluation did not participate in their own evaluation.

Summary of outcome (Board Evaluation Report) was placed before the Nomination and Remuneration Committee and Board of Directors at the meetings held on May 27, 2024, for their consideration.

The Board of Directors has evaluated the performance of Independent Directors during the year 2024 and opined that the integrity, expertise, and experience (including proficiency) of the Independent Directors are satisfactory.

#### Outcome of Performance Evaluation

The summary of evaluation was placed before the NRC and Board, at their respective meetings held on May 27, 2024, based on the survey results. The outcome was positive and the actions emerging from the Board Annual Evaluation were collated and presented before respective meetings. The Board of Directors expressed their satisfaction with the evaluation process.

To summarize the evaluation results, the Board recorded their overall satisfaction on the process and its results which reflected the overall engagement of the Members and the effectiveness of the Board and Committees.

#### Remuneration of Directors

The Company has paid remuneration to executive Directors and sitting fee to the Independent Directors forms part of financial statement as approved by the Board on recommendation of the NRC. The payment for the financial year ended March 31, 2024, was made based on the Company's performance and the attendance of Directors at Board and Committee meetings and their contribution at these meetings.

None of the Non-Executive Directors had any pecuniary relationship or transactions with the Company other than the Directors' sitting fees, as applicable, received by them. The Company reimburses the out-of-pocket expenses, if any, incurred by the Directors for attending meetings.

The Company's Policy on remuneration of Directors, Key Managerial Personnel and other employees, as approved by the Board, may be accessed on its website at <https://www.schneiderelectricpresident.com/investors/policies.html>

#### Non-Executive Directors

The compensation payable to the Independent Directors is only limited to sitting fee for participation in Board meetings and meetings of Board level Committees i.e., A&RMC, SRC, NRC and ESG & CSR.

The details of sitting fee paid/payable to the Independent Directors for financial year 2023-24 are as follows:

Name of Director	Amount (Rs.)
Mr. Ranjan Pant	390,000.00
Mr. RR Nair	300,000.00
Total Payment in the FY 2023-24	690,000.00

In line with the internal guidelines of the Company, no payment was made towards sitting fees to the Non-Executive Non-

Independent Directors of the Company, who are in full time employment with any other Schneider Group Companies.

None of the Non-Executive Directors had any pecuniary relationship or transactions with the Company and neither do they hold shares of the Company.

In accordance with the Listing Regulations, no employee, including key managerial personnel or director or promoter of a listed entity, shall enter into any agreement for himself or on behalf of any other person, with any shareholder or any other third party with regard to compensation or profit-sharing in connection with dealings in the securities of the Company, unless prior approval for the same has been obtained from the Board of Directors as well as shareholders by way of an ordinary resolution. During the year, there were no such instances.

#### Executive Directors

The Executive Directors are paid remuneration in accordance with the limits prescribed under the Act and the Remuneration Policy of the Company. Such remuneration is considered and approved by the Nomination and Remuneration Committee, the Board of Directors, and the Shareholders of the Company.

Details of remuneration paid to the Executive Directors for the financial year 2023-24 are as follows:

Terms of Agreement	Mr. Sivaprasad Srinivas (WTD) <sup>1</sup>	Mr. Subhrendu Sarkar (WTD & CFO) <sup>2</sup>
Period of Appointment	3 years	3 years
Date of Appointment	March 08, 2022, to March 07, 2025	NED: January 01, 2023; WTD & CFO: December 06, 2023 to December 05, 2026
Gross Salary	4,076,603	885,994
Perquisites	312,451	2,914
Contribution to Provident Fund	225,811	49,968
Performance Linked - Short Term Incentive	1,140,086	-
Performance Linked - Long Term Incentive	-	2,326,495
Notice Period	Three (3) Months	
Severance Fees	There is no separate provision for payment of severance fees.	
Stock Options#	Nil	Nil

<sup>1</sup>Mr. Srinivas, resigned with effect from March 13, 2024, and therefore, remuneration has been calculated until March 13, 2024

<sup>2</sup>Mr. Sarkar was paid on pro rata basis with effect from December 06, 2023 from the date of appointment and other perquisites as per Company Policy.

The Company does not have any Stock Option Plan for its employees. However, above Executive Directors are entitled to Stock Option of Schneider Electric SE, France, the Ultimate Holding Company under its “Worldwide Employee Stock Option Plan”, the perquisite value, if any.

### Stakeholders Relationship Committee

As on March 31, 2024, the SRC comprises of three (03) Non-Executive Directors, out of which one (01) is an Independent Director. The Chairperson of the SRC is an Independent Director.

The composition of the Committee and attendance details at meetings held during FY 2024, are as follows:

Name of the Member	Category	Meeting Dates & Attendance	% of attendance
		February 06, 2024	
Mr. Ranjan Pant (C)	Independent Director		100%
Mr. Sachin Bhalla	Non-Executive Director		100%
Mr. Arnab Roy <sup>1</sup>	Non-Executive Director	NA	NA
Mr. Chitra Sukumar <sup>2</sup>	Non-Executive Director		100%

(C) Chairperson of the Committee; : Video Conferencing; NA: Not Applicable

<sup>1</sup>Mr. Arnab Roy, Non-Executive Director resigned from the Board of the Company and ceased to members of the Stakeholders Relationship Committee with effect from close of business hours on October 13, 2023.

<sup>2</sup>Ms. Chitra Sukumar, Non-Executive Director appointed as member of Stakeholders Relationship Committee with effect from November 06, 2023 subsequent to resignation of Mr. Arnab Roy.

In Compliance with the requirement of Section 178 of the Act, the board has constituted a Stakeholders Relationship Committee (SRC). The Committee investigates redressal of complaints/ grievances of Shareholders and Investors. The Committee oversees and reviews performance of the Registrar and Share Transfer Agent and recommends measures for overall improvement in the quality of investor services and the functions as defined in the Act and delegated by the Board of Directors.

The role, powers, and terms of reference of the SRC covers all the areas prescribed under Section 178 of the Act and Regulation 20(4) of Listing Regulations besides other terms as referred by the Board of Directors from time to time.

The role of the SRC includes:

- Resolving the grievances of the shareholders including complaints related to transfer/transmission of shares, non-receipt of annual report, issue of new/duplicate certificates, general meetings, etc.
- Review of measures taken for effective exercise of voting rights by shareholders.
- Initiatives for registration of email IDs, PAN & Bank Mandates and demat of shares.
- Review reports on shareholder satisfaction surveys, if any.
- Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar and Share Transfer Agent.
- Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/ annual reports/statutory notices by the shareholders of the Company.
- Review shareholding distribution including details on demat and physical holding.
- Monitoring implementation and compliance of Company's Code of Conduct for Prevention of Insider Trading in its securities.

As part of the Board's Annual Evaluation of its effectiveness and that of its committees, as described earlier in the report, the SRC assessed its own effectiveness. The SRC members are sufficiently satisfied that they have complied with the responsibilities as outlined in its charter and that its overall performance had been effective during the year.

### Investor Complaints

In terms of Regulation 13(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the number of Complaints received and their status for the year ended March 31, 2024, is appended below:

Particulars	No. of Complaints and Status
Received at the beginning of the year	Nil
Disposed off	Nil
Pending at the end of the year	Nil

### Compliance Officer and Nodal officer

Ms. Sapna Bhatia, is a Company Secretary and Compliance Officer for complying with the requirements of the Listing Regulations and securities laws, including SEBI (Prohibition of Insider Trading) Regulations, 2015.

Ms. Bhatia is also the Nodal Officer of the Company in terms of Investor Education Protection Act and Rules made thereunder.

### **<sup>3</sup>Environmental, Social and Governance & Corporate Social Responsibility Committee**

As on March 31, 2024, the CSR Committee comprises of three (03) Non-Executive Directors, out of which one (01) is an Independent Director. There is no designated chairperson for the CSR Committee, the Committee appoints chairperson for each meeting.

The composition of the Committee and attendance details at meetings held during FY 2024, are as follows:

Name of the Member	Category	Meeting Dates & Attendance		% of attendance
		June 20, 2023	February 06, 2024	
Mr. RR Nair	Independent Director			100%
Mr. Sachin Bhalla	Non-Executive Director			100%
Mr. Arnab Roy <sup>1</sup>	Non-Executive Director		NA	100%
Mr. Chitra Sukumar <sup>2</sup>	Non-Executive Director	NA		100%

 : Video Conferencing; NA: Not Applicable

<sup>1</sup>Mr. Arnab Roy, Non-Executive Director resigned from the Board of the Company and ceased to members of the Corporate Social Responsibility Committee with effect from close of business hours on October 13, 2023.

<sup>2</sup>Ms. Chitra Sukumar, Non-Executive Director appointed as member of Corporate Social Responsibility with effect from November 06, 2023, subsequent to resignation of Mr. Arnab Roy

<sup>3</sup>The Board of Directors changed nomenclature of CSR Committee to Environmental, Social and Governance & Corporate Social Responsibility Committee in their meeting held on May 27, 2024, and approved appointment of Mr. RR Nair, as Chairperson of the from even date post closure of financial year March 31, 2024.

The Company had constituted Corporate Social Responsibility (CSR) Committee to oversees, inter-alia, CSR activities and other related matters and discharges the roles as prescribed under Section 135 of the Act which includes formulating and recommending to the Board, a CSR Policy indicating the activities to be undertaken by the Company, as per Schedule VII of the Act, recommending the amount of CSR budget or expenditure to be incurred during the year, formulating and monitoring of the plan as per the CSR Policy of the Company etc.

In order to align the element of sustainability/ ESG principles within the scope of CSR, the Board of Directors approved to change nomenclature of CSR Committee to Environmental, Social and Governance & Corporate Social Responsibility ("ESG & CSR Committee") with effect from May 10, 2024, and adopted ESG charter in the in the Board Meeting held on May

27, 2024, as recommended by the Committee and to assist the Board in meeting its responsibilities by creating a sustainable future through its activities and integrating the elements of sustainability into the Company's business strategy, the Committee also approved constituting a Sustainability Council headed by the Managing Director and comprising representatives of the Company from all parameters of ESG..

ESG stands for Environmental, Social and Governance, and has been considered broader category of Corporate Social Responsibility and socially responsible investors connected / to be connected with the Company also evaluate Company's environmental impact and its social repercussions before investing/ connecting with the Company. Also, there is an increase in reporting requirements around ESG, in the form of introduced Business Responsibility and Sustainability Reporting (BRSR) requirements, underlines the growing relevance and importance of CSR.

Schneider Group is on a continuous improvement journey to create long term value for its stakeholders. The Company has integrated ESG into its governance structure so that the Company can have a better oversight and strengthen management responsibility for business-related ESG challenges and opportunities.

The ESG & CSR Committee oversees, inter-alia, corporate social responsibility and other related matters as may be referred by the Board of Directors and discharges the roles as prescribed under Section 135 of the Act which includes formulating and recommending to the Board, a CSR Policy indicating the activities to be undertaken by the Company, as per Schedule VII of the Act; recommending the amount of expenditure to be incurred, and monitoring the CSR Policy and ESG Charter of the Company.

As part of the Board's Annual Evaluation of its effectiveness and that of its Committees, the ESG & CSR Committee assessed its own effectiveness. The members of the ESG & CSR Committee agreed that its overall performance had been effective during the year.

The Company's policy on CSR and ESG Charter can be accessed at <https://www.schneiderelectricpresident.com/investors/policies.html>

### **Finance Committee**

To facilitate seamless operations and cater to various day-to-day requirements, the board has formed a functional Committee known as the Finance Committee. The Committee meets as and when deem necessary to cater to the day-to-day requirements of the Company.

As on March 31, 2024, the Committee comprises of three (03) Non-Executive Directors. There is no appointed chairperson for the Finance Committee and no meeting of the Committee held during the year. The Committee operates within the overall responsibilities and powers entrusted by the Board.

The composition of the Committee during the FY 2024 and as on date of report is appended below,:

Particulars	No. of Complaints and Status
Mr. Sachin Bhalla	Non-Executive Director
Mr. Arnab Roy <sup>1</sup>	Non-Executive Director
Mr. Subhendu Sarkar <sup>3</sup>	Whole-Time Director & CFO
Mr. Chitra Sukumar <sup>2</sup>	Non-Executive Director
Mr. Prabhu Praveen Das <sup>4</sup>	Non-Executive Director

<sup>1</sup>Mr. Arnab Roy, Non-Executive Director resigned from the Board of the Company and ceased to member of the Finance Committee, with effect from close of business hours on October 13, 2023;

<sup>2</sup>Ms. Chitra Sukumar, Non-Executive Director appointed as member of Finance Committee with effect from November 06, 2023, subsequent to resignation of Mr. Arnab Roy.

<sup>3</sup>Mr. Subhendu Sarkar was appointed as Whole-Time Director and Chief Financial Officer of the Company with effect from December 06, 2023, owing to designation and role change.

<sup>4</sup>The Board of Directors in their meeting held on May 27, 2024, approved appointment of Mr. Prabhu Praveen Das, as member of the Committee from even date post closure of financial year March 31, 2024

Brief Synopsis of Board and Committee Meetings held during the Financial Year 2023-24 and matters approved through Resolution by Circulation:

Type of Meetings/ Particulars	Board Meetings	Audit and Risk Management Committee	Nomination and Remuneration Committee	Corporate Social Responsibility Committee	Stakeholder's Relationship Committee	Finance Committee
No. of Meetings Held	5	5	3	2	1	-
Date of Meetings	June 20, 2023 September 18, 2023 December 06, 2023 February 06, 2024 March 13, 2024	June 20, 2023 September 18, 2023 December 06, 2023 February 06, 2024 March 13, 2024	June 20, 2023 December 06, 2023 March 13, 2024	June 20, 2023 February 06, 2024	February 06, 2024	-
No. of Resolutions approved through circulation and date	8 November 06, 2023 November 11, 2023	3 May 12, 2023	-	-	-	-

## SENIOR MANAGEMENT PERSONNELS

Senior Management Personnels (SMPs) play a pivotal role in the organizational hierarchy by driving the strategic decision and objectives. As on date, the following are the SMPs of the Company:

Name	Designation
Mr. Satish Kotapalli	Senior General Manager – Business Development & Sales
Ms. Sapna Bhatia	Company Secretary & Compliance officer
Ms. Tripti Jairath	Plant Head
Ms. Sindhu Ramu	Deputy General Manager-Human Resource

Based on recommendation of Nomination and Remuneration Committee, and in order to align requirement of LODR Regulations, the Board identified Ms. Tripti Jairath and Ms. Sindhu Ramu as Senior Management Personnel(s) of the Company with effect from May 27, 2024 and Mr. Jagadeesh Arekkara, Mr. Jayanna Ugrappa Shetty and Mr. Manimaran A who were earlier classified as senior management are declassified from the said category, as they were falling in the category of 2 level below the Board of Directors/ Whole Time Directors.

## GENERAL BODY MEETINGS

**ANNUAL GENERAL MEETINGS** : Details of Annual General Meetings held during the last three years, are as under:

Day, Date and Time	Mode of Meeting/ Location	Particulars of Special Resolution(s)
FY 2020-21 Monday, September 20, 2021, 03:30pm (IST)	Through Video Conferencing/ Other Audio-Visual Means	<ul style="list-style-type: none"> <li>Participation in the Worldwide Employee Share Ownership Plan (WESOP) Scheme.</li> </ul>
FY 2021-22 Tuesday, September 13, 2022, 03:30pm (IST)	Through Video Conferencing/ Other Audio-Visual Means	<ul style="list-style-type: none"> <li>Appointment of Mr. Shivaprasad Srinivas (DIN: 09530278) as the Whole-Time Director of the Company in professional capacity effective from March 08, 2022.</li> <li>Participation in the Worldwide Employee Share Ownership Plan (WESOP) Scheme.</li> </ul>
FY 2022-23 Thursday, September 21, 2022, 03:30pm (IST)	Through Video Conferencing/ Other Audio-Visual Means	<ul style="list-style-type: none"> <li>Re-appointment of Mr. Ramakrishna Rajasekharan Nair (DIN:00202551) as Non-Executive Independent Director of the Company for a second term of five (5) consecutive years with effect from November 20, 2023.</li> <li>Re-appointment of Mr. Ranjan Pant (DIN:00005410) as Non-Executive Independent Director of the Company for a second term of five (5) consecutive years with effect from December 17, 2023.</li> </ul>

Note: All the above resolutions placed before the shareholders of the Company were passed with the requisite majority.

**EXTRAORDINARY GENERAL MEETING:** No Extraordinary General Meeting of the members was held during financial year 2023-24.

### POSTAL BALLOT

During the financial year 2023-24, the Company conducted two separate postal ballot events ("Postal Ballot"), pursuant to Sections 108, 110, and other applicable provisions of the Companies Act, 2013, as amended ("the Act") read together with Rules 20 and 22 of the Companies (Management and Administration) Rules, 2014, as amended ("the Rules"), Regulation 44 and other applicable provision, if any of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations"), General Circular No. 14/2020, 17/2020, 22/2020, 33/2020, 39/2020, 10/2021, 20/2021, 03/3022, 11/2022 and 09/2023 dated April 08, 2020, April 13, 2020, June 15, 2020 September 28, 2020, December 31, 2020, June 23, 2021, December 08, 2021, May 5, 2022, December 28, 2022 and September 25, 2023, respectively issued by Ministry of Corporate Affairs, Government of India ("the MCA Circular(s)"), Secretarial Standard on General Meetings issued by The Institute of Company Secretaries of India ("SS-2") and any other applicable law, rules and regulations (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force). Details of the Resolution passed through postal ballot are mentioned hereunder:

#### Postal Ballot 1:

Particulars	Timelines
Date of approval from the Board of Directors	March 06, 2023
Date of Postal Ballot Notice	March 06, 2023
Voting Period	March 15, 2023, to April 14, 2023
Date of passing of the Resolution(s)	April 14, 2023

#### Details of Voting Pattern

Particulars of Resolution(s)	Votes in favour of the Resolution			Votes against the Resolution		
	Number of Members voted	Number of valid Votes cast (shares)	% of total number of valid votes cast	Number of Members voted	Number of valid Votes cast (shares)	% of total number of valid votes cast
Approval to provide loan/financing assistance to the Company's employees to subscribe to Schneider Electric SE's shares and grant of free matching shares under Schneider Electric SE's Worldwide Employee Share Ownership Plan 2023. (Special Resolution)	16	4872178	97.90	16	104486	2.10

Note: Above resolution was passed with the requisite majority.

**Postal Ballot 2:**

Particulars	Timelines
Date of approval from the Board of Directors	March 13, 2024
Date of Postal Ballot Notice	March 13, 2024
Voting Period	March 19, 2023, to April 17, 2024
Date of passing of the Resolution(s)	April 17, 2024

**Details of Voting Pattern**

Particulars of Resolution(s)	Votes in favour of the Resolution			Votes against the Resolution		
	Number of Members voted	Number of valid Votes cast (shares)	% of total number of valid votes cast	Number of Members voted	Number of valid Votes cast (shares)	% of total number of valid votes cast
Approval to provide loan/financing assistance to the Company's employees to subscribe to schneider electric SE's shares, and grant of employer's matching shares under schneider electric SE's worldwide employee share ownership plan 2024 ("2024 WESOP") (Special Resolution)	25	4789320	97.83	16	106439	2.17
Approval for an appointment of Mr. Subhrendu Sarkar (DIN:09813992), as a Whole- Time Director and payment of remuneration (Ordinary Resolution)	27	4789438	97.83	14	106321	2.17
Approval for an appointment of Mr. Prabhu Praveen Das (DIN:10547092) as a Non-Executive (Non-Independent) Director of the Company (Ordinary Resolution)	27	4789438	97.83	14	106321	2.17
Approval of material related party transaction(s) between the Company and Schneider Electric India Private Limited (India) (Ordinary Resolution)	27	296452	73.62	13	106221	26.38
Approval for material related party transaction(s) between the Company and Schneider Electric IT Business India Private Limited (India) (Ordinary Resolution)	27	296452	73.62	13	106221	26.38
Approval for material related party transaction(s) between the Company and Schneider Electric Mexico S.A DE C.V (Mexico) (Ordinary Resolution); and	27	296452	73.62	13	106221	26.38
Approval for material related party transaction(s) between the Company and Schneider Electric Asia Pte. Ltd. (Singapore) (Ordinary Resolution)	27	296452	73.62	13	106221	26.38

*Note: All above resolutions were passed with the requisite majority.*



### Person who conducted the Postal ballot Exercise

Ms. Sapna Bhatia, Company Secretary and Compliance Officer was authorized by the Board of Directors to conduct the Postal Ballot exercise. Mr. Shashikant Tiwai was appointed as the Scrutinizer for both the Postal Ballot events.

### Whether any special resolution is proposed to be conducted through postal ballot

No Special Resolution is currently proposed to be conducted through Postal Ballot (electronic voting) as approved in the Meeting held on May 27, 2024, and will be completed on July 04, 2024 (last day of Postal ballot Evoting).

### Procedure for Postal Ballot

The Postal Ballot was carried out as per the provisions of Sections 108, 110 and other applicable provisions, if any, of the Act, read with Rules 20 and 22 of the Companies (Management and Administration) Rules, 2014, Regulation 44 of the Listing Regulations (as applicable), Secretarial Standard on General Meetings issued by The Institute of Company Secretaries of India, each as amended, and in accordance with the requirements prescribed by the MCA vide General Circulars issued in this regard, the Company provided electronic voting facility to all its members.

The Company had engaged the services of National Securities Depository Limited (“NSDL”) for providing remote e-Voting facilities to the Members, enabling them to cast their vote electronically and in a secure manner.

In view of the continued relaxations issued vide the MCA Circulars, the Company had sent the Postal Ballot Notice in electronic form only to those shareholders who had their email ids registered with the Company/ RTA or their Depository Participants as on the respective cut-off dates. Further, the communication of the assent or dissent of the members took place through the remote e-voting system only. Postal Ballot Notices were published in the relevant newspapers declaring the details and requirements as mandated by the Act and applicable rules and circulars issued thereunder.

The e-voting was kept open for a period of thirty days and the Postal Ballot results were declared, as per the timelines prescribed under the Act and applicable rules.

Voting rights were reckoned on the paid-up value of the shares registered in the name of the members as on the respective cut-off dates.

The Scrutinizer, after the completion of scrutiny, submitted his report to the Company Secretary who was authorized to accept, acknowledge, and countersign the Scrutinizer’s Report

as well as declare the voting results. The consolidated results of the remote e-Voting were then announced by the Company Secretary, authorized by the Board. The results were also displayed on the Company website, Notice Board (Corporate office and Registered office) besides being communicated to the Stock Exchange, Depositories (NSDL and CDSL) and Registrar and Share Transfer Agent (RTA).

*\*Result of Voting Results were intimated to Stock Exchange for the Postal Ballot concluded on April 17, 2024, as the equity shares of the Company got listed on Metropolitan Stock Exchange with effect from January 19, 2024.*

The details of the Postal Ballots are available on the website, at <https://www.schneiderelectricpresident.com/investors/postal-ballot.html>

### MEANS OF COMMUNICATION

Your Company focuses on efficient communication to all its stakeholders at regular interval of times required under the law.

Financial Results ( Quarterly, Half-yearly and Annual Result)

The quarterly/half-yearly/annual financial results are published within the timeline stipulated under Listing Regulations. The results are also uploaded on MSEI portal. The financial results are published within the time stipulated under the Listing Regulations in newspapers in at least one national and one regional newspaper having wide circulation viz. “The Financial Express” in English newspaper all editions and Kannada newspaper Vishwani edition, within 48 hours of the conclusion of the meeting. They are displayed under ‘Investors’ section of the Company’s website and can be accessed at <https://www.schneiderelectricpresident.com/investor-relation.html>

### News Release

Stock exchanges are regularly updated on any developments/ events and the same are simultaneously displayed on the Company’s website as well. All the releases can be accessed on the website of the Company <https://www.schneiderelectricpresident.com/>

*Note: The equity shares of the Company got listed on Metropolitan Stock Exchange with effect from January 19, 2024, and the company has complied with Listing Regulation post listing date.*

### Designated e-mail id

The Company has a dedicated e-mail id, namely [companysecretary@se.com](mailto:companysecretary@se.com) for interaction of the shareholders and updated on the website of the Company.

## Website

In compliance with the Listing Regulations, a separate dedicated section under 'Investors' i.e. 'Disclosure under Regulation 46 and 62 of the Listing Regulations' on the Company's website <https://www.schneiderelectricpresident.com/> gives information on various announcements made by the Company such as comprehensive information about the Company, its business and operations, policies, stock exchange intimations etc. The 'Investors' tab on the website provides information relating to financial performance, annual reports, policies, general meetings, details of unclaimed dividend and shares transferred to IEPF etc. The website has a separate dedicated Tab Announcements" which gives information on various announcements /filings made/submitted by the Company with the Exchange.

## Annual Report

The Annual Reports are emailed to Members and others entitled to receive them. The Annual Report is also available on the Company's website at <https://www.schneiderelectricpresident.com/investors/annual-reports.html>. The Notice of the AGM along with the Annual Report for financial year 2023-24 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories.

## Electronic Communication

During financial year 2023-24, the Company had sent various communications including Annual Reports, by email to those shareholders whose email addresses were registered with the Company/ Depositories. In support of the 'Green Initiative' the Company encourages Members to register their email address with their Depository Participant or the Company, to receive soft copies of the Annual Report, Notices and other information disseminated by the Company, on a real-time basis without any delay.

## SEBI Complaints Redressal System (SCORES)

A web-based complaints redressal system, which serves as a centralized database of all complaints received, enables uploading of Action Taken Reports (ATRs) by the concerned company and online viewing by the investors of actions taken on the complaint and its current status. Further, SEBI vide Circular

dated September 20, 2023, read with Circular dated December 01, 2023, has notified the revised framework for handling, and monitoring of investor complaints received through SCORES platform by the Company and designated Stock Exchanges effective from April 1, 2024. The Members can access the new version of SCORES 2.0 at <https://scores.sebi.gov.in>.

## Online Dispute Resolution

SEBI has established a common Online Dispute Resolution Portal ("ODR Portal") for resolution of disputes arising in the Indian Securities Market. Pursuant to abovesaid circulars, post exhausting the option to resolve their grievances with the RTA/ Company directly and through existing SCORES platform, the investors can initiate dispute resolution through the ODR Portal (<https://smartodr.in/login>) which harnesses online conciliation and online arbitration for resolution of disputes arising in the Indian Securities Market. The Members are hereby informed that the Company has also enrolled itself on Smart ODR portal for shareholders to lodge grievances on ODR platform, if not satisfied with the resolution provided by the Company, RTA and SEBI Scores.

## Green Initiative

All agenda papers for the Board and Committee meetings are disseminated electronically on a real-time basis, by uploading them on a secured online application.

## GENERAL SHAREHOLDERS' INFORMATION

The Corporate Identity Number (CIN) of the Company is L32109KA1984PLC079103. The CIN of the Company has been changed from U32109KA1984PLC079103 to L32109KA1984PLC079103 pursuant to listing of equity shares of the Company on Metropolitan Stock Exchange of India Limited with effect from January 19, 2024.

CIN was changed effective from March 27, 2024, pursuant to an approval of application filed with Ministry of Corporate Affairs for correction of Master data.

## Listing at Stock Exchanges

The equity shares of the Company are listed on Metropolitan Stock Exchange with effect from January 19, 2024. The following are the details of the Company's shares:

Type of Securities	Equity Shares
ISIN	INE155D01018
MSEI Symbol:	SELECTRIC
Metropolitan Stock Exchange of India Limited (MSEI)	Add: 205A, 2nd Floor, Piramal Agastya Corporate Park, Kamani Junction, LBS Road, Kurla (West), Mumbai-400070 Website: <a href="http://www.msei.in">www.msei.in</a>
Annual listing fees	The Company has paid Annual Listing Fee for the financial year 2024-25.

The ISIN of the Company is available on both the National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL)

**Annual General Meeting for Financial Year 2023-24**

<b>Date</b>	September 17, 2024	
<b>Day</b>	Tuesday	
<b>Time</b>	3.30 p.m. [IST]	
<b>Venue</b>	The Ministry of Corporate Affairs and SEBI vide its relevant circulars, has permitted the holding of the Annual General Meeting through video-conferencing / other audio-visual means ('VC/ OAVM'), without the physical presence of the Members at a common venue. In compliance with the provisions of the Act, MCA Circulars and SEBI Circulars, the AGM of the Company is being held through VC / OAVM. For details, please refer to the Notice of ensuing 40 <sup>th</sup> AGM.	
<b>Book Closure</b>	The Register of Members and Share Transfer Books of the Company will remain closed from Wednesday, September 11, 2024, to Tuesday, September 17, 2024 (both days inclusive).	
<b>Online Speaker Registration</b>	Members who desire to speak at the AGM can pre-register as speakers by sending request to the Company as per the instructions provided in the Notice convening the Meeting.	
<b>E-Voting Facility</b>	Remote e-voting facility will be provided to the shareholders before the date of AGM. The Company will also provide remote e-voting facility to the members during the AGM till 30 minutes post conclusion of the meeting to ensure participation and voting through electronic means.	
<b>Transcript of AGM</b>	Recorded transcript of AGM will be made available on the website of the Company.	
<b>Financial Year</b>	The financial year of the Company commences on April 01 of each year and ends on March 31 of subsequent year.	
	<b>Results for the Quarter ending (Tentative)</b>	<b>Financial Year 2024-25</b>
	June 30, 2024	On or before August 14, 2024
	September 30, 2024	On or before November 14, 2024
	December 31, 2024	On or before February 14, 2025
	March 31, 2025	On or before May 30, 2025
<b>Dividend Payment Date</b>	Not Applicable	

**Market Price Data**

The trading activity at MSEI is not frequent and therefore, market prices are not available.

**Registrar And Share Transfer Agent and Share Transfer System**

The Company's Registrar and Share Transfer Agent for Equity Shares is Link Intime India Private Limited ("Link Intime"). All share transfers and related operations are conducted by Link Intime.

Link Intime India Private Limited  
 Add: C-101, 247 Park, 1st Floor,  
 LBS Road, Gandhi Nagar, Vikhroli (West),  
 Mumbai - 400083, Maharashtra, India  
 Phone: +91- 022- 49186178 /49186179  
 Contact Person: Mr. Santosh Gamare  
 Email: [santosh.gamare@linkintime.co.in](mailto:santosh.gamare@linkintime.co.in);  
[rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in)

Members may please note that SEBI vide its Circular dated January 25, 2022, as amended, has mandated the Listed Companies to issue securities in demat form only while processing service requests. It may be noted that any service request can be processed only after the folio is KYC compliant. SEBI has mandated that all requests for transfer of securities including transmission and transposition requests shall be processed only in dematerialized form. In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialization. Members are advised to dematerialize the shares held by them in physical form. Members can contact the Company or Link Intime, for assistance in this regard.

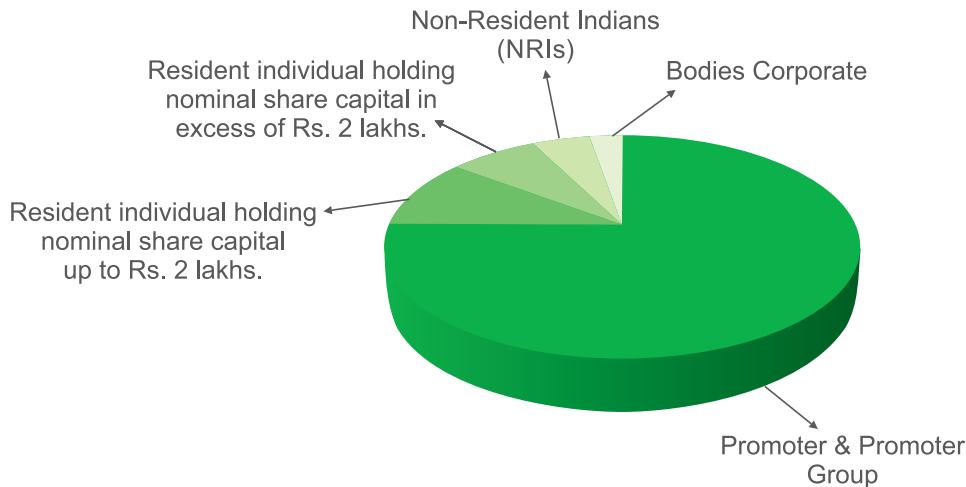
A summary of transfer and transmission of shares of the Company and the Reconciliation of Share Capital is presented to the Board at the quarterly Board meetings. The Share Capital Audit Report is also submitted with stock exchanges on quarterly basis with effect from January 2024. The audit

confirms that the total issued / paid up and listed capital is in agreement with the aggregate of the total number of shares in physical form and the total number of shares in dematerialized form (held with NSDL and CDSL).

### Shareholding Pattern

The detailed break-up of shareholding pattern as on March 31, 2024, is as under:

Category of Shareholder	No of Shares held	Percentage of Holdings
Promoter & Promoter Group	4493086	74.29
NBFCs registered with RBI	14846	0.25
Investor Education and Protection Fund (IEPF)	20758	0.34
Resident Individual holding nominal share capital up to Rs. 2 lakhs.	615249	10.17
Resident individual holding nominal share capital in excess of Rs. 2 lakhs.	432944	7.16
Non-Resident Indians (NRIs)	281852	4.66
Bodies Corporate	158727	2.62
Body Corp-Ltd Liability Partnership	2050	0.03
Hindu Undivided Family	28488	0.48
<b>Total</b>	<b>6048000</b>	<b>100</b>



### Distribution of Shareholding

Shareholding of Nominal Shares	Number of Shareholders	Percentage of Total	Shares in Amount (INR)	Percentage of Total
1 – 5000	1520	85.11	1669190	2.76
5001 – 10000	127	7.11	1033850	1.71
10001 – 20000	55	3.08	867990	1.44
20001 – 30000	27	1.51	664110	1.10
30001 – 40000	10	0.56	356150	0.59
40001 – 50000	11	0.62	491900	0.81
50001 – 100000	13	0.73	1052020	1.74
100001 – *****	23	1.29	54344790	89.86
	<b>1786</b>	<b>100.00</b>	<b>60,480,000</b>	<b>100.00</b>

### Dematerialization of shares and liquidity

The Equity Shares of the Company are tradable compulsorily in electronic form. The electronic holding of the shares as on March 31, 2024, through the National Securities Depository Limited (NSDL) and the Central Depository Services Limited (CDSL) are as follows:

Particulars	Number of Shares	Percentage
NSDL	5334355	88.20%
CDSL	670025	0.72%
Physical	43620	11.08%
<b>Total</b>	<b>6048000</b>	<b>100%</b>

### Outstanding Global Depository Receipts or American Depository Receipts or Warrants or any Convertible Instruments, Conversion date and likely impact on equity

Not Applicable

### Commodity Price Risk or Foreign Exchange Risk and Hedging Activities

The Company is following the Balance Sheet (BS) hedging approach. The Net BS exposures till last calendar year was minimal. The Company had few long pending overdue which has been kept out of hedging exposure due to uncertainty around the cash flow timelines. However, the Company is in process of setting up Forex lines with bank and will be reviewing the exposure status.

### List of all credit ratings obtained by the entity along with any revisions thereto during the relevant financial year, for all debt instruments of such entity or any fixed deposit program or any scheme or proposal of the listed entity involving mobilization of funds, whether in India or abroad.

The Company does not have any debt instrument, fixed deposit program or any scheme or proposal for mobilization of funds. Hence, during the financial year 2023-24, it has not obtained any credit rating for this purpose.

### DETAIL OF MANUFACTURING PLANTS

The detail of the Factories/Plants of the Company located in the state of Karnataka are as under:

Factory	Location
Factory Unit-1	Plot No. 5C/1, 5-D, Survey No. 106 & 108, IChange Village, KIADB Industrial Area, Attibele, Bangalore – 562107, Karnataka
Factory Unit-2	Plot No. 6A, KIADB Industrial Area, Attibele, Bengaluru - 562107, Karnataka

### ADDRESS FOR CORRESPONDENCE

Registered Office	Registrar & Share Transfer Agent (RTA)
5C/1, KIADB Industrial Area, Attibele, Bengaluru-562107, Karnataka, India Website: <a href="https://www.schneiderelectricpresident.com/">https://www.schneiderelectricpresident.com/</a> Phone: +91 80 6788 8300 Email: <a href="mailto:companysecretary@se.com">companysecretary@se.com</a>	Link Intime India Private Limited Add: C-101, 247 Park, 1st Floor, LBS Road, Gandhi Nagar, Vikhroli (West), Mumbai - 400 083, India Phone: +91- 022- 49186178 /49186179 Contact Person: Mr. Santosh Gamare Email: <a href="mailto:gamare@unisec.in">gamare@unisec.in</a> ; <a href="mailto:rnt.helpdesk@linkintime.co.in">rnt.helpdesk@linkintime.co.in</a>
Corporate Office	Compliance and Nodal Officer
Beary Global Research Triangular (BGRT), 6 <sup>th</sup> Floor, Sy. No. 63/3B, Gorvigere Village, Bidarahalli Hobli, Bengaluru East Taluk, Whitefield Hoskote Road, Bengaluru- 560 115, Karnataka, India, Phone: +91 80 4554 0000 Email: <a href="mailto:companysecretary@se.com">companysecretary@se.com</a>	Ms. Sapna Bhatia Company Secretary and Compliance Officer Phone: +91 80 4554 0000 Email: <a href="mailto:sapna.bhatia@se.com">sapna.bhatia@se.com</a> ; <a href="mailto:companysecretary@se.com">companysecretary@se.com</a>

## OTHER DISCLOSURES

Appropriate information on the Company's website regarding key policies and codes adopted by the Company are as follows:

### a) **Materially Significant Related Party Transactions:**

All transactions entered into with related parties are as defined under the Act and Regulation 23 of the SEBI Listing Regulations, each as amended, during the year under review were on an arm's length price basis and in the ordinary course of business. These have been approved by the Audit and Risk Management Committee.

Details of transactions with related parties as specified in Indian Accounting Standards (IND AS 24) have been reported in the Financial Statements. During the year under review, transaction of a material nature with any of the related parties, which was in conflict with the interests of the Company and its Directors or KMPs, Adequate disclosures of the KMP, if any, relating to material financial and commercial transactions where they and/ or their relatives have personal interest were given to the Board of the Company.

Details related to Related Party Transactions have been continuously provided to the Audit and Risk Management Committee on quarterly basis. A comprehensive list of related party transactions as required under IndAS 24 as prescribed in Companies (Indian Accounting Standard) Rules, 2015 and Companies (Indian Accounting Standard) Amendment Rules, 2016, forms part of Notes to the Financial Statements in the Annual Report.

Details of Material related party transaction executed during the year forms part of Annexure III-Form AOC-2 of Board Report. The Policy on material related transaction is available on the website of the Company at <https://www.schneiderelectricpresident.com/investors/policies.html>

### b) **Details of Non-Compliance by the Company, Penalties, Strictures imposed on the Listed Entity by Stock Exchange(s) or the Board or any Statutory Authority, on any matter related to Capital Markets, during the last three years**

The Company was an operating as an unlisted Company before its equity shares were listed on the Metropolitan Stock Exchange of India Limited with effect from January 19, 2024. No penalties and strictures have been imposed by SEBI, Stock Exchanges or any other statutory authority on matters relating to capital markets during the period under review.

The Company has complied with all norms post listing except below reported as delay in compliance:

- i. *In accordance with Regulation 30 of the Listing Regulations, Paragraph A of Part A of Schedule III, and SEBI circular SEBI/HO/CFD/CFD-PoD-1/P/*

*CIR/2023/123 dated July 13, 2023, information regarding changes in the Company's Directors must be submitted to the stock exchange within 30 minutes of the Board meeting's conclusion. However, the submission regarding Mr. Shivaprasad Srinivas's cessation as Whole-Time Director and Mr. Prabhu Praveen Das's appointment as Additional Non-Executive Director was made within 5 hours. The delay was on account of technical error faced by the company while submitting the disclosure.*

- ii. *Due to the resignation of a Non-Executive Director, who was also a member of the Corporate Social Responsibility (CSR) Committee and the Audit Committee (AC), the composition of these committees was non-compliant with Sections 135 and 177 of the Act from October 14, 2023, to November 5, 2023. During this period, no meetings were held, and no resolutions were passed by these committees.*

The Company's securities have not been suspended from trading at any time during the year. The Company has fully adhered to the Corporate Governance requirements set forth under Regulations 17 to 27, Regulation 46(2) clauses (b) to (i), and paragraphs C, D, and E of Schedule V of the Listing Regulations.

Quarterly reports on Corporate Governance compliance, as mandated by Regulation 27 of the Listing Regulations, have been timely filed with the stock exchanges. These reports are also available on the Company's website at [www.schneiderelectricpresident.com](http://www.schneiderelectricpresident.com)

The Company has met all Corporate Governance reporting requirements as specified under the Listing Regulations.

### c) **Whistle Blower Policy/ Vigil Mechanism**

In accordance with the provisions of the Act and Regulation 22 of the SEBI Listing Regulations the Company has in place a Vigil Mechanism and a Whistle-Blower Policy duly approved by the Audit and Risk Management Committee which provides a formal mechanism in place. The Company is committed to highest standards of ethical, moral, and legal business conduct, and developed the internal systems where employees must feel free and psychologically safe to share their ideas, opinions, and concerns, without fear of retaliation. The employees are regularly educated through webinars from time to time to adopt right approach and be a voice to speak on the platform. Accordingly, the Company has adopted a Whistle Blower Policy/Vigil Mechanism as required under the Listing Regulations and Section 178 of the Act for directors, employees, and other stakeholders to report concerns about unethical behavior, actual or suspected fraud or violation. The said policy is available on the website of the Company at <https://www.schneiderelectricpresident.com/investors/policies.html>

The stakeholders, either internal or external, may report concerns either by contacting an appropriate person in the Group (Manager, HR Business Partner, Legal Counsel, or Compliance Officer) and/or by using the Trust Line, the Group's whistleblowing system in terms of Schneider Electric's global Policy.

The Policy requires your Company to investigate such incidents, when reported, in an impartial manner and take appropriate action to ensure that the requisite standards of professional and ethical conduct are always upheld. The concerns reported under this mechanism are scrutinized and addressed in the manner and within the time frames prescribed in the Policy. The Committee oversees the matters reported on a quarterly basis until closure of matter. During the year, no director or employee of the Company has been denied access to the Committee. During the financial year 2023-24, the Company has not received complaints relating to unethical behaviour, actual or suspected fraud or violation of Company's Trust Charter (formerly known as Principles of Responsibility) from any employee, director, or any other person under the provisions of Section 177 of the Act read with the Rules made thereunder.

**d) Discretionary Requirements as Specified in Part E of the Schedule II of the SEBI Listing Regulations:**

It is confirmed that the mandatory requirements as per the Listing Regulations are complied with and the non-mandatory provisions are adopted, wherever necessary. The status of implementation of discretionary requirements as stated under Part E of Schedule II under Regulation 27(1) of the Listing Regulations is as follows:

**The Board:** The Chairperson of the Company is a Non-Executive Independent Director, and no separate office has been maintained by the Company.

**Shareholder Rights:** Annual financial performance of the Company is sent to all the Members whose e-mail IDs are registered with the Company / Depositories. The quarterly financial statements are published in newspapers as per regulations and filed with the stock exchange and made available on the website of the Company at <https://www.schneiderelectricpresident.com/>.

**Modified opinion in Audit Report:** During the year under review, there was no modified audit opinion in the Auditors' Report on the Company's financial statements for the financial year 2023-24.

**Separate posts of Chairperson and the Managing Director or the Chief Executive Officer:** The Board of the Company has appointed Non-Executive Independent Director as Chairman who is not related to any director as per the definition of the term "relative" defined under the Companies Act, 2013.

Further, the Company has appointed Managing Director post closure of financial year 2023-24. The Chairman and Managing Director of the Company operates based on roles and responsibilities and positions have been held by separate person(s)

**Reporting of Internal Auditor:** The Internal Auditor reports to the Audit and Risk Management Committee of the Company, to ensure independence of the Internal Audit function.

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

The Company doesn't have subsidiaries as on March 31, 2024, and therefore, the same is not applicable on the Company.

**f) Web link for policy on dealing with related party transactions.**

The policy on dealing with related party transactions is available on the website of the Company at <https://www.schneiderelectricpresident.com/investors/policies.html>

**g) Disclosure of commodity price risks and commodity hedging activities.**

There are no commodity exposures and commodity hedge contracts entered during the year.

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

During the year under review, the Company did not raise any funds through preferential allotment or qualified institutions placement specified under Regulation 32(7) of the SEBI Listing Regulations.

**i) Certification(s) from practicing company secretary**

None of the Directors of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the SEBI or the Ministry of Corporate Affairs or any such statutory authority. The Company has received a certificate from Mukesh Agarwal & Co., Practicing Company Secretary [CP No. 3851 (FCS: 5991)], and which is annexed to this Report as Annexure C. As per the provisions of the Act and in compliance with Regulation 25(10) of the SEBI Listing Regulations, the Company has taken a Directors and Officers Liability Insurance (D&O) on behalf of all Directors including IDs, Officers, Managers and Employees of the Company for indemnifying any of them against any liability in respect of any negligence, default, misfeasance, breach of duty or breach of trust for which they may be guilty in relation to the Company.

j) **Where the board had not accepted any recommendation of any committee of the board, which is mandatorily required, in the relevant financial year:** Not Applicable

**k) Total fees paid for services of Statutory Auditor**

During the financial year ended March 31, 2024, the Company has paid total fee INR 74,51,000/- to the Statutory Auditors, S.N Dhawan & Co LLP., Chartered Accountants for various services which includes, Statutory Audit, Tax Audit, Limited Review Reports and issuing certificates for submission with Stock Exchange towards listing application pursuant to withdrawal of an appeal pending against SEBI before the Securities Appellate Tribunal (“SAT”) and as per the requirements of MSEI stock exchange as stated below:

Nature of service	Amount in (INR)
Statutory Audit Fee	2,500,000
Tax Audit fee	300,000
Limited Review and certification fees	4,651,000
<b>Total</b>	<b>7,451,000</b>

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

The disclosure regarding the complaints of sexual harassment is given in the Board’s Report.

**m) Disclosure of Loans and advances**

During the year under review, no loans and advances have been given by the Company to firms/companies in which directors are interested. The details regarding the loans and advances, if any granted by the Company can be referred from the Notes to Accounts forming part of the Financial Statements.

**n) Details of material subsidiaries including the date and place of incorporation and the name and date of appointment of the statutory auditors of such subsidiaries.**

The Company does not have any subsidiary and hence, requirement to furnish the above details becomes not applicable.

**o) List of Policies of the Company**

The Company being a group entity of Schneider Electric (SE) adopted and follows policies of Schneider group as applicable from time to time with utmost standards. In terms of compliance with Listing Regulations, Prohibition of Insider trading and the Companies Act 2013 or any other

law as applicable, the Company has adopted policies pursuant to listing of the equity shares of the Company on the stock exchange. As on the date of this report, listed below are the policies of the Company available on the website and can be accessed from the link i.e., <https://www.schneiderelectricpresident.com/investors/policies.html>

**Type of Policy**

1.	Policy on Materiality of Related Party Transactions and dealing with related Party Transactions
2.	Policy for Determination of Materiality of Events Information and Disclosure
3.	Risk Management Policy
4.	Dividend Distribution Policy
5.	Prohibition of Insider Trading Code
6.	Environmental Social and Governance Charter
7.	Corporate Social Responsibility Policy
8.	Policy on Diversity of Board of Directors
9.	Remuneration Policy-Policy on remuneration to be paid to Director, KMP, other employees.
10.	Criteria for making payment to Non-Executive Directors
11.	Charter-Familiarization Program
12.	Whistle Blower Policy & Vigil Mechanism
13.	Schneider Electric Trust Charter-Code of Conduct
14.	Prevention of Sexual Harassment at Workplace
15.	Policy on Preservation of Docs & Archival Retrieval Policy

**D. DECLARATION SIGNED BY THE CHIEF EXECUTIVE OFFICER /MANAGING DIRECTOR STATING THAT THE MEMBERS OF BOARD OF DIRECTORS AND SENIOR MANAGEMENT PERSONNEL HAVE AFFIRMED COMPLIANCE WITH THE CODE OF CONDUCT OF BOARD OF DIRECTORS AND SENIOR MANAGEMENT**

The members of the Board and Senior Management Personnel have affirmed compliance with the Code of Conduct applicable to them. A certificate by the Managing Director is annexed to this report as Annexure A.

**E. COMPLIANCE CERTIFICATE FROM PRACTICING COMPANY SECRETARIES REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE SHALL BE ANNEXED WITH THE DIRECTORS’ REPORT.**

The Company has complied with all the mandatory corporate governance requirements including requirements specified in Regulation 17 to 27 and clauses



(b) to (i) of sub-regulation (2) of Regulation 46 of the Listing Regulations. A certificate to this effect from Mr. Mukesh Agarwal & Co., Practicing Company Secretary [CP No. 3851 (FCS: 5991)], is enclosed with this report as Annexure D.

Further, securities of the Company have not been suspended for trading at any point of time during the financial year ended March 31, 2024.

#### **F. DISCLOSURES WITH RESPECT TO DEMAT SUSPENSE ACCOUNT/ UNCLAIMED SUSPENSE ACCOUNT**

No shares were transfer or lying in the Unclaimed shares suspense a/c during the financial year ended March 31, 2024.

#### **G. DISCLOSURE OF CERTAIN TYPE OF AGREEMENTS BINDING LISTED ENTITIES**

There are no agreements impacting management or control of the Company or imposing any restriction or creating any liability upon the Company.

#### **H. CERTIFICATION**

The certificate required under Regulation 17(8) of the Listing Regulations duly signed by the Managing Director and Chief Whole-Time Director and Chief Financial Officer was placed before the Board and the same is provided as Annexure B to this report.

For and on Behalf of the Board of Directors  
**Schneider Electric President Systems Limited**

**Anuj Kudesia**  
Managing Director  
DIN:10629156

Place: Gurugram  
Date: May 27, 2024

**Subhrendu Sarkar**  
Whole Time Director & Chief  
Financial Officer  
DIN: 09813992  
Place: Kolkata  
Date: May 27, 2024

**Sapna Bhatia**  
Company Secretary  
& Compliance Officer  
Place: Bengaluru  
Date: May 27, 2024

## Annexure A

### DECLARATION BY CHIEF EXECUTIVE OFFICER ON TRUST CHARTER (CODE OF BUSINESS CONDUCT AND ETHICS) OF THE COMPANY

As Managing Director of **Schneider Electric President Systems Limited** and as required under the provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, I, Anuj Kudesia, hereby declare that all members of the Board and Senior Management Personnel have affirmed compliance with the Trust Charter (Code of Conduct) of the Company for financial year 2023-24.

For Schneider Electric President Systems Limited

Managing Director  
DIN: 10629156  
Place: Gurugram  
Date: May 27, 2024

## Annexure B

### CHIEF EXECUTIVE OFFICER\* (CEO) AND CHIEF FINANCIAL OFFICER (CFO) CERTIFICATION

Pursuant to Regulation 17(8) of SEBI India (Listing Obligations and Disclosure Requirements) Regulations, 2015

We, Anuj Kudesia, Managing Director and Subhrendu Sarkar, Whole Time Director and Chief Executive Officer of Schneider Electric President Systems Limited (the "Company") do hereby certify to the board that:-

- A. We reviewed Financial Statements and the Cash Flow Statement of the Company for the year ended March 31, 2024 and that to the best of our knowledge and belief:
- (1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (2) these statements together present a true and fair view of the listed entity's affairs and are in compliance with existing accounting standards, applicable laws, and regulations.
- B. To the best of our knowledge and belief, no transactions entered into by the Company during the year ended March 31, 2024, are fraudulent, illegal, or violative of the Company's code of conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and have disclosed to the Auditors and the Audit and Risk Management Committee, deficiencies in the design or operation of such internal controls, if any, of which that are aware and the steps they have taken or propose to take to rectify these deficiencies.
- D. We have indicated to the auditors and the Audit and Risk Management Committee:
- (1) significant changes in internal control over financial reporting during the year;
  - (2) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - (3) instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the listed entity's internal control system over financial reporting

**Anuj Kudesia**  
Managing Director  
DIN:10629156  
Place: Gurugram  
Date: May 27, 2024

**Subhrendu Sarkar**  
Whole Time Director & Chief  
Financial Officer  
DIN: 09813992  
Place: Kolkata  
Date: May 27, 2024

\*The certificate has been issued by Managing Director as the Company does not have the requirement to appoint Chief Executive officer.

## Annexure C

**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,  
**Schneider Electric President Systems Limited**  
5C/1, KIADB Industrial Area, Attibele,  
Bangalore Rural, Karnataka, 562107

We, Mukesh Agarwal & Co., have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Schneider Electric President Systems Limited** having CIN **L32109KA1984PLC079103** and its Registered Office at 5C/1, KIADB Industrial Area Attibele, Bangalore Rural, Karnataka-562107 Karnataka, (hereinafter referred to as "**the Company**"), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (**including Directors Identification Number (DIN) status at the portal www.mca.gov.in**) as considered necessary and explanations furnished to us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2024 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Designation	Date of Appointment*
1.	Mr. Ranjan Pant	00005410	Chairman and Independent Director	December 17, 2018
2.	Mr. Ramakrishna Rajasekharan Nair	00202551	Independent Director	November 20, 2018
3.	Mr. Sachin Bhalla	07325708	Non-Executive Director	August 01, 2021
4.	Mr. Subhrendu Sarkar	09813992	Whole-Time Director & Chief Financial Officer**	January 01, 2023
5.	Ms. Chitra Sukumar	09814015	Non-Executive Director	January 01, 2023
6.	Mr. Prabhu Praveen Das	10547092	Non-Executive Director	March 13, 2024

\*Original date of appointment

\*\* Mr. Subhrendu Sarkar was appointed as Non-Executive Director on the Board of the Company w.e.f January 01,2023 and appointed as Whole Time Director and Chief Financial Officer with effect from December 06, 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 is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Mukesh Agarwal & Co.  
Company Secretary  
(PR. No. 1875/2022)

**Mukesh Kumar Agarwal**  
Proprietor  
C.P. No. 3851  
UDIN: F005991F000457552

Place: New Delhi  
Dated: May 27, 2024

**CERTIFICATE OF COMPLIANCE WITH THE CORPORATE GOVERNANCE**

To  
The Members,  
**Schneider Electric President Systems Limited**  
5C/1, KIADB Industrial Area, Attibele,  
Bangalore Rural, Karnataka, 562107

We, Mukesh Agarwal & Co., Practicing Company Secretaries have examined the compliance of conditions of Corporate Governance by **Schneider Electric President Systems Limited** having CIN **L32109KA1984PLC079103** and its Registered Office at 5C/1, KIADB Industrial Area Attibele, Bangalore Rural, Karnataka, 562107 (hereinafter referred to as **“the Company”**) for the Financial Year ended March 31, 2024, as stipulated under Regulations 17 to 27 and clauses (b) to (i) and (t) of Regulation 46(2) and para C, D and E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”).

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedure and implementation thereof, adopted by the Company for ensuring the compliance with the conditions of Corporate Governance. We have also examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated under Regulations 17 to 27 and clauses (b) to (i) and (t) of Regulation 46(2) and para-C, D and E of Schedule V of the Listing Regulations for the Financial Year ended March 31, 2024.

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

**Note: The Equity Shares of the Company were listed on the Metropolitan Stock Exchange of India Limited (“Stock Exchange”) w.e.f. January 19, 2024.**

For Mukesh Agarwal & Co.  
Company Secretary  
(PR. No. 1875/2022)

**Mukesh Kumar Agarwal**  
Proprietor  
C.P. No. 3851  
UDIN: F005991F000457563

Place: New Delhi  
Dated: May 27, 2024

# Business Responsibility and Sustainability Report

## SECTION A: GENERAL DISCLOSURES

### I. Details of the listed Entity

1.	Corporate Identity Number (CIN) of the Listed Entity	L32109KA1984PLC079103
2.	Name of the Listed Entity	Schneider Electric President Systems Limited
3.	Year of incorporation	1984
4.	Registered office address	5C/1, KIADB Industrial Area Attibele, Bangalore Rural, Bangalore - 562107, Karnataka, India
5.	Corporate address	BGRT, 6th Floor SY 63/3B, Gorvigere Village, Biadarhalli Hobli, Whitefield, Hoskote Road, Bangalore-560115 Karnataka, India
6.	E-mail	<a href="mailto:companysecretary@se.com">companysecretary@se.com</a>
7.	Telephone	+91 80 4554 0000; +91 80 6788 8300
8.	Website	<a href="https://www.schneiderelectricpresident.com/">https://www.schneiderelectricpresident.com/</a>
9.	Financial year for which reporting is being done	April 1, 2023, to March 31, 2024
10.	Name of the Stock Exchange(s) where shares are listed	Metropolitan Stock Exchange of India Limited
11.	Paid-up Capital	INR 6,04,80,000
12.	Contact Person	
	Name of the Person	1. Richa Gautam (Sr.GM- CSR & Sustainability) 2. Roshan Ouseph (Senior Manager- Sustainability) 3. Sapna Bhatia (Company Secretary)
	Telephone	+91 80 4554 0000; +91 80 6788 8300
	Email address	1. <a href="mailto:richa.gautam@se.com">richa.gautam@se.com</a> 2. <a href="mailto:roshan.ouseph@se.com">roshan.ouseph@se.com</a> 3. <a href="mailto:companysecretary@se.com">companysecretary@se.com</a>
13.	Reporting Boundary	
	Type of Reporting	Standalone Basis
14.	Name of assurance provider	TUV SUD South Asia Limited
15.	Type of assurance obtained	Limited Assurance

### II. Products/services

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

S. No.	Description of Main Activity	Description of Business Activity	Percentage of Turnover of the entity
1	Manufacturing	The company is involved in designing, manufacturing, and supplying both standard and customized enclosure systems for IT and Telecom infrastructure, systems management, and operations.	93.7%
2	Trading	Trading	3.3%
3	Services	Recharges including markups and service revenue i.e., AMC	0.9%

**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	The company is involved in designing, manufacturing, and supplying both standard and customized enclosure systems for IT and Telecom infrastructure, systems management, and operations.	28910	97.1%

**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	2	1	3
International	0	0	0

**19. Markets served by the entity:**

**a. Number of locations**

Locations	Number
National (No. of States)	16
International (No. of Countries)	12

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

43%

**d. A brief on types of customers**

The entity caters to customers in various segments such as Telecom, End users, Channel Partners, and Distributors. It collaborates closely with rack customers, serving a diverse range of end markets, including the Industrial Market, Telecomm Market, and Data Centres.

**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)
<b>EMPLOYEES</b>						
1.	Permanent (D) <sup>1</sup>	86	70	81%	16	19%
2.	Other than Permanent (E) <sup>2</sup>	4	4	100%	0	0%
3.	Total employees (D + E)	90	74	82%	16	18%
<b>WORKERS</b>						
4.	Permanent (F) <sup>3</sup>	115	115	100%	0	0%
5.	Other than Permanent (G) <sup>2</sup>	524	501	96%	23	4%
6.	Total workers (F + G)	639	616	96%	23	4%

## b. Differently abled Employees and workers:

S. No	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
<b>DIFFERENTLY ABLED EMPLOYEES</b>						
1.	Permanent (D) <sup>1</sup>	0	0	0%	0	0%
2.	Other than Permanent (E) <sup>2</sup>	0	0	0%	0	0%
3.	Total differently abled employees (D + E)	0	0	0%	0	0%
<b>DIFFERENTLY ABLED WORKERS</b>						
4.	Permanent (F) <sup>3</sup>	2	2	100%	0	0%
5.	Other than permanent (G) <sup>2</sup>	0	0	0%	0	0%
6.	Total differently abled workers (F + G)	2	2	100%	0	0%

1. Permanent employees are all management-level employees employed with the entity.

2. Other than permanent employees and workers excludes contract services.

3. Permanent workers are all operators employed with the entity.

## 21. Participation/Inclusion/Representation of women

	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	6	1	17%
Key Management Personnel	2	1	50%
Senior Management	5	2	40%

## 22. Turnover rate for permanent employees and workers

	Turnover rate in FY 2023-24			Turnover rate in FY 2022-23			Turnover rate in FY 2021-22		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	10%	7%	9%	13%	8%	12%	10%	9%	10%
Permanent Workers	1%	0%	1%	0%	0%	0%	1%	0%	1%

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

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

S. No.	Name of the holding / Subsidiary / associate companies / Joint ventures (A)	Indicate whether holding / Subsidiary / Associate / Joint Venture	% of sharehold by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1.	Schneider Electric South East Asia (HQ) Pte Ltd	Holding Company	74.29%	No

## VI. CSR Details

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

(ii) Turnover (in INR): 3929.7 million

(iii) Net worth (in INR): 1524.2 million

**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	<a href="https://www.schneiderelectricpresident.com/corporate/company-policy-charter.html">https://www.schneiderelectricpresident.com/corporate/company-policy-charter.html</a>	0	0		0	0	
Investors (other than shareholders)	Yes		0	0		0	0	
Shareholders	Yes		0	0		0	0	
Employees and workers	Yes		0	0		0	0	
Customers	Yes		0	0		0	0	
Value Chain Partners	Yes		0	0		0	0	
Others	-		-	-	-	-	-	-

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

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)
<b>Environment</b>					
1	GHG Emission Reduction	Risk & Opportunity	<p><b>Risk</b></p> <ol style="list-style-type: none"> <li>1. Failure to meet 1.5°aligned GHG reduction emissions targets.</li> <li>2. Reputational impacts and loss of trust from customers, investors, and employees.</li> </ol> <p><b>Opportunity</b></p> <p>Progress towards renewable sources of energy</p>	<ol style="list-style-type: none"> <li>1. Climate strategy for operations and supply chain.</li> <li>2. Net Zero commitment as per SBTi for operations and value chain.</li> <li>3. Climate &amp; resource specific sustainability goals.</li> </ol>	Positive & Negative
2	Water Stewardship	Risk	<ol style="list-style-type: none"> <li>1. Poor water management will lead to depletion of water resources.</li> <li>2. Public scrutiny due to pollution of water bodies</li> </ol>	<ol style="list-style-type: none"> <li>1. Integrated Management System with ISO 14001 certification.</li> <li>2. Deployment of water conservation strategy and action plan for all sites</li> <li>3. Environment policy.</li> <li>4. Site EHS assessment</li> </ol>	Negative



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	Eco-development of Supply Chain	Risk	<p><b>Risk</b></p> <ol style="list-style-type: none"> <li>1. Non-compliance leading to fines &amp; penalties.</li> <li>2. Loss of brand image among customers and global community.</li> </ol>	<ol style="list-style-type: none"> <li>1. Program to reduce CO<sub>2</sub> emissions from our top suppliers' operations</li> <li>2. Supplier code of conduct.</li> <li>3. Independent risk assessment of suppliers.</li> </ol>	Negative
<b>Social</b>					
4	Quality and Safety of Products	Risk & Opportunity	<p><b>Risk:</b></p> <ol style="list-style-type: none"> <li>1. Liabilities for tangible or intangible damages, or personal injuries.</li> <li>2. Incurred costs related to the product recall.</li> </ol> <p><b>Opportunity:</b></p> <p>Become a leader in products quality driving brand reputation and value</p>	<ol style="list-style-type: none"> <li>1. Target to achieve Zero product recall due to safety issues.</li> <li>2. Customer surveys to improve customer satisfaction.</li> </ol>	Positive & Negative
5	CSR	Opportunity	<p><b>Opportunity:</b></p> <ol style="list-style-type: none"> <li>1. Opportunity to give back to community.</li> <li>2. Upliftment of local community.</li> <li>3. Contribute to achievement of UN SDGs</li> </ol>	<ol style="list-style-type: none"> <li>1. CSR Policy and framework.</li> <li>2. Community needs - based CSR programs.</li> </ol>	Positive
6	Social development of Supply chain	Risk	<p>Lack of transparency at suppliers or the discovery of malpractices in terms of human rights may lead to</p> <ul style="list-style-type: none"> <li>• Workers Health &amp; well-being impact</li> <li>• Legal impact</li> <li>• Reputation and brand image.</li> </ul>	<ol style="list-style-type: none"> <li>1. On-site supplier audits in line with Responsible Business Alliance (RBA) protocol.</li> <li>2. Supplier Code of Conduct</li> <li>3. ISO 26000 assessment.</li> <li>4. Decent Work program at suppliers.</li> </ol>	Negative

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)
7	Diversity, Equality & Inclusion	Risk & Opportunity	<p><b>Risk</b></p> <p>Not providing equal opportunities to everyone and limiting the ability to attract and retain the best talents may lead to:</p> <ul style="list-style-type: none"> <li>• Cost of turnover</li> <li>• Loss of women in top potential pipeline</li> <li>• Legal issues</li> <li>• Company image</li> </ul> <p><b>Opportunity</b></p> <p>People attraction and retention with equal opportunities for everyone.</p> <p>Reduce discrimination at workplace</p>	<ol style="list-style-type: none"> <li>1. Target to improve gender diversity.</li> <li>2. Equal employment policy and practices.</li> <li>3. Trust line to address any discrimination.</li> <li>4. Diversity &amp; Inclusion Policy.</li> </ol>	Positive & Negative
8	Talent acquisition, development & retention	Risk & Opportunity	<p><b>Risk</b></p> <p>Not attracting, developing, and retaining the best talent in the market especially for critical skills lead to:</p> <ul style="list-style-type: none"> <li>• Cost of recruiting and onboarding</li> <li>• Gaps in critical skills</li> <li>• Less positive brand perception by talent pool</li> </ul> <p><b>Opportunity</b></p> <p>Recognition as an employer of choice and market leader for talent development for everyone, everywhere, leading to greater talent attraction</p>	<ol style="list-style-type: none"> <li>1. Celebrating Global Career Week</li> <li>2. Target to support the digital upskilling of our employees.</li> <li>3. Global candidate feedback tool to track recruitment experience.</li> <li>4. Functional and digital skills program (CoMET) deployed.</li> </ol>	Positive & Negative

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)
9	Healthy and Safe working conditions	Risk & Opportunity	<p><b>Risk</b></p> <p>Serious or fatal employee injury or illness could result in:</p> <ul style="list-style-type: none"> <li>• Loss of, or impact to employees</li> <li>• Property damage</li> <li>• Impact to Company image</li> <li>• Decreased customer confidence</li> <li>• Fines</li> </ul> <p><b>Opportunity</b></p> <p>Increase confidence of current and prospective employees. Continuous Safety improvement</p>	<ol style="list-style-type: none"> <li>1. Safety strategy &amp; Global safety directives</li> <li>2. Serious Incident Investigation Process (SIIP)</li> <li>3. Globes reporting, Global Safety Alerts</li> <li>4. Site EHS assessment.</li> <li>5. Target to decrease the Medical Incident rate.</li> </ol>	Positive & Negative
<b>Governance</b>					
10	Cybersecurity and data privacy	Risk	<p>Risk of a malicious exploitation or intrusion into the infrastructures of SEPSL production and distribution centers</p> <ul style="list-style-type: none"> <li>• Impact on productivity, data privacy &amp; operations</li> <li>• Financial cost and loss of confidence from stakeholders</li> </ul>	<ol style="list-style-type: none"> <li>1. Dedicated cybersecurity management with policies focusing on data privacy, Asset management, IT security and Business continuity.</li> <li>2. Mandatory Cybersecurity &amp; Data Privacy annual training sessions.</li> </ol>	Negative
11	Transparent Governance, Business ethics and Zero corruption	Risk	<p>Corruption and poor business conduct which may occur through own &amp; third parties' activities (partners, suppliers, agents, companies to be acquired) and will cause various impacts for the company:</p> <ul style="list-style-type: none"> <li>• Reputational</li> <li>• Legal</li> <li>• Financial</li> <li>• Development of the company</li> <li>• Employer brand</li> </ul>	<ol style="list-style-type: none"> <li>1. Trust Line whistleblowing system.</li> <li>2. Target to measure the level of confidence of our employees to report unethical conduct.</li> <li>3. Additional modules as part our anti-corruption e-learning</li> <li>4. Various policies towards minimizing corruption and bribery.</li> </ol>	Negative

\*These material issues were identified as part of material assessment exercise done at Group level. Out of overall 22 material KPIs above 11 were selected as high priority topics.

## SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
<b>Policy and management processes</b>									
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	NA	Y	Y
b. Has the policy been approved by the Board? (Yes/No)	Y	Y	Y	Y	Y	Y	NA	Y	Y
c. Web Link of the Policies, if available	<p>The policies can be viewed on Company's website: <a href="https://www.schneiderelectricpresident.com/investors/policies.html">https://www.schneiderelectricpresident.com/investors/policies.html</a></p> <p><a href="https://www.se.com/in/en/about-us/sustainability/responsibility-ethics/">https://www.se.com/in/en/about-us/sustainability/responsibility-ethics/</a></p> <p><a href="https://www.se.com/ww/en/about-us/suppliers/">https://www.se.com/ww/en/about-us/suppliers/</a></p>								
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)	Yes								
4. Name of the national and international codes/certifications/labels/ standards (e.g., Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustee) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	All our sites are certified for ISO 9001, 14001, 45001, 50001 and our products are certified as per BIS. At Group level, the Company also align with the sustainability goals such as UNSDGs and are part of organizations such as UNGC, WBCSD, WEF and the Climate Group.								
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	Currently all ESG goals are set at Schneider Electric India group level under different pillars like Climate, Resources, Trust, Equal, Generations and Local. Please refer the link for more information: <a href="https://www.se.com/in/en/about-us/sustainability/">https://www.se.com/in/en/about-us/sustainability/</a>								
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	Breakdown of the commitments& targets at entity level and establishing process for target monitoring to be completed by FY24-25. These will be disclosed once finalized & performance against the same will be periodically monitored & reported to stakeholders.								
<b>Governance, leadership, and oversight</b>									
7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements	<p>For SEPSL, sustainability is and will remain fundamental to all our endeavors. As an Impact company, we are resolute in our efforts to amplify our meaningful and enduring impact across all dimensions of ESG (environmental, social, corporate governance, and ethics), from employees to supply chain partners, customers, local communities, and institutions. In our commitment to sustainability, we are aligned with our Global 2021-2025 Schneider Sustainability Impact (SSI) targets, which are in sync with our six long-term commitments related to climate, resources, equal opportunities, trust, all generations, and local communities, as well as the United Nations' Sustainable Development Goals.</p> <p>This year, we have established our ESG &amp; CSR committee and Sustainability Council to drive our ESG objectives and targets across the company. In FY 2024-25, we will be formulating entity-level goals and targets to reinforce focused ESG initiatives at the entity level. The recent SEBI requirement on BRSR has energized efforts to enhance the country's sustainability actions and accelerate its commitment to the UN SDGs. It has also provided us with a platform to exhibit our exemplary practices in reducing carbon emissions, conserving water, enhancing diversity, and ensuring transparent governance at the entity level.</p>								

8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	Name: Anuj Kudesia Designation: Managing Director DIN number: 10629156
9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	<p>Yes. The Company has duly constituted Environmental, Social and Governance &amp; Corporate Social Responsibility (ESG &amp; CSR) Committee, responsible for decision making on Sustainability &amp; In terms of the provisions of Section 135 of the Act and the rules framed thereunder, the CSR Committee was duly constituted by the Board.</p> <p>Further, in order to reflect the element of sustainability/ESG principles within the scope of CSR, the Board of Directors have approved changing the nomenclature of CSR Committee to Environmental, Social and Governance &amp; Corporate Social Responsibility Committee (“ESG &amp; CSR Committee”) vide resolution passed by circular on May 10, 2024 and the Board further adopted ESG principles via its Charter (“ESG Charter”) in the Board meeting held on May 27, 2024 on recommendation of ESG &amp; CSR Committee.</p> <p>The statutory disclosures with respect to the ESG &amp; CSR Committee and composition of Committee forms part of Board’s Report as Annexure I-Annual Report on CSR Activities.</p>

## 10. Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee									Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)										
	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9		
Performance against above policies and follow up action	Y	Y	Y	Y	Y	Y	NA	Y	Y	Quarterly									NA	Quarterly
Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	Y	Y	Y	Y	Y	Y	Y	Y	Y	Quarterly									NA	Quarterly
11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.	P 1 P 2 P 3 P 4 P 5 P 6 P 7 P 8 P 9									P 1 P 2 P 3 P 4 P 5 P 6 P 7 P 8 P 9										
	N			N		Y		N		N		Y		NA		N		Y		
	External audits are conducted in accordance with ISO requirements by Bureau Veritas.																			

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

Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7			P 8	P 9
The entity does not consider the Principles materials to its business (Yes/No)	NA	NA	NA	NA	NA	NA	No			NA	NA
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)	NA	NA	NA	NA	NA	NA	No			NA	NA
The entity does not have the financial or/ human and technical resources available for the task (Yes/No)	NA	NA	NA	NA	NA	NA	No			NA	NA
It is planned to be done in the next financial year (Yes/No)	NA	NA	NA	NA	NA	NA	No			NA	NA

Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Any other reason (please specify)	NA	NA	NA	NA	NA	NA	SEPSL does not currently have a policy for Principle 7 as it does not seek to actively influence public and regulatory policy. However, when requested for input or opinions by regulators or industrial bodies, the company actively participates	NA	NA

### SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURES

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

##### Essential Indicators

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

Segment	Total number of training and awareness programmes held	Topics / principles covered under the training and its impact	Percentage of persons in respective category covered by the awareness programmes
Board of Directors	1	Trust Charter	66%
Key Managerial Personnel (KMP)	>15	Trust Charter, Anti-Corruption, Anti Bribery, Gift & Hospitality, Quality for Safety, Financial Health, Health & Safety, Customer Sensitivity Program, POSH, Sustainability Training, Cybersecurity, Digital Boost, Design Quality Fundamentals & GDPR	100%
Employees other than BoD and KMPs	>15		94%
Workers	>15		91%

- Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format.

No penalty/fines/settlement fees/compounding fees has been paid by the entity or the directors/KMPs to the regulators/ law enforcement agencies/ judicial institutions in the financial year 2023-2024.

None of the directors/KMPs have been imprisoned or punished by regulators/ law enforcement agencies/ judicial institutions, in the financial year 2023-2024.

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

Not applicable since no monetary or non-monetary actions has been taken against the entity or its directors/KMPs in the financial year 2023-24

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

Yes, Schneider Electric Group's Trust Charter and Anti-Corruption policy are designed to align with the legal requirements of relevant laws and regulations, covering anti-bribery, anti-corruption, and ethical management of conflicts of interest. SEPSL prioritizes ethical and responsible conduct, considering it essential in building an attractive and sustainable company. In pursuit of this, the group has developed an Anti-Corruption policy to guide stakeholders when faced with uncertainties about appropriate business practices, reinforcing its zero-tolerance stance against corruption, bribery, and unethical behaviours. The Anti-Corruption policies encompass clear definitions of various activities falling within the scope of corruptive or bribery practices, as well as essential actions for stakeholders to consider in instances involving gifting, facilitation payments, corruption with business partners, philanthropy, sponsoring, conflict of interest, M&A, and lobbying. Additionally, the policy provides clear guidance on reporting concerns related to corruption and bribery, along with the measures taken concerning affected

employees. Self-training modules are available to raise awareness among employees about these policies, supplemented by virtual training sessions. For further information, please visit: <https://www.se.com/in/en/about-us/sustainability/responsibility-ethics/>

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

Not applicable since none of the Directors/KMPs/employees/workers has faced disciplinary action from any law enforcement agencies for the charges of bribery/corruption for last 2 years (FY 2023-24 and FY2022-23)

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

SEPSL has not received any complaints in relation to conflict of interest on its Directors and KMPs during last 2 years (FY 2023-24 and FY2022-23).

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

Not Applicable as there were no issues related to fines/penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest during the financial year 2023-2024

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

	FY 2034-24	FY 2022-2023
Number of days of accounts payables	54.3	42.4

**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 2034-24	FY 2022-2023
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	5%	12%
	b. Number of trading houses where purchases are made from	8	8
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	97%	95%
Concentration of Sales	a. Sales to dealers / distributors as % of total sales	24.6%	13%
	b. Number of dealers / distributors to whom sales are made	7	6
	c. Sales to top 10 dealers / distributors as % of total sales to dealers / distributors	100%	100%
Share of RPTs in	a. Purchases (Purchases with related parties / Total Purchases)	9.48%	14.58%
	b. Sales (Sales to related parties / Total Sales)	44.71%	22.31%
	c. Loans & advances (Loans & advances given to related parties / Total loans & advances)	-	-
	d. Investments (Investments in related parties / Total Investments made)	-	-

**Leadership Indicators**

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

Total number of training and awareness programmes held	Topics/principles covered under the training and its impact	%age of value chain partners covered (by value of business done with such partners) under the awareness programmes
3	1. The Zero Carbon Project (TZCP)	16%
	2. Quality Basics	42%
	3. DWP (Decent Work Program)	15%

\*Does not include indirect procurement and Schneider group companies.

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

Yes, Schneider Electric Group has established a comprehensive Code of Conduct known as the Trust Charter, which serves as the cornerstone of its ethics and compliance program. This Code applies to the Board Members, senior management, and all employees. Annually, the Directors affirm their adherence to the Trust Charter/Code. Additionally, to proactively address and manage potential conflicts of interest involving Board members, Independent Directors must adhere to specific additional provisions, including the submission of a declaration of their independence. This declaration confirms that they meet the criteria of independence and are not aware of any circumstances that could compromise their ability to fulfill their duties objectively and independently. Without explicit permission from the Board, no interested party is allowed to participate in related discussions, votes, or any other supervisory activities. The company also conducts training and awareness sessions on ethical business practices, specifically addressing the avoidance and management of conflict of interests.

**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.**

All the R&D related to the products are being done at Global level and through SEPL (Schneider Electric Private Limited) entity. Hence, we do not have R&D function under SEPSL entity. However, ~5% of overall budget is allocated for R&D activities at Global level.

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

Yes.

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

Out of all the direct material spend at SEIPSL, 16% of the spend was towards sustainable sourcing.

**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.**

At SEPSL, we provide an offer to the customers to take back the products at their end-of-life. However, we are majorly engaged in B2B and most of our customers have procedures in place to ensure proper disposal of the product at end-of-life.

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

Yes. SEPSL actively monitors and ensures compliance with all new Environment, Social, and Governance (ESG) regulations. To comply with Extended Producer Responsibility (EPR) regulations for plastic waste, we've implemented a three-step approach:

1. SEPSL segregates and stores plastic packaging waste generated in the plant from domestic and imported sources at a scrap yard. This waste is then sent to authorized recyclers approved by the pollution control board for further recycling.
2. SEPL has compiled data on all plastics used in products throughout the manufacturing and value chain. This information, includes details on raw materials and plastic packaging for finished goods, is currently assessed by the environment management committee of the respective plants. An application will be submitted to the central pollution control board through the EPR portal to obtain the necessary licenses for importers and brand owners, ensuring compliance with EPR within the specified timeline defined by the pollution control board.



### 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?

Not applicable since SEPSL does not carryout LCA of the products. LCA will be carried out based on customer requirement.

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

Not applicable since SEPSL does not carryout LCA of the products. LCA will be carried out based on customer requirement.

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).

Currently the entity is not using any recycled or reused input material in our product. However, in alignment with Global policies and best practices, the entity is working towards improving the percentage of recycled/reused input material in its production process.

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:

The entity has not received any request from customer to take back products at the end-of-life for current or previous FY. Hence the entity does not have plastic/e-waste/Hazardous waste/Other waste reclaimed at the end of life of product.

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

We have not received any request from customer to take back products at the end-of-life for current or previous FY.

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

#### Essential Indicators

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

Category	Percentage of employees covered by <sup>1</sup>										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity benefits		Day care facilities <sup>3</sup>	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
<b>Permanent employees</b>											
Male	70	70	100%	70	100%	70 <sup>2&amp;4</sup>	100%	70	100%	70 <sup>3</sup>	100%
Female	16	16	100%	16	100%	16	100%	16 <sup>4</sup>	100%	16	100%
<b>Total</b>	<b>86</b>	<b>86</b>	<b>100%</b>	<b>86</b>	<b>100%</b>	<b>86</b>	<b>100%</b>	<b>86</b>	<b>100%</b>	<b>86</b>	<b>100%</b>
<b>Other than Permanent employees</b>											
Male	4	4	100%	1	25%	0	0%	0	100%	4 <sup>5</sup>	75%
Female	0	0	0%	0	0%	0	0%	0	0%	0	0%
<b>Total</b>	<b>4</b>	<b>4</b>	<b>100%</b>	<b>1</b>	<b>25%</b>	<b>0</b>	<b>0%</b>	<b>0</b>	<b>100%</b>	<b>4</b>	<b>75%</b>

1. The count of employees only include the employees who are part of the payroll as on Mar 31st, 2024. (Dependents of Expired & Separated employees to whom insurance has been extended for a fixed period has not been included)
2. Maternity benefits provided to spouse as part of medical insurance.
3. The Company provides day care facility for primary caregiver, irrespective of gender from FY23-24.
4. As per Schneider policy, Parent (Biological/Adoption/Surrogacy) irrespective of gender who will take responsibility for the care of the new child, but is not the primary parent can avail the paternity benefit.
5. Primary parent irrespective of gender can access our in-house creche facility.

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

Category	Percentage of workers covered by <sup>1</sup>										
	Total (A)	Health insurance		Accident insurance		Maternity benefits <sup>2</sup>		Paternity benefits		Day care facilities <sup>3</sup>	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
<b>Permanent workers</b>											
Male	115	115	100%	115	100%	115 <sup>2&amp;4</sup>	100%	115	100%	115 <sup>3</sup>	100%
Female	0	0	0	0	0	0	0	0 <sup>4</sup>	0	0	0%
<b>Total</b>	<b>115</b>	<b>115</b>	<b>100%</b>	<b>115</b>	<b>100%</b>	<b>115</b>	<b>100%</b>	<b>115</b>	<b>100%</b>	<b>0</b>	<b>0%</b>
<b>Other than Permanent workers</b>											
Male	501	501	100%	0	0%	0	0%	0	0%	501 <sup>5</sup>	100%
Female	23	23	100%	0	0%	0	0%	0	0%	23	100%
<b>Total</b>	<b>524</b>	<b>524</b>	<b>100%</b>	<b>0</b>	<b>0%</b>	<b>0</b>	<b>0%</b>	<b>0</b>	<b>0%</b>	<b>524</b>	<b>100%</b>

1. The count of workers only include the employees who are part of the payroll as on Mar 31st, 2024. (Dependents of Expired & Separated employees to whom insurance has been extended for a fixed period has not been included)
2. Maternity benefits provided to spouse as part of medical insurance.
3. The Company provides day care facility for primary caregiver, irrespective of gender from FY23-24.
4. As per Schneider policy, Parent (Biological/Adoption/Surrogacy) irrespective of gender who will take responsibility for the care of the new child, but is not the primary parent can avail the paternity benefit
5. Primary parent irrespective of gender can access our in-house creche facility.

**c. Details of measures for the well-being of workers:**

	FY 2023-24	FY 2022-23
<b>Cost incurred on well-being measures as a % of total revenue of the company</b>	0.30%	0.36%

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

Benefits	FY 2023-24			FY 2022-23		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority
PF	100%	100%	Yes	100%	100%	Yes
Gratuity	100%	100%	NA	100%	100%	NA
ESI	NA*	NA *	NA	100%	100%	Yes

\*NA (Employees are not eligible to cover under ESIC)

**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. Our Diversity, Equity, Inclusion (DEI) Charter ensures that all SEPSL workplaces are accessible and comply with Local Government regulations.

As of 2023, we have enhanced our Equal Employment Opportunity (EEO) policy and have also drafted a separate EEO policy for PwD calling out the accessibility support and support extended from organization's end to ensure disability inclusion. We have established a PwD council - a task force & Liaison officer to monitor and make relevant progress. Through robust redressal mechanism, we have made significant progress in creating accessible ecosystem. We continue to work with facility

team, liaison officer and Pwd council in ensuring 100% accessible infrastructure for everyone and have also built an internal tool for employees to voluntarily declare their disabilities in the organization, seek reasonable accommodation and other support if required.

Schneider Electric is committed to the inclusion of people with disabilities, and strives to tackle the stereotypes they may face, through raising awareness, internally and externally. We have also taken concrete steps towards Disability Inclusion through our SAKSHAM program, which includes enabling and employing PwD, infrastructure audit, awareness, and actions for accessible workplace. Under Saksham, we have conducted multiple sensitisation sessions, equipping our hiring managers on inclusive hiring, and called in industry experts to have conversations around accessibility in action – ways to leverage technology to build accessible infrastructure and communication.

We are an equal employment opportunity provider, we continue to build more inclusive spaces for people with disabilities by making our workplaces and premises, our policies, HR systems, tools, and processes – including those used in recruitment, written communications, websites, and events accessible. It is a top driven agenda and is a priority for our leadership as well.

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

Yes. Schneider Electric Group does have equal opportunity policy stated in our Diversity and Inclusion policy which is adopted by the SEPSL entity. Kindly refer the link <https://www.se.com/in/en/about-us/sustainability/responsibility-ethics/>

Yes. Equal Employment Opportunity policy (EEO) and Equal employment Opportunity Policy - People with Disability (EEO PwD) for Greater India Region is available reinforcing our commitment to create a diverse and inclusive workplace where everyone has equitable opportunities for advancement. The policy ensures that all individuals, regardless of their gender identity, orientation, ethnic and socio-economic backgrounds, generation, and disability, are treated fairly in all aspects of employment. It is in line with our commitment to help prevent discrimination, harassment, and bias, fostering a positive work environment for all employees promoting fairness, equality, and respect within the workplace.

Refer to the policy at: [https://www.se.com/ww/en/download/document/Diversity\\_Inclusion\\_Policy/?ssr=true](https://www.se.com/ww/en/download/document/Diversity_Inclusion_Policy/?ssr=true)

**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%	100%	0%	0%
Female	100%	100%	0%	0%
Total	100%	100%	0%	0%

**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	Yes	At SEPSL, trust is the foundation of business. It serves as a compass, in an ever more complex world and is core to our commitments aligned with our sustainability strategy. Having a Speak Up mindset means having people who feel comfortable to voice doubts. Ensuring a Speak Up mindset means building a system and atmosphere that allows and encourages people to do so.
Other than Permanent workers	Yes	
Permanent employees	Yes	
Other than Permanent employees	Yes	Trust Line ( <a href="https://www.se.com/in/en/about-us/sustainability/responsibility-ethics/trustline/">https://www.se.com/in/en/about-us/sustainability/responsibility-ethics/trustline/</a> ) is our single-entry point for all internal & external stakeholders to blow the whistle/ raise a grievance. When an alert is raised, it is subject to a thorough and confidential investigation, protecting all individuals involved. The findings of such investigations are then submitted to the relevant governing committees, who decide on the appropriate action to be taken. Employees and workers also have the option of airing grievances via HR directly or via different employee committees in the company

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

Category	FY 2023-24			FY 2022-23		
	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)
<b>Permanent employees</b>						
Male	70	0	0%	74	0	0%
Female	16	0	0%	15	0	0%
<b>Total</b>	<b>86</b>	<b>0</b>	<b>0%</b>	<b>89</b>	<b>0</b>	<b>0%</b>
<b>Permanent workers</b>						
Male	115	115	100%	116	116	100%
Female	0	0	0%	0	0	0%
<b>Total</b>	<b>115</b>	<b>115</b>	<b>100</b>	<b>116</b>	<b>116</b>	<b>100%</b>

8. Details of training given to employees and workers

Category	FY 2023-24					FY 2022-23				
	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)
<b>Employees</b>										
Male	70	66	94%	66	94%	74	73	99%	74	100%
Female	16	14	14%	14	88%	15	10	67%	14	93%
<b>Total</b>	<b>86</b>	<b>80</b>	<b>94%</b>	<b>80</b>	<b>94%</b>	<b>89</b>	<b>83</b>	<b>93%</b>	<b>88</b>	<b>99%</b>
<b>Workers</b>										
Male	115	113	98%	113	98%	116	113	97%	113	97%
Female	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>115</b>	<b>113</b>	<b>98%</b>	<b>113</b>	<b>98%</b>	<b>116</b>	<b>113</b>	<b>97%</b>	<b>113</b>	<b>97%</b>

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

Category	FY 2023-24			FY 2022-23		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
<b>Employees</b>						
Male	70	69	99%	78	77	99%
Female	15	14	93%	12	12	100%
<b>Total</b>	<b>85</b>	<b>83</b>	<b>98%</b>	<b>90</b>	<b>89</b>	<b>99%</b>
<b>Workers*</b>						
Male	0	0	0%	0	0	0%
Female	0	0	0%	0	0	0%
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0%*</b>	<b>0</b>	<b>0</b>	<b>0%</b>

\*The workers are not subjected to performance reviews; instead, they are engaged through long-term settlement contracts.

Note: The performance review cycle is between Jan-Dec. Hence there will be a drop in coverage % if there is a recruitment between Dec-Mar of every financial year and change in Head count if there are any resignations between Dec- Mar.

## 10. Health and safety management system:

### a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage such system?

Yes, All locations of SEPSL maintain a strong occupational health and safety management system aligned with ISO 45001 standards. External auditors from accredited organizations conduct regular audits to ensure compliance. Internally, SEPSL drives its Occupational Health and Safety (OHS) Management system through its Safety Strategy, focusing on pillars such as “Technical qualification & self-behaviors,” “Leading as a role model,” “Operational discipline & execution,” and “Safe workplace for everyone.” These pillars encompass five guiding principles and address the top five hazards—driving, falls, machines, electrical, and powered industrial trucks—derived from proactive and reactive indicators.

The OHS management system is evaluated annually using the EHS Assessment tool by internal auditors. This assessment covers the plant hazard profile, specific hazards mapping, 16 dedicated safety assessment cards, and 6 environment assessment cards.

### b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

SEPSL has embraced a global approach to assess work-related hazards through several processes, including:

1. Safety walk-by audits conducted by employees at various levels, including top management.
2. Specific audits and inspections for high-risk activities such as working at height, electrical work, driving, Material Handling Equipment operation, gas cylinder and chemical handling, and hot work.

The management has established an EHS committee that convenes quarterly to review actions and update plant-level risk assessments. Specific risk assessment formats have been developed for on-the-job risk assessment and routine assessment records. Additionally, a management of change process is in place to pre-assess and address risks associated with any modifications or changes to existing systems, ensuring the protection of personnel, machinery, and materials.

Non-routine activities are conducted under the work permit system, ensuring compliance with on-the-job risk assessment and toolbox talks. Moreover, external expert agencies conduct various risk assessments for specific activities such as electrical work, fire safety, and machinery.

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

Yes. SEPSL has implemented multiple systems for employees to report work-related hazards, including LDS (Lean Digitization System), the Safety Enablon App, DISS (Digitized Idea & Short Interval Meeting System), physical reporting formats, EHS Committees, the IDEA system, walk-by observations with employees, and monthly communication meetings. These systems are easily accessible to all employees for reporting hazards. When a hazard is reported, the action owner receives alert messages and emails, prompting them to initiate corrective actions.

Furthermore, Short Interval Meetings (SIM) are conducted in every shift, allowing operators to share work-related hazards and address them through cross-functional teams.

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

Yes, SEPSL has established dedicated Occupational Health Centers staffed with trained medical professionals, including doctors and paramedical staff. Various initiatives have been implemented to promote employee well-being and enhance health awareness, such as health check-up camps conducted by external health experts, free consultations for employees, their spouses, and dependent family members, as well as Bone Mineral Density camps, Ortho Consultations, and discussions on healthy living.

During the Covid-19 scenario, extensive efforts were made to safeguard employee health. Additionally, annual health check-ups, quiz campaigns focusing on skincare and heart health, free dental health check-up camps, discussions on holiday-related risks, and preventive tetanus vaccination camps have been organized.

Furthermore, medical insurance and ESI are provided to our employees and workers, covering non-occupational medical and healthcare services.

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

Safety Incident/ Number	Category	FY 2023-24	FY 2022-23
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0	0
	Workers	0	0
Total recordable work-related injuries	Employees	0	0
	Workers	0	0
No. of fatalities	Employees	0	0
	Workers	0	0
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
	Workers	0	0

*\*Definition of employees and workers taken as per Factories act to report work related injuries.*

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

At SEPSL, the safety of our employees is our top priority, and have implemented several robust measures to ensure a safe working environment, as detailed below:

1. Comprehensive induction and job-specific training programs are provided for all employees and visitors entering the SEPSL's facilities.
2. Advanced safety technologies are deployed to protect machine operators, including physical guarding, light curtain sensors, occupancy sensors, two-hand operation, and double pedal controls.
3. New, state of art advanced machinery with safety mechanisms is acquired, while outdated machines are repurposed for fabrication works.
4. Ergonomic improvements include attaching television screen cameras to machines like hump bending machines to enhance operator safety and ergonomics.
5. Vertical lifeline systems are installed on all vertical ladders, and horizontal lifeline systems are set up for rooftop work to prevent falls from heights.
6. Fire safety measures include the installation of CO<sup>2</sup> gas suppression systems in electrical panels, the creation of firewalls for panel room separation, and the application of 2-hour fire-rated coating on electrical cables. Firefighting systems, such as hydrant and sprinkler systems, capacity enhancement of fire water tanks, and fire alarm systems, are upgraded in accordance with National Fire Protection Association guidelines and BIS Standards.
7. To sustain safety management systems, regular safety walk-throughs with the plant leadership team, the use of the LDS system for workforce reporting of safety opportunities, and monthly safety committee meetings involving management and shop floor employees have been enforced.
8. Quarterly safety campaigns are conducted across sites, focusing on specific safety themes.
9. Annual assessments are performed based on EHSA guidelines, with a special focus on the top 5 hazards and compliance.
10. Global safety alerts are communicated to all shop floor employees, and site-specific actions are tracked against these alerts.
11. Safety directives are available at every site, and machine-specific risk assessments are carried out to identify and address hazards. Employees undergo machine-specific safety training before working on machines, followed by assessments to ensure qualification for deployment.

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

No complaints were made on working conditions or health and safety in SEPSL during current and previous financial year (FY2023-24 and FY2022-23)

**14. Assessment for the year:**

	Percentage of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100%
Working conditions	100%

*\*Assessment is carried out by both internal audit teams as well external auditor on safety management systems.*

**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.**

SEPSL conducts comprehensive incident investigations to identify the root causes of reported issues. Our thorough procedure involves analysing a range of factors, including human elements, methods, equipment, transportation management, organizational changes, and the working environment. In the event of a significant accident at any Schneider Electric entity, SEPSL communicates it through Safety Alert system and deploy the corresponding action plan across all SEPSL sites.

**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. SEPSL does provide term insurance for both employee and workers.

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

Supply chain partners who are assessed under the supplier vigilance program are required to provide proof of payment of all legally mandated wages and deductions (Tax Deducted at Source, Bonus, ESIC, Provident Fund and Professional Tax). Evidence of the requirement is collected based on the sample population selected for the audit. The sample population includes direct employees, third party employees, support staff, off-site employees and any other functional staff/employees working for the organization. Evidence is also collected for peak, low and medium production periods to have a more uniform understanding of how the wages and deductions are managed through the year.

In case, the supplier vigilance team identifies any observations at the suppliers, the supplier is given a timeframe within which they are to prepare and execute an acceptable corrective action plan. Escalation will be done to the SEPSL Procurement management through the Vigilance Team in case a supplier does not act on a non-conformance in the given timeframe or refuses to close the same. (This however has not happened in 2023)

The SEPSL Supplier Vigilance auditor will periodically review the progress on the closure. Final closure of the identified point is carried out through remote evidence submission. In case the auditor feels an onsite verification is required, the same is carried out. The company has also implemented the "Decent Work Program" where categories of suppliers are sent questionnaires to be answered on a variety of parameters (67 questions across 10 pillars). SEIL will work with them to ensure that they have the necessary policies & procedures in place to meet the highest standard on these pillars/ focus areas.

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

There were no cases of employees / workers having suffered high consequence work related injury / ill-health / fatalities in SEPSL entity for last 2 financial years (FY2023-24 & FY2022-23). Hence there was no necessity to rehabilitate or place in suitable employment.

**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, employees aged 56 and above have access to in-house Transition Assistance programs, such as the 'Career Transition workshop,' which offer sessions covering health, financial wellness, social security, holistic wellness, and more.

**5. Details on assessment of value chain partners:**

	Percentage of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices*	100%
Working Conditions *	100%

*\*100% of the suppliers were assessed by Elevate through (Virtual assessment) and 5% by inhouse team (On-site audit).*

To identify supply chain partners at higher risk of not meeting legal and international Health, Safety & working condition standards, SEPSL collaborates with Responsible Business Alliance (RBA) and Elevate, an ESG risk analysis company. Together, SEPSL conducts annual assessments of our direct and indirect suppliers worldwide, rating each supplier on a scale of 1 to 10.

Suppliers receiving a score of 5 or less are classified as high-risk and undergo onsite assessment according to RBA standards. Those scoring between 5 and 7.5 are categorized as medium risk and are given a remote questionnaire covering key RBA audit areas. If acceptable responses are not provided, an onsite audit is initiated.

**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.**

Assessments of health and safety standards at supply chain partner sites have yielded valuable insights into areas for improvement that partners should address. While the overarching approach revolves around establishing a Plan-Do-Check-Act system within the organization, SEPSL's Supplier vigilance team collaborates with each individual supplier that has been assessed to tailor corrective actions to align with their specific industry, team, and workforce.

The improvement process is determined based on the current level of the program in place and the appropriate delegation of responsibilities. It's often observed that a single individual is tasked with managing the system independently.

Examples of corrective actions that have been put into effect include:

1. Requesting supplier teams to establish a monitoring system for legal requirements, industry best practices, incident management, internal compliance, and related topics.
2. Implementing risk assessments, HAZOP studies, industrial hygiene studies, and PPE needs analysis based on the industry type and level of risk.
3. Planning, monitoring, documenting, and reviewing training programs related to fire safety, PPE use, first aid, safe work practices, and incident reporting for effectiveness.

If the supplier teams lack the necessary competency to implement the system, SEPSL's Vigilance team devises a plan based on the available resources at the supplier site and implements it over time through multiple training and monitoring sessions with the supplier team.

Upon implementation, the team allows the supplier team time to acclimate to the system and conducts an assessment after 3-6 months to review the effectiveness of the action plan. In the event of a Priority Non-conformance finding, the Vigilance Team will revisit the site after 3 years to ensure long-term implementation.

**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.**

SEPSL considers stakeholder as any Individual, group of individuals, community or an institution which can have an impact on our operations and perception of the brand. SEPSL engages with a broad spectrum of stakeholders, to deepen its insights into their needs and expectations, and to develop sustainable strategies for the short, medium, and long term. Stakeholder engagement also helps to manage risks and opportunities in business operations. The key stakeholders are identified in consultation with the company's management, business & functional heads and they majorly include Investors, Shareholders, Customers, Business partners (including suppliers, service providers, distributors), Employees & workers, Regulatory bodies, Trade bodies & other organizations, Local community.



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	Frequency of engagement	Purpose and scope of engagement including key topics and concerns raised during such engagement
<b>Shareholders</b>	No	Website Newspaper Publications	Quarterly and annually	Financial performance; Annual Report
<b>Investors</b>	No	Investor Presentations, Meetings & calls Press releases & E-mails Factory visits Websites Annual Reports	Quarterly, Ongoing, Need Based	Strategy and risk management Financial performance Business outlook
<b>Customers</b>	No	Phone calls Site Visits One- on-One Meetings Seminars Conferences & Events E-Mails Customer Care Contact Customer Satisfaction Surveys Website and Social Media	Ongoing, Need Based	New Product availability Relationship management Product quality & effectiveness Product pricing Innovation Customer feedback & grievances Environmental information on products
<b>Business Partners (Suppliers, Dealers/ Distributors/ etc.)</b>	No	Supplier Meets & Conferences In persons Meetings Phone calls Business Reviews Trainings & Events Audits/ assessments	Ongoing, Need Based, Annual	Business continuity and business development Relationship management Environment footprint Social accountability Training and development of partners and suppliers
<b>Employees &amp; Workers</b>	No	Internal Surveys Internal communication through E-mails, Yammer group and Town halls Workshops & Events Meetings & Trainings Internal Website Notice Boards & Newsletters	Ongoing, Need Based	Professional & Personal Improvement Global & Local Policy changes Company performance Work-life balance Employee engagement Diversity and equal opportunity Learning & development Organization culture/ workplace CSR Volunteering
<b>Regulatory Bodies</b>	No	Compliance's filings	Ongoing	Compliance reporting Disclosures on aspects defined by the government
<b>Trade Bodies &amp; Other Organisations</b>	No	Need basis Participation in industry level consultation groups Participation in forums	Ongoing	Contribution Innovation Inputs on policy Sharing Sustainable best practices
<b>Local Community &amp; Civil Society</b>	Yes	Direct engagement through meetings Websites Social media Volunteering Visits and Camps CSR projects and engagement	Ongoing	Education & healthcare Environmental protection Social upliftment Company updates & performance Employment opportunities

## 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.**

In addition to the standard modes of stakeholder engagement mentioned earlier, SEPSL has established a specific process for engaging stakeholders to conduct materiality assessments. Through this process, SEPSL engages with our priority stakeholders to understand the key focus areas for SEPSL in the environmental, social, and governance aspects of sustainability. The outcomes of the materiality assessment, derived from stakeholder engagement, are shared with the board for review and input. These results are then utilized in formulating Company's ESG roadmap.

- 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. The group had conducted a materiality assessment exercise through stakeholder engagement. The material topics identified in this exercise will serve as the foundation for our upcoming ESG strategy and programs for SEPSL.

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

Schneider Electric Group firmly believes that access to energy is a fundamental human right, and it is our aspiration to ensure that everyone on our planet has access to reliable, safe, efficient, and sustainable energy. Established as an independent entity in 2008, the Schneider Electric India Foundation envisions empowering the lives of individuals from financially disadvantaged backgrounds. Through collaborations with Channel Partners and NGO Partners, SEPSL have successfully executed flagship projects, yielding significant impacts on society.

Schneider Electric India Group's CSR endeavors are geared towards empowering lives for inclusive growth through our targeted initiatives. Our initiatives span diverse areas, encompassing youth skilling in the electrical and solar domains, facilitating energy access in rural India, nurturing young minds to become champions of energy and environmental conservation, and restoring energy infrastructure during emergencies.

Under the purview of the Schneider Electric India Foundation, Tree Plantation has been newly emphasized as a focus area with the goal of creating a carbon sink by sequestering CO<sub>2</sub> emission through the planting of 1 million trees by 2025. This initiative underscores our dedication to environmental stewardship and sustainability. Throughout the year, our teams have collectively planted a total of 60,000 saplings in various locations, including Mangrove Plantation at Sundarbans, West Bengal. This concerted effort has not only enriched local biodiversity but also contributed to reducing our carbon footprint.

Beyond environmental conservation, this initiative has empowered our employees to actively engage in meaningful environmental action, fostering pride and unity within our organization. It has also enabled us to form valuable partnerships with local communities and environmental organizations, magnifying our impact.

## 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)
<b>Employees</b>						
Permanent	86	80	93%	89	83	93.2%
Other than Permanent	4	3	75%	1	0	0%
<b>Total Employees</b>	<b>90</b>	<b>83</b>	<b>92.2%</b>	<b>90</b>	<b>83</b>	<b>92.2%</b>
<b>Workers</b>						
Permanent	115	113	98.3%	116	114	98.3%
Other than Permanent	524	524	100%	530	530	100%
<b>Total Employees</b>	<b>639</b>	<b>637</b>	<b>99.6%</b>	<b>646</b>	<b>644</b>	<b>99.7%</b>

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

Category	FY 2023-24					FY 2022-23				
	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)
<b>Permanent Employees</b>										
Male	70	0	0%	70	100%	74	0	0%	74	100%
Female	16	0	0%	16	100%	15	0	0%	15	100%
<b>Other than Permanent Employees</b>										
Male	4	0	0%	4	100%	1	0	0%	1	100%
Female	0	0	0%	0	0%	0	0	0%	0	0%
<b>Workers</b>										
Male	115	0	0%	115	0%	116	0	0%	116	100%
Female	0	0	0%	0	0%	0	0	0%	0	0%
<b>Other than Permanent Workers</b>										
Male	501	0	0%	501	100%	497	0	0%	497	100%
Female	23	0	0%	23	100%	33	0	0%	33	100%

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

## a. Median remuneration/wages

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BoD)	1	3,215,403	0	0
Key Managerial Personnel	2	4,372,272	1	2,154,652
Employees other than BoD and KMP	80	1,222,700	17	783286
Workers	116	1,031,822	0	0

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

	FY 2023-24	FY 2022-23
Gross wages paid to females as % of total wages	7.59%	5.97%

## 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. Individuals are encouraged to submit complaints or queries related to any issues aligning with our principles through Trust Line (<https://www.se.com/in/en/about-us/sustainability/responsibility-ethics/trustline/>) on our website. These submissions are thoroughly investigated by the compliance or relevant team and appropriate actions are taken. However, the final decision authority for addressing HR-related issues rests with the Zone VP HR.

In cases related to Prevention of Sexual Harassment (POSH), individuals can file complaints or queries through Trust Line via our website, POSH email ID, or by reaching out to the Internal Complaints Committee (ICC) or HR Business Partner (HRBP). These cases are investigated by the relevant committees and necessary measures are implemented. The ICC comprises a central committee with 5 members.

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

Trust Line is Schneider Electric Group's global helpline for internal & external stakeholders. It is a confidential channel through which anyone can ask questions and raise concerns about ethics, compliance or Schneider Electric's Trust Charter

Schneider Electric’s Code of Conduct and related policies. It also assists management and employees in working together to address fraud, abuse, and other misconduct in the workplace to promote a safe and positive work environment. The Trust Line can be used by employees and temporary workers of Schneider Electric and is designed for employees to report any violation of laws and regulations or our Code of Conduct - Trust Charter and related policies (e.g., our Anti-Corruption Code of Conduct), resulting from the activities of Schneider Electric and its subsidiaries, as well as the activities of subcontractors and suppliers with whom a business relationship has been maintained. Any allegation of non-compliance reported either on-line or via telephone through the Trust Line, the Group Compliance Committee is notified of all reports. The Committee forwards reports to the appropriate regional Compliance Officers and their investigation teams after a preliminary check of the validity of the report according to the Whistleblowing policy. In accordance with local regulations and Company practices, an investigation will be conducted. All investigations will be conducted in an objective, timely and thorough manner. Reporters may check the status of the investigation by clicking the Follow Up link on the RED website. The Trust Line makes these reports available only to certain high-level executives, compliance officers, and investigators within the company who have the responsibility to address concerns reported.

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

In the current and previous fiscal years, there have been no reports of sexual harassment, workplace discrimination, child labour, forced labour, involuntary labour, wage issues, or any other human rights concerns.

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

	FY 2023-24	FY 2022-23
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	0	0
Complaints on POSH as a % of female employees / workers	0%	0%
Complaints on POSH upheld	0	0

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

At SEPSL, it is ensured that employees can speak up against discrimination and harassment cases through “Speak Up culture”. All complaints can be made without fear of reprisal and with the assurance that the Company stands with you. Threats, retribution, or retaliation against any person who has in good faith reported a violation or a suspected violation of law, trust charter or other Company policies, or against any person who is assisting in any investigation or process with respect to such a violation is prohibited by the Company. Investigation teams adhere to the principles of natural justice, confidentiality, sensitivity, non-retaliation, and fairness while addressing concerns. The concerns are handled with sensitivity, while delivering timely action and closure. A detailed investigation process ensures fairness for all involved, with an opportunity to present facts and any material evidence.

When anyone chooses to submit a report via the web portal, Schneider Electric Compliance Team ensures a secure and confidential environment for collection, storage, and transmission of the reports.

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

Yes. In our agreements for Global Supply Chain Purchasing, Indirect Procurement, Distributor, and Channel Partner contracts, SEPSL includes human rights requirements.

**10. Assessments for the year:**

	Percentage of your plants and offices that were assessed* (by entity or statutory authorities or third parties)
Child Labour	100%
Forced Labour/Involuntary Labour	100%
Sexual Harassment	100%
Discrimination at workplace	100%
Wages	100%
Others- please specify	NA

\*Assessments include the assessments done by internal audit team

**11. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above.**

No issues related to the above-mentioned aspects were identified during the assessment. Internal committees addressed all identified risks and concerns associated with human rights issues through collaborative efforts within respective teams.

**Leadership Indicators**

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

No new business processes were initiated as a result of addressing the human rights complaint.

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

No such Human rights due diligence has been carried out.

**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. All the sites under SEPSL entity are compliant for accessible infrastructure as per as per the requirements of the Rights of Persons with Disabilities Act, 2016.

**4. Details on assessment of value chain partners:**

	Percentage of value chain partners* (by value of business done with such partners) that were assessed
Child labour	100%
Forced Labour/Involuntary Labour	100%
Sexual Harassment	100%
Discrimination at workplace	100%
Wages	100%
Others-	NA

*\*100% of the suppliers were assessed by Elevate through (Virtual assessment) and 5% by inhouse team (On-site audit).*

Please refer response for indicator No. "Principle 3- Leadership 5" to understand the process on the assessment of value chain partners.

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

If any case of non-conformance is identified, then a timeframe is provided based on the severity of the finding (Priority/Major/Minor) and the supplier team is to prepare and execute an acceptable corrective action plan. Escalation will be done to the SEPSL procurement management through the Vigilance Team in case a supplier does not act on a non-conformance in the given timeframe or refuses to close the same. (This however has not happened in 2023). The SEPSL Vigilance auditor will periodically review the progress on the closure.

Final closure of the identified point is carried out through an onsite review or by remote evidence submission based on the type and degree of the observation.

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

**Essential Indicators**

**1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:**

Parameters	Units	FY 2023-24	FY 2022-23
<b>From renewable sources</b>			
Total electricity consumption (A)	GJ	0	0
Total fuel consumption (B)	GJ	0	0
Energy consumption through other sources (C)	GJ	0	0
Total energy consumed from renewable sources (A+B+C)	GJ	0	0
<b>From non-renewable sources</b>			
Total electricity consumption (D)	GJ	12,180.10	11,660.47
Total fuel consumption (E)	GJ	1,214.88	848.42
Energy consumption through other sources (F)	GJ	14,309.01	13,682.10
<b>Total energy consumed from non-renewable sources (D+E+F)</b>	GJ	<b>27,703.99</b>	<b>26,190.99</b>
<b>Total energy consumption (A+B+C+D+E+F)</b>	GJ	<b>27,703.99</b>	<b>26,190.99</b>
<b>Energy intensity per rupee of turnover</b> (Total energy consumed / Revenue from operations)	GJ/INR million	7.0	7.9
<b>Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)</b> (Total energy consumed / Revenue from operations adjusted for PPP)	GJ/INR million	25.8	28.7
<b>Energy intensity in terms of physical output</b>	GJ/Product	0.006	0.007
Energy intensity (optional) – the relevant metric may be selected by the entity		-	-

\* PPP= 22.882 as per OECD as on 2022 (<https://data.oecd.org/conversion/purchasing-power-parities-ppp.htm>)

**Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N)**

Yes, Energy audits is being carried out by Bureau Veritas as part of ISO 14001 and ISO 50001 certification. SEPSL has also carried out data verification and assurance of the BRSR data by TUV SUD.

**2. Does the entity have any sites / facilities identified as the designated consumers (DCs) under Performance, Achieve and Trade (PAT) Scheme of the Government of India? yes (Y/N) If, 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**

Not Applicable. None of the sites of SEPSL comes under PAT Scheme.

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

Parameters	Units	FY 2023-24	FY 2022-23
<b>Water withdrawal by source</b>			
(i) Surface water	kilolitre (kL)	0	0
(ii) Groundwater	kilolitre (kL)	15,272	17,167
(iii) Third party water (Industrial Estate MIDC/GIDC)	kilolitre (kL)	4,610	4,827
(iv) Seawater / desalinated water	kilolitre (kL)	0	0
(v) Others	kilolitre (kL)	0	0
<b>Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)</b>	kilolitre (kL)	<b>19,882</b>	<b>21,994</b>
<b>Total volume of water consumption (in kilolitres)</b>	kilolitre (kL)	<b>18,934</b>	<b>19174</b>

Parameters	Units	FY 2023-24	FY 2022-23
Water intensity per rupee of turnover (Total water consumption / Revenue from operations)	KL/INR million	4.8	5.7
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / Revenue from operations adjusted for PPP)	KL/INR million	17.6	21.0
Water intensity in terms of physical output	KL/product	0.004	0.005
Water intensity (optional) – the relevant metric may be selected by the entity		-	-

\* PPP= 22.882 as per OECD as on 2022 (<https://data.oecd.org/conversion/purchasing-power-parities-ppp.htm>)

**Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N)**

Yes, the management system has been assessed and certified by Bureau Veritas as part of ISO 14001 certification. SEPSL has also carried out data verification and assurance of the BRSR data by TUV SUD

**4. Provide the following details related to water discharged:**

Parameters	Units	FY 2023-24	FY 2022-23
<b>Water discharge by destination and level of treatment</b>			
To Surface water			
- No treatment	kilolitre (kL)	0	0
- With treatment - Please specify level of treatment	kilolitre (kL)	0	0
To Groundwater			
- No treatment	kilolitre (kL)	0	0
- With treatment - Please specify level of treatment	kilolitre (kL)	0	0
To Seawater			
- No treatment	kilolitre (kL)	0	0
- With treatment - Please specify level of treatment	kilolitre (kL)	0	0
Sent to third parties			
- No treatment	kilolitre (kL)	948	2820
- With treatment - Please specify level of treatment	kilolitre (kL)	0	0
Others			
- No treatment	kilolitre (kL)	0	0
- With treatment - Secondary treatment	kilolitre (kL)	4448.5	3656.9
<b>Total water discharged</b>	<b>kilolitre (kL)</b>	<b>5396.5</b>	<b>6476.9</b>

**Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N)**

Yes, Bureau Veritas carryout data verification as part of ISO 14001 certification. SEPSL also carryout independent verification by TUV SUD as part of BRSR report assurance

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

Yes. The SEPSL has 2 streams of wastewater discharges, One from domestic use and the other discharge from Industrial wastewater. State of the art water treatment facility has been installed in our SEPSL sites such as Low thermal Evaporator” to treat effluent coming from process where 95% of water is recovered from the process and re used and the Company has Compact. Compact Modular Sewage treatment plant to treat domestic wastewater stream. The treated water of sewage treatment plant is tested as per the defined BIS standard. The treated water is reused for gardening within the plant.

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 (Current FinancialYear)	FY 2022-23 (Current Financial Year)
NO <sub>x</sub>	ppmv	203.5	191
SO <sub>x</sub>	mg/Nm <sup>3</sup>	Below detection limit of 1	Below detection limit of 1
Particulate matter (PM)	mg/Nm <sup>3</sup>	41.4	38.1

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

Yes, all the measurements and reporting is being carried out 3rd party agencies approved by respective pollution control boards and as per BIS standards and the data has been verified as part of BRSR report assurance by TUV SUD.

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

Parameters	Units	FY 2023-24	FY 2022-23
<b>Total Scope 1 emissions</b> (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Metric tonnes of CO <sub>2</sub> equivalent	920.9	860
<b>Total Scope 2 emissions</b> (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Metric tonnes of CO <sub>2</sub> equivalent	2,402.1	2,299.7
<b>Total Scope 1 and Scope 2 emissions per rupee of turnover</b>	Metric tonnes of CO <sub>2</sub> equivalent/ INR million	0.85	0.95
<b>Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)</b>	Metric tonnes of CO <sub>2</sub> equivalent/ INR million	3.10	3.47
<b>Total Scope 1 and Scope 2 emission intensity in terms of physical output</b>	Metric tonnes of CO <sub>2</sub> equivalent/ product	0.0007	0.0008
<b>Total Scope 1 and Scope 2 emission intensity (optional)</b>		-	-

\* PPP= 22.882 as per OECD as on 2022 (<https://data.oecd.org/conversion/purchasing-power-parities-ppp.htm>)

**Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N)**

Yes. All the BRSR data is verified by an independent verification agency- TUV SUD South Asia.

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

SEPSL has developed a comprehensive strategy to actively reduce greenhouse gas emissions. To align with science-based targets, carbon footprint mapping has been conducted for all SEPSL facilities. In order to identify potential areas for reduction, detailed energy audits have been carried out by certified auditors from the Bureau of Energy Efficiency. The primary contributors to CO<sub>2</sub> emissions are electricity drawn from the grid, LPG, and diesel.

To address Scope 1 & 2 emissions, key actions involve reducing or substituting fossil fuels, electrifying processes to replace oil and gas, and enhancing efficiency through energy audits, digitalization, and optimization techniques were carried out. Specific measures to reduce energy consumption include:

1. Optimizing operating pressure of compressed air, resulting in a 0.5 bar pressure reduction and continuous efforts to address air leakages.
2. Initiating the installation of occupancy sensors in office areas.
3. Substituting diesel with LPG in in oven heating process, leading to a 50% reduction in CO<sub>2</sub> emissions.



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

Parameter	Units	Current Financial Year (2023-24)	Previous Financial Year (2022-23)
<b>Total Waste generated</b>			
Plastic waste Units- Tons/Annum	Metric Tonnes	32.8	19.1
E-waste	Metric Tonnes	0	0
Bio-medical waste	Metric Tonnes	0.01	0.01
Construction and demolition waste	Metric Tonnes	0	0
Used Oil	Metric Tonnes	1.2	1.6
Battery waste	Metric Tonnes	0	0
Water mixed sludge oil	Metric Tonnes	25.4	16.4
Radioactive waste	Metric Tonnes	0	0
Other Hazardous waste. Please specify, if any.	Metric Tonnes	0	0
Other Non-hazardous waste generated. Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	Metric Tonnes	0	0
Food Waste	Metric Tonnes	9.4	4.2
Insulation Scrap	Metric Tonnes	0	0
Aluminum scrap	Metric Tonnes	0	0
Brass & Copper scrap	Metric Tonnes	0	2.3
Metal Scrap	Metric Tonnes	288.9	284.8
Waste Carton Paper	Metric Tonnes	86.7	55.4
Waste wood scrap	Metric Tonnes	45.4	52.3
Waste Powder	Metric Tonnes	39.4	35.5
<b>Total</b>	Metric Tonnes	<b>529.2</b>	<b>471.6</b>
<b>Waste intensity per rupee of turnover</b> (Total waste generated / Revenue from operations)	Tons/INR Million	0.13	0.14
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / Revenue from operations adjusted for PPP)	Tons/INR Million	0.49	0.52
<b>Waste intensity in terms of physical output</b>	Tons/Product	0.0001	0.0001
<b>Waste intensity (optional) – the relevant metric may be selected by the entity</b>		NA	NA
<b>For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations</b>			
Category of waste			
(i) Recycled			
Plastic waste	Metric Tonnes	32.8	19.1
E-waste	Metric Tonnes	0	0
Construction and demolition waste	Metric Tonnes	0	0
Scrap Waste used Transformer Oil Mixed	Metric Tonnes	0	0
Non-Hazardous waste(H)	Metric Tonnes	0	0
Used Oil	Metric Tonnes	1.2	1.6
Food Waste	Metric Tonnes	0	0
Brass & Copper scrap	Metric Tonnes	0	2.3
Waste Carton Paper	Metric Tonnes	86.7	55.4

Parameter	Units	Current Financial Year (2023-24)	Previous Financial Year (2022-23)
Waste wood scrap	Metric Tonnes	45.4	52.3
Lan Cable / Electric wire	Metric Tonnes	0	0
Metal Scrap	Metric Tonnes	288.9	284.8
Lead dross waste	Metric Tonnes	0	0
Aluminum scrap	Metric Tonnes	0	0
Waste residue containing oil	Metric Tonnes	0	0
Empty/barrels/containers with hazardous chemicals/wastes	Metric Tonnes	0	0
Other non-hazardous	Metric Tonnes	0	0
(ii) Re-used	Metric Tonnes	0	0
(iii) Other recovery operations			
<b>Total</b>	Metric Tonnes	464.4	383.7
<b>For each category of waste generated, total waste disposed by nature of disposal method</b>			
<b>Category of waste</b>			
(i) Incineration	Metric Tonnes	39.4	35.5
(ii) Landfilling	Metric Tonnes	25.4	16.4
(iii) Other disposal operations	Metric Tonnes	0	0
<b>Total</b>	Metric Tonnes	64.8	51.9

\* PPP= 22.882 as per OECD as on 2022 (<https://data.oecd.org/conversion/purchasing-power-parities-ppp.htm>)

**Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N)**

Yes, the management system has been assessed and certified by Bureau Veritas as part of ISO 14001 certification. SEPSL have also carried out data verification and assurance of the BRSR data by TUV SUD.

**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 generation across all locations is meticulously monitored, taking into account production processes, logistics activities, and office operations. Hazardous waste is managed in strict compliance with legal requirements, while non-hazardous waste is either reused or recycled. Special waste categories are recycled through pollution control board authorized vendors. Hazardous waste undergoes disposal through incineration and recycling, ensuring that none of the residues end up in landfills as part of the zero-landfill initiative.

Several initiatives have been implemented at the sites, including waste segregation at the source with color-coded bins, consolidation of waste bins in office areas for better segregation, dedicated waste storage chambers at scrap yards, and weighing procedures prior to sending waste for recycling. Projects aimed at reducing non-hazardous waste generation involve the use of recyclable wooden pallets, reusing carton boxes, replacing cartons with multi-use plastic boxes for transportation and storage, and packing optimization.

Numerous projects have been launched to eliminate single-use plastics and packaging waste in both processes and daily usage. This includes replacing plastic water bottles with steel ones, using compostable plastic bags in dustbins, employing reusable metal boxes for busway line materials, redesigning wooden pallets for reduced wood usage, internal reuse of packaging boxes, implementing honeycomb and corrugated packaging to replace wood, and introducing returnable metal trolleys to eliminate packaging. Additionally, the base frame has replaced wooden pallets for raw material transportation from vendors.

E-waste is sent for recycling to authorized recyclers in accordance with e-waste management rules, and food waste is monitored and repurposed for composting, which is then utilized for gardening purposes.

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:

The entity does not have any operations/offices in ecologically sensitive areas.

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

Environmental impact assessments of projects are not undertaken by the SEPSL entity as no projects were undertaken in the current/previous FY.

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

Yes, the SEPSL entity is compliant with the applicable environmental law/ regulations/ guidelines in India, such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules there under in the current/previous FY.

### Leadership Indicators

1. Water withdrawal, consumption, and discharge in areas of water stress

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

- I. **Name of the area:** 5C/1, KIADB Industrial Area Attibele, Bangalore Rural, Bangalore - 562107, Karnataka, India
- II. **Nature of operations:** Manufacturing of customized enclosure systems produced to address essential needs of rack-mount IT critical equipment in a variety of IT environments.
- III. **Water withdrawal, consumption, and discharge in the following format:**

Parameters	Units	FY 2023-24	FY 2022-23
<b>Water withdrawal by source</b>			
(i) Surface water			
(ii) Groundwater	kilolitre (kL)	15272	17167
(iii) Third party water	kilolitre (kL)	4610	4827
(iv) Seawater / desalinated water	kilolitre (kL)	0	0
(v) Others	kilolitre (kL)	0	0
<b>Total volume of water withdrawal (i + ii + iii + iv + v)</b>	kilolitre (kL)	19882	21994
<b>Total volume of water consumption</b>	kilolitre (kL)	18934	19174
<b>Water intensity per rupee of turnover</b> (Water consumed / turnover)	kL/ INR million	4.8	5.7
<b>Water discharge by destination and level of treatment</b>			
Into Surface water			
- No treatment	kilolitre (kL)	0	0
- With treatment - Please specify level of treatment	kilolitre (kL)	0	0
Into Groundwater			
- No treatment	kilolitre (kL)	0	0
- With treatment - Please specify level of treatment	kilolitre (kL)	0	0
Into Seawater			
- No treatment	kilolitre (kL)	0	0
- With treatment - Please specify level of treatment	kilolitre (kL)	0	0
Sent to third-parties			
- No treatment	kilolitre (kL)	948	2820
- With treatment - Please specify level of treatment	kilolitre (kL)	0	0

Parameters	Units	FY 2023-24	FY 2022-23
Others			
- No treatment	kilolitre (kL)	0	0
- With treatment - Please specify level of treatment	kilolitre (kL)	4449	3657
<b>Total water discharged</b>		<b>5397</b>	<b>6477</b>

**Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N)**

Yes, Bureau Veritas carryout data verification as part of ISO 14001 certification. SEPSL also carryout independent verification by TUV SUD as part of BRSR report assurance

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

At present, entity-level calculations for Scope 3 emissions are not conducted within SEPSL. However, SEPSL is actively working towards implementing a robust method for calculating and addressing Scope 3 emissions in the future.

**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.**

Not applicable since the entity does not have any operations/offices in ecologically sensitive areas.

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

At SEPSL, minimizing the environmental impact of our operations stands as a key pillar of our sustainability strategy. SEPSL has identified a multitude of energy-saving, waste-recycling, and water-saving initiatives aimed at reducing resource consumption. Our energy meters are integrated into a power monitoring system, allowing us to digitally track energy usage and take proactive steps toward energy conservation. Similarly, water meters have been installed to monitor water usage and analyze the water footprint of the plant.

Furthermore, SEPSL has implemented Resource Advisor, which also tracks energy, water, waste, and more. Additionally, treated wastewater is repurposed for gardening, further contributing to our sustainable practices.

S. No.	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
1	Water stress projects	ETP and STP treat and recycle water daily, which is subsequently utilized for gardening, toilet flushing, and further industrial processes	160kL/month savings
		A low thermal evaporator has been installed to manage the treatment of the process water	1222kL/month savings
2	Waste reduction projects	Replaced wooden crates for raw material storage from suppliers with metal pallets and the supplier retrieves them from the factory for reuse	Reduction of wood waste
		Minimizing waste by reutilizing bins	Waste reduction
3	Energy audit conducted by third party	Enhancing natural lighting on the shop floor by installing skylights in the roof	46332 kWh savings
		Upgrading all Sodium Vapour lamps to LED lights	26700 kWh savings
		Timer for controlling streetlights and air conditioning in the office area	5900 kWh savings
		Upgrading old AC units to inverter ACs	31941 kWh savings
4	Reduction in energy consumption during non-production hours	Minimizing power usage during non-production hours for equipment by installing timers in Computerized Numeric Control and laser machines.	40500 kWh savings

S. No.	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
5	VFD air compressor	The old air compressor has been replaced with a new Variable frequency Drive-driven motor that meets IE4 standards, boasting an impressive 98.5% efficiency	167642 kWh savings
6	Biodiversity projects	Organic garden, Brid feeder house and Greenery area	Biodiversity enhancement in the site
7	Reduction in single use plastics	Eliminated plastic water bottles and distributed 270 stainless steel water bottles to SEPSL plant employees.	Reduction in single use plastics

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

Yes, SEPSL has a Business Continuity Plan (BCP) in place, encompassing disaster management. The management of business continuity is predicated on a comprehensive assessment of risks and business impact to identify critical activities. Consequently, the BCP's content is tailored for each site following a detailed risk assessment and business impact analysis. A risk assessment matrix is utilized to pinpoint major risks by evaluating the probability of occurrence and the impact on personnel, real estate, and business.

The primary objective of this document is to delineate the actions, roles, and responsibilities within the site to ensure the management of the initial phase following an incident, business continuity, and the recovery of critical activities, with a specific focus on industrial activities. Plant Business Continuity and disaster management undergo an annual review with plant leadership and key stakeholders. Additionally, disaster management mock drills are conducted every six months to ensure preparedness, including drills with external authorities for improved coordination in real emergency scenarios.

Comprehensive emergency preparedness details are prominently displayed throughout the entity, featuring emergency numbers and incident scenarios. The facilities are equipped with fire hydrants, fire sprinklers, smoke detection systems, and sufficient fire water storage. External experts are engaged to ensure adequate fire protection system installation, with audits performed every two years. An internal emergency response team is identified, encompassing fire fighters, first aiders, and a crisis management team, each with defined roles and responsibilities during emergency scenarios.

Furthermore, the disaster management plan also encompasses pandemic scenarios to support actual emergencies like COVID-19. The emergency preparedness plan is subject to review by relevant authorities during plant inspections and visits. Consultations with NDRF and fire authorities are conducted to ensure adequate measures for handling emergency situations. An assessment of the fire facility is carried out, and a revamp project is initiated to ensure compliance with national fire protection association and national building code fire protection guidelines.

**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.**

In case of any non-conformances at supplier during the evaluation, the supplier team is expected to provide a corrective action plan wherein they will comply with both legal and RBA requirements. They are required to demonstrate the capability/ system to monitor their compliance to the requirements in a sustainable manner. The supplier vigilance team auditors liaise with the supplier team members to review and validate the actions implemented by the supplier team. The supplier vigilance team does provide training and assistance to supplier teams wherever required but they are expected to implement and monitor these programs independently. Final closure of the identified point is either done through onsite verification or remote evidence submission based on applicability.

A very preliminary check is done with suppliers on monitoring of GHG (Scope 1 & 2) and implementation of cost-effective methods to improve energy efficiency as per the RBA standard. SEPSL has also embarked on the Total Zero Carbon Project (TZCP) that encompasses Green House Gas emission monitoring and control and is managed by the TZCP Team.

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

100% of our suppliers are assessed for environmental impact.

Note: Please refer response for indicator No. "Principle 3- Leadership 5" to understand the process on the assessment of value chain partners.

**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: 11
- 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	CII	National
2	FICCI	National
3	IFCCI	National
4	IEEMA	National
5	IGBC	National
6	AEEE	National
7	BIS	National
8	NASSCOM	National
9	ISHRAE	National
10	TERI	National

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

SEPSL entity has not received any adverse order on any issues related to anti-competitive conduct from any regulatory authority in the financial year 2023-24.

**Leadership Indicators**

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

We work closely with various trade and industry associations on topics related to governance, policy reforms and sustainable business principles.

S.no	Public policy advocated	Method resort for such advocacy	Whether the information is available in public domain? (Yes/No)	Frequency of review by board (Annually/ Half yearly/ Quarterly/ Other-please specify)	Web Link, if available
1	Energy Conservation & Sustainability Building Code - ECSBC	Took inputs from our local colleagues, prepared a draft and influenced through ISHRAE	Yes	Others - depending upon the next code revision	NA

**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.

No new construction/expansion projects were taken up in the year 2023-24

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

No new construction/expansion projects were taken up in the year 2023-24

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

The Schneider India Foundation collaborates closely with the community in identified areas of education, healthcare, disaster relief, and environment conservation. Within these areas, the Foundation has established robust mechanisms to evaluate the impact of projects on intended beneficiaries. These mechanisms include engaging in one-on-one and group discussions with beneficiaries, conducting impact assessments, and providing avenues to address any grievances raised by the intended beneficiaries. Additionally, the Trust Line is available to community members for lodging grievances, and SEPSL has introduced a "Contact Us" page on our website to further enhance our community grievance redressal mechanism.

### 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	54%	49%
Directly from within India	98%	97%

### 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	-	-
Semi-urban	-	-
Urban	0.2%	-
Metropolitan	99.8%	100%

*\*Includes wages of all employees and workers, contractors are excluded in calculation.*

### 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):

No new construction/expansion projects were taken up in the year 2023-24

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

None of the CSR projects were taken up in designated aspirational districts in last financial year (FY2023-24).

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

(b) From which marginalized /vulnerable groups do you procure? Not applicable.

(c) What percentage of total procurement (by value) does it constitute? Not applicable.

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

All the products of SEPSL are customized enclosure systems produced to address essential needs of rack-mount IT critical equipment in a variety of IT environments and therefore does not include any IP from traditional knowledge.

#### 5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.

Since products of entity are not based out of traditional knowledge, we have no adverse order on intellectual related property related disputes.

#### 6. Details of beneficiaries of CSR Projects:

CSR Projects	No. of persons benefitted from CSR project	Percentage of beneficiaries from vulnerable and marginalized groups
Mangrove Plantation	656 SHG members Participated in the Tree plantation initiative - 41,000 Villagers	100%

**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.**

SEPSL has a dedicated customer service and quality team to respond to all consumer complaints and feedback. Customer reaches to customer care centre (CCC) through Phone, Chat or E-mail. CCC would create a case of the complaint and ask for relevant information like product name, invoice details to check for the warranty period of the product. If the product is in warranty, CCC will try and resolve the issue through remote trouble shooting. If the issue cannot be resolved over remote, then work order is created for an engineer to visit the site. Once the engineer visits the site, he will confirm if the issue requires replacement of the product/ spare on FOC or by the Customer themselves. Accordingly, the work order and the case is closed in the system and customer is auto intimated about the closure over a mail.

**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	NA
Safe and responsible usage	NA
Recycling and/or safe disposal	NA

*Note: Since SEPSL is involved in manufacturing of customized racks and enclosures, our products do not pose any threat to environment or on safety of the user.*

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

	FY 2023-24 Current Financial Year		Remarks	FY 2022-23 Previous Financial Year		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	Not applicable	Nil	Nil	Not applicable
Advertising						
Cyber-security						
Delivery of essential services						
Restrictive Trade Practices						
Unfair Trade Practices						
Other						

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

There were no forced or voluntary recalls of the product in financial year FY2023-24.

**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, SEPSL maintains robust information security and data privacy programs which is consistent with industry standards and applicable legal requirements, designed to protect against unauthorized data disclosures and attacks on our network. Like any other large business organizations, SEPSL does experience such incidents from time to time. When an incident happens, SEPSL responds quickly to investigate the incident, take remedial action, and provide notification to affected parties where appropriate. As a matter of good security practice, SEPSL generally only discusses the details of specific incidents in the context of notification. <https://www.se.com/in/en/about-us/legal/data-privacy.jsp>



6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.

The entity have not received any adverse order received from any regulatory authority for the financial year 2023-24.

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: Nil

#### Leadership Indicators

1. Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).

We have a dedicated page on our Company's website that provide information about the products and services. The website links are:

<https://www.se.com/in/en> – this is our corporate website, open for all partner/end users/home owners/students/ job seekers

<https://www.schneiderelectricpresident.com/index.html> - this website is meant for our enclosures business which is a listed company and caters to our investors, and open for all.

mySchneider web : [https://www.se.com/myschneider/?countrycode=in&lang=en\\_IN](https://www.se.com/myschneider/?countrycode=in&lang=en_IN) – this website is meant only for all our partners and not open to all. It needs registration and login credentials to avail the services/content.

mySchneider App - <https://www.se.com/in/en/work/support/myschneider-app/> - this is the app meant only for all our partners and not open to all. It needs registration and login credentials to avail the services/content.

WhatsApp for Business – Got launched in Aug 2023, available for Distributors, Retailers and Electricians as of now.

SEPSL also have a call centre to service customers as required

2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.

**We majorly communicate to our customers about safe and responsible usage of products and/or services through:**

1. Information/declarations on product catalogues/manuals.
2. Information/declarations on product website.

3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.

In case of disruption, a message is played on the on the Interactive Voice Response (IVR) so that any customer calling through phone will be intimated about the situation. For our registered Customers, the same message will be updated on Schneider app and website to notify them. There will be similar notification circulated by Channel partner / Distribution Team to the Customers.

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.

Not applicable

5. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)

Yes. There are also 2 types of survey mechanisms:

1. Customer Net Promoter Score (CNPS) survey done annually via phone calls via an independent 3rd party agency which focuses on customer's overall perception of Brand Schneider. CNPS for CY2023 was 47.6%.
2. Net Satisfaction Score (NSS) survey which happens at multiple touch points for every customer transaction (with quarantine rules in place). This survey is done via e-mail to get customer satisfaction and feedback. NPS Score for CY2023 72.5%. List of Abbreviations

## **List of Abbreviations**

1. SEPSL- Schneider Electric President Systems Limited
2. BRSR- Business Responsibility and Sustainability Report
3. UN SDGs- United Nations Sustainable Development Goals
4. SSI- Schneider Sustainability Impact targets
5. SSE- Schneider Sustainability Essentials target
6. POSH- Prevention of Sexual Harassment
7. ERM- Enterprise Risk Management
8. ISO- International Organization of Standardization
9. EPR- Extended Producer Responsibility
10. DEI- Diversity, Equity and Inclusion
11. EEO- Equal Employment Opportunity
12. PD- Persons with Disability
13. LDS- Lean Digitization System
14. DISS- Digitized Idea & Short Interval Meeting System
15. OHS- Occupational Health and Safety
16. SIM- Short Interval Meetings
17. ICC- Internal Complaints Committee
18. BCP- Business Continuity Plan
19. NDRF- National Disaster Response Force
20. TZCP- Total Zero Carbon Project
21. DWP- Decent work program
22. ESIC- Employees State Insurance Corporation
23. RBA- Responsible Business Alliance
24. CII- Confederation of Indian Industry
25. FICCI- Federation of Indian Chambers of Commerce & Industry
26. IFCCI- Indo-French Chamber of Commerce & Industry
27. IEEMA- Indian Electricals & Electronics Manufacturers Association
28. IGBC- Indian Green Building Council
29. AEEE- Alliance for an Energy Efficient Economy
30. BIS- Bureau of Indian Standards
31. NASSCOM- National Association of Software and Service Companies
32. ISHRAE- Society of Heating, Refrigerating and Air Conditioning Engineers.
33. TERI- The Energy and Resources Institute
34. GBCI- Green Business Certification Inc.
35. ECSBC- Energy Conservation & Sustainability Building Code
36. CCC- Customer Care Centre
37. IVR - Interactive Voice Response
38. CNPS- Customer Net Promoter Score
39. NSS- Net Satisfaction Score

# Independent Audit Report

To the Members of **Schneider Electric President Systems Limited**

## Report on the Audit of the Financial Statements

### Opinion

We have audited the financial statements of **Schneider Electric President Systems Limited** (“the Company”), which comprise the Balance Sheet as at March 31, 2024, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows 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 (“the Act”) in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, and its profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the *Auditor’s Responsibilities for the Audit of the 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 (“the ICAI”) 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 ICAI’s Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. We have determined that there are no key matters to communicate in our report.

## Information Other than the Financial Statements and Auditor’s Report Thereon

The Company’s Board of Directors are responsible for the other information. The other information comprises the information included in the Annual Report but does not include the financial statements and our auditor’s report thereon. The annual report 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 and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

## Management’s Responsibility 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, total comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the 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 the Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

### **Auditor's Responsibilities for the Audit of the Financial Statements**

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 system 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 the 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.

### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report to the extent applicable that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (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 matter stated in the paragraph 2(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 and keeping backup on daily basis of such books of account maintained in electronic mode in a server physically located in India.
  - (c) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.
  - (e) On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 from

- being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in “Annexure B”.
- (g) With respect to the other matters to be included in the Auditor’s Report in accordance with the requirements of Section 197(16) of the Act, as amended in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of Section 197 of the Act.
- (h) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 29B 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 as at March 31, 2024.
  - iii. There were no amounts which were 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, as disclosed in the note 40(ii) to the financial statement, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
  - (b) The Management has represented, that, to the best of its knowledge and belief, as disclosed in the note 40(ii) to the financial statement, no funds have been received by the Company from any person or entity, including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
  - (c) Based on the audit procedures 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 (i) and (ii) of Rule 11(e) contain any material misstatement.
  - (v) The Company has not declared or paid any dividend during the year.
  - (vi) Based on our examination, which included tests checks, the Company has used accounting softwares for maintaining its books of account for the financial year ended 31 March 2024, which has a feature of recording audit trail (edit log) facility and the same have been operated throughout the year for all relevant transactions recorded in the respective softwares, except that in case of primary accounting software, at the application level, the software’s inherent functionality does not maintain audit trail for the changes made by certain privileged users with specific access and the feature of recording audit trail (edit log) facility was not enabled at the database level. In case of two other non-primary accounting softwares, the audit trail (edit log) facility was enabled at the application level and operated throughout the year for all relevant transactions recorded in the respective software. However, since, the database of these two non-primary accounting software have been hosted by the third party software service providers, therefore in the absence of a specific mention of audit trail in the service provider’s auditor’s report, we are unable to comment on whether the audit trail feature was enabled at the database level. During the course of

performing our procedures, in respect of the aforesaid primary accounting software and other two non-primary accounting softwares, except for the aforementioned instances, where the question of our commenting on whether the audit trail has been tampered with or not does not arise, we did not come across any instance of the audit trail feature being tampered with.

In case of two other non-primary accounting softwares, which are maintained by a third-party software service provider, in the absence of a specific mention of audit trail in the service provider's auditor's report, we are unable to comment on whether the audit trail feature was enabled and operated throughout the year for all relevant transactions recorded in the software or whether there were any instances of the audit trail being tampered with.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014, as amended is applicable for the Company only with effect from 01 April 2023, therefore, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014, as amended, on preservation of audit trail as per the statutory requirements for record retention is not applicable for financial year ended 31 March 2024.

For **S.N. Dhawan & CO LLP**  
Chartered Accountants  
Firm Registration No.: 000050N/N500045

**Place:** Gurugram  
**Date:** May 27, 2024

**Pankaj Walia**  
Partner  
Membership No.: 509590  
UDIN No.: 24509590KFNWC938

## Annexure A

Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of the Independent Auditor's Report of even date to the members of Schneider Electric President Systems Limited on the financial statements as of and for the year ended March 31, 2024.

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment, capital work-in-progress, right of use assets and assets held for sale.
- (a) (B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) The Company has a regular program of physical verification of its Property, Plant and Equipment, capital work-in-progress, right of use assets and assets held for sale under which Property, Plant and Equipment, capital work-in-progress, right of use assets and assets held for sale are verified in a phased manner over a period of 3 years, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this program, certain Property, Plant and Equipment, capital work-in-progress, right of use assets and assets held for sale were verified during the year and according to the information and explanation given to us, no material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and based on the examination of the registered sale deed / transfer deed / conveyance deed/ assignment deed provided to us, we report that, 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) and intangible assets during the year, being under cost model. Accordingly, the provisions of clause 3(i)(d) of the Order are not applicable.
- (e) There are no proceedings which have been initiated or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) (as amended in 2016) and Rules made thereunder.
- (ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year except for goods-in-transit and stocks lying with third parties. For stocks lying with third parties at the year-end, written confirmations have been obtained by the management. According to the information and explanations given to us and based on the audit procedures performed by us, we are of the opinion that the coverage and procedure of such verification by the management is appropriate and no material discrepancies of 10% or more in the aggregate for each class of inventory were noticed on physical verification as compared to the book records.
- (b) According to the information and explanations given to us, during the year, the Company has not been sanctioned any working capital from banks or financial institutions on the basis of security of current assets. Accordingly, the provisions of clause 3(ii)(b) of the Order are not applicable.
- (iii) According to the information and explanations given to us, the Company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, Limited Liability Partnerships (LLPs) or any other parties. Accordingly, the provisions of clause 3(iii)(a) - (f) of the Order are not applicable.
- (iv) According to the information and explanations given to us, the Company has not entered into any transaction covered under Sections 185 and 186 of the Act.
- (v) According to the information and explanations given to us, the Company has neither accepted any deposits nor the amounts which are deemed to be deposits during the year and further the Company had no unclaimed deposits at the beginning of the year within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- (vi) The maintenance of cost records has been specified by the Central Government under section 148(1) of the Companies Act, 2013 in respect of Company's products. We have broadly reviewed the books of account maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended, prescribed by the Central Government for the maintenance of cost records under sub-section (1) of Section 148 of the Act in respect of Company's products

and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained by the Company. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

- (vii) (a) In our opinion and according to the information and explanations given to us, the Company is regular in depositing undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess,

and other material statutory dues, as applicable, to the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us, there are no statutory dues referred to in sub-clause (a) that have not been deposited with the appropriate authorities on account of any dispute except for the following cases:

(Amount in Million)

Sl. No.	Name of the statute	Nature of dues	Disputed Amount	Amount paid under protest	Period to which the amount relates	Forum where dispute is pending
1.	Goods and Service Act, 2017	Goods and Service Tax	6.18	0.33	FY 2018-19	Joint Commissioner of State Tax, Maharashtra

- (viii) According to the information and explanations given to us, there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

- (ix) (a) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.

- (b) According to the information and explanations given to us, we report that the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

- (c) According to the information and explanations given to us, the Company did not have any term loans outstanding during the year. Accordingly, the provisions of clause 3(ix)(c) of the Order are not applicable.

- (d) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.

- (e) According to the information and explanations given to us, the Company does not have any subsidiary, associate or joint venture. Accordingly, the provisions of clause 3(ix)(e) of the Order are not applicable.

- (f) The Company does not have any subsidiary, associate or joint venture. Accordingly, the provisions of clause 3(ix)(f) of the Order are not applicable.

- (x) (a) According to the information and explanations given to us, the Company did not raise moneys by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the provisions of clause 3(x)(a) of the Order are not applicable.

- (b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally). Accordingly, provisions of clause 3 (x)(b) of the order are not applicable.

- (xi) (a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the period covered by our audit.

- (b) No report under sub-section (12) of Section 143 of the Act has been filed in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 (as amended) with the Central Government, during the year and upto the date of this report.

- (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.

- (xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly,



- the provisions of clause 3(xii)(a)-(c) of the Order are not applicable.
- (xiii) In our opinion and according to the information and explanations given to us, all transactions with the related parties are in compliance with Sections 177 and 188 of Act, where applicable, and the requisite details have been disclosed in the financial statements etc., as required by the applicable accounting standards.
- (xiv) (a) In our opinion and according to the information and explanations given to us, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the internal audit reports of the Company issued till date, for the period under audit.
- (xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with the directors or persons connected with them covered under Section 192 of the Act.
- (xvi) (a) The Company is not required to be registered under Section 45-IA of the RBI Act, 1934. Accordingly, provisions of clause 3 (xvi) (a) of the order are not applicable.
- (b) The Company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration from the RBI as per the RBI Act, 1934.
- (c) The Company is not a Core Investment Company ("CIC") as defined in the regulations made by the Reserve Bank of India. Accordingly, provisions of clause 3(xvi)(c) of the Order are not applicable.
- (d) The Group does not have more than one CICs which are part of the Group. Accordingly, the provision of clause 3(xvi)(d) of the Order are not applicable.
- (xvii) The Company has not incurred any 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.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, 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) There is no unspent amount towards Corporate Social Responsibility (CSR) on other than ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Act in compliance with the second proviso to sub-section (5) of Section 135 of the said Act.
- (b) There is no unspent amount towards Corporate Social Responsibility (CSR) on ongoing projects requiring a transfer to a special account in compliance with provision of sub-section (6) of Section 135 of the said Act.
- (xxi) The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements. Accordingly, no comment in respect of the said clause has been included in this report.

For **S.N. Dhawan & CO LLP**

Chartered Accountants

Firm Registration No.: 000050N/N500045

**Pankaj Walia**

Partner

Membership No.: 509590

UDIN No.: 24509590KFNWC938

**Place:** Gurugram

**Date:** May 27, 2024

## Annexure B

### **Independent Auditor's report on the Internal Financial Controls with reference to financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls with reference to financial statements of Schneider Electric President Systems 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 internal financial control with reference to the financial statement criteria established by the company considering the essential components of internal control stated in Guidance Note on Audit of Internal Financial Control over Financial Reporting (the "Guidance Note") issued by 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 the Company's business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls with reference to 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, issued by the Institute of Chartered Accountants of India ("the ICAI") and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend 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 system with reference to financial statements.

### **Meaning of Internal Financial Controls with reference to Financial Statements**

A Company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external 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 controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2024, based on the internal control over financial

reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by ICAI.

For **S.N. Dhawan & Co LLP**  
Chartered Accountants  
Firm's Registration No.:000050N/N500045

**Place:** Gurugram  
**Date:** May 27, 2024

**Pankaj Walia**  
Partner  
Membership No.: 509590  
UDIN No.: 24509590KFNWC938

# Balance Sheet

(All amounts are in Indian Rupees Million, unless otherwise stated)

	Notes	As at 31 March 2024	As at 31 March 2023
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Property, plant and equipment	3.1	284.04	315.03
Capital work-in-progress	3.2	7.70	6.31
Right-of-use assets	27	25.41	33.59
Other intangible assets	4	0.75	1.60
Financial assets			
Other financial assets	5	27.41	22.74
Income tax assets (net)	6	13.69	21.74
Deferred tax assets (net)	24	50.45	31.07
Other non-current assets	7	-	-
<b>Total non-current assets</b>		<b>409.45</b>	<b>432.08</b>
<b>Current assets</b>			
Inventories	8	300.28	302.60
Financial assets			
Trade receivables	9(i)	1,188.82	657.84
Cash and cash equivalents	9(ii)	402.92	481.78
Other financial assets	9(iii)	13.46	7.92
Other current assets	10	166.39	64.91
<b>Total current assets</b>		<b>2,071.87</b>	<b>1,515.05</b>
Assets classified as held for sale	3.1	20.28	20.28
<b>Total assets</b>		<b>2,501.60</b>	<b>1,967.41</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	11(i)	60.48	60.48
Other equity	11(ii)	1,463.80	1,170.19
<b>Total equity</b>		<b>1,524.28</b>	<b>1,230.67</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Financial liabilities			
Lease liabilities	27	19.98	27.73
Provisions	12	60.11	52.87
<b>Total non-current liabilities</b>		<b>80.09</b>	<b>80.60</b>
<b>Current liabilities</b>			
Financial liabilities			
Borrowings	13(i)	129.98	132.96
Lease liabilities	27	12.11	10.40
Trade payables	13(ii)		
- Total outstanding dues of micro enterprises and small enterprises		146.86	64.72
- Total outstanding dues of creditors other than micro enterprises and small enterprises		438.61	323.74
Other financial liabilities	13(iii)	72.95	81.28
Provisions	14	24.32	30.19
Current tax liabilities (net)	14 (i)	53.22	-
Other current liabilities	15	19.18	12.85
<b>Total current liabilities</b>		<b>897.23</b>	<b>656.14</b>
<b>Total equity and liabilities</b>		<b>2,501.60</b>	<b>1,967.41</b>
Summary of material accounting policies	2.2		

The accompanying notes are an integral part of the financial statements.

As per our report of even date.

For and on behalf of the Board of Directors of  
**Schneider Electric President Systems Limited**

For **S.N. Dhawan & CO LLP**

Chartered Accountants

Firm Registration Number: 000050N/N500045

**Pankaj Walia**

Partner

Membership Number: 509590

**Anuj Kudesia**

Managing Director

DIN: 10629156

**Subhrendu Sarkar**

Whole Time Director and

Chief Financial Officer

DIN: 09813992

**Sapna Bhatia**

Company Secretary

ACS: 32349

Place : Gurugram

Date : 27 May 2024

Place : Gurugram

Date : 27 May 2024

Place : Kolkata

Date : 27 May 2024

Place : Bengaluru

Date : 27 May 2024

## Statement of Profit and Loss

(All amounts are in Indian Rupees Million, unless otherwise stated)

Particulars	Notes	Year ended 31 March 2024	Year ended 31 March 2023
<b>Income</b>			
Revenue from operations	16	3,929.72	3,336.36
Other income	17	38.09	40.72
<b>Total income (I)</b>		<b>3,967.81</b>	<b>3,377.08</b>
<b>Expenses</b>			
Cost of raw material and components consumed	18	2,517.44	2,237.86
Purchase of traded goods		91.39	21.08
Changes in inventories of finished goods, work-in-progress and traded goods	19	(12.70)	25.77
Employee benefits expenses	20	332.00	304.72
Finance costs	22	13.31	14.88
Depreciation and amortisation expenses	21	94.17	70.75
Other expenses	23	526.75	471.64
<b>Total expenses (II)</b>		<b>3,562.36</b>	<b>3,146.70</b>
<b>Profit before tax (I-II)</b>		<b>405.45</b>	<b>230.38</b>
<b>Tax expenses</b>	24		
Current tax		122.55	54.56
Adjustment of tax relating to earlier periods		0.59	(3.94)
Deferred tax (credit) / charge		(17.35)	12.87
<b>Total tax expenses</b>		<b>105.79</b>	<b>63.49</b>
<b>Profit for the year</b>		<b>299.66</b>	<b>166.89</b>
<b>Other comprehensive income</b>			
Other comprehensive income not to be reclassified to profit or loss			
Re-measurement loss on defined benefit plan	26	(8.08)	(15.04)
Income tax effect	24	2.03	3.79
Total other comprehensive income, net of tax		<b>(6.05)</b>	<b>(11.25)</b>
<b>Total comprehensive income for the year</b>		<b>293.61</b>	<b>155.64</b>
<b>Earnings per equity share of par value of Rs. 10 (31 March 2023: Rs 10 each)</b>	25		
Basic and diluted		49.55	27.59
Summary of material accounting policies.	2.2		

The accompanying notes are an integral part of the financial statements.

As per our report of even date.

For **S.N. Dhawan & CO LLP**  
Chartered Accountants  
Firm Registration Number: 000050N/N500045

**Pankaj Walia**  
Partner  
Membership Number: 509590

For and on behalf of the Board of Directors of  
**Schneider Electric President Systems Limited**

**Anuj Kudesia**  
Managing Director  
DIN: 10629156

**Subhrendu Sarkar**  
Whole Time Director and  
Chief Financial Officer  
DIN: 09813992

**Sapna Bhatia**  
Company Secretary  
ACS: 32349

Place : Gurugram  
Date : 27 May 2024

Place : Gurugram  
Date : 27 May 2024

Place : Kolkata  
Date : 27 May 2024

Place : Bengaluru  
Date : 27 May 2024

## Cash Flow Statement

(All amounts are in Indian Rupees Million, unless otherwise stated)

	Year ended 31 March 2024	Year ended 31 March 2023
<b>A. Operating activities</b>		
Profit before tax	405.45	230.38
<b>Adjustment to reconcile profit before tax to net cash flows:</b>		
Depreciation and amortisation expenses	94.17	70.75
Liabilities no longer required written back	(16.50)	(5.58)
(Gain)/ loss on sale of property, plant and equipment (net)	0.40	(0.06)
Impairment allowance on trade receivables	-	(12.78)
Provision for doubtful debts	1.38	1.81
Bad debts written off	9.47	-
Net unrealized foreign exchange differences	(1.14)	(4.66)
Finance income	(8.50)	(5.00)
Finance costs	12.47	13.48
Provision for litigations	-	0.26
<b>Operating profit before working capital changes</b>	<b>497.20</b>	<b>288.60</b>
Working capital adjustments:		
Decrease/ (Increase) in trade receivables (including unbilled revenue)	(542.26)	445.68
Decrease/ (Increase) in other financial assets	(7.42)	(5.06)
Decrease/ (Increase) in other assets	(86.70)	106.82
Decrease/ (Increase) in inventories	2.32	23.82
Increase/ (Decrease) in trade payables	197.79	(135.51)
Increase/ (Decrease) in other financial liabilities	(7.13)	17.50
Increase/ (Decrease) in other liabilities	8.05	(5.23)
Increase/ (Decrease) in provisions	(4.69)	4.60
<b>Cash generated from operations</b>	<b>57.16</b>	<b>741.22</b>
Income tax paid (net of refunds)	(63.90)	(57.70)
<b>Net cash flow from / (used in) operating activities (A)</b>	<b>(6.74)</b>	<b>683.52</b>
<b>B. Investing activities</b>		
Purchase of property, plant and equipment, including capital work-in-progress, intangible assets and capital advances	(57.46)	(42.26)
Proceeds from sale of property, plant and equipment	-	1.82
Interest received	5.70	2.28
<b>Net cash flow from / (used in) investing activities (B)</b>	<b>(51.76)</b>	<b>(38.16)</b>
<b>C. Financing activities</b>		
Payment of principal portion of lease liabilities	(10.37)	(9.72)
Interest paid	(7.83)	(13.48)
Repayment of Short term borrowings	(2.99)	-
Repayments of short term borrowings from fellow subsidiaries	-	(152.32)
<b>Net cash from / (used in) in financing activities (C)</b>	<b>(21.19)</b>	<b>(175.52)</b>
<b>Net increase/ (decrease) in cash and cash equivalents (A+B+C)</b>	<b>(79.69)</b>	<b>469.84</b>

## Cash Flow Statement (Contd.)

(All amounts are in Indian Rupees Million, unless otherwise stated)

	Year ended 31 March 2024	Year ended 31 March 2023
Cash and cash equivalents at the beginning of the year	481.78	14.06
Effects of changes in exchange rates on cash and cash equivalents	0.83	(2.12)
<b>Cash and cash equivalents at the end of the year</b>	<b>402.92</b>	<b>481.78</b>
<b>Components of cash and cash equivalents [Note 9(ii)]</b>		
Balances with banks:		
- Current accounts	0.10	0.22
- Deposits with original maturity of less than three months	333.00	446.00
- Exchange earners foreign currency (EEFC) accounts	69.82	35.56
	<b>402.92</b>	<b>481.78</b>

### Reconciliation of liabilities from financing activities

for the year ended March 31, 2024

Particulars	As at 31 March 2023	Cash flows	Non-cash changes Fair value changes/ lease liabilities created during the year	As at 31 March 2024
Current borrowings	132.96	(2.99)	-	<b>129.98</b>
Lease liabilities	38.13	(10.37)	4.33	<b>32.09</b>

for the year ended March 31, 2023

Particulars	As at 31 March 2022	Cash flows	Non-cash changes Fair value changes/ lease liabilities created during the year	As at 31 March 2023
Current borrowings	274.19	(141.23)	-	<b>132.96</b>
Lease liabilities	48.92	(9.72)	(1.06)	<b>38.13</b>

Summary of material accounting policies. (Refer note 2.2)

The accompanying notes are an integral part of the financial statements.

As per our report of even date.

For **S.N. Dhawan & CO LLP**

Chartered Accountants

Firm Registration Number: 000050N/N500045

**Pankaj Walia**

Partner

Membership Number: 509590

For and on behalf of the Board of Directors of

**Schneider Electric President Systems Limited**

**Anuj Kudesia**

Managing Director

DIN: 10629156

**Subhrendu Sarkar**

Whole Time Director and

Chief Financial Officer

DIN: 09813992

**Sapna Bhatia**

Company Secretary

ACS: 32349

Place : Gurugram

Date : 27 May 2024

Place : Gurugram

Date : 27 May 2024

Place : Kolkata

Date : 27 May 2024

Place : Bengaluru

Date : 27 May 2024

## Statement of Changes in Equity

(All amounts are in Indian Rupees Million, unless otherwise stated)

### A) Equity share capital [refer note 11(i)]

Equity shares of Rs 10 each issued, subscribed and fully paid

Particulars	Numbers	Amount
As at 01 April 2022	6,048,000	60.48
Changes during the year	-	-
As at 31 March 2023	6,048,000	60.48
Changes during the year	-	-
As at 31 March 2024	6,048,000	60.48

### B) Other equity [Also refer Note 11(ii)]

Particulars	Reserve and Surplus				Items of Other Comprehensive Income	Total
	Capital reserve	Securities premium	General reserve (transferred from Profit and loss)	Retained earnings		
As at 1 April 2022	0.17	81.70	44.00	888.68	-	1,014.55
Profit for the year	-	-	-	166.89	-	166.89
Re-measurement losses on defined benefit plans (net of tax)	-	-	-	-	(11.25)	(11.25)
transfer to retained earnings	-	-	-	(11.25)	11.25	-
As at 31 March 2023	0.17	81.70	44.00	1,044.32	-	1,170.19
Profit for the year	-	-	-	299.66	-	299.66
Re-measurement losses on defined benefit plans (net of tax)	-	-	-	-	(6.05)	(6.05)
transfer to retained earnings	-	-	-	(6.05)	6.05	-
As at 31 March 2024	0.17	81.70	44.00	1,337.93	-	1,463.80

As per our report of even date.

For and on behalf of the Board of Directors of  
**Schneider Electric President Systems Limited**

For **S.N. Dhawan & CO LLP**

Chartered Accountants

Firm Registration Number: 000050N/N500045

**Pankaj Walia**

Partner

Membership Number: 509590

**Anuj Kudesia**

Managing Director

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Company Secretary

ACS: 32349

Place: Gurugram

Date : 27 May 2024

Place: Gurugram

Date : 27 May 2024

Kolkata

Date : 27 May 2024

Place: Bengaluru

Date : 27 May 2024



# Notes to Financial Statements

## 1. Corporate Information

Schneider Electric President Systems Limited ('the Company') is a Public Limited Company domiciled in India and incorporated under the provisions of the Companies Act, 1956 on 22 October 1984. The registered office of the Company is located at 5C/1, KIADB industrial area, Attibele, Bangalore, India. The Company is engaged in the business of designing, manufacturing and supplying of standard and customized enclosure systems for IT and Telecom infrastructure, systems management, and operations. Its shares are listed on Metropolitan Stock Exchange of India Limited (MSE).

These financial Statement ("financial statements") are approved for issue by the Company's Board of Directors on May 27, 2024.

## 2. Material accounting policies

### Basis of preparation

These financial statements have been prepared in accordance with the Indian Accounting Standards ("Ind AS") as prescribed by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ("the Act"), read with the Companies (Indian Accounting Standards) Rules, 2015 as amended by the companies (Indian Accounting Standards ) Amendment Rules, 2016, other relevant provisions of the Act and other accounting principles generally accepted in India.

The financial statements have been prepared on accrual and going concern basis following the historical cost convention, except for certain financial assets and liabilities measured at fair value. No climate-related matters were identified that create material uncertainties related to events or conditions that may cast significant doubt on company's ability to continue as a going concern.

The Ind AS financial statements are presented in Indian Rupees ("INR") and all values are rounded to the nearest million (INR 000,000), except when otherwise indicated.

Accounting policies have been consistently applied except where a newly issued standard is initially adopted or revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

## 3. Summary of accounting policies

### a. Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/non-current

classification. An asset is treated as current when it is:

- Expected to be realized or intended to be sold or consumed in the normal operating cycle
- Held primarily for purpose of trading
- Expected to be realized within twelve months after the reporting period, or
- cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

Deferred tax assets are classified as non-current assets.

A liability is current when:

- It is expected to be settled in the normal operating cycle
- It is held primarily for purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

If a liability meets the criteria for classification as non-current, it is classified as non-current even if

- Management intends or expects to settle the liability within twelve months after the reporting period, or
- Entity settles the liability between the end of the reporting period and the date the financials statements are approved for issue.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Company has identified twelve months as its operating cycle, except for project business. The projects business comprises long-term contracts which have an operating cycle exceeding one year. For classification of current assets and liabilities related to project business, the Company uses the duration of the contract as its operating cycle.

## Notes to Financial Statements

### b. 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 CENVAT credit, VAT credit availed, input tax credit under goods and service tax, 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 profit or loss as incurred. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Subsequent expenditure related to an item of property, plant and equipment 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 property, plant and equipment, 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.

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 income statement 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.

### c. Depreciation on property, plant and equipment

Depreciation on property, plant and equipment is calculated on a straight-line basis using the rates arrived at based on the useful lives estimated by the management. The estimated useful lives of assets are as follows:

Particulars	Useful life (in years)
Buildings	
Factory buildings	30
Office buildings	30
Others – fences etc.	5
Plant and equipment (including tools, dies and jigs)	15
Computer hardware	3
Furniture and fixtures	10
Office equipment	5

Leasehold Land and Leasehold Improvements are depreciated over the primary period of lease.

Depreciation is provided on pro-rata basis from/up to the date of purchase or disposal, for asset purchased or sold during the year.

### d. Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Intangible assets acquired in a business combination are recognised at fair value at the acquisition date. Subsequently, intangible assets are carried at cost less any accumulated amortisation 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.

## Notes to Financial Statements

Intangible assets are amortized on a straight-line basis over the estimated useful economic life. Patents and trademarks, computer software and designs and copyrights are amortized over a period of nine years, six years and five years respectively, from the date available for use. All other intangible assets are assessed for impairment whenever there is an indication that the intangible asset may be impaired.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is derecognised. Depreciation amount of intangible assets with a finite useful life is allocated on a systematic basis over its useful life, which is considered to be on straight line basis.

### 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 at time in exchange for a 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 the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

Right to use assets	Useful Lives estimated by the management (years)
Leased buildings	6 years
Motor vehicles	4 years

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment assessment. Refer to the accounting policies in section 2.2 (f) 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

## Notes to Financial Statements

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 recognised in the Statement of Profit and Loss on a straight-line basis over the lease term. Costs, including depreciation, are recognised as an expense in the Statement of Profit and Loss.

### f. 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. 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 group 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. Further, the input and assumptions used in both value in use or fair value less costs of disposal model are not impacted by climate-related risks, if any.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

Impairment losses including impairment on inventories, are recognised in the statement of profit and loss. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life. These calculations are corroborated by valuation

multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the entity operates, or for the market in which the asset is used.

### g. 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

The Company classifies its financial assets in the following measurement categories:

- Those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss)
- Those measured at amortized cost

#### 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. 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. However, trade receivables that do not contain a significant financing component are measured at transaction price.

## Notes to Financial Statements

### 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 statement of profit & 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.

## Notes to Financial Statements

Debt instruments included within the FVTPL category are measured at fair value with all changes recognised in the statement of profit and loss.

### Equity investments of other entities

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 all 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 recognised in the OCI. There is no recycling of the amounts from OCI to profit and loss, 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 recognised in the Profit and loss.

### 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.

### Impairment of financial assets

In accordance with IND AS 109, the Company applies expected credit losses (ECL) model for measurement and recognition of impairment loss on the following financial asset and credit risk exposure

- Financial assets measured at amortized cost;
- Financial assets measured at fair value through other comprehensive income (FVTOCI);

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 17

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

## Notes to Financial Statements

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 historically 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 the 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.

### 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:

#### 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 or 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 profit or 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.

## Notes to Financial Statements

### **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 the 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.

### **h. 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 and stores and spares is determined on First-In-First-Out basis (FIFO).

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 work in progress and finished goods is determined on first-in-first-out basis.

Traded goods are valued at lower of cost and net realizable value. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on first-in-first-out basis.

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.

Provision for inventory obsolescence is assessed based on expected use of inventory in future period and adjusted from the gross value of the inventory.

### **i. Revenue recognition**

Revenue towards satisfaction of a performance obligation is measured at the amount if transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts and schemes offered by the Company as part of the contract. 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.

### **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, non-cash consideration, and consideration payable to the customer (if any).

The Company recognises revenues from sale of goods to group entities, on the basis of an agreed mark-up in accordance with the terms of the agreement entered into by the Company with its Group Company.



## Notes to Financial Statements

### 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.

### Revenue from sale of services

The Company provides installation and commissioning services that are either sold separately or bundled together with the sale of equipment to a customer which generally constitutes a single performance obligation with the supply under overall project.

The Company also provides maintenance services. Revenues from maintenance services are recognised on time-proportion basis.

Other operational revenue represents income earned from the activities incidental to the business and is recognised when the right to receive the income is established as per the terms of contract.

### Other operating revenue

Other operational revenue represents income earned from the activities incidental to the business and is

recognised when the right to receive the income is established as per the terms of contract.

Export benefits arising from Duty Drawback scheme and Service/Merchandise Export Incentive Scheme are accounted for to the extent there is reasonable certainty of utilization / realisation of the same. Revenue from exports benefits measured at the fair value of consideration received or receivable.

### Other income / other operating income

#### Interest income

Interest income is recognised using the time proportionate method based on underlying interest rates. 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).

#### Long term Contracts

The Company recognise revenue when control of the goods or services are transferred to the customer, at an amount that reflects the consideration (i.e. the transaction price) to which the Company is expected to be entitled in exchange for those goods or services excluding any amount received on behalf of third party (such as indirect taxes). An asset created by the Company's performance does not have an alternate use and as per the terms of the contract, the Company has an enforceable right to payment for performance completed till date. Hence, the Company transfers control of a good or service over time and, therefore, satisfies a performance obligation and recognises revenue over time. The Company recognise revenue at the transaction price which is determined on the basis of purchase order entered into with the customer. The Company recognise revenue for performance obligation satisfied over time only if it can reasonably measure its progress towards complete satisfaction of the performance obligation. The Company would not be able to reasonably measure its progress towards complete satisfaction of a performance obligation if it lacks reliable information that would be required to apply an appropriate method of measuring progress. In those circumstances, the Company recognise revenue only to the extent of cost incurred until it can reasonably measure outcome of the performance obligation.

The Company uses cost based input method for measuring progress for performance obligation

## Notes to Financial Statements

satisfied over time. Under this method, the Company recognises revenue in proportion to the actual project cost incurred as against the total estimated project cost.

The management reviews and revises its measure of progress periodically and are considered as change in estimates and accordingly, the effect of such changes in estimates is recognised prospectively in the period in which such changes are determined.

### **Contract balances**

#### Contact assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

#### 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). Trade receivables are recognized initially at the transaction price as they do not contain significant financing component. The company hold the trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method, less loss allowances.

#### 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.

### **j. Foreign currencies**

Items included in the financial statements are measured using the currency of the primary

economic environment in which the entity operates ('the functional currency'). The Company's financial statements are presented in Indian rupee (INR) which is also the Company's functional and presentation currency.

Foreign currency transactions are recorded on initial recognition in the functional currency, using the exchange rate prevailing at the date of transaction.

#### Transactions and balances

Transactions in foreign currencies are initially recorded by the Company at its functional currency spot rates at the date the transaction first qualifies for recognition. However, for practical reasons, the Company uses an average rate if the average approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

### **k. Employee benefit**

#### **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 services 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.

## Notes to Financial Statements

### 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

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.

#### Provident fund

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the fund. The Company recognizes contribution payable through provident fund scheme as an expense, when an employee renders the related services. If the contribution payable to scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is 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 excesses 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

Compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as undiscounted liability at the balance sheet date. Compensated absences which are not expected to occur within twelve months after the end of the reporting period in which the employee renders the related services are recognised as an actuarially determined liability at the present value of the defined benefit obligation at the balance sheet date. The Company recognised compensated absence liability as current liability.

### iii. Share based payments

Employees (including senior executives) of the Company receive remuneration from the ultimate holding Company 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

## Notes to Financial Statements

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.

### I. Taxes

Tax expense for the year comprises of current income tax and deferred tax.

#### i. Current Income Tax

Current tax is determined as the tax payable in respect of taxable income for the year and is computed in accordance with relevant tax regulations. Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity).

#### ii. Deferred Tax

Deferred tax is provided 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 assets and liabilities are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. 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.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside the statement of profit and loss is recognised outside the statement of profit and loss (either in other

## Notes to Financial Statements

comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or direct in equity.

The amendment requires entities to recognise deferred tax on transactions that, on initial recognition, give rise to equal amounts of taxable and deductible temporary differences, and will require the recognition of additional deferred tax assets and liabilities.

The amendments should be applied to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, entities should recognise deferred tax assets (to the extent that it is probable that they can be utilised) and deferred tax liabilities at the beginning of the earliest comparative period for all deductible and taxable temporary differences associated with:

- right-of-use assets and lease liabilities, and
- decommissioning, restoration and similar liabilities, and corresponding amounts recognised as part of the cost of the related assets.

The cumulative effect of recognising these adjustments is recognised in the opening balance of retained earnings, or another component of equity, as appropriate.

Ind AS 12 did not previously address how to account for the tax effects of on -balance sheet leases and similar transactions and various approaches were considered acceptable.

### **Taxes paid on acquisition of assets or on incurring expenses**

Assets are recognised net of the amount of GST paid, except when the tax incurred on a purchase of assets is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset.

Expenses are recognised net of the amount of GST paid, except when the tax incurred on a purchase of services is not recoverable from the taxation authority, in which case, the tax paid is expensed off in statement of profit and loss.

The net amount of tax recoverable from, or payable to, the taxation authority is included as part of other current/ non- current assets or other current liabilities in the balance sheet.

### **m. Segment reporting**

The Company is engaged mainly in the business of “Designing, manufacturing and supplying of standard and customized enclosure systems”. The Board of Directors of the Company, which has been identified as being the chief operating decision maker (CODM), evaluates the Company’s performance, allocates resources based on the analysis of the various performance indicators of the Company as a single unit. Therefore there is no reportable segment for the Company, in accordance with the requirements of Ind AS 108- ‘Operating Segment Reporting’, notified under the Companies (Indian Accounting Standard) Rules, 2015.

### **n. Earnings Per Share**

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effect of all potentially dilutive equity shares.

As at the balance sheet date, the Company does not have any dilutive potential equity shares.

### **o. Borrowing Cost**

Borrowing cost includes interest and other costs incurred in connection with the borrowing of funds and charged to Statement of Profit and Loss on the basis of effective interest rate (EIR) method. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing cost.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are recognised as expense in the period in which they occur.

## Notes to Financial Statements

### p. 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.

#### Contingent Assets

Contingent assets are neither recognised nor disclosed in the financial statements.

Provisions, contingent liabilities, contingent assets and commitments are reviewed at each balance sheet date.

### q. Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term

deposits with an original maturity of three months or less, which are subject to insignificant risk of changes in value.

### r. 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, maximizing 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

## Notes to Financial Statements

**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.

### s. Significant accounting judgements, estimates and assumptions

The preparation of financial statement requires management to make judgements, estimates and assumption in the application of accounting policies that affect the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Continuous evaluation is done on the estimation and judgements based on historical experience and other factors, including expectations of future events that are believed to be reasonable. Revisions to accounting estimates are recognized prospectively.

Information about critical judgements in applying accounting policies, as well as estimates and assumptions that have the most significant effect to the carrying amount of assets and liabilities within the next financial year, are included in the followings notes

- a. Measurement of defined benefit obligation
- b. Measurement and likelihood of occurrence of provision and contingencies
- c. Recognition of deferred tax assets
- d. Measurement of lease liabilities and right to use assets
- e. Provision for expected credit losses of trade receivables and contract assets

f. Useful lives of property, plant and equipment

g. Revenue recognition

### t. Provision for Litigations

A provision is recognised when the Company has a present obligation as result of a past event and it is probable that the outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are not recognised in the financial statements. Refer note 29(B).

### u. Standards issued but not yet effective

The Ministry of Corporate Affairs has vide notification dated 31 March 2023 notified Companies (Indian Accounting Standards) Amendment Rules, 2023 which amends certain accounting standards, and are effective 1 April 2023. The Company does not expect the amendment to have any significant impact in its financial statements.

The Ministry of Corporate affairs vide notification dated 31 march 2023 notified the Companies (Indian Accounting Standards) Amendments Rules 2023, which amended certain accounting standard (see below), and are effective 1 April 2023 :

- Disclosure of accounting policies – amendments to Ind AS 1
- Definition of accounting estimates – amendments to Ind AS 8
- Deferred tax related to assets and liabilities arising from a single transaction – amendment to Ind AS 12

The other amendments to Ind AS notified by these rules are primarily in the nature of classification.

These amendments did not have any material impact on the amount recognized in prior period and are not expected to significantly affect the current or future periods. Specifically, no changes would be necessary as a consequence of amendments made to Ind AS 12 as the group's accounting policies already complies with the now mandatory treatment.

## Notes to Financial Statements

### 3 Property, plant and equipment and capital work in progress

#### 3.1 Property, plant and equipment

(All amounts are in Indian Rupees Million, unless otherwise stated)

	Freehold Land	Leasehold Improvements	Buildings- Factory	Building- Office	Plant and equipment	Office equipment	Tools, dies and jigs	Furniture and fixtures	Computer hardware	Total
<b>Gross carrying value</b>										
As at 1 April 2022	42.02	21.28	68.24	1.66	222.73	5.89	17.27	2.15	6.80	388.04
Additions / transfer from CWIP	-	0.04	0.48	-	30.79	0.89	1.08	0.09	4.94	38.31
Disposals	-	-	-	-	-	-	-	-	0.12	0.12
<b>At 31 March 2023</b>	<b>42.02</b>	<b>21.32</b>	<b>68.72</b>	<b>1.66</b>	<b>253.52</b>	<b>6.78</b>	<b>18.35</b>	<b>2.24</b>	<b>11.62</b>	<b>426.23</b>
Additions / transfer from CWIP	-	0.93	3.90	-	44.07	0.03	-	0.12	0.99	50.04
Disposals	-	-	-	-	2.13	0.04	-	0.00	0.51	2.68
<b>At 31 March 2024</b>	<b>42.02</b>	<b>22.25</b>	<b>72.62</b>	<b>1.66</b>	<b>295.46</b>	<b>6.77</b>	<b>18.35</b>	<b>2.36</b>	<b>12.10</b>	<b>473.59</b>
<b>Accumulated depreciation</b>										
At 1 April 2022	-	2.54	5.40	0.01	38.00	1.79	3.70	0.47	1.82	53.73
Charge for the year	-	3.23	5.65	0.16	39.41	1.86	3.08	0.48	3.60	57.47
Disposals	-	-	-	-	-	-	-	-	-	-
<b>At 31 March 2023</b>	<b>-</b>	<b>5.77</b>	<b>11.05</b>	<b>0.17</b>	<b>77.41</b>	<b>3.65</b>	<b>6.78</b>	<b>0.95</b>	<b>5.42</b>	<b>111.20</b>
Charge for the year	-	3.24	5.58	0.15	61.42	1.30	4.99	0.47	3.55	80.70
Disposals	-	-	-	-	1.80	0.04	-	0.00	0.51	2.35
<b>At 31 March 2024</b>	<b>-</b>	<b>9.01</b>	<b>16.63</b>	<b>0.32</b>	<b>137.03</b>	<b>4.91</b>	<b>11.77</b>	<b>1.42</b>	<b>8.46</b>	<b>189.55</b>
<b>Net carrying Amount</b>										
At 31 March 2024	42.02	13.24	55.99	1.34	158.43	1.86	6.58	0.94	3.64	284.04
At 31 March 2023	42.02	15.55	57.67	1.49	176.11	3.13	11.57	1.29	6.20	315.03

During the year ended 31 March 2020, the Board of directors had passed a resolution to consolidate the Pune factory with Bangalore factory and the production activities were discontinued effective from 21 February 2020. Leasehold land, building and other assets to the tune of Rs. 20.28 million (31 March 2023 Rs. 20.28 million) were considered as 'Assets held for sale' which has been disclosed separately in the Ind AS financial statements. The sale process was delayed due to Covid-19 pandemic. The Company is in the process of identifying potential customer to sell these assets.

Refer note 29A for disclosure of contractual commitments for the acquisition of property, plant and equipment.



## Notes to Financial Statements

(All amounts are in Indian Rupees Million, unless otherwise stated)

### 3.2 Capital work-in-progress

Particulars	Total
<b>As at 01 April 2022</b>	<b>8.86</b>
Additions	37.89
Less: Transfer to property plant and equipments	40.44
<b>As at 31 March 2023</b>	<b>6.31</b>
Additions	56.65
Less: Transfer to property plant and equipments	55.26
<b>As at 31 March 2024</b>	<b>7.70</b>

#### Ageing of Capital work in progress (CWIP) as at 31 March 2024\*

Particulars	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	3.80	3.90	-	-	7.70
Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>3.80</b>	<b>3.90</b>	<b>-</b>	<b>-</b>	<b>7.70</b>

#### Ageing of Capital work in progress (CWIP) as at 31 March 2023\*

Particulars	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	6.31	-	-	-	6.31
Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>6.31</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>6.31</b>

\*There are no projects under capital work-in-progress where the completion is overdue or has exceeded the cost, compared to its original plan.

## Notes to Financial Statements

(All amounts are in Indian Rupees Million, unless otherwise stated)

### 4 Other intangible assets:

	Computer Software	Total
<b>Gross Carrying value</b>		
<b>As at 1 April 2022</b>	<b>3.00</b>	<b>3.00</b>
Additions	0.91	<b>0.91</b>
Disposals	-	-
<b>At 31 March 2023</b>	<b>3.91</b>	<b>3.91</b>
Additions	1.00	<b>1.00</b>
Disposals	-	-
<b>At 31 March 2024</b>	<b>4.91</b>	<b>4.91</b>
<b>Amortisation</b>		
<b>At 1 April 2022</b>	<b>0.93</b>	<b>0.93</b>
Amortization for the year	1.38	<b>1.38</b>
Disposals	-	-
<b>At 31 March 2023</b>	<b>2.31</b>	<b>2.31</b>
Amortization for the year	1.85	<b>1.85</b>
Disposals	-	-
<b>At 31 March 2024</b>	<b>4.16</b>	<b>4.16</b>
<b>Net carrying Amount</b>		
<b>At 31 March 2024</b>	<b>0.75</b>	<b>0.75</b>
<b>At 31 March 2023</b>	<b>1.60</b>	<b>1.60</b>

Note: There is no intangible asset under development.

	As at 31 March 2024	As at 31 March 2023
<b>5 Other non-current financial assets</b>		
<b>Unsecured, carried at amortised cost</b>		
Security deposits - considered good	27.41	22.74
<b>Total other non-current financial assets</b>	<b>27.41</b>	<b>22.74</b>

	As at 31 March 2024	As at 31 March 2023
<b>6 Income tax assets (net)</b>		
Advance income tax (net of provisions)	15.50	23.55
Less: Impairment allowance for doubtful balances	(1.81)	(1.81)
<b>Total Income tax assets (net)</b>	<b>13.69</b>	<b>21.74</b>

## Notes to Financial Statements

(All amounts are in Indian Rupees Million, unless otherwise stated)

	As at 31 March 2024	As at 31 March 2023
<b>7 Other non-current assets</b>		
<b>Unsecured, considered doubtful</b>		
Balance with statutory/ government authorities	5.29	5.29
	<b>5.29</b>	<b>5.29</b>
Less: Impairment allowance for doubtful assets	5.29	5.29
<b>Total other non-current assets</b>	<b>-</b>	<b>-</b>

	As at 31 March 2024	As at 31 March 2023
<b>8 Inventories</b>		
<b>(Lower of cost or net realisable value, unless otherwise stated)</b>		
Raw materials and components*	206.74	221.76
Work-in-progress	34.24	51.57
Finished goods	<b>56.53</b>	<b>28.79</b>
Traded goods	2.77	0.48
<b>Total inventories</b>	<b>300.28</b>	<b>302.60</b>
*The above includes goods in transit as under:		
Raw materials	4.01	13.04
	<b>4.01</b>	<b>13.04</b>

	As at 31 March 2024	As at 31 March 2023
<b>9 (i) Trade receivables (unsecured)</b>		
Trade receivables- Considered good	591.27	465.63
Trade receivables- Considered doubtful	29.60	28.22
Receivables from related parties - considered good (refer note 28 (a))	597.55	192.21
<b>Total trade receivables (gross)</b>	<b>1,218.42</b>	<b>686.06</b>
Less: Impairment allowance for trade receivables credit impaired and expected credit losses	29.60	28.22
<b>Total trade receivables (net)</b>	<b>1,188.82</b>	<b>657.84</b>

Note: Trade receivable are non-interest bearing and are generally on terms of 30 to 90 days.

## Notes to Financial Statements

(All amounts are in Indian Rupees Million, unless otherwise stated)

### Trade receivables ageing schedule as at 31 March 2024

Particulars	Outstanding for following periods from due date of payment						Total
	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed trade receivables – considered good	696.97	478.94	19.73	6.25	4.29	5.14	1,211.32
(ii) Undisputed trade receivables – credit impaired	-	-	0.81	0.66	-	5.63	7.10
<b>Total trade receivables (gross)</b>	<b>696.97</b>	<b>478.94</b>	<b>20.54</b>	<b>6.92</b>	<b>4.29</b>	<b>10.76</b>	<b>1,218.42</b>
Less : Allowances for credit impairment	-	-	0.81	0.66	-	5.63	7.10
Less : Allowances for expected credit loss	-	-	-	-	-	-	22.50
<b>Total</b>	<b>696.97</b>	<b>478.94</b>	<b>19.73</b>	<b>6.25</b>	<b>4.29</b>	<b>5.13</b>	<b>1,188.82</b>

### Trade receivables ageing schedule as at 31 March 2023

Particulars	Outstanding for following periods from due date of payment						Total
	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed trade receivables – considered good	413.96	205.53	29.48	11.94	8.36	10.34	679.61
(ii) Undisputed trade receivables – credit impaired	-	1.13	-	-	0.04	5.28	6.45
<b>Total trade receivables (gross)</b>	<b>413.96</b>	<b>206.66</b>	<b>29.48</b>	<b>11.94</b>	<b>8.40</b>	<b>15.62</b>	<b>686.06</b>
Less : Allowances for credit impairment	-	1.13	-	-	0.04	5.28	6.45
Less : Allowances for expected credit loss	-	-	-	-	-	-	21.77
<b>Total</b>	<b>413.96</b>	<b>205.53</b>	<b>29.48</b>	<b>11.94</b>	<b>8.36</b>	<b>10.34</b>	<b>657.84</b>

The Company does not have disputed trade receivables as at 31 March 2024 and 31 March 2023.

(All amounts are in Indian Rupees Million, unless otherwise stated)

	As at 31 March 2024	As at 31 March 2023
<b>9 (ii) Cash and cash equivalents</b>		
<b>Balances with banks:</b>		
- Current accounts	0.10	0.22
- Deposits with original maturity of less than three months	333.00	446.00
- Exchange earners foreign currency (EEFC) accounts	69.82	35.56
<b>Total cash and cash equivalents</b>	<b>402.92</b>	<b>481.78</b>

Note: There are no restrictions with regard to cash and cash equivalents as at the end of the reporting period and prior periods.

## Notes to Financial Statements

(All amounts are in Indian Rupees Million, unless otherwise stated)

	As at 31 March 2024	As at 31 March 2023
<b>9 (iii) Other financial assets (unsecured, considered good)</b>		
Interest receivable on fixed deposits	1.42	-
Dues from related parties (refer note 28 (a))	6.52	5.09
Recoverable from gratuity trust	5.52	2.83
<b>Total other financial assets</b>	<b>13.46</b>	<b>7.92</b>

	As at 31 March 2024	As at 31 March 2023
<b>10 Other current assets</b>		
<b>Unsecured, considered good</b>		
Advance to suppliers	14.71	1.24
Advance to employees	23.10	9.01
Prepaid expenses	17.46	13.61
Balance with statutory/government authorities	111.12	41.05
<b>Total other current assets</b>	<b>166.39</b>	<b>64.91</b>

	As at 31 March 2024	As at 31 March 2023
<b>11 Equity</b>		
<b>(i) Equity share capital</b>		
<b>Authorised:</b>		
12,000,000 (31 March 2023: 12,000,000) equity shares of Rs 10 each	120.00	120.00
<b>Issued, subscribed and fully paid up :</b>		
6,048,000 (31 March 2023: 6,048,000 ) equity shares of Rs 10 each fully paid up (refer note (f) below)	60.48	60.48
	<b>60.48</b>	<b>60.48</b>

**a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period**

	Numbers	Amount
<b>As at 1 April 2022</b>	<b>6,048,000</b>	<b>60.48</b>
Issued during the year	-	-
<b>As at 31 March 2023</b>	<b>6,048,000</b>	<b>60.48</b>
Issued during the year	-	-
<b>As at 31 March 2024</b>	<b>6,048,000</b>	<b>60.48</b>

## Notes to Financial Statements

(All amounts are in Indian Rupees Million, unless otherwise stated)

### b) Terms/ rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity is entitled to one vote per share.

In the event of liquidation of the Company, the holders of equity shares would be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

### c) Details of shares held by promoters

Promoter name	Shares held by promoters at the end of the year		Shares held by promoters at the beginning of the year	Change during the year	% Change during the year
	No. of Shares	% of total shares	No. of Shares		
<b>As at 31 March 2024</b>					
Schneider Electric South East Asia (HQ) Pte Limited	4,493,086	74.29%	4,867,933	(374,847)	(6.20%)
<b>Total</b>	<b>4,493,086</b>	<b>74.29%</b>	<b>4,867,933</b>	<b>(374,847)</b>	<b>(6.20%)</b>
<b>As at 31 March 2023</b>					
Schneider Electric South East Asia (HQ) Pte Limited	4,867,933	80.49%	4,867,933	-	-
<b>Total</b>	<b>4,867,933</b>	<b>80.49%</b>	<b>4,867,933</b>	<b>-</b>	<b>-</b>

### d) Shares held by holding/ultimate holding company and/or their subsidiaries/associates

Out of equity shares issued by the Company, shares held by its Holding Company are as below :

	As at 31 March 2024	As at 31 March 2023
<b>Schneider Electric South East Asia (HQ) Pte Limited</b>		
4,493,086 (31 March 2023: 4,867,933) equity shares of Rs. 10 each fully paid up (refer note (f) below)	44.93	48.68

### e) Details of shareholders holding more than 5% shares in the Company

	As at 31 March 2024		As at 31 March 2023	
	Number of Shares	% holding	Number of Shares	% holding
<b>Equity shares of Rs 10 each fully paid</b>				
Schneider Electric South East Asia (HQ) Pte Limited *	4,493,086	74.29%	4,867,933	80.49%

\* As per records of the Company, including its register of shareholders/ members and other declaration received from shareholders regarding beneficial interest, the above shareholding represent both legal and beneficial ownership of shares.

## Notes to Financial Statements

(All amounts are in Indian Rupees Million, unless otherwise stated)

- f) The equity shares of the Company were listed on the Pune Stock Exchange and permitted to be traded on the Bombay Stock Exchange. Consequent to de-recognition of the Pune Stock Exchange by Securities Exchange Board of India (SEBI), Bombay Stock Exchange had suspended the trading of the equity shares of the Company effective 22 May 2015.

Basis the circular issued by SEBI for the exclusively listed companies of de-recognized stock exchanges placed in the Dissemination Board, Schneider Electric South East Asia (HQ) Pte. Ltd. ("the Promoter") had provided an exit offer on 14 February 2017 to the public shareholders of the Company at an offer price of Rs. 200.40 per share based on an independent valuation performed by valuer empanelled with the National Stock Exchange (NSE).

In the exit offer provided to the public shareholders, 344 shareholders have tendered 331,939 equity shares i.e. (5.49% of the total share capital of the Company) to the Promoter of the Company. Accordingly, Promoter's Shareholding increased to 80.49% of the total share capital. During the current year, the Company has completed its listing of 6,048,000 equity share of face value of Rs. 10 each on Metropolitan Stock Exchange of India Limited (MSEI). The equity share of the Company were listed and admitted on MSEI w.e.f. 19 January 2024.

- g) No bonus shares, shares issued for consideration other than cash and buy backs have been made by the Company in the previous five years immediately preceding the reporting date.

	As at 31 March 2024	As at 31 March 2023
<b>11 (ii) Other equity</b>		
Capital reserve	0.17	0.17
Securities premium	81.70	81.70
General reserve	44.00	44.00
Retained earnings	1,337.93	1,044.32
	<b>1,463.80</b>	<b>1,170.19</b>
<b>Capital reserve</b>		
Opening balance	0.17	0.17
Add: Change during the year	-	-
	<b>0.17</b>	<b>0.17</b>
<b>Securities premium</b>		
Opening balance	81.70	81.70
Add: Change during the year	-	-
	<b>81.70</b>	<b>81.70</b>
<b>General reserve</b>		
Opening balance	44.00	44.00
Add: Change during the year	-	-
	<b>44.00</b>	<b>44.00</b>
<b>Retained earnings</b>		
Opening balance	1,044.32	888.68
Add: Profit for the year	293.61	155.64
	<b>1,337.93</b>	<b>1,044.32</b>

## Notes to Financial Statements

(All amounts are in Indian Rupees Million, unless otherwise stated)

### Description of nature and purpose of each reserve:

- Capital reserve:** The capital reserve represents the capital profit recognized in respect of profit on equity shared forfeited.
- Securities premium:** The amount received in excess of face value of equity shares is recognised in securities premium.
- General Reserve:** The general reserve amount represents the profit transferred from profit and loss.
- Retained Earnings:** Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividend or other distributions paid to shareholders

	As at 31 March 2024	As at 31 March 2023
<b>12 Non-current provisions</b>		
Provision for gratuity [Note 26 (a)]	60.11	52.87
	<b>60.11</b>	<b>52.87</b>

	As at 31 March 2024	As at 31 March 2023
<b>13 (i) Short term borrowings carried at amortised cost, unsecured</b>		
from fellow subsidiary [Note (i)]	-	-
from bank [Note (ii)]	129.98	132.96
	<b>129.98</b>	<b>132.96</b>

- The Company has an arrangement with Schneider Electric India Private Limited, India (SEIPL), a fellow subsidiary, for a cash lending limit up to Rs. 350.00 million (31 March 2023 Rs. 350.00 million). Basis such arrangement, the Company's banker automatically transfers funds from Schneider Electric India Private limited to the Company's bank account in case of requirement of fund at the end of each day up to the approved limits. This loan carry interest rate of 3.33% (31 March 2023: 3.33%).
- Short term borrowings from bank includes amount payable to bank due to vendor credit arrangement with Bank and is repayable within a period of 6 months. The interest costs are borne by the respective vendors availing such facility.

	As at 31 March 2024	As at 31 March 2023
<b>13 (ii) Trade payables carried at amortised cost</b>		
- Total outstanding dues of micro enterprises and small enterprises [MSME] [Note (vi) below]	146.86	64.72
- Total outstanding dues of creditors other than micro enterprises and small enterprises	438.61	323.74
	<b>585.47</b>	<b>388.46</b>



## Notes to Financial Statements

(All amounts are in Indian Rupees Million, unless otherwise stated)

### Trade Payables Ageing Schedule

As at 31 March 2024	Outstanding for following periods from due date of payment						Total
	Unbilled	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	12.34	132.36	2.08	-	0.03	0.05	146.86
(ii) Others	69.07	204.59	156.66	4.36	0.98	2.95	438.61
<b>Total</b>	<b>81.41</b>	<b>336.95</b>	<b>158.74</b>	<b>4.36</b>	<b>1.01</b>	<b>3.00</b>	<b>585.47</b>

As at 31 March 2023	Outstanding for following periods from due date of payment						Total
	Unbilled	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	3.33	59.47	1.69	0.16	-	0.07	64.72
(ii) Others	88.68	146.13	84.12	3.01	0.88	0.92	323.74
<b>Total</b>	<b>92.01</b>	<b>205.60</b>	<b>85.81</b>	<b>3.17</b>	<b>0.88</b>	<b>0.99</b>	<b>388.46</b>

- (i) Trade payables include due to related parties Rs 187.53 million (31 March 2023 : Rs 133.18 million) (refer note 28 (a))
- (ii) Trade payable amounts are non interest bearing and normally settled on 90 day terms.
- (iii) The amounts falling in the category of more than 1 year are related to pending obligation on the part of supplier as per agreed terms and conditions mentioned in contracts.
- (iv) The Company does not have disputed trade payables as at 31 March 2024 and as at 31 March 2023.
- (v) Information as required to be furnished as per section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) is given below. This information has been determined to the extent such parties have been identified on the basis of information available with the Company.

	As at 31 March 2024	As at 31 March 2023
i) Principal amount and interest due thereon remaining unpaid to any supplier covered under MSMED Act:		
Principal	146.86	64.72
Interest	0.15	0.32
ii) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	-	2.35
iii) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act.	0.16	2.08
iv) The amount of interest accrued and remaining unpaid at the end of accounting year.	14.49	14.18
v) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006.	14.49	14.18

## Notes to Financial Statements

(All amounts are in Indian Rupees Million, unless otherwise stated)

	As at 31 March 2024	As at 31 March 2023
<b>13(iii) Other financial liabilities</b>		
Interest accrued and due on payables to micro and small enterprises (Refer note 13(ii)(iv))	14.49	14.18
Security deposit payable	0.81	0.81
Employee dues payable	29.86	26.91
Payable to related parties (refer note 28 (a))	20.57	20.01
Other payables	5.71	19.37
Payable for capital goods	1.51	-
	<b>72.95</b>	<b>81.28</b>
<b>14 Provisions</b>		
<b>Provision for employee benefits</b>		
Provision for compensated absences	24.32	20.59
<b>Other provisions</b>		
Provision for warranties [Note (i)]	-	-
Provision for litigations [Note (ii)]	-	6.93
Restructuring provisions [Note (iii)]	-	2.67
	<b>24.32</b>	<b>30.19</b>
<b>14 (i) Current tax liabilities (net)</b>		
Provision for income tax (Net of advance tax paid amounting to INR 76.78 Million)	53.22	-
	<b>53.22</b>	<b>-</b>
<b>15 Other current liabilities</b>		
Statutory dues payable	9.74	5.28
Advance from customers	9.44	7.57
	<b>19.18</b>	<b>12.85</b>

## Notes to Financial Statements

(All amounts are in Indian Rupees Million, unless otherwise stated)

		Year ended 31 March 2024	Year ended 31 March 2023
<b>16</b>	<b>Revenue from operations</b>		
	Revenue from contract with customers		
	a) Sale of products		
	Sale of finished goods	3,685.02	3,151.27
	Sale of traded goods	130.75	56.48
	<b>Total sale of products</b>	<b>3,815.77</b>	<b>3,207.75</b>
	b) Sale of services	35.80	75.68
	<b>Other operating revenue</b>		
	Scrap sales	21.37	16.48
	Export incentives	56.78	36.45
		<b>3,929.72</b>	<b>3,336.36</b>

		Year ended 31 March 2024	Year ended 31 March 2023
<b>17</b>	<b>Other income</b>		
	Interest income on:		
	- Bank deposits	6.84	2.28
	- Security deposits	1.37	1.26
	- Income tax refunds	0.29	1.46
	Other non-operating income		
	- Gain on account of foreign exchange fluctuations (net)	7.02	12.87
	- Gain on sale of property, plant and equipment	-	0.06
	- Impairment allowance of trade receivable written back	-	12.78
	- Liabilities no longer required written back	16.50	5.58
	- Others	6.07	4.43
		<b>38.09</b>	<b>40.72</b>

		Year ended 31 March 2024	Year ended 31 March 2023
<b>18</b>	<b>Cost of raw material and components consumed</b>		
	Inventory at the beginning of the year	221.76	219.81
	Add: Purchases	2,502.42	2,239.81
		<b>2,724.18</b>	<b>2,459.62</b>
	Less: Inventory at the end of the year	206.74	221.76
	<b>Cost of raw material and components consumed</b>	<b>2,517.44</b>	<b>2,237.86</b>

## Notes to Financial Statements

(All amounts are in Indian Rupees Million, unless otherwise stated)

	Year ended 31 March 2024	Year ended 31 March 2023
<b>19 Changes in inventories of finished goods, work-in-progress and traded goods</b>		
<b>Inventories at the end of the year (refer note 8)</b>		
Traded goods	2.77	0.48
Work-in-progress	34.24	51.57
Finished goods	56.53	28.79
	<b>93.54</b>	<b>80.84</b>
<b>Inventories at the beginning of the year (Note 8)</b>		
Traded goods	0.48	0.54
Work-in-progress	51.57	64.38
Finished goods	28.79	41.69
	<b>80.84</b>	<b>106.61</b>
	<b>(12.70)</b>	<b>25.77</b>
<b>20 Employee benefits expenses</b>		
Salaries, wages and bonus	241.09	230.29
Contribution to provident and other funds	12.51	11.48
Gratuity expense (refer note 26 (b))	7.90	6.09
Share based payments	15.88	14.27
Staff welfare expenses	54.62	42.59
	<b>332.00</b>	<b>304.72</b>
<b>21 Depreciation and amortisation expenses</b>		
Depreciation of property, plant and equipment (refer note 3.1)	80.70	57.47
Amortisation of right-of-use assets (refer note 27 (a))	11.62	11.90
Amortisation of intangible assets (refer note 4)	1.85	1.38
	<b>94.17</b>	<b>70.75</b>
<b>22 Finance costs</b>		
Interest to micro and small enterprises	0.00	-
Interest on lease liabilities (refer note 27)	4.33	5.03
Interest on borrowings	0.32	4.90
Others	8.66	4.95
	<b>13.31</b>	<b>14.88</b>

## Notes to Financial Statements

(All amounts are in Indian Rupees Million, unless otherwise stated)

	Year ended 31 March 2024	Year ended 31 March 2023
<b>23 Other expenses</b>		
Subcontracting expenses	121.03	119.81
Freight and forwarding charges	13.28	12.62
Rent	6.97	3.90
Travelling and conveyance	6.43	5.16
Legal and professional fees	74.02	64.69
Directors' sitting fees	0.69	0.55
Payments to auditors (refer note below)	8.18	4.04
Management fees (refer note 28 (a))	37.71	49.53
Information technologies licence fees (refer note 28 (a))	79.69	57.70
Power and fuel	62.33	62.42
Repairs and maintenance		
Building	10.87	13.20
Plant and machinery	36.16	29.13
Others	11.69	8.85
Consumption of stores and spares	16.21	13.78
Advertising and sales promotion	0.39	0.17
Rates and taxes	5.75	1.63
Insurance	10.68	11.50
Provision for litigations	-	0.26
Impairment allowance for doubtful debts	1.38	1.81
Bad debts written off	9.47	-
Loss on sale of property plant and equipment	0.40	-
Corporate Social Responsibility expense (refer note 33)	4.30	3.20
Miscellaneous expenses	9.12	7.69
	<b>526.75</b>	<b>471.64</b>

	Year ended 31 March 2024	Year ended 31 March 2023
<b>Note: Payment to auditors</b>		
<b>As auditor</b>		
- Statutory audit fee	2.50	3.40
- Tax audit fee	0.30	0.30
- Limited review	4.05	-
- Certification fee	0.60	-
- Reimbursement of expenses	0.73	0.34
	<b>8.18</b>	<b>4.04</b>

## Notes to Financial Statements

(All amounts are in Indian Rupees Million, unless otherwise stated)

		Year ended 31 March 2024	Year ended 31 March 2023
<b>24</b>	<b>Income Taxes</b>		
	The major components of Income tax expense		
	<b>Statement of Profit and Loss:</b>		
	Current income tax charge	122.55	54.56
	Adjustments in respect of current income tax of earlier years	0.59	(3.94)
	Deferred tax (credit) / charge	(17.35)	12.87
	<b>Income tax expense reported in the statement of profit and loss</b>	<b>105.79</b>	<b>63.49</b>
	<b>Other comprehensive income (OCI)</b>		
	Deferred tax related to items recognised in OCI during the year:		
	Re-measurement loss on defined benefit plans	2.03	3.79
	<b>Income tax credit to OCI</b>	<b>2.03</b>	<b>3.79</b>
	<b>Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for 31 March 2024 and 31 March 2023:</b>		
	Accounting profit before income tax	405.45	230.38
	Applicable tax rate	25.17%	25.17%
	<b>Tax expense at statutory income tax rate</b>	<b>102.04</b>	<b>57.98</b>
	Adjustment of tax relating to earlier periods	0.59	(3.94)
	Tax effect due to expenses not allowed for tax purposes	1.85	2.64
	Tax impact of prior years	-	6.79
	Others	(0.54)	0.02
	<b>At the effective income tax rate</b>	<b>103.94</b>	<b>63.49</b>
	<b>Income tax expense reported in the statement of profit and loss</b>	<b>105.79</b>	<b>63.49</b>

	Balance Sheet		Statement of profit and loss and other comprehensive income	
	31 March 2024	31 March 2023	31 March 2024	31 March 2023
<b>a) Deferred tax assets (net)</b>				
<b>Deferred tax assets / (liabilities) relates to the following:</b>				
Depreciation on property, plant and equipment and intangible assets for income tax purposes	7.13	(2.05)	9.18	(3.59)
Expenses allowable on payment basis	34.19	23.64	10.55	2.58
Disallowance for doubtful debts and others	7.45	8.89	(1.44)	9.85
Impact due to lease liabilities	8.08	(1.97)	10.05	12.46
Impact due to right to use assets	(6.40)	2.52	(8.92)	(12.24)
Others	-	0.04	(0.04)	0.02
<b>Net deferred tax assets</b>	<b>50.45</b>	<b>31.07</b>	<b>19.38</b>	<b>9.08</b>

## Notes to Financial Statements

(All amounts are in Indian Rupees Million, unless otherwise stated)

	As at 31 March 2024	As at 31 March 2023
<b>b) Reconciliation of net deferred tax assets is as follows:</b>		
Opening balance	31.07	40.15
Deferred tax credit/ (charge) during the year recognised in profit or loss	17.35	(12.87)
Credit during the year recognised in OCI	2.03	3.79
Closing balance	<b>50.45</b>	<b>31.07</b>

	As at 31 March 2024	As at 31 March 2023
<b>25 Earnings per share [EPS]</b>		
Profit attributable to equity shareholders	299.66	166.89
Weighted average number of equity shares for basic and diluted EPS		
Equity shares	6,048,000	6,048,000
Total	6,048,000	6,048,000
<b>Basic and diluted EPS (Rs)</b>	<b>49.55</b>	<b>27.59</b>

Note: There are no instruments issued by the Company which have effect of dilution of basic earning per share.

### 26 Gratuity

The Company has a defined benefit gratuity plan as per the Payment of Gratuity Act, 1972. Under such Act, an employee who has completed five years of service is entitled to specific benefit. The level of benefit provided depends on the employee's length of service and salary at retirement/ termination age. The plan is funded with HDFC Life Insurance in the form of a qualifying insurance policy.

The following tables summarise the components of net benefit expense recognised in the statement of profit and loss and the funded status and amounts recognised in the balance sheet for the plan:

	As at 31 March 2024	As at 31 March 2023
<b>a) Net defined benefit liability recognised in the balance sheet</b>		
Fair value of plan assets	37.68	28.37
Present value of defined benefit obligation	(92.27)	(78.41)
<b>Amount recognised in Balance Sheet- liability</b>	<b>(54.59)</b>	<b>(50.04)</b>
Non Current liability	(54.59)	(50.04)
	<b>(54.59)</b>	<b>(50.04)</b>

	Year ended 31 March 2024	Year ended 31 March 2023
<b>b) Net defined benefit expense recognised in the statement of profit and loss for the year</b>		
Current service cost	4.27	3.70
Net interest cost	3.63	2.39
<b>Net defined benefit expense debited to statement of profit and loss</b>	<b>7.90</b>	<b>6.09</b>

## Notes to Financial Statements

(All amounts are in Indian Rupees Million, unless otherwise stated)

	Year ended 31 March 2024	Year ended 31 March 2023
<b>c) Remeasurement loss recognised in other comprehensive income</b>		
Actuarial loss for the year on defined benefit obligation		
- from experience adjustments	(6.91)	(2.07)
- from changes in financial assumptions	(1.93)	(11.02)
Actuarial gain /(loss) for the year on plan assets	0.76	(1.95)
<b>Remeasurement loss recognised in other comprehensive Income</b>	<b>(8.08)</b>	<b>(15.04)</b>
<b>d) Reconciliation of opening and closing balances of defined benefit obligation</b>		
Present value of defined benefit obligation at the beginning of the year	78.41	63.18
Interest cost	5.69	4.53
Current service cost	4.27	3.70
Benefit paid	(2.69)	(2.83)
Acquisition/Divestiture of liability	(2.25)	(3.26)
Actuarial (gain)/ loss arising from changes in financial assumptions	1.93	11.02
Actuarial (gain)/ loss arising from changes in experience adjustments	6.91	2.07
<b>Defined benefit obligation at year end</b>	<b>92.27</b>	<b>78.41</b>
<b>e) Reconciliation of opening and closing balances of fair value of plan assets</b>		
Fair value of plan assets at beginning of the year	28.37	28.17
Contribution during the year	6.50	-
Return on plan assets - net of discount rate	2.05	2.15
Actuarial gains/ (loss) on plan assets	0.76	(1.95)
<b>Fair value of plan assets at year end</b>	<b>37.68</b>	<b>28.37</b>
<b>f) Broad categories of plan assets as a percentage of total assets</b>		
Insurer managed funds	100%	100%
<b>g) Principal assumptions used in determining defined benefit obligation</b>		
Mortality table	100% of IALM (2012 - 14)	100% of IALM (2012 - 14)
Discount rate (per annum)	7.00%	7.25%
Salary escalation	8.00%	8.00%
Ages - Withdrawal rates		
Up to 30 years	3%	3%
From 31 to 44 years	2%	2%
Above 44 years	1%	1%
Retirement age (years)	60	60



## Notes to Financial Statements

(All amounts are in Indian Rupees Million, unless otherwise stated)

	Year ended 31 March 2024	Year ended 31 March 2023
<b>h) Quantitative sensitivity analysis for significant assumptions is as below:</b>		
<b>(a) Impact of change in discount rate</b>		
Present Value of Obligation at the end of the year	92.27	78.41
Decrease by 0.50%	97.15	82.71
Increase by 0.50%	89.27	75.95
<b>(b) Impact of the change in salary increase</b>		
Present Value of Obligation at the end of the year	92.27	78.41
Decrease by 0.50%	89.70	76.29
Increase by 0.50%	96.50	82.26

Sensitivities due to mortality and withdrawals are not material and hence impact of such changes are not calculated.

Sensitivities as to the rate of inflation, rate of increase of pensions in payment, rate of increase of pensions before retirement and life expectancy are not applicable being a lump sum benefit on retirement.

The above sensitivity analysis may not be representative of the actual benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

In presenting the above sensitivity analysis, the present value of defined benefit obligation has been calculated using the projected unit credit method at the end of reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognized in the balance sheet.

### i) Maturity profile of defined benefit obligation

Year	Year ended 31 March 2024	Year ended 31 March 2023
April 2023- March 2024	-	1.59
April 2024- March 2025	4.85	4.77
April 2025- March 2026	6.32	5.46
April 2026- March 2027	8.70	9.45
April 2027- March 2028	5.11	4.42
April 2028- March 2029	12.57	43.74
April 2029 onwards	46.13	-

j) The Company's best estimate of expense for the next annual reporting period is Rs. 4.85 million (31 March 2023: Rs 1.59 million).

k) The discount rate is based upon the market yields available on Government bonds at the accounting date with a term that matches that of the liabilities.

l) The sensitivity analyses above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

m) Description of Risk Exposures: Valuations are based on certain assumptions, which are dynamic in nature and vary over time. As such the Company is exposed to various risks as follows :

- (i) Salary Increases- Actual salary increases will increase the Plan's liability. Increase in salary increase rate assumption in future valuations will also increase the liability.

## Notes to Financial Statements

(All amounts are in Indian Rupees Million, unless otherwise stated)

- (ii) Investment Risk – If the employee benefit 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.
- (iii) Discount Rate - Reduction in discount rate in subsequent valuations can increase the plan's liability.
- (iv) Mortality and disability – Actual deaths and disability cases proving lower or higher than assumed in the valuation can impact the liabilities.
- (v) Withdrawals – Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact Plan's liability.

### 27 Leases

The Company has lease contracts for buildings and vehicles. The leases for building generally have lease terms of 6 years and for vehicles 4 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 sub-leasing the leased assets. There are several lease contracts that include extension and termination options and variable lease payments. The Company applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for its leases.

- a) The following are the carrying amount of right of use assets recognised and movement during the year :-

Particulars	Buildings	Vehicles	Total
<b>Gross Block</b>			
<b>As at 1 April 2022</b>	48.46	9.80	<b>58.26</b>
Additions		1.89	<b>1.89</b>
Deletions	-	(3.83)	<b>(3.83)</b>
<b>As at 31 March 2023</b>	<b>48.46</b>	<b>7.86</b>	<b>56.32</b>
Additions	-	3.50	<b>3.50</b>
Deletions	-	(1.71)	<b>(1.71)</b>
<b>As at 31 March 2024</b>	<b>48.46</b>	<b>9.65</b>	<b>58.11</b>
<b>Accumulated amortisation</b>			
<b>As at 1 April 2022</b>	<b>9.84</b>	<b>3.17</b>	<b>13.01</b>
Charge for the year	9.23	2.67	<b>11.90</b>
Deletions	-	(2.18)	<b>(2.18)</b>
<b>As at 31 March 2023</b>	<b>19.07</b>	<b>3.66</b>	<b>22.73</b>
Charge for the year	9.23	2.39	<b>11.62</b>
Deletions	-	(1.65)	<b>(1.65)</b>
<b>As at 31 March 2024</b>	<b>28.30</b>	<b>4.40</b>	<b>32.70</b>
<b>Net block as at 31 March 2024</b>	<b>20.16</b>	<b>5.25</b>	<b>25.41</b>
<b>Net block as at 31 March 2023</b>	<b>29.39</b>	<b>4.20</b>	<b>33.59</b>

- b) The following are the carrying amount of lease liabilities and movement during the year :

Particulars	As at 31 March 2024	As at 31 March 2023
<b>Opening Balance</b>	38.13	48.92
Additions during the year	5.17	1.89
Accretion of interest	4.33	5.03
Payments	(14.94)	(14.75)
Deletions	(0.60)	(2.96)
<b>Closing Balance</b>	<b>32.09</b>	<b>38.13</b>

## Notes to Financial Statements

(All amounts are in Indian Rupees Million, unless otherwise stated)

Particulars	As at 31 March 2024	As at 31 March 2023
Current	12.11	10.40
Non Current	19.98	27.73
<b>Total</b>	<b>32.09</b>	<b>38.13</b>

Note: The effective interest rate for lease liabilities is 8.75% and 7.33% for buildings and vehicles respectively with maturity between 2019-2027.

- c) The following are the amounts recognised in the statement of profit or loss:

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Amortisation expense of right of use assets	11.62	11.90
Interest expense on lease liabilities	4.33	5.03
<b>Total Amount</b>	<b>15.95</b>	<b>16.93</b>

- d) The maturity analysis of lease liabilities as at year end on an undiscounted basis are shown below:

Particulars	As at 31 March 2024	As at 31 March 2023
i) Not later than one year	16.92	11.08
ii) Later than one year but not later than five years	24.81	28.44
iii) Later than five years	-	-

- e) The Company had cash outflows for leases of Rs. 14.94 million (31 March 2023: Rs. 14.75 million ). The Company had Rs. Nil (31 March 2023, Rs. Nil) non-cash additions to right-of-use assets and lease liabilities.
- f) 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.

### 28 Related party disclosures

#### Names of related parties where control exists irrespective of whether transactions have occurred or not

<b>Ultimate holding company</b>	: Schneider Electric SE, France
<b>Holding company</b>	: Schneider Electric South East Asia (HQ) Pte Limited, Singapore

#### Names of other related parties with whom transactions have taken place during the year.

<b>Fellow subsidiaries</b>	: American Power Conversion Corporation (A.P.C) B.V, Philippines
	: Sarel Appareillage Electrique SAS, France
	: Schneider Electric (Australia) Pty Limited, Australia
	: Schneider Electric Asia Pte. Ltd, Singapore

## Notes to Financial Statements

(All amounts are in Indian Rupees Million, unless otherwise stated)

	: Schneider Electric Alpes, France
	: Schneider Electric DC MEA FZCO, U.A.E.
	: Schneider Electric Espana SAU, Spain
	: Schneider Electric France SAS, France
	: Schneider Electric India Private Limited, India
	: Schneider Electric Industries SAS, France
	: Schneider Electric Infrastructure Limited, India
	: Schneider Electric IT Australia Pty Limited, Australia
	: Schneider Electric IT Business India Private Limited, India
	: Schneider Electric IT Corporation, USA
	: Schneider Electric Mexico SA, Mexico
	: Schneider Electric IT Logistics Asia Pacific Pte Limited, Singapore
	: Schneider Electric IT Logistics Europe Ltd, Ireland
	: Schneider Electric Limited, U.K.
	: Schneider Electric Private Limited, India
	: Schneider Electric Singapore Pte Ltd, Singapore
	: Schneider Electric Usa, Inc.
	: Veris Industries LLC, USA
	: Schneider Electric India Foundation (SEIF), India
	: Seit Uae Dist Ou, UAE
	: Schneider Electric Systems India Private Limited, India
	: Schneider Electric Manufacturing The Netherlands B.V.
	: APW President System Limited Employee Group Gratuity Scheme, India
<b>Key managerial personnel (KMP)</b>	: Subhrendu Sarkar, Non Executive Director (Upto 5 December 2023) Whole Time Director and Chief Financial Officer (w.e.f 6 December 2023)
	: Chitra Sukumar, Non-Executive Director (w.e.f 01 January 2023)
	: Arnab Roy, Non-Executive Director (Upto 13 October 2023)
	: Shivaprasad Srinivas, Whole Time Director (Upto 13 March 2024)
	: Sachin Bhalla, Non-Executive Director (w.e.f 01 August 2021)
	: Ranjan Pant, Non-Executive, Independent Director and Chairman
	: Ramakrishna Rajasekharan Nair, Independent Director
	: Prabhu Praveen Das, Non-Executive Director (w.e.f 13 March 2024)
	: Sapna Bhatia, Company Secretary
	: Anuj Kudesia, Managing Director (w.e.f 27 May 2024)

# Notes to Financial Statements

(All amounts are in Indian Rupees Million, unless otherwise stated)

## Related party disclosures-

a) The Company has entered into the following transactions with related parties:

Name of the related party	Year ended	Sale of goods	Purchase of services	Information Technologies Licence Fees	Management fees	Reimbursement to the Company	Reimbursement by the Company	Purchase of goods	Purchase Return	Purchase of property, plant and equipment	Post employment benefit	Corporate Social responsibility expense	Trade receivables and other current assets	Trade payables and other financial liabilities
<b>Holding Company</b>														
Schneider Electric South East Asia (HQ) Pte Limited, Singapore	31 March 2024 31 March 2023	- -	- -	- -	- -	22.79 30.11	- -	- -	- -	- -	- -	- -	6.52 2.23	- -
<b>Fellow subsidiaries</b>														
Schneider Electric IT Business India Private Limited, India	31 March 2024 31 March 2023	114.81 67.41	14.70 5.40	- -	- -	0.23 0.53	- 20.26	47.68 73.81	- -	- 0.95	- -	- -	34.01 18.60	26.32 25.67
Schneider Electric India Private Limited, India	31 March 2024 31 March 2023	83.30 32.56	2.66 2.59	- -	- -	- 0.13	0.35 -	97.31 97.85	- -	0.08 0.14	- -	- -	13.65 7.58	16.16 15.81
Schneider Electric IT Australia Pty Ltd, Australia	31 March 2024 31 March 2023	4.01 18.69	- -	- -	- -	- -	- -	- -	- -	- -	- -	- -	3.85 -	- -
Sarel Appareillage Electrique SAS, France	31 March 2024 31 March 2023	16.30 12.57	- -	- -	- -	- -	- -	- -	- -	- -	- -	- -	11.96 4.30	- -
Schneider Electric Industries SAS, France	31 March 2024 31 March 2023	- -	60.43 -	79.69 57.70	36.30 46.21	- -	6.84 3.31	21.91 20.40	0.55 -	- -	- -	- -	- 17.23	141.31 80.25
Schneider Electric Alpes, France	31 March 2024 31 March 2023	56.04 46.02	- -	- -	- -	- -	- -	- -	- -	- -	- -	- -	18.67 -	- -
Schneider Electric Asia Pte. Ltd, Singapore	31 March 2024 31 March 2023	274.51 307.68	- -	- -	1.41 3.32	- -	- -	2.64 2.27	- -	- -	- -	- -	57.99 93.04	3.99 4.84
Schneider Electric Private Limited, India	31 March 2024 31 March 2023	6.45 0.75	40.32 33.39	- -	- -	- 5.12	1.31 0.15	- 6.55	- 7.66	- -	- -	- -	2.33 3.61	16.87 8.25
Veris Industries LLC, USA	31 March 2024 31 March 2023	- -	- -	- -	- -	- -	- -	33.59 -	- -	- -	- -	- -	- 2.25	1.25 12.70
Schneider Electric France SAS, France	31 March 2024 31 March 2023	4.81 44.27	- -	- -	- -	- -	- -	- -	- -	- -	- -	- -	3.79 -	- -
Schneider Electric Infrastructure Limited, India	31 March 2024 31 March 2023	0.31 -	- -	- -	- -	0.05 -	- -	- 0.26	- -	- 0.90	- -	- -	0.37 1.68	- -
Schneider Electric IT Corporation, USA	31 March 2024 31 March 2023	17.44 20.47	- -	- -	- -	- -	- -	- -	- -	- -	- -	- -	0.78 7.24	- 0.83
Schneider Electric IT Logistic Asia Pacific Pte., Ltd., Singapore	31 March 2024 31 March 2023	2.40 64.62	- -	- -	- -	- -	- -	- -	- -	- -	- -	- -	0.46 14.77	- 0.49

# Notes to Financial Statements



(All amounts are in Indian Rupees Million, unless otherwise stated)

Name of the related party	Year ended	Sale of goods	Purchase of services	Information Technology Licence Fees	Management fees	Reimbursement to the Company	Reimbursement by the Company	Purchase of goods	Purchase Return	Purchase of property, plant and equipment	Post-employment benefit	Corporate Social Responsibility expense	Trade receivables and other current assets	Trade payables and other financial liabilities
Schneider Electric Singapore Pte Limited Singapore	31 March 2024	-	-	-	-	-	-	-	-	-	-	-	0.44	-
Schneider Electric Mexico Sa, Mexico	31 March 2023	103.27	-	-	-	-	-	-	-	-	-	-	0.43	-
Schneider Electric Espana SAU, Spain	31 March 2023	1,130.13	-	-	-	-	-	-	-	-	-	-	414.91	-
Schneider Electric Usa, Inc.	31 March 2023	20.12	-	-	-	-	-	-	-	-	-	-	20.10	-
Schneider Electric (Australia) Pty Limited, Australia	31 March 2024	-	-	-	-	-	-	1.53	3.21	-	-	-	-	0.30
Schneider Electric IT Logistics Europe Ltd, Ireland	31 March 2023	-	-	-	-	-	-	2.52	-	-	-	-	-	4.01
Schneider Electric India Foundation	31 March 2024	28.01	-	-	-	-	-	0.15	-	-	-	-	28.10	0.09
Schneider Electric Limited, U.K.	31 March 2023	-	-	-	-	-	-	-	-	-	-	-	-	-
APW President System Limited Employee Group Gratuity Scheme	31 March 2024	-	-	-	-	-	-	4.24	-	-	-	-	-	0.97
Others	31 March 2023	11.93	-	-	-	-	-	0.64	-	-	-	-	-	0.06
	31 March 2024	-	-	-	-	-	-	-	-	-	-	-	4.39	0.28
	31 March 2023	-	-	-	-	-	-	-	-	-	-	-	-	0.27
	31 March 2024	0.02	-	-	-	-	-	-	-	-	-	-	-	-
	31 March 2023	-	-	-	-	-	-	0.53	-	-	-	-	-	0.54
	31 March 2024	-	-	-	-	-	-	-	-	-	-	-	-	-
	31 March 2023	-	-	-	-	-	-	-	-	-	-	-	-	-
	31 March 2024	-	-	-	-	-	-	-	-	-	2.69	-	5.52	-
	31 March 2023	-	-	-	-	-	-	-	-	-	2.83	-	2.83	-
	31 March 2024	6.61	-	-	-	-	-	0.24	-	-	-	-	4.83	-
	31 March 2023	5.79	-	-	-	-	-	-	-	-	-	-	1.26	-
<b>Total</b>	<b>31 March 2024</b>	<b>1,757.08</b>	<b>57.68</b>	<b>79.69</b>	<b>37.71</b>	<b>27.60</b>	<b>8.50</b>	<b>182.78</b>	<b>11.43</b>	<b>0.08</b>	<b>2.69</b>	<b>4.30</b>	<b>609.59</b>	<b>208.09</b>
	<b>31 March 2023</b>	<b>744.24</b>	<b>101.81</b>	<b>57.70</b>	<b>49.53</b>	<b>35.89</b>	<b>23.72</b>	<b>231.34</b>	<b>-</b>	<b>1.95</b>	<b>2.83</b>	<b>3.20</b>	<b>200.13</b>	<b>153.18</b>

## Notes to Financial Statements

(All amounts are in Indian Rupees Million, unless otherwise stated)

### b) Interest expense on loan

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Schneider Electric India Private Limited, India	0.32	4.90
	<b>0.32</b>	<b>4.90</b>

- c) The Company has an arrangement with Schneider Electric India Private Limited, India (SEIPL), a fellow subsidiary, for a cash lending limit up to Rs. 350.00 million (31 March, 2023 Rs. 350.00 million). Basis such arrangement, the Company's banker automatically transfers funds from SEIPL to the Company's bank account in case of requirement of fund at the end of each day up to the approved limits. The maximum balance outstanding during the year basis such arrangement is as below.

Particulars	As at 31 March 2024	As at 31 March 2023
Maximum balance outstanding during the year	121.17	289.77
Repayment of loan during the year (net)	-	151.93
Closing balance of loan as at year end	-	-

### d) Remuneration to key managerial personnel

Particulars	As at 31 March 2024	As at 31 March 2023
Subhrendu Sarkar	3.27	-
Sapna Bhatia	2.25	2.10
Shivaprasad Srinivas	5.76	6.54
	<b>11.28</b>	<b>8.64</b>
<b>Managerial remuneration</b>		
<b>Salaries and allowances</b>		
Salaries and allowances	8.36	8.14
Contribution to provident fund	0.37	0.34
Perquisites	2.55	0.16
	<b>11.28</b>	<b>8.64</b>

The remuneration to the key managerial personnel 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.

### e) Directors sitting fees

Particulars	As at 31 March 2024	As at 31 March 2023
Ranjan Pant	0.39	0.31
Ramakrishna Rajasekharan Nair	0.30	0.24

## Notes to Financial Statements

(All amounts are in Indian Rupees Million, unless otherwise stated)

### 29 Commitments and contingencies

#### A. Capital and other commitments

Particulars	As at 31 March 2024	As at 31 March 2023
Estimated amount of contracts remaining to be executed on Capital Account	7.47	24.16

#### B. Contingent liabilities and contingent assets\*

Particulars	As at 31 March 2024	As at 31 March 2023
(a) Customs, Excise & GST matters	6.18	6.18

\*The Company doesn't have any contingent assets at reporting date.

### 30 Segment information

The Chief Operating Decision Maker "CODM" reviews the operations of the Company as a whole, i.e. single primary business segment viz. product and systems for electricity distribution, hence, there are no reportable segments as per Ind AS 108 "Operating Segments".

### 31 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	
	As at 31 March 2024	As at 31 March 2023	As at 31 March 2024	As at 31 March 2023
<b>Financial assets at amortised cost</b>				
Other financial assets (non-current)	27.41	22.74	27.41	22.74
Trade receivables (current)	1,188.82	657.84	1,188.82	657.84
Cash and cash equivalents	402.92	481.78	402.92	481.78
Other financial assets (current)	13.46	7.92	13.46	7.92
	<b>1,632.61</b>	<b>1,170.28</b>	<b>1,632.61</b>	<b>1,170.28</b>
<b>Financial Liabilities at amortised cost</b>				
Lease Liabilities (non-current)	19.98	27.73	19.98	27.73
Borrowings (current)	129.98	132.96	129.98	132.96
Lease liabilities (current)	12.11	10.40	12.11	10.40
Trade Payable	585.47	388.46	585.47	388.46
Other financial liabilities (current)	72.95	81.28	72.95	81.28
	<b>820.49</b>	<b>640.83</b>	<b>820.49</b>	<b>640.83</b>

The management assessed that cash and cash equivalents, trade receivables, trade payables, and other current financial assets/liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.



## Notes to Financial Statements

(All amounts are in Indian Rupees Million, unless otherwise stated)

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:

- The fair values of the interest-bearing borrowings and loans are determined by using Discounted Cash Flow 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 31 March 2024 was assessed to be insignificant.

(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 31 March 2024, are as shown below in note 32).

### 32 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.

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities.

#### Quantitative disclosures of fair value measurement hierarchy for assets as on 31 March 2024

	Carrying Value		Fair Value	
	As at 31 March 2024	Level 1	Level 2	Level 3
<b>Assets carried at amortised cost for which fair value are disclosed</b>				
Other financial assets (non-current)	27.41	-	-	27.41
Trade receivables (current)	1,188.82	-	-	1,188.82
Cash and cash equivalents	402.92	-	-	402.92
Other financial assets (current)	13.46	-	-	13.46
	<b>1,632.61</b>	-	-	<b>1,632.61</b>
<b>Liabilities carried at amortised cost for which fair value are disclosed</b>				
Lease Liabilities (non-current)	19.98	-	-	19.98
Borrowings (current)	129.98	-	-	129.98
Lease liabilities (current)	12.11	-	-	12.11
Trade Payable	585.47	-	-	585.47
Other financial liabilities (current)	72.95	-	-	72.95
	<b>820.49</b>	-	-	<b>820.49</b>

## Notes to Financial Statements

(All amounts are in Indian Rupees Million, unless otherwise stated)

### Quantitative disclosures of fair value measurement hierarchy for assets as on 31 March 2023

	Carrying Value		Fair Value	
	As at 31 March 2023	Level 1	Level 2	Level 3
<b>Assets carried at amortised cost for which fair value are disclosed</b>				
Other financial assets (non-current)	22.74	-	-	22.74
Trade receivables (current)	657.84	-	-	657.84
Cash and cash equivalents	481.78	-	-	481.78
Other financial assets (current)	7.92	-	-	7.92
	<b>1,170.28</b>	-	-	<b>1,170.28</b>
<b>Liabilities carried at amortised cost for which fair value are disclosed</b>				
Lease Liabilities (non-current)	27.73	-	-	27.73
Borrowings (current)	132.96	-	-	132.96
Lease liabilities (current)	10.40	-	-	10.40
Trade Payable	388.46	-	-	388.46
Other financial liabilities (current)	81.28	-	-	81.28
	<b>640.83</b>	-	-	<b>640.83</b>

### 33 Financial risk management objectives and policies

The Company's principal financial liabilities comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include loans, trade and other receivables and cash and cash equivalents that are derived directly from its operations.

The Company's financial risk management is an integral part of how to plan and execute its business strategies. The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks and also ensures that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Board of Directors review and agree policies for managing each of these risks which are summarized as below:

#### (a) Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprises three types of risk: currency rate risk, interest rate risk and other price risks, such as equity price risk and commodity price risk. Financial instruments affected by market risks include loans, deposits, investments and foreign currency receivables and payables. The sensitivity analyses in the following sections relate to the position as at 31 March 2024, 31 March 2023. The sensitivity of the relevant profit and loss items is the effect of the assumed changes in the respective market risks. This is based on the financial assets and financial liabilities held as of 31 March 2024, 31 March 2023.

## Notes to Financial Statements

(All amounts are in Indian Rupees Million, unless otherwise stated)

### (i) Foreign Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in foreign currency). Foreign currency exchange rate exposure on sales is partly balanced by purchasing of goods from the respective countries. The Company evaluates exchange rate exposure arising from foreign currency transactions and follows established risk management policies.

#### Foreign currency risk sensitivity

The following tables demonstrate the sensitivity to a reasonably possible change in USD, EUR, and JPY exchange rates, with all other variables held constant. The impact on the Company profit before tax is due to changes in the fair value of monetary assets and liabilities. Foreign currency exposures recognised by the Company that have not been hedged by a derivative instrument or otherwise are as under:

	Currency	As at 31 March 2024		Gain/ (loss) Impact on profit before tax and equity	
		Foreign Currency	Amount	1% Increase	1% Decrease
Trade payables	USD	1.72	143.34	(1.43)	1.43
	EUR	0.11	9.62	(0.10)	0.10
	JPY	3.16	1.74	(0.02)	0.02
Trade receivables (gross of provision)	USD	7.38	615.83	6.16	(6.16)
	EUR	0.39	35.13	0.35	(0.35)
Balance in Exchange Earner's Foreign Currency (EEFC) account	USD	0.84	69.82	0.70	(0.70)
Advance from customer	USD	0.01	0.54	(0.01)	0.01

	Currency	As at 31 March 2023		Gain/ (loss) Impact on profit before tax and equity	
		Foreign Currency	Amount	1% Increase	1% Decrease
Trade payables	USD	1.17	95.38	(0.95)	0.95
	EUR	0.10	8.73	(0.09)	0.09
Trade receivables (gross of provision)	USD	2.50	202.90	2.03	(2.03)
	EUR	0.30	26.42	0.26	(0.26)
Other assets	USD	0.03	2.07	0.02	(0.02)
	EUR	0.01	0.47	-	-
Other financial assets	USD	0.03	2.23	0.02	(0.02)
Balance in Exchange Earner's Foreign Currency (EEFC) account	USD	0.42	34.11	0.34	(0.34)
	EUR	0.02	1.45	0.01	(0.01)
Advance from customer	USD	-	0.26	-	-

## Notes to Financial Statements

(All amounts are in Indian Rupees Million, unless otherwise stated)

### (ii) Interest Rate Risk

Interest rate is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's borrowings outstanding as at March 31, 2024, 31 March 2023 comprise of fixed rate loans and accordingly, are not exposed to risk of fluctuation in market interest rate.

### (iii) Commodity Price Risk

The Company is affected by the price volatility of certain commodities. Its operating activities require the ongoing purchase and manufacture of electronic parts and therefore require a continuous supply of steel and copper. Due to the significantly increased volatility of the price of the steel and copper, the Company has entered into various purchase contracts for these material for which there is an active market. The Company maintains the level of these stock as per the requirement of business and market which are discussed by the management on regular basis. The Company operates in the way that saving / impact due to change in commodity prices in the active market are passed on to the customer and therefore impact on profit due to change in price of commodity is unascertainable.

## (b) Credit Risk

Credit Risk is the risk that the counter party will not meet its obligation under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks, foreign exchange transactions and other financial instruments.

### (i) Trade Receivables

Customer credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to customer credit risk management. An impairment analysis is performed at each reporting date on trade receivables by lifetime expected credit loss method based on provision matrix. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in Note 9 (i). The Company does not hold collateral as security. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets.

### (ii) Financial instruments

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 loans/preference shares of fellow subsidiaries and risk free bank deposits. Balances with banks is subject to low credit risks due to good credit ratings. 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 31 March 2024 and 31 March 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.

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(All amounts are in Indian Rupees Million, unless otherwise stated)

	As at 31 March 2024	As at 31 March 2023
<b>Financial assets for which allowance is measured using 12 months Expected Credit Loss Method (ECL)</b>		
Other financial assets (non-current)	27.41	22.74
Cash and cash equivalents	402.92	481.78
Other financial assets (current)	13.46	7.92
	<b>442.79</b>	<b>511.44</b>
<b>Financial assets for which allowance is measured using Life time Expected Credit Loss Method (ECL)</b>		
Trade receivables (current)	1,188.82	657.84
	<b>1,188.82</b>	<b>657.84</b>

The following table summarizes the change in loss allowance measured using the life time expected credit loss model:

	As at 31 March 2024	As at 31 March 2023
At the beginning of year	28.22	41.00
Provision created/(reversed) during the year	1.38	(12.78)
Less: Bad debts written off during the year	-	-
<b>At the end of year</b>	<b>29.60</b>	<b>28.22</b>

### (c) Liquidity risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at reasonable price. The Company's objective is to at all times maintain optimum levels of liquidity to meet its cash and liquidity requirements. The Company manages liquidity risk by maintaining adequate banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

#### Maturity profile of financial liabilities

The table below provides the details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments.

As at 31 March 2024	< 1 year	1 to 3 years	> 3 years	Total
Lease Liabilities (non-current)	-	22.22	2.59	24.81
Borrowings (current)	129.98	-	-	129.98
Lease liabilities (current)	16.92	-	-	16.92
Trade Payable	585.48	-	-	585.48
Other financial liabilities (current)	72.95	-	-	72.95
	<b>805.33</b>	<b>22.22</b>	<b>2.59</b>	<b>830.13</b>

## Notes to Financial Statements

(All amounts are in Indian Rupees Million, unless otherwise stated)

As at 31 March 2023	< 1 year	1 to 3 years	> 3 years	Total
Lease Liabilities (non-current)	-	25.70	2.03	27.73
Borrowings (current)	132.96	-	-	132.96
Lease liabilities (current)	10.40	-	-	10.40
Trade Payable	388.46	-	-	388.46
Other financial liabilities (current)	81.28	-	-	81.28
	<b>613.10</b>	<b>25.70</b>	<b>2.03</b>	<b>640.83</b>

### 34 Capital Management

For the purposes of Company's capital management, Capital includes equity attributable to the equity holders of the Company and all other equity reserves. The primary objective of the Company's capital management is to ensure that it maintains an efficient capital structure and maximize shareholder value. The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The Company is not subject to any externally imposed capital requirements. No changes were made in the objectives, policies or processes for managing capital during the year ended 31 March 2024 and 31 March 2023.

The Company monitors capital using gearing ratio, which is net debt divided by total capital plus net debt. As at 31 March 2024, the Company has sufficient cash, cash equivalents and financial assets which are liquid to meet the debts as below.

Particulars	As at 31 March 2024	As at 31 March 2023
Borrowings (including lease liabilities)	162.07	171.09
Cash and Cash Equivalents	(402.92)	(481.78)
<b>Net Debt</b>	<b>(240.85)</b>	<b>(310.69)</b>
Total equity	1,524.28	1,230.67
<b>Total Capital</b>	<b>1,524.28</b>	<b>1,230.67</b>
Capital and net debt	1,283.43	919.98
Gearing ratio (Net debt/Capital and Net Debt)	<b>(0.19)</b>	<b>(0.34)</b>

### 35 Corporate social responsibility

As per provisions of section 135 of the Companies Act, 2013, the Company has to incur at least 2% of average net profits of the preceding three financial years towards Corporate Social Responsibility ("CSR"). Accordingly, a CSR committee has been formed for carrying out CSR activities as per the Schedule VII of the Companies Act, 2013. The Company has contributed and paid a sum of Rs. 4.30 million (refer note 23) (31 March 2023 : Rs. 3.20 million) towards this cause and debited the same to the Statement of Profit and Loss. The funds are primary allocated to Schneider Electric India foundation (SEIF), a society registered under section 12A of the Income Tax Act, 1961 for promoting social integration and vocational training of disadvantaged youths and electrification of remote villages with limited resources.

	Year ended 31 March 2024	Year ended 31 March 2023
a) Gross amount required to be spent by the Company during the year	4.30	3.20

## Notes to Financial Statements

(All amounts are in Indian Rupees Million, unless otherwise stated)

b) Amount spent during the year (basis confirmation from SEIF) :

Particulars	Amount spent during the year		Yet to be spent as at		Total	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Environmental Program Expenses	3.91	3.13	-	-	3.91	3.13
Others (Natural disaster support & other admin charges)	0.39	0.07	-	-	0.39	0.07
<b>Total amount spent</b>	<b>4.30</b>	<b>3.20</b>	<b>0.00</b>	<b>0.00</b>	<b>4.30</b>	<b>3.20</b>

### 36 Transfer pricing

As per the Transfer Pricing Rules of the Income Tax Act, 1961 every Company is required to get a transfer pricing study conducted to determine whether the transactions with associated enterprises were undertaken at an arm's length basis for each financial year end. Transfer pricing study for the transaction pertaining to the year ended 31 March 2024 is currently in progress and hence adjustments if any which may arise there from have not been taken into account in these financial statements for the year ended 31 March 2024 and will be effective in the financial statements for subsequent year. However, in the opinion of the Company's management, adjustments, if any, are not expected to be material.

37 "The equity shares of the Company were initially listed on the Bangalore and Pune Regional Stock Exchanges and on BSE Limited under permitted to trade category. Consequent de-recognition of Regional Stock Exchanges by the Securities and Exchange Board of India (SEBI), trading on BSE was suspended from 22 March 2015. As per the circular issued by SEBI for companies listed on de-recognized exchanges and placed on disseminated Board, Schneider Electric South East Asia (HQ) Pte Ltd. (the "Promoter"), provided an exit offer to the public shareholders at INR 200.40 per share on 14 February 2017. The Public Shareholders had an option to tender their shares to the Promoter until 11 March 2018. In this offer, 344 shareholders tendered 331,939 shares (5.49% of the total Share capital of the Company) to the Promoter. In respect of the exit offer given, an appeal was filed by certain public shareholders ("Appellants") of the Company before the Securities Appellate Tribunal ("SAT") contending that SEBI has failed to consider the issues raised by the Appellants in their SCORES complaint and the SEBI Circulars regarding exit of regional stock exchanges and Exclusively Listed Companies (ELCs) and further contending that the fair value price calculated as per the valuation report was incorrect. SAT directed SEBI to reconsider the issues raised by the Appellants and pass a reasoned order within three (3) months from the date of Order. SEBI filed a Review Application before SAT seeking review of its Order, which was dismissed, and SEBI was asked to reconsider the complaint and pass a reasonable order. SEBI approached the Hon'ble Supreme Court and subsequently appeal was also dismissed, directing SEBI to decide the matter without being influenced by any observations made by SAT' before. SEBI's order on 19 January 2021, directed the Company to either list on a nationwide exchange or delist within six months and provide an opportunity to the shareholders who have tendered their shares in the exit offer to buy back the shares at the exit price of INR 200.40/- per share. The Company filed a writ petition against the SEBI order, which was dismissed by the Bombay High Court, directing the Company to approach SAT in an Appeal. The Company with an intent to end the dispute and in the interest of the Company and its shareholders, withdrew an Appeal pending before SAT on 26 July 2023, and complied with the SEBI Order dated 19 January 2021, to be read with SAT Order dated 26 July 2023. Accordingly, the equity shares 6,048,000 of face value of Rs 10 each of the Company got listed on Metropolitan Stock Exchange of India Limited (MSEI) with effect from 19 January 2024"

## Notes to Financial Statements

(All amounts are in Indian Rupees Million, unless otherwise stated)

### 38 Revenue from contracts with customers - Ind AS 115

#### a) Disaggregated revenue information

Set out below is the disaggregation of the Company's revenue from contracts with customers (including other operating income):

	Year ended 31 March 2024	Year ended 31 March 2023
<b>Type of goods or services</b>		
Racks/ enclosures, card flames, components and accessories	3,815.77	3,207.75
Installation, maintenance and other after sales services	35.80	75.68
Scrap Sales	21.37	16.48
<b>Total revenue from operations*</b>	<b>3,872.94</b>	<b>3,299.91</b>
India	2,244.17	2,541.38
Outside India	1,628.78	758.53
<b>Total revenue from operations*</b>	<b>3,872.94</b>	<b>3,299.91</b>
<b>Timing of revenue recognition</b>		
Goods transferred at a point in time	3,815.77	3,207.75
Services transferred over time	35.80	75.68
<b>Total revenue from contracts with customers</b>	<b>3,851.57</b>	<b>3,283.43</b>
Scrap Sales	21.37	16.48
<b>Total revenue from operations*</b>	<b>3,872.94</b>	<b>3,299.91</b>

\* Total revenue from operations amounting to Rs. 56.78 million (31 March 2023:Rs. 36.45 million) in the nature of export incentives are not covered under the scope of Ind AS 115.

#### b) Contract balances

	As at 31 March 2024	As at 31 March 2023
Contract assets		
Trade receivables	1,188.82	657.84
Contract liabilities		
Advance from customers	9.44	7.57

Trade receivables are non-interest bearing and are generally on terms of 45 to 90 days.

#### c) Performance obligations

Information about the Company's performance obligations are summarised below:

##### Sale of goods

The performance obligation is satisfied upon delivery of the goods.

##### Services

The Performance obligation is satisfied at point of time upon completion of service and pro-rata over the period of contract as and when service is rendered.



## Notes to Financial Statements

(All amounts are in Indian Rupees Million, unless otherwise stated)

### 39 Share based payments

The Company does not provide any share based compensation to its employees. However, the Ultimate holding company Schneider Electric SE ('the issuer') has provided various share-based payment scheme to employees of the Company.

Details of these plans are as under:-

#### A. Performance stock units

These are the units of stock granted to employee at nil exercise price. The main features of these plans were as follows:

Plan No	Date of Board meeting (Grant date)	Starting date of Exercise period	Expiration Date
AGA Plan 18	3/31/2014	3/31/2018	3/31/2018
AGA Plan 22	3/27/2015	3/27/2019	3/27/2019
AGA Plan 26	3/23/2016	3/23/2016	3/23/2020
Final plan 29	3/24/2017	3/24/2020	3/24/2020
Plan 31	3/26/2018	3/26/2021	3/26/2021
Plan 33	3/26/2019	3/28/2022	3/28/2022
Plan 37	3/24/2020	3/24/2023	3/24/2023
Plan 37 BIS	10/21/2020	10/23/2023	10/23/2023
Plan 39	3/25/2021	3/25/2024	3/25/2024
LTI Plan 39TER	10/26/2021	10/26/2024	10/26/2024
Plan 41	3/24/2022	3/24/2025	3/24/2025
PAG 26/10/2022 PL41TER	10/26/2022	10/26/2022	10/26/2025
Plan 42	3/28/2023	3/28/2026	3/28/2026
Plan 42 Qtr	10/25/2023	10/25/2026	10/25/2026
Plan 45	3/26/2024	3/26/2027	3/26/2027

#### Rules governing the stock grant plan are as follows:

To receive the stock, the grantee must generally be an employee or corporate officer of the Group. Vesting is also conditional on the achievement of performance criteria. Vesting period is 0 to 3 years and lock-up period is 0 to 3 years.

There were cancellations or modifications in performance stock unit. Refer below movement for details:-

#### Movements during the year

The following table illustrates the number and movements in, performance stock units during the year:

	31 March 2024	31 March 2023
	Number	Number
Outstanding at 1 April	-	-
Granted during the year	93	-
Forfeited during the year	-	-
Exercised during the year	(141)	-
Stock pertaining to employee transfer from other group companies	370	-
Stock pertaining to employee transfer to other group companies (net)	-	-
Expired during the year	-	-
<b>Outstanding at 31 March</b>	<b>322</b>	<b>-</b>
<b>Exercisable at 31 March</b>	<b>322</b>	<b>-</b>

## Notes to Financial Statements

(All amounts are in Indian Rupees Million, unless otherwise stated)

### 40 Ratio Analysis and it's elements

Ratio	Numerator	Denominator	Year ended 31 March 2024	Year ended 31 March 2023	Variance	Reasons for variance
Current Ratio	Current Assets	Current Liabilities	2.31	2.31	0.01%	Not Applicable
Debt – Equity Ratio	Total debt <sup>1</sup>	Shareholder's Equity	0.11	0.03	243.17%	Payment of lease liabilities during the year
Debt Service Coverage Ratio	Earnings available for debt service <sup>2</sup>	Debt Service <sup>3</sup>	234.9%	119.55%	96.47%	Increase in profit during the current year
Return on Equity Ratio	Net Profits after taxes	Average Shareholder's Equity	21.75%	14.48%	50.27%	Increase in sales in current year
Inventory Turnover ratio	Revenue from operations	Average Inventory	13.04	10.61	22.89%	Not Applicable
Trade receivables turnover ratio	Revenue from operations	Average Trade Receivables	4.26	3.82	11.52%	Not Applicable
Trade payables turnover ratio	Purchase of raw materials, traded goods and other services	Average Trade Payables	5.33	4.34	22.89%	Not Applicable
Net capital turnover ratio	Revenue from operations	Working Capital = Current assets - Current liabilities	3.86	4.74	(18.52%)	Not Applicable
Net Profit Ratio	Net Profit after tax	Revenue from operations	7.63%	5.00%	52.44%	Increase in profit in current year
Return on capital employed	Earning before interest and taxes	Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability	22.57%	14.59%	54.70%	Increase in profit in current year
Return on investment	Earning before interest and taxes	Average total assets	17.04%	10.08%	69.02%	Increase in profit in current year

1. Total debt comprises of borrowings and lease liabilities
2. Earning available for debt service = Net profit after taxes + non-cash operating expenses like depreciation and other amortizations + Interest + other adjustments like loss on sale of fixed assets etc.
3. Debt service = Interest and lease payments + principal repayments

## Notes to Financial Statements

(All amounts are in Indian Rupees Million, unless otherwise stated)

### 41 Other Information

- (i) **Details of Benami Property:** The Company does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.
- (ii) **Utilisation of borrowed funds and share premium:** The Company has not advanced or loaned or invested funds to any other person or entity, including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
  - provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- The Company has not received any fund from any person or entity, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
  - provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries
- (iii) **Struck off companies details:** The Company does not have any transactions with companies struck off.
- (iv) **Details of Charges:** The Company does not have any charges or satisfaction which is yet to be registered with registrar beyond the statutory period.
- (v) **Details of Crypto currency or Virtual currency:** The Company has not traded or invested in Crypto currency or Virtual currency during the financial year.
- (vi) **Compliance with number of layers of companies:** The Company has complied with the number of layers prescribed under Companies Act, 2013.
- (vii) **Compliance with approved scheme(s) of arrangements:** The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous year financial year.
- (viii) **Undisclosed income:** The Company does not have 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).
- (ix) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (x) **PP&E and intangible asset:** The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year, Further no charge exists on property, plant & equipment of the Company.

- 42 As per the MCA notification dated 5 August 2022, the Central Government has notified the Companies (Accounts) Fourth Amendment Rules, 2022. As per the amended rules, the Companies are required to maintain back-up of the books of account and other relevant books and papers in electronic mode that should be accessible in India at all the time. Also, the Companies are required to create backup of accounts on servers physically located in India on a daily basis. The books of account along with other relevant records and papers of the Company are maintained in electronic mode. These are readily accessible in India at all times and a backup is maintained in servers in United States of America. The Company and its officers have full access to the data in the servers located in United States of America.

## Notes to Financial Statements

(All amounts are in Indian Rupees Million, unless otherwise stated)

- 43** The comparative figures have been regrouped/ rearranged wherever considered necessary to make them comparable with current year numbers.
- 44** The figures have been rounded off to the nearest million of rupees up to two decimal places. The figure 0.00 wherever stated represents value less than Rs. 10,000/-.

The accompanying notes are an integral part of the financial statements.

As per our report of even date.

For and on behalf of the Board of Directors of  
**Schneider Electric President Systems Limited**

For **S.N. Dhawan & CO LLP**

Chartered Accountants

Firm Registration Number: 000050N/N500045

**Pankaj Walia**

Partner

Membership Number: 509590

**Anuj Kudesia**

Managing Director

DIN: 10629156

**Subhrendu Sarkar**

Whole Time Director and  
Chief Financial Officer

DIN: 09813992

**Sapna Bhatia**

Company Secretary

ACS: 32349

Place : Gurugram

Date : 27 May 2024

Place : Gurugram

Date : 27 May 2024

Place : Kolkata

Date : 27 May 2024

Place : Bengaluru

Date : 27 May 2024



## SCHNEIDER ELECTRIC PRESIDENT SYSTEMS LIMITED

CIN: L32109KA1984PLC079103

Regd. Office: 5C/1, KIADB Industrial Area, Attibele, Bangalore Rural, Bangalore-562107, Karnataka

Phone: +91 80 67888300; +91 80 4554 0000;

Website: [www.schneiderelectricpresident.com](http://www.schneiderelectricpresident.com); E-mail: [companysecretary@se.com](mailto:companysecretary@se.com)

## Notice of 40<sup>th</sup> Annual General Meeting

NOTICE is hereby given that the Fortieth (40<sup>th</sup>) Annual General Meeting ("AGM/Meeting") of the Members of Schneider Electric President Systems Limited ("Company") will be held on Tuesday, September 17, 2024, at 03.30p.m. (IST) through Video Conferencing ("VC")/Other Audio-Visual Means ("OAVM"), to transact the following business(es):

### ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2024 including audited Balance Sheet as at March 31, 2024, the Statement of Profit and Loss and Cash Flow Statement for the year ended on that date and the Reports of the Board of Directors and Auditors thereon and in this regard, 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, including audited Balance Sheet as at March 31, 2024, the Statement of Profit and Loss and Cash Flow Statement for the year ended on that date and the Reports of the Board of Directors and Auditors thereon laid before this Meeting, be and are hereby received, considered and adopted."

2. To re-appoint of Ms. Chitra Sukumar (DIN:09814015), who retires by rotation and being eligible, offers herself for re-appointment as a director and in this regard, if thought fit, pass the following resolution as an ORDINARY RESOLUTION:

**"RESOLVED THAT** pursuant to the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, Ms. Chitra Sukumar (DIN:09814015), who retires by rotation and being eligible, has offered herself for re-appointment, be and is hereby re-appointed as a Non-Executive Director of the Company, liable to retire by rotation."

### SPECIAL BUSINESS

3. To consider and approve, revision in the remuneration of Mr. Anuj Kudesia (DIN:10629156), Managing Director of

the Company and in this regard, if thought fit, pass the following resolution as a SPECIAL RESOLUTION:

**"RESOLVED THAT** in partial modification to the resolution passed by the Board of Directors in the meeting held on May 27, 2024 on recommendation of Nomination and remuneration Committee (NRC) and Audit and Risk Management Committee (A&RMC) and subsequently approved by the members of the Company on July 04, 2024 (Postal Ballot) and pursuant to the provisions of Section 196, 197,198 and other applicable provisions, if any, read with Schedule V of the Companies Act, 2013 (the "Act") and 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), and relevant applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended from time to time), read with Articles of Association of the Company and subject to the such other approvals/permissions, if any, as may be necessary and based on the recommendation of the Nomination and Remuneration Committee ("NRC"), Audit and Risk Management Committee and Board of Directors, approval of the members of the Company be and is hereby accorded for revision in the remuneration to be paid to Mr. Anuj Kudesia (DIN:10629156), Managing Director which may exceed 5% (Five Percent) of the net profits of the Company calculated in accordance with the provisions of Section 198 of the Act, during the tenure (May 27, 2024, to May 26, 2027) as set out in the statement under Section 102(1) of the Act, attached to this Notice.

**RESOLVED FURTHER THAT** the Board of Directors, be and are hereby authorized to alter and vary, from time to time, during the tenure of appointment of Mr. Anuj Kudesia (DIN:10629156), the terms, and conditions of appointment and/or remuneration on the recommendations of the Nomination & Remuneration Committee and as per the Company policy for annual assessments and increments and to do all acts, deeds or things as may be considered

necessary or incidental and to take further steps to give effect to this resolution.

**RESOLVED FURTHER THAT** in the event of loss or inadequacy of profits in any financial year, Mr. Anuj Kudesia shall be entitled to receive remuneration including perquisites, etc. upto the limit as approved by the members herein above, as minimum remuneration.

**RESOLVED FURTHER THAT** in the event of any statutory amendments, modifications or relaxation by the Central Government to Schedule V to the Companies Act, 2013, the Board of Directors be and is hereby authorised to vary or increase the remuneration (including the minimum remuneration), that is, the salary, perquisites, allowances, etc. within such prescribed limit or ceiling and the terms and conditions of the said appointment as agreed to between the Board and Mr. Anuj Kudesia be suitably amended to give effect to such modification, relaxation or variation, subject to such approvals as may be required by law.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby authorized to do all such acts, deeds, matters, and take all such steps in their absolute discretion as may deem necessary, expedient, and desirable to give effect to this resolution.”

4. To consider and approve, revision in the remuneration of Mr. Subhrendu Sarkar, Whole-Time Director and Chief Financial Officer (DIN:09813992) of the Company Director and in this regard, if thought fit, pass the following resolution as a SPECIAL RESOLUTION:

“**RESOLVED THAT** in partial modification to the resolution passed by the Board of Directors in the meeting held on December 06, 2023 on recommendation of Nomination and remuneration Committee (NRC) and Audit and Risk Management Committee (A&RMC) and subsequently approved by the members of the Company on April 17, 2024 (Postal Ballot) and pursuant to the provisions of Section 196, 197, 198, and other applicable provisions, if any, read with Schedule V of the Companies Act, 2013 (the “Act”) and 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), and relevant applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended from time to time), read with Articles of Association of the Company and subject to the such other approvals/permissions, if any, as may be necessary and based on the recommendation of the Nomination and Remuneration Committee (“NRC”), Audit and Risk Management Committee and Board of Directors, approval of the members of the Company be and is hereby accorded for revision in the remuneration to be paid to

Mr. Subhrendu Sarkar (DIN:09813992), Whole-Time Director and Chief Financial Officer which may exceed 5% (Five Percent) of the net profits of the Company calculated in accordance with the provisions of Section 198 during the tenure (December 06, 2023, to December 05, 2026) as set out in the statement under Section 102(1) of the Act, attached to this Notice.

**RESOLVED FURTHER THAT** the Board of Directors, be and are hereby authorized to alter and vary, from time to time, during the tenure of appointment of Mr. Subhrendu Sarkar (DIN:09813992), the terms, and conditions of appointment and/or remuneration on the recommendations of the Nomination & Remuneration Committee and as per the Company policy for annual assessments and increments and to do all acts, deeds or things as may be considered necessary or incidental and to take further steps to give effect to this resolution.

**RESOLVED FURTHER THAT** in the event of loss or inadequacy of profits in any financial year, Mr. Subhrendu Sarkar shall be entitled to receive remuneration including perquisites, etc. upto the limit as approved by the members herein above, as minimum remuneration.

**RESOLVED FURTHER THAT** in the event of any statutory amendments, modifications or relaxation by the Central Government to Schedule V to the Companies Act, 2013, the Board of Directors be and is hereby authorised to vary or increase the remuneration (including the minimum remuneration), that is, the salary, perquisites, allowances, etc. within such prescribed limit or ceiling and the terms and conditions of the said appointment as agreed to between the Board and Mr. Subhrendu Sarkar be suitably amended to give effect to such modification, relaxation or variation, subject to such approvals as may be required by law.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby authorized to do all such acts, deeds, matters, and take all such steps in their absolute discretion as may deem necessary, expedient, and desirable to give effect to this resolution.”

5. To consider and approve Material Related Party Transaction between the Company and SCHNEIDER ELECTRIC MEXICO S.A. DE C.V, a fellow subsidiary and in this regard, if thought fit, pass the following resolution as an ORDINARY RESOLUTION:

“**RESOLVED THAT** pursuant to the provisions of Regulations 2(1)(zc), 23(4) and other applicable Regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (‘Listing Regulations’), applicable provisions of Companies Act, 2013 (‘the Act’), if any, read with rules made thereunder, other applicable laws

/ statutory provisions, if any, (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the policy of the Company on Related Party Transactions, and subject to such approval(s), consent(s), permission(s) as may be necessary from time to time and basis the approval and recommendation of the Audit and Risk Management Committee, the Board of Directors of the Company, (hereinafter referred to as 'Board' which term shall be deemed to include the Audit and Risk Management Committee of the Board and/ or any other duly constituted committee empowered to exercise powers including powers conferred under this resolution), the consent of the members of the Company be and is hereby accorded to enter into or continue to enter into the Material Related Party Transaction(s)/ Contract(s)/Arrangement(s)/ Agreement(s) with SCHNEIDER ELECTRIC MEXICO S.A. DE C.V, a Fellow Subsidiary of the Company and a 'Related Party' under Section 2(76) of the Act and Regulation 2(1)(zb) of the Listing Regulations for an aggregate value of up to ₹ 320 Crores (Rupees Three Hundred Twenty Crores) (whether by way of an individual transaction or transactions taken together or series of transactions or otherwise) during the financial year 2024- 25 in the nature of:-

- a) Sale of Goods and Services, Stores and Spares;
- b) Purchase of Goods and Services, Stores and Spares; and
- c) Availing/rendering of any kind of services or any other transactions for transfer of resources, services or obligations and other reimbursement (residual RPTs);

on such material terms and conditions as detailed in the statement pursuant to Section 102 of the Act to this resolution, as annexed to this Notice and as may be mutually agreed between the Company and SCHNEIDER ELECTRIC MEXICO S.A. DE C.V, provided that the said contract(s)/arrangement(s)/ transaction(s) shall be carried out at arm's length basis and in the ordinary course of business of the Company.

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to do all such acts, deeds, matters and things as it may deem fit in its absolute discretion and to take all such steps as may be required in this connection including finalizing and executing necessary contract(s), arrangement(s), agreement(s) and such other documents as may be required, seeking all necessary approvals to give effect to this resolution, for and on behalf of the Company, to delegate all or any of its powers conferred under this resolution to any Director or Key Managerial Personnel or any officer / executive of the Company and to resolve all such issues, questions, difficulties or doubts whatsoever that may arise in this regard and all action(s)

taken by the Company in connection with any matter referred to or contemplated in this resolution, be and are hereby approved, ratified and confirmed in all respects."

6. To ratify the remuneration of cost auditors for the financial year ended March 31, 2025, and, in this regard, if thought fit, to pass the following resolution as an ORDINARY RESOLUTION:

**"RESOLVED THAT** in accordance with the provisions of section 148 of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014 and Rule 6(2) of the Companies (Cost Records and Audit) Rules, 2014 and other applicable provisions, if any, the remuneration of ₹ 1,50,000/- (Indian Rupees One Lakh Fifty Thousand Only) plus applicable taxes and reimbursement of out-of-pocket expenses, for the financial year ending March 31, 2025 as recommended by the Audit and Risk Management Committee and approved by the Board of Directors, to be paid to M/s. Rao, Murthy & Associates, Cost Accountants, (Firm Registration No.000065), Bengaluru, appointed by the Board of Directors, to conduct the audit of the cost records of the Company, be and is hereby ratified.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to delegate all or any of the powers to any officer(s) / authorized representative(s) of the Company to do all acts, deeds and things 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  
For Schneider Electric President Systems Limited**

**Date:** August 12, 2024  
**Place:** Bengaluru

**Regd. Office:** Plot 5C/1,  
KIADB Industrial Area, Attibele,  
Bangalore Rural, Bangalore-562107,  
Karnataka

**Sapna Bhatia  
Company Secretary  
ACS 32349**

**NOTES:**

1. The Statement pursuant to Section 102(1) of the Companies Act, 2013 ("**the Act**") setting out material facts concerning the special businesses to be transacted at the 40<sup>th</sup> Annual General Meeting ("40<sup>th</sup> AGM"/ AGM/"Meeting"), is annexed hereto forming part of this Notice and the relevant details, pursuant to Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings ("**SS-2**") issued by the Institute of Company Secretaries of India in respect of directors seeking appointment/re-appointment at this AGM are furnished as part of this Notice.

2. In compliance with the provisions of the Ministry of Corporate Affairs ("MCA") inter-alia vide its General Circular No. 20/2020 dated May 05, 2020, and the latest circular being 09/2023 dated September 25, 2023 (collectively referred to as "MCA Circulars"), read with Circular CFD-PoD-2/P/CIR/2023/167 dated 07 October 2023 ("SEBI Circular") issued by Securities and Exchange Board of India ("SEBI") and other relevant circulars issued by MCA and/or SEBI in this regard as per provisions of the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") permits to hold the Annual General Meeting through other audio-visual means ("OAVM"), without the physical presence of the Members at a common venue.

The deemed venue for the AGM shall be the Registered Office of the Company at Plot 5C/1, KIADB Industrial Area, Attibele, Bangalore Rural, Bangalore-562107, Karnataka.

3. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Act.
4. In this Notice and the statement of material facts, the term "shareholder(s)" and "Member(s)" and the term "40<sup>th</sup> AGM" and "AGM/Meeting" are used interchangeably.
5. As per the provisions of Clause 3.A.II. of the General Circular No. 20/2020 dated May 05, 2020, the matters of Special Business as appearing at Item Nos. 3 to 6 of the accompanying Notice are considered to be unavoidable by the Board and hence forming part of this Notice.
6. The Company has engaged the services of KFin Technologies Limited ("Kfintech") to facilitate, the participation of the Members in the 40<sup>th</sup> AGM and to provide e-Voting facility (remote e-Voting and e-Voting at the AGM) for casting the votes electronically in terms of provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules 2014, (as amended), Secretarial Standards on General Meetings (SS-2) issued by the Institute of Company Secretaries of India ("ICSI") read with the MCA Circulars.
7. The 40<sup>th</sup> AGM to be conducted through VC/OAVM, allows two-way teleconferencing for the ease of participation of the Members. Members may join the 40<sup>th</sup> AGM through VC/OAVM facility by following the procedure as mentioned below which shall be kept open from 3:00 p.m. (IST) i.e., 30 minutes before the time scheduled to start the 40<sup>th</sup> AGM on Tuesday, September 17, 2024.
8. Members may note that the VC/OAVM facility, provided by Kfintech, allows participation of at least one thousand (1000) Members, basis on first-come-first serve. The large shareholders (i.e., shareholders holding 2% or more shareholding), promoters, institutional investors, directors, key managerial personnel, the Chairperson(s) of the Audit and Risk Management Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors, etc. can attend the 40<sup>th</sup> AGM without any restriction on account of first-come-first-serve principle.
9. In terms of compliance with Circulars issued by MCA and SEBI, Annual Report 2023-24 including the Notice of the AGM ("Annual Report 2023-24") is being sent only through electronic mode to all the Members who have registered their email ids with the Company/Depository Participants (DPs)/ Company's Registrar and Share Transfer Agents and whose names appear in the Register of Members/ List of Beneficial Owners as received from Depositories i.e. National Securities Depository Limited ("NSDL") / Central Depository Services (India) Limited ("CDSL") as on Friday, August 16, 2024, i.e. the Record Date fixed by the Company for the purpose sending the Annual Report 2023-24 to the Members of the Company.  
  
The Members may note that Annual Report 2023-24 will be made available on the Company's website at [www.schneiderelectricpresident.com](http://www.schneiderelectricpresident.com), websites of the Metropolitan Stock Exchange of India Limited at [www.msei.in](http://www.msei.in) and on the website of Kfintech i.e. <https://evoting.kfintech.com/>.
10. Members whose email ids are not registered and who wish to receive the Notice and Annual Report electronically and who wish to participate in the AGM or cast their vote through remote e-Voting or through the e-Voting system during the Meeting are requested to write an email to Kfintech at [evoting@kfintech.com](mailto:evoting@kfintech.com) or the Company Secretary at [companysecretary@se.com](mailto:companysecretary@se.com) by indicating DP ID – Client ID (Demat Shareholders)/ Folio No. (Physical Shareholders), PAN Card (Provide self-attested copy), Aadhaar Card / Passport etc. (Provide self-attested copy), Mobile Number and Email address.
11. In compliance with the provisions of Section 108 of the Act, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time and Regulation 44 of the SEBI (LODR) Regulations 2015 and the MCA Circulars, the members are provided with the facility to cast their vote electronically, through the e-voting services provided by Kfintech, on all the resolutions set forth in this Notice.
12. Members whose name appears in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on Tuesday, September 10, 2024, i.e., the "Cut-off Date" shall only be entitled to avail the facility of remote e-Voting and e-Voting at the 40<sup>th</sup> AGM. Any person who is not a Member on the Cut-off Date should treat the notice for information purposes only.



13. The voting rights of members shall be in proportion to the shares held by them in the paid-up equity share capital of the Company as on the cut-off date i.e., Tuesday, September 10, 2024.

14. Any person, who acquires shares of the Company and becomes Member of the Company after the notice of 40<sup>th</sup> AGM is sent through e-mail and holds shares as on the Cut-off Date can obtain the login ID and password by sending a request at [evoting@kfintech.com](mailto:evoting@kfintech.com) or [companysecretary@se.com](mailto:companysecretary@se.com).

However, if you are already registered with Kfintech for remote e-Voting then you can use your existing user ID and password/PIN for casting your vote.

15. The Register of Members and Share Transfer Books of the Company will remain closed from Wednesday, September 11, 2024, to Tuesday, September 17, 2024 (both days inclusive).

16. The remote e-Voting will be available during the period as mentioned below (both days inclusive):

Commencement of remote e-Voting	From 09:00 a.m. (IST) on Saturday, September 14, 2024
End of remote e-Voting	Up to 05:00 p.m. (IST) on Monday, September 16, 2024

The remote e-Voting will not be allowed beyond the aforesaid date and time and the e-Voting module shall be disabled by Kfintech upon expiry of aforesaid period. Once the vote on a resolution is casted by the Member, the Member shall not be allowed to change it subsequently.

17. The Company has appointed Mr. Rupesh Agarwal, Managing Partner, failing him Mr. Shashikant Tiwari, Partner, failing him Mr. Lakhan Gupta, Partner, Chandrasekaran Associates, Company Secretaries, as the Scrutinizer to scrutinize the e-Voting in a fair and transparent manner.

18. The Scrutinizer shall after the conclusion of e-voting at the AGM, first download the votes cast at the AGM and thereafter unblock the votes cast through remote e-Voting and shall make a consolidated scrutinizer's report of the total votes cast in favour or against, invalid votes, if any, and whether the resolution has been carried or not and such report shall then be sent to the Chairman or a person authorised by him, within two (2) working days from the conclusion of the AGM, who shall then countersign the same and declare the Results of the voting forthwith.

19. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company at [www.schneiderelectricpresident.com](http://www.schneiderelectricpresident.com) and on the website of Kfintech at <https://evoting@kfintech.com/> immediately after the declaration of Results by the Chairman or a person authorized by him and shall also be displayed on

the notice board at the registered office and corporate office of the Company. The Results shall also be immediately forwarded to the MSEI.

20. The resolutions set out in this Notice, shall be deemed to be passed on the date of AGM, subject to receipt of the requisite number of votes in favour of the resolutions.

21. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act and Register of Contracts or arrangements in which Directors are interested maintained under Section 189 of the Act and relevant documents referred to in this Notice and explanatory statements will be available electronically for inspection by the Members during the AGM. All documents referred to in the Notice will also be available electronically for inspection without any fee by the Members from the date of circulation of this Notice up to the date of AGM. Members seeking to inspect such documents can send an e-mail to [companysecretary@se.com](mailto:companysecretary@se.com) stating their DP ID/ Client ID or Folio No.

22. Since the AGM is being held through VC/OAVM, in accordance with the applicable circulars issued by MCA and SEBI, physical attendance of members has been dispensed with. Accordingly, the facility for appointment of Proxies by the members will not be available for the AGM and hence the Proxy Form, Attendance Slip and Route Map are not annexed to this Notice.

23. Institutional Investors i.e., other than individuals, HUF, NRI etc., who are Members of the Company, are encouraged to attend and vote at the AGM through VC/OAVM facility. Corporate Members intending to appoint their authorized representatives pursuant to Section 113 of the Act to attend the AGM through VC or OAVM or to vote through remote e-voting are requested to send a certified copy of the Board Resolution to the Scrutinizer by email at [rupesh@cacsindia.com](mailto:rupesh@cacsindia.com) failing him [shashikant@cacsindia.com](mailto:shashikant@cacsindia.com) failing him [Lakhan@cacsindia.com](mailto:Lakhan@cacsindia.com) with a copy marked to [evoting@kfintech.com](mailto:evoting@kfintech.com) and also upload their Board Resolution/ Power of Attorney (POA)/Authority Letter etc. by clicking on "Upload Board Resolution/ Authority Letter" displayed under "e-Voting" tab in their login.

24. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members (ROM) of the Company will be entitled to vote at the AGM.

25. SEBI through various circulars has made it mandatory for all the Members to update the KYC details such as Permanent Account Number (PAN), Address with pin code, Email Address, Mobile number, Nomination details, Bank Account details, Specimen Signature, etc. Members who are holding shares in Demat form are requested to contact their respective Depository Participants (DPs) for updation

of these details. Members holding shares in Physical form are required to approach RTA for ascertaining the details that are not updated in their folios and the relevant Form to be filled and submitted to RTA.

In order to facilitate the updation, the Company has sent individual letters to all the Members holding shares in physical form and has also intimated about this communication to the Stock Exchanges. The Communication is also available on the website of the Company. Members may download the Forms from the Company's website at <https://www.schneiderelectricpresident.com/investors/downloads.html> or RTA and submit the same with RTA for updation.

SEBI vide circular SEBI/HO/MIRSD/POD-1/P/CIR/2024/81 dated June 10, 2024 has regulated for ease of compliance and investor convenience, for existing investors/unitholders that:

- i. Non-submission of 'choice of nomination' shall not result in freezing of Demat Accounts as well as Mutual Fund Folios.
  - ii. Securityholders holding securities in physical form shall be eligible for receipt of any payment including dividend, interest, or redemption payment as well as to lodge grievance or avail any service request from the RTA even if 'choice of nomination' is not submitted by these securityholders.
  - iii. Payments including dividend, interest or redemption payment withheld presently by the Listed Companies/ RTAs, only for want of 'choice of nomination' shall be processed accordingly.
26. Members holding shares in demat form are requested to update their Electronic Bank Mandate with their respective Depository Participant(s) ("DPs"). The Company/ RTA will not entertain any direct request from such members for change of address, transposition of names, deletion of name of deceased joint holder and change in the Bank Account details. The said details will be considered as furnished by the DPs to the Company.
27. Demat Holdings: In terms of SEBI (LODR) Regulations 2015, listed companies can process shareholders requests transfer of shares in physical mode and transmission, or transposition of securities held in the physical or dematerialized form shall be effected only in dematerialized form.

In this regard, Members holding shares in Physical form are required to approach RTA and follow the procedure indicated above for Mandatory updation of KYC including PAN and Bank details.

28. In adherence to the provisions of Section 125 of the Act, read with Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016 the ("IEPF Rules"), 20,758 equity shares of ₹ 10 each in respect of which dividend have not been claimed by the shareholders or unclaimed for a period of consecutive seven (7) years were transferred to the demat account of Investors Education and Protection Fund (IEPF) as per the details given hereunder:

Financial Year	Shares Held	No. of Records	No. of Shares
FY 2008-09	NSDL	1	1
	CDSL	3	173
	Physical Form	38	11367
	Total	42	11541
FY 2009-10	NSDL	8	976
	CDSL	1	1
	Physical Form	26	8240
	Total	35	9217

Further, the members can claim unclaimed dividend and the shares transferred to IEPF, by making an application as per the existing procedure to the IEPF Authority in Form No. IEPF-5 available on [www.mca.gov.in](http://www.mca.gov.in).

29. Non-Resident Indian Members are requested to inform the Company's RTA/ respective DPs, immediately of:
- a) Change in their residential status on return to India for permanent settlement.
  - b) Particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code number, if not furnished earlier.
30. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company or RTA, the details of such folios together with the share certificates and self-attested copies of the PAN card of the holders for consolidating their holdings in one folio. A consolidated share certificate will be issued to such Members after making the requisite changes. The consolidation will be processed in demat form.
31. To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. In addition, periodic statements of holdings should be obtained from the concerned Depository Participant, and holdings should be verified from time to time.

32. SEBI vide Circular Nos. SEBI/HO/OIAE/OIAE\_IAD-1/P/ CIR/2023/131 dated July 31, 2023, and SEBI/HO/OIAE/OIAE\_IAD-1/P/CIR/2023/135 dated August 4, 2023, read with Master Circular No. SEBI/HO/ OIAE/OIAE\_IAD-1/P/ CIR/2023/145 dated July 31, 2023 (updated as on August 11, 2023), has established a common Online Dispute Resolution Portal (“ODR Portal”) for resolution of disputes arising in the Indian Securities Market. Pursuant to above-mentioned circulars, post exhausting the option to resolve their grievances with the RTA/ Company directly and through existing SCORES platform, the investors can initiate dispute resolution through the ODR Portal (<https://smartodr.in/login>). The Members are hereby informed that the Company has also enrolled itself on Smart ODR portal for shareholders to lodge grievances on ODR platform, if not satisfied with the resolution provided by the Company, RTA and SEBI Scores and and the same can also be accessed through the Company’s website at <https://www.schneiderelectricpresident.com/investor-relation.html>.
33. Green Initiative: All notices, financial statements, annual report etc. will be sent to the Members electronically in terms of compliance with aforesaid circulars issued by MCA and SEBI. It reduces Company’s cost of printing and dispatch, ensures timely and speedy intimations, and supports the initiative of green environment.
34. Those Members who have already registered their email IDs are requested to keep the same validated with their DP/RTA to enable serving of notices/ documents/Annual Reports and other communications electronically to their email ID in future.
35. For any queries regarding the matters set out in the Notice or any other investor related queries, the Members may write to Company Secretary at [companysecretary@se.com](mailto:companysecretary@se.com).

### 36. INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING ARE AS UNDER:

- (a) The remote e-Voting will be available during the period as mentioned below (both days inclusive):

Commencement of remote e-Voting	From 09:00a.m. (IST) on Saturday, September 14, 2024
End of remote e-Voting	Up to 05:00p.m. (IST) on Monday, September 16, 2024

The remote e-Voting will not be allowed beyond the aforesaid date and time and the e-Voting module shall be disabled by KFinTech upon expiry of aforesaid period. Once the vote on a resolution is casted by the Member, the Member shall not be allowed to change it subsequently.

- (b) The Speaker Registration or the option for posting the questions shall be available from Saturday, September 14, 2024, from 09:00 a.m. (IST) till Monday, September 16, 2024 up to 05:00 p.m. (IST). Members, who would like to express their views or ask questions during the AGM, may visit <https://emeetings.kfintech.com/> and click on “Post your Questions” or register themselves as Speaker by clicking on “Speaker Registration” by mentioning the demat account number/folio number, city, email id, mobile number and submit.
- (c) The queries may be raised precisely and in brief to enable the Company to answer the same suitably depending on the availability of time at the Meeting. The Company reserves the right to restrict the number of questions and number of speakers, as appropriate for smooth conduct of 40<sup>th</sup> AGM.
- (d) Members whose name appears in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on Tuesday, September 10, 2024, i.e., the “Cut-off Date” shall only be entitled to avail the facility of remote e-Voting and e-Voting at the 40<sup>th</sup> AGM. Any person who is not a Member on the Cut-off Date should treat the notice for information purposes only.

### 37. INSTRUCTIONS TO MEMBERS WHOSE EMAIL IDS ARE NOT REGISTERED FOR PROCURING USER ID AND PASSWORD AND REGISTRATION OF EMAIL IDS FOR E-VOTING:

Those Members who have not registered their email addresses are required to send an email request to [evoting@kfintech.com](mailto:evoting@kfintech.com) along with the following documents for procuring user id and password for e-voting for the resolutions set out in this Notice.

- (a) Those Members, who hold shares in physical form and who wish to participate in the 40<sup>th</sup> AGM or cast their vote through remote e-Voting or through the e-Voting system during the Meeting, may obtain the login ID and password by sending scanned copy of: (i) a signed request letter mentioning name, folio number and complete address; and (ii) self-attested scanned copy of the PAN Card and any document (such as Driving License, Bank Statement, Election Card, Passport, AADHAR Card) in support of the address of the Member as registered with the Company; to the email address of the Company Secretary at [companysecretary@se.com](mailto:companysecretary@se.com) or Registrar & Share Transfer Agents, Link Intime India Private Limited (RTA) at [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in) or to Kfintech at [evoting@kfintech.com](mailto:evoting@kfintech.com).

- (b) In case shares are held in demat mode, Members may obtain the login ID and password by sending scanned copy of (i) a signed request letter mentioning name, DP ID-Client ID (16 digit DP ID + Client ID or 16 digit beneficiary ID); (ii) self-attested scanned copy of client master or Consolidated Demat Account statement; and (iii) self-attested scanned copy of the PAN Card, to the email address of the Company Secretary at [companysecretary@se.com](mailto:companysecretary@se.com) or RTA at [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in) or to Kfintech at [evoting@kfintech.com](mailto:evoting@kfintech.com).

### 38. INSTRUCTIONS FOR MEMBERS FOR E-VOTING DURING THE 40<sup>th</sup> AGM ARE AS UNDER:

- (a) Upon declaration by the Chairman about the commencement of e-Voting at AGM, members shall click on the Thumb sign on the left bottom corner of the video screen for voting at the AGM, which will take them to the “Instapoll” page.
- (b) Members to click on the “Instapoll” icon to reach the resolution page and follow the instructions to vote on the resolutions.

- (c) Only those Members, who will be present in the AGM through VC/OAVM 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 at the AGM.
- (d) The Members who have cast their vote by remote e-Voting prior to the 40<sup>th</sup> AGM may also participate in the AGM through VC/OAVM but shall not be entitled to cast their vote again.

### 39. LOGIN METHOD FOR E-VOTING:

**Step 1: Access to Depositories e-Voting system: Individual members (holding securities in demat mode) login through Depositories:**

In terms of e-Voting facility provided by the Company, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> <li>Existing IDeAS user can visit the e-Services website of NSDL Viz. <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> 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 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 &amp; voting during the meeting.</li> <li>If you are not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select “Register Online for IDeAS Portal” or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> 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 hold 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 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 &amp; voting during the meeting.</li> </ol>

Type of shareholders	Login Method
	<p>4. Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience.</p> <p><b>NSDL Mobile App is available on</b></p> <p> App Store     Google Play</p> <div style="display: flex; justify-content: space-around;">   </div>
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> <li>1. 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 <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login icon &amp; New System Myeasi Tab and then user your existing my easi username &amp; password.</li> <li>2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; 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.</li> <li>3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login &amp; New System Myeasi Tab and then click on registration option.</li> <li>4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</li> </ol>
Individual Shareholders (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 company name 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 &amp; voting during the meeting.</p>

**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e., NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at 022 - 4886 7000 and 022 - 2499 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022- 23058738 or 022-23058542-43

**Step 2 : Access to Kfintech e-Voting system in case of Members holding shares in physical: Login method for Non-Individual Members and Members holding securities in Physical Form**

- i. Initial password is provided in the body of the email.
- ii. Launch internet browser and type the URL: <https://evoting.kfintech.com/> in the address bar.
- iii. Enter the login credentials i.e., User ID and password mentioned in your email. Your Folio No./DP ID Client ID will be your User ID. However, if you are already registered with Kfintech for e-Voting, you can use your existing User ID and password for casting your votes.
- iv. After entering the details appropriately, click on LOGIN.
- v. You will reach the password change menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character (@, #, \$ etc.). It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- vi. You need to login again with the new credentials.
- vii. On successful login, the system will prompt you to select the EVEN i.e., Schneider Electric President Systems Limited.
- viii. On the voting page, the number of shares (which represents the number of votes) held by you as on the Cut-off Date will appear. If you desire to cast all the votes assenting/dissenting to the resolution, enter all shares and click 'FOR'/'AGAINST' as the case may be or partially in 'FOR' and partially in 'AGAINST', but the total number in 'FOR' and/or 'AGAINST' taken

together should not exceed your total shareholding as on the Cut-off Date. You may also choose the option 'ABSTAIN' and the shares held will not be counted under either head.

- ix. Members holding multiple folios/demat accounts shall choose the voting process separately for each folio/demat account.
- x. Cast your votes by selecting an appropriate option and click on 'SUBMIT'. A confirmation box will be displayed. Click 'OK' to confirm, else 'CANCEL' to modify. Once you confirm, you will not be allowed to modify your vote subsequently. During the voting period, you can login multiple times till you have confirmed that you have voted on the resolution.
- xi. In case of any query and/or grievance, in respect of voting by electronic means, members may refer to the Help & FAQs and e-voting user manual available at the download section of <https://evoting.kfintech.com> ("Kfin Website") or send an e-mail at [evoting@kfintech.com](mailto:evoting@kfintech.com) or call Kfin's toll free No. 1800-309-4001 for any further clarifications.

**Step 3 : Access to join 40<sup>th</sup> AGM of the Company on Kfintech to participate and vote at the AGM through VC/OAVM:**

- i. Members will be provided with a facility to attend the AGM through video conferencing platform provided by Kfintech. Members may access the same at <https://emeetings.kfintech.com/> and click on the "video conference" and access the shareholders/members login by using the remote e-Voting credentials. The link for the AGM will be available in shareholder/members login where the EVENT and the name of the Company can be selected. Click on the video symbol and accept the Meeting etiquettes to join the Meeting.
- ii. Please note that the Members who do not have User ID and Password for e-Voting or who have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions.
- iii. Facility for joining AGM through VC/OAVM shall open at least 15 minutes before and after the scheduled time of commencement of the Meeting by following the procedure mentioned herein.
- iv. Members are encouraged to join the Meeting through Laptops with Google Chrome for better experience.
- v. Members will be required to allow Camera, if any, and hence use Internet with a good speed to avoid any disturbance during the Meeting.
- vi. The Company has made all efforts to arrange the VC/OAVM meeting smoothly. However, Members

connecting from mobile devices or tablets or through laptops etc. 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.

- vii. The members who have not cast their vote through remote e-voting shall be eligible to cast their vote through e-Voting system available during the AGM and 15 minutes after the conclusion of the AGM. e-voting during the AGM is integrated with the VC/OAVM platform. The Members may click on the voting icon displayed on the screen to cast their votes.
- viii. video guide assisting the members attending the AGM either as a speaker or participant is available for quick reference at: <https://www.youtube.com/watch?v=y05f-kGcDtE>.
- i. Members who need technical assistance before or during the AGM, can contact KFintech at <https://emeetings.kfintech.com> or helpline at 1800 309 4001 (toll free) or contact Mr. S V Raju, Deputy Vice President (KFintech) at email id [kranthi.perla@kfintech.com](mailto:kranthi.perla@kfintech.com) or at 6/8 Ground Floor, Crossley House, Near BSE (Bombay Stock Exchange) Next Union Bank Fort, Mumbai – 400001.

### STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 [THE ACT]

The following Statement sets out all material facts relating to the Special Business(es) mentioned in the Notice:

#### Item No. 2

Based on the recommendation of the Nomination and Remuneration Committee (NRC), the Board of Directors of the Company have appointed Ms. Chitra Sukumar (DIN:09814015) as an Additional Director in the capacity of Non-Executive Non-Independent Director of the Company with effect from January 01, 2023, liable to retire by rotation.

The Company has received a notice from a member in terms of Section 160 of the Act, signifying their intention to propose the candidature of the Ms. Sukumar for the office of Director of the Company.

Ms. Chitra Sukumar is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given required disclosures and consent for her appointment as Director of the Company.

Ms. Chitra Sukumar is currently holding the position of SVP-Digital Engineering and Tech Debt in Schneider Electric. She carries over 28 years of Leadership Experience in multi-disciplinary global R&D departments responsible for the full life cycle of product lines, building world-class software development teams in India, aligning technology strategy with business strategy, and driving a platform approach to product development. She has worked extensively in geographically distributed global teams in matrix organizations in the highly regulated healthcare industry. She has done Bachelor's in computer science from Bangalore University.

She is associated with Schneider Electric since 2021 and her work profile includes:

- DEVS: Building a team that can handle end to end responsibility on software platforms anchoring key areas of responsibility around commissioning. Delivering on commitments to ecostruxure power, with a focus on partner monetization value stream.
- Energy Management-Chief Technology Officer: Setting up the India Hub for energy management CTO office, with global focus in some key disciplines and regional focus in other disciplines relevant to energy management across divisions.
- India R&D: Representing Schneider in Leadership of the R&D Council India.

Prior to employment with Schneider, she has worked with Philips Innovation, as Sr. Director, Global Head of R&D, Mobile Surgery in Pune and IGT Systems R&D, Bangalore and LEC India, Bangalore.

She has been awarded the Philips Innovation Campus's most prestigious award, The Golden Leaf, for consistent contribution towards enhancing the contributions from Philips Innovation Campus, Bangalore

Your Board believes that induction of Ms. Sukumar on the Board will support in broadening the overall expertise of the Board and enhancing the business portfolio of secure power with different outlook.

### Information of Director seeking appointment/re-appointment at General Meetings of the Company in accordance with the Regulation 36(3) and Secretarial Standards-II, as on the date of Notice is appended below:

Particulars	Details
Name of Director/ Particulars	Ms. Chitra Sukumar
Director Identification Number (DIN)	09814015
Nationality	Indian
Date of Birth (Age in Years)	July 27, 1974 (48 Years)

Date of First Appointment	January 01, 2023
Brief Profile	As detailed above in the statement under Section 102 of the Act.
Expertise in specific functional area	Software and Hardware Platforms, Agile Development Methodologies, Change Management, End to End Product Development, Multi-site Development, leading large teams, Ecosystem connect
Qualifications	Bachelors Computer Science (B. Sc)
Experience	28 Years as detailed out above
List of Companies in which Directorship is held in India	NIL
Listed Companies and the membership of Committees of the board along with listed entities from which resigned in the past three years	NIL
Chairman/Member of Committee (s) of Board of Directors of Other Companies as on the date of the Notice	NIL
Shareholding in the Company including shareholding as a beneficial owner	NIL (including Stock Options)
Relationship with other Directors, Managers and Key Managerial Personnel	None
Terms and Conditions of Appointment/ Reappointment	Appointment as Director (In the category of Non-Executive and Non-Independent), liable to retire by rotation.
Remuneration sought to be paid/ last drawn	NIL
Number of Meetings of Board held/ attended during the year	5/4

Except, Ms. Sukumar, being the appointee and her relative, none of the Directors, Key Managerial Personnel of the Company and their relatives are in anyway, concerned or interested, financially or otherwise, in the resolution set out at Item No. 2 of the accompanying Notice of the 40<sup>th</sup> AGM.

The Board of Directors, accordingly, recommends the Ordinary Resolution set out at Item No. 2 of the Notice for the approval of the Members.

### Item No. 3

The Board on the recommendation of Nomination and Remuneration Committee (NRC), Audit and Risk Management Committee, at their meeting held on May 27, 2024, appointed Mr. Anuj Kudesia, as Managing Director, Key Managerial Personnel in professional capacity for a period of three (03) years, with effect from May 27, 2024, to May 26, 2027, at such remuneration as approved.

The Company has further obtained approval of the members of the Company for an appointment of Mr. Kudesia as Managing Director along with remuneration calculated based on last audited financials of the company for the FY 2022-23 through Postal Ballot (e-voting) on July 04, 2024 (last date of e-voting).

Consequently, the Company is seeking approval of the members for revision in remuneration to be paid based on the audited financials of the Company for the year ended March 31, 2024.

The other terms of appointment will remain same as approved by the Board, on recommendation of NRC, AR&MC and Members of the Company vide resolutions passed on May 27, 2024, and July 04, 2024, respectively.

As on date, the remuneration payable to Mr. Kudesia are within the limits 5% (Five Percent) of the net profits of the Company calculated in accordance with the provisions of Section 198 of the Act and specified under Schedule V read with Section 197 and other applicable provisions of the Act and the remuneration, perquisites, and allowances, as stated below are as per Company policy.

Remuneration approved and payable to Mr. Anuj Kudesia (DIN:10629156) as Managing Director appended below may exceed 5% (Five Percent) of the net profits of the Company during the tenure (May 27, 2024, to May 26, 2027) and therefore, information as set out in the statement under Section 102(1) of the Act, attached to this Notice, as required under Section II (A) (iii) for the information of the Members is attached as *Annexure I*.

(i) Total Remuneration:

Particulars	Amount (₹)
Gross Salary	7,870,896
Other Benefits/Perquisites /STIP/LTIP/ Leave Encashment/Gratuity/Insurance	4,375,487
Total	12,246,383



- (ii) The remuneration includes perquisites and allowances, as per Company policy, accommodation (furnished or otherwise) or house rent allowance in lieu thereof; house maintenance allowance together with reimbursement of expenses and / or allowances for utilization of gas, electricity, water, furnishing and repairs, medical assistance and leave travel concession for self and family including dependents.

The said perquisites and allowances shall be evaluated, wherever applicable, as per the provisions of Income Tax Act, 1961 or any rules thereunder or any statutory modification(s) or re-enactment(s) thereof; in the absence of any such rules, perquisites and allowances shall be evaluated at actual cost.

- (iii) Short Term Incentive Plan (STIP) (variable in nature) which is linked to performance and the amount of STIP is being calculated on Calendar year basis and to be paid as per Company's Policy. Further, STIP may range from 0 to 200% as per Company Policy and his performance during the year under review.
- (iv) Any future increment, perquisites including Long Term Incentive (LTIP) and allowances and remuneration by way of incentive / bonus / performance linked incentive, payable to Mr. Kudesia, as may be determined by the Board and / or the NRC of the Board, shall be in addition to the remuneration as stated above.
- (v) He is also eligible to participate in WESOP (Worldwide Employee share ownership plan) as may be announced by the ultimate holding company, as per the Global Schneider Policy. It is clarified that any stock options (from Company or under group policy) granted / to be granted, from time to time, shall not be considered as a part of perquisites as per above, and that the perquisite value of stock options exercised shall be in addition to the remuneration.
- (vi) Reimbursement of Expenses: Expenses incurred for travelling, boarding, and lodging during business trips and other expenses for Company's business shall be reimbursed at actuals and not considered as perquisites.
- (vii) Retiral Benefits: The Company's contribution to provident fund, superannuation or annuity fund, gratuity payable and encashment of leave, as per the rules of the Company, shall be in addition to the remuneration.
- (viii) Service Contract, Notice Period & Severance Fees: Three (3) years, Three (3) months and Nil.
- (ix) Mr. Kudesia is not receiving remuneration from any other company.
- (x) Other Terms and conditions related to his appointment will remain unchanged.

Further, taking into consideration the size and nature of the operations of the Company and keeping in mind Mr. Kudesia's broad functional and general management skills, the NRC and Board believes that his induction on the Board and remuneration paid will be in the interest of the Company and will support in broadening the overall expertise of the Board.

Except, Mr. Kudesia, being the appointee and his relative, none of the Directors, Key Managerial Personnel of the Company and their relatives are in anyway, concerned or interested, financially or otherwise, in the resolution set out at Item No. 3 of the accompanying Notice of the 40<sup>th</sup> AGM.

The Board of Directors, accordingly, recommends the Special Resolution set out at Item No. 3 of the Notice for the approval of the Members.

#### Item No. 4

Mr. Sarkar was appointed as an Additional Non-Executive Director with effect from January 01, 2023, on the Board of the Company on recommendation of Nomination and Remuneration Committee (NRC) and re-appointed as Director at the 39<sup>th</sup> Annual General Meeting of the members held on September 21, 2023.

Further, based on the recommendation of the NRC, the Board of Directors of the Company, appointed Mr. Subhrendu Sarkar (DIN:09813992) as a Whole-Time Director in professional capacity for a period of three (03) years with effect from December 06, 2023, to December 05, 2026. The Board of Directors have also appointed Mr. Sarkar as Chief Financial Officer (KMP) of the Company w. e. f December 06, 2023 .

The Company has obtained approval of the members for an appointment of Mr. Sarkar as Whole-Time Director along with remuneration calculated based on last audited financials of the company for the FY 2022-23 through Postal Ballot (e-voting) on April 17, 2024 (last date of e-voting).

Consequently, the Company is seeking approval of the members for revision in remuneration to be paid based on the audited financials of the Company for the year ended March 31, 2024.

The other terms of appointment will remain same as approved by the Board, on recommendation of NRC, AR&MC and Shareholders of the Company vide resolutions passed on December 06, 2023, and April 17, 2024, respectively.

As on date, the remuneration payable to Mr. Sarkar is within limits of 5% (Five Percent) of the net profits of the Company calculated in accordance with the provisions of Section 198 of the Act and specified under Schedule V read with Section 197 and other applicable provisions of the Act and the remuneration, perquisites, and allowances, as stated below are as per Company policy.

Remuneration approved and payable to Mr. Sarkar as Whole-Time Director, appended below may exceed 5% (Five Percent) of the net profits of the Company during the tenure (December 06, 2023, to December 05, 2026) and therefore, information as set out in the statement under Section 102(1) of the Act, attached to this Notice, as required under Section II (A) (iii) for the information of the shareholders is attached as *Annexure I*.

**Past Remuneration:** The members of the Company approved payment of ₹ 7,495,128 (with effect from December 06, 2023) as remuneration to Mr. Subhrendu Sarkar and was paid ₹ 3,265,370 during the period under review on prorata basis. For detailed information, please refer Corporate Governance Report.

**Remuneration Proposed:** The particulars of the terms of remuneration payable to Mr. Sarkar are as under and are within the limits specified under Schedule V read with Section 197 and other applicable provisions of the Act and the remuneration, perquisites, and allowances, as stated below are as per Company policy, and Mr. Sarkar will continue to withdraw same remuneration as withdrawn in the capacity of Chief Financial Officer of the Company:

Particulars	Amount (₹)
Gross Salary	6,799,596
Perquisites	7,925,438
Total	14,725,034

(i) The remuneration includes perquisites and allowances, as per Company policy, accommodation (furnished or otherwise) or house rent allowance in lieu thereof; house maintenance allowance together with reimbursement of expenses and / or allowances for utilization of gas, electricity, water, furnishing and repairs, medical assistance and leave travel concession for self and family including dependents.

The said perquisites and allowances shall be evaluated, wherever applicable, as per the provisions of Income Tax Act, 1961 or any rules thereunder or any statutory modification(s) or re-enactment(s) thereof; in the absence of any such rules, perquisites and allowances shall be evaluated at actual cost.

(ii) Short Term Incentive Plan (STIP) (variable in nature) which is linked to performance and the amount of STIP is being calculated on Calendar year basis and to be paid as per Company's Policy. Further, STIP may range from 0 to 200% as per Company Policy and his performance during the year under review.

(iii) Any future increment, perquisites including Long Term Incentive (LTIP) and allowances and remuneration by way of incentive / bonus / performance linked incentive, payable to Mr. Sarkar, as may be determined by the Board

and / or the NRC of the Board, shall be in addition to the remuneration as stated above.

(iv) He is also eligible to participate in WESOP (Worldwide Employee share ownership plan) as may be announced by the ultimate holding company, as per the Global Schneider Policy. It is clarified that any stock options (from Company or under group policy) granted / to be granted, from time to time, shall not be considered as a part of perquisites as per above, and that the perquisite value of stock options exercised shall be in addition to the remuneration.

(v) Reimbursement of Expenses: Expenses incurred for travelling, boarding, and lodging during business trips and other expenses for Company's business shall be reimbursed at actuals and not considered as perquisites.

(vi) Retiral Benefits: The Company's contribution to provident fund, superannuation or annuity fund, gratuity payable and encashment of leave, as per the rules of the Company, shall be in addition to the remuneration.

(vii) Service Contract, Notice Period & Severance Fees: Three (3) years, Three (3) months and Nil.

(viii) Mr. Sarkar is not receiving remuneration from any other company

(ix) Other Terms and conditions related to his appointment will remain unchanged.

Except, Mr. Sarkar, being the appointee and his relative, none of the Directors, Key Managerial Personnel of the Company and their relatives are in anyway, concerned or interested, financially or otherwise, in the resolution set out at Item No. 4 of the accompanying Notice of the 40<sup>th</sup> AGM.

The Board of Directors, accordingly, recommends the Special Resolution set out at Item No. 4 of the Notice for the approval of the Members.

#### Item No. 5

In terms of Regulation 23 of Listing Regulations, as amended, prior approval of the members by means of an ordinary resolution is required for all material related party transactions. For this purpose, a transaction with a related party is considered material if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceeds the lower of ₹ 1,000 Crores (Rupees One Thousand Crores) and 10% (ten per cent) of annual consolidated turnover of the listed entity as per the last audited financial statements of the listed entity ("Material RPT").

Considering the above regulations, the Company has obtained approval of the members of the Company to enter into Material Related Party transactions for the FY 2024-25 vide resolution

passed through Postal Ballot on April 17, 2024 (last date of e-voting) for an amount ₹ 140 Crores (Rupees One Hundred and Forty Crores only).

Amongst the transactions that the Company executes with its related party, the estimated value of the contract(s)/ arrangement(s)/ transaction(s) with the related party, viz. Schneider Electric Mexico S.A De C.V, fellow subsidiary of the Company, is likely to exceed the materiality threshold and/ or their existing Material RPT limits approved by the members vide resolution passed through Postal Ballot on April 17, 2024 (last date of e-voting). Considering the foreseen business exigencies, the existing RPT limits needs to be enhanced.

The approval of the shareholders' is required for all Material Related Party Transaction (RPT) for its business requirements, before entering into a transaction to/with any other related party within the meaning of the Act and Listing Regulations.

Accordingly, the Board of Directors on recommendation of the Audit and Risk Management Committee at its meeting held on August 12, 2024, have approved the above proposal subject to the approval of the Members of the Company.

The transaction between the Company and Schneider Electric Mexico S.A DE C.V, will be at arm's length and is in the ordinary course of business.

All related party transactions are undertaken after obtaining prior approval of the Audit and Risk Management Committee (approved only by Independent Directors) and are reviewed on a quarterly basis, pursuant to approvals granted.

In compliance with the applicable law and guidelines issued by the Securities and Exchange Board of India (SEBI), the approval of Members is being sought for the said Material RPT proposed to be entered into by the Company with Schneider Electric Mexico S.A De C.V, a fellow subsidiary during the financial year 2024-25.

**The details under Rule 15(3)(ii) of the Companies (Meetings of Board and its Powers) Rules, 2014 and the details required under Regulation 23(4) of the Listing Regulations read with SEBI Master Circular dated July 11, 2023, for proposed material RPTs as considered by the Audit & Risk Management Committee of the Company, are set forth below:**

Particulars	Details												
Name of the Related Party	Schneider Electric Mexico S.A DE C.V,												
Relationship and Nature of Concern/ Interest, financial or otherwise	Fellow Subsidiary												
Name of Director(s) or Key Managerial Personnel who is related if any	None												
Type & Material terms and Particulars	<ul style="list-style-type: none"> <li>- Sale/Purchase of goods/ contracts and arrangements relating to providing/rendering/ availing services/Cost recharge/reimbursements etc.</li> <li>- The pricing for the contract/arrangement is/ will be on a Cost-plus mark - up basis.</li> <li>- Reimbursements will be on actuals.</li> <li>- Material terms and conditions are based on the contracts which inter alia include the rates which are based on prevailing market price and commercial terms as on the date of entering into the contract(s).</li> </ul>												
Tenure	FY 2024-25												
Value of the transaction Not exceeding (whether by way of an individual transaction or transactions taken together or series of transactions or otherwise)	₹ 320 Crores												
The percentage of the listed entity's annual consolidated turnover (Figures are rounded off to the nearest number), for the immediately preceding financial year, that is represented by the value of the proposed transaction (and for a RPT involving a subsidiary, such percentage calculated on the basis of the subsidiary's annual turnover on a standalone basis shall be additionally provided);	<p>The estimated transaction value for transfer of resources by way of Sale/Purchase/ cost recharges/ re-imburements represents percentage as per below of annual turnover of the Company as on March 31, 2024</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="background-color: #4CAF50; color: white;">Turnover (₹)</th> <th style="background-color: #4CAF50; color: white;">RPT Amount (₹)</th> <th style="background-color: #4CAF50; color: white;">% age of Turnover</th> </tr> </thead> <tbody> <tr> <td>393 Crores</td> <td>140 Cr</td> <td>36%</td> </tr> <tr> <td></td> <td>180 Cr</td> <td>46%</td> </tr> <tr> <td><b>Total</b></td> <td><b>320 Cr</b></td> <td><b>82%</b></td> </tr> </tbody> </table>	Turnover (₹)	RPT Amount (₹)	% age of Turnover	393 Crores	140 Cr	36%		180 Cr	46%	<b>Total</b>	<b>320 Cr</b>	<b>82%</b>
Turnover (₹)	RPT Amount (₹)	% age of Turnover											
393 Crores	140 Cr	36%											
	180 Cr	46%											
<b>Total</b>	<b>320 Cr</b>	<b>82%</b>											

Particulars	Details
If the transaction relates to any loans, inter-corporate deposits, advances, or investments made or given by the listed entity or its subsidiary: i) details of the source of funds in connection with the proposed transaction; where any financial indebtedness is incurred to make or give loans. ii) inter-corporate deposits, advances, or investments, <ul style="list-style-type: none"> <li>• nature of indebtedness;</li> <li>• cost of funds; and</li> <li>• tenure;</li> </ul> iii) applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security; and iv) the purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT.	Not Applicable
Justification as to why the RPT is in the interest of the listed entity	RPT is required to be entered for continuance and growth of business operations of the Company, and to cater to the needs of the customers.
Any valuation or other external report relied upon by the listed entity in relation to the transactions.	Not applicable
Percentage of the counter-party's annual consolidated turnover that is represented by the value of the proposed RPT, on a voluntary basis.	-
Any other information that may be relevant	All relevant / important information forms part of this Statement setting out material facts pursuant to Section 102(1) of the Act.

Pursuant to Regulation 23 of the Listing Regulations, Members may also note that no related party of the Company shall vote to approve Ordinary Resolution set out at Resolution No. 5 whether the entity is a related party to the particular transaction or not.

None of the Directors, Key Managerial Personnel of the Company and their respective relatives are, in any way, concerned or interested financially or otherwise, in the proposed resolution as set out in the Resolution No. 5 of the accompanying notice except only to the extent of their directorship / KMP position(s) in both Companies.

The Board recommends the Item No. 5 as set out in the Notice for approval by the Members of the Company as Ordinary Resolution.

#### Item No. 6

On the recommendation of the Audit and Risk Management Committee, the Board of Directors at their Meeting held on May 27, 2024 approved the re-appointment of M/s. Rao, Murthy & Associates, Cost Accountants, Bengaluru (Firm Registration No. 000065) as the Cost Auditors to conduct the audit of the cost records of the Company for financial year 2024-25 at a remuneration of ₹ 1,50,000/- (Rupees One Lakh Fifty Thousand Only) plus applicable taxes and reimbursement of out-of-pocket expenses.

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, as amended from time to time, the remuneration payable to the Cost Auditors is required to be ratified by the Members of the Company.

Accordingly, consent of the Members is sought for passing an Ordinary Resolution as set out at Item No. 6 of the Notice of the 40<sup>th</sup> AGM for ratification of remuneration payable to the Cost Auditors for the financial year ending March 31, 2025.

None of the Directors, Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested financially or otherwise in the resolution set out at Item No. 6 of the accompanying Notice of the 40<sup>th</sup> AGM.

The Board recommends the Ordinary Resolution set out at Item No. 6 of the Notice for approval of the Members.

**By Order of the Board of Directors  
For Schneider Electric President Systems Limited**

**Date:** August 12, 2024

**Place:** Bengaluru

**Regd. Office:** Plot 5C/1,  
KIADB Industrial Area, Attibele,  
Bangalore Rural, Bangalore-562107,  
Karnataka

**Sapna Bhatia  
Company Secretary  
ACS 32349**

## Annexure I

**STATEMENT OF ADDITIONAL INFORMATION AS REQUIRED UNDER SCHEDULE V PART II SECTION II OF COMPANIES ACT, 2013**

**I. General Information:****a) Nature of Industry:**

The Company is a leading designer, manufacturer, and supplier of standard and customized enclosure systems in India. The Company is specialized in manufacturing and providing solutions related to data center infrastructure. It is a part of the global Schneider Electric group, known for its expertise in energy management and automation solutions. It specifically focuses on designing, manufacturing, and servicing products related to data center infrastructure.

The company has a significant history in the field, dating back to its establishment in 1984. Over the years, it has evolved to become a key player in the Indian market for data center solutions. The Company is India's leading designer, manufacturer and supplier of standard and customized enclosure systems produced to address essential needs of rack-mount IT critical equipment in a variety of IT ( Information Technology) environments. President offers a wide range of enclosures for server and networking applications for IT/Networking and ITES (Information

Technology Enabled Services), Telecom, General and Industrial Electronics sectors' infrastructure, systems management, and operations. The enclosures are engineered to meet the latest IT standards for better management of space, airflow, and power supply integration.

The Company's operations predominantly relate to manufacture and designs electro-mechanical equipment/components i.e., enclosures, cabinets, "19" Racks, Card frames, Outdoor Cabinets, Integrated racks and parts and components for ATM machines.

**b) Date or expected date of commencement of commercial production:**

The Company was incorporated on October 22, 1984, and the Company has already commenced its commercial production.

**c) In case of new companies, expected date of commencement of activities as per project approved by financial institution appearing in the prospectus:**

Not Applicable

**d) Financial performance based on given indicators for the year ending March 31, 2024:**

Particulars	(INR in Millions)
	March 31, 2024
Total Revenue	3,929.72
Total Expenses	3,562.36
EBITDA	512.93
Less: Finance Cost (Interest)	13.31
Less: Depreciation & Amortization expenses	94.17
Profit / (Loss) before Tax	405.45
Less: Provision for Tax	123.14
Less: Deferred Tax	(17.35)
Profit After Tax	299.66

**e) Foreign investments or collaborations if any:** The details of Foreign Promoter Holding as on March 31, 2024, is given below:

Name of Promoter	Percentage holdings
Schneider Electric South East Asia (AQ) Pte. Ltd	74.29%

**f) The company has not committed any default in payment of dues to any bank or public financial institution or non-convertible debenture holders or any other secured creditor.**

## II. Information about the appointee:

S. No	Name of Director/ Particulars/ Background Details	Mr. Anuj Kudesia	Mr. Subhrendu Sarkar
1	Brief Resume of Director and nature of his expertise in specific functional areas	<p>Mr. Anuj Kudesia is a business and management professional with more than 20 years of experience in handling various leadership roles across multiple functions as channel sales, end customer sales with over 17 years in Schneider Electric and has led critical projects for the division.</p> <p>He was working as a Director- Business Development &amp; Strategy for Greater India Zone in the Secure Power Division of Schneider Electric's Energy Management Business and was responsible for driving business development activities for Secure Power Division which provides complete physical infrastructure solutions for Data Centers, Distributed IT environments, and Industrial applications through its industry-leading brands APC, Uniflair Cooling, President Racks, and Luminous UPS.</p> <p>Mr. Anuj is focused, result oriented, people driven management executive. He has vast knowledge of UPS, Cooling &amp; Datacenter offers with experience of working in multiple cities like Delhi, Bangalore &amp; Mumbai.</p> <p>Mr. Kudesia has completed his Leadership Excellence Acceleration Program (LEAP) in 2015 &amp; TSL-3 from INSEAD in 2019. He has completed Management of Business Administration (MBA) from Shri Guru Ram Rai Institute of Technology &amp; Science (SGRRIT), Dehradun.</p> <p>In his previous business roles, Mr. Kudesia was associated with HCL Infosystem, Ingram Micro &amp; Tech Pacific India Ltd.</p>	<p>Mr. Subhrendu Sarkar is a professional with over 20 years of Leadership Experience in assorted finance streams. He is currently working with Schneider Electric, Secure Power Business and holds directorship in other Schneider group companies. He is associated with Schneider Electric for more than a decade and held various positions in Finance since then. He worked across Multiple Geographies and have cross industry experience like Manufacturing, Healthcare &amp; Automobiles. He worked upon various projects including but not limited to enabling &amp; partnering Equity performance &amp; Transformation, Leading Transformation for finance operating model &amp; streamlining processes through Digitization, Driving Efficiency.</p> <p>He is a Chartered Accountant by profession and has done master's in commerce from Kolkata University.</p> <p>In his previous roles, he was associated with General Motors and GE Healthcare.</p>
2	Past Remuneration (2023-24)	NIL	INR 7,495,128 (with effect from December 06, 2023) and please refer Item No. 4 of the Statement under Section 102 of the Act
3	Recognition or Awards	He has been recipient of multiple recognition in Schneider over the years i.e., Employer of Year Award in 2009 & 2010; Best Program Manager Award in 2009; President Club – Silver Award in 2017; People Manager Award in 2017 and President Club International Zone – Best Leader Award in 2019.	-
4	Job profile and suitability	Managing Director	Whole-Time Director and Chief Financial Officer
5	Remuneration proposed for 3 years (including Stock option)	As detailed in Item No. 3 of the Statement under Section 102 of the Act	As detailed in Item No. 4 of the Statement under Section 102 of the Act

**6. Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin):**

Taking into consideration the type of industry, trends in the industry, size of the Company, the responsibilities, academic background and capabilities of Mr. Anuj Kudesia and Mr. Subhrendu Sarkar, the Company believes that the remuneration proposed to be paid is appropriate and commensurate with the remuneration packages paid to similar senior level appointees in other companies.

Further, Mr. Anuj Kudesia and Mr. Subhrendu Sarkar are professionals and are not having any interest in the capital of the Company or its holding company or through any other statutory structures and not having any direct or indirect interest or related to the directors or promoters of the Company or its holding company.

**7. Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any:**

Besides the remuneration proposed, no other pecuniary relationship exists. Mr. Anuj Kudesia and Mr. Subhrendu Sarkar are working with the Company in professional capacity.

**III. Other information:**

- a) **Reasons of loss or inadequate profits:** As on the date of the proposal, the Company has adequate profits to pay the managerial remuneration. However, the future profitability may vary and accordingly, remuneration proposed may exceed thresholds mentioned in Section 197 read with Schedule V of the Act.
- b) **Steps taken or proposed to be taken for improvement:** Not Applicable
- c) **Expected increase in productivity and profits in measurable terms:** Not Applicable

**IV. Disclosures**

The other relevant disclosures are mentioned in the Board's Report under the heading "Corporate Governance", forming part of the Annual Report as applicable for the said period.





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**SCHNEIDER ELECTRIC PRESIDENT SYSTEMS LIMITED**

**CIN : L32109KA1984PLC079103**

**Regd. Office:** 5C/1, KIADB Industrial Area, Attibele,  
Bengaluru 562 107, Karnataka 080 67888300

**Website:** [www.schneiderelectricpresident.com](http://www.schneiderelectricpresident.com)