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## LG ELECTRONICS INDIA LIMITED

CORPORATE IDENTITY NUMBER: U32107DL1997PLC220109

REGISTERED OFFICE	CORPORATE OFFICE	CONTACT PERSON	TELEPHONE AND E-MAIL	WEBSITE
A 24/6, Mohan Cooperative Industrial Estate, Mathura Road, New Delhi 110 044, Delhi, India	16 <sup>th</sup> - 20 <sup>th</sup> Floor, C-001, Tower D, KP Tower, Sector 16B, Noida 201 301, Uttar Pradesh, India	Anuj Goyal Company Secretary and Compliance Officer	+91 120 651 6700 cgc.india@lge.com	www.lg.com/in/

### OUR PROMOTER: LG ELECTRONICS INC.

#### DETAILS OF THE OFFER TO PUBLIC

TYPE	FRESH ISSUE SIZE	OFFER FOR SALE SIZE	TOTAL OFFER SIZE	ELIGIBILITY AND SHARE RESERVATION AMONG QIBS, NIIS AND RIIS
Offer for Sale	Not applicable	Up to 101,815,859 equity shares of face value of ₹ 10 each aggregating up to ₹ [●] million	Up to 101,815,859 equity shares of face value of ₹ 10 each aggregating up to ₹ [●] million	The Offer is being made pursuant to Regulation 6(1) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (“SEBI ICDR Regulations”). For details, see “Other Regulatory and Statutory Disclosures – Eligibility for the Offer” on page 367. For details of share reservation among QIBs, NIIs and RIIs, see “Offer Structure” beginning on page 394.

#### DETAILS OF THE SELLING SHAREHOLDER, OFFER FOR SALE AND WEIGHTED AVERAGE COST OF ACQUISITION PER EQUITY SHARE

NAME OF THE SELLING SHAREHOLDER	TYPE	MAXIMUM NUMBER OF OFFERED SHARES	WEIGHTED AVERAGE COST OF ACQUISITION PER EQUITY SHARE (₹) <sup>(1)</sup>
LG Electronics Inc.	Promoter Selling Shareholder	Up to 101,815,859 equity shares of face value of ₹ 10 each	1.66

<sup>(1)</sup> As certified by B.B. & Associates, Chartered Accountants, by way of their certificate dated December 6, 2024.

#### RISKS IN RELATION TO THE FIRST OFFER

This being the first public issue of our Company, there has been no formal market for the Equity Shares of our Company. The face value of our Equity Shares is ₹ 10 each. The Floor Price, Cap Price and Offer Price (as determined by our Company, in consultation with the BRLMs on the basis of the assessment of market demand for the Equity Shares by way of the Book Building Process and in accordance with the SEBI ICDR Regulations, and as stated in “Basis for Offer Price” beginning on page 110) should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active and/or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.

#### GENERAL RISK

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the Offer unless they can afford to take the risk of losing their entire investment. Bidders are advised to read the risk factors carefully before taking an investment decision in the Offer. For taking an investment decision, investors must rely on their own examination of our Company and the Offer, including the risks involved. The Equity Shares offered in the Offer have not been recommended or approved by the Securities and Exchange Board of India (“SEBI”), nor does the SEBI guarantee the accuracy or adequacy of the contents of this Draft Red Herring Prospectus. Specific attention of the Bidders is invited to “Risk Factors” beginning on page 31.

#### ISSUER’S AND SELLING SHAREHOLDER’S ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Red Herring Prospectus contains all information with regard to our Company and the Offer, which is material in the context of the Offer, that the information contained in this Draft Red Herring Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held, and that there are no other facts, the omission of which makes this Draft Red Herring Prospectus as a whole or any of such information or the expression of any such opinions or intentions, misleading in any material respect. Further, the Selling Shareholder, accepts responsibility for and confirms only statements and undertakings expressly made by it in this Draft Red Herring Prospectus solely in relation to itself and the Offered Shares and confirms that such statements are true and correct in all material respects and are not misleading in any material respect. However, the Selling Shareholder does not assume any responsibility for any other statements and undertakings, including without limitation, any and all of the statements and undertakings made by or in relation to the Company or its business or any other person, in this Draft Red Herring Prospectus.

#### LISTING

The Equity Shares offered through the Red Herring Prospectus are proposed to be listed on the stock exchanges being BSE Limited (“BSE”) and National Stock Exchange of India Limited (“NSE”, and together with the BSE, the “Stock Exchanges”). For the purposes of the Offer, National Stock Exchange of India Limited is the Designated Stock Exchange.

#### BOOK RUNNING LEAD MANAGERS

NAME OF THE BOOK RUNNING LEAD MANAGER AND LOGO	CONTACT PERSON(S)	TELEPHONE AND E-MAIL
Morgan Stanley	Morgan Stanley India Company Private Limited Dhruv Lowe / Harshavi Shah	+91 22 6118 1000 lgindiaipo@morganstanley.com
J.P.Morgan	J.P. Morgan India Private Limited Raghav Nath / Rishank Chheda	+91 22 6157 3000 LGEIL_IPO@jpmorgan.com
AXIS CAPITAL	Axis Capital Limited*	+91 22 4325 2183 lgindia.ipo@axiscap.in
BofA SECURITIES	BofA Securities India Limited Devyani Yadav / Kusum Bhathar	+91 22 6632 8000 dg.gcib_in_lgeil_ipo@bofa.com
citi	Citigroup Global Markets India Private Limited Sameer Dixit	+91 22 6175 9999 lgindiaipo@citi.com

#### DETAILS OF REGISTRAR TO THE OFFER

NAME OF REGISTRAR	CONTACT PERSON	TELEPHONE AND E-MAIL
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KFin Technologies Limited

M Murali Krishna

+91 40 6716 2222/ 1800 309 4001  
lgelectronics.ipo@kfintech.com**BID/OFFER PERIOD****ANCHOR INVESTOR BIDDING  
DATE<sup>(1)</sup>**

[•]

**BID/OFFER OPENS  
ON<sup>(1)</sup>**

[•]

**BID/OFFER CLOSES  
ON<sup>(2)(3)</sup>**

[•]

<sup>\*</sup>SEBI coordinator<sup>(1)</sup>Our Company, in consultation with the BRLMs, may consider participation by Anchor Investors, in accordance with the SEBI ICDR Regulations. The Anchor Investor Bidding Date shall be one Working Day prior to the Bid/Offer Opening Date.<sup>(2)</sup> Our Company, in consultation with the BRLMs, may consider closing the Bid/Offer Period for QIBs one Working Day prior to the Bid/Offer Closing Date, in accordance with the SEBI ICDR Regulations.<sup>(3)</sup> UPI mandate end time and date shall be at 5:00 pm on the Bid/Offer Closing Date.



**LG ELECTRONICS INDIA LIMITED**

Our Company was incorporated on January 20, 1997 as a private limited company under the Companies Act, 1956, with the name "LG Electronics India Private Limited", pursuant to a certificate of incorporation granted by the Registrar of Companies, National Capital Territory of Delhi and Haryana situated at New Delhi, India. Subsequently, in accordance with Section 43A(1A) of the Companies Act, 1956, our Company became a deemed public limited company with effect from March 31, 2000 and the name of our Company was changed to "LG Electronics India Limited". Our Board took note of such conversion pursuant to a resolution dated March 15, 2000 consequent upon which, the Registrar of Companies, National Capital Territory of Delhi and Haryana situated at New Delhi, India endorsed such conversion on the certificate of incorporation dated January 20, 1997 with effect from March 31, 2000. Pursuant to the amendment in Section 43A of the Companies Act, 1956 by the Companies (Amendment) Act, 2000, and the approval of our Board on February 21, 2002, our Company's status was converted from a deemed public company to a private limited company consequent upon which, the name of our Company was changed to "LG Electronics India Private Limited", and the Registrar of Companies, National Capital Territory of Delhi and Haryana situated at New Delhi, India endorsed such conversion on the certificate of incorporation dated January 20, 1997 with effect from March 28, 2002. Subsequently, pursuant to resolutions passed by our Board and Shareholders dated November 8, 2024 and November 11, 2024, respectively, our Company was converted into a public limited company and consequently, the name of our company was changed to "LG Electronics India Limited", consequent upon which, a fresh certificate of incorporation dated December 3, 2024 was issued by the Registrar of Companies, Delhi and Haryana at New Delhi, India ("RoC"). For details of changes in the registered office of our Company, see "History and Certain Corporate Matters – Changes in the Registered Office" on page 199.

**Registered Office:** A 24/6, Mohan Cooperative Industrial Estate, Mathura Road, New Delhi 110 044, Delhi, India  
**Corporate Office:** 16<sup>th</sup> – 20<sup>th</sup> Floor, C-001, Tower D, KP Tower, Sector 16B, Noida 201 301, Uttar Pradesh, India  
**Contact Person:** Anuj Goyal, Company Secretary and Compliance Officer; **Tel:** +91 120 651 6700  
**E-mail:** cs.india@lge.com; **Website:** www.lg.com/in/; **Corporate Identity Number:** U32107DL1997PLC220109

**OUR PROMOTER: LG ELECTRONICS INC.**

**INITIAL PUBLIC OFFER OF UP TO 101,815,859 EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH ("EQUITY SHARES") OF LG ELECTRONICS INDIA LIMITED ("OUR COMPANY" OR THE "ISSUER") FOR CASH AT A PRICE OF ₹ [●] PER EQUITY SHARE (INCLUDING A PREMIUM OF ₹ [●] PER EQUITY SHARE) ("OFFER PRICE") AGGREGATING UP TO ₹ [●] MILLION THROUGH AN OFFER FOR SALE ("THE OFFER") OF UP TO 101,815,859 EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH AGGREGATING UP TO ₹ [●] MILLION BY LG ELECTRONICS INC. ("SELLING SHAREHOLDER") (THE "OFFER FOR SALE" AND SUCH EQUITY SHARES, THE "OFFERED SHARES"). THE OFFER SHALL CONSTITUTE 15% OF THE POST-OFFER PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY.**

**THE FACE VALUE OF THE EQUITY SHARES IS ₹ 10 EACH. THE OFFER PRICE IS [●] TIMES THE FACE VALUE OF THE EQUITY SHARES. THE PRICE BAND AND THE MINIMUM BID LOT SIZE WILL BE DECIDED BY OUR COMPANY, IN CONSULTATION WITH THE BRLMS, AND WILL BE ADVERTISED IN ALL EDITIONS OF [●] (A WIDELY CIRCULATED ENGLISH NATIONAL DAILY NEWSPAPER) AND ALL EDITIONS OF [●] (A WIDELY CIRCULATED HINDI NATIONAL DAILY NEWSPAPER, HINDI ALSO BEING THE REGIONAL LANGUAGE OF NEW DELHI, WHERE OUR REGISTERED OFFICE IS LOCATED), AT LEAST TWO WORKING DAYS PRIOR TO THE BID/OFFER OPENING DATE AND SHALL BE MADE AVAILABLE TO THE BSE AND NSE FOR UPLOADING ON THEIR RESPECTIVE WEBSITES IN ACCORDANCE WITH THE SEBI ICDR REGULATIONS.**

In case of any revision in the Price Band, the Bid/Offer Period shall be extended for at least three additional Working Days after such revision of the Price Band, subject to the total Bid/Offer Period not exceeding 10 Working Days. In cases of *force majeure*, banking strike or similar unforeseen circumstances, our Company, may in consultation with the BRLMs, for reasons to be recorded in writing, extend the Bid/Offer Period for a minimum of one Working Day, subject to the Bid/Offer Period not exceeding 10 Working Days. Any revision in the Price Band, and the revised Bid/Offer Period, if applicable, shall be widely disseminated by notification to the Stock Exchanges by issuing a public notice and also by indicating the change on the respective websites of the BRLMs and at the terminals of the Members of the Syndicate and by intimation to the Designated Intermediaries and the Sponsor Bank(s), as applicable.

The Offer is being made in terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended (the "SCRR"), read with Regulation 31 of the SEBI ICDR Regulations. The Offer is being made through the Book Building Process in accordance with Regulation 6(1) of the SEBI ICDR Regulations wherein not more than 50% of the Offer shall be available for allocation on a proportionate basis to Qualified Institutional Buyers ("QIBs") (the "QIB Portion"), provided that our Company, in consultation with the BRLMs, may allocate up to 60% of the QIB Portion to Anchor Investors and the basis of such allocation will be on a discretionary basis by our Company, in consultation with the BRLMs, in accordance with the SEBI ICDR Regulations (the "Anchor Investor Portion"), of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from the domestic Mutual Funds at or above the price at which allocation is made to Anchor Investors ("Anchor Investor Allocation Portion"). In the event of under-subscription or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the remaining QIB Portion ("Net QIB Portion"). Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis only to Mutual Funds, subject to valid Bids being received at or above the Offer Price, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIBs (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer Price. Further, not less than 15% of the Offer shall be available for allocation to Non-Institutional Investors ("Non-Institutional Category") of which one-third of the Non-Institutional Category shall be available for allocation to Bidders with an application size of more than ₹ 200,000 and up to ₹ 1,000,000 and two-thirds of the Non-Institutional Category shall be available for allocation to Bidders with an application size of more than ₹ 1,000,000 and under-subscription in either of these two sub-categories of Non-Institutional Category may be allocated to Bidders in the other sub-category of Non-Institutional Category in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price. Further, not less than 35% of the Offer shall be available for allocation to Retail Individual Investors ("Retail Category"), in accordance with the SEBI ICDR Regulations, subject to valid Bids being received from them at or above the Offer Price. All Bidders (except Anchor Investors) shall mandatorily participate in this Offer only through the Application Supported by Blocked Amount ("ASBA") process and shall provide details of their respective bank account (including UPI ID (defined hereinafter) in case of UPI Bidders (defined hereinafter) in which the Bid Amount will be blocked by the Self Certified Syndicate Banks ("SCSBs") or the Sponsor Bank(s), as the case may be. Anchor Investors are not permitted to participate in the Offer through the ASBA process. For details, see "Offer Procedure" beginning on page 398.

**RISKS IN RELATION TO THE FIRST OFFER**

This being the first public issue of our Company, there has been no formal market for the Equity Shares. The face value of the Equity Shares is ₹ 10. The Offer Price/Floor Price/Cap Price, as determined by our Company, in consultation with the BRLMs on the basis of the assessment of market demand for the Equity Shares by way of the Book Building Process and in accordance with the SEBI ICDR Regulations and as stated in "Basis for Offer Price" beginning on page 110, should not be taken to be indicative of the market price of the Equity Shares after such Equity Shares are listed. No assurance can be given regarding an active and/or sustained trading in the Equity Shares nor regarding the price at which the Equity Shares will be traded after listing.

**GENERAL RISK**

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in this Offer unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in this Offer. For taking an investment decision, investors must rely on their own examination of the Issuer and the Offer, including the risks involved. The Equity Shares have not been recommended or approved by SEBI, nor does SEBI guarantee the accuracy or adequacy of the contents of this Draft Red Herring Prospectus. Specific attention of the investors is invited to "Risk Factors" beginning on page 31.

**ISSUER'S AND SELLING SHAREHOLDER'S ABSOLUTE RESPONSIBILITY**

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Red Herring Prospectus contains all information with regard to our Company and the Offer, which is material in the context of the Offer, that the information contained in this Draft Red Herring Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held, and that there are no other facts, the omission of which makes this Draft Red Herring Prospectus as a whole or any of such information or the expression of any such opinions or intentions, misleading in any material respect. Further, the Selling Shareholder, accepts responsibility for and confirms only statements and undertakings expressly made in this Draft Red Herring Prospectus solely in relation to itself and the Offered Shares and confirms that such statements are true and correct in all material respects and are not misleading in any material respect. However, the Selling Shareholder, in such capacity, does not assume any responsibility for any other statements and undertakings, including without limitation, any and all of the statements and undertakings made by or in relation to the Company or its business or any other person, in this Draft Red Herring Prospectus.

**LISTING**

The Equity Shares offered through the Red Herring Prospectus are proposed to be listed on the Stock Exchanges. Our Company has received in-principle approvals from BSE and NSE for listing of the Equity Shares pursuant to their letters dated [●] and [●], respectively. For the purposes of the Offer, National Stock Exchange of India Limited shall be the Designated Stock Exchange. A signed copy of the Red Herring Prospectus and the Prospectus shall be filed with the RoC in accordance with Section 26(4) of the Companies Act. For details of the material contracts and documents available for inspection from the date of the Red Herring Prospectus up to the Bid/Offer Closing Date, see "Material Contracts and Documents for Inspection" beginning on page 441.

**BOOK RUNNING LEAD MANAGERS**

**REGISTRAR TO THE OFFER**

<b>Morgan Stanley India Company Private Limited</b> 18F, Tower 2 One World Centre Plot 841, Jupiter Textile Mill Compound Senapati Bapat Marg, Lower Parel Mumbai 400 013 Maharashtra, India <b>Tel:</b> +91 22 6118 1000 <b>E-mail:</b> lgindiaipo@morganstanley.com <b>Investor grievance e-mail:</b> investors.morganstanley.com	<b>J.P. Morgan India Private Limited</b> J.P. Morgan Tower Off CST Road, Kalina Santacruz East Mumbai 400 098 Maharashtra, India <b>Tel:</b> +91 22 6157 3000 <b>E-mail:</b> LGEIL_IPO@jpmorgan.com <b>Investor grievance e-mail:</b> investorsmb.jpmipl@jpmorgan.com <b>Website:</b> www.jpmipl.com <b>Contact person:</b> Raghav Nath / Rishank Chheda <b>SEBI registration no.:</b> INM000002970	<b>Axis Capital Limited</b> 1 <sup>st</sup> Floor, Axis House Pandurang Budhkar Marg, Worli Mumbai 400 025, Maharashtra, India <b>Tel:</b> +91 22 4325 2183 <b>E-mail:</b> lgindia.ip@axiscap.in <b>Investor grievance e-mail:</b> complaints@axiscap.in <b>Website:</b> www.axiscapital.co.in <b>Contact person:</b> Jigar Jain <b>SEBI Registration:</b> INM000012029	<b>BofA Securities India Limited</b> Ground Floor, "A" Wing One BKC, "G" Block Bandra Kurla Complex Bandra (East), Mumbai 400 051 Maharashtra, India <b>Tel:</b> +91 22 6632 8000 <b>E-mail:</b> dg.gcb.in_lgeil_ipo@bofa.com <b>Investor grievance e-mail:</b> dg.india_merchantbanking@bofa.com <b>Website:</b> https://business.bofa.com/bofas-india <b>Contact person:</b> Devyani Yadav / Kusum Bhathar <b>SEBI registration no.:</b> INM000011625	<b>Citigroup Global Markets India Private Limited</b> 1202, 12 <sup>th</sup> Floor First International Financial Center Plot Nos. C-54 & C-55, G – Block Bandra Kurla Complex Bandra (East), Mumbai 400 098 Maharashtra, India <b>Tel:</b> +91 22 6175 9999 <b>E-mail:</b> lgindiaipo@citi.com <b>Investor grievance e-mail:</b> investors.cgmb@citi.com <b>Website:</b> www.online.citibank.co.in/rhtm/citigroupglobalscreen1.htm <b>Contact person:</b> Sameer Dixit <b>SEBI registration no.:</b> INM000010718	<b>KFin Technologies Limited</b> Selenium Tower B, Plot No.31-32 Gachibowli, Financial District Nanakramguda, Serilingampally Hyderabad 500 032 Telangana, India <b>Tel:</b> +91 40 6716 2222/ 1800 309 4001 <b>E-mail:</b> lgelectronics.ipo@kfintech.com <b>Investor grievance e-mail:</b> einward.ris@kfintech.com <b>Website:</b> www.kfintech.com <b>Contact person:</b> M Murali Krishna <b>SEBI registration no.:</b> INR000000221

**BID/OFFER PROGRAMME**

<b>ANCHOR INVESTOR BIDDING DATE<sup>(1)</sup></b>	[●]	<b>BID/OFFER OPENS ON<sup>(1)</sup></b>	[●]	<b>BID/OFFER CLOSES ON<sup>(2)(3)</sup></b>	[●]
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<sup>(1)</sup> SEBI coordinator  
<sup>(1)</sup> Our Company, in consultation with the BRLMs, may consider participation by Anchor Investors, in accordance with the SEBI ICDR Regulations. The Anchor Investor Bidding Date shall be one Working Day prior to the Bid/Offer Opening Date.  
<sup>(2)</sup> Our Company, in consultation with the BRLMs, may consider closing the Bid/Offer Period for QIBs one Working Day prior to the Bid/Offer Closing Date, in accordance with the SEBI ICDR Regulations.  
<sup>(3)</sup> UPI mandate end time and date shall be at 5:00 pm on the Bid/Offer Closing Date.

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## SECTION I: GENERAL

### DEFINITIONS AND ABBREVIATIONS

*This Draft Red Herring Prospectus uses certain definitions and abbreviations which, unless the context otherwise indicates or implies, shall have the meaning as provided below. References to any legislation, act, regulation, rule, guideline, policy, circular, notification or clarification shall be to such legislation, act, regulation, rule, guideline, policy, circular, notification or clarification as amended and any reference to a statutory provision shall include any subordinate legislation made from time to time under that provision. Further, the Offer related terms used but not defined in this Draft Red Herring Prospectus shall have the meaning ascribed to such terms under the General Information Document. In case of any inconsistency between the definitions given below and the definitions contained in the General Information Document (as defined below), the definitions given below shall prevail.*

*Unless the context otherwise indicates, all references to “**the Company**” or “**our Company**” or “**Issuer**” or “**we**” or “**us**” or “**our**”, are references to LG Electronics India Limited, a public limited company incorporated under the Companies Act, 1956.*

*The words and expressions used in this Draft Red Herring Prospectus but not defined herein, shall have, to the extent applicable, the meanings ascribed to such terms under the Companies Act, the SEBI ICDR Regulations, the SCRA, the Depositories Act or the respective rules and regulations made thereunder.*

*Notwithstanding the foregoing, terms in “**Statement on Special Tax Benefits**”, “**Industry Overview**”, “**Key Regulations and Policies**”, “**Restated Financial Information**”, “**Other Financial Information**”, “**Outstanding Litigation and Material Developments**” and “**Main Provisions of Articles of Association**”, beginning on pages 119, 127, 191, 232, 314, 348 and 420, respectively, will have the meaning ascribed to such terms in those respective sections.*

#### Conventional and General Terms and Abbreviations

Term	Description
₹/ Rs./ Rupees/ INR	Indian Rupees
AIF(s)	Alternative Investment Funds as defined in and registered with SEBI under the SEBI AIF Regulations
Air Act	Air (Prevention and Control of Pollution) Act, 1981
Banking Regulation Act	Banking Regulation Act, 1949
BSE	BSE Limited
CAGR	Compounded annual growth rate
CAFC	Corporate Average Fuel Consumption
Category I AIF	AIFs registered as “Category I alternative investment funds” under the SEBI AIF Regulations
Category I FPIs	FPIs registered as “Category I foreign portfolio investors” under the SEBI FPI Regulations
Category II AIF	AIFs registered as “Category II alternative investment funds” under the SEBI AIF Regulations
Category II FPIs	FPIs registered as “Category II foreign portfolio investors” under the SEBI FPI Regulations
Category III AIF	AIFs registered as “Category III alternative investment funds” under the SEBI AIF Regulations
CDSL	Central Depository Services (India) Limited
CIN	Corporate Identity Number
CLRA	Contract Labour (Regulation and Abolition) Act, 1970
Companies Act, 1956	The erstwhile Companies Act, 1956 read with the rules, regulations, clarifications and modifications thereunder
Companies Act/Companies Act, 2013	Companies Act, 2013 read with rules, regulations, clarifications and modifications thereunder
Competition Act	The Competition Act, 2020
Consolidated FDI Policy	The Consolidated FDI Policy, effective from October 15, 2020, issued by the DPIIT, and any modifications thereto or substitutions thereof, issued from time to time
Consumer Protection Act	The Consumer Protection Act, 2019
CSR	Corporate social responsibility
CST	Central sales tax

<b>Term</b>	<b>Description</b>
Depositories Act	Depositories Act, 1996, read with the rules, regulations, clarifications and modifications thereunder
Depository	A depository registered with the SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996
DIN	Director Identification Number
DP ID	Depository Participant's identity number.
DP/Depository Participant	A depository participant as defined under the Depositories Act
DPIIT	Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry (formerly Department of Industrial Policy and Promotion), Government of India
EPS	Earnings per share
Factories Act	Factories Act, 1948
FCNR	Foreign Currency Non-Resident
FDI	Foreign direct investment
FDI Circular	The Consolidated FDI Policy Circular dated October 15, 2020 issued by the DPIIT (formerly Department of Industrial Policy & Promotion)
FEMA	Foreign Exchange Management Act, 1999 read with rules and regulations thereunder.
FEMA Rules	Foreign Exchange Management (Non-debt Instruments) Rules, 2019
Financial Year/Fiscal/Fiscal Year	The period of 12 months commencing on April 1 of the immediately preceding calendar year and ending on March 31 of that particular calendar year
FPIs	Foreign portfolio investor registered with SEBI pursuant to the SEBI FPI Regulations.
FTA	Foreign Trade (Development and Regulation) Act, 1992 and the rules framed thereunder
FVCI	Foreign venture capital investors registered with SEBI pursuant to the SEBI FVCI Regulations
GNIDA	Greater Noida Industrial Development Authority
GoI/Central Government	The Government of India
GST	The Goods and Services Tax
HUF(s)	Hindu undivided family(ies)
ICAI	Institute of Chartered Accountants of India
ICAI Guidance Note	Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India, as updated from time to time
IFRS	International Financial Reporting Standards issued by the International Accounting Standards Board
Income Tax Act	Income-tax Act, 1961
Ind AS	The Indian Accounting Standards notified under Section 133 of the Companies Act read with Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Companies Act
Ind AS 24	Indian Accounting Standard 24, "Related Party Disclosures", notified under Section 133 of the Companies Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time
Ind AS 37	Indian Accounting Standard 37, "Provisions, Contingent Liabilities and Contingent Assets", notified under Section 133 of the Companies Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time
Ind AS Rules	Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time
Indian GAAP	Generally Accepted Accounting Principles in India notified under Section 133 of the Companies Act and read together with paragraph 7 of the Companies (Accounts) Rules, 2014 and the Companies (Accounting Standards) Amendment Rules, 2016
IST	Indian Standard Time
IT Act	Information Technology Act, 2000
KPI	Key Performance Indicator
KRW	Korean Republic Won
KYC	Know Your Customer
MCA/Ministry of Corporate Affairs	The Ministry of Corporate Affairs, Government of India
MSME	Micro, Small or a Medium Enterprise
NACH	National Automated Clearing House
NBFC-SI/ Systemically Important NBFCs	A systemically important non-banking financial company as defined under Regulation 2(1)(iii) of the SEBI ICDR Regulations
NRE	Non-Resident External
NRI	Non-Resident Indian
NRO	Non-Resident Ordinary
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
OCB/Overseas Corporate	A company, partnership, society or other corporate body owned directly or indirectly to

<b>Term</b>	<b>Description</b>
Body	the extent of at least 60% by NRIs including overseas trusts, in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date had taken benefits under the general permission granted to OCBs under FEMA. OCBs are not allowed to invest in the Offer
OLED	Organic light emitting diode
P/E Ratio	Price/Earnings Ratio
PAN	Permanent account number
Patents Act	Patents Act, 1970
PLI	Production Linked Incentive
RBI	Reserve Bank of India
Regulation S	Regulation S under the U.S. Securities Act
RTGS	Real Time Gross Settlement
Rule 144A	Rule 144A under the U.S. Securities Act
SCRA	Securities Contracts (Regulation) Act, 1956
SCRR	Securities Contracts (Regulation) Rules, 1957
SCORES	SEBI complaints redress system
SEBI	Securities and Exchange Board of India, constituted under section 3 of the SEBI Act.
SEBI Act	Securities and Exchange Board of India Act, 1992
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019.
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000
SEBI ICDR Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended from time to time
SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time
SEBI Merchant Bankers Regulations	Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992
SEBI ICDR Master Circular	SEBI master circular bearing number SEBI/HO/CFD/PoD-1/P/CIR/2024/0154 dated November 11, 2024
SEBI RTA Master Circular	SEBI master circular bearing number SEBI/HO/MIRSD/POD-1/P/CIR/2024/37 dated May 7, 2024
SEBI Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
SEBI VCF Regulations	The Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996
STT	Securities Transaction Tax
TAN	Tax deduction account number
Trade Marks Act	Trade Marks Act, 1999
U.S. GAAP	Generally Accepted Accounting Principles in the United States of America
U.S. QIBs	Persons that are “qualified institutional buyers”, as defined in Rule 144A
U.S. Securities Act	U.S. Securities Act of 1933, as amended.
US\$/USD/US Dollar	United States Dollar
USA/U.S./US/U.S.A.	United States of America
VAT	Value added tax
VCF	Venture capital funds as defined in and registered with the SEBI under the Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996 ( <i>now repealed</i> ) or the SEBI AIF Regulations, as the case may be
Water Act	Water (Prevention and Control of Pollution) Act, 1974

### Offer Related Terms

<b>Term</b>	<b>Description</b>
Abridged Prospectus	Abridged prospectus means a memorandum containing such salient features of a prospectus as may be specified by the SEBI in this behalf
Acknowledgement Slip	The slip or document issued by the relevant Designated Intermediary(ies) to the Bidder as proof of registration of the Bid cum Application Form
Allot/Allotment/Allotted	Unless the context otherwise requires, the allotment of the Equity Shares pursuant to the transfer of the Offered Shares pursuant to the Offer for Sale to successful Bidders
Allotment Advice	The note or advice or intimation of Allotment sent to each successful Bidder who has been or is to be Allotted the Equity Shares after approval of the Basis of Allotment by the Designated Stock Exchange



<b>Term</b>	<b>Description</b>
Allottee(s)	A successful Bidder to whom the Equity Shares are Allotted
Anchor Investor(s)	A Qualified Institutional Buyer, applying under the Anchor Investor Portion in accordance with SEBI ICDR Regulations and the Red Herring Prospectus, and who has Bid for an amount of at least ₹ 100 million
Anchor Investor Allocation Price	The price at which Equity Shares will be allocated to Anchor Investors according to the terms of the Red Herring Prospectus and the Prospectus, which will be decided by our Company, in consultation with the BRLMs
Anchor Investor Application Form	The form used by an Anchor Investor to make a Bid in the Anchor Investor Portion and which will be considered as an application for Allotment in terms of the Red Herring Prospectus and the Prospectus
Anchor Investor Bidding Date	The date, one Working Day prior to the Bid/Offer Opening Date, on which Bids by Anchor Investors shall be submitted, prior to and after which BRLMs will not accept any Bids from Anchor Investors, and allocation to Anchor Investors shall be completed
Anchor Investor Offer Price	The final price at which the Equity Shares will be Allotted to Anchor Investors in terms of the Red Herring Prospectus and the Prospectus, which price will be equal to or higher than the Offer Price but not higher than the Cap Price  The Anchor Investor Offer Price will be decided by our Company, in consultation with the BRLMs
Anchor Investor Pay-in Date	With respect to Anchor Investor(s), it shall be the Anchor Investor Bidding Date, and in the event the Anchor Investor Allocation Price is lower than the Offer Price, not later than two Working Days after the Bid/Offer Closing Date
Anchor Investor Portion	Up to 60% of the QIB Portion which may be allocated by our Company, in consultation with the BRLMs, to Anchor Investors and the basis of such allocation will be on a discretionary basis by our Company, in consultation with the BRLMs, in accordance with the SEBI ICDR Regulations. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price
ASBA/Application Supported by Blocked Amount	An application, whether physical or electronic, used by ASBA Bidders, to make a Bid and authorizing an SCSB to block the Bid Amount in the relevant ASBA Account and will include applications made by UPI Bidders using the UPI Mechanism where the Bid Amount will be blocked upon acceptance of UPI Mandate Request by the UPI Bidders using the UPI Mechanism
ASBA Account	A bank account maintained with an SCSB by an ASBA Bidder, as specified in the ASBA Form submitted by ASBA Bidders for blocking the Bid Amount mentioned in the relevant ASBA Form and includes the account of a UPI Bidder which is blocked upon acceptance of a UPI Mandate Request made by the UPI Bidder using the UPI Mechanism
ASBA Bid	A Bid made by an ASBA Bidder
ASBA Bidders	All Bidders except Anchor Investors
ASBA Form	An application form, whether physical or electronic, used by ASBA Bidders to submit Bids, which will be considered as the application for Allotment in terms of the Red Herring Prospectus and the Prospectus
Axis	Axis Capital Limited
Banker(s) to the Offer	Collectively, the Escrow Collection Bank(s), the Refund Bank(s), the Public Offer Account Bank(s) and the Sponsor Bank(s), as the case may be
Basis of Allotment	Basis on which the Equity Shares will be Allotted to successful Bidders under the Offer, described in “ <i>Offer Procedure</i> ” beginning on page 398
Bid(s)	An indication by an ASBA Bidder to make an offer during the Bid/Offer Period pursuant to submission of the ASBA Form, or on the Anchor Investor Bidding Date by an Anchor Investor, pursuant to the submission of the Anchor Investor Application Form, to subscribe to or purchase Equity Shares at a price within the Price Band, including all revisions and modifications thereto, to the extent permissible under the SEBI ICDR Regulations, in terms of the Red Herring Prospectus and the Bid cum Application Form. The term ‘Bidding’ shall be construed accordingly
Bid Amount	The highest value of optional Bids indicated in the Bid cum Application Form, and payable by the Bidder or blocked in the ASBA Account of the ASBA Bidder, as the case may be, upon submission of the Bid in the Offer, as applicable  In the case of Retail Individual Investors Bidding at the Cut off Price, the Cap Price multiplied by the number of Equity Shares Bid for by such Retail Individual Investors and mentioned in the Bid cum Application Form
Bid cum Application Form	The Anchor Investor Application Form or the ASBA Form, as the context requires
Bid Lot	[●] Equity Shares and in multiples of [●] Equity Shares thereafter
Bid/Offer Closing Date	Except in relation to any Bids received from the Anchor Investors, the date after which the Designated Intermediaries will not accept any Bids, which shall be notified in all

<b>Term</b>	<b>Description</b>
	<p>editions of [●] (a widely circulated English national daily newspaper) and all editions of [●] (a widely circulated Hindi national daily newspaper, Hindi also being the regional language of New Delhi, where our Registered Office is located), and in case of any revision, the extended Bid/Offer Closing Date shall also be widely disseminated by notification to the Stock Exchanges by issuing a public notice and also by indicating the change on the respective websites of the BRLMs and at the terminals of the Members of the Syndicate and by intimation to the Designated Intermediaries and the Sponsor Bank(s), as required under the SEBI ICDR Regulations</p> <p>Our Company, in consultation with the BRLMs, may consider closing the Bid/Offer Period for QIBs one Working Day prior to the Bid/Offer Closing Date, in accordance with the SEBI ICDR Regulations</p>
Bid/Offer Opening Date	Except in relation to any Bids received from the Anchor Investors, the date on which the Designated Intermediaries shall start accepting Bids, which shall be notified in all editions of [●] (a widely circulated English national daily newspaper) and all editions of [●] (a widely circulated Hindi national daily newspaper, Hindi also being the regional language of New Delhi, where our Registered Office is located), and in case of any revision, the extended Bid/Offer Opening Date also be widely disseminated by notification to the Stock Exchanges by issuing a public notice and also by indicating the change on the respective websites of the BRLMs and at the terminals of the Members of the Syndicate and by intimation to the Designated Intermediaries and the Sponsor Bank(s), as required under the SEBI ICDR Regulations
Bid/Offer Period	Except in relation to Anchor Investors, the period between the Bid/Offer Opening Date and the Bid/Offer Closing Date, inclusive of both days, during which Bidders (excluding Anchor Investors) can submit their Bids, including any revisions thereof in accordance with the SEBI ICDR Regulations and the terms of the Red Herring Prospectus. Provided that the Bidding shall be kept open for a minimum of three Working Days for all categories of Bidders, other than Anchor Investors. Our Company, in consultation with the BRLMs, may consider closing the Bid/Offer Period for QIBs one Working Day prior to the Bid/Offer Closing Date, in accordance with the SEBI ICDR Regulations
Bidder/Applicant	Any prospective investor who makes a Bid pursuant to the terms of the Red Herring Prospectus and the Bid cum Application Form and unless otherwise stated or implied, includes an ASBA Bidder and an Anchor Investor
Bidding Centres	Centres at which the Designated Intermediaries shall accept the Bid cum Application Forms, i.e., Designated SCSB Branches for SCSBs, Specified Locations for Members of the Syndicate, Broker Centres for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs
BofA	BofA Securities India Limited
Book Building Process	Book building process, as provided in Part A of Schedule XIII of the SEBI ICDR Regulations, in terms of which the Offer is being made
Book Running Lead Managers/BRLMs	The book running lead managers to the Offer, being, Morgan Stanley, JPM, Axis, BofA and Citi
Broker Centres	Broker centres notified by the Stock Exchanges where ASBA Bidders can submit the ASBA Forms to a Registered Broker. The details of such Broker Centres, along with the names and contact details of the Registered Brokers are available on the respective websites of the Stock Exchanges at <a href="http://www.bseindia.com">www.bseindia.com</a> and <a href="http://www.nseindia.com">www.nseindia.com</a>
CAN/Confirmation of Allocation Note	Notice or intimation of allocation of the Equity Shares sent to Anchor Investors, who have been allocated the Equity Shares, on or after the Anchor Investor Bidding Date.
Cap Price	The higher end of the Price Band, above which the Offer Price and Anchor Investor Offer Price will not be finalized and above which no Bids will be accepted. The Cap Price shall be at least 105% of the Floor Price and shall be less than or equal to 120% of the Floor Price
Cash Escrow and Sponsor Bank Agreement	The agreement to be entered into amongst our Company, the Selling Shareholder, the Syndicate Members, the Registrar to the Offer, the BRLMs, and the Banker(s) to the Offer for, among other things, collection of the Bid Amounts from the Anchor Investors, transfer of funds to the Public Offer Account(s), and where applicable, remitting refunds, if any, to such Bidders, on the terms and conditions thereof
CDP(s)/Collecting Depository Participant(s)	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Bids at the Designated CDP Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and other applicable circulars issued by SEBI as per the lists available on the websites of the Stock Exchanges at <a href="http://www.bseindia.com">www.bseindia.com</a> and <a href="http://www.nseindia.com">www.nseindia.com</a> , as updated from time to time
Citi	Citigroup Global Markets India Private Limited
Client ID	Client identification number maintained with one of the Depositories in relation to the demat account

<b>Term</b>	<b>Description</b>
Collecting Registrar and Share Transfer Agents	Registrar and share transfer agents registered with SEBI and eligible to procure Bids at the Designated RTA Locations in terms of SEBI circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI as per the lists available on the websites of the Stock Exchanges at www.bseindia.com and www.nseindia.com, as updated from time to time
Cut-Off Price	Offer Price, which shall be any price within the Price Band, finalized by our Company, in consultation with the BRLMs  Only Retail Individual Investors are entitled to Bid at the Cut-off Price. QIBs (including Anchor Investors) and Non-Institutional Investors are not entitled to Bid at the Cut-off Price
Cut-Off Time	For all pending UPI Mandate Requests, the Sponsor Bank(s) shall initiate requests for blocking of funds in the ASBA Accounts of relevant Bidders with a confirmation cut-off time of 5:00 pm on after the Bid/Offer Closing Date
Demographic Details	The details of the Bidders including the Bidder's address, name of the Bidder's father/husband, investor status, occupation, bank account details and UPI ID, as applicable
Designated CDP Locations	Such locations of the CDPs where Bidders can submit the ASBA Forms  The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept ASBA Forms are available on the websites of the Stock Exchanges at www.bseindia.com and www.nseindia.com as updated from time to time
Designated Date	The date on which the funds from the Escrow Account are transferred to the Public Offer Account(s) or the Refund Account, as appropriate, and the relevant amounts blocked in the ASBA Accounts are transferred to the Public Offer Account(s) and/or are unblocked, as applicable, in terms of the Red Herring Prospectus and the Prospectus, after finalization of the Basis of Allotment in consultation with the Designated Stock Exchange, following which the Equity Shares will be Allotted in the Offer
Designated Intermediary(ies)	SCSBs, Syndicate, sub-Syndicate, Registered Brokers, CDPs and RTAs who are authorized to collect ASBA Forms from the ASBA Bidders, in relation to the Offer
Designated RTA Locations	Such locations of the RTAs where ASBA Bidders can submit the ASBA Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept ASBA Forms are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com, respectively) as updated from time to time
Designated SCSB Branches	Such branches of the SCSBs which shall collect the ASBA Forms used by the Bidders, a list of which is available on the website of SEBI at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes, updated from time to time, or at such other website as may be prescribed by SEBI from time to time
Designated Stock Exchange	National Stock Exchange of India Limited
Draft Red Herring Prospectus/DRHP	This draft red herring prospectus dated December 6, 2024 issued in accordance with the SEBI ICDR Regulations, which does not contain complete particulars of the price at which the Equity Shares will be Allotted and the size of the Offer, including any addenda or corrigenda thereto
Eligible NRI	NRI(s) from jurisdictions outside India where it is not unlawful to make an offer or invitation under the Offer and in relation to whom the Bid Cum Application Form and the Red Herring Prospectus will constitute an invitation to purchase the Equity Shares
Escrow Account(s)	Account(s) opened with the Escrow Collection Bank and in whose favour Anchor Investors will transfer the money through direct credit/NEFT/RTGS/NACH in respect of the Bid Amount while submitting a Bid
Escrow Collection Bank	Bank which is a clearing member and registered with SEBI as a banker to an issue under the Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994, and with whom the Escrow Accounts in relation to the Offer for Bids by Anchor Investors will be opened, in this case being [●]
First or sole Bidder	The Bidder whose name shall be mentioned in the Bid cum Application Form or the Revision Form and in case of joint Bids, whose name shall also appear as the first holder of the beneficiary account held in joint names
Floor Price	The lower end of the Price Band, subject to any revision thereto, at or above which the Offer Price and the Anchor Investor Offer Price will be finalized and below which no Bids will be accepted
Fraudulent Borrower	Fraudulent borrower as defined under Regulation 2(1)(III) of the SEBI ICDR Regulations.
Fugitive Economic Offender	An individual who is declared a fugitive economic offender under section 12 of the Fugitive Economic Offenders Act, 2018

<b>Term</b>	<b>Description</b>
General Information Document/GID	The General Information Document for investing in public offers, prepared and issued in accordance with the circular (SEBI/HO/CFD/DIL1/CIR/P/2020/37) dated March 17, 2020 issued by SEBI and the UPI Circulars, as amended from time to time. The General Information Document shall be available on the websites of the Stock Exchanges and the BRLMs
JPM	J.P. Morgan India Private Limited
Morgan Stanley	Morgan Stanley India Company Private Limited
Mutual Funds	Mutual funds registered with SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
Mutual Fund Portion	The portion of the Offer being 5% of the Net QIB Portion consisting of [●] equity shares of face value of ₹ 10 each which shall be available for allocation to Mutual Funds only on a proportionate basis, subject to valid Bids being received at or above the Offer Price.
Net Proceeds	Proceeds of the Offer less Offer expenses
Net QIB Portion	The portion of the QIB Portion less the number of Equity Shares Allotted to the Anchor Investors
Non-Institutional Category/ Non-Institutional Portion	The portion of the Offer being not less than 15% of the Offer consisting of [●] equity shares of face value of ₹ 10 each, available for allocation to Non-Institutional Investors, of which one-third shall be available for allocation to Bidders with an application size of more than ₹ 200,000 and up to ₹ 1,000,000 and two-thirds shall be available for allocation to Bidders with an application size of more than ₹ 1,000,000, provided that the unsubscribed portion in either of such sub-categories may be allocated to applicants in the other sub-category of Non-Institutional Investors subject to valid Bids being received at or above the Offer Price.
Non-Institutional Investors/NIIs /Non-Institutional Bidders/NIBs	Bidders that are not QIBs or RIIs and who have Bid for Equity Shares for an amount more than ₹ 200,000 (but not including NRIs other than Eligible NRIs)
NPCI	National Payments Corporation of India.
NR/Non-Resident	Person resident outside India, as defined under FEMA and includes non-resident Indians, FVCIs and FPIs
Offer	Initial public offering of up to 101,815,859 equity shares of face value of ₹ 10 each for cash at a price of ₹ [●] per Equity Share aggregating up to ₹ [●] million comprising the Offer for Sale
Offer Agreement	The agreement dated December 6, 2024 among our Company, the Selling Shareholder and the BRLMs, pursuant to which certain arrangements are agreed to in relation to the Offer
Offer for Sale	The offer for sale of up to 101,815,859 Offered Shares aggregating up to ₹ [●] million by LG Electronics Inc., being the Selling Shareholder, in the Offer. For further information, see “ <i>The Offer</i> ” beginning on page 81
Offer Price	The final price at which Equity Shares will be Allotted to successful ASBA Bidders in terms of the Red Herring Prospectus which will be decided by our Company, in consultation with the BRLMs, on the Pricing Date, in accordance with the Book-Building Process and in terms of the Red Herring Prospectus. Equity Shares will be Allotted to Anchor Investors at the Anchor Investor Offer Price, which will be decided by our Company, in consultation with the BRLMs, on the Pricing Date, in accordance with the Book-Building Process and in terms of the Red Herring Prospectus
Offered Shares	Up to 101,815,859 equity shares of face value of ₹ 10 each aggregating up to ₹ [●] million being offered for sale by the Selling Shareholder in the Offer
Price Band	The price band ranging from the Floor Price of ₹ [●] per Equity Share to the Cap Price of ₹ [●] per Equity Share, including any revisions thereto. The Price Band and minimum Bid Lot, as decided by our Company, in consultation with the BRLMs, will be advertised in all editions of [●] (a widely circulated English national daily newspaper) and all editions of [●] (a widely circulated Hindi national daily newspaper, Hindi also being the regional language of New Delhi, where our Registered Office is located), at least two Working Days prior to the Bid/Offer Opening Date with the relevant financial ratios calculated at the Floor Price and at the Cap Price, and shall be made available to the Stock Exchanges for the purpose of uploading on their respective websites
Pricing Date	The date on which our Company, in consultation with the BRLMs, will finalise the Offer Price
Prospectus	The prospectus to be filed with the RoC on or after the Pricing Date in accordance with Section 26 of the Companies Act, and the SEBI ICDR Regulations containing, inter alia, the Offer Price, the size of the Offer and certain other information, including any addenda or corrigenda thereto
Public Offer Account(s)	The bank account(s) opened with the Public Offer Account Bank(s) under Section 40(3) of the Companies Act, to receive monies from the Escrow Account and from the ASBA Accounts on the Designated Date

<b>Term</b>	<b>Description</b>
Public Offer Account Bank(s)	Bank(s) which is a clearing member and registered with SEBI as a banker to an issue, and with whom the Public Offer Account(s) will be opened
QIB Portion	The portion of the Offer being not more than 50% of the Offer or [●] equity shares of face value of ₹ 10 each, available for allocation to QIBs (including Anchor Investors) on a proportionate basis (in which allocation to Anchor Investors shall be on a discretionary basis, as determined by our Company, in consultation with the BRLMs), subject to valid Bids being received at or above the Offer Price
QIBs/Qualified Institutional Buyers	A qualified institutional buyer as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations
Red Herring Prospectus/RHP	The Red Herring Prospectus to be issued in accordance with Section 32 of the Companies Act, and the provisions of the SEBI ICDR Regulations, which will not have complete particulars of the Offer Price and the size of the Offer, including any addenda or corrigenda thereto. The Red Herring Prospectus will be filed with the RoC at least three Working Days before the Bid/Offer Opening Date and will become the Prospectus upon filing with the RoC after the Pricing Date
Redseer	Redseer Strategy Consultants Private Limited
Redseer Report	'Industry Report for Appliances and Electronics Market in India' dated December 5, 2024 prepared by Redseer, appointed by our Company on October 21, 2024, exclusively commissioned and paid for by our Company in connection with the Offer, a copy of which will be available on the website of our Company at <a href="https://www.lg.com/in/investorrelations/">https://www.lg.com/in/investorrelations/</a> from the date of this Draft Red Herring Prospectus until the Bid/Offer Closing Date
Refund Account(s)	The account opened with the Refund Bank(s), from which refunds, if any, of the whole or part of the Bid Amount to Anchor Investors shall be made.
Refund Bank(s)	The Banker to the Offer with whom the Refund Account(s) will be opened, in this case being [●]
Registered Brokers	Stock brokers registered with SEBI under the Securities and Exchange Board of India (Stock Brokers) Regulations, 1992 and the stock exchanges having nationwide terminals, other than the Members of the Syndicate and eligible to procure Bids in terms of Circular No. CIR/CFD/14/2012 dated October 4, 2012, and other applicable circulars issued by SEBI
Registrar Agreement	The agreement dated December 6, 2024 entered into between our Company, the Selling Shareholder and the Registrar to the Offer, in relation to the responsibilities and obligations of the Registrar to the Offer pertaining to the Offer
Registrar to the Offer/Registrar	KFin Technologies Limited
Retail Individual Investor(s)/RII(s)/Retail Individual Bidder(s)/RIB(s)	Individual Bidders, who have Bid for the Equity Shares for an amount which is not more than ₹ 200,000 in any of the bidding options in the Offer (including HUFs applying through their karta and Eligible NRI Bidders) and does not include NRIs (other than Eligible NRIs)
Retail Portion/Retail Category	The portion of the Offer being not less than 35% of the Offer consisting of [●] equity shares of face value of ₹ 10 each, available for allocation to Retail Individual Investors as per the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price
Revision Form	Form used by the Bidders to modify the quantity of the Equity Shares or the Bid Amount in any of their Bid cum Application Forms or any previous Revision Form(s), as applicable  QIB Bidders and Non-Institutional Investors are not allowed to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage. Retail Individual Investors can revise their Bids during the Bid/Offer Period and withdraw their Bids until the Bid/Offer Closing Date
RTAs/Registrar and Share Transfer Agents	The registrar and share transfer agents registered with SEBI and eligible to procure Bids at the Designated RTA Locations as per the list available on the websites of BSE and NSE, and the UPI Circulars
Self Certified Syndicate Bank(s)/SCSB(s)	The banks registered with SEBI, offering services in relation to ASBA (other than through UPI Mechanism), a list of which is available on the website of SEBI at <a href="http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=34">www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=34</a> or <a href="http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=35">www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=35</a> or such other website as updated from time to time, and (ii) The banks registered with SEBI, enabled for UPI Mechanism, a list of which is available on the website of SEBI at <a href="http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=40">www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=40</a> or such other website as updated from time to time. Applications through UPI in the Offer can be made only through the SCSBs mobile applications (apps) whose name appears on SEBI website. A list of SCSBs and mobile application, which, are live for applying in public issues using UPI Mechanism is

<b>Term</b>	<b>Description</b>
	appearing in the “list of mobile applications for using UPI in Public Issues” displayed on SEBI website at <a href="http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=43">www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=43</a> . The said list shall be updated on SEBI website from time to time
Share Escrow Agent	The share escrow agent to be appointed pursuant to the Share Escrow Agreement, namely, [●]
Share Escrow Agreement	The agreement to be entered into between our Company, the Selling Shareholder and the Share Escrow Agent in connection with the transfer of the Offered Shares by the Selling Shareholder and credit of such Equity Shares to the demat account of the Allottees in accordance with the Basis of Allotment
Specified Locations	Bidding centres where the Syndicate shall accept ASBA Forms from Bidders, a list of which is available on the website of SEBI ( <a href="http://www.sebi.gov.in">www.sebi.gov.in</a> ) and updated from time to time
Sponsor Bank(s)	[●], being Banker(s) to the Offer, appointed by our Company to act as a conduit between the Stock Exchanges and the NPCI in order to push the mandate collect requests and/or payment instructions of UPI Bidders using the UPI Mechanism and carry out other responsibilities, in terms of the UPI Circulars
Stock Exchanges	Together, BSE and NSE
Sub-Syndicate Members	The sub-syndicate members, if any, appointed by the BRLMs and the Syndicate Members, to collect ASBA Forms and Revision Forms
Syndicate Agreement	The agreement to be entered into between our Company, the Registrar to the Offer, the Selling Shareholder, the BRLMs and the Syndicate Members in relation to the procurement of Bids by the Syndicate
Syndicate Member(s)	[●]
Syndicate/Members of the Syndicate	Together, the BRLMs and the Syndicate Members
Underwriters	[●]
Underwriting Agreement	The agreement to be entered into between the Underwriters, our Company and the Selling Shareholder, on or after the Pricing Date but prior to filing of the Red Herring Prospectus or the Prospectus, with the RoC as the case may be
UPI	Unified Payments Interface, which is an instant payment mechanism, developed by the NPCI
UPI Bidders	Collectively, individual investors applying as Retail Individual Investors in the Retail Portion, individuals applying as Non-Institutional Investors with a Bid Amount of up to ₹ 500,000 in the Non-Institutional Portion, and Bidding under the UPI Mechanism
	Pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, all individual investors applying in public issues where the application amount is up to ₹ 500,000 shall use UPI and shall provide their UPI ID in the bid-cum-application form submitted with: (i) a syndicate member, (ii) a stock broker registered with a recognized stock exchange (whose name is mentioned on the website of the stock exchange as eligible for such activity), (iii) a depository participant (whose name is mentioned on the website of the stock exchange as eligible for such activity), and (iv) a registrar to an issue and share transfer agent (whose name is mentioned on the website of the stock exchange as eligible for such activity)
UPI Circulars	SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, SEBI circular number SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2020 dated March 30, 2020, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, SEBI circular number SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021, SEBI circular number SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022 (to the extent these circulars are not rescinded by the SEBI RTA Master Circular), SEBI ICDR Master Circular and SEBI RTA Master Circular (to the extent it pertains to UPI) and any subsequent circulars or notifications issued by SEBI in this regard, along with the circulars issued by the Stock Exchanges in this regard, including the circular issued by the NSE having reference number 25/2022 dated August 3, 2022 and the circular issued by BSE Limited having reference no. 20220803-40 dated August 3, 2022 and any subsequent circulars or notifications issued by SEBI or Stock Exchanges in this regard
UPI ID	ID created on UPI for single-window mobile payment system developed by the NPCI

<b>Term</b>	<b>Description</b>
UPI Mandate Request	A request (intimating the UPI Bidder by way of a notification on the UPI application, by way of a SMS directing the UPI Bidder to such UPI application) to the UPI Bidder initiated by the Sponsor Bank(s) to authorize blocking of funds on the UPI application equivalent to Bid Amount and subsequent debit of funds in case of Allotment
UPI Mechanism	The bidding mechanism that shall be used by a UPI Bidder to make an ASBA Bid in the Offer in accordance with the UPI Circulars
UPI PIN	Password to authenticate UPI transaction
Wilful Defaulter	Wilful defaulter as defined under Regulation 2(1)(III) of the SEBI ICDR Regulations
Working Day(s)	All days on which commercial banks in Mumbai, Maharashtra, India are open for business; provided, however, with reference to (a) announcement of Price Band; and (b) Bid/Offer Period, the expression “Working Day” shall mean all days on which commercial banks in Mumbai, Maharashtra, India are open for business, excluding all Saturdays, Sundays or public holidays; and (c) with reference to the time period between the Bid/Offer Closing Date and the listing of the Equity Shares on the Stock Exchanges, the expression ‘Working Day’ shall mean all trading days of Stock Exchanges, excluding Sundays and bank holidays, in terms of the circulars issued by SEBI

### Company Related Terms

<b>Term</b>	<b>Description</b>
Articles of Association/AoA/Articles	The articles of association of our Company, as amended from time to time
Audit Committee	The audit committee of our Board, as described in “ <i>Our Management – Corporate Governance – Committees of the Board</i> ” on page 212
Statutory Auditor	The current independent statutory auditor of our Company, namely, Price Waterhouse Chartered Accountants LLP
Board/Board of Directors	The board of directors of our Company. For further details, please see “ <i>Our Management – Board of Directors</i> ” on page 207
Chairman	Chairman of our Board of Directors, being Daehyun Song. For further details, please see “ <i>Our Management – Board of Directors</i> ” on page 207
Chief Financial Officer	Chief financial officer of our Company, being Dongmyung Seo. For further details, please see “ <i>Our Management – Key Managerial Personnel of our Company</i> ” on page 220
Committee(s)	Duly constituted committee(s) of our Board of Directors
Company Secretary and Compliance Officer	Company secretary and compliance officer of our Company, being Anuj Goyal. For further details, see “ <i>Our Management – Key Managerial Personnel of our Company</i> ” on page 220
Corporate Office	The corporate office of our Company situated at 16 <sup>th</sup> - 20 <sup>th</sup> Floor, C-001, Tower D, KP Tower, Sector 16B, Noida 201 301, Uttar Pradesh, India
Director(s)	Director(s) on our Board, as appointed from time to time. For further details, see “ <i>Our Management – Board of Directors</i> ” on page 207
Equity Shares	Equity shares of our Company of face value of ₹ 10 each, unless otherwise stated.
Group Companies	The companies identified as ‘group companies’ in accordance with Regulation 2(1)(t) of the SEBI ICDR Regulations including the Materiality Policy, as disclosed in section “ <i>Group Companies</i> ” on page 363
Independent Chartered Accountant	The independent chartered accountant appointed by our Company, namely, B.B. & Associates, Chartered Accountants
Independent Chartered Engineer	The independent chartered engineer appointed by our Company, namely, Crest Capital Group Private Limited
Independent Director(s)	Non-executive independent director(s) of our Company. For further details of our Independent Directors, see “ <i>Our Management – Board of Directors</i> ” on page 207
IPO Committee	The IPO committee of our Board constituted to facilitate the process of the Offer, comprising Hong Ju Jeon, Dongmyung Seo and Daehyun Song
Key Managerial Personnel/KMP	Key managerial personnel of our Company in terms of Regulation 2(1)(bb) of the SEBI ICDR Regulations, and as disclosed in “ <i>Our Management – Key Managerial Personnel of our Company</i> ” on page 220
License Agreement	Revised license agreement dated July 27, 2017, between our Company and our Promoter, LG Electronics Inc. (“ <b>Revised License Agreement</b> ”), read with the addendum to the Revised License Agreement dated March 9, 2018, addendum to the Revised License Agreement dated June 17, 2021, amendment to the Revised License Agreement dated June 20, 2023, addendum to the Revised License Agreement dated September 28, 2023 and addendum to the Revised License Agreement dated November 18, 2024. For further details, see “ <i>History and Certain Corporate Matters - Key terms of other subsisting material agreements - Revised license agreement dated July 27, 2017, between our Company and our Promoter, LG Electronics Inc., (“Revised License Agreement”) read</i> ”

<b>Term</b>	<b>Description</b>
	<i>with the addendum to the Revised License Agreement dated March 9, 2018, addendum to the Revised License Agreement dated June 17, 2021, amendment to the Revised License Agreement dated June 20, 2023, addendum to the Revised License Agreement dated September 28, 2023 and addendum to the Revised License Agreement dated November 18, 2024 (together, the “License Agreement”)</i> ” on page 204
Managing Director	The managing director of our Company, being Hong Ju Jeon. For further details, please see “ <b>Our Management – Board of Directors</b> ” on page 207
Materiality Policy	The policy adopted by our Board in its meeting held on December 4, 2024 for identification of (i) companies, considered material by our Company, for the purposes of disclosure as group companies in this DRHP, (ii) material outstanding litigation involving our Company, our Promoter and our Directors; and (iii) outstanding dues to material creditors of our Company, in accordance with the disclosure requirements under the SEBI ICDR Regulations
Memorandum of Association/MoA	Memorandum of association of our Company, as amended
Noida Manufacturing Unit	Our manufacturing unit at Industrial Plot No. 51, Surajpur, Kasna Road, Udyog Vihar, Greater Noida 201 306, Uttar Pradesh, India
Nomination and Remuneration Committee	The nomination and remuneration committee of our Board, as described in “ <b>Our Management – Corporate Governance – Committees of the Board</b> ” on page 212
Promoter	The promoter of our Company, being LG Electronics Inc. For further details, see “ <b>Our Promoter and Promoter Group – Our Promoter</b> ” on page 225
Promoter Group	The entities constituting the promoter group of our Company in terms of Regulation 2(1)(pp) of the SEBI ICDR Regulations, as disclosed in “ <b>Our Promoter and Promoter Group – Promoter Group</b> ” on page 227
Pune Manufacturing Unit	Our manufacturing unit at Plot No. A-6, Ranjangaon Industrial Area, Karegaon and Dhok Sangavi Taluka, Shirur, Pune, Maharashtra, India
Selling Shareholder/Promoter Selling Shareholder	LG Electronics Inc.
Registered Office	The registered office of our Company located at A 24/6, Mohan Cooperative Industrial Estate, Mathura Road, New Delhi 110 044, Delhi, India
Registrar of Companies/RoC	Registrar of Companies, Delhi and Haryana at New Delhi, India
Restated Financial Information	The restated statement of assets and liabilities of our Company as at June 30, 2024, March 31, 2024, March 31, 2023 and March 31, 2022, and the restated statement of profit and loss, the restated statement of changes in equity and the restated statement of cash flows for the three months period ended June 30, 2024 and for the year(s) ended March 31, 2024, March 31, 2023, March 31, 2022, notes to the restated financial information and statement of adjustments to the audited special purpose interim financial statements for the three months period ended June 30, 2024 and audited financial statements for the year ended March 31, 2024
	The Restated Financial Information has been prepared on a standalone basis by the management of our Company as required under the SEBI ICDR Regulations, for the purpose of inclusion in this Draft Red Herring Prospectus in connection with the proposed Offer
	The Restated Financial Information, which has been approved by the Board, has been prepared in accordance with the requirements of: (a) Section 26 of Part I of Chapter III of the Companies Act, 2013; (b) paragraph (A) of Clause 11 (I) of Part A of Schedule VI of the SEBI ICDR Regulations; and (c) the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India, as amended from time to time
Revised License Agreement	Revised license agreement dated July 27, 2017, between our Company and our Promoter, LG Electronics Inc. For further details, see “ <b>History and Certain Corporate Matters - Key terms of other subsisting material agreements - Revised license agreement dated July 27, 2017, between our Company and our Promoter, LG Electronics Inc., (“Revised License Agreement”)</b> ” read with the addendum to the Revised License Agreement dated March 9, 2018, addendum to the Revised License Agreement dated June 17, 2021, amendment to the Revised License Agreement dated June 20, 2023, addendum to the Revised License Agreement dated September 28, 2023 and addendum to the Revised License Agreement dated November 18, 2024 (together, the “License Agreement”)” on page 204
Risk Management Committee	The risk management committee of our Board, as described in “ <b>Our Management – Corporate Governance – Committees of the Board</b> ” on page 212
Scheme	The scheme of amalgamation under sections 391(2) and 394 of the Companies Act, 1956 of LG Electronics System India Limited with our Company sanctioned by the High Court



<b>Term</b>	<b>Description</b>
Senior Management	of Delhi, New Delhi, Delhi, India pursuant to its order dated December 13, 2002 Senior management of our Company in terms of Regulation 2(1)(bbbb) of the SEBI ICDR Regulations, and as disclosed in “ <i>Our Management – Senior Management of our Company</i> ” on page 220
Shareholder(s)	The holders of Equity Shares of our Company, from time to time.
Stakeholders’ Relationship Committee	The stakeholders’ relationship committee of our Board, as described in “ <i>Our Management – Corporate Governance – Committees of the Board</i> ” on page 216
Whole-time Director(s)	The whole-time director(s) of our Company. For further details of our Whole-Time Directors, see “ <i>Our Management – Board of Directors</i> ” on page 207

## Industry Related Terms

<b>Term</b>	<b>Description</b>
AGVs	Auto Guided Vehicles
AI	artificial intelligence
APAC	Asia Pacific
ASEAN	Association of Southeast Asian Nations
Authorized Products	The products that our Promoter has authorized our Company in connection with the manufacture, assemble, marketing, distribution, sale and servicing of the Authorized Products to manufacture, assemble, and/or sell in accordance with the Revised License Agreement
Average Net Worth	Average Net Worth is defined as the average of closing shareholders equity and opening shareholders equity
B2B	Business-to-Business
B2C	Business-to-Consumer
BEE	Bureau of Energy Efficiency
BIS	Bureau of Indian Standards
CAC	Commercial air conditioning system
Capital Employed	Capital Employed is calculated as total equity plus lease liabilities.
CDC	Central distribution center
CEPA	Comprehensive Economic Partnership Agreements
CPI	Consumer Price Index (CPI) is a measure of the average cost of a basket of goods and services for a consumer. It's calculated by averaging the price changes for each item in the basket
D2C	Direct to consumers
DDT	Dividend Distribution Tax
DPDP Act	Digital Personal Data Protection Act, 2023
EBIT	EBIT is calculated as profit before tax plus finance costs.
EBITDA	EBITDA is calculated as profit for the period / year plus total tax expense plus finance costs plus depreciation and amortization minus other income
EBITDA Margin	EBITDA Margin is calculated as EBITDA as a percentage of revenue from operations (including continuing and discontinued operations)
ESC	Exclusive service center
ESSCI	Electronics Sector Skills Council of India
EU	European Union
FCPA	Foreign Corrupt Practices Act
FMEG	Fast-Moving Electrical Goods, a category of consumer electricals that includes items such as fans, switches, geysers, home automation, and lightning
GDP	Gross Domestic Product
GDPR	General Data Protection Regulation
GMES	Global Manufacturing Enterprise System
GST	Goods and services tax
GT	General Trade
GVA	Gross Value Added, the value that producers have added to the goods and services they have bought
HVAC	Heating, ventilation and air conditioning
Leading home appliances and consumer electronic players	Leading home appliances and consumer devices players include companies with a presence in 4 or more product categories within the appliances & electronics market with revenues exceeding ₹5,000 crore (₹ 50 billion) and a revenue share of at least 15% from overlapping categories, where overlapping categories include refrigerators, washing machines, residential air conditioners, microwaves, dishwashers, water purifiers, built-in kitchens, vacuum cleaners, air purifiers, televisions, audio devices, computers/monitors, commercial air conditioning systems, commercial information technologies, commercial information displays, and AMCs

<b>Term</b>	<b>Description</b>
IMF	International Monetary Fund
Inverter AC	Inverter air conditioners
IT	Information technology
K-IFRS	Korean International Financial Reporting Standards
LED	Light Emitting Diode
LFR	Large Format Retail
LG BrandShop	LG BrandShop refers to retail stores that sell exclusively LG products and are operated by third parties under a franchise model
LG Group	“LG Group” refers to any company (individually or in the aggregate, as the context may require) that is (i) directly or indirectly owned or controlled by LG Electronics, or (ii) directly or indirectly owns or controls LG Electronics.
LGC	LG center
LGE SRA	LG Electronics RUS, LLC
LX Pantos	LX Pantos Solutions India Private Limited
Major home appliances and consumer electronics (excluding mobile phones)	Major home appliances and consumer electronics (excluding mobile phones) includes B2C market for refrigerators, washing machines, inverter air conditioners, microwave ovens and televisions
MEA	Middle East and Africa
MEPS	Minimum Energy Performance Standards specify the minimum level of energy performance that appliances and equipment must meet or exceed before they can be supplied or used for commercial purposes.
Metro	Delhi, Mumbai, Bangalore, Hyderabad, Chennai, Kolkata, Ahmedabad and Pune
Net Profit Margin	Net Profit Margin is defined as profit for the period/year as a percentage of total income
OFAC	Office of Foreign Assets Control
OLED	Organic Light-emitting Diode
PFCE	Private Final Consumption Expenditure is the expenditure incurred on final consumption of goods and services by the resident households
PFIC	Passive foreign investment company
PLI	Production Linked Incentive
PMI	Purchasing Managers Index, an index that measures change in economic activity within manufacturing sector
QNED	Quantum Nano-Emitting Diode
RAC	Residential air conditioner
RBI	Reserve Bank of India
RDC	Regional distribution center
Real GDP	Real GDP is an inflation-adjusted calculation reflecting the value of economic output, GDP at current price
Return on Capital Employed	Return on Capital Employed is defined as EBIT as a percentage of Capital Employed.
Return on Net Worth	Return on Net Worth is calculated as profit for the period / year as a percentage of Average Shareholder’s equity.
RSS	Regional specialty stores
Rural	Areas not classified as urban by Census, 2011
STT	Securities transaction tax
Tier 1	Other Indian cities with populations of at least 1 million
Tier 2	Rest of urban areas as classified by the Census, 2011
TMS	Transport Management System
UHD	Ultra High Definition
WMS	Warehouse Management System
WPC	Wireless Planning and Coordination

## SUMMARY OF THE OFFER DOCUMENT

*This section is a general summary of certain disclosures included in this Draft Red Herring Prospectus and is not exhaustive, nor does it purport to contain a summary of all the disclosures in this Draft Red Herring Prospectus or all details relevant to prospective investors. This summary should be read in conjunction with, and is qualified in its entirety by, the more detailed information appearing elsewhere in this Draft Red Herring Prospectus, including in “Risk Factors”, “The Offer”, “Capital Structure”, “Objects of the Offer”, “Industry Overview”, “Our Business”, “Our Promoter and Promoter Group”, “Restated Financial Information”, “Outstanding Litigation and Material Developments”, “Offer Procedure” and “Main Provisions of Articles of Association” beginning on pages 31, 81, 97, 107, 127, 163, 225, 232, 348, 398 and 420, respectively.*

### Summary of our primary business

We are the market leader in India in major home appliances and consumer electronics (excluding mobile phones) in terms of volume for the three-month period ending June 30, 2024, as per the Redseer Report. Additionally, we have been the number one player in this industry for 13 consecutive years (CY2011 to CY2023) as per the value market share in the offline channel in India, as noted in the Redseer Report. We sell products to B2C and B2B consumers in India and outside India. We also offer installation services, and repairs and maintenance services for all our products.

For further details, see “*Our Business*” beginning on page 163.

### Summary of industry in which we operate

India’s appliances and electronics market has grown at approximately 7% in the last 5 years and this growth is expected to accelerate to approximately 12% in the next 5 years driven by rising disposable incomes, growing urbanization, and increasing penetration of appliances and electronics in both urban and rural areas. The market is segmented into B2C and B2B segments. The B2C segment is characterized by expansive distribution across organized and unorganized retail, e-commerce, and exclusive brand outlets. The B2B segment is also vibrant and growing rapidly, driven by institutional demand across sectors such as hospitality, healthcare, retail, and commercial establishments.

*(Source: Redseer Report)*

For further details, see “*Industry Overview*” beginning on page 127.

### Promoter

Our Promoter is LG Electronics Inc.

For further details, see “*Our Promoter and Promoter Group – Our Promoter*” on page 225.

### Offer size

The Offer comprises an Offer for Sale of up to 101,815,859 equity shares of face value of ₹ 10 each aggregating up to ₹ [●] million by the Selling Shareholder. For details, see “*Other Regulatory and Statutory Disclosures*” on page 366.

The Offer would constitute 15% of the post-Offer paid-up Equity Share capital of our Company. For further details, see “*The Offer*” beginning on page 81.

### Objects of the Offer

The Selling Shareholder will be entitled to the entire proceeds of the Offer after deducting the Offer expenses and relevant taxes thereon. Our Company will not receive any proceeds from the Offer. The objects of the Offer are to (i) carry out the Offer for Sale of up to 101,815,859 equity shares of face value of ₹ 10 each by the Selling Shareholder aggregating up to ₹ [●] million; and (ii) achieve the benefits of listing the Equity Shares on the Stock Exchanges. For further details, see “*Objects of the Offer*” beginning on page 107.

### Aggregate pre-Offer and post-Offer Shareholding of our Promoter, members of our Promoter Group and Selling Shareholder

The aggregate pre-Offer and post-Offer shareholding of LG Electronics Inc., our Promoter, which is also the Selling Shareholder is set forth below:

S. No.	Name of Shareholder	Pre-Offer		Post-Offer*	
		No. of Equity Shares of face value of ₹ 10 each held	% of Equity Share capital	No. of Equity Shares of face value of ₹ 10 each held	% of Equity Share capital
1.	LG Electronics Inc. <sup>(1)(2)</sup>	678,772,392	100.00	[●]	[●]
<b>Total</b>		<b>678,772,392</b>	<b>100.00</b>	<b>[●]</b>	<b>[●]</b>

\*Will be populated in the Prospectus.

<sup>(1)</sup> Also the Selling Shareholder.

<sup>(2)</sup> Includes six equity shares of face value of ₹ 10 each, i.e., one equity share of face value of ₹ 10 each held by each of Ajay Rambal, Atul Khanna, Gurpinderjeet Singh, Kapil Mehra, Sandeep Kumar and Vishal Rastogi on behalf of and as nominees of LG Electronics Inc., our Promoter.

As on the date of this Draft Red Herring Prospectus, except for our Promoter, the members of our Promoter Group do not hold any Equity Shares in our Company. For further details of the Offer, see “**Capital Structure**” beginning on page 97.

### Summary of selected financial information derived from the Restated Financial Information

The details of certain financial information as at and for the three months ended June 30, 2024 and for the Financial Years ended March 31, 2024, March 31, 2023, and March 31, 2022, as derived from the Restated Financial Information, are set forth below:

(in ₹ million, except per share data)

Particulars	As at and for three months ended June 30, 2024*	As at and for the Financial Year ended March 31, 2024	As at and for the Financial Year ended March 31, 2023	As at and for the Financial Year ended March 31, 2022
Equity share capital**	1,131.29	1,131.29	1,131.29	1,131.29
Revenue from operations***	64,087.97	2,13,520.00	1,98,682.39	1,69,657.25
Profit for the period/year	6,796.46	15,110.68	13,449.30	11,747.33
<i>Restated earnings per Equity Share</i>				
- Basic earnings per share <sup>^</sup>	10.01	22.26	19.81	17.31
- Diluted earnings per share <sup>^</sup>	10.01	22.26	19.81	17.31
Net Asset Value Per Equity Share <sup>#</sup>	65.06	55.04	63.64	80.50
Total borrowings	NIL	NIL	NIL	NIL
Net Worth	44,163.40	37,358.21	43,198.20	54,643.20

\*Not annualised

\*\*Our Board and our Shareholders pursuant to their resolutions dated October 17, 2024 and October 18, 2024, respectively, approved the issuance of bonus shares in the ratio of five Equity Shares for every one Equity Share held. Subsequently, pursuant to the Board resolution dated November 18, 2024, 565,643,660 equity shares of face value of ₹ 10 each, were allotted to LG Electronics Inc. by way of a bonus issue of Equity Shares in the ratio of five Equity Shares for every one Equity Share held. See, “**Capital Structure – Notes to Capital Structure – Equity shares issued out of revaluation reserves or by way of bonus issue**” on page 99.

\*\*\* includes revenue from continuing and discontinued operations.

<sup>^</sup>Pursuant to resolutions passed by the Board of Directors held on October 17, 2024 and the extra ordinary general meeting of shareholders held on October 18, 2024, our Company has issued five bonus shares for every one share held by the existing shareholders. Such Equity Shares allotted pursuant to the bonus issue are retrospectively considered for the computation of basic EPS and diluted EPS in accordance with Ind AS 33 for all the Financial Years/periods presented.

<sup>#</sup>Pursuant to resolutions passed by the Board of Directors held on October 17, 2024 and the extra ordinary general meeting of shareholders held on October 18, 2024, our Company has issued five bonus shares for every one share held by the existing shareholders. Such Equity Shares allotted pursuant to the bonus issue are retrospectively considered for the computation of Net asset value per equity share.

For a reconciliation of non-GAAP measures, see “**Management’s Discussion and Analysis of Financial Position and Results of Operations – Non-GAAP Financial Measures**” on page 332. For further details, see “**Restated Financial Information**” beginning on page 232.

### Qualifications by the Statutory Auditor which have not been given effect to in the Restated Financial Information

There are no qualifications of the Statutory Auditor in their examination report which have not been given effect to in the Restated Financial Information.

### Summary of outstanding litigation

A summary of outstanding litigation proceedings involving our Company, our Promoter, Group Companies and Directors as disclosed in this Draft Red Herring Prospectus in accordance with the SEBI ICDR Regulations and as per the Materiality Policy in “*Outstanding Litigation and Material Developments*” is provided below:

Name	Criminal proceedings	Tax claims	Statutory or regulatory actions	Disciplinary actions by the SEBI or Stock Exchanges against the Promoter	Material pending civil litigation	Aggregate amount involved (in ₹ million) *
<b>Company</b>						
By our Company	3	NA	NA	NA	1	Nil
Against our Company	3	197	23	NA	802 <sup>^</sup>	41,807.58
<b>Promoter</b>						
By our Promoter	Nil	NA	NA	Nil	Nil	Nil
Against our Promoter	1	17	2	Nil	Nil	782.46 <sup>^^</sup>
<b>Directors</b>						
By our Directors	Nil	Nil	Nil	NA	Nil	Nil
Against our Directors	Nil	Nil	Nil	NA	Nil	Nil
<b>Group Companies</b>						
Outstanding litigation which may have a material impact on our Company				Nil		

<sup>\*</sup>To the extent quantifiable.

<sup>^</sup>As of the date of this Draft Red Herring Prospectus, there are 778 consumer proceedings involving our Company and the aggregate amount involved in such proceedings is ₹ 136.23 million.

<sup>^^</sup>Presented as converted taking into account foreign exchange rate as of June 30, 2024, for KRW, i.e., KRW 1.00 = ₹ 0.06.

As on the date of this Draft Red Herring Prospectus, our Company does not have subsidiaries. For further details of the outstanding litigation proceedings, see “*Outstanding Litigation and Material Developments*” beginning on page 348.

### Risk factors

Specific attention of the investors is invited to “*Risk Factors*” beginning on page 31. Investors are advised to read the risk factors carefully before taking an investment decision in the Offer.

### Summary of contingent liabilities

A) The details of claims against our Company not acknowledged as debt as on June 30, 2024, as derived from the Restated Financial Information, are set forth below:

Particulars	(in ₹ million)
	As at June 30, 2024
Demand notices from Central Excise/ Service Tax/ Customs Department	2,134.67
Demand notices from Sales Tax Department	867.45
Demand notices from GST Department	2,349.59
Demand from Income Tax Department	20,515.44
Other claims against the Company not acknowledged as debts	206.60
<b>Total</b>	<b>26,073.75</b>

B) Contingency on advance pricing agreement of royalty

Our Company had accrued the royalty expense and paid ₹ 1,215.08 million, ₹ 4,032.30 million, ₹ 3,232.44 million and ₹ 2,547.59 million for the three months period ended June 30, 2024 and years ended March 31, 2024, March 31, 2023 and March 31, 2022, respectively, to our Promoter, LG Electronics Inc., for the use of technology and brand name. The royalty was determined in accordance with the License Agreement, effective from April 01, 2016, between our Company and our Promoter.

The License Agreement provided for additional payment of royalty, which was contingent upon the approval of the application dated March 28, 2018 for advance pricing agreement filed with the income-tax authorities in India and Republic of Korea. The period of the advance pricing agreement expired on March 31, 2023 and an application for extension was filed on March 31, 2023 covering the Fiscals 2024 to 2028 as well. The possible obligation arising from additional royalty payments based on the License Agreement amounting to ₹ 71,594.98 million, ₹ 67,436.64 million, ₹ 59,866.92 million and ₹ 52,856.46 million was disclosed as contingent liability as at June 30, 2024, March 31, 2024, March 31, 2023 and March 31, 2022, respectively.

On May 8, 2024, our Company and our Promoter, filed a mutual agreement procedure application with the respective competent authorities of India and Republic of Korea, under Article 25(1) of the comprehensive agreements between India and Republic of Korea to resolve the consequences of double taxation arising from certain transfer pricing tax adjustments made by the tax authority of Republic of Korea on our Promoter. Subsequent to the three months period ended June 30, 2024, our Company entered into an addendum on November 18, 2024 to the License Agreement, aligning its royalty obligation to the amount accrued and paid for the respective year/ period and updated its advance pricing agreement application accordingly. Our Company has withdrawn the advance pricing agreement extension application through filing with the income-tax authority in India on November 20, 2024. Pursuant to the addendum on November 18, 2024 to the License Agreement and pending approval of the procedure mutual agreement procedure application, the contingent liability determined on June 30, 2024 at ₹ 71,594.98 million has now been reduced to ₹ 3,153.00 million.

For further details, see “***Restated Financial Information – Note 31 – Contingent liabilities***” on page 288. For details in relation to the License Agreement, see “***History and Certain Corporate Matters – Key terms of other subsisting material agreements – Revised license agreement dated July 27, 2017, between our Company and our Promoter, LG Electronics Inc., (“Revised License Agreement”) read with the addendum to the Revised License Agreement dated March 9, 2018, addendum to the Revised License Agreement dated June 17, 2021, amendment to the Revised License Agreement dated June 20, 2023, addendum to the Revised License Agreement dated September 28, 2023 and addendum to the Revised License Agreement dated November 18, 2024 (together, the “License Agreement”)***” on page 204.

## Summary of related party transactions

The summary of related party transactions entered into by us in the three months ended June 30, 2024 and Financial Years ended March 31, 2024, March 31, 2023 and March 31, 2022, as derived from the Restated Financial Information, is as set out in the table below:

		<i>(in ₹ million)</i>			
Nature of the transaction	Name of the related party	Three months ended June 30, 2024	Financial Year ended March 31, 2024	Financial Year ended March 31, 2023	Financial Year ended March 31, 2022
<b>Trade receivables</b>	LG Electronics Inc.	529.87	275.96	274.73	2.23
	LG Electronics Africa Logistics FZE	651.35	388.90	610.88	1,149.78
	LG Electronics Gulf FZE	11.11	379.42	1,185.49	352.66
	LG Electronics Morocco S.A.R.L.	456.52	288.20	249.49	124.83
	PT. LG Electronics Indonesia	229.72	229.85	144.89	237.99
	LG Electronics (Levant) Jordan	5.72	82.57	53.84	52.97
	Others	201.00	178.49	72.68	162.40
<b>Other financial assets</b>	LG Electronics Inc.	38.42	82.09	52.04	38.17
	LG Electronics Qinhuangdao Co. Ltd.	1.69	0.97	0.92	0.90
	Taizhou LG Electronics Refrigeration Co. Ltd.	5.87	-	-	-
	Others	2.06	2.25	3.78	-
<b>Trade payables</b>	LG Electronics Inc.	4,193.16	3,444.51	4,033.68	2,716.27
	LG Display Co. Ltd.	756.89	261.62	576.25	645.00
	Nanjing LG-Panda Appliances Co., Ltd.	714.76	377.35	638.31	309.83
	LG Electronics Thailand Co. Ltd.	478.41	259.88	753.18	388.25
	Taizhou LG Electronics Refrigeration Co. Ltd.	155.90	141.79	195.47	816.66
	LG Electronics Tianjin Appliances Co. Ltd.	124.47	137.23	488.51	599.04
	Others	565.00	504.14	799.88	457.17
<b>Capital creditors</b>	LG Electronics Inc.	28.08	19.49	4.08	7.52
	LG CNS India Private Limited	4.52	4.89	1.51	33.25
<b>Advance received from customers</b>	LG Display Co. Ltd.	1.46	2.35	-	-
<b>Purchase of property, plant and equipment</b>	LG Electronics Inc.	53.72	160.66	331.46	157.46
	LG CNS India Private Limited	16.93	175.26	155.40	157.81
	LG Electronics Thailand Co., Ltd.	-	97.80	-	-
	LG Electronics Tianjin Appliances Co. Ltd.	-	1.39	123.73	-

Nature of the transaction	Name of the related party	Three months ended June 30, 2024	Financial Year ended March 31, 2024	Financial Year ended March 31, 2023	Financial Year ended March 31, 2022
	Others	-	2.36	-	-
<b>Purchase of stock-in-trade</b>	LG Electronics Inc.	2,795.21	9,238.19	8,065.26	6,353.16
	Taizhou LG Electronics Refrigeration Co. Ltd.	-	369.72	3,320.91	3,512.67
	LG Electronics Thailand Co., Ltd-	-	-	847.51	977.60
	Others	84.78	510.64	695.35	615.15
<b>Purchase of raw materials, stores and spares and service components</b>	LG Electronics Inc.	4,079.03	13,424.52	12,488.36	8,876.59
	LG Display Co. Ltd.	1,154.21	2,686.55	4,210.32	5,915.80
	Nanjing LG-Panda Appliances Co., Ltd.	802.14	2,204.40	3,297.34	2,163.37
	LG Electronics Tianjin Appliances Co. Ltd.	269.22	2,107.24	4,180.98	3,484.46
	Others	1,273.93	3,821.18	3,941.45	2,793.72
<b>Sale of stock-in- trade</b>	LG Electronics Inc.	70.35	289.44	93.11	-
	LG Electronics Africa Logistics FZE	24.47	84.62	83.02	109.73
	LG Electronics Singapore Pte Ltd	1.93	12.19	14.67	13.19
	Others	2.82	35.95	29.04	21.98
<b>Sale of manufactured goods</b>	LG Electronics Inc.	817.53	1,276.18	270.03	11.65
	PT. LG Electronics Indonesia	574.81	1,517.84	840.53	869.78
	LG Electronics Africa Logistics FZE	535.42	1,402.43	2,047.76	2,374.62
	LG Electronics Gulf FZE		1,218.70	2,543.62	688.02
	LG Electronics Morocco S.A.R.L.	225.08	648.57	460.13	365.84
	LG Electronics (Levant) Jordan	2.91	313.77	290.10	88.23
	Others	117.31	350.14	399.95	402.11
<b>Sale of raw materials, stores and spares and service components</b>	LG Electronics Inc.	0.92	23.14	48.95	1,307.27
	PT. LG Electronics Indonesia	50.87	211.95	201.81	221.68
	LG Electronics Mlawa Sp. z o.o	-	-	-	85.01
	Arcelik-LG Klima Sanayi ve Ticaret A.S.	-	-	-	140.01
	Others	10.86	65.89	49.40	100.14
<b>Other Expenses</b>	LG Electronics Inc.	4.56	65.09	25.99	5.65
	LG CNS India Private Limited	200.40	759.50	682.21	464.77
	LG CNS Co. Ltd.	12.83	43.49	4.66	8.08
	Others	0.28	1.26	0.66	-



Nature of the transaction	Name of the related party	Three months ended June 30, 2024	Financial Year ended March 31, 2024	Financial Year ended March 31, 2023	Financial Year ended March 31, 2022
<b>Service charges</b>	LG Electronics Singapore Pte Ltd	4.80	15.00	13.89	13.39
	Others	-	1.00	-	-
<b>Service Warranty Charges</b>	LG Electronics Saudi Arabia Limited Company	2.55	-	-	-
	LG Electronics (Levant) Jordan	0.30	2.60	2.59	1.67
	LG Electronics Taiwan Taipei Co.,Ltd	-	-	-	0.99
	LG Electronics Middle East Co. Ltd.	0.22	5.34	2.01	3.74
	Others	0.46	1.17	-	-
<b>Reimbursement of expenses recovered</b>	LG Electronics Inc.	0.87	4.84	5.09	6.16
	LG Electronics Nanjing New Technology Co.Ltd.	0.42	0.70	-	-
	LG Electronics Singapore Pte Ltd	0.27	-	-	-
	LG Electronics Africa Logistics FZE	-	0.97	-	-
	LG Electronics Nanjing Co., Ltd	-	-	3.48	1.33
	LG Electronics Tianjin Appliances Co. Ltd.	-	-	-	1.00
<b>Service warranty claims recovered</b>	LG Electronics Inc.	45.84	237.19	284.19	224.69
	Taizhou LG Electronics Refrigeration Co. Ltd.	7.75	0.95	-	-
<b>Royalty</b>	LG Electronics Inc.	1,215.08	4,032.30	3,232.44	2,547.59
<b>Interim dividend paid</b>	LG Electronics Inc.	-	20,928.82	24,888.32	22,625.75
<b>Managerial remuneration</b>	Salaries and wages*	63.55	200.02	182.00	212.07
<b>Security deposit for residential accommodation paid on behalf of directors</b>	Mr. Hong Ju Jeon	1.10	1.10	1.10	-
	Mr. Hwayoung Seo	0.26	0.50	0.60	0.60
	Mr. Yongchan Jung	0.90	0.90	-	-
	Mr. Hyunjin Lee	-	-	0.55	0.55
	Mr. Younglak Kim	-	-	0.54	0.54

\* As gratuity, compensated absences and long term service award are computed for all employees in aggregate based on the actuarial valuation carried out for our Company as a whole, and, accordingly, the amount related to key managerial personnel has not been separately identified and disclosed.

See “**Restated Financial Information – Note 28 – Related Party Disclosures**” on page 281.

## Financing Arrangements

There have been no financing arrangements whereby our Promoter, members of our Promoter Group, directors of our Promoter, our Directors and their relatives (as defined under Companies Act) have financed the purchase by any other person of securities of our Company, other than in the normal course of the business of the financing activity during a period of six months immediately preceding the date of this Draft Red Herring Prospectus.

### Details of price at which specified securities were acquired by our Promoter, members of the Promoter Group, Selling Shareholder and Shareholders with the right to nominate Directors or any other special rights in the three years preceding the date of this Draft Red Herring Prospectus

Except as disclosed below, none of our Promoter, members of our Promoter Group and Selling Shareholder, have acquired any Equity Shares in the three years immediately preceding the date of this Draft Red Herring Prospectus.

Name of the shareholder/acquirer	Number of Equity Shares acquired	Date of acquisition of Equity Shares	Cost of acquisition per Equity Share (in ₹)	Mode of acquisition
LG Electronics Inc. <sup>(1)</sup>	565,643,660	November 18, 2024	NA	Bonus issue of Equity Shares in the ratio of five Equity Shares for every one Equity Share held

As certified by B.B. & Associates, Chartered Accountants, by way of their certificate dated December 6, 2024.

<sup>(1)</sup> Our Promoter as well as the Selling Shareholder.

No shareholders have any special rights in our Company, including the right to nominate directors on our Board.

### Weighted average price at which Equity Shares were acquired by our Promoter and the Selling Shareholder in the one year preceding the date of this Draft Red Herring Prospectus

Except as disclosed below, our Promoter and the Selling Shareholder, have not acquired any Equity Shares in the one year immediately preceding the date of this Draft Red Herring Prospectus:

Name of the shareholder	Number of Equity Shares acquired	Weighted average price per Equity Share (in ₹)
LG Electronics Inc. <sup>(1)</sup>	565,643,660	NA <sup>(2)</sup>

As certified by B.B. & Associates, Chartered Accountants, by way of their certificate dated December 6, 2024.

<sup>(1)</sup> Our Promoter as well as the Selling Shareholder.

<sup>(2)</sup> Cost of acquisition acquired pursuant to bonus issue is nil.

### Average cost of acquisition for our Promoter and the Selling Shareholder

The average cost of acquisition per equity share acquired by our Promoter and Selling Shareholder, as on the date of this Draft Red Herring Prospectus, is as set forth below:

S. No.	Name of Promoter	Number of equity shares of face value of ₹10 each	Average cost of acquisition per Equity Share (in ₹)*
1.	LG Electronics Inc. <sup>(1)(2)</sup>	678,772,392	1.66

\* As certified by B.B. & Associates, Chartered Accountants, by way of their certificate dated December 6, 2024.

1. Also the Selling Shareholder.

2. Includes six equity shares of face value of ₹ 10 each, i.e., one equity share of face value of ₹ 10 each held by each of Ajay Rambal, Atul Khanna, Gurpinderjeet Singh, Kapil Mehra, Sandeep Kumar and Vishal Rastogi on behalf of and as nominees of LG Electronics Inc., our Promoter.

For further details, see “*Capital Structure - History of build-up of Promoter’s shareholding in our Company*” on page 101.

### Weighted average cost of acquisition of all shares transacted in the one year, eighteen months and three years preceding the date of this Draft Red Herring Prospectus

The weighted average price for all equity shares acquired in the one year, eighteen months and three years preceding the date of the Draft Red Herring Prospectus is mentioned below.

Period	Weighted average cost of acquisition (in ₹) <sup>(1)</sup>	Cap Price is 'X' times the weighted average cost of acquisition <sup>(2)</sup>	Range of acquisition price: lowest price - highest price (in ₹) <sup>(3)</sup>
Last one year	Nil	[●]	Nil to nil <sup>(1)</sup>
Last eighteen months	Nil	[●]	Nil to nil <sup>(1)</sup>
Last three years	Nil	[●]	Nil to nil <sup>(1)</sup>

<sup>(1)</sup> Represents cost of bonus shares which are issued at nil consideration.

<sup>(2)</sup> To be updated upon finalization of the Price Band.

<sup>(3)</sup> As certified by B.B. & Associates, Chartered Accountants, by way of their certificate dated December 6, 2024.

### Details of Pre-IPO Placement

Our Company is not contemplating a pre-IPO placement.

### Issue of Equity Shares for consideration other than cash in the last one year

Except as disclosed in “*Capital Structure – Notes to Capital Structure – Equity shares issued out of revaluation reserves or by way of bonus issue*” on page 99, our Company has not issued any equity shares for consideration other than cash in the one year preceding the date of this Draft Red Herring Prospectus.

### Split/consolidation of Equity Shares in the last one year

Our Company has not undertaken a split or consolidation of the Equity Shares in the one year preceding the date of this Draft Red Herring Prospectus.

### Exemption from complying with any provisions of securities laws, if any, granted by SEBI

Our Company has not sought for any exemptions from complying with any provisions of securities laws including the SEBI ICDR Regulations, as on the date of this Draft Red Herring Prospectus.

## CERTAIN CONVENTIONS, PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA

### Certain Conventions

All references in this Draft Red Herring Prospectus to “India” are to the Republic of India and its territories and possessions and all references herein to the “Government”, “Indian Government”, “GoI”, “Central Government” or the ‘State Government’ are to the Government of India, central or state, as applicable. All references in this Draft Red Herring Prospectus to the “U.S.”, “USA” or “United States” are to the United States of America. All references in this Draft Red Herring Prospectus to “Korea” are to the Republic of Korea.

Unless otherwise specified, any time mentioned in this Draft Red Herring Prospectus is in Indian Standard Time (“IST”). Unless indicated otherwise, all references to a year in this Draft Red Herring Prospectus are to a calendar year.

Unless stated otherwise, all references to page numbers in this Draft Red Herring Prospectus are to the corresponding page numbers of this Draft Red Herring Prospectus.

### Currency and Units of Presentation

All references to “Rupee(s)”, “Rs.” or “₹” or “INR” are to Indian Rupees, the official currency of the Republic of India. All references to “US\$” or “U.S. Dollars” or “USD” are to United States Dollars, the official currency of the United States of America. All references to “KRW” or “₩” are to Korean Won, the official currency of the Republic of Korea.

Our Company has presented certain numerical information in this Draft Red Herring Prospectus in ‘million’ units or in whole numbers where the numbers have been too small to represent in such units. One million represents 1,000,000, one billion represents 1,000,000,000 and one trillion represents 1,000,000,000,000.

Figures sourced from third-party industry sources may be expressed in denominations other than million or may be rounded off other than to two decimal points in the respective sources, and such figures have been expressed in this Draft Red Herring Prospectus in such denominations or rounded-off to such number of decimal points as provided in such respective sources.

### Exchange Rates

This Draft Red Herring Prospectus contains conversion of certain other currency amounts into Indian Rupees that have been presented solely to comply with the SEBI ICDR Regulations. These conversions should not be construed as a representation that these currency amounts could have been, or can be converted into Indian Rupees, at any particular rate or at all.

Unless otherwise stated, the exchange rates referred to for the purpose of conversion of foreign currency amounts into Rupee amounts, are as follows:

Currency	Exchange rate as on*			
	June 30, 2024	March 31, 2024	March 31, 2023	March 31, 2022
USD <sup>(1)</sup>	83.45	83.37	82.22	75.81
KRW <sup>(2)</sup>	0.06	0.06	0.06	0.06

<sup>(1)</sup> Source: [www.fbil.org.in](http://www.fbil.org.in)

<sup>(2)</sup> Source: [www.xe.com](http://www.xe.com)

\* In the event that any of the aforementioned date is a public holiday, the previous calendar day not being a public holiday has been considered. The exchange rate is rounded off to two decimal places.

### Financial and Other Data

Our Company’s Financial Year commences on April 1 and ends on March 31 of the next year. Accordingly, all references in this Draft Red Herring Prospectus to a particular Financial Year or FY or Fiscal, unless stated otherwise, are to the 12-month period ended on March 31 of that particular calendar year.

Unless stated otherwise or the context otherwise requires, the financial data and financial ratios in this Draft Red Herring Prospectus are derived from the Restated Financial Information of our Company.

The Restated Financial Information included in this Draft Red Herring Prospectus under “**Restated Financial Information**” beginning on page have been prepared basis the restated statement of assets and liabilities of our Company as at June 30, 2024, March 31, 2024, March 31, 2023 and March 31, 2022, and the restated statement of profit and loss, the restated statement of changes in equity and the restated statement of cash flows for the three months period ended June 30, 2024 and for the year(s) ended March 31, 2024, March 31, 2023, March 31, 2022, Notes to the Restated Financial Information and Statement of Adjustments to the Audited Special Purpose Interim Financial Statements for the three months period ended June 30, 2024 and Audited Financial Statements for the year ended March 31, 2024. The Restated Financial Information has been prepared on a standalone basis by the management of our Company as required under the SEBI ICDR Regulations, for the purpose of inclusion in this Draft Red Herring Prospectus in connection with the proposed Offer. The Restated Financial Information, which has been approved by the Board, has been prepared in accordance with the requirements of: (a) Section 26 of Part I of Chapter III of the Companies Act, 2013; (b) paragraph (A) of Clause 11 (I) of Part A of Schedule VI of the SEBI ICDR Regulations; and (c) the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India, as amended from time to time. For further information, see “**Restated Financial Information**” beginning on page 232.

Further, the financial information for the three months ended June 30, 2024 may not be indicative of the financial results for the full year and are not comparable with financial information for the Financial Years ended March 31, 2024, March 31, 2023 and March 31, 2022.

There are significant differences between Ind AS, U.S. GAAP and IFRS. Our Company does not provide reconciliation of its financial information to IFRS or U.S. GAAP. Our Company has not attempted to explain those differences or quantify their impact on the financial data included in this Draft Red Herring Prospectus and it is urged that you consult your own advisors regarding such differences and their impact on our Company’s financial data. Further, LG Electronics Inc., our Promoter prepares its financial statements in accordance with Korean International Financial Reporting Standards (“**K-IFRS**”) and such statements include select financial information of our Company that have been prepared and presented in conformity with K-IFRS for the limited purpose of inclusion in LG Electronics Inc.’s consolidated financial statements. Our K-IFRS financial statements prepared for the limited purpose of inclusion in LG Electronics Inc.’s consolidated financial statements are not comparable to our Restated Financial Information.

Prospective investors should consult their own professional advisers for an understanding of the differences between these accounting principles and those with which they may be more familiar, and the impact on our financial data. The degree to which the financial information included in this Draft Red Herring Prospectus will provide meaningful information is entirely dependent on the reader’s level of familiarity with Indian accounting policies and practices, Ind AS, the Companies Act and the SEBI ICDR Regulations. Any reliance by persons not familiar with these accounting principles and regulations on our financial disclosures presented in this Draft Red Herring Prospectus should accordingly be limited. Also see “**Risk Factors – Significant differences exist between Ind AS and other accounting principles, such as IFRS and U.S. GAAP, which may be material to investors’ assessments of our financial condition.**” on page 68.

All figures, including financial information, in decimals (including percentages) have been rounded off to two decimals. However, where any figures may have been sourced from third-party industry sources, such figures may be rounded-off to such number of decimal points as provided in such respective sources. In this Draft Red Herring Prospectus, (i) the sum or percentage change of certain numbers may not conform exactly to the total figure given; and (ii) the sum of the numbers in a column or row in certain tables may not conform exactly to the total figure given for that column or row. Any such discrepancies are due to rounding off.

Unless the context otherwise requires, any percentage, amounts, as set in “**Summary of the Offer Document**”, “**Risk Factors**”, “**Basis for Offer Price**”, “**Our Business**” and “**Management’s Discussion and Analysis of Financial Conditions and Results of Operations**” on pages 14, 31, 110, 163 and 315, respectively and elsewhere in this Draft Red Herring Prospectus have been calculated on the basis of our Restated Financial Information unless otherwise stated.

### **Non-Generally Accepted Accounting Principles Financial Measures**

Certain measures included in this Draft Red Herring Prospectus, for instance EBITDA, EBITDA Margin, Net Profit/(Loss) Margin (the “**Non-GAAP Measures**”), presented in this Draft Red Herring Prospectus are supplemental measures of our performance and liquidity that are not required by, or presented in accordance with Ind AS, IFRS, U.S. GAAP or any other generally accepted accounting principles. These Non-GAAP Measures

and other statistical and other information relating to operations and financial performance should not be considered in isolation or construed as an alternative to cash flows, profit for the years/ period or any other measure of financial performance or as an indicator of our operating performance, liquidity, profitability or cash flows generated by operating, investing or financing activities derived in accordance with Ind AS, Indian GAAP, IFRS or U.S. GAAP or any other generally accepted accounting principles. In addition, these Non-GAAP Measures and other statistical and other information relating to operations and financial performance, are not standardised terms and may not be computed on the basis of any standard methodology that is applicable across the industry and therefore, may not be comparable to financial measures of similar nomenclature that may be computed and presented by other companies and are not measures of operating performance or liquidity defined by Ind AS and may not be comparable to similarly titled measures presented by other companies. Further, they may have limited utility as a comparative measure. For further details, see “*Management’s Discussion and Analysis of Financial Position and Results of Operations – Non-GAAP Financial Measures*” and “*Risk Factors – We track certain operational metrics and non-GAAP measures for our operations. Certain of our operational metrics are subject to inherent challenges in measurement and any real or perceived inaccuracies in such metrics may adversely affect our business and reputation.*” on pages 332 and 66.

### **Industry and Market Data**

Industry publications generally state that the information contained in such publications has been obtained from publicly available documents from various sources. The data used in these sources may have been re-classified by us for the purposes of presentation. Data from these sources may also not be comparable. Accordingly, no investment decision should be made solely on the basis of such information. The extent to which industry and market data set forth in this Draft Red Herring Prospectus is meaningful depends on the reader’s familiarity with and understanding of the methodologies used in compiling such data. There are no standard data gathering methodologies in the industry in which we conduct our business, and methodologies and assumptions may vary widely among different industry sources. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those disclosed in “*Risk Factors – We have used information from the Redseer Report which has been commissioned and paid for by our Company for industry related data in this Draft Red Herring Prospectus and any reliance on such information is subject to inherent risks*” on page 64.

Only to the extent explicitly indicated, industry and market data used in this Draft Red Herring Prospectus is derived from the report titled, “*Industry Report for Appliances and Electronics Market in India*” dated December 5, 2024 (“**Redseer Report**”) commissioned by and paid for by our Company, pursuant to an engagement letter dated October 21, 2024. The Redseer Report has been prepared and issued by Redseer for the purpose of understanding the industry exclusively in connection with the Offer. Further, Redseer, pursuant to their consent letter dated December 5, 2024 (“**Letter**”) has accorded their no objection and consent to use the Redseer Report. Redseer, pursuant to their Letter has also confirmed that they are an independent agency, and confirmed that it is not related to our Company, our Directors, our Promoter, our Key Managerial Personnel, our Senior Management or the BRLMs. The Redseer Report is available on the website of our Company at [www.lg.com/in/investorrelations/industryreport/](http://www.lg.com/in/investorrelations/industryreport/).

In accordance with the SEBI ICDR Regulations, the section “*Basis for Offer Price*” beginning on page 110 includes information relating to our peer group companies, which has been derived from publicly available sources, and accordingly, no investment decision should be made solely on the basis of such information.

### **Notice to Prospective Investors in the United States**

The Equity Shares have not been recommended by any U.S. federal or state securities commission or regulatory authority. Furthermore, the foregoing authorities have not confirmed the accuracy or determined the adequacy of this Draft Red Herring Prospectus or approved or disapproved the Equity Shares. Any representation to the contrary is a criminal offence in the United States. In making an investment decision, investors must rely on their own examination of our Company and the terms of the Offer, including the merits and risks involved. The Equity Shares offered in the Offer have not been and will not be registered under the U.S. Securities Act or any other applicable law of the United States, and, unless so registered, may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. Accordingly, the Equity Shares are being offered and sold (a) in the United States only to persons reasonably believed to be “qualified institutional buyers” (as defined in Rule 144A) and referred to in this Draft Red Herring Prospectus as “U.S. QIBs”; for the avoidance of doubt, the term U.S. QIBs does not refer to a category of institutional investor defined under applicable Indian regulations

and referred to in this Draft Red Herring Prospectus as “QIBs” in transactions exempt from or not subject to the registration requirements of the U.S. Securities Act and in reliance on Rule 144A and (b) outside of the United States in offshore transactions as defined in and in compliance with Regulation S and the applicable laws of the jurisdiction where those offers and sales occur. See “*Other Regulatory and Statutory Disclosures – Eligibility and Transfer Restrictions*” on page 371.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made, by persons in any such jurisdiction except in compliance with the applicable laws of such jurisdiction. Prospective purchasers are hereby notified that the sellers of the Offered Shares may be relying on the exemption from the provisions of Section 5 of the U.S. Securities Act.

### **Notice to Prospective Investors in The European Economic Area**

In relation to each Member State of the European Economic Area (each a “**Relevant State**”), no Equity Shares have been offered or will be offered pursuant to the Offer to the public in that Relevant State prior to the publication of a prospectus in relation to the Equity Shares which has been approved by the competent authority in that Relevant State or, where appropriate, approved in another Relevant State and notified to the competent authority in that Relevant State, all in accordance with the Prospectus Regulation, except that the Equity Shares may be offered to the public in that Relevant State at any time:

- (a) to any legal entity which is a qualified investor as defined under Article 2 of the Prospectus Regulation;
- (b) to fewer than 150 natural or legal persons (other than qualified investors as defined under Article 2 of the Prospectus Regulation), subject to obtaining the prior consent of Book Running Lead Managers for any such offer; or
- (c) in any other circumstances falling within Article 1(4) of the Prospectus Regulation,

provided that no such offer of the Equity Shares shall require the Company or any Book Running Lead Manager to publish a prospectus pursuant to Article 3 of the Prospectus Regulation.

For the purposes of this provision, the expression an “offer to the public” in relation to the Equity Shares in any Relevant State means the communication in any form and by any means of sufficient information on the terms of the offer and any Shares to be offered so as to enable an investor to decide to purchase or subscribe for any Shares, and the expression “Prospectus Regulation” means Regulation (EU) 2017/1129.

### **Information to EEA Distributors**

Solely for the purposes of the product governance requirements contained within: (a) EU Directive 2014/65/EU on markets in financial instruments, as amended (“**MiFID II**”); (b) Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 supplementing MiFID II; and (c) local implementing measures (together, the “**MiFID II Product Governance Requirements**”), and disclaiming all and any liability, whether arising in tort, contract or otherwise, which any “manufacturer” (for the purposes of the MiFID II Product Governance Requirements) may otherwise have with respect thereto, the Equity Shares have been subject to a product approval process, which has determined that such Equity Shares are: (i) compatible with an end target market of retail investors and investors who meet the criteria of professional clients and eligible counterparties, each as defined in MiFID II; and (ii) eligible for distribution through all distribution channels as are permitted by MiFID II (the “**Target Market Assessment**”). Notwithstanding the Target Market Assessment, “distributors” (for the purposes of the MiFID II Product Governance Requirements) (“**EEA Distributors**”) should note that: the price of the Equity Shares may decline and investors could lose all or part of their investment; the Equity Shares offer no guaranteed income and no capital protection; and an investment in the Equity Shares is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. The Target Market Assessment is without prejudice to the requirements of any contractual, legal or regulatory selling restrictions in relation to the Offer. Furthermore, it is noted that, notwithstanding the Target Market Assessment, the Book Running Lead Managers will only procure investors who meet the criteria of professional clients and eligible counterparties.

For the avoidance of doubt, the Target Market Assessment does not constitute: (a) an assessment of suitability or appropriateness for the purposes of MiFID II; or (b) a recommendation to any investor or group of investors to

invest in, or purchase, or take any other action whatsoever with respect to the Equity Shares. Each EEA Distributor is responsible for undertaking its own target market assessment in respect of the Equity Shares and determining appropriate distribution channels.

### **Notice to Prospective Investors in the United Kingdom**

No Equity Shares have been offered or will be offered pursuant to the Offer to the public in the United Kingdom prior to the publication of a prospectus in relation to the Equity Shares which has been approved by the Financial Conduct Authority, except that the Equity Shares may be offered to the public in the United Kingdom at any time:

- (a) to any legal entity which is a qualified investor as defined under Article 2 of the UK Prospectus Regulation;
- (b) to fewer than 150 natural or legal persons (other than qualified investors as defined under Article 2 of the UK Prospectus Regulation), subject to obtaining the prior consent of Book Running Lead Managers for any such offer; or
- (c) in any other circumstances falling within Section 86 of the FSMA,

provided that no such offer of the Equity Shares shall require the Company or any Book Running Lead Manager to publish a prospectus pursuant to Section 85 of the FSMA or supplement a prospectus pursuant to Article 23 of the UK Prospectus Regulation. For the purposes of this provision, the expression an “offer to the public” in relation to the Equity Shares in the United Kingdom means the communication in any form and by any means of sufficient information on the terms of the offer and any Equity Shares to be offered so as to enable an investor to decide to purchase or subscribe for any Shares and the expression “UK Prospectus Regulation” means Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 and the expression “FSMA” means the Financial Services and Markets Act 2000.

No prospectus has been or will be approved in the United Kingdom in respect of the Equity Shares. Consequently, this Draft Red Herring Prospectus may be communicated solely to (i) persons with professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (which we refer to as the “Order”), (ii) high net worth entities, and other persons to whom it may lawfully be communicated, falling within Article 49(2)(a) to (d) of the Order, (iii) persons to whom an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) in connection with the Offer may otherwise lawfully be communicated or caused to be communicated and (iv) persons who are outside the United Kingdom (all such persons in (i) and (ii) above being “relevant persons”). In addition, this communication is in any event only directed at persons who are “qualified investors” (within the meaning of Article 2(e) of Regulation (EU) 2017/1129 as it forms a part of domestic laws by virtue of the European Union (Withdrawal) Act 2018). Any investment activity to which this Draft Red Herring Prospectus relates will only be available to and will only be engaged with relevant persons. Any person who is not a relevant person should not act or rely on this Draft Red Herring Prospectus or any of its contents. Persons into whose possession this Draft Red Herring Prospectus may come are required by the Company and the Book Running Lead Managers to inform themselves about and to observe such restrictions.

### **Information to UK Distributors**

Solely for the purposes of the product governance requirements contained within the FCA Handbook Product Intervention and Product Governance Sourcebook (“**PROD**”) (the “**UK MiFIR Product Governance Rules**”), and disclaiming all and any liability, whether arising in tort, contract or otherwise, which any “manufacturer” (for the purposes of the UK Product Governance Rules) may otherwise have with respect thereto, the Equity Shares have been subject to a product approval process, which has determined that such Equity Shares are: (i) compatible with an end target market of: (a) investors who meet the criteria of professional clients as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA; (b) eligible counterparties, as defined in the FCA Handbook Conduct of Business Sourcebook (“**COBS**”); and (c) retail clients who do not meet the definition of professional client under (a) or eligible counterparty per (b); and (ii) eligible for distribution through all permitted distribution channels (the “**Target Market Assessment**”). Notwithstanding the Target Market Assessment, distributors (for the purposes of the UK MiFIR Product Governance Rules) (“**UK Distributors**”) should note that: the price of the Equity Shares may decline and investors could lose all or part of their investment; the Equity Shares offer no guaranteed income and no capital protection; and an investment in the Equity Shares is compatible only with investors who do not need a guaranteed income or capital protection,



who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. The Target Market Assessment is without prejudice to the requirements of any contractual, legal or regulatory selling restrictions in relation to the Offer.

Furthermore, it is noted that, notwithstanding the Target Market Assessment, the Book Running Lead Managers will only procure investors who meet the criteria of professional clients and eligible counterparties.

For the avoidance of doubt, the Target Market Assessment does not constitute: (a) an assessment of suitability or appropriateness for the purposes of COBS 9A and COBS 10A respectively; or (b) a recommendation to any investor or group of investors to invest in, or purchase or take any other action whatsoever with respect to the Equity Shares. Each UK Distributor is responsible for undertaking its own target market assessment in respect of the Equity Shares and determining appropriate distribution channels.

#### **Available Information**

Our Company is not currently required to file periodic reports under Section 13 or 15 of the Securities Exchange Act of 1934, as amended (the “**U.S. Exchange Act**”). In order to permit compliance with Rule 144A under the U.S. Securities Act in connection with the resales of the Equity Shares, we agree to furnish upon the request of a shareholder or a prospective purchaser the information required to be delivered under Rule 144A(d)(4) of the U.S. Securities Act if at the time of such request we are not a reporting company under Section 13 or Section 15(d) of the U.S. Exchange Act, or are not exempt from reporting pursuant to Rule 12g3-2(b) thereunder.

**The information on and any information about the Company available on any websites of SEBI, the Selling Shareholder, the Stock Exchanges, the Company or the members of the Book Running Lead Managers or any affiliates of the aforementioned persons shall not constitute a part of this Draft Red Herring Prospectus.**

## FORWARD-LOOKING STATEMENTS

This Draft Red Herring Prospectus contains certain “forward-looking statements”. These forward-looking statements generally can be identified by words or phrases such as “*aim*”, “*believe*”, “*expect*”, “*intend*”, “*plan*”, “*project*”, “*will*”, “*seek to*”, “*strive to*”, “*continue*”, “*achieve*”, or other words or phrases of similar import. Similarly, statements that describe our strategies, objectives, plans or goals are also forward-looking statements. All forward-looking statements are subject to risks, uncertainties, expectations and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. All statements in this Draft Red Herring Prospectus that are not statements of historical fact are ‘forward-looking statements’.

These forward-looking statements are based on our current plans, estimates and expectations and actual results may differ materially from those suggested by such forward-looking statements. This could be due to risks or uncertainties associated with expectations relating to, and including, regulatory changes pertaining to the industry in India in which we operate and our ability to respond to them, our ability to successfully implement our strategy, growth and expansion plans, technological changes, our exposure to market risks, general economic and political conditions in India which have an impact on its business activities or investments, the monetary and fiscal policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in domestic laws, changes in the incidence of any natural calamities and/or violence, regulations and taxes and changes in competition in the industry in which we operate. Certain important factors that could cause actual results to differ materially from our expectations include, but are not limited to, the following:

- Any adverse change in our relationship with our Promoter, LG Electronics Inc., that supports us in various aspects of our business, and the companies in the LG Group;
- Engagement of our Promoter, LG Electronics Inc. in the same line of activity or business as that of our Company in India which could result in conflicts of interest with us;
- Increases in the prices of raw materials and components required for our operations;
- Dependence on our top-five suppliers and top-10 suppliers that contributed 21.45% and 31.44% of our total purchase of raw materials and components in the three months ended June 30, 2024 and any interruption in the availability of raw materials and components or supplier misconduct;
- Any factor that negatively affects the sale of products under our Home Appliances and Air Solutions segment, and home entertainment segment especially, refrigerators, washing machines, air conditioners and televisions;
- Inability to compete successfully in the highly competitive and fast evolving home appliances and consumer electronics markets;
- Any disruptions or stoppages at our Noida Manufacturing Unit and the Pune Manufacturing Unit;
- Adverse outcome in any of proceedings involving our Company, our Promoter, and certain of our Directors;
- Conflicts of interest involved in related party transactions with LG Electronics and companies within the LG Group; and
- Any disruption in sale of our products through multiple distribution channels.

For a further discussion of factors that could cause our actual results to differ, see “*Risk Factors*”, “*Our Business*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” beginning on pages 31, 163 and 315, respectively. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual gains or losses could materially differ from those that have been estimated.

There can be no assurance to Bidders that the expectations reflected in these forward-looking statements will prove to be correct. Given these uncertainties, Bidders are cautioned not to place undue reliance on such forward-looking statements and not to regard such statements to be a guarantee of our future performance.

Forward-looking statements reflect current views as on the date of this Draft Red Herring Prospectus and are not a guarantee of future performance. These statements are based on our management’s beliefs and assumptions, which in turn are based on currently available information. Although we believe the assumptions upon which these forward-looking statements are based are reasonable, any of these assumptions could prove to be inaccurate and the forward-looking statements based on these assumptions could be incorrect. Neither our Company, our Directors, the Selling Shareholder, the BRLMs nor any of their respective affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence

of underlying events, even if the underlying assumptions do not come to fruition.

In accordance with requirements of SEBI and as prescribed under applicable law, our Company will ensure that investors in India are informed of material developments pertaining to our Company and the Equity Shares forming part of the Offer from the date of this Draft Red Herring Prospectus until the date of Allotment. In accordance with the requirements of SEBI and as prescribed under the applicable law, our Selling Shareholder, in respect of statements made by them in this Draft Red Herring Prospectus, shall ensure (through our Company and the BRLMs) that the investors are informed of material developments in relation to statements specifically confirmed or undertaken by them in this Draft Red Herring Prospectus, the Red Herring Prospectus and the Prospectus until the date of Allotment, with respect to their Offered Shares pursuant to the Offer.

## SECTION II: RISK FACTORS

*An investment in our Equity Shares involves a high degree of risk. You should carefully consider all the information in this Draft Red Herring Prospectus, including the risks and uncertainties described below before making an investment in our Equity Shares.*

*We have described the risks and uncertainties that we believe are material, but these risks and uncertainties may not be the only risks relevant to us, our Equity Shares, or the industry in which we currently operate or propose to operate. Unless specified or quantified in the relevant risk factors below, we are not in a position to quantify the financial or other implications of any of the risks mentioned in this section. If any or a combination of the following risks actually occur, or if any of the risks that are currently not known or deemed to be not relevant or material now actually occur or become material in the future, our business, cash flows, prospects, financial condition and results of operations could suffer, the trading price of our Equity Shares could decline, and you may lose all or part of your investment. For more details on our business and operations, see “**Our Business**”, “**Industry Overview**”, “**Key Regulations and Policies**”, “**Restated Financial Information**” and “**Management’s Discussion and Analysis of Financial Condition and Results of Operations**” on pages 163, 127, 191, 232 and 315, respectively, as well as other financial information included elsewhere in this Draft Red Herring Prospectus. In making an investment decision, you must rely on your own examination of our Company and the terms of the Offer, including the merits and risks involved, and you should consult your tax, financial and legal advisors about the consequences of investing in the Offer. Prospective investors should pay particular attention to the fact that our Company is incorporated under the laws of India and is subject to a legal and regulatory environment which may differ in certain respects from that of other countries.*

*This Draft Red Herring Prospectus also contains forward-looking statements that involve risks, assumptions, estimates and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including but not limited to the considerations described below and elsewhere in this Draft Red Herring Prospectus. For details, see “**Forward-Looking Statements**” on page 29.*

*Only to the extent explicitly indicated, industry and market data used in this section has been derived from the report titled ‘Industry Report for Appliances and Electronics Market in India’ dated December 5, 2024 (the “**Redseer Report**”), prepared and issued by Redseer Strategy Consultants Private Limited (“**Redseer**”), commissioned by and paid for by our Company. The Redseer Report has been prepared and issued by Redseer Strategy Consultants Private Limited for the purpose of understanding the industry exclusively in connection with the Offer. Unless otherwise indicated, all financial, operational, industry and other related information derived from the Redseer Report and included herein with respect to any particular fiscal or calendar year, refers to such information for the relevant fiscal or calendar year.*

*All references to “**LG Group**” refer to any company (individually or in the aggregate, as the context may require) that is (i) directly or indirectly owned or controlled by LG Electronics Inc. (“**LG Electronics**”), or (ii) directly or indirectly owns or controls LG Electronics. For industry related information in this section, all references to “six months ended June 30, 2024” are to six months ended of CY 2024.*

### **INTERNAL RISKS**

- 1. We are supported by LG Electronics, our Promoter, in various aspects of our business, and we pay royalties to them under the License Agreement (defined below). Any adverse change in our relationship with LG Electronics and the companies in the LG Group could have an adverse impact on our business, reputation, financial condition and results of operations.***

As of the date of this Draft Red Herring Prospectus, LG Electronics, our Promoter, owns 100.00% of the Equity Share capital of our Company. We are supported by LG Electronics in various aspects of our business, including product innovations, product design, technologies for manufacturing, brand and related technical knowhow and exports, among others. We have entered into a license agreement dated July 27, 2017, read with the addendums dated March 9, 2018, June 17, 2021, June 20, 2023, September 28, 2023 and November 18, 2024 (“**License Agreement**”) with LG Electronics for the use of (i) the licensed brand, (ii) the technology claimed in the licensed patents, and (iii) the licensed technical know-how and other intellectual property rights for the Authorized Products (as defined in the License Agreement and in the “**Definitions and Abbreviations**” section on page 1). Under the terms of the License Agreement, which has been in effect from January 1, 2023, we are required to pay a royalty of 2.30% of net sales for Authorized Products (other than LCD televisions and monitors) and 2.40% of net sales for LCD televisions and monitors. The agreement is effective perpetually unless terminated by either

party upon prior written notice of not less than six months. We have also entered into a framework agreement dated November 25, 2024 (“**Framework Agreement**”) to record the principal terms of provisions in relation to providing or availing services and deliverables to or from our Company, our Promoter and companies within the LG Group. If LG Electronics terminates this agreement with us, it would prevent us from being able to manufacture and sell products, which in turn will materially and adversely impact our business, prospects, financial condition and results of operations. For more details on these agreements, see “**History and Certain Corporate Matters – Key terms of other subsisting material agreements**” on page 204.

The following table provides the royalty to LG Electronics Inc., South Korea for the periods indicated:

Particulars	Three months ended		2024		Fiscal 2023		2022	
	June 30,							
	2024		2024		2023		2022	
	₹ million	% of revenue from operations*	₹ million	% of revenue from operations*	₹ million	% of revenue from operations*	₹ million	% of revenue from operations*
Royalty	1,215.08	1.90%	4,032.30	1.89%	3,232.44	1.63%	2,547.59	1.50%

\* includes revenue from continuing and discontinued operations

As disclosed in the table above, we paid royalty to LG Electronics Inc., Republic of Korea, for the use of technology and brand name. The royalty was determined in accordance with the License Agreement dated July 27, 2017, effective from April 1, 2016, as amended from time to time. The License Agreement provided for additional payment of royalty, which was contingent on the approval of the application dated March 28, 2018 for Advance Pricing Agreement (“**APA**”) filed by us with the Income-tax authority in India, further to which we filed an extension application dated March 31, 2023. The possible obligation arising from additional royalty payments under the License Agreement would have amounted to ₹71,594.98 million, ₹67,436.64 million, ₹59,866.92 million and ₹52,856.46 million and was disclosed as contingent liabilities as of June 30, 2024, March 31, 2024, March 31, 2023 and March 31, 2022, respectively. On November 18, 2024, we entered into an addendum to the License Agreement dated July 27, 2017, aligning our royalty obligation to the amount accrued and paid for the respective year/ period and updated our APA application accordingly. We have also withdrawn the APA extension application on November 20, 2024. As a result, any contingent liabilities related to the royalties payable as a result of the APA as of the date of the Draft Red Herring Prospectus is nil.

Separately, it is pointed out by the Korean tax authorities that LG Electronics should have received royalties aggregating to ₹3,153.00 million relating to brand and technology royalties for the period January 1, 2017 to December 31, 2021 from the Company. Specifically, the Korea tax authorities pointed out that LG Electronics should have received additional royalty from our Company on compressors and water purifiers at the rate of 1.9%, monitors at the rate of 2.0% and mobile phones at the rate of 2.9%. Additionally, it was pointed out that LG Electronics should have received brand royalty at the rate of 0.4% on all products manufactured and sold by us. On May 8, 2024, our Company and LG Electronics filed a Mutual Agreement Procedure (“**MAP**”) application with the tax authorities of India and Republic of Korea, under Article 25(1) of the comprehensive agreements between India and Republic of Korea, to decide the quantum of additional royalty that our Company needs to pay for aforesaid period and to resolve any consequences of double taxation. If the MAP application is concluded and 100% corresponding relief is allowed, we may be required to pay additional royalties of ₹3,153.00 million to LG Electronics.

Pursuant to the addendum dated November 18, 2024 and pending approval of the MAP application, the contingent liability now is reduced from ₹71,594.98 million to ₹3,153.00 million as of the date of the Draft Red Herring Prospectus. There is no assurance that such observations will not be raised by Korean tax authorities in respect of future periods, which could then have an adverse impact on our results of operations.

For more details, see “- **We have certain contingent liabilities, which if materialize, may adversely affect our financial condition**” on page 49. See also “**Management’s Discussion and Analysis of our Results of Operations – Contingent Liabilities**” on page 335.

We cannot assure you that royalty payments made by us to our Promoter under the License Agreement or otherwise will not attract regulatory scrutiny or action. Further, any increase in the royalty fee by our Promoter, in the future, not exceeding 5% of the annual consolidated turnover of domestically manufactured product by our Company or through other original equipment manufacturers does not require the prior approval of the Shareholders under the SEBI Listing Regulations. While exercising its rights as our shareholder, LG Electronics

may consider the interest of all of its subsidiaries and affiliates, which may not align with the interests of our other shareholders.

- 2. It is possible that the Promoter may engage in the same line of activity or business as that of our Company in India which could result in conflicts of interest with us. Further, our Directors, Key Managerial Personnel and Senior Management may have interests in our Company in addition to their remuneration and reimbursement of expenses.***

While our Promoter is currently not engaged in businesses that compete with ours in India, the Promoter may in the future engage in businesses that compete with ours because we do not have any exclusivity arrangement with them. This may give rise to conflicts of interest, which may adversely affect our business, financial condition and results of operations. For example, Hi-M Solutek India Private Limited, an indirectly wholly owned subsidiary of LG Electronics, specializes in LG commercial air conditioner service and maintenance. These services include the provision of system air conditioner construction materials, equipment integrated service and maintenance, building energy diagnosis and operation services, and special facility engineering services. Currently, Hi-M Solutek India Private Limited only provides services for our products. However, we do not have an exclusive contractual arrangement with them and there is no assurance that Hi-M Solutek India Private Limited will not expand their business in the future to compete with ours or to provide services for our competitors. Further, we depend on LG Electronics for our exports business. We typically service export orders received directly from LG Electronics and its affiliates or from distributors in the export country in coordination with the respective LG regional headquarters. We therefore will not be able to expand our exports business without the support of LG Electronics. Any failure or delay by LG Electronics or us in accessing the export markets at the optimal time could have a material adverse effect on our prospects and results of operations. For further details, see “– ***Our overseas operations involve challenges and risks that could increase our costs, adversely affect our results of operations and require increased time and attention from our management. Further, we depend on LG Electronics for our exports business. Any failure or delay by LG Electronics or us in accessing the export markets at the optimal time could have a material adverse effect on our results of operations and prospects***” on page 53.

Certain of our Directors, Key Managerial Personnel and Senior Management may be regarded as having an interest in our Company other than the reimbursement of expenses incurred and normal remuneration or benefits. For further details, see “***Our Management – Interest of Directors***” and “***Our Management – Interest of Key Managerial Personnel and Senior Management***” on page 211 and 223. Our Chief Accounting Officer, Atul Khanna and our Planning Head, Gurpinderjeet Singh, hold Equity Shares as nominees of LG Electronics. While no other Director, Key Managerial Personnel or Senior Management hold Equity Shares as on date, they may acquire our Equity Shares through public trade, as dividends, bonuses or other distributions in the future. Our Promoter, LG Electronics is also interested to the extent of Equity Shares held by it in the Company. Further, the Promoter is interested to the extent of the transactions entered into by them and the companies within the LG Group with our Company. For further details, see “– ***We have entered into and may continue to enter into related party transactions with LG Electronics and companies within the LG Group that may involve conflicts of interest, which could adversely impact our business***” on page 40. We cannot assure you that our Promoter, Directors, our Key Managerial Personnel and Senior Management will exercise their rights as shareholders to the benefit and best interest of our Company under all circumstances. For further details, see “***Capital Structure***” and “***Our Promoter and Promoter Group – Interests of our Promoter***” on pages 97 and 226 respectively.

- 3. Increases in the prices of raw materials required for our operations could adversely affect our business and results of operations.***

We source raw materials including steel, copper, aluminum, polymers and components such as semiconductors (primarily used in circuit boards), electromechanical parts (primarily used in electronic parts), open cells (primarily used in television modules) and packaging materials, among others, for our manufacturing operations from a combination of domestic and foreign suppliers. Some suppliers may depend on third parties for materials required to manufacture components for us. The table below shows the total purchases of raw materials and as a percentage of revenue from operations for the periods indicated:

Particulars	Three months ended June 30,				Fiscal			
	2024		2024		2023		2022	
	₹ million	% of revenue from operations*	₹ million	% of revenue from operations*	₹ million	% of revenue from operations *	₹ million	% of revenue from operations *
Purchases of raw materials	42,917.24	66.97%	152,586.08	71.46%	149,158.10	75.07%	121,221.19	71.45%

\* includes revenue from continuing and discontinued operations

For more details, see “*Management’s Discussion and Analysis of our Results of Operations*” on page 315.

Our suppliers’ ability to provide raw materials to us at competitive prices is affected by global commodity prices, inflation and our ability to negotiate with our suppliers effectively. For example, pricing and availability of commodities like steel, copper and aluminum can be volatile due to numerous factors beyond our control, including general domestic and international economic conditions, geopolitical tensions, extreme weather shocks, import duties and tariffs and foreign currency exchange rates, according to the Redseer Report. Any significant movement in global commodity prices and inflation beyond our expectations and budgets, could significantly increase our costs. Additionally, factors such as economic or political conditions of the countries where we procure supplies from, the military conflict between Russia and Ukraine, and in the Middle East, as well as the de-coupling of China and western economies, may result in increases in costs of raw materials, which could increase our production and delivery costs and reduce our margins. For example, we benefit from a concessional rate on customs duties for imports under the Free Trade Agreements (FTA) and Comprehensive Economic Partnership Agreements (“CEPA”) between the Association of Southeast Asian Nations (“ASEAN”) and governments of Korea and India. Any withdrawal or reduction in the trade concessions availed under such arrangements between India and other nations, or our inability to be eligible for such benefits could adversely affect us in terms of the applicable customs duties, which could significantly increase our costs for sourcing raw materials.

While our business has not been materially impacted by continued fluctuations in the cost of commodities, supply interruptions or shortages in the three months ended June 30, 2024 or Fiscal 2024, 2023 or 2022, the occurrence of such events in the future could cause our suppliers to increase their costs, which in turn may have an adverse impact on our ability to manufacture our products on time and in line with our targeted costs. For example, according to the Redseer Report, Fiscal 2022 began with a much severe second wave of COVID-19. State-imposed lockdowns, economic uncertainty, and a global shortage of semiconductor supply caused extended waiting periods that impacted sales, especially in the first half of the year. Although we did not face disruptions in the supply of semiconductor chips during this period as our Promoter, LG Electronics, had sufficient supplies available, there is no assurance that such shortages will not occur in the future. This in turn could have a material impact on our operations.

Further, there is no assurance that we will be successful in manufacturing our products within our budget or that we will be able to pass through these costs to our trade partners or consumers by increasing the price of our products in order to stay competitive. Failure to manage costs of procuring raw materials could have a material adverse impact on our business, financial condition and results of operations.

**4. Our top-five suppliers and top-10 suppliers contributed 21.45% and 31.44% of our total purchases of raw materials in the three months ended June 30, 2024, respectively. Further, we source certain raw materials from suppliers in select countries outside India. Any interruption in the availability of raw materials or supplier misconduct could adversely impact our business operations.**

While we generally source most of our raw materials from multiple suppliers, we depend on a limited number of suppliers for some of our key raw materials. For example, we depend on three steel manufacturers in India for pre-coated and galvanized steel (used across products to prevent rusting); we source majority of our acrylonitrile butadiene styrene resin (used for making plastic parts for our products) and expanded polystyrene resin (primarily used for packaging materials) from two suppliers; and a majority of internally grooved tubes (primarily used in air conditioners for heat/air exchangers) from a single supplier. The table below highlights the percentage of purchases of raw material from our top-five suppliers, top-10 suppliers, and related parties for the periods indicated:

Particulars	Three months ended June 30, 2024		Fiscal 2023		2022
	2024		2023		
	₹ million unless otherwise indicated				
Purchases of raw materials	42,917.24	152,586.08	149,158.10	121,221.19	
Top-five suppliers as a % of purchases of raw materials <sup>(1)(3)</sup>	21.45%	26.09%	22.85%	27.35%	
Top-10 suppliers as a % of purchases of raw materials <sup>(2)(3)</sup>	31.44%	36.78%	35.78%	40.78%	
Purchases of raw materials sourced from related parties <sup>(4)(5)</sup> as a % of purchases of raw materials	14.42%	17.06%	19.27%	20.96%	

(1) one of our top-five suppliers during the three months ended June 30, 2024, one of our top-five suppliers during Fiscal 2024, two of our top-five suppliers during Fiscal 2023 and three of our top-five suppliers during Fiscal 2022 are from related parties.

(2) two of our top-10 suppliers during the three months ended June 30, 2024, three of our top-10 suppliers during Fiscal 2024, four of our top-10 suppliers during Fiscal 2023 and four of our top-10 suppliers during Fiscal 2022 are from related parties.

(3) our top-five or top-ten suppliers are primarily located in India and Korea.

(4) raw materials sourced from related parties include chips, capacitors, ceramics, compressors, connectors, television display panels, among others.

(5) includes duties and handling charges and excludes goods in transit.

Any disruption in our relationship with key suppliers, or adverse changes affecting these key suppliers, could impact our ability to procure suppliers on time or at all, which in turn could adversely affect our business, financial condition and results of operations. Our contracts with our third-party raw material suppliers typically have a term of three years and can be renewed on mutually agreed terms. If we are unable to renew our arrangements with our third-party suppliers or retain our key suppliers on commercially favorable terms, we may have to seek alternative suppliers which may result in increased costs, impact quality and cause delays in our manufacturing and sale schedules, which in turn could adversely affect our business, financial condition and results of operations. In addition, any failure by our suppliers to provide raw materials on time, or at all, or to meet our specifications and quality standards, could adversely affect our ability to meet manufacturing and delivery schedules. While we have not had instances of rejecting supplies or delays in supplies other than in the ordinary course of business and in line with our production schedules in Fiscals 2022, 2023 and 2024, and in the three months ended June 30, 2024, there is no assurance that such instances will not occur. This in turn may negatively impact our business, results of operations and reputation.

We import certain raw materials. For example, we import open cells that are used in television display panels primarily from China and some from India; and certain electronic parts that are used in certain of our products from Korea and China. The table below highlights the percentage of raw materials sourced from suppliers in India and Korea for the periods indicated:

Particulars	Three months ended June 30, 2024		2024		Fiscal 2023		2022	
	% purchases of raw materials		% purchases of raw materials		% purchases of raw materials		% purchases of raw materials	
	₹ million		₹ million		₹ million		₹ million	
Purchases of raw materials sourced from India	25,014.64	58.29%	74,493.45	48.82%	75,297.02	50.48%	54,644.58	45.08%
Purchases of raw materials sourced from outside India	17,902.60	41.71%	78,092.63	51.18%	73,861.08	49.52%	66,576.61	54.92%
Purchases of raw materials sourced from Korea	8,970.03	20.90%	34,658.81	22.71%	34,597.41	23.20%	30,077.96	24.81%
Purchases of raw materials from other countries	8,932.57	20.81%	43,433.82	28.47%	39,263.67	26.32%	36,498.65	30.11%



Particulars	Three months ended June 30, 2024		2024		Fiscal 2023		2022	
	₹ million	% purchases of raw materials	₹ million	% purchases of raw materials	₹ million	% purchases of raw materials	₹ million	% purchases of raw materials
Purchases of raw materials	42,917.24	100.00%	152,586.08	100.00%	149,158.10	100.00%	121,221.19	100.00%

We are exposed to risks including, among others: (i) risks of damage, destruction or confiscation of raw materials while in transit to our distribution centers; (ii) foreign currency fluctuations; (iii) the effects of international and regional geopolitical dynamics, instability and conflicts, including the de-coupling of China and western economies; (iv) transportation and other delays in shipments, including as a result of heightened security screening, port congestion and inspection processes or other port-of-entry limitations or restrictions, (v) trade tariff developments, including import-related taxes, and (vi) negative incidents involving these regions. While we have not faced material disruptions in supplies due to these reasons in the three months ended June 30, 2024, and Fiscals 2024, 2023 and 2022, there is no assurance that these instances will not occur, which could have an adverse impact on our operations. See “– *Disruptions of transportation network and transportation infrastructure may have an adverse effect on our business and results of operations*” and “– *Our business is subject to costs, risks and uncertainties, including those associated with laws and regulations in the regions we operate. Breach of applicable laws and regulations could adversely affect our business, operations and reputation*” on page 48 and 56.

In addition, we provide detailed specifications for our components to our suppliers, which may include drawings, documents, samples and month-wise quantity projections, among others. While we have not had instances of breaches from our suppliers in the three months ended June 30, 2024 and in Fiscals 2024, 2023 and 2022, we are subject to risks that our suppliers may disclose our proprietary information to third parties without our consent despite the confidentiality clauses included in our agreements with such suppliers, which may cause our competitors to gain access to our processes and technologies, leading to a material adverse impact on our business, financial condition and results of operations. See also “– *We or LG Electronics may be unable to adequately protect our intellectual property rights, trade secrets and unpatented proprietary know-how, which may substantially harm our business*” on page 61.

5. *We derived 78.97%, 73.43%, 75.67% and 73.77% of our revenue from continuing operations for the three months ended June 30, 2024, and Fiscals 2024, 2023 and 2022, respectively, from our Home Appliances and Air Solution division. Further, the revenue from sales of refrigerators, washing machines, air conditioners and televisions contributed 33.71%, 18.36%, 22.08%, and 16.31%, respectively, of our total revenue from continuing operations in the three months ended June 30, 2024, respectively. Any factor that negatively affects the sale of these products could adversely affect our business, financial condition and results of operations.*

We derive a substantial portion of our revenue from the Home Appliances and Air Solution division covering products such as refrigerators, washing machines, air conditioners, water purifiers, air purifiers, dishwashers, microwave ovens, compressors and motors. The following table sets forth our revenue from operations from the Home Appliances and Air Solution division for the periods indicated, which are also expressed as a percentage of our revenue from continuing operations:

Particulars	Three months ended June 30, 2024		2024		Fiscal 2023		2022	
	₹ in million	% of revenue continuin g operatio ns	₹ in million	% of revenu e from continui ng operati ons	₹ in million	% of revenue from continui ng operatio ns	₹ in million	% of revenue from continuin g operatio ns
Home appliances and air solution division	50,609.38	78.97%	1,56,797.49	73.43%	1,50,306.78	75.67%	1,24,182.26	73.77%

Further, our major products include refrigerators, washing machines, air conditioners and televisions. The following table provides an overview of our revenue from continuing operations by segment and for major products for the periods indicated:

Particulars	Three months ended June 30, 2024		2024		Fiscal 2023		2022	
	₹ million	% of revenue from continui ng operati ons	₹ million	% of revenue from continui ng operati ons	₹ million	% of revenue from continui ng operati ons	₹ million	% of revenue from continui ng operati ons
<b>Home Appliance and Air Solution division</b>	<b>50,609.38</b>	<b>78.97%</b>	<b>156,797.49</b>	<b>73.43%</b>	<b>150,306.78</b>	<b>75.67%</b>	<b>124,182.26</b>	<b>73.77%</b>
Refrigerators	21,606.86	33.71%	57,844.93	27.09%	58,055.68	29.23%	49,482.70	29.40%
Washing machines	11,768.56	18.36%	44,919.38	21.04%	42,208.36	21.25%	36,168.01	21.48%
Air conditioners	14,148.19	22.08%	42,901.58	20.09%	39,906.05	20.09%	28,591.79	16.98%
Others <sup>(1)</sup>	3,085.77	4.82%	11,131.60	5.21%	10,136.69	5.10%	9,939.76	5.91%
<b>Home Entertainment division</b>	<b>13,478.59</b>	<b>21.03%</b>	<b>56,722.51</b>	<b>26.57%</b>	<b>48,339.15</b>	<b>24.33%</b>	<b>44,159.87</b>	<b>26.23%</b>
Televisions	10,455.89	16.31%	45,583.29	21.35%	39,320.27	19.79%	36,675.93	21.79%
Others <sup>(2)</sup>	3,022.70	4.72%	11,139.22	5.22%	9,018.88	4.54%	7,483.94	4.44%
<b>Total revenue from continuing operations</b>	<b>64,087.97</b>	<b>100.00%</b>	<b>213,520.00</b>	<b>100.00%</b>	<b>198,645.93</b>	<b>100.00%</b>	<b>168,342.13</b>	<b>100.00%</b>

(1) Others include water purifiers, air purifiers, dishwashers, microwave ovens, vacuum cleaners and compressors.

(2) Others include media display and audiovisual products, including monitors, interactive displays, and information systems, projectors, wireless speakers and earbuds.

Any factor that affects consumers' ability to purchase these products could have an adverse impact on our business. While the demand for these products has been increasing and the overall total addressable market for the India appliances and electronics brands is estimated at approximately ₹3,230 billion (US\$ 39 billion) in the six months ended June 30, 2024 (annualized) and is projected to reach approximately ₹5,690 billion (US\$ 69 billion) by CY2028, growing at a CAGR of ~15%, according to the Redseer report, there is no assurance that the demand for these products and the related technologies we offer will grow as predicted. Further, if we are unable to timely identify or effectively respond to evolving consumer tastes and preferences, to offer competitive products, our business, financial condition and results of operations may be adversely impacted. In addition, we remain vulnerable to risks of manufacturing disruptions, as well as the evolving preferences of our consumers, technological advancements as well as changing laws and regulations. Even if we seek to diversify our product portfolio or pivot to other products in response to market trends, there is no guarantee that such efforts will be successful. See *"- We may not timely identify or effectively respond to evolving consumer tastes and preferences, which could negatively affect our relationship with our trade partners and consumers, the demand for our products and services, and our market share"* on page 43.

**6. We may not be able to compete successfully in the highly competitive and fast evolving home appliances and consumer electronics markets which could have an adverse impact on our operations.**

As we operate in multiple product and service categories, we face a broad range of competition from existing and new competitors ranging from large multinational companies to highly specialized entities that focus on a limited number of products and services. We compete with global and Indian players in the consumer electronics and home appliances industry in India, such as Voltas, Havells, Godrej, Blue Star, Haier, Whirlpool, Philips, Samsung and Sony, among others. We also face competition from emerging business models, such as brands introduced by consumer electronics retail chains. According to the Redseer Report, the electronics and home appliances sector is experiencing heightened competition with international players, particularly Chinese brands, gaining ground in high-growth categories. The Redseer Report also notes that known for competitive pricing and rapid product cycles, these brands are pushing companies to differentiate through unique features, premium service quality, and innovation. To address this, many companies are increasingly focused on strengthening brand trust, enhancing

after-sales support, and expanding their R&D efforts to meet the evolving preferences of Indian consumers, according to the Redseer Report. Demand for our products can significantly decrease in a short period of time when new technologies are introduced, which could have an adverse impact on our operations.

We compete based on the following factors:

- ability to accurately identify and respond to emerging technological, regulatory and industry trends and consumer demands for product features and performance characteristics;
- product performance, quality and reliability;
- successful and timely development of new and innovative products and manufacturing processes;
- competitive pricing;
- close collaboration with industrial consumers on product development;
- effectiveness of design, manufacturing and sales and marketing efforts;
- consumer service, including after-sales service of products and technical support;
- successful and timely expansion of production capacity;
- ability to provide a stable supply of products in a timely manner to our trade partners and consumers; and
- brand recognition and financial strength.

Our existing and future competitors may have greater financial resources that can be devoted to design, innovation, development, manufacturing, marketing, sales, service and support of their products. They may also have technical and manufacturing capabilities and/or marketing, distribution and service network and brand recognition that is comparable to, or more developed than, our own. If the products of our competitors surpass ours in terms of quality or performance or are offered at more competitive prices, our market share for our segments, profitability and results of operations may be materially and adversely affected. We may also cease the sale of certain products or exiting specific segments due to intense competition, which may lead to low profitability. In addition, if our competitors consolidate or enter into other strategic partnerships or joint ventures, they may be able to achieve greater economies of scale. Further, any failure by us to develop new or enhanced technologies or processes, or to react to changes in existing technologies, could materially delay our development of new and enhanced products, which could result in the loss of competitiveness of our products, decreased revenue, require us to exit product categories, and a loss of market share to competitors. Additionally, an increase in competition could lower our product sales which may result in further downward pricing pressure and adversely affect our business, financial condition and results of operations.

- 7. We currently manufacture our products at the Noida Manufacturing Unit and the Pune Manufacturing Unit. Any disruptions or stoppages at our manufacturing units could adversely impact our business, financial condition and results of operations. Further, if we fail to maintain or increase the utilization levels of our manufacturing units, our business, future prospects and financial performance could be materially and adversely affected.***

We currently manufacture our products at the Noida Manufacturing Unit and the Pune Manufacturing Unit. Our manufacturing units are, and may continue, to be subject to operating risks, including but not limited to:

- forced or voluntary closure, including as a result of regulatory inspections or natural or man-made disasters at our facilities or our suppliers' facilities;
- manufacturing shutdowns or equipment breakdown or failure and industrial accidents;
- labor disputes, strikes or lock-outs;
- local community, political or other opposition;
- shortage of personnel;
- interruptions in supply of water and electricity or other resources;
- changes in applicable laws and regulations impacting our operations;
- failure or bottlenecks in production processes, especially due to inadequate supply of utilities such as power or water outages, wastage, yield losses; and
- other malicious acts, technical issues, terrorism, catastrophic events.

In particular, the manufacturing processes for our products are highly complex and often involve precise processes that require production in a tightly controlled environment. In addition, these manufacturing processes require the use of sophisticated and costly equipment, which is periodically modified and upgraded to improve manufacturing yields and product performance and to reduce manufacturing costs. We may also experience manufacturing

problems in our assembly and test operations and during the introduction of new packaging materials. These updates and migration to advanced technologies expose us to the risk that production difficulties will arise from time to time that could affect the interoperability of product lines, cause delivery delays, reduced output or both. Interruptions at any of our manufacturing units resulting in the failure to achieve acceptable manufacturing yields or inability to successfully and timely upgrade and implement advanced manufacturing technologies and processes could result in our inability to meet consumers' requirements and adversely affect our business, results of operations and financial condition. In addition, we deploy ANDON Systems (a system that quickly alerts operators about a problem on the production line) which gives each worker the right to stop a production line to control production quality in our manufacturing units. However, our production could face significant disruptions if a worker stops the line for reasons that are not related to production issues. We have had instances where we have suspended our manufacturing operations. For example, we suspended our operations at our Pune Manufacturing Unit and Noida Manufacturing Unit for safety reasons during the COVID-19 related lockdown for an aggregate of 57 days (in accordance with the mandate issued by the Government of India) in 2020. Additionally, we suspended operations for 17 days at the Noida Manufacturing Unit in 2021. This caused our production capacity at our manufacturing units to be underutilized in Fiscal 2021 and caused delays in deliveries of products to certain trade partners. Additionally, we regularly conduct planned shutdowns of our manufacturing units for preventive maintenance, typically at the end of June and December each year for both manufacturing units. While these stoppages did not have a material impact on our operations in the past, any prolonged disruptions at our manufacturing units could result in a lower capacity utilization, which in turn could have an adverse impact on our operations, our ability to meet our production schedules, our reputation, and our results of operations. For risks related to machinery and equipment used at our manufacturing units, see “– *We use heavy machinery at our manufacturing units which could cause bodily harm and accidents, which in turn could adversely impact our operations*” on page 58.

The following table sets forth our installed capacity, production volume and capacity utilization of our products at the two units for the periods indicated:

Manufacturing Unit	Three months ended June 30, 2024			2024			Fiscal 2023			2022		
	Installed capacity (1)	Production volume	Capacity utilization (%) (2)(3)	Installed capacity (1)	Production volume	Capacity utilization (%) (2)(3)	Installed capacity (1)	Production volume	Capacity utilization (%) (2)(3)	Installed capacity (1)	Production volume	Capacity utilization (%) (2)(3)
Noida.....	7,400,000	1,591,476	86.03%	7,400,000	5,466,598	73.87%	7,400,000	5,343,696	72.21%	6,815,000	4,543,517	66.67%
Pune.....	6,590,000	1,137,112	69.02%	6,590,000	4,474,809	67.90%	6,250,000	4,242,212	67.88%	6,608,367	3,571,369	54.04%
<b>Total .....</b>	<b>13,990,000</b>	<b>2,728,588</b>	<b>78.02%</b>	<b>13,990,000</b>	<b>9,941,407</b>	<b>71.06%</b>	<b>13,650,000</b>	<b>9,585,908</b>	<b>70.23%</b>	<b>13,423,367</b>	<b>8,114,886</b>	<b>60.45%</b>

Source: As certified by the Independent Chartered Engineer by way of certificate dated December 6, 2024.

(1) Installed capacity is calculated based on the following assumptions: Noida Manufacturing Plant: based on double shift (except microwave ovens) of eight hours for 293 working days. Pune Manufacturing Unit: based on a single shift of eight hours for 300 working days. The increased capacity in our Noida Manufacturing Unit from Fiscal 2022 to Fiscal 2023 was driven by the implementation of efficiency enhancing initiatives, including production loss reduction, machine cycle signal chart improvements, and product structures alternations. The increased capacity in our Pune Manufacturing Unit from Fiscal 2022 to Fiscal 2023 was driven by the addition of a production line for air conditioners, investment in a side-by-side refrigerator and mixed production line, upgradation of an existing lines, and machine cycle signal chart improvements. Our installed capacity at the Pune Manufacturing Unit decreased in Fiscal 2023 primarily due an to increase in demand for televisions of 32 inches and larger size. The turnaround time for manufacturing these televisions is longer compared to smaller size televisions which was in higher demand in Fiscal 2022. Our installed capacity increased in Fiscal 2024 primarily due to additional automation at the Pune Manufacturing Unit.

(2) Capacity utilization has been calculated on the basis of actual production during the relevant fiscal year/ period divided by the aggregate installed capacity of relevant manufacturing facilities as of the end of the relevant fiscal year/ period. In the case of capacity utilization for the three months ended June 30, 2023, and June 30, 2024, the capacity utilization has been calculated by dividing the actual production for the period by 25%.

If we overestimate the demand for any products due to changes in market trends and consumer demands, we may have an excess unutilized inventory or may incur costs of manufacturing additional products, capital cost, costs of storage and supplies. Any reduction in our capacity utilisation could limit our ability to leverage our economies of scale, thereby adversely affecting our margins and results of operations. Further, if we underestimate demand for our products, we may fail to order sufficient quantities of raw materials in a timely manner and the manufacturing schedule and delivery of products to our trade partners or consumers could be delayed, which could adversely impact our business, reputation, prospects, financial condition, results of operations and cash flows. Further, while we have measures in place to address additional demand such us increasing shifts, we may not be able to meet additional demand in a timely manner or increase our production if required as per market conditions if we continue to operate our manufacturing units at high utilization levels, which may lead to loss of market share and adverse impact on our business, reputation, prospects, growth in revenue, financial condition, results of operations and cash flows. We intend to set up a technologically advanced new manufacturing unit in the state of

Andhra Pradesh in the southern part of India. We also intend to enhance our existing manufacturing capabilities by implementing additional automation technologies at our manufacturing units. Our ability to build, operate and maintain additional production capacity and increase or diversify our output is subject to significant risks and uncertainties, which may include delays and cost overruns associated with the build-out of new or upgraded facilities, delays in obtaining necessary government approvals, disruptions of raw material supplies and labor, and equipment malfunctions or breakdowns. In addition, new or upgraded equipment may not perform at expected utilization levels, the yield and product quality of new equipment may differ from design specifications, and modifications may be necessary to correct equipment failing to perform as expected.

**8. Our Company and our Promoter are involved in outstanding legal proceedings and any adverse outcome in any of these proceedings may adversely impact our business, reputation, financial condition and results of operations.**

In the ordinary course of business, our Company, and our Promoter are involved in certain legal proceedings pending at different levels of adjudication before various courts and tribunals. A summary of outstanding litigation proceedings involving our Company and our Promoter, is disclosed in “*Outstanding Litigation and Material Developments*” on page 348 in terms of the SEBI ICDR Regulations is provided below:

Name	Criminal proceedings	Tax claims	Statutory or regulatory actions	Disciplinary actions by the SEBI or Stock Exchanges against the Promoter	Material pending civil litigation	Aggregate amount involved (in ₹ million) *
<b>Company</b>						
By our Company	3	NA	NA	NA	1	Nil
Against our Company	3	197	23	NA	802 <sup>^</sup>	41,807.58
<b>Promoter</b>						
By our Promoter	Nil	NA	NA	Nil	Nil	Nil
Against our Promoter	1	17	2	Nil	Nil	782.46 <sup>^^</sup>
<b>Directors</b>						
By our Directors	Nil	Nil	Nil	NA	Nil	Nil
Against our Directors	Nil	Nil	Nil	NA	Nil	Nil
<b>Group Companies</b>						
Outstanding litigation which may have a material impact on our Company				Nil		

<sup>\*</sup>To the extent quantifiable.

<sup>^</sup>As of the date of this Draft Red Herring Prospectus, there are 778 consumer proceedings involving our Company and the aggregate amount involved in such proceedings is ₹ 136.23 million.

<sup>^^</sup>Presented as converted taking into account foreign exchange rate as of June 30, 2024, for KRW, i.e., KRW 1.00 = ₹ 0.06.

Involvement in such proceedings could divert our management’s time and attention and consume financial resources. Furthermore, unfavorable orders could have an adverse impact on our business, financial condition and results of operations. While the major direct tax litigations on account of transfer pricing adjustment of advertising marketing and promotion and corporate tax adjustment of royalty have been decided in favor of our Company by the Income Tax Appellate Tribunal, these are subject to review by High Court, Allahabad, Uttar Pradesh, India. We cannot assure you that these legal proceedings will be decided in our favor and that no further liability will arise out of these proceedings or would not have a material adverse effect on the business, financial condition and results of operation of our Company. Even if we are successful in defending such cases, we may be subject to legal and other costs incurred pursuant to defending such litigation, and such costs may be substantial and not recoverable. Our Company is in the process of litigating these matters. While our Company has made provision for disputed matters in general, in the event of any adverse rulings in these proceedings or consequent levy of penalties including for amounts beyond the provisions currently made by us, we may need to make payments or make further provisions for future payments, which may increase expenses and current or contingent liabilities. For details of our contingent liabilities, see “*Summary of the Offer Document – Summary of contingent liabilities*” on page 16, and “– *We have certain contingent liabilities, which if materialize, may adversely affect our financial condition*” on page 49.

Additionally, there may be proceedings/ matters involving our Company before various legal/ judicial bodies including those that may be criminal, civil or tax matters in nature in relation to which our Company has not received any notice or summons or any other form of communication, or such proceedings may not have been admitted before the respective courts or adjudicating authority and accordingly such matters have not been disclosed in this Draft Red Herring Prospectus.

Furthermore, there may be certain outstanding matters, in the future, for which the aforementioned parties may not have been served with summons or relevant case documents, which may result in adverse findings against us. An adverse outcome in any of these proceedings, either individually or in aggregate, may affect our business, reputation, prospects, financial condition, results of operations and cash flows.

**9. We have entered into and may continue to enter into related party transactions with LG Electronics and companies within the LG Group that may involve conflicts of interest, which could adversely impact our business.**

We enter into transactions with our related parties including transactions in relation to the sale and purchase of raw materials, stores and spares and service components; sale of manufactured goods; sale and purchase of traded goods; service warranty claims received, and charges paid; and royalty payment. Further, we have entered into various agreements/transactions with our Promoter, LG Electronics, such as the License Agreement under which LG Electronics has granted our Company an exclusive, non-transferable, non-assignable and indivisible license to use its licensed brand, technology and technical know-how for the authorized products; for further details on the License Agreement, see “*History and Certain Corporate Matters – Key terms of other subsisting material agreements*” on page 204. For further details, see “*Summary of the Offer Document – Summary of related party transactions*” and “*Restated Financial Information – Note 28 – Related party transactions*” on pages 18 and 281, respectively. The following table provides a brief overview of our income and expenses attributable to our related party transactions for the periods indicated.

Particulars	Three months ended June 30,	Fiscal		
	2024	2024	2023	2022
	<i>₹ million unless otherwise indicated</i>			
<b>Total income*</b>	<b>64,667.97</b>	<b>215,571.18</b>	<b>201,122.30</b>	<b>171,713.46</b>
Total income from related parties	2,435.28	7,450.81	7,372.12	6,799.26
Income from related parties as a % of total income	3.77%	3.46%	3.67%	3.96%
<b>Total expenses*</b>	<b>55,543.87</b>	<b>195,200.01</b>	<b>182,961.01</b>	<b>155,815.82</b>
Expenses incurred in transactions with related parties	11,963.55	39,489.21	45,193.93	37,950.47
Expenses incurred in transactions with related parties as a % of total expenses	21.54%	20.23%	24.70%	24.36%

\* includes income from continuing and discontinued operations

While our related party transactions, as set forth in the Restated Financial Information, have been conducted on an arm’s length basis and follow the provisions of the Companies Act, 2013 and other applicable laws, we cannot assure you that we could not have achieved more favorable terms had such transactions not been entered into with related parties. It is likely that we may enter into related party transactions in the future. Further, all related party transactions that we may enter into post-listing will be subject to the approval of our Audit Committee and such related party transactions may also be subject to the approval of the Shareholders in accordance with the SEBI Listing Regulations and the Companies Act, 2013. There can be no assurance that such approvals will be granted in a timely manner, or at all. Any existing or future transactions with our related parties could potentially involve conflicts of interest which may be detrimental to our Company, and we cannot assure you that such conflicts of interest will be resolved in our favor. Furthermore, we cannot assure you that our existing agreements and any such future transactions will be in the interest of our Company and minority shareholders or will perform as expected. While we have not encountered any conflicts of interests from related party transactions with our related parties, there can be no assurance that we will be prioritized by the relevant related party, and that we will be able to address any conflicts of interest, that may arise in the future, in our favor. For more details about our relationship and transactions with LG Electronics, please see “*We are supported by LG Electronics, our Promoter, in various aspects of our business, and we pay royalties to them under the License Agreement (defined below). Any adverse change in our relationship with LG Electronics and the companies in the LG Group could have an adverse impact on our business, reputation, financial condition and results of operations*” on page 31.

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10. We sell our products through multiple distribution channels. Any disruption in this network could adversely affect our business and results of operations. Further, our top-10 sales trade partners contributed 33.50%, 36.91%, 34.64% and 29.08% for the three months ended June 30, 2024 and Fiscal 2024, 2023 and 2022, respectively, of our total sales value. Any disruption in our relationship with these trade partners could adversely impact our operations. In addition, any failure by our trade partners to strategically open retail touch points could adversely impact our operations and sales volumes.

We distribute a substantial portion of our products through third-party trade partners. The following table provides an overview of our consumer touch points by distribution channel for the periods indicated:

Particulars	Three months ended June 30,		Fiscal	
	2024	2024	2023	2022
<b>LG BrandShops<sup>(1)</sup></b>	<b>777</b>	<b>780</b>	<b>814</b>	<b>809</b>
<b>Modern trade<sup>(2)</sup></b>	<b>1,266</b>	<b>1,224</b>	<b>1,034</b>	<b>851</b>
<b>Online business</b>				
LG website	1	1	1	1
E-commerce <sup>(3)</sup>	2	2	2	2
<b>Traditional channels</b>				
Distributors and sub-dealers	<b>31,666</b>	<b>31,275</b>	<b>30,563</b>	<b>28,029</b>
Distributors	375	417	429	396
Sub-dealers	31,291 <sup>(4)</sup>	30,858	30,134	27,633
Multi-brand outlets <sup>(5)</sup>	1,218	1,272	1,341	1,638
Regional specialty stores (“RSS”) <sup>(6)</sup>	1,471	1,279	1,119	869
<b>Total</b>	<b>36,401</b>	<b>35,833</b>	<b>34,874</b>	<b>32,199</b>

(1) In the three months ended June 30, 2024, and Fiscals 2024, 2023 and 2022, we partnered with 619, 641, 643 and 647 LG BrandShop partners, respectively.

(2) In the three months ended June 30, 2024, and Fiscals 2024, 2023 and 2022, we partnered with three modern trade partners. These partners sell our products in their stores and through their websites. The modern trade partners are Reliance Retail, Croma (Infiniti Retail) and Vijay Sales

(3) Represents the e-commerce marketplaces where our e-commerce trade partners sell our products.

(4) The count of sub-dealers varies period-on-period based on the sales made by distributors to sub-dealers in a given period. As a result, and to facilitate comparability, the count of sub-dealers has been provided for the period from July 1, 2023 to June 30, 2024.

(5) In the three months ended June 30, 2024, and Fiscals 2024, 2023 and 2022, we partnered with 494,597, 649 and 648 multi-brand outlet partners, respectively.

(6) In the three months ended June 30, 2024, and Fiscals 2024, 2023 and 2022, we partnered with 19, 19, 18 and 15 RSS partners, respectively.

We service B2B consumers through a dedicated team of employees and B2B trade partners that have expertise across industries.

Please see “**Our Business – Distribution Channels**” on page 183 for a description of each type of trade partner.

The following table provides the sales value contribution by of our top-10 trade partners for the periods indicated:

Particulars	Three months ended June 30,		Fiscal	
	2024	2024	2023	2022
<b>Top-10 trade partners<sup>(1)</sup></b>	<b>33.50%</b>	<b>36.91%</b>	<b>34.64%</b>	<b>29.08%</b>

(1) Includes trade partners across modern trade, e-commerce and RSS categories.

If we are unable to provide adequate products to meet our trade partners’ demand due to insufficient manufacturing capacity, miscommunications, inaccurate demand forecast or otherwise, or otherwise experience a disruption in our relationships, our sales and services could be negatively affected. Our relationship with trade partners could be impacted if we fail to effectively manage promotions or provide incentives in a balanced manner across various distribution channels. While our trade partners are required to place orders for delivery of products under the distributorship agreements, there can be no assurance that they will do so consistently. For instance, trade partners may fail to maintain sufficient inventories due to late ordering as a result of difficulties in securing financing, which could be affected by macroeconomic conditions beyond their control. Since our trade partners have direct contact with the B2C consumers before they purchase our products, their conduct has a significant impact on the consumers’ perception of our products and our brand. Therefore, if our trade partners fail to adhere to the quality standards that we set for them it may negatively affect market perception of our products. We have closed consumer touch points in the ordinary course of business or as a result of strategic business decisions in the three months ended June 30, 2024 and in Fiscal 2024, 2023 and 2022, including due to insolvency of the trade parties.



The loss or termination of our contracts with one or more of our key trade partners or the failure of one or more of our key trade partners to effectively promote our products could negatively affect our ability to bring our products to market, which would adversely affect our business, results of operations and financial condition.

While our LG BrandShops and some of our trade partners exclusively sell our products, other trade partners typically do not have exclusive relationships with us and can distribute products of our competitors. Our sales could be negatively affected if our trade partners promote the brands or products of our competitors over ours. In addition, issues affecting trade partners such as adverse changes in the financial performance, bankruptcy, non-compliance of legal requirements, failure of their information systems or any security breach or any labor unrest and slowdowns, and the adverse effects of the seasonality of sales, could lead to fluctuations in our revenue and could also negatively affect our revenue and our reputation in the industry and amongst trade partners and consumers. Delays or defaults in payment by our trade partners could affect our cash flows and may adversely affect our business, financial condition and results of operations. We may also be subject to complaints, claims, disputes and negative allegations by our trade partners and therefore could incur substantial costs defending such claims. While we have not been subject to claims initiated by our trade partners in the three months ended June 30, 2024, or in Fiscals 2024, 2023 and 2022, there is no assurance that we will not be subject to such claims in the future. As a result, management resources could be diverted from our business towards defending these claims and our business, results of operations and financial condition could suffer. In addition, the locations of our retail touch points are critical to our success. We cannot assure you that the current locations of retail touch points will continue to be attractive as demographic patterns change, and the leases and relevant licenses can be renewed or extended on terms less favorable to our trade partners. If our trade partners are not able to maintain or open retail touch points in new locations for our consumers, it could have a material impact on our ability to sell our products.

***11. We may not timely identify or effectively respond to evolving consumer tastes and preferences, which could negatively affect our relationship with our trade partners and consumers, the demand for our products and services, and our market share.***

We strive to offer products with globally innovative technologies to India. We address the demand of Indian consumers by leveraging the global leadership of LG Electronics to introduce new and innovative products for our consumers in India, and where necessary, tailor some of these products to cater to Indian consumer preferences and local requirements. Therefore, our ability to compete in the highly competitive home appliances and consumer electronics markets characterized by rapidly changing technologies, evolving industry standards and continual improvements in performance characteristics and product features, which result in short product cycles, frequent introduction of new products and services and price erosion of existing products and services. According to the Redseer Report, Indian consumer's shift toward digital and connected lifestyles is shaping demand for advanced, internet-of-things-enabled, and user-friendly appliances. To remain competitive, companies must keep pace with innovations such as smart home compatibility, energy-efficient designs, and automation features, which require sustained research and development, and agile product development cycles, according to the Redseer Report.

Accordingly, our performance depends, to a significant extent, upon our and LG Electronics' ability to anticipate and respond to emerging industry standards and consumer preferences by ensuring developments of new products and services, and enhancements to existing products and services in a timely and cost-efficient manner, at a certain scale and profitably. The development of new products and customization of products to meet consumer requirements in India is a complex process that requires high levels of innovation and expenditures as well as the accurate anticipation of market trends and consumer preferences. There can be no assurance that we will succeed in focusing efforts on technologies that eventually become widely accepted, or on products that are timely released or commercially viable. We have discontinued certain products in India in the past. For example, we fully discontinued our Mobile Communication Division segment in Fiscal 2023. It was a result of the strategic decision taken by LG Electronics in Fiscal 2022 to exit the competitive mobile business unit at a global level, to enable us and the LG Group to focus resources in other growth areas. As another example, we discontinued the sale of ceiling fans in India because of low demand for premium fans, and we now only export such fans. There is no assurance we will not discontinue our existing or future products, which could result in the loss of investment in new products development, adversely affect our reputation, and negatively impact our business, operational results, and financial condition. See “ – ***We discontinued our Mobile Communication Division segment in Fiscal 2022. If we are unable to successfully operate our businesses, we may be required to discontinue certain operations which could have an adverse impact on our business, financial condition and results of operations***” on page 53.

Our ability to develop and manufacture commercially viable and high-quality products is affected by our ability to, among others, identify consumer needs, new technological trends (such as artificial intelligence (“AI”), telecommunications and automation, among others) and keep track of legal requirements (such as increasingly

stringent environmental regulations) in the home appliances and consumer electronics industries in India and in our export markets; have access to the latest technology; secure the necessary materials, components, services or licenses on acceptable terms and in a timely manner; upgrade our manufacturing units to accommodate these new trends; maintain effective and efficient quality and safety controls; hire qualified personnel and train our existing employees and contractual manpower; obtain the required regulatory approvals and certifications, and design and manufacture products without defects that require us to undertake repairs or recalls, among others. There is no assurance that our future product launches or offerings will achieve the anticipated success, which could adversely affect our business, financial condition, and results of operations. If we are unable to manage or prevent the above risks, our brand, reputation, and results of operations will be negatively impacted. Further, our failure to accurately estimate the supply and demand for our products may lead to a shortage or excess in inventory, which in turn could prevent us from effectively managing our manufacturing requirements, causing production delays.

***12. We or the LG Group may not succeed in continuing to establish, maintain and strengthen the “LG” brand and the “LG” brand could be harmed by complaints and negative publicity, in India and globally, which could have an adverse impact on our reputation, business, results of operations and financial condition.***

We depend on LG Electronics for the use of the “LG” brand, and we share the brand name with other companies within the LG Group. The success of our business depends on our and other companies within the LG Group’s ability to develop, maintain and strengthen the “LG” brand. To promote the “LG” brand further, we may be required to evolve our marketing practices, which could result in an increase in our costs. If we or companies within the LG Group fail to preserve the value of the “LG” brand, maintain our reputation, or attract consumers to our brand through, for example, launching innovative products or offering quality after-sale services to our consumers, our business could be adversely impacted.

Furthermore, our and the LG Group’s reputation and the “LG” brand is vulnerable to threats that can be difficult to predict or control, and costly or unfeasible to remediate. Since “LG” is a consumer facing brand, any negative publicity about us, the LG Group or the “LG” brand, whether as a result of our own or our third-party service providers’ actual or alleged conduct, complaints or negative reviews by consumers, alleged misconduct, unethical business practices, safety or security breaches, presence in certain countries, or other improper activities, or rumors relating to our or the LG Group’s business, directors, officers, employees or shareholders, could harm our reputation, business, financial condition and results of operations. These allegations, even if not proved, may lead to inquiries, investigations, or other legal actions against us which could cause us to incur significant costs to defend ourselves. We have faced instances of negative publicity in the past. For example, in April 2024, it was alleged that researchers found vulnerabilities in our smart TVs, which could potentially be targeted by hackers. While this instance did not have an adverse impact on our business, such instances could create a negative perception of our brand and impact our business, reputation, financial condition and results of operations. Any negative publicity regarding our or the LG Group’s suppliers or other business partners that we closely cooperate with, or any regulatory inquiries or investigations and lawsuits initiated against us or them, may also have an impact on the “LG” brand and our or the LG Group’s reputation, or subject us to regulatory inquiries or investigations or lawsuits. Our brand image may also be affected negatively if consumers believe we are no longer able to innovate and/or offer high-quality products and related services that meet evolving consumer demands which, in turn, would affect our sales volumes. Any deterioration in the quality or reputation of our brand could have an adverse effect on our business, financial condition and results of operations. For more details, see “– *We may not timely identify or effectively respond to evolving consumer tastes and preferences, which could negatively affect our relationship with our trade partners and consumers, the demand for our products and services, and our market share*” and “*Outstanding Litigation and Material Developments*” on pages 43 and 348, respectively.

***13. Our warranty reserves may be insufficient to cover future warranty claims, which could adversely affect our financial condition and results of operations.***

We are subject to warranty claims under warranty agreements. Under our general terms and conditions of sale and in accordance with industry practice, we typically provide a limited warranty on our products that is usually limited to repair or replacement of defective items or return of, or a credit with respect to, amounts paid for such items. The terms of the warranties that we provide differ depending on the type of product, consumer and geographic market. For more details on our warranties, see “*Our Business – Service and Consumer Support*” on page 179. The following table shows the warranty provision created for the period/year for the periods indicated:

Warranty provision created for the period / year	Three months ended June 30,			
	2024	2024	Fiscal 2023	2022
	(₹ million unless otherwise stated)			
Provisions for warranty	409.55	1,028.44	1,042.96	618.99
Number of warranty claims	224,016	634,516	577,178	460,767
Aggregate amount claimed/paid by our Company resulting from the warranty claims	292.54	891.49	955.51	713.41
Aggregate amount claimed/paid by our Company resulting from the warranty claims as a percentage of provision of warranty	71.43%	86.68%	91.62%	115.25%
Aggregate amount claimed/paid by our Company resulting from the warranty claims as a percentage of revenue from operations	0.46%	0.42%	0.48%	0.42%

We generally provision for warranty to cover future costs of warranty claims by our consumers and regularly evaluate the level of our provision for warranty and adjust it when appropriate. However, the aggregate amount claimed/paid by our Company resulting from the warranty claims exceeded our provisions for warranty in Fiscal 2022. In addition, if there is an increase in our sales volumes in line with our business strategy, we could experience an increase in the number of warranty claims and be required to increase our warranty provisions. These factors in turn could affect our business, financial condition, results of operations and prospects. For instance, there are consumer proceedings pending against our Company, in relation to warranty claims at various judicial fora. For more details, see “*Outstanding Litigation and Material Developments – Litigation involving our Company – Material civil litigation against our Company*” on page 353.

***14. Any actual or perceived defects in our products or services provided through us, trade partners or other third parties, or any accidents in connection with the use of our products may result in a decrease in trade partners, consumers, sales and market share, recalls, unexpected expenses and increased warranty and product liability claims and adversely impact our operations, brand and reputation.***

While we employ strict quality assurance procedures at key manufacturing stages to identify and resolve issues, our products may contain undetected defects, could be mis-labeled, have incorrect instructions or otherwise fail to perform as expected, especially when new products using the latest technologies are first introduced to the market. These defects could cause us to incur significant re-engineering costs, divert the attention of engineering personnel from product development efforts or lead to returns of our products, which could adversely affect our trader partner and consumer relations and business reputation. Our products may have defects that may require us to remedy these defects through recalls, replacements, repairs or repurchases. While we have not initiated product recalls in the three months ended June 30, 2024, or in Fiscals 2024, 2023 and 2022, we may have to recall our products in the future if we are unable to address a defect in a timely manner, and consumers’ confidence in us and in our products could be negatively impacted. In addition, consumers may experience injuries when using our products due to defects, incorrect usage, or other factors beyond our control. While we have not been subject to any material safety-related incidents that resulted in consumer claims in the three months ended June 30, 2024, or in Fiscals 2024, 2023 and 2022, any such incidents could lead to consumer claims, investigations, and a loss of confidence in our products, significantly impacting trade partner and consumer relations, reputation, sales, financial condition and results of operations.

We currently carry limited insurance coverage for product liability claims brought against us. For more details, please refer to “– *We rely primarily on third-party policies to insure our operations-related risks. If our insurance coverage is inadequate, it may have an adverse effect on our business, financial condition, and results of operations*” on page 59. In addition, the majority of our contracts with suppliers include indemnification provisions for liabilities arising from product defects. For instance, if any products or product lines are determined by our Company, governmental agencies, or courts to have defects, quality or performance deficiencies, or to be non-compliant with applicable standards or requirements, the suppliers shall: (i) rework or recall the products; and/or (ii) assist our Company in recalling the product line as directed. Additionally, the suppliers shall carry out all necessary corrective actions, including repairs or modifications to the affected products, at their own cost and expense. However, such recourses are subject to limitations set for certain contracts, and there is no assurance that we will be able to claim losses from suppliers due to product liability claims or recalls resulting from defective supplies. Any perceived or actual defect in our products or services provided by us, our trade partners or other third parties could also result in production delays, recalls, lost sales, governmental investigations, regulatory

actions, claims, lawsuits and settlements as well as monetary and reputational damage. In defending claims or regulatory actions, we could incur substantial costs and be subject to negative publicity. For example, certain consumer proceedings are pending against our Company, in relation to defects in our products, wrongful claims by our Company relating to non-payment of instalments by the consumers, warranty claims, among others, at various judicial forum. As a result, our business, financial condition and results of operations could suffer. For further details, please see “*Outstanding Litigation and Material Developments – Litigation involving our Company – Material civil litigation against our Company*” on page 353.

***15. Our operating results could be materially harmed if we are unable to accurately forecast consumer demand for our products or adequately manage our inventory.***

As we offer a diverse product portfolio, our business requires us to manage a large volume of inventory effectively. Demand for products, however, can change significantly between the date the raw materials are ordered and the date of sale. Demand may be affected by seasonality, new product launches, and rapid changes in product cycles and pricing, product defects, promotions, changes in consumer spending patterns, changes in consumer preferences with respect to our products and other factors, and our trade partners or consumers may not purchase products in the quantities that we expect. It may be difficult to accurately forecast demand and determine appropriate levels of product or componentry. While we operate distribution centers across India where we store our finished products that can be supplied to our various distribution channels, we may not effectively manage our inventory and may be subject to a heightened risk of inventory obsolescence, a decline in inventory values, and inventory write-downs or write-offs in the case of overestimation of consumer demand, or increased costs to secure necessary production and delivery delays in the case of underestimation of consumer demand. An inability to meet consumer demand and delays in the delivery of our products to our trade partners or consumers purchasing from the LG website could result in reputational harm and damaged trade partner and consumer relationships. In addition, if we are required to lower sale prices in order to reduce inventory level or to pay higher prices to our manufacturers and suppliers, our profit margins might be negatively affected. Any of the above may materially and adversely affect our business, financial condition and results of operations. Please also see “– *We operate a large distribution network to supply our finished products to our trade partners. Any disruption in our distribution network could have an adverse impact on our operations and financial condition*” on page 47.

***16. The technology, systems and software deployed in our products and operations are critical for our success and we rely on technology licensed from LG Electronics and third parties. Our failure to maintain, upgrade, integrate or adapt such technology and software, or renew key licensing agreements could adversely impact our operations.***

We deploy technology, systems or software in our products to enhance consumer experience. The marketability of our products and services may be adversely impacted if we are unable to maintain and improve the responsiveness, functionality and features of the technology, systems and software deployed in our products and our services. Any disruption or failure of the technology, systems or software could impair our relationships with our consumers, suppliers or trade partners, affect our production scheduling, and adversely impact our business financial condition and results of operations. Many of our products, such as home appliances, televisions, monitors, and digital signage displays, are manufactured using technology licensed software from third parties. For example, we license software from third-party software providers and engineering companies and use open-source software as well.

Some of the aspects of our operations include software covered by open-source licenses. The terms of open-source licenses are open to interpretation, and there is a risk that such licenses could be construed in a manner that imposes unanticipated conditions or restrictions on our operations. In such an event, we could be required to re-engineer all or a portion of our technologies, seek licenses from third parties, or otherwise be limited in the licensing of our technologies, each of which could reduce or eliminate the value of our technologies and offerings. If portions of our proprietary software are determined to be subject to an open source license, we could also be required to, under certain circumstances, publicly release or license, at no cost, our offerings that incorporate the open source software or the affected portions of our source code, which could allow our competitors or other third parties to create similar offerings with lower development effort, time, and costs, and could ultimately result in a loss of revenue for us. We cannot ensure that we have incorporated open-source software in our software in a manner that is consistent with the terms of the applicable license or our current policies, and we may inadvertently use open source in a manner that we do not intend or that could expose us to claims for breach of contract or intellectual property infringement, misappropriation, or other violation. If we fail to comply, or are alleged to have failed to comply, with the terms and conditions of our open source licenses, we could be required to incur significant legal expenses defending such allegations, be subject to significant damages, be enjoined from the sale of our products

and services and be required to comply with onerous conditions or restrictions on our products and services, any of which could be materially disruptive to our business.

We entered into technology licensing agreements with LG Electronics and various third parties for the use of intellectual property rights, some of which are integral in manufacturing our products, for which we make periodic or lump sum license fee payments. Additionally, we engage in cross-licensing arrangements that allow us to share intellectual property with other parties. If third parties withdraw their license or discontinue their relationship with us, it could significantly impact our business. Based on past experience and industry practice, we believe that such technology licenses generally can be obtained or renewed on acceptable terms. However, if we are unable to obtain or renew our technology licensing arrangements on acceptable terms, we may lose the legal right to use some of the technologies or the processes we deploy to manufacture our products.

There can be no assurance that key license agreements can be obtained or renewed on acceptable terms or at all, and failure to do so may have a material adverse impact on our business, results of operations and financial condition. Further, we depend on LG Electronics to provide us technology for our manufacturing operations and product innovations. Any failure by LG Electronics to provide these technologies to us on time could adversely impact our operations and may require us to delay production. This in turn could have an adverse impact on the marketability of our products, business, financial condition and results of operations. Further, the technologies that we use may be vulnerable to damage or interruption from power loss, telecommunications failures, errors, glitches, bugs, vulnerabilities, or design defects, among others, which could result in service interruptions or system failures. See also “– *Any actual or perceived cybersecurity or privacy breach could interrupt our operations, harm our brand and adversely affect our reputation, brand, business, financial condition and results of operations*” on page 63.

**17. We operate a large distribution network to supply our finished products to our trade partners. Any disruption in our distribution network could have an adverse impact on our operations and financial condition.**

We operate distribution centers across India where we store our finished products that can be supplied to our various distribution channels. We have two central distribution centers (“CDC”), each located near our manufacturing units in Noida and Pune. Products are transported from the CDCs to regional distribution centers (“RDC”) located throughout India, which function as warehouses. These RDCs then distribute products to various customer touch points. For more details on our distribution network, see “*Our Business – Distribution and Transportation*” on page 185. Our CDCs and RDCs are subject to risks such as fires and severe weather, which could damage these distribution centers, necessitate personnel evacuation and suspend operations. This could significantly disrupt our distribution network and reduce sales.

Our CDCs and RDCs are operated on a leasehold basis pursuant to lease agreements or leave and license agreements. Such agreements typically have a term of 11 months to 9 years. The following table provides a breakdown of our distribution centers across India and the total leased premises for the periods indicated:

Particulars	As of June 30,		As of March 31,		
	2024	2024	2023	2022	2022
<b>Central distribution center</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>2</b>
<b>Regional distribution centers</b>	<b>23</b>	<b>23</b>	<b>23</b>	<b>23</b>	<b>23</b>
North	5	5	5	5	5
South	8	8	8	8	8
East	5	5	5	5	5
West	5	5	5	5	5
<b>Total</b>	<b>25</b>	<b>25</b>	<b>25</b>	<b>25</b>	<b>25</b>
<b>Total leased area (million square feet) .</b>	<b>3.33</b>	<b>3.23</b>	<b>3.03</b>	<b>2.55</b>	<b>2.55</b>

We cannot assure you that the current locations of our CDCs and RDCs will continue to be suitable for us or that we will be successful in opening new CDCs and RDCs. Lease / license payments for our warehouses could increase substantially or demographic patterns may shift. Such reasons may require us to shut down our CDCs and RDCs or relocate them to less favorable locations. If we are unable to renew lease/license agreements for our existing warehouses cost-effectively, or if any such lease/license agreements are terminated, or if we are unable to open new warehouses at suitable locations on time, and on terms favorable to us, we may be compelled to reassess the feasibility of our existing warehouses, which may adversely impact our ability to serve wholesalers and retailers effectively and adversely impact our growth strategies. We have in the past relocated our distribution centers to larger spaces or to secure better rates or improved legal compliance, such as fire safety equipment and

we may continue this practice in the future from time to time. However, there is no assurance that such relocations or transitions will not disrupt our business operations. Further, the locations of our CDCs, RDCs and other offices are critical to our success. We cannot assure you that the current locations of centers and offices will continue to be attractive as demographic patterns change, and the leases and relevant licenses can be renewed or extended on terms less favorable to our trade partners. If we are not able to maintain or open CDCs, RDCs and other offices in new locations, it could have an adverse impact on our ability to effectively distribute our products.

**18. Disruptions of transportation network and transportation infrastructure may have an adverse effect on our business and results of operations.**

Our success depends on our ability to supply our products to all our sales trade partners on time. We utilize India's roadways and railways to transport our products across India. For exports, we arrange for shipments directly from our manufacturing units. The following table provides our freight and forwarding expenses and as a percentage of total revenue from operations for the periods indicated:

Particulars	Three months ended June 30, 2024		2024		Fiscal 2023		2022	
	₹ million	% of revenue from operations*	₹ million	% of revenue from operations *	₹ million	% of revenue from operations*	₹ million	% of revenue from operations*
Freight and forwarding	2,244.47	3.50%	7,630.72	3.57%	7,345.89	3.70%	6,099.45	3.60%

\* includes revenue from continuing and discontinued operations

We depend on the transportation and logistics networks, and the connectivity and conditions of the road, rail, sea and general transportation infrastructure in India and outside India. Delays in supply and transportation of our products to trade partners or consumers due to inadequacies of the transportation infrastructure in India, disruptions in railway, road or sea transportation networks due to weather related events, labor strikes, wars or otherwise, could impact our operations. While these instances did not have a significant impact on our operations, there is no assurance that such delays will not occur in the future. Further, while our transit insurance covers risk of damage and thefts, it does not cover delays in raw material supply, or transportation of our products to our trade partners and any claims brought against us by trade partners or consumers, which could require us to expend significant resources to defend such claims. This in turn could have a material impact on our financial condition.

While the Government of India has announced and implemented several initiatives such as National Infrastructure Pipeline, Gati Shakti Scheme and National Logistics Policy to improve the transportation infrastructure in the country, as per the Redseer Report, improvement in such infrastructure will involve major capital expenditure and policy and administrative focus. We cannot assure you that the road, rail and general transportation infrastructure will improve to a level or be maintained at such level that would result in improvement in our business or that the planned improvements to such infrastructure will be completed in a timely manner, or at all. Any disruption or failure of the transportation network in and outside India, could have an adverse impact on our supplies and production schedule as well as delivery of products to our trade partners, and consumers, and in turn have an adverse impact on our business, financial condition and results of operations.

**19. We primarily depend on LX Pantos for our transportation and warehouse logistics. Any failure by them to provide their service to us could have a material impact on our operations.**

We rely on third parties for transportation services for both domestic sales and exports. In particular, we significantly rely on our logistics partner, LX Pantos Solutions India Private Limited ("LX Pantos"), to manage warehousing and collaborate with third parties to operate our entire logistics chain, from our manufacturing units and distribution centers to retail touch points. We entered into a non-exclusive agreement with LX Pantos in 2016. While our contract with Pantos provides for periodic meetings to review the performance of LX Pantos, any failure, delay, or deficiency by LX Pantos in fulfilling their obligations could adversely impact our ability to meet our delivery schedule, which in turn could adversely impact our business, financial condition and results of operations. Additionally, there is no assurance that we will be able to renew our service agreements with LX Pantos and that LX Pantos will continue to provide transportation and logistics services to us, or that we will be prioritized by LX Pantos over their other clients. For our online direct to consumers channel, we partner with courier services to ensure last-mile connectivity and fast shipping. Any failure by these service providers to transport our products to trade partners or consumers on time and in marketable condition or any service deficiency caused by these service providers could have a material impact on our operations. Further, if we are unable to retain our key logistics service provider on commercially favorable terms, in particular, LX Pantos, we may have

to seek alternative service providers as replacements which may result in increased costs, impact quality and cause delays, which in turn could adversely affect our business, reputation, financial condition and results of operations.

**20. We have certain contingent liabilities, which if materialize, may adversely affect our financial condition.**

A) We have disclosed certain claims against the Company not acknowledged as debt in our Restated Financial Information. The following table sets forth details of our contingent liabilities as of June 30, 2024 and March 31, 2024, 2023 and 2022:

Particulars	As of June 30,		As of March 31,	
	2024	2024	2023	2022
	<i>₹ million</i>			
Claims against the Company not acknowledged as debt #				
(a) Demand notices from Central Excise/ Service Tax/ Customs Department:				
Total demand	2,246.55	2,250.82	2,242.99	4,521.17
Less: Provision	111.88	110.01	102.51	96.00
Total	2,134.67	2,140.81	2,140.48	4,425.17
(b) Demand notices from Sales Tax Department / goods and services tax (“GST”) Department:				
Total demand	3,270.37	3,125.20	1,160.27	940.47
Less: Provision	53.33	53.33	53.33	55.00
Total	3,217.04	3,071.87	1,106.94	885.47
(c) Demand from Income Tax Department:				
Total demand	22,500.56	22,500.43	22,198.00	25,039.21
Less: Provision	1,985.12	1,985.12	1,985.12	1,985.12
Total	20,515.44	20,515.31	20,212.88	23,054.09
(d) Other claims	281.84	275.94	253.73	236.64
Less: Provision	75.24	74.82	72.67	71.00
Total	206.60	201.12	181.06	165.64
Total demands	28,299.32	28,152.39	25,854.99	30,737.49
Less: Provision	2,225.57	2,223.28	2,213.63	2,207.12
<b>Grand total</b>	<b>26,073.75</b>	<b>25,929.11</b>	<b>23,641.36</b>	<b>28,530.37</b>

# Notes:

i) Based on the interpretation of the provisions of applicable Acts and in respect of other legal cases, we are of the opinion that the above demands are likely to be deleted or substantially reduced and accordingly no additional provision has been made.

ii) Excludes show cause notices replied by us. We have not yet heard from the appropriate authorities in the matter and is of the view that same are not contingent in nature.

iii) It is not practical for us to estimate the timing of cash outflows, if any, in respect of the above, pending resolution of the respective proceedings.

iv) During the year ended March 31, 2019, we had evaluated the impact of the Supreme Court Judgment in case of “Vivekananda Vidyamandir and Others Vs The Regional Provident Fund Commissioner (II) West Bengal” and the related circular (Circular No. C-1/1(33)2019/Vivekananda Vidya Mandir/284) dated March 20, 2019 issued by the Employees’ Provident Fund Organization in relation to non-exclusion of certain allowances from the definition of “basic wages” of the relevant employees for the purposes of determining contribution to provident fund under the Employees’ Provident Funds & Miscellaneous Provisions Act, 1952. In the assessment of the management which was supported by legal advice, the aforesaid matter was not likely to have a significant impact and accordingly, no provision has been made in the financial statements.

v) Amounts are as per demand order and include penalty and interest, wherever applicable.

**B) Contingency on advance pricing agreement of royalty**

We had accrued royalty expense and paid ₹1,215.08 million, ₹4,032.30 million, ₹3,232.44 million and ₹2,547.59 million for the three months period ended June 30, 2024 and Fiscals 2024, 2023 and 2022, respectively, to our holding company, LG Electronics, for the use of technology and brand name. The royalty was determined in accordance with the License Agreement, effective from April 1, 2016, as amended from time to time, between the Company and LG Electronics.

The License Agreement also provided for additional payment of royalty, which was contingent upon the approval of the application dated March 28, 2018 for Advance Pricing Agreement (“APA”) filed with the income-tax authorities in India and the Republic of Korea. The APA expired on March 31, 2023 and thereafter an application for extension was filed on March 31, 2023 covering Fiscals 2024 to 2028 as well. The possible obligation arising

from additional royalty payments based on the aforesaid revised license agreement amounting to ₹71,594.98 million, ₹67,436.64 million, ₹59,866.92 million and ₹52,856.46 million was disclosed as contingent liability as of June 30, 2024, March 31, 2024, March 31, 2023 and March 31, 2022, respectively.

On May 8, 2024, we and LG Electronics filed a Mutual Agreement Procedure (“MAP”) application with the respective Competent Authorities of India and the Republic of Korea, under Article 25(1) of the comprehensive agreements between India and the Republic of Korea to resolve the consequences of double taxation arising from certain transfer pricing tax adjustments made by the tax authority of the Republic of Korea on LG Electronics.

Subsequent to the three months period ended June 30, 2024, we entered into an addendum on November 18, 2024 to the License Agreement, aligning its royalty obligation to the amount accrued and paid for the respective years / periods and updated our APA application accordingly. We have withdrawn the APA extension application dated March 31, 2023 through our filing with the income-tax authority in India on November 20, 2024. Pursuant to the addendum dated November 18, 2024 and pending approval of the MAP application, the contingent liability determined on June 30, 2024 at ₹71,594.98 million has now been reduced to ₹3,153.00 million.

There can be no assurance that we will not have similar or increased levels of contingent liabilities in the current Fiscal. Our future contingent liabilities may crystallize and become actual liabilities. If any of our future contingent liabilities become actual liabilities, our business, financial condition, results of operations and cash flows may be adversely affected. For details regarding our contingent liabilities, see Note 31 to the Restated Financial Information. See “*Restated Financial Information – Note 31 –Contingent liabilities*” on page 288, and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations – Contingent Liabilities*” on page 335.

**21. We rely on other members of the LG Group and third parties to manufacture our stock-in-trade. Any disruptions in our relationship with or any deficiencies in products or service provided by our manufacturing partners could adversely affect our business and results of operations.**

We rely on other members of the LG Group and third parties to manufacture our stock-in-trade, which refers to finished products, such as audio systems, vacuum cleaners, dishwashers and air purifiers, that we source from other members of the LG Group and in some instances from third-parties and sell “as-is” without modifications under the LG brand. With respect to entry-level refrigerators, washing machines, window air conditioners and small-size televisions that are manufactured on a stock-in-trade basis, we typically provide blueprints, specifications and key materials to third-party suppliers to manufacture the products for us in India. The following table provides an overview of revenue generated from sale of stock-in-trade and purchase of stock-in-trade for the periods indicated:

Particulars	Three months ended				Fiscal			
	June 30, 2024		2024		2023		2022	
	₹ million	% of revenue from operations*	₹ million	% of revenue from operations*	₹ million	% of revenue from operations*	₹ million	% of revenue from operations*
Sale of stock-in-trade..	7,446.08	11.62%	23,488.07	11.00%	23,308.64	11.73%	20,519.60	12.09%
Purchases of stock-in-trade	5,638.68	8.80%	19,357.72	9.07%	18,787.63	9.46%	14,917.33	8.79%

\* includes revenue from continuing and discontinued operations

We rely on members of the LG Group or other third parties to supply sufficient quantities of stock-in-trade products that meet our specifications and quality standards on time. As our stock-in-trade suppliers within the LG Group may also serve other customers, there is no assurance that our product demands will always be met. For further details see, “- *We have entered into and may continue to enter into related party transactions with LG Electronics and companies within the LG Group that may involve conflicts of interest, which could adversely impact our business*” on page 40. Under our contracts with our third-party manufacturing partners, they are required to maintain sufficient production capacity and deliver replacement products for up to seven years from the date of manufacture of the original product. Any disruptions in our suppliers’ manufacturing and delivery, including their inability to maintain adequate product or replacement stock, often beyond our control, may occur. While we may claim damages for breaches, such actions can incur significant costs, divert management’s attention, and there’s no guarantee that issues will be resolved in our favor. Additionally, our suppliers may leak confidential information based on the blueprints and specifications we provide despite the confidentiality clauses included in our agreements with such suppliers. See also “- *We or LG Electronics may be unable to adequately protect our intellectual property rights, trade secrets and unpatented proprietary know-how, which may*



*substantially harm our business*” on page 61. Any of these occurrences could materially and adversely affect our business, financial condition and results of operations.

We may also experience operational difficulties with other members of the LG Group or third-party manufacturing partners, including reductions in the availability of production capacity, failure to comply with product specifications, insufficient quality control, failure to meet production deadlines, increases in manufacturing costs and longer lead time. Our manufacturing partners may experience disruptions in their manufacturing operations due to equipment breakdowns, labor strikes or shortages, natural disasters, component or material shortages, cost increases, violation of environmental, health or safety laws and regulations, or other problems. We may also have disputes with our manufacturing partners, which may result in litigation expenses, divert our management’s attention and cause supply shortages to us. In addition, we may not be able to identify manufacturing partners who are capable of producing new stock-in-trade products we target to launch in the future. While we have not been subject to any material incidents in relation to the supply of stock-in-trade products by our partner manufactures in the three months ended June 30, 2024, or in Fiscals 2024, 2023 and 2022, the occurrence of any of the foregoing in the future could have a material adverse effect on our business, financial condition and results of operations.

***22. We require certain approvals and licenses in the ordinary course of business, and the failure to obtain or retain them in a timely manner may adversely affect our operations.***

Our operations are subject to extensive government regulations, and we are required to obtain and maintain several statutory and regulatory permits, approvals, registrations and licenses under central, state and local government rules in India in order to carry out our business, which may be subject to various conditions pertaining to, among others, the use, handling, transportation, and disposal of certain materials during the manufacturing of our products. We have obtained a number of approvals required for our operations. For instance, to operate our Noida Manufacturing Unit and Pune Manufacturing Unit we require land use and environmental permits and other operating permits from central, state, and local government entities, such as consent and authorization under the Air (Prevention and Control of Pollution) Act, 1981, as amended and under the Water (Prevention and Control of Pollution) Act, 1974, as amended and fire licenses. In addition, to operate our branch offices, we require registration under the Shops and Establishment Act, 1948. There is no assurance that we will receive approvals for which we may submit applications, on time or at all. For example, our application for the renewal of the factory license for one of our service centers was not considered by the Labour Department, Government of NCT of Delhi, India, due to one of our erstwhile directors not meeting the KYC requirements under the Factories Act, 1948. However, as of the date of this Draft Red Herring Prospectus, the service center does not require a factory license, as our Company has temporarily ceased manufacturing operations at the facility. Failure by us to renew, maintain or obtain the required permits or approvals may result in the interruption of our operations and may have a material adverse effect on our business, financial condition, results of operations and cash flows.

While we currently have the necessary approvals to carry out and perform our current plans and operations at our manufacturing units, our approvals may expire in the ordinary course, and we may be required to make applications for such renewals. If we fail to obtain or retain any of these approvals or licenses, or renewals thereof, in a timely manner, it may disrupt our operations, result in the imposition of penalties and may adversely affect our operations, business and financial condition. See “*Government and Other Approvals – Pending Material Approvals*” on page 362. Some of our approvals are valid for a limited duration or are subject to certain conditions. We cannot assure you that these approvals would not be suspended or revoked in the event of, an alleged, non-compliance with any terms or conditions thereof, or pursuant to any regulatory action. If there is any failure by us to comply with the applicable regulations, or if the regulations governing our business are amended, we may incur increased costs, be subject to penalties, have our approvals and permits revoked or suffer a disruption in our operations. See also “– *Changing regulations in India could lead to new compliance requirements that are uncertain*” on page 70.

***23. There have been certain instances of delays in payment of statutory dues by our Company in the past. Any delay in payment of statutory dues by our Company in future, may result in the imposition of penalties and in turn may have an adverse effect on our Company’s business, financial condition, results of operation and cash flows.***

Our Company is required to pay certain statutory dues including provident fund contributions and employee state insurance contributions under the Employees’ Provident Funds and Miscellaneous Provisions Act, 1952 and the Employees’ State Insurance Act, 1948, respectively, and professional taxes. The table below sets forth the details of the statutory dues paid by our Company in relation to its employees for the period/years indicated below:

Nature of Payment	(₹ million)			
	Three months ending June 30, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Employee State Insurance Act, 1948	0.69	3.14	2.80	2.38
Gratuity	22.39	66.89	63.66	49.29
The Employees Provident Fund and Miscellaneous Provisions Act, 1952	173.81	669.64	617.27	575.66
Labour Welfare Fund	0.05	0.10	0.06	0.05
Professional taxes	0.96	4.11	3.95	3.95
Income Tax Act, 1961	255.00	1,430.76	1,316.67	1,167.13

The table below sets out details of the number of employees of our Company:

Particulars	As of June 30, 2024		As of March 31, 2023		2022
	2024	2024	2023	2022	
Total employees	3,693	3,705	3,596	3,520	

Further, the table below sets out details of the delays in statutory dues payable by our Company in relation to its employees for the period/years indicated below:

Particulars	Number of Employees	Amount Delayed (₹ million)	Number of Instances	Number of Days Delay <sup>^s</sup>
<b>The Employees Provident Fund and Miscellaneous Provisions Act, 1952</b>				
As of Fiscal 2024.....	974	7.43	1	18
As of Fiscal 2022	99	1.70	1	10
<b>Employee State Insurance Act, 1948</b>				
As of Fiscal 2022	61	0.03	1	3
<b>Professional Taxes</b>				
As of June 30, 2024	278	0.06	19	Multiple Dates*
As of Fiscal 2024	1,202	0.31	72	Multiple Dates*
As of Fiscal 2023	1,630	0.38	89	Multiple Dates*
As of Fiscal 2022	1,486	0.31	91	Multiple Dates*
<b>Labour Welfare Fund</b>				
As of June 30, 2024	66	0.04	3	Multiple Dates*
As of Fiscal 2024	65	0.05	3	Multiple Dates*
As of Fiscal 2023	179	0.06	6	Multiple Dates*
As of Fiscal 2022	162	0.03	6	Multiple Dates*

\*The delay of the relevant instances is not for the same number days in each case.

^The delays were primarily due to technical issues and administrative errors, among others.

§Delays in the remittance towards the employee provident fund on account of know-your customer mismatch of the employees are not included in the above table.

Particulars	Three months ended June 30, 2024	Fiscal 2024	Fiscal 2023	Total as on June 30, 2024
	(A)	(B)	(C)	(D) = (A + B + C)
Number of employees	4	9	12	25
Amount of delay (₹ millions)	0.17	0.73	0.88	1.78

We cannot assure you that going forward, we will be able to make timely payment of our statutory dues which could result into us paying interest on the delay in payment of statutory dues or that we will not be subject to action by the authorities.

**24. Our success depends on our ability to provide effective services. Any disruption in our service offerings**

*could adversely affect our reputation, business and financial condition.*

We operate a pan-India service network to offer engineering services to our consumers on demand, including repairs, replacements, installation and maintenance. The following table provides an overview of the revenue earned from rendering of services for the periods indicated and as a percentage of revenue from operations:

Particulars	Three months ended June 30,				Fiscal			
	2024		2024		2023		2022	
	₹ million	% revenue from operations*	₹ million	% revenue from operations*	₹ million	% revenue from operations*	₹ million	% revenue from operations*
Rendering of services	1,785.32	2.79%	5,769.14	2.70%	4,846.26	2.44%	4,088.43	2.41%

\* includes revenue from continuing and discontinued operations

The following table provides an overview of our consumer service reach for the periods indicated:

Particulars	As of June 30,		As of March 31,	
	2024	2024	2023	2022
LG centers (LGC) <sup>(1)</sup>	56	56	55	48
Exclusive service centers (ESC) <sup>(2)</sup>	893	885	872	853
<b>Total service touch points</b>	<b>949</b>	<b>941</b>	<b>927</b>	<b>901</b>
Spare warehouses <sup>(3)</sup>	10	10	10	10
Engineers deployed at LGCs and ESCs	12,590	12,081	11,195	11,197

(1) including LG centers that also function as spare warehouses

(2) operated by third-parties

(3) excluding LG centers that also function as spare warehouses

Under our contracts with ESC service providers, the service providers agree to operate exclusive service centers. These contracts typically have a term of one year and can be terminated by either party by giving a notice of 30 days. While we require ESC service providers to adhere to our service standards and meet certain requirements, there is no assurance that our ESC service providers will provide these services on time or as per our requirements, which may lead to consumer dissatisfaction and adversely affect our brand, reputation, financial condition and results of operations.

We engage engineers at the LGCs through outsourcing manpower agencies. Operators of ESCs engage engineers directly. These engineers are engaged on a contractual, non-exclusive basis and their term of engagement is typically 12 months. The agreements with engineers may be terminated by either party with one month's prior written notice. While we have not faced such instances in the past, if we or our third-party operators of service centers are not able to hire engineers on time or at all, our ability to provide services may be adversely impacted. This in turn could impact our reputation, financial condition and results of operations. In addition, we operate an in-house call center in Greater Noida and three outsourced call centers to provide consumer services. While we have not been subject to material negative publicity related to our service offerings in three months ended June 30, 2024 and Fiscal 2024, 2023 and 2022, if we, our engineers or call center personnel fail to provide high quality services in a consistent manner, including addressing consumers' questions to their satisfaction, our relationship with consumers and trade partners, reputation, financial condition and results of operations could be adversely affected. We are also subject to risks related to services provided by contractors and consultants. Please refer to “– We depend on contractors for some of our operations, and their failure to provide their services on time or at all may adversely affect our business and profitability” on page 58.

**25. We discontinued our Mobile Communication Division segment in Fiscal 2022. If we are unable to successfully operate our businesses, we may be required to discontinue certain operations which could have an adverse impact on our business, financial condition and results of operations.**

Until the first quarter of Fiscal 2023, we had a third segment - Mobile Communication Division covering LG phones and related parts. We fully discontinued our Mobile Communication Division segment in Fiscal 2023. It was a result of the strategic decision taken by LG Electronics in Fiscal 2022 to exit the competitive mobile business unit at a global level, to enable us and the LG Group to focus resources in other growth areas. In Fiscal 2023 and Fiscal 2022, we derived losses of ₹42.00 million and ₹417.99 million of our revenue from operations from the Mobile Communication Division, constituting 0.02% and 0.78% of our revenue from operations, respectively. If we are unable to successfully operate our businesses, we may be required to discontinue certain operations which could have an adverse impact on our business, financial condition and results of operations.

26. *Our overseas operations involve challenges and risks that could increase our costs, adversely affect our results of operations and require increased time and attention from our management. Further, we depend on LG Electronics for our exports business. Any failure or delay by LG Electronics or us in accessing the export markets at the optimal time could have a material adverse effect on our results of operations and prospects.*

We export our products to various regions outside India, including countries in Africa, Asia and Europe. The following table provides a geographic breakdown of our revenue from operations for the periods indicated:

Particulars	Three months ended June 30, 2024		2024		Fiscal 2023		2022	
	% of revenue from		% of revenue from		% of revenue from		% of revenue from	
	₹ million	operations*	₹ million	operations*	₹ million	operations*	₹ million	operations*
Domestic	60,507.68	94.41%	203,635.32	95.37%	189,137.76	95.20%	161,474.02	95.18%
Africa <sup>(1)</sup>	521.39	0.81%	1,693.39	0.79%	1,777.06	0.89%	1,395.80	0.82%
Asia (excluding India) <sup>(2)</sup>	3,054.51	4.77%	8,162.78	3.83%	7,728.49	3.89%	6,716.16	3.96%
Europe <sup>(3)</sup>	0.02	0.00%	0.51	0.00%	11.48	0.01%	6.78	0.00%
Others <sup>(4)</sup>	4.37	0.01%	28.00	0.01%	27.60	0.01%	64.49	0.04%
<b>Revenue from operations ...</b>	<b>64,087.97</b>	<b>100.00%</b>	<b>213,520.00</b>	<b>100.00%</b>	<b>198,682.39</b>	<b>100.00%</b>	<b>169,657.25</b>	<b>100.00%</b>

- (1) includes Algeria, Benin, Cameroon, Cape Verde (Fiscals 2022, 2023 and 2024), Congo (Fiscals 2022, 2023 and 2024), Côte d'Ivoire (Fiscals 2022, 2023 and 2024), Egypt (Fiscals 2022, 2023 and 2024), Ethiopia (Fiscals 2022, 2023 and 2024), Gabon, Gambia, Ghana, Guinea (Fiscals 2022, 2023 and 2024), Kenya, Liberia (Fiscal 2022), Libya, Mauritania (Fiscal 2023), Mauritius, Madagascar (Fiscals 2023 and 2024 and three months ended June 30, 2024), Morocco, Nigeria, São Tomé (Fiscals 2022 and 2023 and three months ended June 30, 2024), Senegal, Seychelles (Fiscals 2023 and 2024), Somalia, South Africa (Fiscals 2022, 2023 and 2024), Sudan (Fiscals 2022, 2023 and 2024), Tanzania, Togo (Fiscals 2022, 2023 and 2024), Tunisia, Zambia (Fiscals 2022, 2023 and 2024) and Zimbabwe.
- (2) includes Azerbaijan, Bahrain, Bangladesh, Brunei, Cambodia (Fiscals 2022 and 2023), China, Hong Kong Special Administrative Region of China (Fiscals 2022 and 2024), Indonesia, Iraq, Israel, Jordan, Kazakhstan, Lebanon, Malaysia, Maldives (Fiscal 2023), Nepal, Oman, Philippines, Qatar, Republic of Korea, Russian Federation (Fiscal 2022), Saudi Arabia, Singapore, Sri Lanka, Taiwan, Thailand, Turkey, United Arab Emirates, Vietnam and Yemen.
- (3) includes Ecuador (Fiscal 2022), France (Fiscal 2023), Georgia, Greece (Fiscals 2022 and 2023), Italy (Fiscal 2022), Netherlands, Poland (Fiscals 2022, 2023 and 2024) and Spain.
- (4) includes Argentina (Fiscals 2022 and 2023), Australia, Canada (Fiscals 2022 and 2023 and three months ended June 30, 2024), Chile, Dominican Republic (Fiscals 2023 and 2024), Fiji, Mexico, Panama, Peru (Fiscal 2024), Puerto Rico (Fiscal 2023) and United States.
- \*includes revenue from continuing and discontinued operations

The demand for and market acceptance of our products marketed and sold abroad are subject to a high level of uncertainty and heavily influenced by local conditions. The risks associated with our overseas operations include, among others: (i) exchange rate fluctuations; (ii) foreign exchange controls and fund restrictions on fund repatriation; (iii) expenses associated with understanding and analyzing overseas markets, monitoring regional and local economic, industry and consumer trends, and developing and maintaining efficient production, marketing and distribution presence in such markets; (iv) developing and maintaining consumer relations, and providing quality consumer service and support; (v) expenses incurred and difficulties in connection with compliance with local commercial and legal requirements, including labor, environment and industry-specific regulations; (vi) unanticipated changes in regional and local economic conditions; (vii) difficulty in obtaining or enforcing intellectual property rights; (viii) political instability and civil unrest, cultural or regional conflicts and labor disputes; and (ix) trade barriers, such as economic sanctions, local content requirements, tariffs, taxes and other restrictions and expenses. The likelihood of these risks materializing and the extent of their potential impact on our business would vary by locality and are difficult to predict with any degree of certainty. No assurance can be provided that our exposure to these risks, which may intensify as we expand our overseas operations, will not adversely affect our business, prospects, financial conditions and results of operations.

For exports, we typically service export orders received directly from LG Electronics and its affiliates or from distributors in the export country in coordination with the respective LG regional headquarters. LG Electronics enters into agreements with these distributors pursuant to which these distributors agree to purchase products from us (as an affiliate of LG Electronics) for sale directly to consumers or to their authorized dealers in the assigned region. The supply price of products is determined separately for each purchase order as agreed with us, LG Electronics and the distributor. Any failure or delay by LG Electronics or us in accessing the export markets at the optimal time could have a material adverse effect on our prospects and results of operations. For risks related to conflicts of interest, see “ – *It is possible that the Promoter may engage in the same line of activity or business*

as that of our Company in India which could result in conflicts of interest with us. Further, our Directors, Key Managerial Personnel and Senior Management may have interests in our Company in addition to their remuneration and reimbursement of expenses” on page 33.

**27. Our business depends substantially on the continued efforts of our management including members of our Senior Management and other qualified personnel and our operations may be disrupted if we lose their services.**

Our success depends to a significant extent on its ability to attract, train and retain qualified senior management, engineers and technical personnel. In particular, we place a great emphasis on our manufacturing/production team to continually bring to market innovative products in response to rapidly evolving consumer preferences and technology developments. For details of our Managing Director, Whole-time Director and Chief Financial Officer and Senior Management, see “*Our Management – Board of Directors*” and “*Our Management – Our Key Managerial Personnel of our Company*” on pages 207 and 220, respectively.

There is substantial competition for top personnel in the electronics and information technology industries, and there can be no assurance that we will be able to attract or retain them. If one or more of our members of the Senior Management or Managing Director or Whole-time Director and Chief Financial Officer or other qualified personnel are unable or unwilling to continue their services with us or our Promoter discontinues to provide us such experienced personnel, it could be difficult to find and integrate replacement personnel in a timely manner, or at all. This in turn could have a material adverse impact on our business, results of operations, financial position and cash flows. The table below provides our employee attrition rates for the periods indicated:

Particulars	Three months ended June 30,		Fiscal	
	2024	2024	2023	2022
			%	
Employee – Attrition Rate <sup>(1)</sup>	3.08%	9.51%	10.99%	9.69%
Key Managerial Personnel and Senior Managerial Personnel – Attrition Rate <sup>(2)</sup>	0.00%	0.00%	8.33%	0.00%

(1) Employees exited during the period/ fiscal divided by the average number of employees for the period/ fiscal. The average number of employees is computed as average of number of employees at the beginning and end of the period/ year.

(2) Key Managerial Personnel and Senior Managerial Personnel exited during the period/ fiscal divided by the average number of Key Managerial Personnel and Senior Managerial Personnel during the period/ fiscal. The average number of Key Managerial Personnel and Senior Managerial Personnel is computed as average of number of Key Managerial Personnel and Senior Managerial Personnel at the beginning and end of the period/ year.

If our Managing Director or any of the members of our Senior Management or other qualified personnel terminates their services with us due to disability or any other reason, or if their reputation is adversely impacted by personal actions or omissions or other events within or outside their control, our business may be disrupted, our business, financial condition and results of operations may be materially and adversely affected and we may incur additional expenses to recruit, train, and retain qualified personnel. Each of our key personnel has entered into a confidentiality agreement. However, if any disputes arise with the employees, there can be no assurance as to the extent to which we will be able to effectively enforce such agreements. Consequently, if any of our Senior Management other qualified personnel joins a competitor or forms a competing company, we may lose trade partners, consumers, know-how and key professionals and staff members. If we are unable to effectively manage our hiring needs or successfully integrate and retain new hires, our efficiency, ability to meet forecasts and productivity levels could suffer, which could adversely affect our business, financial condition, results of operations and cash flows.

**28. We source some of the manufacturing equipment and spare parts for our manufacturing units from third parties. Any failure to source equipment and spare parts on time or at terms reasonable to us could have a material adverse impact on our operations.**

We source a majority of our manufacturing equipment and spare parts for our operations from third parties, including LG Electronics. From time to time, increased demand for new equipment may cause lead times to extend beyond those normally required by the equipment suppliers. Any significant damage to, or breakdown of, our manufacturing equipment could cause material interruptions to our production operations. In addition, unavailability of equipment, delays in delivery of key equipment, or failure of equipment to meet our specifications could delay implementation of our expansion plans and impair our ability to meet trade partner or consumer orders. While we may be able to make a claim against the applicable warranty to cover all or a portion of the expenses or losses associated with defective equipment or spare parts, such claims may not be sufficient to

cover all our expenses and losses as they are often subject to caps and our ability to recover is necessarily limited by the suppliers' ability to pay. As we expand our operations, we cannot assure you that we will be able to obtain equipment and spare parts on commercially acceptable terms, or at all. Any failure to obtain equipment and spare parts or continued downtime of our equipment and spare parts, could impact our ability to meet our production requirements which could have a material adverse effect on our business, prospects, financial condition and results of operations. See also “– *The technology, systems and software deployed in our products and operations are critical for our success and we rely on technology licensed from LG Electronics and third parties. Our failure to maintain, upgrade, integrate or adapt such technology and software, or renew key licensing agreements could adversely impact our operations*” on page 46.

**29. Our business depends on adequate and uninterrupted availability of electrical power and water, and any disruption in supply may have an adverse impact on our operations.**

Adequate and uninterrupted supply of electrical power and water is critical to our operations. There may be disruptions in power supply due to natural calamities or scarcity of fuel supply at our manufacturing units from time to time. Prolonged disruptions in the availability of power and fuel could require us to suspend our operations. We may also be affected by an increase in power and fuel costs that we may not be able to adequately pass on to our consumers. While we have not faced an adverse impact due to the increase in fuel and electricity costs on our operations in the three months ended June 30, 2024 and in Fiscals 2024, 2023 and 2022, any significant increase in the cost of electricity and fuel could adversely affect our profitability and operating margins. Operations at our manufacturing units also depend on a steady supply of water. We use ground water in our Noida Manufacturing Unit for which we require a capacity license and there is no assurance that we will obtain the necessary permissions if additional capacity is required. In addition, we rely on the government authority to supply water for our Pune Manufacturing Unit. If there is an insufficient supply of water for our operations, we may need to limit or delay or suspend our operations, which could adversely affect our business, financial condition and results of operations.

**30. The unavailability, reduction or elimination of government incentives could have a material adverse effect on our business, prospects, financial condition, results of operations and cash flows.**

We benefit from several incentives offered by the Government of India and state governments in India. For example, our Company is eligible for certain benefits based on the investments made between November 1, 2017 to October 30, 2025, in Maharashtra under the Package Scheme of Incentives, 2013 and the Maharashtra Electronics Policy, 2016. Similarly, our Company is eligible for financial incentives under the Infrastructure and Industrial Investment Policy, 2012, of Government of Uttar Pradesh, India. Further, we also benefit from a concessional rate on customs duties for imports under the FTAs and CEPAs between ASEAN, Korea and India. The following table provides income earned from our incentives for the periods indicated:

Particulars	Three months ended June 30,	2024	Fiscal	2022
	2024		2023	
₹ million				
Duty drawback and other export incentives	87.55	264.72	255.85	351.94
Government grant related to revenue	688.56	524.27	442.90	249.17
<b>Total</b>	<b>776.11</b>	<b>788.99</b>	<b>698.75</b>	<b>601.11</b>

Delay in receiving incentives from government bodies, or a reduction in, elimination of or unfavorable application of government incentives because of policy changes, may adversely affect our financial condition and results of operations. There may be opportunities for us to apply for other incentives from the Indian central or state government and foreign governments in the future. Our ability to obtain subsidies or incentives from governments is subject to meeting certain revenue targets, availability of funds and total funds allocated under applicable government schemes and the approval of our applications to participate in such schemes. Any failure to maintain such requirements would result in ineligibility for claiming incentive in that particular year. If such incentives are not rolled out or if we do not benefit from such subsidies, our business, prospects, financial condition, results of operations and cash flows may be materially adversely affected.

**31. Our business is subject to costs, risks and uncertainties, including those associated with laws and regulations in the regions we operate. Breach of applicable laws and regulations could adversely affect our business, operations and reputation.**

Our business, operations and manufacturing processes are subject to various domestic, regional, and foreign laws and regulations governing, among other things, Companies Act, Competition Act, Foreign Exchange Management Act, Legal Metrology Act and applicable tax laws. We have incurred, and will continue to incur, substantial ongoing capital and operating expenditures to ensure compliance with current and future regulatory framework. Violations of such laws and regulations could result in the imposition of significant fines and penalties, the suspension, revocation or non-renewal of our permits, production delays or limitations, imposition of terms of imprisonment or the closure of our manufacturing units. From time to time, the Government of India and certain state governments introduce various new laws and regulations (some of which could be applied retrospectively) that impact the costs of our products, sales, profit margins and results of operations. For instance, pursuant to the environmental compensation guidelines under E-waste Rules dated September 9, 2024, issued by the Central Pollution Control Board, Ministry of Environment, Forest and Climate Change, Government of India, the lowest price for exchange of extended producer's responsibility certificate increased, which had a significant financial impact on our Company. For details regarding laws applicable to our Company, please see "**Key Regulations and Policies**" on page 191.

We are also subject to anti-dumping regulations. For example, certain imports from one of our Group Companies, are subject to anti-dumping duty, as per notification no. 03/2024 - Customs (ADD) dated March 16, 2024, issued by the Ministry of Finance, Department of Revenue, India. If we are unable to comply with any applicable laws, our business, results of operations and financial condition could be adversely affected. Further, changes in domestic and foreign laws, regulations and policies, as well as changes in policies relating to foreign trade and investment, may affect our ability to operate and the manner in which we manage our business in the countries in which we operate.

**32. *We and our Promoter are potentially subject to laws related to anti-corruption, anti-bribery, anti-money laundering, financial and applicable primary and secondary economic sanctions and similar laws of the US and EU or other jurisdictions, and non-compliance with such laws can subject us to administrative, civil and criminal fines and penalties, all of which could adversely affect our business, prospects, financial condition, results of operations and cash flows.***

Our Promoter and our Company are subject to anti-corruption, anti-bribery, anti-money laundering, and similar laws and regulations in various jurisdictions in which we conduct or in the future may conduct activities, including the Prevention of Money Laundering Act, 2002, Prevention of Corruption Act, 1988, U.S. Foreign Corrupt Practices Act ("**FCPA**"), and other applicable anti-corruption laws and regulations. Such laws prohibit us and our officers, directors, employees and business partners acting on our behalf, including agents, from corruptly offering, promising, authorizing or providing anything of value to a "foreign official" for the purposes of influencing official decisions or obtaining or retaining business or otherwise obtaining favorable treatment. Such laws also require companies to make and keep books, records and accounts that accurately reflect transactions and dispositions of assets and to maintain a system of adequate internal accounting controls. A violation of these laws or regulations could lead to administrative, civil and criminal fines and penalties, collateral consequences or remedial measures which may adversely affect our business, reputation, financial condition and results of operations. For example, the Prevention of Money Laundering Act, 2002 prescribes rigorous imprisonment for a term of three to seven years as the punishment for money laundering. Our policies and procedures designed to ensure compliance with these regulations may not be sufficient and our directors, officers, employees, representatives, consultants, agents and business partners could engage in improper conduct for which we may be held responsible.

Further, our Promoter and our Company are also subject to laws related to economic and financial sanctions. The U.S. government, including the U.S. Department of the Treasury's Office of Foreign Assets Control ("**OFAC**"), administers and enforces certain laws and regulations, or U.S. primary sanctions, that impose prohibitions or restrictions on dealings with or related to certain designated countries and territories, governments, entities and individuals, and entities majority-owned by such parties, that take place within U.S. jurisdiction. Although U.S. primary sanctions generally are not applicable to non-U.S. persons (although certain U.S. primary sanctions programs do apply to non-U.S. subsidiaries of U.S. companies), non-U.S. persons can be held liable for violations of U.S. primary sanctions to the extent they participate in prohibited transactions within U.S. jurisdiction (including transactions, for example, involving U.S. goods, services or technology, U.S. persons, or U.S. dollar payments that are cleared through the U.S. financial system). To the extent we engage in transactions within U.S. jurisdiction, U.S. primary sanctions may apply to us and our dealings, and changes to U.S. primary sanctions may affect what dealings we can pursue or engage in, and/or what counterparties we can interact with. In addition, the United States maintains numerous secondary sanctions programs that provide the U.S. government with authority to impose a variety of sanctions on non-U.S. persons that engage in certain sanctionable activities, including certain dealings with U.S. sanctioned persons, regardless of whether such

activities occur within U.S. jurisdiction. The imposition of U.S. secondary sanctions is not automatic, and instead requires specific action by the U.S. government. In practice, U.S. secondary sanctions are highly discretionary and may be strongly influenced by political considerations, and accordingly, are difficult to predict.

Further, the European Union, the United Kingdom and Korea also administer and enforce their own economic sanctions that target certain countries and territories, governments, entities and individuals in varying respects. Like the United States, some of these jurisdictions have adopted new, additional and/or enhanced sanctions targeting Russia in response to the conflicts in Ukraine.

Our Promoter, LG Electronics, operated a subsidiary in Russia, LG Electronics RUS, LLC (“**LGE SRA**”), which was established in 2004 and had been engaged in the production and sale of home appliance and consumer electronic products under our LG Electronics brand. Following the imposition of relevant sanctions targeting Russia by various countries, including the United States, the European Union and Korea, LG Electronics preemptively and indefinitely suspended all exports of its components and finished products to LGE SRA and related activities, regardless of whether such activities would be in actual violation of applicable sanctions. Since such suspension, LGE SRA has only produced and sold home appliance and consumer electronic products using its existing inventory and is currently engaged in minimal operating activities at an immaterial level. Winding down or even further suspending activities of the Russian subsidiary, including reduction of personnel or suspension or termination of customer contracts, could result in the Russian government taking retaliatory measures, including imposing external administration over the subsidiary or de facto nationalizing it. Neither our Company or our Promoter have any dealings with the government of the Russian Federation, the Central Bank of the Russian Federation, or any state-controlled or privately-owned sanctioned entities, or any person or arrangement that is owned or controlled by any of the aforementioned entities. LG Electronics continues to evaluate its business activities in, with, or involving Russia in light of recent developments and will only engage in additional business activities in, with, or involving Russia that are fully compliant with applicable sanctions. While we believe that LG Electronics’ dealings, including its business activities involving Russia, are being conducted at all times in compliance with applicable sanctions, we cannot guarantee that we or our Promoter will comply in the future, particularly since the scope of such sanctions may be uncertain and such sanctions are subject to frequent and unpredictable changes. Our Promoter’s or our Company’s business, reputation and results of operations could be adversely affected by additional sanctions or countermeasures or if any government determine that our activities violate other applicable sanctions.

***33. We depend on contractors for some of our operations, and their failure to provide their services on time or at all may adversely affect our business and profitability.***

We engage contractors to perform some parts of our operations, such as engage sales promoters at B2C touchpoints to promote our products, and engineers to provide our service offerings at LG BrandShops. We also engage contractors for other support service providers such as drivers, personnel for housekeeping and canteen services, security personnel, among others. As of June 30, 2024, we had 39 contractors providing various services for us. Any delays by our contractors to provide services to us could adversely impact our operations and our ability to meet trade partner and consumer demands. Further, our contractors may fail to comply with applicable laws including labor laws, regulations and governance requirements despite the compliance obligations in their agreements with us. In such an event, we may be held accountable for the consequences of such non-compliance which may result in fines, penalties or other regulatory actions, leading to disruption of operations and impact on financial performance.

***34. We use heavy machinery at our manufacturing units which could cause bodily harm and accidents, which in turn could adversely impact our operations.***

The use of heavy equipment and machinery, which are an integral part of our production process, carries risks such as industrial accidents, bodily harm arising from loud noise, handling heavy machinery and hazardous chemicals, fires, explosions, environmental hazards (such as the accidental release of pollutants or hazardous substances) and other unanticipated incidents, each of which may result in disruptions to our business, damage our manufacturing units, cause environmental pollution or result in injury and death of our employees or contractual manpower. While we have implemented stringent safety procedures in our manufacturing process to minimize such risks, accidents may nonetheless occur. We had two fatal instances of accidents in 2021 and 2022 at the Noida Manufacturing Unit. These related to the improper use of safety equipment and failure to wear safety gear. While no legal action was taken against us, there is no assurance that such instances will not occur again or we will be able to settle the disputes on time or at all, which will negatively affect our business, financial condition and results of operations.



**35. Our business is seasonal in nature and a decrease in our sales during some quarters could have an adverse impact on our financial performance.**

The sales volumes of some of our products are influenced by the cyclical and seasonality of demand. Typically, demand for some of our products such as air conditioners, compressor and refrigerators increase in the summer months in India between April and July and is lean during the winter months between September and December. The demand for washing machines increases in the second quarter of the fiscal year during the monsoon season, and the demand for TVs and microwave ovens also increases in the second half of a fiscal year due to festivals and marriage season in India. Seasonality in demand for any specific product may require us to adjust our promotional offerings and product prices to remain competitive in the market. As a result of such fluctuations, our sales and results of operations may vary by fiscal quarter, and the sales and results of operations of any given fiscal quarter may not be relied upon as indicators of the sales or results of operations of other fiscal quarters or of our future performance. Moreover, our results of operations may not meet the expectations of equity research analysts or investors. If this occurs, the trading price of our shares could fall substantially either suddenly or over time. Please also refer to “*Management’s Discussion and Analysis of our Results of Operations – Principal Factors Affecting our Financial Condition and Results of Operations – Seasonality of Business*” on page 337.

**36. We rely primarily on third-party policies to insure our operations-related risks. If our insurance coverage is inadequate, it may have an adverse effect on our business, financial condition, and results of operations.**

We maintain insurance which we believe is typical in our industry in India and in amounts which we believe to be commercially appropriate for a variety of risks, including insurance policies related to, among others, building, plant and machinery, molds, tools, protection from fire, earthquake, burglary and special perils, consequential fire loss, employee dishonesty, money in transit, public liability insurance, terrorism, all risk, inventory insurance and in-transit insurance including marine cargo for all goods/ material and assets movements. The table below sets forth our insurance coverage as of the dates indicated:

(in ₹ million, unless specified otherwise)

Particulars	As of June 30,	As of March 31,		
	2024	2024	2023	2022
Net Block of Property, plant and equipment*	9,393.89	9,836.94	10,458.29	7,671.60
Insurance Coverage	100%	100%	100%	100%

Note: The Company’s insurance policies are on reinstated value basis. \* excluding Right of Use Assets.

However, such insurance may not be adequate to cover all losses or liabilities that may arise from our operations, particularly when the loss suffered is not easily quantifiable. For example, our insurance does not cover losses related to the product defects or product recalls. While the majority of our contracts with suppliers include indemnification provisions for liabilities arising from product defects, such recourses are subject to limitations set for certain contracts, and there is no assurance that we will be able to claim losses from suppliers due to product liability claims or recalls resulting for defective supplies. Our insurance policies also contain exclusions and limitations on coverage, and, accordingly, we may not be able to assert claims for the full amount of any liability or losses. Additionally, there may be various other risks and losses for which we are not insured because such risks are either uninsurable or not insurable on commercially acceptable terms. Even if our insurance coverage is adequate to cover our direct losses, we may not be able to take remedial actions or other appropriate measures in a timely manner or at all. Furthermore, our claim records may affect the premiums which insurance companies may charge us in the future. There can be no assurance that in the future we will be able to maintain insurance of the types or at levels which we deem necessary or adequate or at premiums which we deem to be commercially acceptable. If we are unable to pass the effects of increased insurance costs on to our consumers, the costs of higher insurance premiums could have a material adverse effect on our costs and profitability. Additionally, some of our insurance claims may be rejected by the insurance companies in the future and there can be no assurance that any claim under the insurance policies maintained by us will be honored fully, in part, or on time. The occurrence of an event for which we are not insured, where the loss is more than the insured limits or where we are unable to successfully assert insurance claims from losses, it could result in uninsured liabilities. Any uninsured losses or liabilities could result in an adverse effect on our business, financial conditions and results of operations.

**37. We require capital to support our growth strategies. Any failure to raise additional financing could have an adverse effect on our business, financial condition, results of operations and cash flows.**

We operate in industries where producers with economies of scale enjoy a competitive advantage. Accordingly, to maintain long-term competitiveness and to continually improve profitability, our business requires a significant amount of capital investments for the maintenance, upgrading and expansion of production facilities and equipment in a timely and cost-efficient manner. For example, we intend to set up a technologically advanced new manufacturing unit in the state of Andhra Pradesh in the southern part of India. We also intend to enhance our existing manufacturing capabilities by implementing additional automation technologies at our manufacturing units. The table below sets forth our payment for acquisition of property, plant and equipment and intangible assets for the periods indicated:

Particulars	Three months ended June 30,		Fiscal	
	2024	2024	2023	2022
	<i>₹ million except %</i>			
Revenue from operations*	64,087.97	213,520.00	198,682.39	169,657.25
Purchase of property, plant and equipment and intangible assets (including Capital work-in-progress and Intangible assets under development)	520.07	2,421.25	5,171.04	2,734.04
Purchase of property, plant and equipment and intangible assets (including Capital work-in-progress and Intangible assets under development) as a percentage of revenue from operations	0.81%	1.13%	2.60%	1.61%

\* including continuing and discontinued operations

For more details of our contractual obligation, please see “*Management’s Discussion and Analysis of Financial Condition and Results of Operations – Contractual Obligations*” on page 335.

The actual amount and timing of our future capital requirements may differ from estimates as a result of, among other factors, unforeseen delays or cost overruns, unanticipated expenses, regulatory changes, economic conditions, engineering design changes, weather related delays, technological changes, additional market developments and new opportunities in the home appliances and consumer electronics industry. If our internally generated capital resources and available credit facilities are insufficient to finance our capital expenditure and growth plans, for instance, setting up of a new manufacturing unit in Andhra Pradesh, we may, in the future, need to seek additional financing from third parties, including banks and financial institutions. Our ability to arrange financing and the costs of capital of such financing depend on numerous factors, including general economic and capital market conditions, credit availability from banks, investor confidence, the continued success of our operations and other laws that are conducive to our raising capital in this manner. We may be subject to certain restrictive covenants in respect of our debt financing. Any issuance of equity, on the other hand, would result in a dilution of the shareholding of existing shareholders. If we are unable to obtain such financing in a timely manner, at a reasonable cost and on acceptable terms, we may be forced to delay our expansion plans, downsize or abandon such plans, which may materially and adversely affect our business, financial condition and results of operations, as well as our future prospects. Moreover, our capital investments are generally made well in advance of any revenue that is generated from making such expenditures. If unforeseen adverse market conditions lead to a decline in demand for our products, which in turn, results in a mismatch between our sales volume and production capacity, or if product prices decline due to oversupply in the market or we encounter production difficulties, we may not be able to recover our capital investments, in part or in full, or the recovery of these investments may take longer than expected, which may have a material adverse effect on our business, financial condition and results of operations.

**38. Foreign exchange rate fluctuations can adversely affect our financial results due to sales and expenses in different currencies and the value of our Equity Shares.**

Our Restated Financial Information is reported in the Indian Rupee. Accordingly, our financial results and assets and liabilities may be materially affected by changes in the exchange rates of foreign currencies, which have fluctuated significantly in recent years. A proportion of our financial results, assets and liabilities are accounted for in currencies other than the Indian Rupee before being converted into and reported in the Indian Rupees. In addition, the policies of the Reserve Bank of India (“RBI”) may change from time to time, which may limit our ability to effectively hedge our foreign currency exposures and may have an adverse effect on our business, financial condition, results of operations and cash flows. To the extent that we incur costs in one currency and make sales in another, our profit margins may be affected by changes in the exchange rates between the two currencies. Since the currency in which sales are recorded may not be the same as the currency in which expenses

are incurred, foreign exchange rate fluctuations may materially affect our results of operations. Our exposure to foreign exchange rate fluctuation risks mainly derived from import of raw materials, royalty payments and export of products. We have our foreign exchange policy to minimize the exposure to foreign exchange risk by netting off foreign exchange assets and liabilities from general operating activities. We consider foreign exchange risk hedges against our remaining exposure with derivative financial instruments and scrutinize changes in foreign exchange exposure and the results of hedging activities on a monthly basis. See “*Restated Financial Information – Note 37 –Details on derivatives instruments and unhedged foreign currency exposure*” for the details on derivative instruments and unhedged foreign currency exposure. Although the impact of exchange rate fluctuations has in the past been partially mitigated by such strategies, our results of operations have historically been affected by exchange rate fluctuations and there can be no assurance that such strategies will be effective in reducing or eliminating the adverse impact of such fluctuations in the future. Exchange rate fluctuations can also affect the Indian Rupee value of our monetary assets and liabilities denominated in foreign currencies irrespective of operating results, which could have an adverse impact on the value of our Equity Shares. See “*Management’s Discussion and Analysis of our Results of Operations – Principal Factors Affecting our Financial Condition and Results of Operations – Foreign exchange fluctuations*” on page 324 for more details.

**39. *The decreased availability of trade partner or consumer financing programs or any delays or default in payment from our trade partners or consumers could impact the sales volume of our certain products, which could adversely impact financial condition and our results of operations.***

The decreased availability of trade partners or consumer financing programs could significantly impact our sales, particularly for products in the premium category the purchase of which usually depend on financing. We collaborate with financial institutions to facilitate financing options for our trade partners and consumers without any recourse to our Company, enabling them to purchase our products. We however do not receive any revenue from the trade partners, consumers or the financial institution for facilitating this arrangement. Additionally, for the various LG promotions we offer, such as cash backs, we coordinate with banking institutions for these services. If these financing options become limited, it may necessitate price reductions or increased marketing promotion to sustain demand. Additionally, changes in interest rates could elevate the cost of financing, further dampening demand from both trade partner and consumers. Such financial constraints could adversely affect our financial condition and results of operations, as reduced sales would directly impact our revenue streams. Despite the availability of trade partner and consumer financing programs, any payment delays or defaults by our trade partners could affect cash flows and adversely impact our financial condition and results of operations.

**40. *We or LG Electronics may be unable to adequately protect our intellectual property rights, trade secrets and unpatented proprietary know-how, which may substantially harm our business.***

We rely on our and LG Electronics’ intellectual property rights, trade secrets and proprietary know-how to maintain our competitive position in the markets in which we operate. Third parties may attempt to copy or otherwise obtain and use our or LG Electronics’ intellectual property or seek court declarations that they do not infringe upon our or LG Electronics’ intellectual property rights. While we and LG Electronics seek to protect our intellectual property rights, policing unauthorized use of intellectual property rights is difficult and sometimes practically infeasible and there is no assurance that the steps we or LG Electronics have currently taken will prevent misappropriation or infringement of our intellectual property rights. From time to time, we or LG Electronics may have to resort to litigation to enforce our intellectual property rights, which could result in substantial costs and diversion of our resources. Such instances could create negative perception of the LG brand and impact our reputation and operations. Any misappropriation or infringement could materially and adversely affect our financial condition and results of operations.

As of the date of this Draft Red Herring Prospectus, we have filed 490 patent applications, of which 389 have been published, 159 have been granted/registered, and 101 are yet to be published in India. Additionally, we have filed two patent applications under the Patent Cooperation Treaty, both of which have been published. We have also filed 89 design applications, of which 88 have been registered and one has been abandoned, as of the date of this Draft Red Herring Prospectus. We cannot assure you that all our pending patent applications will result in issued patents. There can be no assurance that we will be able to renew the registration in a timely manner or at all. As a result, we may not be able to prevent infringement of our trademarks and a passing off action may not provide sufficient protection until such time that this registration is granted. We may also be harmed by the actions of or negative press relating to entities which have similar names to us. Any unauthorized or inappropriate use of the LG brand, trademarks and other related intellectual property rights by others in their corporate names, product brands or otherwise could harm our brand image, competitive advantages and business, and dilute or harm our reputation and brand recognition.

We also rely on trade secrets, unpatented proprietary know-how and information, as well as continuing technological innovation in our business. The information we rely upon includes price forecasts, core technology and key trade partner or consumer information. Although we and LG Electronics enter into confidentiality agreements with our respective employees and consultants upon the commencement of an employment or consulting relationship, we cannot provide assurance that they will not be breached. The disclosure of our trade secrets or other know-how as a result of such a breach could adversely affect our business. Also, our or LG Electronics' competitors may come across or obtain our or LG Electronics' trade secrets and other proprietary information through a variety of methods. Disputes may arise concerning our trade secrets or the applicability or enforceability of our confidentiality agreements, and there can be no assurance that any such disputes would be resolved in our or LG Electronics' favor. Any failure to protect our or LG Electronics' material intellectual property or unauthorized disclosure of our trade secrets or other unpatented proprietary know-how could impair our competitiveness and harm our business and future prospects.

**41. We may be exposed to infringement or misappropriation claims by third parties, which, if determined adversely to us, could cause us to lose significant rights and pay substantial damages.**

Our continued success depends on our ability to use and develop our technology and know-how without infringing the intellectual property rights of third parties. The validity and scope of claims relating to intellectual property rights involve complex scientific, legal and factual questions and analyses and, therefore, may be highly uncertain. Technology-driven companies, including many of our competitors, frequently enter into litigation based on allegations of patent infringement or other violations of intellectual property rights. In addition, patent holding companies may seek to monetize patents they have purchased or otherwise obtained. As a result, we face the risk of litigation and regulatory proceedings relating to infringement of intellectual property rights in various countries. For example, a company has filed a commercial suit against our Company under Sections 134 and 135, read with Section 27 of the Trade Marks Act, 1999, before the Karkardooma District Court, Delhi, India, seeking a permanent injunction to restrain trademark infringement, passing off, damages, and rendition of accounts. Consequently, the Karkardooma District Court, Delhi, India, issued an ex parte injunction against our Company. Subsequently, our Company filed an appeal against the ex parte injunction before the High Court of Delhi, Delhi, India. While this case is still pending, we cannot guarantee that it will be resolved in our favor. The defense and prosecution of intellectual property suits, patent opposition proceedings and related legal and administrative proceedings can be both costly and time consuming and may significantly divert the efforts and resources of our technical and management personnel. An adverse determination in any such litigation or proceeding to which we may become a party could subject us to significant liability to third parties, require us to seek licenses from third parties, to pay ongoing royalties or to redesign our products or subject us to injunctions prohibiting the manufacture and sale of our products or the use of our technologies. Protracted litigation could also result in our consumers deferring or limiting their purchase or use of our products until resolution. The occurrence of any of the foregoing could have a material adverse effect on our business, financial condition and results of operations.

**42. While our operating cash flows have been positive in the past, we have experienced negative cash flows from investing and financing activities in the past. Any significant cash outflow could have an adverse impact on our financial condition and results of operations.**

We have reported negative cash flows from investing activities and financing activities in the past. The table below provides our cash flows for the periods indicated:

Particulars	(in ₹ million)			
	Three months ended June 30, 2024	2024	Fiscal 2023	2022
Operating profit before change in operating assets and liabilities	9,674.33	22,485.73	19,318.69	16,785.71
Net cash inflow/(outflow) from operating activities	14,046.84	16,654.61	18,708.28	5,978.66
Net cash (outflow)/inflow from investing activities	41.27	(204.57)	(2,740.00)	(775.05)
Net cash (outflow)/inflow from financing activities	(255.36)	(21,852.53)	(25,607.31)	(23,265.05)
Cash and cash equivalents at the end of the period / year	36,060.72	22,226.05	27,625.88	37,268.56

Any significant cash outflows in the short term from operating, investing and financing activities, could have an

adverse impact on our cash flow requirements, business operations and growth plans. As a result, our business, financial condition, results of operations and cash flows could be adversely affected. For further details, see “*Management’s Discussion and Analysis of Financial Condition and Results of Operations – Liquidity and Capital Resources – Cash Flows*” on page 333.

**43. *The sale of counterfeit products under our brand names and trademarks or the use of counterfeit parts for product repairs or customization could materially and adversely affect our reputation and financial results.***

Although we have adopted measures to help consumers verify the authenticity of products sold, there is no assurance that counterfeit products will not be available in the market. For example, our Company has filed a complaint before the District Court, Jodhpur against Deepak Rupani for making counterfeit products and selling them in our name. See “*Outstanding Litigation and Material Developments*” on page 348. Counterfeit products may be defective or inferior in quality as compared to authentic products and may pose safety risks to our consumers. If our consumers are injured by counterfeit products sold under our brand names and trademarks, we may be subject to lawsuits, severe administrative penalties and criminal liability. In addition, consumers may use counterfeit parts for product repairs or other customization, which could impact product performance, safety, and security, resulting in adverse publicity or lawsuits. We believe our brand and reputation are extremely important to our success and our competitive position. While we have not been subject to any material incidents in relation to counterfeit products in the three months ended June 30, 2024, or in Fiscals 2024, 2023 and 2022, the discovery of counterfeit products sold under our brand names and trademarks and any negative incidents caused by the use of counterfeit parts in the future may severally damage our reputation and cause our consumers to refrain from making future purchases from us, which would materially and adversely affect our business, financial condition and results of operations.

**44. *Any actual or perceived cybersecurity or privacy breach could interrupt our operations, harm our brand and adversely affect our reputation, brand, business, financial condition and results of operations.***

We rely on information technology (“IT”) systems and services in various aspects of our operations. Our business involves the storage and transmission of data with varying degrees of sensitivity not only about our business, but also our suppliers, business partners and consumers. For example, personally identifiable and other confidential information and data from end-users may be collected, stored and transmitted by or through our products and services, such as our software applications and online streaming media services for televisions. A breach in the cybersecurity of our system could expose us to a risk of loss, the improper use or disclosure of such information, ensuing legal actions or potential liability, any of which could harm our reputation and adversely affect our business. Although we believe that there has been no instance where an unauthorized party was able to obtain access to our data or our consumers’ data, there can be no assurance that we will not be vulnerable to cyber-attacks in the future.

Although we endeavor to develop products that adhere to strict security standards and devote significant resources to network security, data encryption and other security measures, our information security measures may fail due to external and internal security threats, outages, malicious intrusions and attacks, programming or human errors and malfeasance, or other events. While we have not had instances of cybersecurity breaches in Fiscals 2022, 2023 and 2024, and in the three months ended June 30, 2024, our cybersecurity measures may also fail due to employee error, malfeasance or otherwise. Instituting appropriate access controls and safeguards across our IT infrastructure is challenging. Furthermore, outside parties may attempt to fraudulently induce our employees to disclose sensitive information in order to gain access to our data or our consumers’ data or accounts or may otherwise obtain access to such data or accounts. Because the techniques used to obtain unauthorized access, disable or degrade service or sabotage systems change frequently and often are not recognized until launched against a target, we may be unable to anticipate these techniques or implement adequate preventative measures.

Further, we and our suppliers and trade partners also face risks relating to compliance with applicable laws, rules and regulations relating to the collection, storage, use, sharing, disclosure, protection and security of personal information, as well as requests from regulatory and government authorities relating to such data. Many laws and regulations relating to privacy and the collection, storage, sharing, use, disclosure, and protection of certain types of data are subject to varying degrees of enforcement and new and changing interpretations by courts or regulators. For instance, we are required to comply with the Information Technology Act, 2000 (“IT Act”) and the rules notified thereunder. The Digital Personal Data Protection Act, 2023 which received the assent of the President of India on August 11, 2023 (the “DPDP Act”) deals with processing of all personal data in digital form, whether collected digitally or offline and digitalized later for processing. The Data Protection Act requires companies collecting and dealing with high volumes of personal data and who are notified as significant data fiduciaries,

such as ours, to fulfil certain additional obligations such as appointment of a data protection officer for grievance redressal and an independent data auditor to evaluate our compliance with the DPDP Act. It also provides for the establishment of a Data Protection Board of India for taking remedial actions and imposing penalties for breach of the provisions of the DPDP Act. It imposes restrictions and obligations on data fiduciaries, resulting from dealing with personal data and further, provides for levy of penalties for breach of obligations prescribed under the DPDP Act.

In addition, we are required to comply with laws or regulations relating to privacy, data protection, and information security, particularly any new or modified laws or regulations. For example, to the extent we process personal data of EU residents, we are required to comply with the General Data Protection Regulation (“GDPR”) adopted by the European Union (“EU”). Any changes to the interpretation or enforcement of such laws or regulations that require enhanced protection of certain types of data or new obligations with regard to data retention, transfer, or disclosure could require us to modify our existing systems or invest in new technologies to ensure compliance with such applicable laws, which may lead to additional expenses.

In addition, we may incur significant financial and operational costs to investigate, remediate and implement additional tools, devices and systems designed to prevent actual or perceived privacy breaches and other privacy incidents, as well as costs to comply with any notification obligations resulting from any such incidents. If an actual or perceived breach of our cybersecurity occurs to us, our suppliers, trade partners or other business partners or the market perception of the effectiveness of our or our business partners’ cybersecurity measures is adversely affected, we may incur significant legal and financial exposure, including legal claims and regulatory fines and penalties, damage to our reputation and a loss of confidence of our trade partners or consumers, which could have an adverse effect on our business, financial condition and results of operations. For more details related to the privacy and data protection laws applicable to us, see “*Key Regulations and Polices*” on page 191.

***45. We have used information from the Redseer Report which has been commissioned and paid for by our Company for industry related data in this Draft Red Herring Prospectus and any reliance on such information is subject to inherent risks.***

For industry related data in this Draft Red Herring Prospectus, we have used the information from the Redseer Report, which we commissioned and paid for, pursuant to an engagement letter dated October 21, 2024. The Redseer Report has been prepared and issued by Redseer for the purpose of understanding the industry, exclusively for the purpose of this Offer. The information is subject to various limitations, highlights certain industry and market data relating to us and our competitors which may not be based on any standard methodology and is based upon certain assumptions that are subjective in nature. Neither our Company, nor the Directors, Promoter or the BRLMs is related to Redseer as per the definition of “related party” under the Companies Act, 2013 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. Accordingly, investors should read the industry related disclosures in this Draft Red Herring Prospectus in this context. The Redseer Report may use certain methodologies for market sizing and forecasting and may include numbers relating to our Company that differ from those we record internally. Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base their information on estimates, projections, forecasts and assumptions that may prove to be incorrect. Statements from third parties that involve estimates are subject to change, and actual amounts may differ materially from those included in this Draft Red Herring Prospectus. Accordingly, investors should not place undue reliance on, or base their investment decision solely on this information. For further details, see “*Certain Conventions, Presentation of Financial, Industry and Market Data – Industry and Market Data*” on page 25.

***46. Internal or external fraud or misconduct by employees, contractual manpower, sales promoters, engineers or other service providers could adversely affect our reputation and our results of operations.***

We may be subject to instances of fraud, misappropriation, unauthorized acts and misconduct by employees, contractual manpower, sales promoters, engineers or other service providers which may go unnoticed for certain periods of time before corrective action is taken. Fraudulent and unauthorized conduct by our employees, contractual manpower, sales promoters or other service providers could also bind us to transactions that exceed the scope of authorization and present significant risks to us. For example, our employees or contractual manpower may disclose our intellectual property rights, trade secrets and unpatented proprietary know-how through various means, such as posting videos on social media, which could materially and adversely affect our financial condition and results of operations. As a result, we may be subject to regulatory sanctions, brand and reputational damage or financial harm. It is not always possible to deter fraud or misconduct by employees, contractual manpower, sales promoters or other service providers and the precautions we take and the systems we have put in place to

prevent and deter such activities may not be effective in all cases. As of June 30, 2024, we had 3,693 employees. Through contractors, 12,590 engineers have been deployed at LG centers and exclusive service centers, and 9,597 sales promoters have been deployed across multiple distribution channels as of June 30, 2024. In addition, we operate an in-house call center in Greater Noida and three outsourced call centers with call center personnel to provide consumer services. Further, we employ third party service providers for certain operations, including transportation, warehouse management, labor for production and support staff. Accordingly, we are exposed to the risk of theft and embezzlement. In addition, we may be subject to regulatory or other proceedings in connection with such acts by our employees, contractual manpower, sales promoters or other service providers, which could adversely affect our goodwill. For instance, a former employee of our Company, is alleged to have knowingly engaged in embezzlement of Company funds by failing to prepare invoices for amounts owed by consumers, which were handed over to him by the service engineers. We filed a criminal complaint for offences under Section 406, 408 and 420 of the Indian Penal Code, with the Inspector of Police (Crime), S-8 Adambakkam Police Station, Chennai, India. For further details, please see, “*Outstanding Litigation and Material Developments – Litigation involving our Company – Criminal proceedings by our Company*” on page 349. Such instances could adversely affect our brand, business, reputation, financial condition and results of operations. Even when we identify such instances and pursue legal recourse or file claims with our insurance carriers, we cannot assure you that we will recover any amounts lost through such instances of fraud, misappropriation, unauthorized acts and misconduct by our employees, contractual manpower, sales promoters or other service providers. We are also subject to risks in relation to services provided by contractors and consultants. Please refer to “– *We depend on contractors for some of our operations, and their failure to provide their services on time or at all may adversely affect our business and profitability*” on page 58.

**47. *We may be subject to unionization, work stoppages or increased labor costs, which could adversely affect our business and results of operations.***

The success of our operations depends on availability of labor and our ability to maintain a good relationship with our workforce. Our success also depends on our ability to attract, hire, train and retain skilled workers who are experienced in home appliances and consumer electronics manufacturing operations. While we don't have an active labor union, we operate an “Internal Works Committee” to facilitate discussions between the workers and management. For details, see “*Our Business – Employees*” on page 189. There can be no assurance that our workers will not form a union and that we will not experience any disruption in the future as a result of disputes or disagreements with our work force, which may adversely affect our ability to continue our business operations. While the slowdown did not have a material impact on our operations, at our Pune Manufacturing Unit, we experienced a production slowdown on March 28 and 29, 2022, as a result of worker unrest in relation to demands by contractual manpower to be placed on the official payroll and increase remuneration. We are also subject to a number of stringent labor laws that protect the interests of workers, including the Industrial Disputes Act, 1947, that imposes financial obligations on employers upon retrenchment. Any labor unrest including labor disputes, strikes, lockouts or industrial accidents experienced by us or delays in resolving such labor unrest, could directly or indirectly prevent or hinder our normal operating activities. Any such prolonged disruptions to our business could materially and adversely affect our financial condition and results of operations. Furthermore, historically, wage costs in the Indian home appliances and consumer electronics and industries have been significantly lower than wage costs in developed countries for comparable skilled technical personnel. However, in the long term, wage increases in India may make us less competitive unless we are able to increase our efficiency and productivity proportionately and we can pass on such costs in the prices that we charge our trade partners or consumers. Any significant increase in our wage costs could cause price increase or profit reduction, which could have a material adverse effect on our business, financial condition and results of operations.

**48. *Our ability to pay dividends in the future will depend on our earnings, financial condition, working capital requirements, capital expenditures and restrictive covenants of our financing arrangements.***

Our ability to pay dividends in the future will depend on a number of factors including, among others, profits earned and available for distribution, accumulated reserves, cash flows and expansion/diversification of business by the Company. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board and will depend on factors that our Board deems relevant, including macro-economic environment, regulatory changes, technological changes and other factors considered relevant by the Board. We may retain all future earnings, if any, for use in the operations and expansion of the business. As a result, we may not declare dividends in the foreseeable future. Further, while we have paid dividends to LG Electronics in the past, as shown in the table below for the periods indicated:

(in ₹ million)

Particulars	As of June 30,		As of March 31,	
	2024	2024	2023	2022
Interim dividend paid ...	-	20,928.82	24,888.32	22,625.75

We cannot assure you that we will be able to pay similar dividends or any dividends in the future. Accordingly, realisation of a gain on our Shareholders' investments may depend on the appreciation of the price of the Equity Shares. There is no guarantee that our Equity Shares will appreciate in value. For details see, "*Dividend Policy*" on page 231.

**49. We do not own any land or buildings for our operations. If we are unable to comply with the terms of the lease agreements, renew our agreements or enter into new agreements, our business, financial condition and results of operations may be adversely affected.**

All of the venues and premises for our operations are located on leased properties. See "*Our Business – Property*" on page 190 for a breakdown of our leased premises. Certain of the lease deeds for such properties are located may not be adequately stamped or registered. While we renew these lease agreements and deeds periodically in the ordinary course of business, in the event that these existing leases are terminated or they are not renewed on commercially acceptable terms, we may suffer a disruption in our operations. Additionally, failure to comply with the terms of our lease agreements could lead to disputes with our landlords, which could significantly impact our business operations. If alternative premises are not available at the same or similar costs, sizes or locations, our business, financial condition, cash flows and results of operations may be adversely affected. In addition, any regulatory non-compliance by the landlords or adverse development relating to the landlords' title or ownership rights to such properties, including as a result of any non-compliance by the landlords, may entail significant disruptions to our operations and expose us to reputational risks, especially if we are forced to vacate leased spaces following any such developments. If our sales do not increase in line with our rent and costs, including setup and interior design costs, our profitability, results of operations and cash flows could be adversely affected. While we have not experienced any lease-related incidents with a material adverse impact on our business in the three months ended June 30, 2024, Fiscals 2024, 2023 and 2022, we cannot guarantee that such events will not occur in the future.

**50. Any downgrade in our credit ratings could increase our finance costs, affect our ability to obtain financing, and adversely affect our business, financial condition and results of operations.**

The cost and availability of capital depends, in part, on our short-term and long-term credit ratings. Credit ratings reflect the opinions of ratings agencies on our financial strength, operating performance, strategic position and ability to meet our obligations. Our credit ratings have remained consistent across the three fiscal years as CRISIL reaffirmed long term rating of CRISIL AAA/Stable and short term rating of CRISIL A1+ on our bank loan facilities on October 4, 2024. The ratings provided by credit rating agencies may be downgraded, suspended or withdrawn at any time by the assigning rating agency in the future. While we have not witnessed any adverse change in our credit ratings in the three months ended June 30, 2024 and Fiscal 2024, 2023 and 2022, there is no assurance that we will not face downgrades in credit ratings of our Company in the future. Any downgrade in our credit ratings could increase finance costs, may cause our lenders to impose additional terms and conditions or charge higher premiums or trigger events of default in respect of any financing or refinancing arrangements that we enter into in the future and adversely affect our access to capital and debt markets, which could in turn adversely affect our ability to employ capital to implement the growth of our business and operation, our interest margins, financial condition, results of operations and cash flows.

**51. We track certain operational metrics and non-GAAP measures for our operations. Certain of our operational metrics are subject to inherent challenges in measurement and any real or perceived inaccuracies in such metrics may adversely affect our business and reputation.**

Certain of our operational metrics are prepared with internal systems and tools that are not independently verified by any third party and which may differ from estimates or similar metrics published by third parties due to differences in sources, methodologies or the assumptions on which we rely. Such operational metrics include number of service centers, consumer touchpoints, number of suppliers, among others. Our internal systems and tools have a number of limitations and our methodologies for tracking these metrics may change over time, which could result in unexpected changes to our metrics, including the metrics we publicly disclose. If the internal systems and tools we use to track these metrics under count or over count performance or contain algorithmic or other technical errors, the data we report may not be accurate. While these numbers are based on what we believe to be reasonable estimates of our metrics for the applicable period of measurement, there are inherent challenges in measuring how our products and services are used across large populations. Limitations or errors with respect to how we measure data or with respect to the data that we measure may affect our understanding of certain details



of our business, which could affect our long-term strategies. If our operating metrics are not accurate representations of our business, if investors do not perceive our operating metrics to be accurate, or if we discover material inaccuracies with respect to these figures, we expect that our business, reputation, financial condition and results of operations would be adversely affected.

Further, these and other non-GAAP metrics presented in this Draft Red Herring Prospectus, such as EBITDA, EBITDA Margin, Net Profit Margin, Return on Capital Employed and Return on Net Worth are supplemental measures of our performance and liquidity that are not required by, or presented in accordance with, Indian accounting standard (“**Ind AS**”), Indian GAAP, international financial reporting standards (“**IFRS**”), United States generally accepted accounting principles (“**U.S. GAAP**”) or any other generally accepted accounting principles. Further, these metrics are not a measurement of our financial performance or liquidity under Ind AS, Indian GAAP, IFRS or U.S. GAAP and should not be considered in isolation or construed as an alternative to cash flows, profit/(loss) for the period/year or any other measure of financial performance or as an indicator of our operating performance, liquidity, profitability or cash flows generated by operating, investing or financing activities derived in accordance with Ind AS, Indian GAAP, IFRS or U.S. GAAP. Although these non-GAAP metrics are not a measure of performance calculated in accordance with applicable accounting standards, our management believes that they are useful to an investor in evaluating us, as these metrics are widely used to evaluate an entity’s operating performance. In addition, these are not standardized terms, hence a direct comparison of these measures between companies may not be possible. Other companies may calculate these measures differently from us, limiting its usefulness as a comparative measure.

**52. Our Statutory Auditor’s report for the financial statements as of and for the three months ended June 30, 2024 and as of and for the years ended March 31, 2024, 2023 and 2022 include observations with respect to the contingent liabilities arising from the License Agreement.**

Our Statutory Auditor has noted an emphasis of matter in their auditor reports for the financial statements as of and for the three months ended June 30, 2024 and as of and for the years ended March 31, 2024, 2023 and 2022, as highlighted in the table:

Period	Emphasis of matters
<b>Three months ended June 30, 2024</b>	Note 31(B) to the Special Purpose Interim Financial Statements regarding the addendum dated November 18, 2024 to the revised license agreement dated July 27, 2017 entered into by the Company with its holding company to align its royalty obligation to the amounts accrued in the books for the respective years / period. Pending approval of the Mutual Agreement Procedure (‘MAP’) application dated May 8, 2024 filed by the Company and its holding company with the respective Competent Authority in India and the Republic of Korea to resolve the consequences of double taxations arising from certain transfer pricing tax adjustments made by the tax authority of the Republic of Korea on the holding company, the Company has disclosed the remaining portion of royalty under contingent liability.
<b>Fiscal 2024</b>	We draw your attention to Note 32 to the accompanying financial statements, where it is stated that the Company had entered into a Revised License Agreement dated July 27, 2017 with its parent Company, i.e., LG Electronics Inc., Republic of Korea, for the use of technology and brand name. In accordance with the aforesaid agreement, the Company is liable to pay royalty to LG Electronics Inc., Republic of Korea. Based on the original agreement, royalty amounting to ₹4,032 million has been accrued during the year ended March 31, 2024, and remaining portion of royalty based on the aforesaid Revised License Agreement amounting to ₹67,437 million pertaining to the period from April 1, 2016 to March 31, 2024 is contingent upon conclusion of the Advance Pricing Agreement with the Government of India. Consequently, the Company has not accrued the remaining portion and the obligation has been disclosed as a contingent liability.
<b>Fiscal 2023</b>	We draw your attention to Note 32 to the accompanying financial statements, where it is stated that the Company had entered into a Revised License Agreement dated July 27, 2017 with its parent Company, i.e., LG Electronics Inc., South Korea, for the use of technology and brand name. In accordance with the aforesaid agreement, the Company is liable to pay royalty to LG Electronics Inc., South Korea. Based on the original agreement, royalty amounting to Rs. 3,232 million has been accrued during the year ended March 31, 2023, and remaining portion of royalty based on the aforesaid Revised License Agreement amounting to ₹59,867 million pertaining to the period from April 1, 2016 to March 31, 2023 is contingent upon conclusion of the Advance Pricing Agreement with the Government of India. Consequently, the Company has not accrued the remaining portion and the obligation has been disclosed as a contingent liability.

Period	Emphasis of matters
<b>Fiscal 2022</b>	We draw your attention to Note 32 to the accompanying financial statements, where it is stated that the Company had entered into a Revised License Agreement dated July 27, 2017 with its parent Company, i.e., LG Electronics Inc., Korea, for the use of technology and brand name. In accordance with the aforesaid agreement, the Company is liable to pay royalty to LG Electronics Inc., Korea. Based on the original agreement, royalty amounting to ₹2,548 million has been accrued during the year ended March 31, 2022, and remaining portion of royalty based on the aforesaid Revised License Agreement amounting to ₹52,856 million pertaining to the period from April 1, 2016 to March 31, 2022 is contingent upon conclusion of the Advance Pricing Agreement with the Government of India. Consequently, the Company has not accrued the remaining portion and the obligation has been disclosed as a contingent liability.

There can be no assurance that the audit reports for any future fiscal periods will not contain such observations. Investors should consider these observations of our Statutory Auditor in evaluating our financial condition, results of operations and cash flows.

**53. Significant differences exist between Ind AS and other accounting principles, such as IFRS and U.S. GAAP, which may be material to investors' assessments of our financial condition.**

For the purposes of disclosure in this Draft Red Herring Prospectus, the SEBI ICDR Regulations requires us to prepare and present our Restated Financial Information which was prepared and presented in conformity with Ind AS. This Restated Financial Information have been derived from our audited financial statements for the three months ended June 30, 2024 and Fiscals 2024, 2023 and 2022. Ind AS differs from accounting principles with which prospective investors may be familiar, such as Indian GAAP, IFRS and U.S. GAAP as well as the Korean International Financial Reporting Standards (“**K-IFRS**”) adopted by LG Electronics and the LG Group. We have not attempted to quantify the impact of K-IFRS, U.S. GAAP or IFRS on the financial data included in this Draft Red Herring Prospectus, nor do we provide a reconciliation of our Restated Financial Information to those of K-IFRS, U.S. GAAP or IFRS or any other principles or to base it on any other standards. K-IFRS, U.S. GAAP and IFRS, and accounting principles with which prospective investors may be familiar in other countries, differ in significant respects from Ind AS. Accordingly, the degree to which the Ind AS financial statements, which are restated as per the Companies Act, 2013, SEBI ICDR Regulations and the Guidance Note on Reports in Company’s Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India, included in this Draft Red Herring Prospectus, will provide meaningful information is entirely dependent on the reader’s level of familiarity with Indian accounting practices. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Draft Red Herring Prospectus should be limited accordingly. In addition, differences in financial information reported by us and LG Electronics due to varying accounting standards might influence investors’ perceptions of us.

We have historically provided and intend to continue to provide our Promoter with and make publicly available select financial information that have been prepared and presented in conformity with K-IFRS (the “**K-IFRS Financials**”). Our Company has been sharing the aforesaid select financial information for ease of comparison with other global companies in the same industry and for reference purposes only. The K-IFRS Financials were not included in the Draft Red Herring Prospectus, in compliance with applicable laws. Investors may not be able rely on the K-IFRS Financials or any other related information for the purposes of investment in the Offer or for future investments in the Equity Shares of our Company.

**54. If we are classified as a passive foreign investment company for U.S. federal income tax purposes, U.S. investors in our shares may be subject to adverse U.S. federal income tax consequences.**

A non-U.S. corporation will be classified as a passive foreign investment company (a “**PFIC**”) for any taxable year if either: (a) at least 75% of its gross income for such year is “passive income” for purposes of the PFIC rules or (b) at least 50% of the value of its assets (determined based on the average of the quarter end values) during such year is attributable to assets that produce or are held for the production of passive income. For this purpose, passive income generally includes, among other things, interest, dividends and other investment income, with certain exceptions. Cash is generally a passive asset for these purposes. The PFIC rules also contain a look-through rule whereby we will be treated as owning our proportionate share of the assets and earning our proportionate share of the income of any other corporation in which we own, directly or indirectly, 25% or more (by value) of the stock. Based on the past, current and anticipated composition of our income, assets (including their expected value) and operations and the expected price of the Equity Shares of our Company, we do not believe that we were a PFIC for the most recently ended taxable year or expect to be treated as a PFIC for the current taxable year or in the foreseeable future. However, our PFIC status depends, in part, on the expected value of our goodwill,

which may be determined by reference to the market price of the Equity Shares of our Company, which could fluctuate significantly. Whether we are treated as a PFIC is a factual determination that is made on an annual basis after the close of each taxable year. This determination will depend on, among other things, the ownership and the composition of our income and assets, as well as the value of our assets (which may fluctuate significantly with our market capitalization), from time to time. Moreover, the application of the PFIC rules is unclear in certain respects. The IRS or a court may disagree with our determinations, including the manner in which we determine the value of our assets and the percentage of our assets that are passive assets under the PFIC rules. Therefore, there can be no assurance that we will not be classified as a PFIC for the current taxable year or for any future taxable year. If we are treated as a PFIC for any taxable year during which a U.S. investor held our shares, such U.S. investor could be subject to adverse U.S. federal income tax consequences and may be subject to additional reporting requirements. We urge each U.S. investor to consult its own tax advisor regarding our PFIC status for any taxable year and the possible application of the PFIC rules to the Equity Shares of our Company under the U.S. investor's particular circumstances.

## **EXTERNAL RISKS**

### ***55. Natural disasters, fires, epidemics, pandemics, acts of war, terrorist attacks, civil unrest and other events could materially and adversely affect our business.***

Natural disasters such as droughts, epidemics, pandemics such as H7N9, H5N1, H1N1 strains of influenza in birds and actual or threatened war, terrorist activities, political unrest, civil strife, and other geopolitical uncertainty as well as other *force majeure* events may impede our supply, and production and delivery efforts and adversely affect our sales results, which could materially and adversely affect our business, financial condition and results of operations.

For example, a number of suppliers of our raw materials, and manufacturing equipment are located in countries which have historically suffered natural calamities from time to time, such as Korea. Any occurrence of such natural calamities in countries where our suppliers are located may lead to shortages or delays in the supply of raw materials or manufacturing equipment. For example, the conflict between Russia and Ukraine, the Gaza conflict or the ongoing tensions in the Red Sea, events such as impeachments or declarations of martial law (whether lifted or not) such as in South Korea, which are beyond our control, may lead to economic instability, including in India, Korea or globally, and may adversely affect our business, financial condition, results of operations and cash flows. The short and long-term implications of the conflict between Russia and Ukraine and the Israel-Hamas conflict are difficult to predict at this time. The Red Sea crisis has caused delays in our exports to certain regions. We continue to monitor any adverse impact that the conflict between Russia and Ukraine, the subsequent institution of sanctions against Russia by the United States and several European and Asian countries, and the Israel-Hamas conflict may have on the global economy in general, on the businesses and operations of us, our lenders and other third parties with which we conduct business. To the extent any geopolitical tension may adversely affect our business, it may also have the effect of heightening many of the other risks described herein. Such risks include, but are not limited to, adverse effects on macroeconomic conditions, including inflation; disruptions to our global technology infrastructure, including through cyberattack, ransom attack, or cyber-intrusion; adverse changes in international trade policies and relations; disruptions in global supply chains; significant volatility in commodity prices and supply of energy resources; political and social instability; changes in consumer or purchaser preferences and constraints; volatility, or disruption in the capital markets, any of which could negatively affect our business and financial condition. In the recent past, we have been witnessing increased geopolitical tensions globally. Any potential aftermaths of such tensions such as cross-border restrictions, sanctions, trade barriers, imposition of tariffs could adversely affect our supply chains and as a result our production schedules. While we have alternative supply sources, should the conflicts lead to global shortages of commodities that are related to our business, such as energy, we may face challenges in sourcing raw materials, including experiencing significant procurement cost increases.

Further, our operations may be adversely affected by fires and/or severe weather in India, which can result in damage to our property and generally reduce our productivity and may require us to evacuate personnel and suspend operations. Such incidents could create a greater perception that investment in Indian companies involves a higher degree of risk and could have an adverse effect on our business. We cannot assure you that any backup systems will be adequate to protect us from the effects of such unexpected events. Any of the foregoing events may give rise to damage to our property, delays in production, breakdowns, system failures, technology platform failures or internet failures or other interruptions to our business operations, which could cause the loss or corruption of data or malfunctions of software or hardware as well as adversely affect our business, financial condition and results of operations.

**56. Our businesses are dependent on the home appliances and consumer electronics industries, and general conditions in the global economy, and a downturn experienced by any of these industries or the global economy could adversely affect our business.**

From time to time, the home appliances and consumer electronics industries have experienced significant and sometimes prolonged downturns, which often occur in connection with a deterioration of global economic conditions. The cyclical nature in such industries results primarily from fluctuations in market demand for the various products offered, and in some cases, fluctuations in the industry's available production capacity. For example, the lead times for new production facilities to become operational, which typically take two to three years, have in some cases resulted in significant increases in the industry's production capacity coinciding with weakening demand, resulting in excess capacity and oversupply of products. In addition, the average selling prices of certain consumer electronics products, such as televisions, have generally declined in recent years and are expected to continue to decline with time irrespective of industry-wide cyclical nature and fluctuations as a result of, among other factors, technological advancements, market competition and cost reductions. Accordingly, the success of our business depends, in part, on our continual reduction of manufacturing costs and operating expenses.

Furthermore, the industries in which we operate are generally sensitive to overall conditions in the global economy and are dependent significantly on demand from B2B and B2C consumers as well as the performance of our trade partners that sell our products. Macroeconomic factors, such as the economic growth rate, employment levels, interest rates, inflation rates, exchange rates, commodity prices, demographic trends and fiscal policies of governments, may have a significant effect on such industries as well as influence consumer confidence and spending behaviour. In times of economic downturns, orders for our products may decrease and we may need to adjust our production levels and pricing. Uncertainties in the global economy have increased in recent years, with the global financial and capital markets experiencing substantial volatility and uncertainty, mainly due to the COVID-19 pandemic, Russia's invasion of Ukraine and ensuing sanctions against Russia, difficulties faced by several banks in the United States and Europe and more recently, the ongoing Israel-Hamas war as well as rapid increases in policy interest rates globally to combat rising inflationary pressures. See “– *Natural disasters, fires, epidemics, pandemics, acts of war, terrorist attacks, civil unrest and other events could materially and adversely affect our business*” on page 69.

**57. Changing regulations in India could lead to new compliance requirements that are uncertain.**

The regulatory and policy environment in which we operate is evolving and is subject to change. The Government of India may implement new laws or other regulations and policies that could affect our products or the home appliances and consumer electronics industries in general, which could lead to new and onerous compliance requirements, including requiring us to obtain approvals and licenses from the government and other regulatory bodies. For instance, the Standards and Labelling Scheme facilitates the display of energy performance labels on high-energy end-use equipment and appliances, establishing minimum energy performance standards. Products registered with the Bureau of Energy Efficiency (BEE) receive a star rating from 1 to 5, indicating their energy efficiency in ascending order. This energy labeling is based on standards that set limits on energy performance, typically focusing on maximum energy use or minimum efficiency, according to specified test protocols. Inability to comply with the applicable standards of the scheme may have a material adverse effect on our results of operations.

New compliance requirements could increase our costs or otherwise adversely affect our business, financial condition, results of operations and cash flows. Furthermore, the way new requirements will be enforced or interpreted can lead to uncertainty in our operations and could adversely affect our operations. Any changes to such laws, including the instances mentioned below, may adversely affect our business, prospects, financial condition, results of operations and cash flows.

Additionally, the Government of India has introduced (a) the Code on Wages, 2019 (“**Wages Code**”); (b) the Code on Social Security, 2020 (“**Social Security Code**”); (c) the Occupational Safety, Health and Working Conditions Code, 2020; and (d) the Industrial Relations Code, 2020 (collectively, the “**Labour Codes**”) which consolidate, subsume and replace numerous existing central labor legislations. Different provisions of the Labour Codes may have varying effective dates. While the rules for implementation under these codes have not been notified in its entirety, as an immediate consequence, the coming into force of these codes could increase the financial burden on our Company, which may adversely impact our profitability. For example, the Social Security

Code aims to provide uniformity in providing social security benefits to the employees which was earlier segregated under different acts and had different applicability and coverage. Furthermore, the Wages Code limits the amounts that may be excluded from being accounted toward employment benefits (such as gratuity and maternity benefits) to a maximum of 50% of the wages payable to employees. The implementation of such laws has the ability to increase our labor costs, thereby adversely impacting our results of operations, cash flows, business and financial performance. Further, pursuant to the Finance (No.2) Act of 2024, notified on August 16, 2024, the Government of India has introduced new income tax slabs and an increase in standard deduction. There is no certainty on the impact of the full union budget on tax laws or other regulations, which may adversely affect our business, financial condition, results of operations or on the industry in which we operate. We are yet to determine the impact of all or some such laws on our business and operations which may restrict our ability to grow our business in the future. For further details, please see “*Key Regulations and Policies*” on page 191.

Unfavorable changes in or interpretations of existing, or the promulgation of new laws, rules and regulations including foreign investment and stamp duty laws governing our business and operations could result in us being deemed to be in contravention of such laws and may require us to apply for additional approvals. Compliance with evolving regulations may lead to increased costs and demand significant management time and resources, and any failure to comply may adversely affect our business, prospects, financial condition, results of operations and cash flows. Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy in the jurisdictions in which we operate, including by reason of limited or no precedent may be time consuming and costly for us to resolve, and may impact the viability of our current business or restrict our ability to grow in the future.

Additionally, if we are affected, directly or indirectly, by the application or interpretation of any provision of such laws and regulations or any related proceedings or are required to bear any costs in order to comply with such provisions or to defend such proceedings, our business and financial performance may be adversely affected.

***58. We are subject to stringent environmental regulations that could interrupt our operations or subject us to substantial compliance costs.***

We are subject to environmental and related laws and regulations in the states in which we operate. These include laws regulating the generation, storage, handling, use and transportation of waste materials, the emission and discharge of waste materials particularly hazardous and pollutant discharge into soil, air or water, and the health and safety of our employees and contractual manpower. Our products must also comply with evolving energy efficiency regulations in India, such as the standards prescribed under the Standards and Labelling Scheme, 2006. We are also required to obtain and comply with environmental permits for certain of our operations. For instance, we require approvals under the Water Act, the Air Act and the Hazardous Wastes Rules, E waste Rules in order to establish and operate our manufacturing units in India and are subject to inspections from the relevant authorities in order to maintain such approvals. Further, regulatory permits required for our operations may be subject to annual or periodic renewal and, in certain circumstances, modification or revocation. Certain material consents, licenses, registrations, permissions and approvals that are required to be obtained by our Company for undertaking its business may lapse in their normal course and our Company applies to the relevant central, state or local government authorities in the regular course for renewal of such licenses, consents, registrations, permissions and approvals. Breach or non-compliance with specified conditions may result in the suspension, withdrawal or termination of our approvals and registrations or the imposition of penalties by the relevant authorities. We have incurred, and expect to continue incurring, compliance costs related to these environmental laws and regulations. While there have been no past instances of suspension of the approvals, licenses, registrations or permits issued to us, in the three months ended June 30, 2024 and Fiscal 2024, 2023 and 2022, we cannot assure you that the approvals, licenses, registrations or permits issued to us will not be suspended or revoked in the event of non-compliance or alleged non-compliance with any terms or conditions thereof, or pursuant to any regulatory action. Any suspension, cancellation or refusal to extend our approvals and registrations may require us to cease production at some or all of our manufacturing units (or may affect other aspects of our operations), which may have an adverse effect on our business, prospects, financial condition and results of operations. Further, there can be no assurance that we will be in complete compliance at all times with such laws, regulations and the terms and conditions of any consents or permits. If we violate or fail to comply adequately with these requirements, we could be fined or otherwise sanctioned by the relevant regulators. We may face investigations or be responsible for remediating environmental conditions at our production sites, potentially incurring liabilities, regulatory fines, and penalties. This includes liabilities for environmental damage, third-party property damage, or personal injury resulting from lawsuits by governmental authorities or private litigants. While we have not been fined or otherwise sanctioned in the three months ended June 30, 2024 and Fiscal 2024, 2023 and 2022, any fines or sanctions in the future could adversely affect our business, reputation, financial condition or results of operations. Furthermore, environmental laws and regulations, and the interpretation and enforcement

thereof, are also subject to change and have tended to become stricter over time, in India and internationally, and may require us to make additional capital expenditures, incur additional expenses or take other actions in order to remain compliant and maintain our current operations. Complying with, and changes in, these laws and regulations or terms of approval may increase our compliance costs and adversely affect our business, prospects, financial condition and results of operations.

In order to comply with various environmental laws and regulations in India, we have installed various types of anti-pollution equipment and implemented systems and processes, to minimize energy use and reduce industrial wastes generated at our production facilities. However, no assurance can be provided that environmental claims will not be brought against us and any failure on our part to comply with any present or future environmental laws and regulations could result in assessment of damages, imposition of fines, penalties and clean-up costs, and injunctions, including suspension of our production. In addition, more stringent environmental laws and regulations could require us to acquire additional anti-pollution equipment or incur other significant compliance expenses. Our non-compliance with the relevant environmental regulations, or the perception that we have not appropriately responded to growing consumer concerns for environmental issues, may adversely affect our reputation, business, financial condition and results of operations.

***59. The requirements of being a listed company may strain our resources which may have a material adverse impact on our operations.***

The requirements of being a listed company may strain our resources. As a listed company, we will incur significant legal, accounting, corporate governance, and other expenses that we did not incur as an unlisted company. We will be subject to the SEBI Listing Regulations which will require us to file audited annual and unaudited quarterly reports with respect to our business and financial condition. If we experience any delays, we may fail to satisfy our reporting obligations and/or we may not be able to readily determine and accordingly report any changes in our results of operations as promptly as other listed companies. Furthermore, as a listed company, we will need to maintain and improve the effectiveness of our disclosure controls and procedures and internal control over financial reporting, including keeping adequate records of daily transactions. In order to maintain and improve the effectiveness of our disclosure controls and procedures and internal control over financial reporting, significant resources and management attention will be required. As a result, our management's attention may be diverted from our business concerns, which may adversely affect our business, prospects, financial condition and results of operations. If we fail to effectively implement sufficient disclosure controls and procedures and internal control procedures over financial reporting, we may be unable to successfully manage or accurately detect and report our future financial risks. In addition, we may need to hire additional legal and accounting staff with appropriate experience and technical accounting knowledge, but we cannot assure you that we will be able to do so in a timely.

***60. Changes in tax laws may materially and adversely affect our business, prospects, financial condition, results of operations and cash flows.***

New income tax regime, goods and services tax, sales, customs, use or other tax laws, statutes, rules, regulation or ordinances could be enacted at any time, or interpreted, changed, modified or applied adversely to us, any of which could adversely affect our business operations and financial performance. The Government of India announced the union budget for Fiscal 2025 and the finance bill in the Lok Sabha on July 23, 2024. The bill received assent from the President of India on August 16, 2024 and was enacted as the Finance (No. 2) Act, 2024.

Further, pursuant to the Finance (No.2) Act of 2024, the Government of India has introduced new income tax slabs and an increase in standard deduction. There is no certainty on the impact of the full union budget on tax laws or other regulations, which may adversely affect our business, financial condition, results of operations or on the industry in which we operate.

In light of this, we are currently unable to predict whether such changes will occur and, if so, the ultimate impact on our business. To the extent that such changes have a negative impact on us, our suppliers, trade partners or our consumers, including as a result of related uncertainty, these changes may materially and adversely affect our business, prospects, financial condition, results of operations and cash flows.

***61. We may be affected by competition law in India and any adverse application or interpretation of competition law in India could adversely affect our business and activities.***

The Competition Act, 2002, as amended ("**Competition Act**"), regulates and was enacted for the purpose of preventing practices that have or are likely to have an appreciable adverse effect on competition ("**AAEC**") in the relevant market in India and mandates the Competition Commission of India (the "**CCI**") to address such

practices. The Competition Act prohibits any anti-competition agreement or arrangement, understanding or action in concert between enterprises, whether formal or informal, which causes or is likely to cause an AAEC in India. Any agreement among competitors which directly or indirectly involves the determination of purchase or sale prices, limits or controls production, supply, markets, technical development, investment or provision of services, or shares the market, source of production or provision of services in any manner by way of allocation of geographical area, type of goods or services or consumers in the relevant market or in any other similar way or directly or indirectly results in bid-rigging or collusive bidding is presumed to have AAEC.

The Competition Act also prohibits abuse of a dominant position by any enterprise. If it is proved that the contravention committed by a company took place with the consent or connivance or is attributable to any neglect on the part of, any director, manager, secretary or other officer of such company, that person shall be also guilty of the contravention and may be punished.

The combination regulation (merger control) provisions under the Competition Act require acquisitions of shares, voting rights, assets or control or mergers or amalgamations that cross the prescribed asset and turnover based thresholds to be mandatorily notified to, and pre-approved by, the CCI. Any breach of the provisions of Competition Act, may result in substantial monetary penalties. The Competition Act aims to, among other things, prohibit all agreements and transactions, which may have an AAEC in India. Consequently, all agreements entered into by us could be within the purview of the Competition Act. Further, the CCI has extra-territorial powers and can investigate any agreements, abusive conduct or combination occurring outside of India if such agreement, conduct or combination has an AAEC in India. For instance, we were involved in a CCI matter wherein an informant third-party had filed an application against our Company under Section 19(1)(a) of the Competition Act, 2002, before CCI, alleging abuse of dominant position. Similarly, we previously received a notice as a third-party from CCI under Section 41 of the Competition Act, 2002 in relation to abuse of dominant position, however, both these matters were subsequently disposed of. While there are no outstanding actions from CCI against us, we cannot assure you that there will not be any such actions taken by CCI against us in the future. The applicability of the Competition Act or any future law or amendments to the regulations involving competition, to any merger, amalgamation or acquisition proposed by us, or any enforcement proceedings initiated by the CCI in future, or any adverse publicity that may be generated due to scrutiny or prosecution by the CCI may affect our business, financial condition and results of operations.

***62. Challenging economic conditions in India or globally could materially and adversely affect our business, prospects, financial condition and results of operations.***

We sell home appliances and consumer electronics in India and outside India. Our business therefore depends on general macroeconomic and demographic factors in India and outside India which are beyond our control. In particular, our revenue and profitability are strongly correlated to user discretionary spending, which is influenced by general economic conditions, unemployment levels, the availability of discretionary income and consumer confidence. A worsening economy, increased unemployment, increased energy prices, rising interest rates or other industry-wide cost pressures could also affect consumer behaviour and spending and lead to a decline in our sales and earnings.

Our suppliers, B2B consumers, trade partners and other business partners may also experience deterioration in their businesses during global economic downturns due to reduced end-user demand, cash flow shortages and difficulty in obtaining financing. These events could have a number of adverse effects on our business, including the insolvency or financial instability of our suppliers B2B consumers or trade partners that could impact their ability to fulfil their contractual obligations to provide us with components or to purchase our products. In addition, any tightening of the credit markets and credit conditions in India or other countries or a significant deterioration in the global financial markets may make it more difficult for B2B consumers or trade partners to obtain credit to finance purchases of our products. Recently, in November 2023, the Reserve Bank of India raised the risk weight on banks' exposure to certain categories like consumer credit, credit card receivables, and NBFCs. Consequently, loans availed from NBFCs are likely to become more expensive for the borrowers. An increase in the risk weights for lenders directly impacts their capital adequacy ratio, as they have to set aside higher capital against such loans, which eventually makes availing such loans more expensive for the borrowers. If banks and NBFCs apply higher credit standards in respect of loans provided by them generally or for our products, or if there is a decline in the overall availability of credit in the lending market, the ability of consumers to purchase our products could be adversely impacted, which could have a material adverse effect on our business and results of operations.

As we are incorporated in India and derive a substantial portion of our revenue from operations in India and all of our assets are located in India, we are particularly vulnerable to factors that may adversely affect the Indian economy. These factors may include: the macroeconomic climate, including any increase in Indian interest rates

or inflation; exchange rate fluctuations; scarcity of credit or other financing in India; prevailing income conditions among Indian consumers and Indian companies; epidemic, pandemic or any other public health incidents in India or in countries in the region or globally; volatility in, and actual or perceived trends in trading activity on India's principal stock exchanges; changes in India's tax, trade, fiscal or monetary policies; political instability, terrorism or military conflict in India or in countries in the region or globally; occurrence of natural or man-made disasters; other significant regulatory or economic developments in or affecting India or its consumption sector; international business practices that may conflict with other customs or legal requirements to which we are subject, including anti-bribery and anti-corruption laws; protectionist and other adverse public policies, including local content requirements, import/export tariffs, increased regulations or capital investment requirements; logistical and communications challenges; downgrading of India's sovereign debt rating by rating agencies; changes in political environment on account of upcoming elections; difficulty in developing any necessary partnerships with local businesses on commercially acceptable terms or on a timely basis; and being subject to the jurisdiction of foreign courts, including uncertainty of judicial processes and difficulty in enforcing contractual agreements or judgments in foreign legal systems or incurring additional costs to do so. Any slowdown or perceived slowdown in the Indian economy, or in specific sectors of the Indian economy, could adversely affect our business, results of operations, financial condition, cash flows and the price of the Equity Shares.

**63. *Any downgrading of India's sovereign debt rating by a domestic or an international rating agency could adversely affect our business.***

India's sovereign debt rating could be downgraded due to various factors, including changes in tax or fiscal policy or a decline in India's foreign exchange reserves, which are outside our Company's control. Our borrowing costs and our access to the debt capital markets also depend on the sovereign credit ratings of India. Any adverse revisions to India's credit ratings for domestic and international debt by international rating agencies may adversely affect our ratings, the terms on which we are able to raise additional finances or refinance any existing indebtedness. This could have an adverse effect on our business growth and financial performance, ability to obtain financing and the price of the Equity Shares.

**64. *Non-resident investors are subject to investment restrictions under Indian laws which limit our ability to attract foreign investors, which may adversely impact the market price of our Equity Shares.***

Under foreign exchange regulations currently in force in India, the transfer of shares between non-residents and residents are freely permitted (subject to compliance with sectoral norms and certain other restrictions), if they comply with the pricing guidelines and reporting requirements specified by the RBI and other applicable laws. If the transfer of shares is not in compliance with such pricing guidelines or reporting requirements or falls under any of the exceptions referred to above, then a prior approval of the relevant regulatory authority will be required. Further, unless specifically restricted, foreign investment is freely permitted in all sectors of the Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. The RBI and the concerned ministries and/or departments are responsible for granting approval for foreign investment. Additionally, shareholders who seek to convert Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India require a no-objection or a tax clearance certificate from the Indian income tax authorities. Furthermore, this conversion is subject to the shares having been held on a repatriation basis and, either the security having been sold in compliance with the pricing guidelines or, the relevant regulatory approval having been obtained for the sale of shares and corresponding remittance of the sale proceeds. We cannot assure you that any required approval from the RBI or any other governmental agency can be obtained with or without any particular terms or conditions.

In addition, pursuant to the Press Note No. 3 (2020 Series), dated April 17, 2020, issued by the Department for Promotion of Industry and Internal Trade, investments where the beneficial owner of the equity shares is situated in or is a citizen of a country which shares a land border with India, can only be made through the government approval route. Further, in the event of transfer of ownership of any existing or future foreign direct investment in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the aforesaid restriction and/or purview, such subsequent change in the beneficial ownership will also require approval of the Government of India. Furthermore, on April 22, 2020, the Ministry of Finance, Government of India has also made similar amendment to the Foreign Exchange Management Act, 1999 Non-debt Instruments Rules. We cannot assure investors that any required approval from the RBI or any other government agency can be obtained on any particular terms or conditions or at all. For further information, see "***Restrictions on Foreign Ownership of Indian Securities***" on page 418. Our ability to raise foreign capital through foreign direct investment is therefore constrained by Indian law, which may adversely affect our business, financial condition, results of operations and cash flows.



**65. *Investors may have difficulty enforcing foreign judgments against us or our management.***

Our Company is a limited liability company incorporated under the laws of India. Most of our Company's assets are located in India. As a result, you may be unable to:

- effect service of process in jurisdictions outside of India, including in the U.S., upon us and other related persons or entities;
- enforce in the Indian courts, judgments obtained in courts of jurisdictions outside of India against us and other related persons or entities, including judgments predicated upon the civil liability provisions of securities laws of jurisdictions outside India; and
- enforce judgments obtained in U.S. courts against us and other related persons or entities, including judgments predicated upon the civil liability provisions of the federal securities laws of the U.S.

Recognition and enforcement of foreign judgments is provided for under Section 13 and Section 44A of the Code of Civil Procedure, 1908 ("CPC"). While India is not a party to the Convention on the Recognition and Enforcement of Foreign Judgments in Civil and Criminal matters, India has reciprocal recognition and enforcement of judgments in civil and commercial matters with a limited number of jurisdictions, such as the United Kingdom, the United Arab Emirates, Singapore, and Hong Kong. To be enforceable, a judgment from a jurisdiction with reciprocity must meet certain requirements established in the CPC. The CPC only permits the enforcement and execution of monetary decrees in the reciprocating jurisdiction, not being in the nature of any amounts payable in respect of taxes, other charges, fines or penalties. Judgments or decrees from jurisdictions which do not have reciprocal recognition with India, including the U.S., cannot be enforced by proceedings in execution in India. Therefore, a final judgment for the payment of money rendered by any court in a non-reciprocating territory for civil liability, whether or not predicated solely upon the general laws of the non-reciprocating territory, would not be directly enforceable in India.

The party in whose favor a final foreign judgment in a non-reciprocating territory is rendered may bring a fresh suit in a competent court in India based on the final judgment within three years of obtaining such final judgment. However, it is unlikely that a court in India would award damages on the same basis as a foreign court if an action were brought in India or that an Indian court would enforce foreign judgments if it viewed the amount of damage as excessive or inconsistent with the public policy in India. In addition, any person seeking to enforce a foreign judgment in India is required to obtain the prior approval of the RBI to repatriate any amount recovered, and we cannot assure that such approval will be forthcoming within a reasonable period, or at all, or that conditions of such approval would be acceptable. Such amount may also be subject to income tax in accordance with applicable law.

**66. *Financial instability in other countries may cause increased volatility in Indian financial markets.***

Most of our current operations and market is in India. The Indian market and the Indian economy are influenced by economic and market conditions in other countries, particularly the emerging Asian market countries. Although, economic conditions are different in each country, investors' reactions to developments in one country can have adverse effects on the securities of companies in other countries, including India. Currencies of a few Asian countries have in the past suffered depreciation against the U.S. Dollar owing to various factors. A loss of investor confidence in the financial systems of other emerging markets may cause increased volatility in Indian financial markets and, indirectly, in the Indian economy in general. Any worldwide financial instability could also have a negative impact on the Indian economy. Financial disruptions may occur and could harm our business, future financial performance and the prices of our Equity Shares. Concerns related to a trade war between large economies may lead to increased risk aversion and volatility in global capital markets and consequently have an impact on the Indian economy.

The global credit and equity markets have from time to time, experienced substantial dislocations, liquidity disruptions and market corrections. In response to such developments, legislators and financial regulators in the U.S. and other jurisdictions, including India, may implement a number of policy measures designed to add stability to the financial markets. However, the overall impact of these and other legislative and regulatory efforts on the global financial markets is uncertain, and they may not have the intended stabilizing effects. In the event that the current difficult conditions in the global credit markets continue or if there is any significant financial disruption, such conditions could have an adverse effect on our business, future financial performance and the trading price of our Equity Shares.

**67. *If inflation rises in India, increased costs may result in a decline in profits.***

Inflation rates could be volatile, and we may continue to face high inflation in the future, similar to what India had witnessed in the past. Increasing inflation in India can contribute to an increase in interest rates and increased costs to our business, including increased costs of transportation, salaries, and other expenses relevant to our business, which may adversely affect our business and financial condition. High fluctuations in inflation rates may make it more difficult for us to accurately estimate or control our costs. Any increase in inflation in India can increase our operating expenses, which we may not be able to pass on to consumers, whether entirely or in part, and the same may adversely affect our business and financial condition. Further, high inflation leading to higher interest rates may also lead to a slowdown in the economy and adversely impact credit growth. If we are unable to increase our revenues sufficiently to offset our increased costs due to inflation, it could have an adverse effect on our business, prospects, financial condition, results of operations and cash flows. While the Government of India has previously initiated economic measures to combat high inflation rates, it is unclear whether these measures will remain in effect, and there can be no assurance that Indian inflation levels will not rise in the future. Any increase in inflation will have an impact on our costs and financial condition.

**68. Pursuant to listing of the Equity Shares, we may be subject to pre-emptive surveillance measures like Additional Surveillance Measure (“ASM”) and Graded Surveillance Measure (“GSM”) by the Stock Exchanges to enhance market integrity and safeguard the interest of investors.**

SEBI and the Stock Exchanges have introduced various pre-emptive surveillance measures to enhance market integrity and safeguard the interests of investors, including ASM and GSM. ASM and GSM are imposed on securities of companies based on various objective criteria such as significant variations in price and volume, concentration of certain client accounts as a percentage of combined trading volume and average delivery, and on securities which witness abnormal price rise not commensurate with the company’s financial health and fundamentals such as earnings, book value, fixed assets, net worth, price/earnings multiple, market capitalization. These measures are in place to enhance the integrity of the market and safeguard the interest of investors. Upon listing, the trading of our Equity Shares would be subject to differing market conditions as well as other factors which may result in high volatility in price, low trading volumes or a large concentration of client accounts as a percentage of combined trading volume of our Equity Shares. The occurrence of any of the abovementioned events or other circumstances may trigger any of the parameters prescribed by SEBI and the Stock Exchanges for placing our securities under the GSM and/or ASM framework or any other surveillance measures, which could result in significant restrictions on trading of our Equity Shares being imposed by SEBI and the Stock Exchanges. These restrictions may include higher margin requirements, requirement of settlement on a trade for trade basis without netting off, limiting trading frequency, reduction of applicable price band, requirement of settlement on gross basis or freezing of price on upper side of trading, as well as mentioning of our Equity Shares on the surveillance dashboards of the Stock Exchanges. The imposition of these restrictions and curbs on trading may have an adverse effect on market price, trading and liquidity of our Equity Shares and on the reputation and conditions of our Company.

**Risks Relating to the Offer**

**69. The Offer Price of our Equity Shares and our price-to-earnings ratio may not be indicative of the trading price of our Equity Shares upon listing on the Stock Exchanges subsequent to the Offer and, as a result, you may lose a significant part or all of your investment.**

Our market capitalization to revenue from operations for the Fiscal 2024 is [●] times at the upper end of the Price Band and [●] times at the lower end of the Price Band, and our price to earnings ratio multiple for Fiscal 2024 is [●] times at the upper end of the Price Band and [●] times at the lower end of the Price Band. The table below provides the details of our price to earnings ratio and market capitalization to revenue from our operations at the Offer Price:

Particulars	Price to earnings ratio*	Market capitalization to revenue from our operations*
Fiscal 2024 .....	[●]	[●]

\*Considering the Offer Price

Our Offer Price, our price to earnings ratio and the other ratios disclosed in the section “**Basis for Offer Price**” beginning on page 110 may not be comparable to the market price and market capitalization post listing and would depend on the various factors included in the section mentioned herein. Any valuation exercise undertaken for the purposes of the Offer by our Company in consultation with the BRLMs would not be based on a benchmark with our industry peers as well. The relevant financial parameters on the basis of which Price Band will be determined, shall be disclosed in the price band advertisement. For details of comparison with listed peers, see “**Basis for Offer Price**” on page 110. Prior to this Offer, there has been no public trading market for our Equity Shares. It is

possible that, after this Offer, an active trading market will not develop or continue. Listing and quotation do not guarantee that a market for our Equity Shares will develop, or if developed, the liquidity of such market for our Equity Shares. If an active trading market does not develop, you may have difficulty selling any of our Equity Shares that you buy.

**70. *Our Promoter will be able to exercise substantial control over our Company and may have interests that are different from those of our other Shareholders.***

As on the date of this Draft Red Herring Prospectus, LG Electronics, our Promoter holds 100% of our issued, subscribed and paid-up Equity Share capital. Upon completion of this Offer, our Promoter, LG Electronics, will approximately hold [ ● ]% of our post-Offer issued, subscribed and paid-up Equity Shares capital. As a result, our Promoter will be able to exercise a significant level of control over all matters requiring shareholder approval, including the election of directors, amendment of our constitutional documents and approval of significant corporate transactions and any other approvals which require a majority vote of shareholders eligible to vote. This control could have the effect of delaying or preventing a change of control of our Company or changes in management and will make the approval of certain transactions difficult or impossible without the support of such controlling shareholder. The interests of our Promoter could conflict with our interests or the interests of our other Shareholders. In addition, we depend on LG Electronics for our operations and our business could be adversely affected if LG Electronics prioritizes other interests over ours. See “– **Internal Risks – We are supported by LG Electronics, our Promoter, in various aspects of our business., and we pay royalties to them under the License Agreement (defined below).** Any adverse change in our relationship with LG Electronics and the companies in the LG Group could have an adverse impact on our business, reputation, financial condition and results of operations” on page 31. While the actions carried out by our Company post-listing will be subject to Board and Shareholder approval, as required under the Companies Act, 2013, and the SEBI Listing Regulations, any such conflict may adversely affect our ability to execute our business strategy or to operate our business.

**71. *Our Company will not receive any proceeds from the Offer. Our Promoter, LG Electronics, will receive the proceeds from the Offer.***

The Offer consists of only an Offer for Sale of 101,815,859 Equity Shares of face value of ₹10 each by LG Electronics. Our Promoter, LG Electronics, shall be entitled to the entire proceeds from the Offer (net of its portion of the Offer-related expenses) and we will not receive any proceeds from the Offer. None of our Directors or Key Managerial Personnel and Senior Management will receive, in whole or in part, any proceeds from the Offer. For details, see “**The Offer**”, “**Capital Structure**” and “**Objects of the Offer**” on pages 81, 97 and 107, respectively.

**72. *Our Equity Shares have never been publicly traded and after this Offer, our Equity Shares may experience price and volume fluctuations and an active trading market for our Equity Shares may not develop. Further, this Offer Price may not be indicative of the market price of our Equity Shares after this Offer.***

Prior to this Offer, there has been no public market for our Equity Shares. We cannot assure you that an active trading market for our Equity Shares will develop or be sustained after this Offer. The Offer Price of our Equity Shares is proposed to be determined by our Company, in consultation with the BRLMs, through a book-building process and may not be indicative of the market price of our Equity Shares at the time of commencement of trading of our Equity Shares or at any time thereafter. These will be based on numerous factors, including factors as described under “**Basis for Offer Price**” on page 110 and may not be indicative of the market price for our Equity Shares after the Offer. The market price of our Equity Shares may be subject to significant fluctuations in response to, among other factors, variations in our operating results, market conditions specific to the industry we operate in, developments relating to India and volatility in the stock exchanges and securities markets elsewhere in the world. These broad market fluctuations and industry factors may materially reduce the market price of our Equity Shares, regardless of our Company’s performance. In addition, following the expiry of the six-month locked-in period on certain portions of the pre-Offer Equity Share capital, the pre-Offer Shareholder, i.e., our Promoter, may sell its shareholding in our Company, depending on market conditions and their investment horizon. Any perception by investors that such sales might occur could additionally affect the trading price of our Equity Shares. Consequently, the price of our Equity Shares may be volatile, and you may be unable to sell your Equity Shares at or above the Offer Price, or at all. There has been significant volatility in the Indian stock markets in the recent past, and our Equity Share price could fluctuate significantly because of market volatility. A decrease in the market price of our Equity Shares could cause investors to lose some or all of their investment.

**73. *Investors may be subject to Indian taxes arising out of income arising on the sale of and dividend on our Equity Shares.***

Capital gains arising from the sale of our Equity Shares are generally taxable in India. Further, securities transaction tax (“STT”) shall be levied on and collected by an Indian stock exchange on which our Equity Shares are sold. Any gain realized on the sale of equity shares on a stock exchange held for more than 12 months is subject to long term capital gains tax in India. As per the existing provisions under Income Tax Act, such long-term capital gains exceeding ₹100,000 arising from the sale of listed equity shares on a stock exchange are subject to tax at the rate of 10% (without indexation and exchange variation benefit), provided that STT has been paid at the time of acquisition and transfer of shares. Similarly, any gain realized on the sale of listed equity shares held for a period of 12 months or less and on which STT has been paid on transfer will be subject to short-term capital gains tax at a rate of 15%.

If the shares are not sold in recognised stock exchange or on which STT has not been paid as mentioned above, long term capital gain will be charged at 20% (with indexation) and short-term capital gain will be taxed at applicable slab rates. Non-residents are provided with the option of discharging tax on long term capital gain at 10% (without indexation and exchange variation benefit). The Non-Resident can also opt for the rate of tax as proposed in the double taxation avoidance agreement for the above transactions, if it is beneficial, after providing the necessary documents as prescribed under the statute.

As a result, subject to any relief available under an applicable tax treaty or any benefit available to non-residents in their taxing jurisdictions where their income including income earned in relation to sale of Equity Shares is assessed to tax, residents of other countries may be liable for tax in India as well as other jurisdictions on gains arising from sale of our Equity Shares. Under the Finance Act, 2020, any dividends paid by an Indian company will be subject to tax in the hands of the shareholders at applicable rates. Such taxes will be withheld by the Indian company paying dividends. Further, the Finance Act, 2021, which followed, abolished the requirement for Dividend Distribution Tax (“DDT”) to be payable in respect of dividends declared, distributed or paid by a domestic company after March 31, 2020, and accordingly, such dividends would not be exempt in the hands of the shareholders, both resident as well as non-resident. Accordingly, any dividend distributed by a domestic company is subject to tax in the hands of the investor at the applicable rates. Our Company may grant the benefit of tax treaty to a non-resident shareholder for the purposes of deducting tax at source pursuant to any corporate action including dividend subject to the satisfactory fulfilment of necessary conditions imposed by Income Tax Act. The Finance Act, 2019 introduced new provisions under the Indian Stamp Act, 1899, which provides that in the absence of a specific provision under an agreement, the liability to pay stamp duty in case of sale of securities through stock exchanges will be on the buyer, while in other cases of transfer for consideration through a depository, the onus will be on the transferor. The stamp duty for transfer of securities other than debentures, on a delivery basis is specified at 0.015% and on a non-delivery basis is specified at 0.003% of the consideration amount. Further, the Government of India has announced the Union Budget for the Financial Year 2024 and further notified the Finance Act, 2023. Unfavorable changes in or interpretations of existing, or the promulgation of new, laws, rules and regulations including foreign investment and stamp duty laws governing our business and operations could result in us being deemed to be in contravention of such laws and may require us to apply for additional approvals.

***74. Qualified institutional buyers (“QIBs”) and Non-Institutional Bidders are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after submitting a Bid and Retail Individual Investors are not permitted to withdraw their Bids after Bid/Offer Closing Date.***

Pursuant to the SEBI ICDR Regulations, QIBs and Non-Institutional Bidders are required to pay the Bid Amount on submission of the Bid and are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after submitting a Bid. Retail Individual Bidders can revise their Bids during the Bid/Offer Period and withdraw their Bids until Bid/Offer Closing Date. While our Company is required to complete all necessary formalities for listing and commencement of trading of our Equity Shares on all Stock Exchanges where such Equity Shares are proposed to be listed, including Allotment pursuant to the Offer, within three working days from the Bid/Offer Closing Date or such other timeline as may be prescribed under applicable law, events affecting the Bidders’ decision to invest in our Equity Shares, including material adverse changes in international or national monetary policy, financial, political or economic conditions, our business, financial condition or results of operations may arise between the date of submission of the Bid and Allotment. Our Company may complete the Allotment of our Equity Shares even if such events occur, and such events may limit the Bidders’ ability to sell our Equity Shares Allotted pursuant to the Offer or cause the trading price of our Equity Shares to decline on listing.

***75. We cannot assure that prospective investors will be able to sell immediately on a Stock Exchange any of our Equity Shares they purchase in the Offer.***

In accordance with Indian law and practice, final approval for listing and trading of our Equity Shares will not be granted until after certain actions have been completed in relation to this Offer and until our Equity Shares have been issued and allotted. Such approval will require the submission of all other relevant documents authorizing the issuance of our Equity Shares. In accordance with current regulations and circulars issued by SEBI, our Equity Shares are required to be listed on the Stock Exchanges within a prescribed time. Accordingly, we cannot assure you that the trading in our Equity Shares will commence in a timely manner or at all and there could be a failure or delay in listing our Equity Shares on the Stock Exchanges, which would adversely affect your ability to sell our Equity Shares.

***76. Holders of Equity Shares could be restricted in their ability to exercise pre-emptive rights under Indian law and could thereby suffer future dilution of their ownership position.***

Under the Companies Act, 2013, a company having share capital and incorporated in India must offer holders of its Equity Shares pre-emptive rights to subscribe and pay for a proportionate number of Equity Shares to maintain their existing ownership percentages prior to the issuance of any new equity shares, unless the pre-emptive rights have been waived by the adoption of a special resolution by holders of three-fourths of our Equity Shares who have voted on such resolution. However, if the laws of the jurisdiction that you are in does not permit the exercise of such pre-emptive rights without us filing an offering document or registration statement with the applicable authority in such jurisdiction, you will be unable to exercise such pre-emptive rights unless we make such a filing. We may elect not to file a registration statement in relation to pre-emptive rights otherwise available by Indian law to you. To the extent that you are unable to exercise pre-emptive rights granted in respect of our Equity Shares, you may suffer future dilution of your ownership position and your proportional interests in us would be reduced. In addition, you may suffer continued risk of dilution if shareholders pass special resolutions for preferential issues or take any other similar actions.

***77. Any future issuance of Equity Shares or securities linked to Equity Shares may dilute your shareholding, and sale of our Equity Shares by our Promoter, LG Electronics, may also adversely affect the trading price of our Equity Shares.***

We may be required to finance our growth through future equity offerings. Any future equity issuances by us, including a primary offering, may dilute investors' shareholdings in us. There can be no assurance that we will not issue further Equity Shares or that the Shareholders will not dispose of our Equity Shares. Any future issuances could also dilute the value of your investment in our Equity Shares. In addition, any perception by investors that such issuances or sales might occur may also affect the market price of our Equity Shares. Any sales (or pledge or encumbrance) of substantial amounts of our Equity Shares in the public market after the completion of the Offer by our Promoter (subject to compliance with the lock-in provisions under the SEBI ICDR Regulations) or the perception that such sales could occur, could adversely affect the market price of our Equity Shares and materially impair our future ability to raise capital through offerings of our Equity Shares.

***78. Rights of shareholders of companies under Indian law may be more limited than under the laws of other jurisdictions.***

Our Articles of Association, composition of our Board, Indian laws governing our corporate affairs, the validity of corporate procedures, directors' fiduciary duties, responsibilities and liabilities, and shareholders' rights may differ from those that would apply to a company in another jurisdiction. Shareholders' rights under Indian law may not be as extensive and widespread as shareholders' rights under the laws of other countries or jurisdictions. Investors may face more challenges in asserting their rights as shareholders in an Indian company than as shareholders of an entity in another jurisdiction.

***79. A third party could be prevented from acquiring control of our Company because of anti-takeover provisions under Indian law.***

There are provisions in Indian law that may delay, deter or prevent a future takeover or change in control of our Company, even if a change in control would result in the purchase of your Equity Shares at a premium to the market price or would otherwise be beneficial to you. Such provisions may discourage or prevent certain types of transactions involving actual or threatened change in control of our Company. Under the takeover regulations in India, an acquirer has been defined as any person who, directly or indirectly, acquires or agrees to acquire shares or voting rights or control over a company, whether individually or acting in concert with others. Although these provisions have been formulated to ensure that interests of investors/shareholders are protected, these provisions may also discourage a third party from attempting to take control of our Company. Consequently, even if a potential takeover of our Company would result in the purchase of the Equity Shares at a premium to their market price or would otherwise be beneficial to its stakeholders, it is possible that such a takeover would not be attempted or consummated because of the Indian takeover regulations.

## SECTION III: INTRODUCTION

### THE OFFER

The following table summarizes details of the Offer:

<b>Offer</b> <sup>(1)(2)</sup>	
<i>The Offer comprises:</i>	
Offer for Sale <sup>(2)</sup>	Up to 101,815,859 equity shares of face value ₹ 10 each, aggregating up to ₹ [●] million
<i>of which</i>	
<b>A) Qualified Institutional Buyers (“QIBs”) Portion</b> <sup>(3)(4)</sup>	Not more than [●] equity shares of face value of ₹ 10 each aggregating up to ₹ [●] million
<i>of which:</i>	
i. Anchor Investor Portion	Up to [●] equity shares of face value of ₹ 10 each
ii. Net QIB Portion available for allocation to QIBs other than Anchor Investors (assuming Anchor Investor Portion is fully subscribed)	Up to [●] equity shares of face value of ₹ 10 each
<i>of which:</i>	
a. Available for allocation to Mutual Funds only (5% of the Net QIB Portion)	Up to [●] equity shares of face value of ₹ 10 each
b. Balance of QIB Portion for all QIBs including Mutual Funds	Up to [●] equity shares of face value of ₹ 10 each
<b>B) Non-Institutional Portion</b> <sup>(4)(5)</sup>	Not less than [●] equity shares of face value of ₹ 10 each aggregating up to ₹ [●] million
<i>of which:</i>	
One-third of the Non-Institutional Portion available for allocation to Bidders with an application size more than ₹ 200,000 and up to ₹ 1,000,000	[●] equity shares of face value of ₹ 10 each
Two-third of the Non-Institutional Portion available for allocation to Bidders with an application size of more than ₹ 1,000,000	[●] equity shares of face value of ₹ 10 each
<b>C) Retail Portion</b> <sup>(4)</sup>	Not less than [●] equity shares of face value of ₹ 10 each aggregating up to ₹ [●] million
<b>Pre-Offer and Post-Offer Equity Shares</b>	
Equity Shares outstanding prior to the Offer (as at the date of this Draft Red Herring Prospectus)	678,772,392 equity shares of face value of ₹ 10 each
Equity Shares outstanding after the Offer	[●] equity shares of face value of ₹ 10 each aggregating up to ₹ [●] million
<b>Use of proceeds of the Offer</b>	Our Company will not receive any portion of the proceeds from the Offer. For further information, see “ <b>Objects of the Offer</b> ” beginning on page 107
<ol style="list-style-type: none"> <li><i>The Offer has been authorized by a resolution of our Board passed at their meeting dated December 4, 2024. Further, our Board has taken on record the approval for the Offer for Sale by the Selling Shareholder pursuant to resolution dated December 4, 2024.</i></li> <li><i>The Selling Shareholder has confirmed and authorized its participation in the Offer for Sale in relation to the Offered Shares. The Selling Shareholder confirms that the Offered Shares have been held by it for a period of at least one year prior to the filing of this Draft Red Herring Prospectus with SEBI in accordance with Regulation 8 of the SEBI ICDR Regulations or are otherwise eligible for being offered for sale in the Offer in accordance with the provisions of the SEBI ICDR Regulations. The Selling Shareholder, through its letter dated December 4, 2024, has authorised the sale of up to 101,815,859 Equity Shares of face value of ₹ 10 each.</i></li> <li><i>Our Company may, in consultation with the Book Running Lead Managers, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. One-third of the Anchor Investor Portion shall be reserved for allocation to domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which Equity Shares are allocated to Anchor Investors in the Offer. In the event of under-subscription or non-allocation in the Anchor Investor Portion, the remaining Equity Shares shall be added to the Net QIB Portion. Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer Price. However, if the aggregate demand from Mutual Funds is less than as specified above, the balance Equity Shares available for Allotment in the Mutual Fund Portion will be added to the Net QIB Portion and allocated proportionately to the QIB Bidders (other than Anchor Investors) in proportion to their Bids. For details, see “Offer Procedure” and “Offer Structure” beginning on pages 398 and 394, respectively.</i></li> </ol>	

4. *Subject to valid Bids being received at or above the Offer Price, under-subscription, if any, in any category except the QIB Portion, would be allowed to be met with spill-over from any other category or combination of categories, as applicable, at the discretion of our Company, in consultation with the Book Running Lead Managers and the Designated Stock Exchange, subject to applicable law. Undersubscription, if any, in the QIB Portion (excluding the Anchor Investor Portion) will not be allowed to be met with spill-over from other categories or a combination of categories.*
5. *Allocation to Bidders in all categories, except Anchor Investor Category, Non-Institutional Category and Retail Category, shall be made on a proportionate basis subject to valid Bids received at or above the Offer Price. The allocation to each Retail Individual Bidder shall not be less than the minimum Bid Lot, subject to availability of Equity Shares in the Retail Category and the remaining available Equity Shares, if any, shall be allocated on a proportionate basis. Not less than 15% of the Net Offer shall be available for allocation to Non-Institutional Bidders of which one-third of the Non-Institutional Category will be available for allocation to Bidders with an application size of more than ₹ 200,000 and up to ₹ 1,000,000 and two-thirds of the Non-Institutional Category will be available for allocation to Bidders with an application size of more than ₹ 1,000,000 and under-subscription in either of these two sub-categories of Non-Institutional Category may be allocated to Bidders in the other sub-category of Non-Institutional Category. The allocation to each Non-Institutional Bidder shall not be less than the minimum application size, subject to availability of Equity Shares in the Non-Institutional Category and the remaining available Equity Shares, if any, shall be allocated on a proportionate basis in accordance with the conditions specified in this regard in Schedule XIII of the SEBI ICDR Regulations.*

Allocation to Bidders in all categories shall be made in accordance with the SEBI ICDR Regulations. For further information, see “**Terms of the Offer**”, “**Offer Structure**” and “**Offer Procedure**” beginning on pages 387, 394 and 398, respectively.

## SUMMARY OF FINANCIAL INFORMATION

The following tables set forth summary financial information derived from our Restated Financial Information. The summary financial information presented below should be read in conjunction with “*Restated Financial Information*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” beginning on pages 232 and 315, respectively.

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LG Electronics India Limited (formerly known as LG Electronics India Private Limited)  
CIN: U32107DL1997PLC220109  
Annexure I - Restated Statement of Assets and Liabilities  
All amounts are in INR Millions, unless otherwise stated

	As at June 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
<b>ASSETS</b>				
<b>Non-current assets</b>				
(a) Property, plant and equipment	12,527.85	13,105.43	13,328.47	10,386.75
(b) Capital work-in-progress	569.81	242.05	243.49	1,024.00
(c) Intangible assets	76.03	83.06	99.46	88.06
(d) Intangible assets under development	3.74	2.49	2.56	5.60
(e) Financial assets				
(i) Trade receivables	-	-	-	-
(ii) Loans	54.19	54.93	47.94	58.40
(iii) Other financial assets	901.69	1,141.05	1,192.53	1,011.37
(f) Deferred tax assets (net)	1,762.54	1,719.71	1,364.60	1,277.98
(g) Other non-current assets	2,229.33	2,051.54	2,001.44	2,437.08
<b>Total non-current assets</b>	<b>18,125.18</b>	<b>18,400.26</b>	<b>18,280.49</b>	<b>16,289.24</b>
<b>Current assets</b>				
(a) Inventories	22,570.63	23,974.18	26,410.30	24,094.40
(b) Financial assets				
(i) Trade receivables	12,324.03	17,970.21	14,995.30	13,810.50
(ii) Cash and cash equivalents	36,060.72	22,226.05	27,625.88	37,268.56
(iii) Loans	19.83	18.17	20.56	21.42
(iv) Other financial assets	1,729.08	929.78	612.65	1,040.04
(c) Other current assets	1,701.06	1,465.50	1,935.82	1,556.14
	<b>74,405.35</b>	<b>66,583.89</b>	<b>71,600.51</b>	<b>77,791.06</b>
Assets classified as held-for-sale	-	0.20	40.20	112.08
<b>Total current assets</b>	<b>74,405.35</b>	<b>66,584.09</b>	<b>71,640.71</b>	<b>77,903.14</b>
<b>Total assets</b>	<b>92,530.53</b>	<b>84,984.35</b>	<b>89,921.20</b>	<b>94,192.38</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
(a) Equity share capital	1,131.29	1,131.29	1,131.29	1,131.29
(b) Other equity	43,396.36	36,591.17	42,431.16	53,876.16
<b>Total equity</b>	<b>44,527.65</b>	<b>37,722.46</b>	<b>43,562.45</b>	<b>55,007.45</b>
<b>LIABILITIES</b>				
<b>Non-current liabilities</b>				
(a) Financial liabilities				
- Lease liabilities	2,765.63	2,846.96	2,494.88	2,346.70
(b) Provisions	893.51	875.18	704.96	624.13
(c) Other non-current liabilities	1,838.32	1,673.16	1,160.07	931.30
<b>Total non-current liabilities</b>	<b>5,497.46</b>	<b>5,395.30</b>	<b>4,359.91</b>	<b>3,902.13</b>
<b>Current liabilities</b>				
(a) Financial liabilities				
(i) Lease liabilities	820.32	852.59	689.63	560.82
(ii) Trade payables				
- total outstanding dues of micro enterprises and small enterprises; and	2,259.22	3,093.71	3,750.60	3,188.63
- total outstanding dues of creditors other than micro enterprises and small enterprises	28,027.12	27,256.79	27,441.46	22,794.87
(iii) Other financial liabilities	2,993.49	2,881.26	3,235.94	2,885.66
(b) Other current liabilities	5,053.17	5,906.04	5,092.08	4,256.16
(c) Provisions	1,680.33	1,532.03	1,353.93	1,144.80
(d) Current tax liabilities (net)	1,671.77	344.17	435.20	388.93
	<b>42,505.42</b>	<b>41,866.59</b>	<b>41,998.84</b>	<b>35,219.87</b>
Liabilities classified as held-for-sale	-	-	-	62.93
<b>Total current liabilities</b>	<b>42,505.42</b>	<b>41,866.59</b>	<b>41,998.84</b>	<b>35,282.80</b>
<b>Total liabilities</b>	<b>48,002.88</b>	<b>47,261.89</b>	<b>46,358.75</b>	<b>39,184.93</b>
<b>Total equity and liabilities</b>	<b>92,530.53</b>	<b>84,984.35</b>	<b>89,921.20</b>	<b>94,192.38</b>

LG Electronics India Limited (formerly known as LG Electronics India Private Limited)  
CIN: U32107DL1997PLCZ20109  
Annexure II - Restated Statement of Profit and Loss  
All amounts are in INR Millions, unless otherwise stated

	For the three months period ended June 30, 2024	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2022
<b>A. Continuing operations</b>				
Revenue from operations	64,087.97	213,520.00	198,645.93	168,342.13
Other income	580.00	2,051.18	2,439.91	2,037.97
<b>Total income</b>	<b>64,667.97</b>	<b>215,571.18</b>	<b>201,085.84</b>	<b>170,380.10</b>
<b>Expenses</b>				
Cost of materials consumed	34,312.38	129,160.49	123,608.20	100,322.12
Purchases of stock-in-trade	5,638.68	19,357.72	18,787.63	14,917.33
Changes in inventories of finished goods, stock-in-trade and work-in-progress	2,872.58	783.57	(2,115.10)	2,766.29
Employee benefits expense	2,408.62	8,868.24	7,991.56	7,254.54
Finance costs	69.35	285.05	225.84	225.10
Depreciation and amortisation expense	967.21	3,643.69	3,003.93	2,583.59
Other expenses	9,275.05	33,101.25	31,380.49	25,995.50
<b>Total expenses</b>	<b>55,543.87</b>	<b>195,200.01</b>	<b>182,882.55</b>	<b>154,064.47</b>
<b>Profit before tax from continuing operations</b>	<b>9,124.10</b>	<b>20,371.17</b>	<b>18,203.29</b>	<b>16,315.63</b>
<b>Tax expense</b>				
- Current tax	2,373.40	5,567.39	4,794.35	4,107.73
- Current tax expense relating to previous year	-	40.08	13.73	5.28
- Deferred tax	(45.76)	(346.98)	(84.99)	146.63
<b>Total tax expense</b>	<b>2,327.64</b>	<b>5,260.49</b>	<b>4,723.09</b>	<b>4,259.64</b>
<b>Profit for the period/year from continuing operations</b>	<b>6,796.46</b>	<b>15,110.68</b>	<b>13,480.20</b>	<b>12,055.99</b>
<b>B. Discontinued operations</b>				
Loss from discontinued operations before tax	-	-	(42.00)	(417.99)
Tax expense of discontinued operations	-	-	(11.10)	(109.33)
<b>Loss after tax from discontinued operations</b>	<b>-</b>	<b>-</b>	<b>(30.90)</b>	<b>(308.66)</b>
<b>Profit for the period/year</b>	<b>6,796.46</b>	<b>15,110.68</b>	<b>13,449.30</b>	<b>11,747.33</b>
<b>Other Comprehensive Income</b>				
Items that will not be reclassified to profit or loss				
- Remeasurement of post-employment benefit obligation	11.66	(29.98)	(7.61)	27.61
Income tax relating to these items	(2.93)	8.13	1.63	(6.89)
<b>Other Comprehensive Income for the period/year (net of tax)</b>	<b>8.73</b>	<b>(21.85)</b>	<b>(5.98)</b>	<b>20.72</b>
<b>Total Comprehensive Income for the period/year</b>	<b>6,805.19</b>	<b>15,088.83</b>	<b>13,443.32</b>	<b>11,768.05</b>
<b>Earnings per equity share from continuing operations attributable to the equity holders of the Company</b>				
Basic earnings per share (INR)	10.01	22.26	19.86	17.76
Diluted earnings per share (INR)	10.01	22.26	19.86	17.76
<b>Earnings per equity share from discontinued operations attributable to the equity holders of the Company</b>				
Basic earnings per share (INR)	-	-	(0.05)	(0.45)
Diluted earnings per share (INR)	-	-	(0.05)	(0.45)
<b>Earnings per equity share from continuing and discontinued operations attributable to the equity holders of the Company</b>				
Basic earnings per share (INR)	10.01	22.26	19.81	17.31
Diluted earnings per share (INR)	10.01	22.26	19.81	17.31

LG Electronics India Limited (formerly known as LG Electronics India Private Limited)  
CIN: U32107DL1997PLC220109  
Annexure IV - Restated Statement of Cash Flows  
All amounts are in INR Millions, unless otherwise stated

	For the three months period ended June 30, 2024	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2022
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>				
Profit before tax from continuing operations	9,124.10	20,371.17	18,203.29	16,315.63
Loss before tax from discontinued operations	-	-	(42.00)	(417.99)
<b>Profit before income tax including discontinued operations</b>	<b>9,124.10</b>	<b>20,371.17</b>	<b>18,161.29</b>	<b>15,897.64</b>
<i>Adjustments for:</i>				
Depreciation and amortisation expense	967.21	3,643.69	3,003.93	2,611.71
Profit on sale of property, plant and equipment (net)	(5.34)	(8.42)	(7.09)	(33.10)
Interest income on bank deposits	(557.42)	(1,989.48)	(2,201.51)	(1,624.12)
Interest on lease liabilities	69.35	269.42	225.03	224.61
Property, plant and equipment written-off	13.56	3.21	2.60	1.03
Allowance for doubtful trade receivables, other assets and other financials assets	(37.71)	(15.48)	47.27	72.50
Trade receivables written-off	0.92	13.63	18.97	12.74
Provision for warranty expenses	117.01	136.95	87.45	(94.42)
Provision for service tax liability written-back	-	-	-	(343.74)
Sundry advances written-off/(written-back)	-	-	-	(1.49)
Unrealised (gain)/loss on foreign currency (net)	(17.35)	61.04	(19.25)	62.35
	<b>550.23</b>	<b>2,114.56</b>	<b>1,157.40</b>	<b>888.07</b>
Operating profit before change in operating assets and liabilities	<b>9,674.33</b>	<b>22,485.73</b>	<b>19,318.69</b>	<b>16,785.71</b>
<i>Changes in working capital:</i>				
Adjustment for (increase)/decrease in operating assets:				
Inventories	1,403.55	2,468.08	(2,262.02)	2,237.76
Trade receivables	5,688.24	(2,946.03)	(1,206.40)	(3,282.00)
Other assets	(420.18)	369.32	(269.25)	122.49
Other financial assets	(560.02)	(257.92)	246.23	(186.10)
Loans	(0.92)	(4.60)	11.32	(30.00)
Adjustment for increase/(decrease) in operating liabilities:				
Trade payables	(48.93)	(913.87)	5,232.75	(6,940.60)
Provisions	61.28	181.39	194.90	60.43
Other liabilities	(687.71)	1,327.05	1,001.76	1,105.48
Other financial liabilities	(17.00)	(356.04)	865.05	121.49
	<b>5,418.31</b>	<b>(132.62)</b>	<b>3,814.34</b>	<b>(6,791.05)</b>
Cash generated from operations	<b>15,092.64</b>	<b>22,353.11</b>	<b>23,133.03</b>	<b>9,994.66</b>
Net income tax (paid)/refunds	(1,045.80)	(5,698.50)	(4,424.75)	(4,016.00)
<b>Net cash inflow/(outflow) from operating activities (A)</b>	<b>14,046.84</b>	<b>16,654.61</b>	<b>18,708.28</b>	<b>5,978.66</b>
<b>B. CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Purchase of property, plant and equipment and intangible assets (including Capital work-in-progress and Intangible assets under development)	(520.07)	(2,421.25)	(5,171.04)	(2,734.04)
Proceeds from government grant	-	208.06	196.59	296.41
Proceeds from sale of property, plant and equipment	3.92	19.14	32.94	38.46
Interest income on bank deposits	557.42	1,989.48	2,201.51	1,624.12
<b>Net cash (outflow)/inflow from investing activities (B)</b>	<b>41.27</b>	<b>(204.57)</b>	<b>(2,740.00)</b>	<b>(775.05)</b>
<b>C. CASH FLOWS FROM FINANCING ACTIVITIES</b>				
Principal payment of lease liabilities	(186.01)	(654.29)	(493.96)	(414.69)
Interest paid on lease liabilities	(69.35)	(269.42)	(225.03)	(224.61)
Interim dividend	-	(20,928.82)	(24,888.32)	(22,625.75)
<b>Net cash (outflow)/inflow from financing activities (C)</b>	<b>(255.36)</b>	<b>(21,852.53)</b>	<b>(25,607.31)</b>	<b>(23,265.05)</b>

LG Electronics India Limited (formerly known as LG Electronics India Private Limited)  
CIN: U32107DL1997PLC220109  
Annexure IV - Restated Statement of Cash Flows  
All amounts are in INR Millions, unless otherwise stated

	For the three months period ended June 30, 2024	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2022
<b>Net increase/(decrease) in cash and cash equivalents (A+B+C)</b>	13,832.75	(5,402.49)	(9,639.03)	(18,061.44)
Cash and cash equivalents at the beginning of the period/year	22,226.05	27,625.88	37,268.56	55,326.00
Effect of exchange differences on restatement of foreign currency accounts	1.92	2.66	(3.65)	4.00
<b>Cash and cash equivalents at the end of the period/year</b>	<b>36,060.72</b>	<b>22,226.05</b>	<b>27,625.88</b>	<b>37,268.56</b>
<b>Non-cash investing activities</b>				
Acquisition of right of use assets	79.87	1,169.45	788.17	312.17
<b>Cash and cash equivalents at the end of the period/year comprises:</b>				
(a) Balances with banks				
(i) In current accounts	1,036.05	696.18	245.71	299.55
(ii) Exchange Earner's Foreign Currency (EEFC) Accounts	504.12	457.75	344.59	307.56
(b) Cash on hand	9.31	8.00	5.21	5.96
(c) Bank deposits with original maturity of less than three months	34,511.24	21,064.12	27,030.37	36,655.49
	<b>36,060.72</b>	<b>22,226.05</b>	<b>27,625.88</b>	<b>37,268.56</b>

## GENERAL INFORMATION

### Registered Office

The address of our Registered Office is as follows:

#### LG Electronics India Limited

A 24/6, Mohan Cooperative  
Industrial Estate Mathura Road  
New Delhi 110 044, Delhi, India  
**Tel:** +91 11 4002 0052  
**E-mail:** cs.india@lge.com  
**Website:** www.lg.com/in/

### Corporate Office

The address of our Corporate Office is as follows:

#### LG Electronics India Limited

16<sup>th</sup> to 20<sup>th</sup> Floor, C-001  
Tower D, KP Tower  
Sector 16B, Noida 201 301  
Uttar Pradesh, India

For further details, including in relation to changes in the name and the registered office of our Company, see “*History and Certain Corporate Matters*” beginning on page 199.

### Corporate identity number and registration number

**Corporate Identity Number:** U32107DL1997PLC220109

**Registration Number:** 220109

### Address of the Registrar of Companies

Our Company is registered with the RoC which is situated at the following address:

#### The Registrar of Companies, Delhi and Haryana at New Delhi, India

4<sup>th</sup> Floor, IFCI Tower  
61, Nehru Place  
New Delhi 110 019  
Delhi, India

### Board of Directors

Our Board comprises the following Directors, as on the date of filing of this Draft Red Herring Prospectus:

Name	Designation	DIN	Address
Hong Ju Jeon	Managing Director	10041232	C-171, Tower C, DLF The Crest, Phase 5, Golf Course Road, Gurugram 122 001, Haryana, India
Dongmyung Seo	Whole-time Director and the Chief Financial Officer	09481866	Crowne Plaza, Greater Noida A Surajpur Chowk, Institutional Green 1, Gautam Buddha Nagar 201 306, Uttar Pradesh, India
Daehyun Song	Chairman and Non-executive Director	10835809	506-dong, 1009-ho, 567 Songpadaero, Songpa-gu, Seoul Metropolitan, Seoul, Korea
Promila Bhardwaj	Independent Director	06428534	702, Tower 12, South Close, Nirvana Country, Sector 50, South City - II, Gurgaon 122 018, Haryana, India
Ramesh Ramachandran Nair	Independent Director	02528707	C - 203, First Floor, Sarvodaya Enclave, Opposite Aurobindo Ashram, Aurobindo Lane, Malviya Nagar, South Delhi 110 017, Delhi, India

Name	Designation	DIN	Address
Santosh Kumar Mohanty	Independent Director	06690879	B - 1001, Kamla Habitat Avadhut C.H.S. Limited, Sunder Nagar, Near K.E.S High School, Kalina, Santacruz East, Mumbai 400 098, Maharashtra, India

For brief profiles and further details in relation to our Board of Directors, see “*Our Management*” on page 207.

### Company Secretary and Compliance Officer

Anuj Goyal is the Company Secretary and Compliance Officer of our Company. His contact details are as follows:

#### Anuj Goyal

16<sup>th</sup> - 20<sup>th</sup> Floor, C-001  
Tower D, KP Tower  
Sector 16B, Noida 201 301  
Uttar Pradesh, India  
**Tel:** +91 120 651 6700  
**E-mail:** [cgc.india@lge.com](mailto:cgc.india@lge.com)

### Investor grievances

**Bidders can contact our Company Secretary and Compliance Officer, the BRLMs or the Registrar to the Offer in case of any pre-Offer or post-Offer related problems, such as non-receipt of letters of Allotment, non-credit of Allotted Equity Shares in the respective beneficiary account, non-receipt of refund orders or non-receipt of funds by electronic mode, etc. For all Offer-related queries and for redressal of complaints, investors may also write to the BRLMs.**

All Offer related grievances, other than that of Anchor Investors, may be addressed to the Registrar to the Offer with a copy to the relevant Designated Intermediary(ies) to whom the Bid cum Application Form was submitted. The Bidder should give full details such as name of the sole or first Bidder, Bid cum Application Form number, Bidder’s DP ID, Client ID, UPI ID, PAN, date of submission of the Bid cum Application Form, address of the Bidder, number of Equity Shares applied for, the name and address of the Designated Intermediary(ies) where the Bid cum Application Form was submitted by the Bidder and ASBA Account number (for ASBA Bidders other than the UPI Bidders) in which the amount equivalent to the Bid Amount was blocked or the UPI ID, in case of UPI Bidders.

Further, the Bidder shall also enclose the Acknowledgment Slip or provide the application number received from the Designated Intermediary in addition to the document or information mentioned hereinabove. All grievances relating to Bids submitted through Registered Brokers may be addressed to the Stock Exchanges with a copy to the Registrar to the Offer. The Registrar to the Offer shall obtain the required information from the SCSBs for addressing any clarifications or grievances of ASBA Bidders.

All Offer-related grievances of the Anchor Investors may be addressed to the Registrar to the Offer, giving full details such as the name of the sole or first Bidder, Anchor Investor Application Form number, Bidders’ DP ID, Client ID, PAN, date of the Anchor Investor Application Form, address of the Bidder, number of the Equity Shares applied for, Bid Amount paid on submission of the Anchor Investor Application Form and the name and address of the BRLMs where the Anchor Investor Application Form was submitted by the Anchor Investor.

### Book Running Lead Managers

<b>Morgan Stanley India Company Private Limited</b> 18F, Tower 2, One World Centre Plot 841, Jupiter Textile Mill Compound Senapati Bapat Marg, Lower Parel Mumbai 400 013 Maharashtra, India <b>Tel:</b> +91 22 6118 1000 <b>E-mail:</b> <a href="mailto:lgindiaipo@morganstanley.com">lgindiaipo@morganstanley.com</a> <b>Investor grievance e-mail:</b> <a href="mailto:investors_india@morganstanley.com">investors_india@morganstanley.com</a> <b>Website:</b> <a href="http://www.morganstanley.com">www.morganstanley.com</a> <b>Contact person:</b> Dhruv Lowe / Harshavi Shah	<b>J.P. Morgan India Private Limited</b> J.P. Morgan Tower, Off CST Road, Kalina Santacruz East, Mumbai 400 098 Maharashtra, India <b>Tel:</b> +91 22 6157 3000 <b>E-mail:</b> <a href="mailto:LGEIL_IPO@jpmorgan.com">LGEIL_IPO@jpmorgan.com</a> <b>Investor grievance e-mail:</b> <a href="mailto:investorsmb.jpmpil@jpmorgan.com">investorsmb.jpmpil@jpmorgan.com</a> <b>Website:</b> <a href="http://www.jpmpil.com">www.jpmpil.com</a> <b>Contact person:</b> Raghav Nath /Rishank Chheda <b>SEBI registration no.:</b> INM000002970
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**SEBI registration no.:** INM00001123

**Axis Capital Limited**

1<sup>st</sup> Floor, Axis House

Pandurang Budhkar Marg, Worli

Mumbai 400 025, Maharashtra, India

**Tel:** +91 22 4325 2183

**E-mail:** lgindia.ipo@axiscap.in

**Investor Grievance E-mail:** complaints@axiscap.in

**Contact Person:** Jigar Jain

**Website:** www.axiscapital.co.in

**SEBI Registration:** INM000012029

**BofA Securities India Limited**

Ground Floor, "A" Wing

One BKC, "G" Block

Bandra Kurla Complex

Bandra (East) Mumbai 400 051

Maharashtra, India

**Tel:** +91 22 6632 8000

**E-mail:** dg.gcib\_in\_lgeil\_ipo@bofa.com

**Investor grievance e-mail:**

dg.india\_merchantbanking@bofa.com

**Website:** https://business.bofa.com/bofas-india

**Contact person:** Devyani Yadav / Kusum Bhathar

**SEBI registration no.:** INM000011625

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**Citigroup Global Markets India Private Limited**

1202, 12<sup>th</sup> Floor

First International Financial Center

Plot Nos. C-54 & C-55, G – Block

Bandra Kurla Complex, Bandra (East)

Mumbai 400 098

Maharashtra, India

**Tel:** +91 22 6175 9999

**E-mail:** lgeindiaipo@citi.com

**Investor grievance e-mail:** investors.cgmib@citi.com

**Website:**

www.online.citibank.co.in/rhtm/citigroupglobalscreen1.htm

m

**Contact person:** Sameer Dixit

**SEBI registration no.:** INM000010718

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### Statement of inter-se allocation of responsibilities of the Book Running Lead Managers

The responsibilities and co-ordination by the BRLMs for various activities in this Offer are as follows:

S. No.	Activity	Responsibility	Co-ordinator
1.	Capital structuring with the relative components and formalities such as type of instruments, size of issue, allocation between primary and secondary, etc.	BRLMs	Morgan Stanley
2.	Due diligence of the Company including its operations/management/business plans/legal etc. Drafting and design of this Draft Red Herring Prospectus, the Red Herring Prospectus, the Prospectus, abridged prospectus and application form. The BRLMs shall ensure compliance with stipulated requirements and completion of prescribed formalities with the Stock Exchanges, RoC and SEBI including finalisation of this Prospectus and RoC filing.	BRLMs	Axis
3.	Positioning Strategy and drafting of business section of the Draft Red Herring, Prospectus, the Red Herring Prospectus, and the Prospectus	BRLMs	Morgan Stanley
4.	Drafting of industry section of the Draft Red Herring Prospectus, Red Herring Prospectus, Prospectus	BRLMs	JPM
5.	Drafting and approval of all statutory advertisements.	BRLMs	Axis
6.	Drafting and approval of all publicity material other than statutory advertisement as mentioned above including corporate advertising, brochure, etc. and filing of media compliance report.	BRLMs	Citi
7.	Appointment of intermediaries – Registrar to the Offer, Advertising agency, Banker(s) to the Offer, Sponsor Bank and other intermediaries, including coordination of all agreements to be entered into with such intermediaries.	BRLMs	JPM
8.	Preparation of road show marketing presentation	BRLMs	Morgan Stanley
9.	Preparation of frequently asked questions	BRLMs	JPM
10.	International institutional marketing of the Offer, which will cover, <i>inter alia</i> : <ul style="list-style-type: none"><li>• Marketing strategy;</li><li>• Finalizing the list and division of investors for one-to-one meetings; and</li></ul>	BRLMs	Morgan Stanley

S. No.	Activity	Responsibility	Co-ordinator
	<ul style="list-style-type: none"> <li>Finalizing road show and investor meeting schedule.</li> </ul>		
11.	Domestic institutional marketing of the Offer, which will cover, <i>inter alia</i> : <ul style="list-style-type: none"> <li>Marketing strategy;</li> <li>Finalizing the list and division of investors for one-to-one meetings; and</li> <li>Finalizing road show and investor meeting schedule.</li> </ul>	BRLMs	JPM
12.	Retail and Non-institutional marketing of the Offer, which will cover, <i>inter alia</i> , <ul style="list-style-type: none"> <li>Finalising media, marketing and public relations strategy including list of frequently asked questions at road shows;</li> <li>Finalising centres for holding conferences for brokers, etc.;</li> <li>Follow-up on distribution of publicity and Offer material including application form, this Prospectus and deciding on the quantum of the Offer material; and</li> <li>Finalising collection centres.</li> </ul>	BRLMs	Axis
13.	Coordination with Stock Exchanges for book building software, bidding terminals, mock trading,	BRLMs	BofA
14.	Anchor coordination, anchor CAN and intimation of anchor allocation.	BRLMs	JPM
15.	Managing the book and finalization of pricing in consultation with the Company.	BRLMs	Morgan Stanley
16.	Post bidding activities including management of escrow accounts, coordinate non- institutional allocation, coordination with Registrar, SCSBs, Sponsor Banks and other Bankers to the Offer, intimation of allocation and dispatch of refund to Bidders, etc. Other post-Offer activities, which shall involve essential follow-up with Bankers to the Offer and SCSBs to get quick estimates of collection and advising Company about the closure of the Offer, based on correct figures, finalisation of the basis of allotment or weeding out of multiple applications, listing of instruments, dispatch of certificates or demat credit and refunds, payment of STT on behalf of the Selling Shareholder and coordination with various agencies connected with the post-Offer activity such as Registrar to the Offer, Bankers to the Offer, Sponsor Banks, SCSBs including responsibility for underwriting arrangements, as applicable.	BRLMs	Axis
	Coordinating with Stock Exchanges and SEBI for submission of all post-Offer reports including the final post-Offer report to SEBI.		

## Syndicate Members

[•]

### Legal Counsel to our Company as to Indian law

#### Shardul Amarchand Mangaldas & Co

Amarchand Towers 216  
Okhla Industrial Estate Phase III  
New Delhi 110 020  
India  
Tel: +91 11 4159 0700

### Legal Counsel to our Company as to International Law

#### Latham & Watkins LLP

9 Raffles Place  
42-02 Republic Plaza  
Singapore – 048 619  
Tel: +65 6536 1161

### Statutory Auditor of our Company

#### Price Waterhouse Chartered Accountants LLP

Building 8, 8<sup>th</sup> Floor



Tower B, DLF Cyber City  
Gurugram 122 002  
Haryana, India  
**Tel:** +91 (124) 462 0000  
**E-mail:** anurag.khandelwal@pwandaffiliates.com  
**ICAI Firm Registration Number:** 012754N/N500016  
**Peer Review Number:** 015948

#### **Changes in the auditors**

There has been no change in the Statutory Auditor of our Company in the last three years preceding the date of this Draft Red Herring Prospectus.

#### **Registrar to the Offer**

##### **KFin Technologies Limited**

Selenium Tower B, Plot No.31 and 32  
Financial District  
Nanakramguda, Serilingampally  
Hyderabad 500 032  
Telangana, India  
**Tel:** +91 40 6716 2222/ 1800 309 4001  
**E-mail:** lgelectronics.ipo@kfintech.com  
**Investor grievance e-mail:** einward.ris@kfintech.com  
**Website:** www.kfintech.com  
**Contact person:** M Murali Krishna  
**SEBI registration no.:** INR000000221

#### **Bankers to the Offer**

##### *Escrow Collection Bank(s)*

[•]

##### *Public Offer Account Bank(s)*

[•]

##### *Refund Bank(s)*

[•]

##### *Sponsor Bank(s)*

[•]

#### **Banker(s) to our Company**

##### **Emirates NBD Bank**

Building No. 8, Block A  
2<sup>nd</sup> Floor, DLF Cyber City  
DLF Phase II  
Gurugram 122 002  
Haryana, India  
**Tel:** +91 98195 26079  
**Contact Person:** Ritesh Agarwal  
**Email:** riteshagr@emiratesnbd.com

##### **HDFC Bank Limited**

HDFC Bank House  
Senapati Bapat Marg  
Lower Parel  
Mumbai 400 013  
Maharashtra, India

##### **Citibank N.A.**

9<sup>th</sup> Floor, DLF Square Building  
Jacaranda Marg  
DLF Phase-II  
Gurugram 122 002  
Haryana, India  
**Tel:** +91 124 4893405  
**Contact Person:** Arjun Mohan Spolia  
**Email:** arjun.mohan.spolia@citi.com

##### **Hongkong and Shanghai Banking Corporation Limited**

52/60 Mahatma Gandhi Road  
P.O. Box 631  
Mumbai 400 001  
Maharashtra, India  
**Tel:** +91 22 7172 8004

**Tel:** +91 98993 14231  
**Contact Person:** Apurav Garg  
**E-mail:** apurav.garg@hdfcbank.com

**Contact Person:** Swati Agarwal  
**E-mail:** info@hsbc.co.in

**ICICI Bank Limited**  
8<sup>th</sup> Floor, Discover Tower  
Section 62  
Noida 201 301  
Uttar Pradesh, India  
**Tel:** +91 85273 93655  
**Contact Person:** Manmohan Dwarkani/Vijay Kumar  
**Vimal**  
**E-mail:** vijay.vimal@icicibank.com

### **Designated Intermediaries**

#### **Self-Certified Syndicate Banks**

The list of SCSBs notified by SEBI for the ASBA process is available at <http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>, or at such other website as may be prescribed by SEBI from time to time.

A list of the Designated SCSB Branches with which an ASBA Bidder (other than UPI Bidders), not Bidding through Syndicate/Sub Syndicate or through a Registered Broker, RTA or CDP may submit the Bid cum Application Forms, is available at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34>, or at such other websites as may be prescribed by SEBI from time to time.

#### **Syndicate SCSB Branches**

In relation to Bids (other than Bids by Anchor Investors and RIBs) submitted under the ASBA process to a member of the Syndicate, the list of branches of the SCSBs at the Specified Locations named by the respective SCSBs to receive deposits of Bid cum Application Forms from the members of the Syndicate is available on the website of the SEBI (<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35>) and updated from time to time or any other website as may be prescribed by SEBI from time to time or such other website as may be prescribed by SEBI from time to time.

#### **Self-Certified Syndicate Banks and mobile applications enabled for UPI Mechanism**

In accordance with SEBI circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, SEBI circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, and SEBI circular No. SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022, UPI Bidders may only apply through the SCSBs and mobile applications whose names appear on the website of the SEBI which may be updated from time to time. A list of SCSBs and mobile applications, using the UPI handles and which are live for applying in public issues using UPI mechanism is available on the website of SEBI at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40> and <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43>, respectively, as updated from time to time and at such other websites as may be prescribed by SEBI from time to time.

#### **Registered Brokers**

Bidders can submit ASBA Forms in the Offer using the stock broker network of the Stock Exchanges, *i.e.*, through the Registered Brokers at the Broker Centres. The list of the Registered Brokers eligible to accept ASBA Forms, including details such as postal address, telephone number and e-mail address, is provided on the websites of the respective Stock Exchanges at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com), as updated from time to time.

#### **Registrar and Share Transfer Agents**

The list of the RTAs eligible to accept ASBA Forms at the Designated RTA Locations, including details such as address, telephone number and e-mail address, is provided on the websites of the Stock Exchanges at <https://www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx?> and <https://www.nseindia.com/products-services/initial-public-offerings-asba-procedures> respectively, as updated from time to time.

## **Collecting Depository Participants**

The list of the CDPs eligible to accept ASBA Forms at the Designated CDP Locations, including details such as their name and contact details, is provided on the websites of the Stock Exchanges at <http://www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx?> and <https://www.nseindia.com/products-services/initial-public-offerings-asba-procedures> respectively, as updated from time to time.

## **Experts to the Offer**

Except as stated below, our Company has not obtained any expert opinions:

- (i) Our Company has received written consent dated December 6, 2024 from Price Waterhouse Chartered Accountants LLP, to include their name as required under section 26(5) of the Companies Act read with the SEBI ICDR Regulations in this Draft Red Herring Prospectus, and as an “expert” as defined under section 2(38) of the Companies Act to the extent and in their capacity as Statutory Auditor, and in respect of their examination report dated December 4, 2024 on our Restated Financial Information; included in this Draft Red Herring Prospectus and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus. However, the term “expert” shall not be construed to mean an “expert” as defined under the U.S. Securities Act.
- (ii) Our Company has received written consent dated December 6, 2024 from B.B. & Associates, Chartered Accountants, to include their name as required under section 26(5) of the Companies Act read with the SEBI ICDR Regulations in this Draft Red Herring Prospectus, and as an “expert” as defined under section 2(38) and section 26 of the Companies Act to the extent and in their capacity as the Independent Chartered Accountant, in respect of their certificates in connection with the Offer and details derived therefrom as included in this Draft Red Herring Prospectus and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus.
- (iii) Our Company has received a written consent dated December 6, 2024 from Crest Capital Group Private Limited, to include their name as an “expert” as defined under section 2(38) and 26(5) of the Companies Act to the extent and in their capacity as the Independent Chartered Engineer and in respect of the certificate issued by them and included in this Draft Red Herring Prospectus and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus.

## **Monitoring Agency**

As the Offer is an offer for sale of Equity Shares by the Selling Shareholder, our Company is not required to appoint a monitoring agency in relation to the Offer.

## **Credit Rating**

As the Offer is an offer for sale of Equity Shares, credit rating is not required.

## **IPO Grading**

As the Offer is an offer for sale of Equity Shares, no credit agency registered with SEBI has been appointed in respect of obtaining grading for the Offer.

## **Debenture Trustees**

As the Offer is an offer for sale of Equity Shares, no debenture trustee has been appointed for the Offer.

## **Green Shoe Option**

No green shoe option is contemplated under the Offer.

## **Appraising Entity**

As the Offer is an offer for sale of Equity Shares by the Selling Shareholder, our Company will not receive any proceeds from the Offer. Accordingly, no appraising entity has been appointed for the Offer.

## **Filing of this Draft Red Herring Prospectus**

A copy of this Draft Red Herring Prospectus has been filed electronically with SEBI through the SEBI intermediary portal at <https://siportal.sebi.gov.in>, in accordance with the SEBI master circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023, as specified in Regulation 25(8) of SEBI ICDR Regulations and circular SEBI/HO/CFD/DIL1/CIR/P/2018/011) dated January 19, 2018 issued by SEBI. A copy of this Draft Red Herring Prospectus will also be filed with SEBI at:

### **Securities and Exchange Board of India**

Corporation Finance Department  
Division of Issues and Listing  
SEBI Bhavan, Plot No. C4 A, 'G' Block  
Bandra Kurla Complex, Bandra (East)  
Mumbai 400 051  
Maharashtra, India

## **Filing of the Red Herring Prospectus and the Prospectus**

A copy of the Red Herring Prospectus, along with the material contracts and documents required to be filed, under Section 32 of the Companies Act, would be filed with the RoC at its office and a copy of the Prospectus required to be filed under Section 26 of the Companies Act, would be filed with the RoC at its office and through the electronic portal at <http://www.mca.gov.in/mcafoportal/loginvalidateuser.do>. For details of the address of the RoC, see “- *Address of the Registrar of Companies* ” on page 88.

## **Book Building Process**

The Book Building Process, in the context of the Offer, refers to the process of collection of Bids from Bidders on the basis of the Red Herring Prospectus, the Bid cum Application Forms and the Revision Forms within the Price Band. The Price Band and minimum Bid Lot will be decided by our Company in consultation with the Book Running Lead Managers, and will be advertised in all editions of [●] (a widely circulated English national daily newspaper), all editions of [●] (a widely circulated English national daily newspaper) and all editions of [●] (a widely circulated Hindi national daily newspaper, Hindi also being the regional language of New Delhi, where our Registered Office is located), at least two Working Days prior to the Bid/Offer Opening Date and shall be made available to the Stock Exchanges for the purposes of uploading on their respective websites. Pursuant to the Book Building Process, the Offer Price shall be determined by our Company in consultation with the BRLMs after the Bid/Offer Closing Date. For further details, see “*Offer Procedure*” beginning on page 398.

All Bidders, other than Anchor Investors, shall only participate through the ASBA process by providing the details of their respective ASBA Account in which the corresponding Bid Amount will be blocked by the SCSBs or in the case of UPI Bidders, by using the UPI Mechanism. Additionally, Retail Individual Bidders shall participate through the ASBA process only using the UPI Mechanism. Non-Institutional Bidders with an application size of up to ₹0.50 million shall use the UPI Mechanism and shall also provide their UPI ID in the Bid cum Application Form submitted with Syndicate Members, Registered Brokers, Collecting Depository Participants and Registrar and Share Transfer Agents. Anchor Investors are not permitted to participate in the Offer through the ASBA process. In accordance with the SEBI ICDR Regulations, QIBs and Non-Institutional Bidders are not permitted to withdraw or lower the size of their Bid(s) (in terms of the quantity of the Equity Shares or the Bid Amount) at any stage. Retail Individual Bidders can revise their Bid(s) during the Bid/Offer Period and withdraw their Bid(s) until Bid/Offer Closing Date.

In terms of the SEBI ICDR Regulations, QIBs and Non-Institutional Investors are not permitted to withdraw their Bid(s) or lower the size of their Bid(s) (in terms of quantity of Equity Shares or the Bid Amount) at any stage. Retail Individual Investors can revise their Bid(s) during the Bid/Offer Period and withdraw their Bid(s) until Bid/Offer Closing Date. Anchor Investors are not allowed to revise and withdraw their Bids after the Anchor Investor Bidding Date. Except Allocation to Retail Individual Investors, Non-Institutional Investors and the Anchor Investors, Allocation in the Offer will be on a proportionate basis. The allocation to each Retail Individual Investor shall not be less than the minimum Bid Lot, subject to availability of Equity Shares in the Retail Category and the remaining available Equity Shares, if any, shall be allocated on a proportionate basis. The allocation to each Non-Institutional Investor shall not be less than the minimum Bid Lot, subject to availability of Equity Shares in the Non-Institutional Category and the remaining available Equity Shares, if any, shall be allocated on a proportionate basis in accordance with the conditions specified in this regard in Schedule XIII to the SEBI ICDR Regulations. Allocation to the Anchor Investors will be on a discretionary basis. For further details on the method

and procedure for Bidding and the Book Building Process, see “*Terms of the Offer*”, “*Offer Structure*” and “*Offer Procedure*” beginning on pages 387, 394 and 398, respectively.

**The Book Building Process and the Bidding process are subject to change from time to time, and the Bidders are advised to make their own judgment about investment through the aforesaid processes prior to submitting a Bid in the Offer.**

**Bidders should note that the Offer is also subject to (i) filing of the Prospectus by our Company with the RoC; and (ii) our Company obtaining final listing and trading approvals from the Stock Exchanges, which our Company shall apply for after Allotment.**

#### **Illustration of Book Building Process and Price Discovery Process**

Each Bidder, by submitting a Bid in the Offer, will be deemed to have acknowledged the above restrictions and the terms of the Offer. For an illustration of the Book Building Process and the price discovery process, see “*Terms of the Offer*” and “*Offer Procedure*” beginning on pages 387 and 398, respectively.

#### **Underwriting Agreement**

After the determination of the Offer Price and allocation of Equity Shares, but prior to the filing of the Prospectus with the RoC, our Company and the Selling Shareholder will enter into an Underwriting Agreement with the Underwriters for the Equity Shares proposed to be offered through the Offer. Pursuant to the terms of the Underwriting Agreement, the obligations of the Underwriters will be several and will be subject to certain conditions to closing, as specified therein.

The Underwriting Agreement is dated [●]. The Underwriters have indicated their intention to underwrite the following number of Equity Shares:

*(This portion has been intentionally left blank and will be completed before filing of the Prospectus with the RoC.)*

<b>Name, address, telephone number and e-mail address of the Underwriters</b>	<b>Indicative number of Equity Shares to be Underwritten</b>	<b>Amount Underwritten (in ₹ million)</b>
[●]	[●]	[●]

The abovementioned amounts are provided for indicative purposes only and would be finalized after the pricing and actual allocation and subject to the provisions of Regulation 40(3) of the SEBI ICDR Regulations.

In the opinion of our Board of Directors (based on representations made to our Company by the Underwriters), the resources of the Underwriters are sufficient to enable them to discharge their respective underwriting obligations in full. The Underwriters are registered as merchant bankers with SEBI or registered as brokers with the Stock Exchange(s). Our Board of Directors/IPO Committee, at its meeting held on [●], has accepted and entered into the Underwriting Agreement mentioned above on behalf of our Company. Allocation among the Underwriters may not necessarily be in proportion to their underwriting commitments set forth in the table above.

Notwithstanding the above table, the Underwriters shall be severally responsible for ensuring payment with respect to Equity Shares allocated to investors procured by them. The extent of underwriting obligations and the Bids to be underwritten by each BRLM shall be as per the Underwriting Agreement.

The Underwriting Agreement has not been executed as on the date of this Draft Red Herring Prospectus and will be executed after determination of the Offer Price and allocation of Equity Shares, but prior to the filing of the Prospectus, with the RoC.

## CAPITAL STRUCTURE

The share capital of our Company, as on the date of this Draft Red Herring Prospectus, is set forth below.

<i>(in ₹, except share data)</i>			
S. No.	Particulars	Aggregate value at face value	Aggregate value at Offer Price*
A)	<b>AUTHORISED SHARE CAPITAL<sup>(1)</sup></b>		
	1,500,000,000 equity shares of face value of ₹10 each	₹ 15,000,000,000	-
B)	<b>ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL BEFORE THE OFFER</b>		
	678,772,392 equity shares of face value of ₹10 each	₹ 6,787,723,920	-
C)	<b>PRESENT OFFER<sup>(2)(3)</sup></b>		
	Offer for Sale of up to 101,815,859 equity shares of face value of ₹10 each	1,018,158,590	[●]
E)	<b>ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL AFTER THE OFFER*</b>		
	[●] equity shares of face value of ₹10 each		[●]
F)	<b>SECURITIES PREMIUM ACCOUNT</b>		
	Before the Offer		Nil
	After the Offer		[●]

\*To be updated upon finalisation of the Offer Price and subject to finalisation of Basis of Allotment.

<sup>(1)</sup> For details in relation to changes in the authorized share capital of our Company see “**History and Certain Corporate Matters – Amendments to the Memorandum of Association**” on page 201.

<sup>(2)</sup> The Offer has been authorized by a resolution of our Board passed at their meeting dated December 4, 2024. Further, our Board has taken on record the approval for the Offer for Sale by the Selling Shareholder pursuant to resolution dated December 4, 2024.

<sup>(3)</sup> The Selling Shareholder has confirmed and authorized its participation in the Offer for Sale in relation to the Offered Shares. The Selling Shareholder confirms that the Offered Shares have been held by it for a period of at least one year prior to the filing of this Draft Red Herring Prospectus with SEBI in accordance with Regulation 8 of the SEBI ICDR Regulations or are otherwise eligible for being offered for sale in the Offer in accordance with the provisions of the SEBI ICDR Regulations. The Selling Shareholder, through its letter dated December 4, 2024, has authorized the sale of up to 101,815,859 Equity Shares of face value of ₹ 10 each.

<sup>(4)</sup> Our Board and our Shareholders pursuant to their resolutions dated October 17, 2024 and October 18, 2024, respectively, approved the issuance of bonus shares in the ratio of five Equity Shares for every one Equity Share held. Subsequently, pursuant to the Board resolution dated November 18, 2024, 565,643,660 equity shares of face value of ₹ 10 each, were allotted to LG Electronics Inc. by way of a bonus issue of Equity Shares in the ratio of five Equity Shares for every one Equity Share held. See, “**Capital Structure – Notes to Capital Structure – Equity shares issued out of revaluation reserves or by way of bonus issue**” on page 99.

### Notes to Capital Structure

#### 1. Equity share capital history of our Company

The following table sets forth the history of the equity share capital of our Company:

Date of allotment	Nature of allotment	Name(s) of allottee(s) and details of equity shares allotted per allottee	Number of equity shares allotted	Face value per equity share (₹)	Issue price per equity share (₹)	Nature of consideration
January 14, 1997	Initial subscription to the Memorandum of Association <sup>(1)</sup>	One Equity Share was allotted to each to Sonu Soni and Vijay S. Iyer.	2	10	10	Cash
April 11, 1997	Further issue	28,303,266 Equity Shares were allotted to erstwhile LG Electronics Inc., Seoul, South Korea <sup>(2)</sup>	28,303,266	10	10	Cash
June 27, 1997	Further issue	20,041,513 Equity Shares were allotted to erstwhile LG Electronics Inc., Seoul, South Korea <sup>(2)</sup>	20,041,513	10	10	Cash

Date of allotment	Nature of allotment	Name(s) of allottee(s) and details of equity shares allotted per allottee	Number of equity shares allotted	Face value per equity share (₹)	Issue price per equity share (₹)	Nature of consideration
August 29, 1997	Further issue	17,840,000 Equity Shares were allotted to erstwhile LG Electronics Inc. Seoul, South Korea <sup>(2)</sup>	17,840,000	10	10	Cash
July 11, 1998	Further issue	25,666,756 Equity Shares were allotted to erstwhile LG Electronics Inc. Seoul, South Korea <sup>(2)</sup>	25,666,756	10	10	Cash
December 5, 1998	Further issue	20,797,922 Equity Shares were allotted to erstwhile LG Electronics Inc. Seoul, South Korea <sup>(2)</sup>	20,797,922	10	10	Cash
February 10, 2003	Pursuant to a scheme of amalgamation under sections 391(2) and 394 of the Companies Act, 1956 of LG Electronics System India Limited with our Company. <sup>(3)</sup>	479,273 Equity Shares were allotted to LG Electronics Inc. <sup>(4)</sup>	479,273	10	-	NA
November 18, 2024	Bonus issue of Equity Shares in the ratio of five Equity Shares for every one Equity Share held. <sup>(5)</sup>	565,643,660 Equity Shares were allotted to LG Electronics Inc.	565,643,660	10	-	NA

<sup>(1)</sup> Our Company was incorporated on January 20, 1997. The date of subscription to the Memorandum of Association is January 14, 1997 and the allotment of equity shares pursuant to such subscription was taken on record by our Board on January 24, 1997.

<sup>(2)</sup> The Equity Shares of the Company were allotted to the erstwhile LG Electronics Inc, Seoul, South Korea. In 2002, the erstwhile LG Electronics Inc., Seoul, South Korea spun off its electronics business division to incorporate LG Electronics Inc., our Promoter on April 1, 2002. The 112,649,459 Equity Shares of our Company held by the erstwhile LG Electronics Inc., Seoul, South Korea were transferred to LG Electronics Inc, our Promoter on April 1, 2002. For details, see “- History of build-up of Promoter shareholding in our Company” on page 101.

<sup>(3)</sup> The High Court of Delhi, New Delhi, Delhi, India pursuant to its order dated December 13, 2002 granted sanction to the scheme of amalgamation under sections 391(2) and 394 of the Companies Act, 1956 of LG Electronics System India Limited with our Company (“Scheme”). Pursuant to the Scheme, LG Electronics System India Limited amalgamated into our Company and in terms of the Scheme, (a) our Company, as consideration for the amalgamation of LG Electronics System India Limited with our Company, issued one equity share of face value of ₹ 10 each for every 77 equity shares of ₹ 10 each of the erstwhile LG Electronics Systems India Limited held by the shareholders of the erstwhile LG Electronics Systems India Limited; and (c) LG Electronics Systems India Limited was dissolved.

<sup>(4)</sup> One Equity Share allotted to LG Electronics Inc. jointly with WC Kim, one Equity Share allotted to LG Electronics Inc. jointly with SH Ahn, one Equity Share allotted to LG Electronics Inc. jointly with ST Kim, one Equity Share allotted to LG Electronics Inc. jointly with JS Kim, one Equity Share allotted to LG Electronics Inc. jointly with KK Singh, one Equity Share allotted to LG Electronics Inc. jointly with M Cariappa Appaiah, one Equity Share allotted to LG Electronics Inc. jointly with RS Singhvi, three Equity Shares allotted to LG Electronics Inc. jointly with Lalit Verma and one Equity Share allotted to LG Electronics Inc. jointly with DH Kim. On October 10, 2003, WC Kim, SH Ahn, ST Kim, JS Kim, KK Singh, M Cariappa Appaiah, RS Singhvi, Lalit Verma and DH Kim each transferred equity shares held jointly by them with LG Electronics Inc solely to LG Electronics Inc.

<sup>(5)</sup> Our Company is in the process of filing Form FC-GPR in relation to the bonus allotment and will be filed within the statutory timelines.

Our Company is in compliance with Companies Act, 1956 and Companies Act, 2013 to the extent applicable with respect to issuance of equity shares from the date of incorporation of our Company till the date of this Draft Red Herring Prospectus.

**2. Secondary transactions of Equity Shares**

For details in relation to secondary transactions of Equity Shares by our Promoter Selling Shareholder see, “*Capital Structure – Notes to Capital Structure – History of build-up of Promoter shareholding in our Company*” on page 101.

3. Our Company does not have any preference share capital as on the date of this Draft Red Herring Prospectus.

**4. Equity shares issued out of revaluation reserves or by way of bonus issue**

Our Company has not issued any Equity Shares out of revaluation of reserves since incorporation. Further, except as disclosed below, our Company has not issued any Equity Shares by way of bonus issue since its incorporation:

Date of allotment	Nature of allotment	Name(s) of allottee(s) and details of equity shares allotted per allottee	Number of equity shares allotted	Face value per equity share (₹)	Issue price per equity share (₹)	Nature of consideration
November 18, 2024	Bonus issue of Equity Shares in the ratio of five Equity Shares for every one Equity Share held.	565,643,660 Equity Shares were allotted to LG Electronics Inc.	565,643,660	10	-	NA

**5. Equity shares issued pursuant to Sections 230 to 234 of the Companies Act, 2013 or Sections 391 to 394 of the Companies Act, 1956**

Except as disclosed below, our Company has not issued any Equity Shares pursuant to any scheme approved under Sections 391 to 394 of the Companies Act, 1956 or Sections 230 to 234 of the Companies Act since its incorporation:

Date of allotment	Nature of allotment	Name(s) of allottee(s) and details of equity shares allotted per allottee	Number of equity shares allotted	Face value per equity share (₹)	Issue price per equity share (₹)	Nature of consideration	Benefits accrued to our Company
February 10, 2003	Pursuant to scheme of amalgamation under sections 391(2) and 394 of the Companies Act, 1956 between our Company and the erstwhile LG Electronics Systems India Limited.	479,273 Equity Shares were allotted to LG Electronics Inc. <sup>(1)</sup>	479,273	10	-	Pursuant to a scheme of amalgamation under sections 391(2) and 394 of the Companies Act, 1956 between our Company and the erstwhile LG Electronics Systems India Limited.	Issued by our Company as consideration for the amalgamation of the erstwhile LG Electronics Systems India Limited into our Company, in the ratio of one Equity Share each for every 77 equity shares of ₹ 10 each of the



Date of allotment	Nature of allotment	Name(s) of allottee(s) and details of equity shares allotted per allottee	Number of equity shares allotted	Face value per equity share (₹)	Issue price per equity share (₹)	Nature of consideration	Benefits accrued to our Company
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erstwhile LG Electronics Systems India Limited. For details of the scheme of amalgamation see, “*Capital Structure – Notes to Capital Structure – Equity share capital history of our Company*” on page 97.

<sup>(1)</sup> One Equity Share allotted to LG Electronics Inc. jointly with WC Kim, one Equity Share allotted to LG Electronics Inc. jointly with SH Ahn, one Equity Share allotted to LG Electronics Inc. jointly with ST Kim, one Equity Share allotted to LG Electronics Inc. jointly with JS Kim, one Equity Share allotted to LG Electronics Inc. jointly with KK Singh, one Equity Share allotted to LG Electronics Inc. jointly with M Cariappa Appaiah, one Equity Share allotted to LG Electronics Inc. jointly with RS Singhvi, three Equity Shares allotted to LG Electronics Inc. jointly with Lalit Verma and one Equity Share allotted to LG Electronics Inc. jointly with DH Kim. On October 10, 2003, WC Kim, SH Ahn, ST Kim, JS Kim, KK Singh, M Cariappa Appaiah, RS Singhvi, Lalit Verma and DH Kim each transferred equity shares held jointly by them with LG Electronics Inc solely to LG Electronics Inc.

#### 6. Issue of equity shares at a price lower than the Offer Price in the last year

Except as disclosed in “*Capital Structure – Notes to Capital Structure – Equity shares issued out of revaluation reserves or by way of bonus issue*” on page 99, our Company has not issued any Equity Shares during a period of one year preceding the date of this Draft Red Herring Prospectus at a price which may be lower than the Offer Price.

#### 7. Issue of equity shares under employee stock option schemes

Our Company has not issued any Equity Shares pursuant to any employee stock option scheme since its incorporation. Our Company does not have any employee stock option scheme as on date of this Draft Red Herring Prospectus.

#### 8. Shareholding of our Promoter and members of our Promoter Group

As on the date of this Draft Red Herring Prospectus, none of the members of our Promoter Group except LG Electronics Inc, our Promoter, hold any Equity Shares in our Company.

Set forth below is the shareholding of LG Electronics Inc. in our Company:

Name of the Shareholder	Pre-Offer		Post-Offer	
	Number of Equity Shares of face value of ₹ 10 each	Percentage of pre-Offer Equity Share capital (%)	Number of Equity Shares of face value of ₹ 10 each	Percentage of post-Offer Equity Share capital (%)*
LG Electronics Inc. <sup>(1)</sup>	678,772,392	100.00	[●]	[●]
<b>Total</b>	<b>678,772,392</b>	<b>100.00</b>	<b>[●]</b>	<b>[●]</b>

\*Subject to finalisation of Basis of Allotment

<sup>(1)</sup> Includes six equity shares of face value of ₹ 10 each, i.e., one equity share of face value of ₹ 10 each held by each of Ajay Rambal, Atul Khanna, Gurbinderjeet Singh, Kapil Mehra, Sandeep Kumar and Vishal Rastogi on behalf of and as nominees of LG Electronics Inc., our Promoter.

## 9. History of build-up of Promoter shareholding in our Company

As on the date of this Draft Red Herring Prospectus, our Promoter, LG Electronics Inc. holds 678,772,392 equity shares of face value of ₹ 10 each, including, six equity shares of face value of ₹ 10 each, i.e., one equity share of face value of ₹ 10 each held by each of Ajay Rambal, Atul Khanna, Gurbinderjeet Singh, Kapil Mehra, Sandeep Kumar and Vishal Rastogi on behalf of and as nominees of LG Electronics Inc., which constitutes 100.00% of the issued, subscribed and paid-up Equity Share capital of our Company. As of the date of this Draft Red Herring Prospectus, none of the Equity Shares held by our Promoter are pledged or otherwise encumbered.

Set forth below is the build-up of our Promoter's shareholding in our Company since its incorporation:

Date of allotment/transfer	Nature of transaction	Number of Equity Shares allotted/transferred	Face value per Equity Share (₹)	Issue/acquisition/transfer price per Equity Share (₹)	Nature of consideration	% of the pre-Offer Equity Share capital	% of the post-Offer Equity Share capital
<b>LG Electronics Inc.</b>							
April 1, 2002	Transfer from the erstwhile LG Electronics Inc., Seoul, South Korea to LG Electronics Inc. <sup>(1)</sup>	112,649,459	10	-	NA	16.60	[●]
February 10, 2003	Pursuant to a scheme of amalgamation under sections 391(2) and 394 of the Companies Act, 1956 of LG Electronics System India Limited with our Company <sup>(2)</sup>	479,273 <sup>(3)</sup>	10	-	NA	0.07	[●]
November 18, 2024	Bonus issue of Equity Shares in the ratio of five Equity Shares for every one Equity Share held.	565,643,660	10	-	NA	83.33	[●]
<b>Total</b>		<b>678,772,392</b> (4)				<b>100.00</b>	<b>[●]</b>

<sup>(1)</sup> The Equity Shares of the Company were allotted to the erstwhile LG Electronics Inc, Seoul, South Korea. In 2002, the erstwhile LG Electronics Inc., Seoul, South Korea spun off its electronics business division to incorporate LG Electronics Inc., our Promoter on April 1, 2002. The 112,649,459 Equity Shares of our Company held by the erstwhile LG Electronics Inc., Seoul, South Korea were transferred to LG Electronics Inc, our Promoter on April 1, 2002.

<sup>(2)</sup> The High Court of Delhi, New Delhi, Delhi, India pursuant to its order dated December 13, 2002 granted sanction to the scheme of amalgamation under sections 391(2) and 394 of the Companies Act, 1956 of LG Electronics System India Limited with our Company ("Scheme"). Pursuant to the Scheme, LG Electronics System India Limited amalgamated into our Company and in terms of the Scheme, (a) our Company, as consideration for the amalgamation of LG Electronics System India Limited with our Company, issued one equity share of face value of ₹ 10 each for every 77 equity shares of ₹ 10 each of the erstwhile LG Electronics Systems India Limited held by the shareholders of the erstwhile LG Electronics Systems India Limited; and (c) LG Electronics Systems India Limited was dissolved.

<sup>(3)</sup> One Equity Share allotted to LG Electronics Inc. jointly with WC Kim, one Equity Share allotted to LG Electronics Inc. jointly with SH Ahn, one Equity Share allotted to LG Electronics Inc. jointly with ST Kim, one Equity Share allotted to LG Electronics Inc. jointly with JS Kim, one Equity Share allotted to LG Electronics Inc. jointly with KK Singh, one Equity Share allotted to LG Electronics Inc. jointly with M Cariappa Appaiah, one Equity Share allotted to LG Electronics Inc. jointly with RS Singhvi, three Equity Shares allotted to LG Electronics Inc. jointly with Lalit Verma and one Equity Share allotted to LG Electronics Inc. jointly

- with DH Kim. On October 10, 2003, WC Kim, SH Ahn, ST Kim, JS Kim, KK Singh, M Cariappa Appaiah, RS Singhvi, Lalit Verma and DH Kim each transferred equity shares held jointly by them with LG Electronics Inc solely to LG Electronics Inc.
- (4) Includes six equity shares of face value of ₹ 10 each, i.e., one equity share of face value of ₹ 10 each held by each of Ajay Rambal, Atul Khanna, Gurbinderjeet Singh, Kapil Mehra, Sandeep Kumar and Vishal Rastogi on behalf of and as nominees of LG Electronics Inc., our Promoter.

#### 10. Details of minimum Promoter's Contribution locked in for 18 months

Pursuant to Regulations 14 and 16 of the SEBI ICDR Regulations, an aggregate of 20% of the fully diluted post-Offer Equity Share capital of our Company held by our Promoter shall be considered as minimum promoter contribution and locked-in for a period of 18 months or any other period as may be prescribed under applicable law, from the date of Allotment (“**Promoter's Contribution**”) and the Equity Shares held by our Promoter in excess of Promoter's Contribution and the Equity Shares held by them transferred pursuant the Offer, shall be locked in for a period of six months, from the date of Allotment or any other period as may be prescribed under applicable law.

Our Promoter, LG Electronics Inc. has given its consent to include such number of Equity Shares held by them, in aggregate, as may constitute 20% of the fully diluted post-Offer Equity Share capital of our Company as Promoter's Contribution. Our Promoter has agreed not to dispose, sell, transfer, charge, pledge or otherwise encumber in any manner the Promoter's Contribution from the date of this Draft Red Herring Prospectus, until the expiry of the lock-in period specified above, or for such other time as required under SEBI ICDR Regulations, except as may be permitted, in accordance with the SEBI ICDR Regulations.

As on the date of this Draft Red Herring Prospectus, our Promoter, LG Electronics Inc. holds 678,772,392 equity shares of face value of ₹ 10 each, including six equity shares of face value of ₹ 10 each, i.e., one equity share of face value of ₹ 10 each held by each of Ajay Rambal, Atul Khanna, Gurbinderjeet Singh, Kapil Mehra, Sandeep Kumar and Vishal Rastogi on behalf of and as nominees of LG Electronics Inc., our Promoter, which constitutes 100.00% of the issued, subscribed and paid-up Equity Share capital of our Company.

The details of Equity Shares held by our Promoter, LG Electronics Inc., which will be locked-in for minimum Promoter's contribution for a period of 18 months, from the date of Allotment as Promoter's Contribution are as provided below:

Name of our Promoter	Number of Equity Shares of face value ₹ 10 each held	Number of Equity Shares of face value ₹ 10 each locked-in*	Date of allotment/ transfer <sup>#</sup>	Face value per Equity Share (₹)	Allotment/ Acquisition price per Equity Share of face value ₹ 10 each (₹)	Nature of transaction	% of the pre-Offer paid-up capital (%)	% of the post-Offer paid-up capital (on a fully diluted basis)*
LG Electronics Inc.	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
<b>Total</b>	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]

Note: To be updated at the Prospectus stage.

\* Subject to finalisation of Basis of Allotment.

The Equity Shares being locked-in are not and will not be ineligible for computation of Promoter's Contribution under Regulation 15 of the SEBI ICDR Regulations. For details on the build-up of the equity share capital held by our Promoter, see “- *History of build-up of Promoter's shareholding in our Company*” on page 101.

In this connection, we confirm the following:

- (i) the Equity Shares offered for Promoter's Contribution do not include Equity Shares acquired during the three years preceding the date of this Draft Red Herring Prospectus (a) for consideration other than cash and revaluation of assets or capitalisation of intangible assets, or (b) as a result of bonus shares issued by utilization of revaluation reserves or unrealised profits or from bonus issue against Equity Shares which are otherwise in-eligible for computation of Promoter's Contribution;

- (ii) the Promoter's Contribution does not include any Equity Shares acquired during the one year preceding the date of this Draft Red Herring Prospectus, at a price lower than the price at which the Equity Shares are being offered to the public in the Offer;
- (iii) our Company has not been formed by the conversion of one or more partnership firms or a limited liability partnership firm into a Company; and
- (iv) the Equity Shares forming part of the Promoter's Contribution are not subject to any pledge or any other form of encumbrance.

#### **11. Details of share capital locked-in for six months**

In addition to Promoter's Contribution locked in for 18 months any Equity Shares held by our Promoter's in excess of Promoter's Contribution shall be locked in for a period of six months. Pursuant to Regulation 17 of the SEBI ICDR Regulations, the entire pre-Offer Equity Share capital of our Company will be locked in for a period of six months from the date of Allotment, except for Equity Shares Allotted pursuant to the Offer for Sale. As on the date of this Draft Red Herring Prospectus, our Company does not have Shareholders that are venture capital funds or alternative investment funds of category I or category II or a foreign venture capital investor.

As required under Regulation 20 of the SEBI ICDR Regulations, our Company shall ensure that the details of the Equity Shares locked-in are recorded by the relevant Depository.

In terms of Regulation 21 of the SEBI ICDR Regulations, the Equity Shares held by our Promoter, LG Electronics Inc., which are locked-in as per Regulation 16 of the SEBI ICDR Regulations, may be pledged only with scheduled commercial banks or public financial institutions or systemically important non-banking finance companies or deposit taking housing finance companies as collateral security for loans granted by such entity, provided that such pledge of the Equity Shares is one of the terms of the sanctioned loan. However, such lock-in will continue pursuant to any invocation of the pledge and the transferee of the Equity Shares pursuant to such invocation shall not be eligible to transfer the Equity Shares until the expiry of the lock-in period stipulated above.

In terms of Regulation 22 of the SEBI ICDR Regulations, Equity Shares held by our Promoter which are locked-in pursuant to Regulation 16 of the SEBI ICDR Regulations, may be transferred amongst our Promoter or any member of the Promoter Group or to any new promoter, subject to continuation of lock-in in the hands of the transferees for the remaining period and compliance with provisions of the Takeover Regulations, as applicable and such transferee shall not be eligible to transfer them till the lock-in period stipulated in SEBI ICDR Regulations has expired. The Equity Shares held by persons other than our Promoter and locked-in for a period of six months from the date of Allotment in the Offer, may be transferred to any other person holding Equity Shares which are locked-in, subject to the continuation of the lock-in in the hands of the transferee for the remaining period (and such transferees shall not be eligible to transfer until the expiry of the lock-in period) and compliance with the provisions of the Takeover Regulations.

#### **12. Lock-in of Equity Shares Allotted to Anchor Investors**

50% of the Equity Shares Allotted to Anchor Investors under the Anchor Investor Category shall be locked-in for a period 90 days from the date of Allotment and the remaining 50% of the Equity Shares Allotted to Anchor Investors in the Anchor Investor Category shall be locked-in for a period of 30 days from the date of Allotment.

- 13. Our Promoter, members of our Promoter Group, our Directors or their relatives have not sold or purchased any Equity Shares during the six months preceding the date of this Draft Red Herring Prospectus. Further, as on the date of this Draft Red Herring Prospectus, our Directors or their relatives do not hold Equity Shares.

*(The remainder of this page is intentionally left blank)*

14. **Our shareholding pattern**

The shareholding pattern of our Company as on the date of this Draft Red Herring Prospectus is as set forth below:

Category (I)	Category of shareholder (II)	Number of shareholders (III)	Number of fully paid up Equity Shares of face value of ₹10 each held (IV)	Number of partly paid-up Equity Shares held (V)	Number of shares underlying Depository Receipts (VI)	Total number of shares held = (IV)+(V)+(VI) (VII)	Shareholding as a % of total number of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of voting rights held in each class of securities (IX)			Number of Equity Shares underlying outstanding convertible securities (including Warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI) = (VII)+(X) As a % of (A+B+C2)	Number of locked in Equity Shares (XII)		Number of Equity Shares pledged or otherwise encumbered (XIII)		Number of Equity Shares held in dematerialized form (XIV)
								Class e.g.: Equity Shares	Class e.g.: Other Shares	Total			Number (a)	As a % of total Shares held (b)	Number (a)	As a % of total Shares held (b)	
(A)	Promoter and Promoter Group	7	67,87,72,392*	-	-	67,87,72,392*	100.00	67,87,72,392*	-	-	100.00	-	-	-	-	-	67,87,72,392*
(B)	Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C)	Non Promoter-Non Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C1)	Shares underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C2)	Shares held by Employee Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	<b>Total</b>	<b>7</b>	<b>67,87,72,392*</b>	<b>-</b>	<b>-</b>	<b>67,87,72,392*</b>	<b>100.00</b>	<b>67,87,72,392*</b>	<b>-</b>	<b>-</b>	<b>100.00</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>67,87,72,392*</b>

\* Includes six equity shares of face value of ₹ 10 each, i.e., one equity share of face value of ₹ 10 each held by each of Ajay Rambal, Atul Khanna, Gurbinderjeet Singh, Kapil Mehra, Sandeep Kumar and Vishal Rastogi on behalf of and as nominees of LG Electronics Inc., our Promoter.

15. As on the date of this Draft Red Herring Prospectus, our Company has seven Shareholders, which includes six nominee shareholders of our Promoter, LG Electronics Inc.

16. **Shareholding of our Directors, Key Managerial Personnel and members of Senior Management in our Company**

Except for Atul Khanna and Gurbinderjeet Singh, members of our Senior Management who hold one Equity Share each on behalf of and as nominees of LG Electronics Inc., our Promoter, none of our Directors or Key Managerial Personnel or Senior Management hold any Equity Shares as on the date of this Draft Red Herring Prospectus.

17. **Details of shareholding of the major shareholders of our Company**

(a) Set forth below are details of shareholders holding 1% or more of the paid-up share capital of our Company as on the date of this Draft Red Herring Prospectus:

Sr. No.	Name of Shareholder	Number of Equity Shares of face value of ₹ 10 each	Percentage of pre-Offer Equity Share capital
1.	LG Electronics Inc.*	678,772,392	100.00

\* Includes six equity shares of face value of ₹ 10 each, i.e., one equity share of face value of ₹ 10 each held by each of Ajay Rambal, Atul Khanna, Gurbinderjeet Singh, Kapil Mehra, Sandeep Kumar and Vishal Rastogi on behalf of and as nominees of LG Electronics Inc., our Promoter.

(b) Set forth below are details of shareholders holding 1% or more of the paid-up share capital of our Company as of 10 days prior to the date of this Draft Red Herring Prospectus:

Sr. No.	Name of Shareholder	Number of Equity Shares of face value of ₹ 10 each	Percentage of pre-Offer Equity Share capital
1.	LG Electronics Inc.*	678,772,392	100.00

\* Includes six equity shares of face value of ₹ 10 each, i.e., one equity share of face value of ₹ 10 each held by each of Ajay Rambal, Atul Khanna, Gurbinderjeet Singh, Kapil Mehra, Sandeep Kumar and Vishal Rastogi on behalf of and as nominees of LG Electronics Inc., our Promoter.

(c) Set forth below are details of shareholder holding 1% or more of the paid-up share capital of our Company as of one year prior to the date of this Draft Red Herring Prospectus:

Sr. No.	Name of Shareholder	Number of equity shares	Percentage of pre-Offer Equity Share capital
1.	LG Electronics Inc.*	113,128,732	100.00

\* Includes six equity shares of face value of ₹ 10 each, held by LG Soft India Private Limited on behalf of and as a nominee of LG Electronics Inc., our Promoter.

(d) Set forth below are details of shareholders holding 1% or more of the paid-up share capital of our Company as of two years prior to the date of this Draft Red Herring Prospectus:

Sr. No.	Name of Shareholder	Number of equity shares	Percentage of pre-Offer Equity Share capital
1.	LG Electronics Inc.*	113,128,732	100.00

\* Includes six equity shares of face value of ₹ 10 each, held by LG Soft India Private Limited on behalf of and as a nominee of LG Electronics Inc., our Promoter.

18. **Employee stock option scheme**

Our Company does not have any employee stock option scheme as on the date of this Draft Red Herring Prospectus.

19. There have been no financing arrangements whereby our Promoter, members of the Promoter Group, directors of our Promoter, our Directors or any of their relatives have financed the purchase by any other

person of securities of our Company (other than in the normal course of the business of the relevant financing entity) during the six months immediately preceding the date of filing of this Draft Red Herring Prospectus.

20. Our Company, our Directors and the BRLMs have not entered into any buy-back arrangement for purchase of the Equity Shares being offered through the Offer.
21. The Equity Shares are fully paid-up and there are no partly paid-up Equity Shares as on the date of this Draft Red Herring Prospectus. The Equity Shares to be transferred pursuant to the Offer shall be fully paid-up at the time of Allotment.
22. There are no outstanding warrants, options or rights to convert debentures, loans or other instruments into, or which would entitle any person to an option to receive Equity Shares, as on the date of this Draft Red Herring Prospectus.
23. There will be no further issue of specified securities whether by way of issue of bonus shares, preferential allotment, rights issue or in any other manner during the period commencing from the date of filing of this Draft Red Herring Prospectus with SEBI until the Equity Shares have been listed on the Stock Exchanges or all application monies have been refunded, as the case may be.
24. There is no proposal or intention, negotiations or consideration by our Company to alter its capital structure by way of split or consolidation of the Equity Shares or issue of Equity Shares or convertible securities on a preferential basis or issue of bonus or rights or further public offer of such securities, within a period of six months from the Bid/Offer Opening Date.
25. None of the BRLMs and their respective associates (as defined under the SEBI Merchant Bankers Regulations) hold any Equity Shares as on the date of this Draft Red Herring Prospectus.
26. Our Company shall ensure that there shall be only one denomination of the Equity Shares, unless otherwise permitted by law.
27. The issuance of Equity Shares since incorporation until the date of this Draft Red Herring Prospectus, by our Company has been undertaken in accordance with the provisions of the Companies Act, as to the extent applicable.
28. All transactions in Equity Shares by our Promoter and members of our Promoter Group between the date of filing of this Draft Red Herring Prospectus and the date of closing of the Offer shall be reported to the Stock Exchanges within 24 hours of such transactions.
29. None of the Shareholders of our Company are directly or indirectly related to the BRLMs or their associates.

## OBJECTS OF THE OFFER

The objects of the Offer are to (i) to carry out the Offer for Sale of up to 101,815,859 equity shares of face value of ₹ 10 each by the Selling Shareholder aggregating up to ₹ [●] million; and (ii) achieve the benefits of listing the Equity Shares on the Stock Exchanges. For further details of the Offer, see “*The Offer*” beginning on page 81.

Further, our Company expects that listing of the Equity Shares will enhance our visibility and brand image and provide liquidity and a public market for the Equity Shares in India.

### Utilisation of the Offer Proceeds by the Selling Shareholder

Our Company will not receive any proceeds from the Offer (the “**Offer Proceeds**”) and all the Offer Proceeds will be received by the Selling Shareholder after deduction of Offer related expenses and relevant taxes thereon, to be borne by the Selling Shareholder. For details of the Offered Shares, see “*Other Regulatory and Statutory Disclosures – Authority for the Offer*” beginning on page 366.

### Offer-related Expenses

The Offer expenses are estimated to be approximately ₹ [●] million.

The expenses in relation to this Offer include, among others, listing fees, selling commission and brokerage, fees payable to the BRLMs, fees payable to legal counsel of the Company and Selling Shareholder, fees payable to the Registrar to the Offer, Escrow Collection Bank(s) and Sponsor Bank(s) to the Offer, processing fee to the SCSBs for processing application forms, brokerage and selling commission payable to members of the Syndicate, Registered Brokers, RTAs and CDPs, printing and stationery expenses, advertising and marketing expenses and all other incidental and miscellaneous expenses for listing the Equity Shares on the Stock Exchanges.

Other than the listing fees and audit fees of statutory auditors (to the extent not attributable to the Offer), which will be solely borne by our Company, all costs, charges, fees and expenses that are associated with and incurred in connection with the Offer including, inter alia, filing fees, book building fees and other charges, fees and expenses of the SEBI, the Stock Exchanges, the Registrar of Companies and any other Governmental Authority, advertising consistent with past practice (except any advertisements constituting corporate communication not related to the Offer which shall be solely borne by our Company), printing, underwriting commission, accommodation and travel expenses, fees and expenses of the legal counsel to our Company and to the Promoter Selling Shareholder, registrar fees and broker fees (including fees for procuring of applications), bank charges, syndicate members, Self-Certified Syndicate Banks, other Designated Intermediaries and any other consultant, advisor or third party in connection with the Offer shall be borne by the Promoter Selling Shareholder, subject to compliance with applicable law. For the avoidance of doubt, all expenses incurred by the Book Running Lead Managers in retaining legal counsel, as well as all road show expenses, shall be solely borne by the Book Running Lead Managers. All expenses in relation to the Offer shall be paid firstly by the Promoter Selling Shareholder. Other expenses, if they are agreed in advance, shall be paid by our Company in the first instance. Upon commencement of listing and trading of the Equity Shares on the Stock Exchanges pursuant to the Offer, the Promoter Selling Shareholder shall reimburse our Company for any such expenses, including interest, paid by our Company on behalf of the Promoter Selling Shareholder directly from the public offer account except as may be prescribed by the SEBI or any other regulatory authority. In the event that interest accrues between the payment date by our Company and the reimbursement date by the Promoter Selling Shareholder, the Promoter Selling Shareholder shall be responsible for paying such interest to our Company. In the event that the Offer is withdrawn or the Offer is not completed for any reason or declared unsuccessful or the listing and trading approvals from the Stock Exchanges are not received, subject to applicable laws, all costs and expenses (including fee payable to the BRLMs and any applicable taxes) with respect to the Offer shall be paid and borne by our Company and subsequently reimbursed by the Promoter Selling Shareholder, unless specifically required otherwise by the relevant governmental authority. In the event that the Offer is postponed or withdrawn or abandoned for any reason or in the event the Offer is not successfully completed, the BRLMs and legal counsel of our Company, the BRLMs, and the Promoter Selling Shareholder (as to foreign and domestic law) shall be entitled to receive fees from our Company and reimbursement for expenses which may have accrued to them up to the date of such postponement, withdrawal, abandonment or failure, as set out in their respective fee letter, and will not be liable to refund the monies already received by them.



The estimated Offer expenses are as follows:

(₹ in million)			
Activity	Estimated expenses* (in ₹ million)	As a % of the total estimated Offer expenses	As a % of the total Offer size
Fees and commissions payable to the BRLMs (including any underwriting commission, brokerage and selling commission)	[●]	[●]	[●]
Advertising and marketing expenses	[●]	[●]	[●]
Fees payable to the Registrar to the Offer	[●]	[●]	[●]
Commission/processing fee for SCSBs, Sponsor Bank(s) and Bankers to the Offer. Brokerage and selling commission and bidding charges for Members of the Syndicate, Registered Brokers, RTAs and CDPs <sup>(1)</sup>	[●]	[●]	[●]
Printing and distribution of Offer stationery	[●]	[●]	[●]
Others	[●]	[●]	[●]
A. Regulatory filing fees, book building software fees, listing fees etc			
B. Fee payable to independent statutory auditor, namely, Price Waterhouse Chartered Accountants LLP	[●]	[●]	[●]
C. Fees payable to other intermediaries	[●]	[●]	[●]
D. Fee payable to legal counsels	[●]	[●]	[●]
E. Miscellaneous	[●]	[●]	[●]
<b>Total estimated Offer expenses</b>	[●]	[●]	[●]

\* Offer expenses include goods and services tax, where applicable. Amounts will be finalised and incorporated at the time of filing of the Prospectus.

\* Offer expenses are estimates and are subject to change.

- a. Selling commission payable to the SCSBs on the portion for Retail Individual Bidders, Non-institutional Bidders which are directly procured and uploaded by the SCSBs, would be as follows:

Portion for Retail Individual Bidders*	[●]% of the amount allotted (plus applicable taxes)
Portion for Non-Institutional Bidders*	[●]% of the amount allotted (plus applicable taxes)

\* Amount allotted is the product of the number of Equity Shares Allotted and the Offer Price.

Selling commission payable to the SCSBs will be determined on the basis of the bidding terminal id as captured in the Bid book of BSE or NSE.

- b. No uploading/processing fees shall be payable by our Company and the Selling Shareholder to the SCSBs on the application directly procured by them.

Processing fees payable to the SCSBs on the portion for Retail Individual Bidders and Non-Institutional Bidders (excluding UPI Bids) which are procured by the members of the Syndicate / sub-Syndicate / Registered Broker / RTAs / CDPs and submitted to SCSB for blocking, would be as follows:

Portion for Retail Individual Bidders and Non-Institutional Bidders	₹ [●] per valid application (plus applicable taxes)
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- c. Processing fees for applications made by UPI Bidders using the UPI Mechanism would be as follows:

Members of the Syndicate / RTAs/ CDPs/ Registered Brokers	₹ [●] per valid Bid cum Application Form (plus applicable taxes)
Sponsor Bank(s)	₹ [●] per valid Bid cum Application Form (plus applicable taxes)  The Sponsor Bank(s) shall be responsible for making payments to third parties such as the remitter bank, the NPCI and such other parties as required in connection with the performance of its duties under applicable SEBI circulars, agreements and other Applicable Laws.

\* Based on valid Bid cum Application Forms.

- d. Brokerage, selling commission and processing/uploading charges on the portion for UPI Bidders, Retail Individual Bidders and Non-Institutional Bidders which are procured by members of the Syndicate (including their sub-Syndicate members), RTAs and CDPs or for using 3-in-1 type accounts- linked online trading, demat & bank account provided by some of the brokers which are members of Syndicate (including their sub-Syndicate members) would be as follows:

Portion for UPI Bidders*	[●]% of the amount allotted (plus applicable taxes)
Portion for Retail Individual Bidders*	[●]% of the amount allotted (plus applicable taxes)
Portion for Non-Institutional Bidders*	[●]% of the amount allotted (plus applicable taxes)

\* Amount allotted is the product of the number of Equity Shares Allotted and the Offer Price.

- e. The selling commission payable to the Syndicate / sub-Syndicate Members will be determined on the basis of the application form number / series, provided that the application is also bid by the respective Syndicate / sub-Syndicate Member. For clarification, if a Syndicate ASBA application on the application form number / series of a Syndicate / sub-Syndicate Member, is bid by an SCSB, the Selling Commission will be payable to the SCSB and not the Syndicate / sub-Syndicate Member.
- f. Bidding Charges payable to members of the Syndicate (including their sub-Syndicate Members), RTAs and CDPs on the portion for Retail Individual Bidders and Non-Institutional Bidders which are procured by them and submitted to SCSB for blocking, would be as follows: ₹ [●] plus applicable taxes, per valid application bid by the Syndicate (including their sub-Syndicate Members), RTAs and CDPs.

The selling commission and bidding charges payable to Registered Brokers the RTAs and CDPs will be determined on the basis of the bidding terminal id as captured in the Bid book of BSE or NSE.

Bidding charges payable to the Registered Brokers, RTAs/CDPs on the portion for Retail Individual Bidders and Non-Institutional Bidders which are directly procured by the Registered Broker or RTAs or CDPs and submitted to SCSB for processing, would be as follows:

Portion for Retail Individual Bidders*	₹[●] per valid application (plus applicable taxes)
Portion for Non-Institutional Bidders*	₹[●] per valid application (plus applicable taxes)

\*Based on valid Bid cum Application Forms

- g. All such commissions and processing fees set out above shall be paid as per the timelines in terms of the Syndicate Agreement and Cash Escrow and Sponsor Bank Agreement.
- h. The processing fees for applications made by UPI Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 read with SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 and such payment shall be made in compliance with SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022.

### Monitoring Utilization of Funds

Since the Offer is an Offer for Sale and our Company will not receive any proceeds from the Offer, our Company is not required to appoint a monitoring agency for the Offer.

### Other confirmations

Except to the extent of the proceeds received by the Promoter Selling Shareholder pursuant to the Offer to Sale portion, no part of the Offer proceeds will be paid by our Company as consideration to our Promoter, the Promoter Group, our Directors, or our KMPs and SMPs. There are no existing or anticipated transactions in relation to utilisation of Net Proceeds with our Promoter, the Promoter Group, our Directors, our KMPs and SMPs.

## BASIS FOR OFFER PRICE

The Price Band and the Offer Price will be determined by our Company, in consultation with the Book Running Lead Managers, on the basis of assessment of market demand for the Equity Shares of face value of ₹ 10 each offered through the Book Building Process and on the basis of quantitative and qualitative factors as described below. The face value of the Equity Shares is ₹10 each and the Offer Price is [●] times the Floor Price and [●] times the Cap Price. Bidders should also see “*Risk Factors*”, “*Our Business*”, “*Restated Financial Information*”, and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” on pages 31, 163, 232 and 315, respectively, to have an informed view before making an investment decision.

### Qualitative Factors

We believe that some of the qualitative factors and our strengths which form the basis for computing the Offer Price are:

- Leading market share in the home appliances and consumer electronics industry in India with #1 market share across key product categories;
- Introducing innovative technologies tailored to the needs of the Indian consumers;
- Shaping consumer experience with pan-India distribution and after-sales service network;
- Operational efficiency through strong manufacturing capabilities and localized supply chain;
- Parentage of LG Electronics, which is the leading single-brand global home appliances player in terms of market share by revenue in CY 2023 and strong LG brand; and
- Capital efficient business with high growth and profitability.

For further details, see “*Our Business – Our Competitive Strengths*” on page 168.

### Quantitative Factors

Some of the information presented below, relating to our Company, is derived from the Restated Financial Information. For details, see “*Restated Financial Information*” on page 232.

Some of the quantitative factors which may form the basis for computing the Offer Price are as follows:

#### A. Basic and diluted earnings per share (“EPS”):

Fiscal / Period ended	Basic EPS (in ₹)	Diluted EPS (in ₹)	Weight
March 31, 2024	22.26	22.26	3
March 31, 2023	19.81	19.81	2
March 31, 2022	17.31	17.31	1
<b>Weighted Average</b>	<b>20.62</b>	<b>20.62</b>	-
Three months ended June 30, 2024 <sup>#</sup>	10.01	10.01	-

<sup>#</sup>Not annualised

Notes:

1. *Weighted average = Aggregate of year-wise weighted EPS divided by the aggregate of weights i.e. (EPS x Weight) for each year/total of weights.*
2. *Earnings per Share (₹) = Profit after tax attributable to equity shareholders divided by Weighted average number of equity shares outstanding during the year.*
3. *Basic and diluted earnings/(loss) per share: Basic and diluted earnings per share are computed in accordance with Indian Accounting Standard 33 notified under the Companies (Indian Accounting Standards) Rules of 2015 (as amended).*
4. *Pursuant to resolutions passed by the Board of Directors held on October 17, 2024 and the extra ordinary general meeting of shareholders held on October 18, 2024, the Company has issued five bonus shares for every one share held by the existing shareholders. Such Equity Shares allotted pursuant to the bonus issue are retrospectively considered for the computation of basic EPS and diluted EPS in accordance with Ind AS 33 for all the Financial Years/periods presented.*

#### B. Price/Earning (“P/E”) ratio in relation to Price Band of ₹ [●] to ₹[●] per Equity Share:

Particulars	P/E at the Floor Price (number of times)	P/E at the Cap Price (number of times)
Based on basic EPS as per the Restated Financial Information for the year ended March 31, 2024	[●] <sup>#</sup>	[●] <sup>#</sup>
Based on diluted EPS as per the Restated Financial Information for the year ended March 31, 2024	[●] <sup>#</sup>	[●] <sup>#</sup>

<sup>#</sup>To be updated on finalisation of the Price Band.

#### C. Industry P/E ratio

Particulars	P/E Ratio
Highest	221.53
Lowest	85.48
Average	127.71

Notes:

- (1) The industry high and low has been considered from the industry peer set. The industry composite has been calculated as the arithmetic average P/E of the industry peer set disclosed in F above.
- (2) P/E ratio for the peer group has been computed based on the closing market price of equity shares on BSE as on December 04, 2024, divided by Basic EPS for the year ended March 31, 2024.

#### D. Return on Net Worth

Fiscal / Period ended	Return On Net Worth (%)	Weight
March 31, 2024	40.45	3
March 31, 2023	31.13	2
March 31, 2022	21.50	1
<b>Weighted Average (of the above three Financial Years)</b>	<b>34.19</b>	
Three months period ended June 30, 2024 <sup>#</sup>	15.39	

<sup>#</sup> Not annualised

1. Return on Net Worth (RoNW) %= Profit for the year attributable to equity shareholders of the Company divided by net worth of the Company as at the end of the period / year.
2. Net Worth means the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the Restated Financial Information, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation as per Regulation 2(1)(hh) of the SEBI ICDR Regulations.
3. Weighted average = Aggregate of year-wise weighted Return on Net Worth divided by the aggregate of weights i.e., Return on Net Worth x Weight for each year/total of weights.
4. The figures for Profit for the year attributable to equity shareholders of the Company and total equity to calculate Net worth and Return on Net Worth are derived from the Restated Financial Information.

For a reconciliation of non-GAAP measures, see “*Management’s Discussion and Analysis of Financial Position and Results of Operations – Non- GAAP Financial Measures*” on page 332.

#### E. Net Asset Value Per Equity Share

Net Asset Value Per Equity Share	Amount (in ₹)
As on March 31, 2024	55.04
As on June 30, 2024	65.06
After the Offer <sup>#</sup>	
- At Floor Price	[●]
- At Cap Price	[●]
At Offer Price	[●]

<sup>#</sup>To be updated on finalisation of the Price Band.

Notes:

1. Offer Price per Equity Share will be determined on conclusion of the Book Building Process.
2. Net assets value per share = Net asset value per share is calculated by dividing net worth by weighted average number of equity shares outstanding at the end of the year/period.
3. Weighted average number of equity shares is the number of equity shares outstanding at the beginning of the year adjusted by the number of Equity Shares issued during the year multiplied by the time weighing factor. The time weighing factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the year.
4. Pursuant to resolutions passed by the Board of Directors held on October 17, 2024 and the extra ordinary general meeting of shareholders held on October 18, 2024, the Company has issued five bonus shares for every one share held by the existing shareholders. Such Equity Shares allotted pursuant to the bonus issue are retrospectively considered for the computation of Net asset value per equity share

#### F. Comparison of accounting ratios with listed industry peers

The following peer group has been determined on the basis of companies listed on Indian stock exchanges, whose business profile is comparable to our businesses in terms of our size and our business model:

Name of the company	Face value (₹ per share)	Closing price as on December 4, 2024 (₹ per share)	Revenue from operations for Financial Year 2024 (in ₹ million)	Earnings per share for Financial Year 2024 (₹) <sup>(1)</sup>		Net Asset Value Per Equity Share as at March 31, 2024 <sup>(3)</sup>	Price/earnings ratio for the Financial Year 2024 <sup>(4)</sup>	Return On Net Worth for the Financial Year 2024 <sup>(2)</sup> (%)	Market capitalisation as on December 4, 2024 (in ₹ billion) <sup>(5)</sup>
				Basic	Diluted				
Company	10	-	213,520.00	22.26	22.26	55.04	-	40.45	[●]
<b>Listed peers</b>									
Havells	1	1,733.50	185,900.10	20.28	20.28	118.83	85.48	17.06	1,086.76
Voltas	1	1,688.05	124,812.10	7.62	7.62	176.93	221.53	4.24	558.55
Whirlpool	10	1,910.25	68,297.90	17.11	17.11	302.94	111.65	5.84	242.36
Blue Star	2	1,915.10	96,853.60	20.77	20.77	127.06	92.21	15.86	393.77

Source: All the financial information for listed industry peers mentioned above is on a consolidated basis (unless otherwise available only on standalone basis) and is sourced from the annual reports / annual results as available of the respective company for the year ended March 31, 2024 submitted to stock exchanges.

<sup>1</sup>Financial information of the Company has been derived from the Restated Financial Information as at or for the year ended March 31, 2024.

<sup>2</sup>To be included in respect of our Company in the Prospectus based on the Offer Price.

**Notes:**

- <sup>(1)</sup> Basic/Diluted EPS refers to the Basic/Diluted EPS sourced from the financial statements of the respective peer group companies for the year ended March 31, 2024.
- <sup>(2)</sup> RoNW is computed as net profit after tax attributable to shareholders divided by total equity attributable to the equity shareholders as on March 31, 2024. Return on Net worth (%) is calculated as profit for the year divided by Net Worth at the end of the respective year / period.
- <sup>(3)</sup> Net assets value per share = Net asset value per share is calculated by dividing net worth by weighted average number of equity shares outstanding at the end of the period.
- <sup>(4)</sup> P/E ratio for the peer group has been computed based on the closing market price of equity shares on BSE as on December 04, 2024, divided by the Basic EPS for the year ended March 31, 2024.
- <sup>(5)</sup> Market Capitalization = Total number of shares disclosed on BSE as of September 30, 2024 multiplied by the closing share price on BSE as on December 4, 2024.

## Key Performance Indicators

The table below sets forth the details of KPIs that our Company considers have a bearing for arriving at the basis for Offer Price. These KPIs have been historically used by us to understand and analyze our business performance, which in result, help us in analyzing our performance in comparison to our peers. All the KPIs disclosed below have been approved and confirmed by our Audit Committee pursuant to its resolution dated December 4, 2024 and have been certified by B.B. & Associates, Chartered Accountants, pursuant to their certificate dated December 4, 2024. This certificate on KPIs shall form part of the material contracts for inspection and shall be accessible on the website of our Company at <https://www.lg.com/in/investorrelations/material>. For further details, see “**Material Contracts and Documents for Inspection**” beginning on page 441. Further, since we are wholly owned by LG Electronics Inc., our Promoter, the Audit Committee has confirmed that there are no KPIs pertaining to our Company that have been disclosed to any investors at any point of time during the three years period prior to the date of filing of this Draft Red Herring Prospectus.

Our Company confirms that it shall continue to disclose all the KPIs included in this section on a periodic basis, at least once a year (or any lesser period as may be determined by the Board of our Company), for a duration of one year after the date of listing of the Equity Shares on the Stock Exchanges, or for such other duration as required under the SEBI ICDR Regulations.

The Bidders can refer to the below-mentioned KPIs, being a combination of financial and operational KPIs, to make an assessment of our Company’s performance and make an informed decision.

Details of our KPIs as of and for the three months ended June 30, 2024 and Financial Years ended March 31, 2024, March 31, 2023, and March 31, 2022, are set out below:

## Our Operating and Financial Metrics

Metric	Unit	As of and for			
		As of and for three Months Ended June 30, 2024	2024	2023	2022
Revenue from operations*	₹ million	64,087.97	213,520.00	198,682.39	169,657.25
Revenue growth (year-on-year)	%	-	7.47	17.11	-
Revenue from Home Appliances and Air Solution	₹ million	50,609.38	156,797.49	150,306.78	124,182.26
Revenue from Home Appliances and Air Solution as a percentage of revenue from operations <sup>(3)</sup>	%	78.97	73.43	75.65	73.20
Revenue from Home Entertainment	₹ million	13,478.59	56,722.51	48,339.15	44,159.87
Revenue from Home Appliances and Air Solution as a percentage of revenue from operations <sup>(3)</sup>	%	21.03	26.57	24.33	26.03
EBITDA <sup>(1)</sup>	₹ million	9,580.66	22,248.73	18,951.15	16,650.12
EBITDA Margin <sup>(2)</sup>	%	14.95	10.42	9.54	9.81
Profit for the period/year	₹ million	6,796.46	15,110.68	13,449.30	11,747.33
Profit Margin <sup>(4)</sup>	%	10.51	7.01	6.69	6.84
Return on Capital Employed <sup>(5)</sup>	%	18.04	45.31	34.38	24.44
Return on Net Worth <sup>(6)</sup>	%	15.39	40.45	31.13	21.50
Number of LG BrandShops	#	777	780	814	809
Number of B2C touch points <sup>(7)</sup>	#	36,401	35,833	34,874	32,199

### Notes:

<sup>(1)</sup> EBITDA is net profit after tax plus depreciation and amortization expense, net interest expense and taxes less other income.

<sup>(2)</sup> EBITDA Margin is the ratio of EBITDA to revenue from operations.

<sup>(3)</sup> Segment revenue contribution is calculated as segment revenue divided by revenue from operations.

<sup>(4)</sup> Net profit / (loss) margin is the ratio of net profit / loss to Total Income.

<sup>(5)</sup> Return on capital employed ("RoCE") (%) is EBITDA less depreciation and amortization, divided by capital employed. Capital employed is calculated as total equity plus total borrowings, total lease liabilities and deferred tax liabilities less amalgamation reserves.

<sup>(6)</sup> Return on networth is defined as profit after taxes divided by networth.

<sup>(7)</sup> B2C touch points comprise LG Brandshops, modern trade stores, traditional stores, distributors and sub-dealers.

\*Revenue from operations include continuing and discontinuing operations.

Brief explanations of the relevance of the KPIs for our business operations are set forth below:

Metric	Explanation
Revenue from Operations	Revenue from operations is used by our management to track the revenue profile of the business and in turn helps assess the overall financial performance of our Company and size of our business.
Revenue Growth (Y-o-Y)	Growth rate of revenue from operations provides information regarding the growth of our business for the respective period.
Revenue from Home Appliances and Air Solutions	Revenue from home appliance and air solutions is used by the Company to track the revenue profile of the business and in turn helps assess the overall financial performance of our Company and size of our business.
Revenue from Home Entertainment	Revenue from home entertainment is used by the Company to track the revenue profile of the business and in turn helps assess the overall financial performance of our Company and size of our business.
EBITDA	Tracking EBITDA helps us identify underlying trends in our business and facilitates evaluation of year-on-year operating performance of our operations.
EBITDA Margin	
Net Profit/(Loss) for the period	We believe that tracking our profit/(loss) from continuing operations after tax for the period/year enables us to monitor the overall results of operations and financial performance of our Company.
Net Profit/(Loss) Margin	
Return on Capital Employed	We believe return on capital employed enables us to track how efficiently our Company generates earnings from the capital employed in the business
Return on Net Worth	This metric is indicative of the profit generation by us against the net worth over a period.
Number of LG BrandShops	Number of LG Brandshops is used to measure the number of physical LG Brandshops in operation. It provides valuable insights into the Company's growth, expansion, and overall business health.

Metric	Explanation
Number of Retail Touch Points	Sales outlets enable us to track the breadth and depth of our dealership network. This is an important metric as our dealers represent the primary interface between us and our customers.

#### G. Description on the historic use of the KPIs by our Company to analyze, track or monitor the operational and/or financial performance of our Company

In evaluating our business, we consider and use certain KPIs, as stated above, as a supplemental measure to review and assess our financial and operating performance. The presentation of these KPIs is not intended to be considered in isolation or as a substitute for the Restated Financial Information. We use these KPIs to evaluate our financial and operating performance. Some of these KPIs are not defined under Ind AS and are not presented in accordance with Ind AS. These KPIs have limitations as analytical tools. Further, these KPIs may differ from the similar information used by other companies and hence their comparability may be limited. Therefore, these metrics should not be considered in isolation or construed as an alternative to Ind AS measures of performance or as an indicator of our operating performance, liquidity, profitability or results of operation. Although these KPIs are not a measure of performance calculated in accordance with applicable accounting standards, our Company's management believes that it provides an additional tool for investors to use in evaluating our ongoing financial results and trends and in comparing our financial results with other companies in our industry because it provides consistency and comparability with past financial performance, when taken collectively with financial measures prepared in accordance with Ind AS.

Investors are encouraged to review the Ind AS financial measures and to not rely on any single financial or operational metric to evaluate our business.

#### H. Comparison of KPIs based on additions or dispositions to our business

Our Company has not undertaken any acquisitions or dispositions of assets/ business during the three months ended June 30, 2024 and Fiscals 2024, 2023 and 2022.

#### I. Comparison of our KPIs with Listed Industry Peers

The following tables provides a comparison of the KPIs of our Company with our peer group. The peer group has been determined on the basis of companies listed on Indian stock exchanges or globally, whose business profile is comparable to our businesses in terms of our size and our business model:

##### *Havells*

Metric	Unit	Three month ended June 30, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Revenue from Operations	₹ Million	58,062.10	185,900.10	169,107.30	139,384.80
Revenue Growth (year-on-year)	%	-	9.93	21.32	-
Revenue from Home Appliances and Air Solutions	₹ Million	NA	NA	NA	NA
Revenue from Home Appliances and Air Solutions as a percentage of Revenue from Operations	%	NA	NA	NA	NA
Revenue from Home Entertainment	₹ Million	NA	NA	NA	NA
Revenue from Home Appliances and Air Solutions as a percentage of Revenue from Operations	%	NA	NA	NA	NA
EBITDA	₹ Million	5,722.40	18,426.20	15,991.40	17,604.20
EBITDA Margin	%	9.86	9.91	9.46	12.63
Profit for the period/year	₹ Million	4,075.10	12,707.60	10,717.30	11,964.70
Profit Margin	%	6.93	6.75	6.27	8.49
Return on Capital Employed	%	NA	19.41	19.03	22.65
Return on Net Worth	%	NA	17.06	16.18	19.93

**Whirlpool**

Metric	Unit	Three month ended June 30, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Revenue from Operations	₹ Million	24,968.60	68,297.90	66,676.50	61,965.70
Revenue Growth (year-on-year)	%	-	2.43	7.60	-
Revenue from Home Appliances and Air Solutions	₹ Million	NA	NA	NA	NA
Revenue from Home Appliances and Air Solutions as a percentage of Revenue from Operations	%	NA	NA	NA	NA
Revenue from Home Entertainment	₹ Million	NA	NA	NA	NA
Revenue from Home Appliances and Air Solutions as a percentage of Revenue from Operations	%	NA	NA	NA	NA
EBITDA	₹ Million	2,109.40	3,840.80	3,703.40	7,504.20
EBITDA Margin	%	8.45	5.62	5.55	12.11
Profit for the period/year	₹ Million	1,452.50	2,243.00	2,240.10	5,673.70
Profit Margin	%	5.70	3.21	3.30	9.06
Return on Capital Employed	%	NA	4.26	4.89	16.59
Return on Net Worth	%	NA	5.84	6.11	16.21

**Voltas**

Metric	Unit	Three month ended June 30, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Revenue from Operations	₹ Million	49,210.20	124,812.10	94,987.70	79,344.50
Revenue Growth (year-on-year)	%	-	31.40	19.72	-
Revenue from Home Appliances and Air Solutions	₹ Million	NA	NA	NA	NA
Revenue from Home Appliances and Air Solutions as a percentage of Revenue from Operations	%	NA	NA	NA	NA
Revenue from Home Entertainment	₹ Million	NA	NA	NA	NA
Revenue from Home Appliances and Air Solutions as a percentage of Revenue from Operations	%	NA	NA	NA	NA
EBITDA	₹ Million	4,575.90	3,360.10	2,079.00	5,712.40
EBITDA Margin	%	9.30	2.69	2.19	7.20
Profit for the period/year	₹ Million	3,350.00	2,481.10	1,362.20	5,060.00
Profit Margin	%	6.78	1.95	1.41	6.23
Return on Capital Employed	%	NA	4.37	2.74	9.05
Return on Net Worth	%	NA	4.24	2.48	9.14

**Blue Star**

Metric	Unit	Three month ended June 30, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Revenue from Operations	₹ Million	28,653.70	96,853.60	79,773.20	60,640.80
Revenue Growth (year-on-year)	%	-	21.41	31.55	-



Revenue from Home Appliances and Air Solutions	₹ Million	NA	NA	NA	NA
Revenue from Home Appliances and Air Solutions as a percentage of Revenue from Operations	%	NA	NA	NA	NA
Revenue from Home Entertainment	₹ Million	NA	NA	NA	NA
Revenue from Home Appliances and Air Solutions as a percentage of Revenue from Operations	%	NA	NA	NA	NA
EBITDA	₹ Million	2,379.10	6,654.30	6,639.90	3,475.60
EBITDA Margin	%	8.30	6.87	8.32	5.73
Profit for the period/year	₹ Million	1,687.60	4,143.10	4,006.90	1,680.00
Profit Margin	%	5.84	4.26	5.00	2.75
Return on Capital Employed	%	NA	19.88	29.02	16.62
Return on Net Worth	%	NA	15.86	30.04	16.46

- J. Price per share of our Company (as adjusted for corporate actions, including split) based on primary issuances of Equity Shares or convertible securities (excluding Equity Shares issued under employee stock option schemes and issuance of Equity Shares pursuant to a bonus issue) during the eighteen months preceding the date of this Draft Red Herring Prospectus, where such issuance is equal to or more than 5% of the fully diluted paid-up share capital of our Company (calculated based on the pre-Offer capital before such transaction(s) and excluding ESOPs granted but not vested) in a single transaction or multiple transactions combined together over a span of rolling 30 days (“Primary Issuances”)**

Our Company has not undertaken any Primary Issuances of its Equity Shares or convertible securities during the 18 months preceding the date of this Draft Red Herring Prospectus (excluding issuance of shares under bonus issue), where such issuance is equal to or more than 5% of the fully diluted paid-up share capital of our Company in a single transaction or multiple transactions combined together over a span of rolling 30 days.

- K. Price per share of our Company (as adjusted for corporate actions, including split) based on secondary sale or acquisition of equity shares or convertible securities (excluding gifts) involving our Promoters, members of the Promoter Group, Selling Shareholder, or Shareholder(s) having the right to nominate Director(s) on our Board during the eighteen months preceding the date of filing of this Draft Red Herring Prospectus, where the acquisition or sale is equal to or more than 5% of the fully diluted paid-up share capital of our Company (calculated based on the pre-Offer capital before such transaction/s and excluding ESOPs granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days (“Secondary Transactions”)**

There have been no Secondary Transactions of the Equity Shares or convertible securities of our Company during the eighteen months preceding the date of this Draft Red Herring Prospectus, where such issuance is equal to or more than 5% of the fully diluted paid-up share capital of our Company in a single transaction or multiple transactions combined together over a span of rolling 30 days.

- L. Since there were no primary or secondary transactions of equity shares of the Company during the eighteen months to report (K) and (L), the information has been disclosed for price per share of the Company based on the last five primary or secondary transactions where Promoter, members of the Promoter Group, Selling Shareholder or shareholder(s) having the right to nominate directors on our Board, are a party to the transaction, not older than three years prior to the date of filing of this Draft Red Herring Prospectus irrespective of the size of the transaction, is as below:**

Except as disclosed below, there are no Primary Issuances or Secondary Transactions of equity share capital by our Company during the three years prior to the date of filing of this Draft Red Herring Prospectus:

Date of allotment of Equity Shares	Nature of allotment	Nature of consideration	Number of Equity Shares	Face value per Equity Share (in ₹)	Issue price per Equity Share (in ₹)	Name of allottees/ shareholders	Percentage of fully diluted post-Offer capital (%) <sup>*</sup>
November 18, 2024	Bonus Issue	Other than cash	56,56,43,660	10	Nil	LG Electronics Inc.	[●]

<sup>\*</sup>To be updated at Prospectus stage.

#### M. Weighted average cost of acquisition, floor price and cap price

Based on the transaction described in (J), (K) and (L) above, the weighted average cost of acquisition, as compared with the Floor Price and Cap Price is set forth below:

Types of transactions	Weighted average cost of acquisition (₹ per Equity Share) <sup>*</sup>	Floor price (i.e., ₹ [●]) <sup>#</sup>	Cap price(i.e., ₹ [●]) <sup>#</sup>
Weighted average cost of acquisition for last eighteen months for primary / new issue of shares (equity/ convertible securities), excluding shares issued under an employee stock option plan/employee stock option scheme and issuance of bonus shares, during the eighteen months preceding the date of this Draft Red Herring Prospectus, where such issuance is equal to or more than 5% of the paid-up share capital of our Company (calculated based on the pre-Offer capital before such transaction/s and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days	Nil	[●] <sup>#</sup>	[●] <sup>#</sup>
Weighted average cost of acquisition for last eighteen months for secondary sale / acquisition of shares equity/convertible securities), where Promoter, members of the Promoter Group, Selling Shareholder, or Shareholder(s) having the right to nominate Directors on our Board are a party to the transaction (excluding gifts), during the eighteen months preceding the date of this Draft Red Herring Prospectus, where either acquisition or sale is equal to or more than five per cent of the paid-up share capital of our Company (calculated based on the pre-Offer capital before such transaction/s and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days	NA	[●] <sup>#</sup>	[●] <sup>#</sup>
Note: Since there were no primary or secondary transactions of equity shares of our Company during the eighteen months to report (a) and (b), the information has been disclosed for price per share of our Company based on the last five primary or secondary transactions where Promoter, members of the Promoter Group, Selling Shareholder or shareholder(s) having the right to nominate directors on our Board, are a party to the transaction, not older than three years prior to the date of filing of this Draft Red Herring Prospectus irrespective of the size of the transaction, is as below:			
Last 5 Primary Transactions	Nil	[●]	[●]
Last 5 Secondary Transactions	NA	[●]	[●]

<sup>\*</sup>As certified by B.B. & Associates, Chartered Accountants, by way of their certificate dated December 6, 2024.

<sup>#</sup>To be updated on finalisation of the Price Band.

#### N. Justification for Basis of Offer Price

- The following provides an explanation to the Offer Price/ Cap Price being [●] times of weighted average cost of acquisition of Equity Shares that were issued by our Company or acquired or sold by our Promoter, the members of our Promoter Group by way of primary and secondary transactions in the last eighteen months preceding the date of this Draft Red Herring Prospectus compared to our Company's KPIs and financial ratios for the Fiscals 2024, 2023 and 2022 and the three months ended June 30, 2024

[●]<sup>\*</sup>

<sup>\*</sup>To be included on finalisation of Price Band

2. The following provides an explanation to the Offer Price/ Cap Price being [●] times of weighted average cost of acquisition of Equity Shares that were issued by our Company or acquired by our Promoter, the members of our Promoter Group by way of primary and secondary transactions in the last eighteen months preceding the date of this Draft Red Herring Prospectus in view of external factors, if any, which may have influenced the pricing of the Offer

[●]\*

*\*To be included on finalisation of Price Band*

**O. The Offer price is [●] times of the face value of the Equity Shares**

The Offer Price of ₹ [●] has been determined by our Company, in consultation with the Book Running Lead Managers, on the basis of market demand from investors for Equity Shares through the Book Building Process and is justified in view of the above qualitative and quantitative parameters.

Investors should read the above-mentioned information along with “*Risk Factors*”, “*Our Business*”, “*Restated Financial Information*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” beginning on pages 31, 163, 232 and 315, respectively, to have a more informed view. The trading price of the Equity Shares could decline due to the factors mentioned in the “*Risk Factors*” on page 31 and you may lose all or part of your investments.

## STATEMENT ON SPECIAL TAX BENEFITS

Date: December 6, 2024

To,

**The Board of Directors,  
LG Electronics India Limited**

A-24/6,  
Mohan Cooperative Industrial Estate,  
Mathura Road,  
New Delhi 110 044

**Re: Proposed initial public offering of equity shares of face value of ₹ 10 (the “Equity Shares”) of LG Electronics India Limited (the “Company” and such offering, the “Offer”)**

We, **B.B. & Associates (FRN: 023670N)**, Chartered Accountants, have been informed that the Company proposes to file the draft red herring prospectus (“**DRHP**”) with the Securities and Exchange Board of India (“**SEBI**”), BSE Limited and National Stock Exchange of India Limited (collectively, the “**Stock Exchanges**”) and subsequently the red herring prospectus (“**RHP**”) and the prospectus with the Registrar of Companies, Delhi & Haryana at New Delhi (“**RoC**”), in accordance with the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (“**ICDR Regulations**”).

We confirm that the enclosed **Annexure A** prepared by the Company, initialed by us for identification purpose, provides the special tax benefits available to the Company and to the shareholders of the Company as stated in the Annexure, under:

1. **Direct Tax Laws:** the Income-tax Act, 1961 (the “**Act**”) as amended by the Finance Act, 2024 applicable for the Financial Year 2024-25 relevant to the Assessment Year 2025-26, presently in force in India; and
2. **Indirect Tax Laws:** Central Goods and Services Tax Act, 2017, the Integrated Goods and Services Tax Act, 2017 and the applicable State/Union Territory Goods and Services Tax Act, 2017 and the relevant rules, circulars and notifications made thereunder (“**GST Acts**”), as amended from time to time, the Customs Act, 1962 (“**Customs Act**”) and the Customs Tariff Act, 1975 (“**Tariff Act**”), Comprehensive Economic Partnership Agreement (“**CEPA**”) and Preferential Trade Agreement between the Governments of Member States of the Association of Southeast Asian Nations (“**ASEAN**”), Foreign Trade Policy 2015-2020 as extended until 31 March 2023, read with Handbook of Procedures and Foreign Trade Policy 2023, Package Scheme of Incentives 2007, Package Scheme Incentives 2013 and Electronics Policy 2016 of Maharashtra State and Infrastructure and Industrial Investment Policy 2012 of Uttar Pradesh State, presently in force in India.

The Act, the GST Acts, Customs Act and Tariff Act, Foreign Trade Policy 2023, as amended by the Finance Act, 2024 applicable for the Financial Year 2024-25, Package Scheme of Incentives 2007, Package Scheme Incentives 2013 and Electronics Policy 2016 of Maharashtra State and Infrastructure and Industrial Investment Policy 2012 of Uttar Pradesh State, as defined above, are collectively referred to as the “Relevant Acts”

Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Relevant Acts. Hence, the ability of the Company and/or its shareholders to derive the tax benefits is dependent upon their fulfilling of such conditions which, based on business imperatives the Company face in the future, the Company or its shareholders may or may not choose to fulfil.

The benefits discussed in the enclosed Annexure are not exhaustive and the preparation of the contents stated in the Annexure is the responsibility of the management of the Company. We are informed that the Annexure is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult their own tax consultant with respect to the specific tax implications arising out of their participation in the Offer.

We do not express any opinion or provide any assurance as to whether:

- i) the Company or its shareholders will continue to obtain these benefits in future; and
- ii) the conditions prescribed for availing the benefits have been / would be met with;

The contents of the enclosed Annexure are based on information, explanations and representations obtained from the Company and on the basis of their understanding of the business activities and operations of the Company.

Our views expressed herein are based on the facts and assumptions indicated to us. No assurance is given that the revenue authorities/ courts will concur with the views expressed herein. Our views are based on the existing provisions of the Tax Laws and its interpretation, which are subject to change from time to time. We shall not be liable to the Company for any claims, liabilities or expenses relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith or intentional misconduct. We will not be liable to the Company and any other person in respect of this Statement, except as per applicable law.

We hereby confirm that while providing this certificate we have complied with the Code of Ethics and the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements, issued by the Institute of Chartered Accountants of India.

This certificate is issued for the purpose of the Offer, and can be used, in full or part, for inclusion in the DRHP, RHP, the prospectus and any other material used in connection with the Offer (together, the “**Offer Documents**”) which may be filed by the Company with SEBI, Stock Exchanges, RoC and / or any other regulatory or statutory authority.

We hereby consent to our name and the aforementioned details being included in the Offer Documents and/or consent to the submission of this certificate as may be necessary, to the SEBI, RoC, Stock Exchanges and/or any other regulatory/statutory authority as may be required and/or for the records to be maintained by the BRLMs in connection with the Offer and in accordance with applicable law and in seeking to establish a defence in connection with, or to avoid, any actual, potential or threatened legal, arbitral or regulatory proceeding or investigation.

We undertake to immediately communicate, in writing, any changes to the above information/confirmations, as and when: (i) made available to us; or (ii) we become aware of any such changes, to the BRLMs and the Company until the Equity Shares allotted in the Offer commence trading on the Stock Exchanges. In the absence of any such communication from us, the Company, the BRLMs and the legal advisors appointed with respect to Offer can assume that there is no change to the information/confirmations forming part of this certificate and accordingly, such information should be considered to be true and correct.

All capitalized terms used but not defined herein shall have the meaning assigned to them in the Offer Documents.

Yours Sincerely,

**For B.B & Associates**

Chartered Accountants

ICAI Firm Registration No: 023670N

**Ankit Jain**

Partner

Membership No. 534297

Peer Review Certificate No. 015429

**UDIN: 24534297BKHIRB8049**

Place: Noida

Date: December 6, 2024

## ANNEXURE A

### STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO LG ELECTRONICS INDIA LIMITED (“THE COMPANY”) AND ITS SHAREHOLDERS UNDER THE APPLICABLE DIRECT AND INDIRECT TAX LAWS

Outlined below are the possible special tax benefits available to the Company and its shareholders under the Tax Laws (“Possible Special Tax Benefits”). These Possible Special Tax Benefits are dependent on the Company and its shareholders fulfilling the conditions prescribed under the Tax Laws. Hence, the ability of the Company and its shareholders to derive the Possible Special Tax Benefits is dependent upon fulfilling such conditions, which are based on business imperatives it faces in the future, it may or may not choose to fulfil.

#### 1. Special tax benefits available to the Company

##### A. Direct taxes:

##### a. Lower corporate tax rate under section 115BAA of the IT Act:

Section 115BAA has been inserted in the IT Act by the Taxation Laws (Amendment) Act, 2019 (“the Amendment Act, 2019”) with effect from 1 April 2019 (FY 2019-2020). Section 115BAA of the IT Act grants an option to a domestic company to be governed by the section from a particular assessment year (“AY”). If a company opts for section 115BAA of the IT Act, it can pay corporate tax at a reduced rate of 25.168% (22% plus surcharge of 10% and education cess of 4%). Section 115BAA of the IT Act further provides that domestic companies availing the option will not be required to pay Minimum Alternate Tax (“MAT”) on their 'book profits' under section 115JB of the IT Act.

However, such a company will no longer be eligible to avail specified exemptions / incentives under the IT Act and will also need to comply with the other conditions specified in section 115BAA of the IT Act. Also, if a company opts for section 115BAA of the IT Act, the tax credit (under section 115JAA of the IT Act), if any, which it is entitled to on account of MAT paid in earlier years, will no longer be available. Further, it shall not be allowed to claim set-off of any brought forward loss arising to it on account of additional depreciation and other specified incentives. The Company has decided to opt for the lower corporate tax rate of 25.168% (prescribed under section 115BAA of the IT Act) with effect from AY 2020-2021.

##### b. Higher depreciation on Moulds:

As per Appendix 1 of Rule 5 of income tax rules, the Company is eligible to claim higher depreciation on certain plant and machineries such as moulds used in manufacture of rubber and plastic goods. Accordingly, the Company claims higher rate of depreciation 30% on these assets as against the normal rate of 15% on plant and machineries.

## **B. Indirect Taxes:**

- a. **Benefits under Comprehensive Economic Partnership Agreement (“CEPA”), and Preferential Trade Agreement Between the Governments of Member States of The Association of Southeast Asian Nations (“ASEAN”):** CEPA and Preferential Trade Agreement Between the Governments of Member States of ASEAN are the free trade agreement between members countries, based on which the Company pays concessional duty on import of certain components used in the manufacture of final products.
- b. **Foreign Trade Policy 2015-2020 as extended until 31 March 2023, read with Handbook of Procedures and Foreign Trade Policy 2023:**

**Remission of Duties and Taxes on Exported Products Scheme (“RoDTEP”):** This scheme is notified with effect from 1 January 2021 with an object to neutralize the taxes and duties suffered on exported goods which are otherwise not remitted/ refunded in any manner. The benefit is given as percentage of free on board or as prescribed by the Department of Commerce. The remission of taxes is provided in the form of transferable duty credit electronic script and are subject to realization of sale proceeds within the period prescribed by Reserve Bank of India.

- c. **Customs Act, 1962:**

**Duty Drawback:** Duty drawback is the Export benefit given to rebate the custom duties charged on imported materials which are used for manufacture of exported goods.

## **C. Other Incentives under Modified Special Incentives Package Scheme (“M-SIPS”):**

**Incentive under Modified Special Incentives Package Scheme (“M-SIPS”):** In order to promote large scale manufacturing in India, M-SIPS was announced by the Government in July, 2012 to offset disability and attract investments in Electronics System Design and Manufacturing (“ESDM”) Industries. The scheme provides incentive for capital expenditure. The Company has filed various Applications under M-SIPS with Ministry of Electronics and Information Technology (“MeitY”) under which the Company has received approval for LED TV, Refrigerator, Fully Automatic Washing Machine in its Pune plant and Refrigerator, Fully Automatic Washing Machine, Air Conditioner, Microwave at Noida plant. The overall scheme is for 10 years and all the projects are divided into different phases. Based on the investment made in plant and machinery, the Company is receiving incentives from MeitY.

## **D. Other Incentives (based on MOU with Government of Maharashtra, Letter of Comfort /Government Order of Uttar Pradesh State and Government Order issued by Andhra Pradesh State):**

### **A. Pune Plant:**

- 1. Investment period April 1, 2011 to March 31, 2016**



**a) Industrial Promotion Subsidy (“IPS”):**

As per the Eligibility certificate issued by Government of Maharashtra, the Company is eligible for Industrial Promotion Subsidy, under Package Scheme of Incentives, 2007, equivalent to certain level of Fixed Capital Investments made within a period of 5 years from April 1, 2011 to March 31, 2016. The Company is eligible to claim this incentive in the form of “Refund of VAT/ Gross SGST paid to the Government” for a period of 11 years from August 1, 2014 to July 31, 2025.

**b) Electricity Duty Exemption:**

As per the Eligibility certificate issued by Government of Maharashtra, the Company is eligible for Electricity Duty Exemption, under Package Scheme of Incentives, 2007 for a period of 9 years from August 1, 2014 till July 31, 2023.

**2. Investment Period November 1, 2017 to October 30, 2025**

**a) Industrial Promotion Subsidy (“IPS”):**

As per the Memorandum of Understanding (“MoU”) dated November 2, 2018 entered into with the Government of Maharashtra (“GoM”), the Company is eligible for claiming benefit of Industrial Promotion Subsidy under Package Scheme of Incentives 2013 and Electronics Policy 2016. As per the scheme, the Company can claim benefit up to certain level of investment made during the investment period of 8 years from November 1, 2017 to October 30, 2025. The Company is eligible to claim this incentive in the form of “Refund of Gross SGST paid to the Government” for a period of 15 years.

**b) Others Benefit:** The Company will also be offered with Electricity Duty exemption, stamp duty exemption, partial refund of ESIC / PF contribution, Power Tariff Subsidy and refund of property Tax at certain percentage or formula for a stipulated period.

**B. Greater Noida Plant:**

Based on the Letter of comfort (“LOC”) and Government Orders (“GO”) of the State of Uttar Pradesh, the Company is eligible for Financial Incentive under Infrastructure and Industrial Investment Policy 2012 of Government of Uttar Pradesh. As per the scheme, the Company is entitled for financial incentive against certain level of investment made during the Investment period. The said financial incentive is computed and claimed in the form of Refund of “Net State Goods and Service Tax” (“SGST”) for a maximum period of 10 years ending on December 31, 2029.

**C. Proposed Andhra Pradesh Plant:**

Based on Government Order, G.O MS No. 77 dated 26 November 2024, issued by Andhra Pradesh Government, the Company is eligible for financial incentive under Andhra Pradesh Industrial Development Policy (4.0) 2024-29. The incentive will be in the form of waiver of stamp duty and

registration fees, subsidy on utilities, SGST Refund on construction work, capital subsidy and subsidy for skilling of workers.

## **2. Special tax benefits available to the shareholders of the Company**

There are no special tax benefits available to the current shareholders of the Company under the Tax Laws

### **Notes:**

1. The above is as per the current Tax Laws.
2. The above statement of Possible Special Tax Benefits sets out the provisions of Tax Laws in a summary manner only and is not a complete analysis or listing of all the existing and potential tax consequences of the purchase, ownership, and disposal of equity shares of the Company.
3. This statement of Possible Special Tax Benefits does not discuss any tax consequences in any country outside India of an investment in the equity shares of the Company.
4. The possible special tax benefits are subject to conditions and eligibility criteria which need to be examined for tax implications.
5. In respect of non-residents, the tax rates and consequent taxation mentioned above will be further subject to any benefits available under the relevant Double Taxation Avoidance Agreement (“DTAA”), if any, between India and the country in which the non-resident has fiscal domicile.
6. The tax benefits discussed in this statement are not exhaustive and are only intended to provide general information to the investors and hence, is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax consequences of his/her investment in the shares of the Company.
7. No assurance is given that the revenue authorities/ courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes.

For **LG Electronics India Limited**

**Dong Myung Seo**

Whole Time Director and Chief financial officer

Place: Noida

Date: December 6, 2024

*Signed for identification purpose only*

**B.B. & Associates**

## SECTION IV: ABOUT OUR COMPANY

### INDUSTRY OVERVIEW

*Unless otherwise indicated, industry and market data used in this section have been derived from the report titled ‘Industry Report for Appliances and Electronics Market in India’ dated December 5, 2024 (the “Redseer Report”) prepared and issued by Redseer Strategy Consultants Private Limited (“Redseer”), which has been commissioned by and paid for by our Company exclusively in connection with the Offer for the purposes of confirming our understanding of the industry in which we operate. Neither we, nor the BRLMs, nor any other person connected with the Offer has independently verified any third-party statistical, financial and other industry information in the Redseer Report.*

*Unless otherwise indicated, all financial, operational, industry and other related information derived from the Redseer Report and included herein with respect to any particular year, refers to such information for the relevant year. The data included herein includes excerpts from the Redseer Report and may have been re-ordered by us for the purposes of presentation. For further details and risks in relation to the Redseer Report, see “Risk Factors – Internal Risks – We have used information from the Redseer Report which has been commissioned and paid for by our Company for industry related data in this Draft Red Herring Prospectus and any reliance on such information is subject to inherent risks.” on page 64. The Redseer Report will form part of the material documents for inspection and will be available on the website of our Company at [www.lg.com/in/investorrelations/industryreport/](http://www.lg.com/in/investorrelations/industryreport/) from the date of filing of this Draft Red Herring Prospectus until the Bid/Offer Closing Date.*

#### **The Global Economy is Projected to See Steady Growth Across Key Regions in 2024 and Beyond, with India’s Economy Standing Out as a Bright Spot Amidst Steady Growth Prospects.**

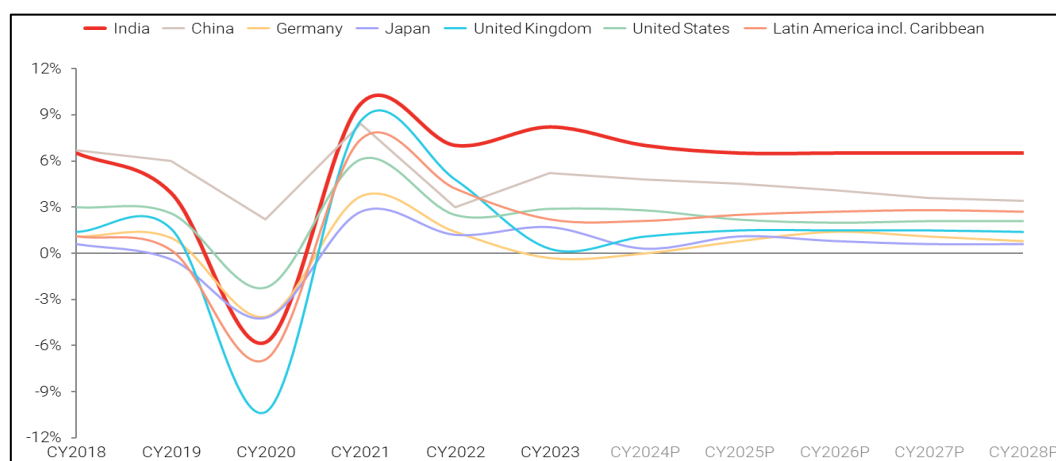
The world economy has shown resilience despite ongoing challenges, with key indicators such as GDP growth, inflation rates, and private consumption reflecting varied regional dynamics. The outlook for CY2024 and beyond reflects a cautious optimism, with growth anticipated to remain steady across major developed markets, while emerging markets such as India display robust expansion. India emerges as a significant player in the global economic arena, demonstrating strengths in growth and consumption relative to its international counterparts. India’s economic performance remains robust, underpinned by strong consumption growth, urbanization, and technological advancements that support long-term expansion across sectors.

#### ***Global and India macroeconomic overview***

*Global Gross Domestic Product (“GDP”) growth:* Global real GDP growth, while stabilizing after pandemic-induced disruptions, is expected to continue at a moderate pace in CY2024, with projections indicating a compounded annual growth rate (“CAGR”) of approximately 3.2% over the next 3-5 years. Key regions including North America and European nations are anticipated to exhibit modest growth due to tightening monetary policies, while emerging economies are positioned for relatively higher growth rates driven by robust domestic demand.

## Real GDP growth – India and Global Benchmarks

CY2018 to CY2028P, in %



Source(s): IMF

**India's GDP growth:** India stands as the world's fifth-largest economy, with the International Monetary Fund ("IMF") projecting GDP at current prices to reach approximately ₹320 trillion (US\$3.89 trillion) in CY2024E. In CY2023, India's real GDP saw robust growth at over 8%, fuelled by strong domestic consumption and investment growth. Despite global disruptions from COVID-19 and the challenges posed by a much more severe second wave of COVID-19 at the start of Fiscal 2022, India's economy demonstrated remarkable resilience, maintaining its growth momentum and outpacing many other major economies. This growth underscores India's emergence as a key player on the global economic stage, with steady contributions from manufacturing and services sectors.

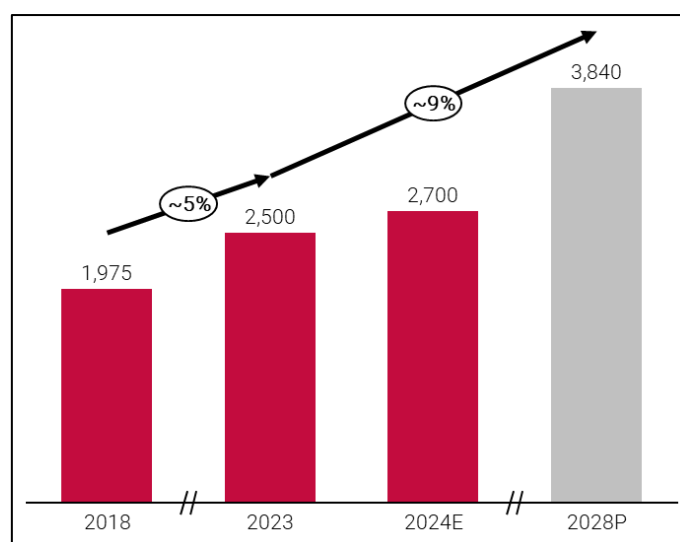
Looking forward, India's real GDP is expected to grow at a CAGR of 6.5% between CY2023 and CY2028, positioning it as the fastest-growing major economy globally. By CY2027, India is anticipated to overtake Germany and Japan to become the third largest globally. During this period, India is expected to outpace major economies such as the United States and China, projected to grow at ~2% and ~4%, respectively, in real terms. This growth trajectory reflects India's rapidly expanding economic influence and resilience in the global landscape.

This robust growth outlook for India is underpinned by several structural and economic factors that are expected to drive sustained expansion and elevate the nation's position in the global economy. Key factors contributing to India's trajectory include:

**India's GDP per capita at an inflection point:** India's GDP per capita is currently projected to be ₹ ~2,24,100 (~US\$ 2,700) in CY2024E by the IMF. The critical threshold of US\$ ~2,000 to ~3000 GDP per capita mark is historically associated with accelerated private consumption growth, especially for Fast-Moving Electrical Goods ("FMEG"). Analysis of economies that previously crossed this benchmark such as the United States, China, Japan, Russia, and Brazil, reveals that once per capita GDP surpasses the threshold, consumer demand for appliances and electronics typically surges. Projections for CY2028P suggest India will reach ₹ ~3,18,720 (~US\$ 3,840) per capita, positioning it to follow a similar high-growth trajectory as seen in other comparable economies.

### India's GDP per capita

CY2018, CY2023, CY2024E, CY2028P, in USD



Source(s): IMF

*Manufacturing to gain prominence:* India's Gross Value Added ("GVA") has shown a consistent upward trend, growing from ₹ ~127 trillion (US\$ ~1.5 trillion) in Fiscal 2019 to ₹ ~159 trillion (US\$ ~1.9 trillion) in Fiscal 2024. The economy's sectoral distribution reflects strong contributions from services (~55%), manufacturing (~17%), and agriculture (~17%). Manufacturing GVA, in particular, has expanded significantly, driven by policies such as 'Make in India' and the Production-Linked Incentive (PLI) scheme, which collectively bolster domestic manufacturing and export competitiveness. Looking forward, the manufacturing sector is expected to continue its robust growth trajectory, outpacing other sectors over the next five years. This is in line with India's strategic push to increase its manufacturing share in GDP, aiming to contribute 22-25% by Fiscal 2028P, positioning it as a key growth driver for the broader economy.

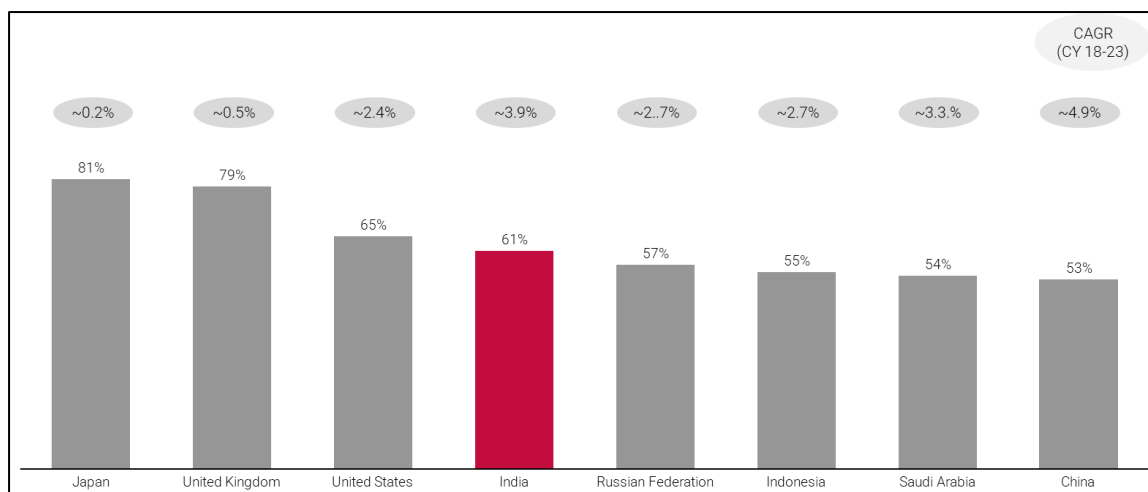
*Purchasing Managers' Index (PMI):* India's PMI of 56.5 in October 2024 signals strong manufacturing growth, contrasting with the United States at ~47.3 and the Eurozone at ~45.8, both of which indicate contraction. China's PMI at ~49.6 suggests stagnation, while Brazil shows moderate growth at ~53.2.

*Relatively stable inflation:* India's inflation rate of ~4.5% as of CY2024E based on the Consumer Price Index (CPI) is relatively higher compared to regions such as Eurozone at ~1.7%, United States at 2.5-3.5%, and China at <0.5%, but it remains moderate compared to economies such as Brazil at ~4.1% where inflation is more volatile, having reached over 9% in CY2015 and again in CY2022. India's relatively stable inflation can be attributed to effective government policies, including the Reserve Bank of India's inflation-targeting framework, enabling proactive monetary policies including timely interest rate hikes to curb price rises. The government's strategic fiscal measures such as direct benefit transfers and targeted subsidies have shielded vulnerable populations. Additionally, India's diverse agricultural base and improvements in supply chain logistics have helped mitigate inflationary pressures on essential goods. While global inflation surged post COVID, India's inflation remained comparatively stable and is supported by strong domestic production, import diversification, and effective monetary and fiscal policy coordination.

*Rising private consumption:* In terms of Private Final Consumption Expenditure (PFCE) at constant prices, India exhibited strong growth of ~3.9% from CY2018 to CY2023, significantly outpacing the United States at ~2% and the Eurozone at ~0.8%. This upward trend in PFCE reflects India's gradual shift towards a consumption-driven model, supported by a vibrant domestic landscape and an expanding middle class. As India's PFCE as a percentage of GDP continues to increase, it remains lower than that of developed nations, highlighting significant headroom for further growth. Moreover, the increasing availability of consumer credit has facilitated higher spending, empowering a broader demographic to access goods and services that were previously out of reach. This trend, coupled with rising disposable incomes and increased urbanization, is driving demand across both basic and discretionary sectors. India's PFCE is poised for sustained expansion, contributing to the country's shift towards a consumption-driven economic model.

### PFCE as % of GDP – India and Global Benchmarks

CY2023, in %



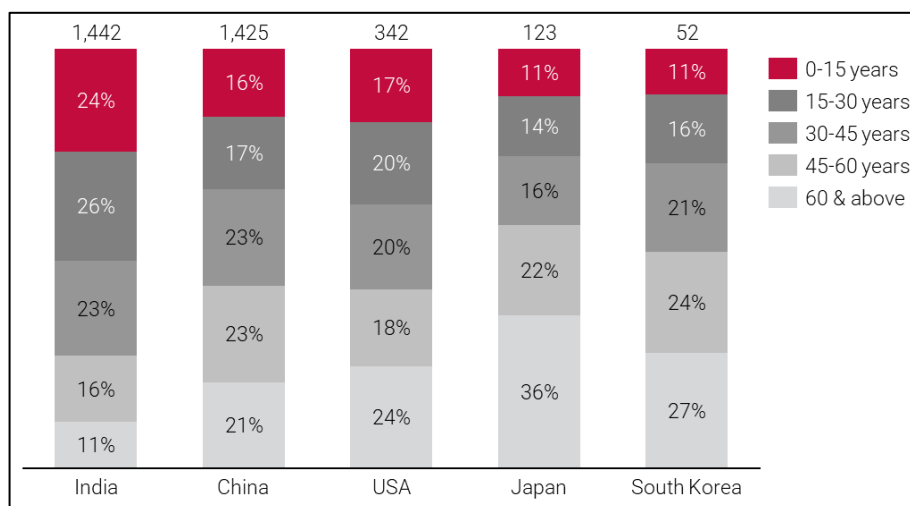
Source(s): World Bank, IMF

The following trends are pivotal in shaping robust growth in PFCE:

1. **Young and aspirational consumers are driving aspirational demand:** India is the world’s most populous nation with a population of ~1.4 billion as of CY2023. India’s youthful population, one of the largest in the world, is driving an expanding labor force and accelerating economic growth. This demographic advantage, with a rising proportion of working-age individuals, is fueling higher incomes and increased consumption across a broad range of sectors. As young and aspirational consumers, this group is particularly influential in driving demand for technology, home appliances, and other consumer goods, positioning India as a significant market.

### India’s Population Segmentation by Age Group

CY2024E, in Mn

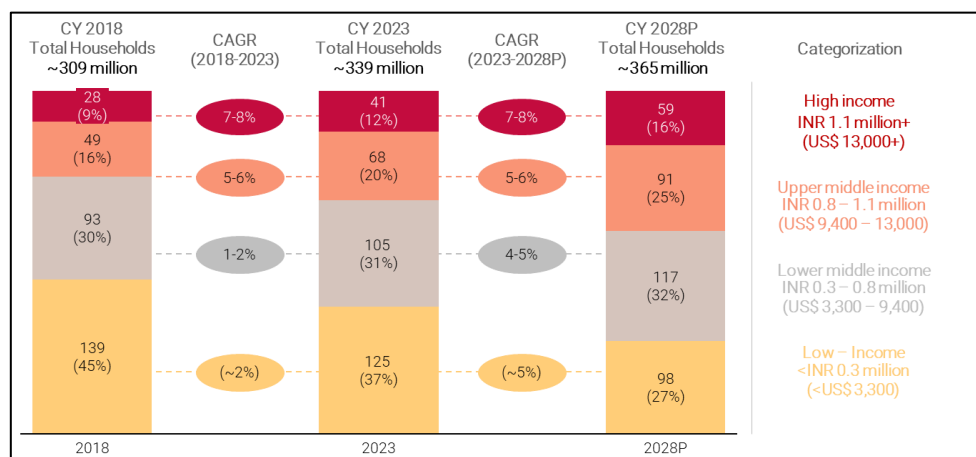


Source(s): United Nations

2. **Rising incomes and prosperity:** The share of households classified as middle-income has been steadily increasing, with notable growth in recent years, driven by rapid economic development, urbanization, formalization of employment, and a shift from agriculture to services. By CY2028P, the middle-income demographic is expected to comprise approximately ~57% of total households, up from ~51% in CY2023, reflecting a significant shift toward higher standards of living and increased discretionary spending. Middle-class households' retail spending per capita is more than three times that of low-income households, further emphasizing their growing purchasing power. This affluence is set to disproportionately drive growth in retail categories, leading to heightened demand for higher-quality products and services. Workforce participation among women has increased from ~23% in CY2018 to ~37% in CY2023 and is bolstering household incomes, further supporting retail growth, particularly in segments such as home appliances, personal care devices, and fashion.

## India's Share of Households by Annual Income

CY2018, CY2023, CY2028P, in Mn



Note: Incomes are calculated based on real wage growth and account for wage inflation

Source(s): Redseer research and analysis

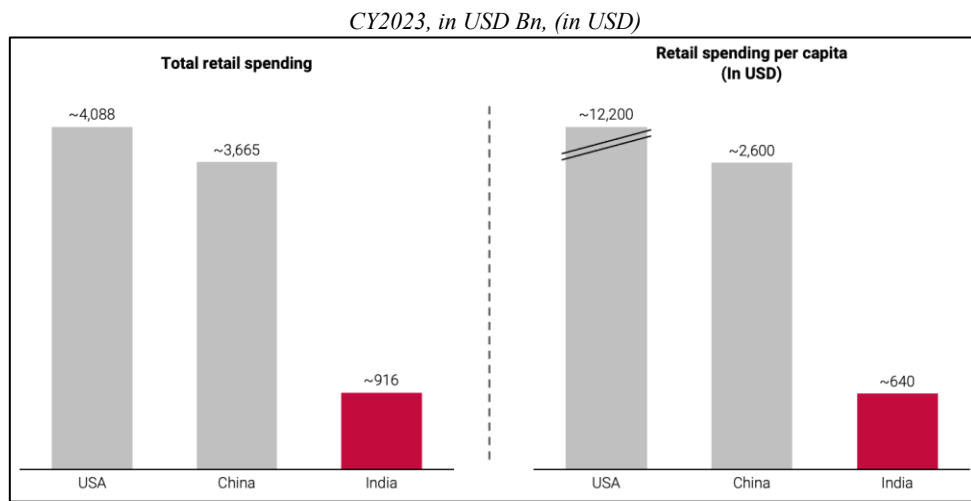
India's per capita net national income at constant prices has seen substantial growth, marking an increase from ₹ ~92,130 (US\$ ~1110) in Fiscal 2019 to ₹ ~1,06,745 (US\$ ~1285) in Fiscal 2024 and is projected to reach ₹ ~1,20,089 (US\$ ~1,450) by Fiscal 2028P. This consistent rise highlights increasing economic well-being resilience to inflationary pressures, and reflects a broadening middle class with enhanced purchasing power. This growth trajectory is particularly promising for consumer sectors, with increasing disposable incomes expected to drive demand for categories such as durables, appliances, and electronics.

- Rapid urbanization:** Urbanization is a principal element in India's economic expansion, with the urban population increasing from ~465 million in CY2018 to ~520 million in CY2023, surpassing the total population of the United States at ~335 million. Urbanization is fuelled by rural-to-urban migration for better opportunities, and this shift will drive demand for organized retail, as urban centres increasingly attract consumers seeking enhanced purchase experiences. Additionally, Indian households are becoming more nuclear, further expanding the addressable number of households and increasing demand for consumer goods and services. By 2050, over 50% of India's total population is expected to reside in cities, while the contribution of urban areas to the national GDP is projected to increase to 80%, according to the Ministry of Urban Affairs. Investments in infrastructure are reshaping the physical retail landscape, with enhanced store experiences and improved logistics. These investments support organized retail growth and boost consumer conveniences.
- Increasing digital adoption and technological advancements:** The Digital India initiative is driving significant digital penetration, transforming business models and consumer behaviour. The rise of digital connectivity and payment solutions such as UPI is fuelling e-commerce growth across metros and Tier 1 and Tier 2+ cities, making a wider range of products accessible, even to rural consumers engaging more in online shopping. Technological advancements in AI, automation, and data analytics are further enhancing productivity and operational efficiency. These shifts are not only transforming industries but are also driving the growth in private consumption, positioning India as a key player in the global digital economy.
- Increased spending on discretionary items:** Improving economic conditions and accelerating urbanization are driving a notable rise in discretionary spending across India. As disposable incomes grow, particularly within urban and middle-class segments, consumers are increasingly allocating funds toward lifestyle-enhancing products, modern appliances, and electronics. For a significant and expanding segment of the population, essential needs are now comfortably met, allowing a shift toward premium and aspirational purchases. Additionally, the increase in nuclear households has boosted the number of residences, further fuelling demand for home appliances and consumer electronics. This trend is also supported by the widespread adoption of flexible financing options, making high-value products more accessible to a broader consumer base.
- Preference for convenience:** Consumer preferences are increasingly driven by the demand for convenience. This shift is being shaped by:



- a. *Time constraints:* With a growing number of working professionals and urban dwellers, time-saving products and services, such as ready-to-use food items and home delivery services, are becoming more popular.
  - b. *Digital payments and financing solutions:* The widespread adoption of digital payment systems such as UPI is streamlining the purchasing process to make transactions faster and more convenient for consumers.
7. *Rise in retail consumption:* The expansion of retail consumption in India is a natural outcome of several intersecting trends, including higher disposable incomes, urbanization, and evolving lifestyles. As consumers increasingly seek products that enhance their quality of life—from appliances and electronics to lifestyle goods—retail consumption has gained momentum across physical and digital channels. This growth reflects broader accessibility and exposure to a wide array of products, allowing for increased consumer participation in the economy. Together, these factors are shaping a more dynamic and resilient retail landscape in India.

### Retail spending comparison-USA, China, India

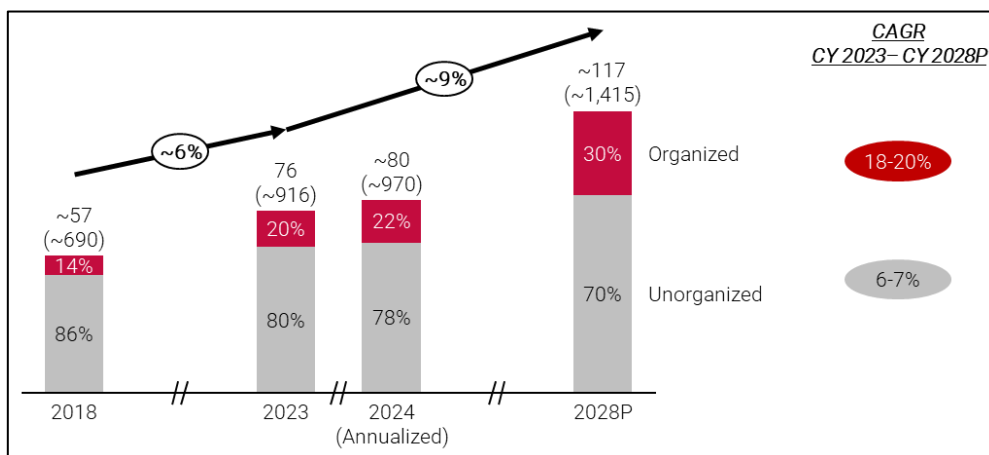


Sources: United Nations, Redseer research and analysis

8. *India's retail sector:* India's retail sector is undergoing rapid expansion and has grown at a CAGR of ~6% in the last 5 years. It is projected to grow at ~9% to reach US\$ ~1,415 billion by CY2028P, fueled by increased disposable incomes, a shift toward organized retail, and robust growth in e-commerce. Despite India's current per-capita retail spending being modest compared to other markets, the low base offers significant room for further growth.

### Overall retail market – India

CY2018, CY2023, H1 2024 (Annualized), CY2028P, in INR Tn (USD Bn)



Note(s): Conversion rate: 1 US\$ = ₹83  
Source(s): Redseer research and analysis

Within this expanding retail landscape, organized retail is capturing an increasing share of the market. Offering a refined shopping experience, diverse product ranges, and competitive pricing, organized retail channels align well with consumer preferences for quality, reliability, and brand authenticity.

This dramatic shift is propelled by a range of factors:

- a. *Awareness driven by social media:* Social media is increasingly influential and is driving awareness and discovery, educating consumers on new products, brands, and trends. The reach of platforms such as Instagram and YouTube are cultivating an informed consumer base with higher awareness and a preference for trendy and premium products.
- b. *Better selection at competitive prices:* Consumers are attracted to organized retail platforms that offer a wide range of products at competitive prices, facilitating value-driven purchasing decisions.
- c. *Improved consumer experience:* The enhanced shopping experience, from better store layouts to knowledgeable staff, is attracting more consumers towards organized retail formats.
- d. *Greater degree of agility:* Organized retail is becoming more agile, responding faster to changing consumer demands, thus ensuring a seamless shopping experience across both physical and online channels.
- e. *Investments in infrastructure to enhance stores:* The rapid expansion of modern retail infrastructure, such as shopping malls and high-end outlets, is improving accessibility and encouraging higher foot traffic.
- f. *Shift towards e-commerce:* With the rise of digital platforms, e-commerce is rapidly gaining traction, offering consumers the convenience of online shopping with doorstep delivery, further accelerating the shift from traditional to organized retail.

### **The Global Appliances & Electronics Market Has Grown at ~1.5% in the Last Five Years to Reach ₹ ~115 Trillion (US\$ ~1.4 Trillion) by 2024 (Annualized), Driven by Various Consumer and Market Dynamics.**

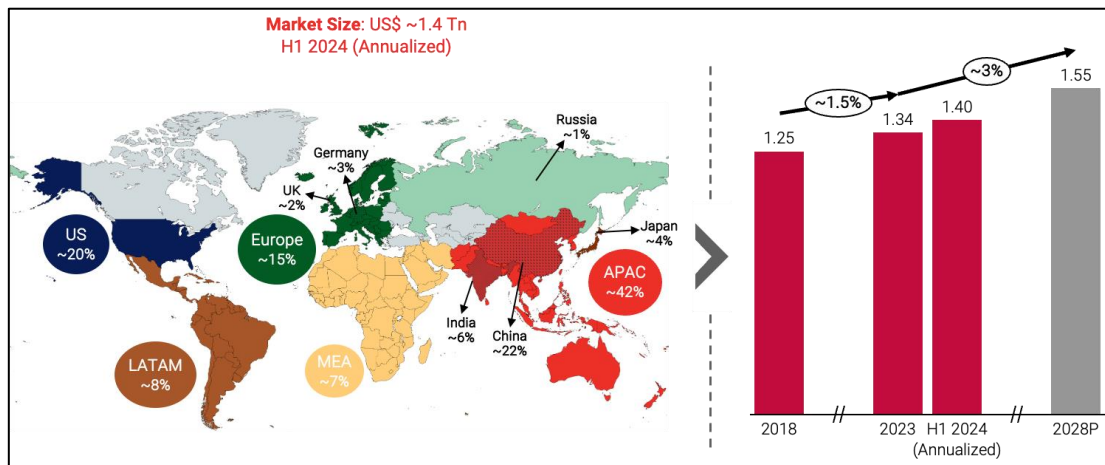
The global appliances & electronics market is a dynamic and rapidly evolving sector, fueled by strong demand across both consumer and business segments. Growth is underpinned by rising penetration in emerging economies, the adoption of smart home technologies, a focus on energy-efficient solutions, and the expansion of e-commerce channels. Technological advancements are shifting consumer preferences and reshaping the landscape, positioning the market for a sustained expansion in the medium to long term.

The market encompasses a wide array of products across home appliances and consumer electronics segments. The market has grown at a CAGR of ~1.5% in the last 5 years owing to factors such as a COVID-induced slowdown and is currently sized at ₹ ~115 trillion (US\$ ~1.4 trillion) in H1 2024 (Annualized). Growth during this period was tempered by various factors including the COVID-19 pandemic which disrupted supply chains, reduced discretionary spending, and delayed new product launches. By CY2028P, the market is expected to reach ₹ ~129 trillion (US\$ ~1.55 trillion) at an expected CAGR of ~3%. The market is composed of over 60% consumer electronics (with TVs, mobiles, computers & peripherals as prominent segments), ~20% major home appliances (such as refrigerators, washing machines, dishwashers, air conditioners and microwaves), and ~20% small appliances.

In terms of regional distribution, the global appliances and electronics market shows a marked regional concentration with the Asia-Pacific (APAC) region dominating at ~42% of the total market share. Within APAC, China is the largest contributor, holding ~22% of overall value due to its high production capabilities and strong domestic consumption. India follows, representing ~6% of overall global value (expected to expand to ~8% by CY2028P as one of the fastest growing markets) driven by rapid urbanization and increasing disposable incomes, while Japan accounts for ~4%, reflecting steady demand for premium and energy-efficient appliances. The United States holds a substantial ~20% share, underpinned by high per-capita spending and technology adoption. Europe contributes ~15%, led by Germany at ~3%, with its focus on quality manufacturing, and the United Kingdom at ~2%, supported by robust demand for smart home technology. The Middle East and Africa (MEA) contribute ~7% fuelled by rising infrastructure investments, while Latin America with ~8% benefits from a growing middle class and urbanization. Australasia and Russia each hold ~1%, reflecting smaller yet stable markets with selective demand growth. The market comprises a diverse range of players, each varying in scale and level of innovation. LG Electronics is a pioneer of innovative technology globally and is the leading single-brand global home appliances player in terms of market share by revenue in CY2023.

### **Global Appliances & Electronics Market Size**

*USD Tn, CY2018, CY2023, H1 2024 (Annualized), CY2028P*



Source(s): Redseer research and analysis

The global appliances & electronics market is poised for continued expansion, driven by several trends reshaping the sector. These trends reflect the intersection of technological advancement, consumer behavior shifts, and regulatory frameworks, all of which are contributing to sustained market growth. Major trends driving this growth include the following:

- i. *Urbanization and expanding middle-class populations:* Emerging geographies such as India, Brazil, and Indonesia are experiencing rapid urbanization and rise in various consumption indicators such as disposable incomes and discretionary spends. This is driving increased demand through higher penetration and premiumization for both large and small home appliances as consumers increasingly seek to upgrade their living standards.
- ii. *Shift towards digital channels:* The ongoing growth of e-commerce platforms is transforming how appliances and electronics are marketed and sold. Digital channels provide consumers with greater discoverability and access to a wider range of products, fostering higher market penetration across categories.
- iii. *Energy efficiency and regulatory pressures:* Stricter global energy standards and growing consumer awareness around sustainability are spurring demand for energy-efficient appliances. Governments worldwide are incentivizing the adoption of products that minimize environmental impact, resulting in accelerated innovation in energy-saving technologies and higher replacement demand.
- iv. *Consumer preference for convenience:* As lifestyles become more fast-paced, there is increasing demand for appliances that offer greater convenience and automation. Features such as voice control, self-clean technologies, and connectivity integrations are becoming standard expectations in premium product offerings. Consumers are increasingly adopting smart home devices that offer enhanced control, automation, and efficiency.
- v. *Reduction in barriers for international expansion:* The decreasing barriers for international expansion are enabling companies to increase their global reach and awareness of their products. As trade regulations ease and distribution networks expand, consumers in diverse markets are being introduced to a broader range of tech-savvy, innovative appliances. This increased product exposure is driving higher demand, particularly for advanced electronics and smart appliances, as consumers worldwide are becoming more tech-oriented and discerning in their purchasing decisions.

**The Appliances & Electronics Market in India is Projected to be ₹ ~10 Trillion (US\$ ~120 Billion) by CY2028P, Driven by Multiple Vectors and Macroeconomic Tailwinds.**

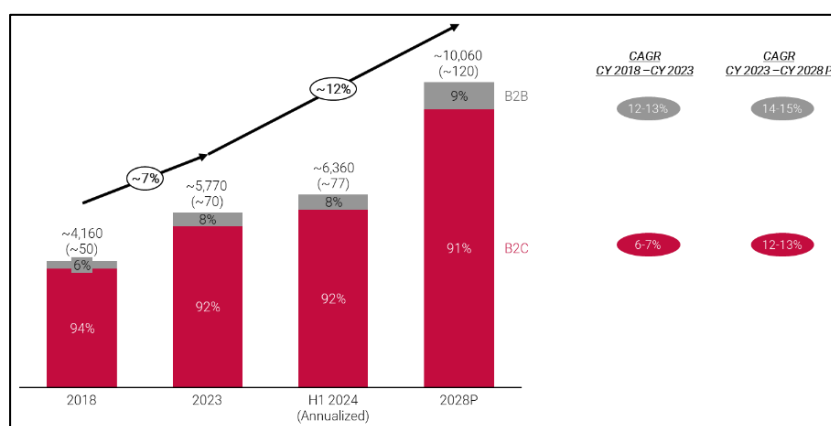
India's appliances and electronics market has grown at ~7% in the last 5 years and this growth is expected to accelerate to ~12% in the next 5 years driven by rising disposable incomes, growing urbanization, and increasing penetration of appliances and electronics in both urban and rural areas. The market is segmented into B2C and B2B segments, with the B2C segment characterized by expansive distribution across organized and unorganized retail, e-commerce, and exclusive brand outlets. The B2C market is witnessing significant transformation as consumers shift from basic utility devices to more premium, technology-driven products across categories such as major kitchen appliances, home entertainment and consumer electronics, and new-age services such as appliance subscriptions. On the other hand, the B2B segment is also vibrant and growing rapidly, driven by institutional demand across sectors such as hospitality, healthcare, retail, and commercial establishments.

**Market size and segmentation**

As of H1 2024 (Annualized), India's appliances & electronics market stands at ₹ ~6,360 billion (US\$ ~77 billion), having grown at a CAGR of ~7% over the last five years. The market is projected to reach ₹ ~10,060 billion (US\$ ~120 billion) by CY2028P, growing at an accelerated CAGR of ~12%. In terms of volume (B2C), the industry sold ~500 million units across categories, which is expected to reach close to ~630 million units by CY2028P at a CAGR of ~6%. This growth will be fueled by rising disposable incomes, urbanization, increased appliance penetration, government support for local manufacturing, and a shift toward premium, energy-efficient products. The expansion of organized retail and e-commerce will further drive accessibility and affordability. The market comprises of a diverse range of players. LGEIL is the market leader in India in major home appliances and consumer electronics (excluding mobile phones) in terms of volume for the 6-month period ending June 30, 2024. LGEIL has also been the #1 player in major home appliances and consumer electronics (excluding mobile phones) in India for 13 consecutive years, from CY2011-2023, as per the value market share in the offline channel as per GfK<sup>1</sup>. LGEIL is the only home appliances and consumer electronics company in India to hold the #1 market share across major home appliances and consumer electronics (excluding mobile phones), based on the value market share in the offline channel as per GfK<sup>1</sup> for the 6-month period ending June 30, 2024. LGEIL is the market leader in India across multiple product categories including washing machines, refrigerators, panel televisions, inverter ACs, and microwaves, based on the value market share in the offline channel as per GfK<sup>1</sup> for the 6-month period ending June 30, 2024. The offline channel contributes to ~80% of the major home appliances and consumer electronics market (excluding mobile phones) in India in terms of value in the same period.

### India Appliances & Electronics Market Size

CY2018, CY2023, H1 2024 (Annualized), CY2028P, INR Bn (USD Bn)



Note(s): Conversion rate: 1 US\$ = ₹ 83  
Source(s): Redseer research and analysis

### India Appliances & Electronics Market Summary

INR Bn, CY2018, CY2023, H1 2024 (Annualized), CY2028P

Categories	CY2018	CY2023	H1 2024 (Annualized)	CY2028P	CAGR (CY18-23)	CAGR (CY23-28P)
India Appliances & Electronics (A+B+C+D)	~4,160	~5,770	~6,360	~10,060	~7%	~12%
India Appliances & Electronics excl. Mobile phones (A+B+C+D-M)	~1,620	~2,895	~3,230	~5,690	~12%	~15%
India Appliances & Electronics (B2C) (A+B+C)	~3,900	~5,300	~5,845	~9,160	~6%	~12%
Major Home Appliances and Consumer Electronics (excl. mobiles) <sup>1</sup>	~680	~1,080	~1,230	~2,165	~10%	~15%
Home Appliances (A)	~730	~1,080	~1,200	~2,070	~8%	~14%
Refrigerators	~210	~305	~320	~570	~8%	~13%
Washing machines	~130	~220	~235	~340	~11%	~9%
Air conditioners (RACs)	~140	~250	~320	~640	~13%	~21%
Major kitchen appliances <sup>2</sup>	~38	~75	~85	~140	~14%	~14%
Other small appliances <sup>3</sup>	~220	~235	~240	~375	~1%	~10%
Consumer Electronics (B)	~3,065	~4,035	~4,410	~6,620	~6%	~10%
Home entertainment <sup>4</sup>	~295	~800	~895	~1,580	~22%	~15%
Computers & peripherals <sup>5</sup>	~150	~170	~175	~300	~2%	~12%

Categories	CY2018	CY2023	H1 2024 (Annualized)	CY2028P	CAGR (CY18-23)	CAGR (CY23-28P)
Mobile phones (M)	~2,530	~2,880	~3,125	~4,370	~3%	~9%
Personal care devices <sup>6</sup>	~23	~35	~37	~56	~8%	~10%
Other personal devices <sup>7</sup>	~68	~150	~170	~315	~17%	~16%
Services (C)	~100	~190	~235	~470	~13%	~20%
Laundromat	~40	~57	~60	~90	~7%	~9%
Appliance Rentals & Subscriptions	~30	~83	~120	~290	~22%	~28%
AMCs	~31	~48	~55	~95	~9%	~14%
B2B Devices & Systems (D)	~255	~470	~510	~900	~13%	~14%
Commercial Air Conditioning Systems	~27	~55	~65	~120	~1%	~16%
Commercial IT	~180	~339	~355	~630	~13%	~13%
Commercial displays & signages	~10	~18	~30	~50	~11%	~23%
Other B2B devices and systems	~37	~55	~62	~103	~8%	~13%

Notes: 1. Major home appliances and consumer electronics (excl. Mobiles) includes B2C market for refrigerators, washing machines, televisions, microwaves [the market for which is sized at INR ~11.2 Bn, ~16.2 Bn, ~16.4 Bn in CY2018, CY2023, H1 2024 (Annualized) respectively and is projected to be INR ~27 Bn by CY2028P], and inverter ACs [which contributed ~40%, ~70%, ~75% in CY2018, CY2023, H1 2024 (Annualized) respectively and is projected to contribute ~85% by 2028P to the overall air conditioners (RAC) market]. 2. Major kitchen appliances include B2C market for dishwashers, microwaves, water purifiers, chimneys, hobs, and built-in kitchens; 3. Other small appliances includes B2C market for water heaters, vacuum cleaners, air purifiers, and other minor appliances such as ironing and heating appliances; 4. Home entertainment includes B2C market for TV and audio systems; 5. Computer peripherals include B2C market for monitors and projectors; 6. Personal care devices include B2C market for shavers, trimmers, and hair styling gadgets among others; 7. Other personal devices include B2C market for imaging devices, wearables, e-readers and portable players

The India appliances and electronics market comprises both business-to-consumer (B2C) and business-to-business (B2B) segments. This segmentation reflects distinct consumer behaviors, purchasing dynamics, and product applications, each contributing to the market's overall growth trajectory.

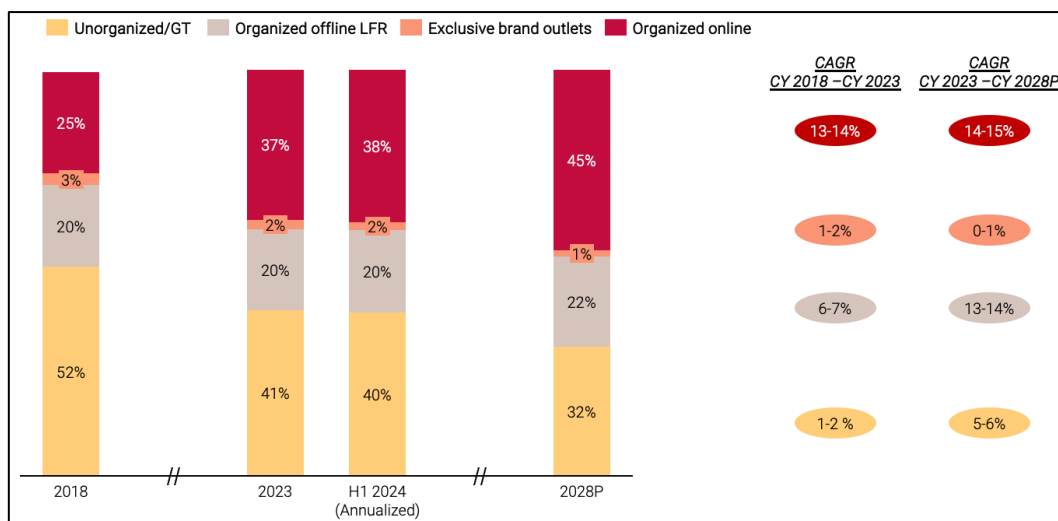
- i. **B2C:** Representing approximately 92% of the overall market, the B2C or consumer segment thrives on robust household consumption driven by premiumization, penetration, and replacement, particularly in urban and semi-urban regions. This segment encompasses a diverse range of home appliances and consumer electronics products, including refrigerators, washing machines, televisions, mobile phones, and various smaller household gadgets. Key buying factors are heavily influenced by design, functionality, and after-sales service, where warranties and customer support play pivotal roles in the purchasing decisions.
- ii. **B2B:** Accounting for 8% of the market, the B2B segment caters to commercial and institutional users, providing products such as commercial air conditioners, computers & peripherals, and specialized displays for offices, hospitals, commercial & retail spaces, and government facilities. In this domain, buyers prioritize factors such as product reliability, energy efficiency, and long-term cost savings, underscoring the need for solutions tailored to meet the operational demands of businesses.

The market is undergoing a significant transformation as distribution channels evolve to align with changing consumer preferences and the dynamic retail landscape. A robust distribution network is a critical factor in ensuring market reach and operational efficiency. LGEIL operates the largest distribution network among leading home appliances and consumer electronics players in India as of June 30, 2024. LG BrandShops are 1.7x the exclusive brand outlet network of the next largest leading home appliance and consumer electronics player in India, and the LGEIL distributor base is 1.1x that of the next largest leading player in India as of June 30, 2024. Additionally, complementing their distribution network, LGEIL operates one of the largest after-sales service networks in terms of number of after-sales service center touch points<sup>vi</sup> among leading home appliances and consumer electronics players in India as of June 30, 2024.

In-house manufacturing capacity enables players to meet diverse market needs. LGEIL had one of the largest in-house production capacities excluding mobile phones amongst leading home appliances and consumer electronics players in India as of June 30, 2024. In Fiscal 2024, 90% of LGEIL's deliveries to trade partners' warehouses were made within an average of 6-7 days as compared to the average of 12-14 days across leading home appliances and consumer electronics players.

### India Appliances & Electronics Market – by Channel (B2C)

%, CY2018, CY2023, H1 2024 (Annualized), CY2028P



Source(s): Redseer research and analysis

The following key channels and their respective growth drivers are shaping this shift:

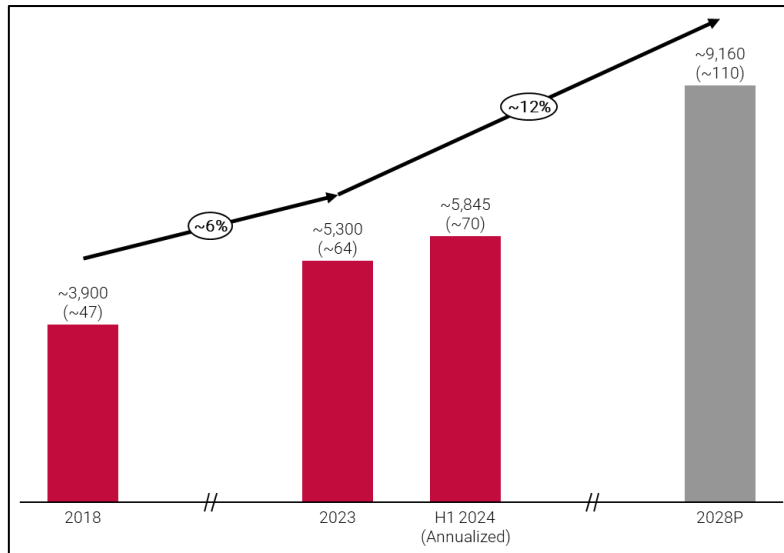
- Unorganized trade channel:** Representing ~40% of the market as of H1 2024 (Annualized), the unorganized or general trade (GT) channel includes independent retail stores, local dealers or "mom-and-pop" stores and regional specialty stores. GT stores thrive in semi-urban and rural regions due to accessibility and price sensitivity. While other channels gain prominence, GT stores are expected to continue to hold a sizeable share of the market.
- Organized offline channel:** Large-format retail (LFR) stores include structured and centrally managed large retail chains that sell appliances & electronics in a standardized format. These Multi-Brand Outlets (MBOs) are part of Modern Trade (MT) and account for ~20% of the market as of H1 2024 (Annualized), preferred for their variety and hands-on experiences. Factors such as product comparison, expert advice, and superior customer service drive growth. LFRs are poised to gain further market share, especially in urban centers.
- Organized online channel:** The online channel constitutes a significant share of the market at ~38% as of H1 2024 (Annualized) and has significant share in electronics categories such as mobile phones. Growth is expected to be robust, driven by increased internet penetration and a rising demand for convenience. Competitive pricing and exclusive online promotions are transforming consumer purchasing habits, while festive & seasonal sales and targeted offers are significantly accelerating e-commerce expansion.
- Exclusive brand stores:** Brand shops / exclusive brand outlets (EBOs) and company-owned stores represent ~2% of the market and are expected to maintain share.
- Omnichannel strategies:** The integration of online and offline experiences is becoming essential for retailers. Companies utilizing omnichannel strategies—such as click-and-collect, seamless transitions between online and offline, and personalized customer journeys—are experiencing increased consumer engagement and retention. This reflects a growing preference for flexible shopping experiences.

### B2C market deep dive

The B2C segment of the India appliances and electronics market is a multifaceted landscape, encompassing a variety of products that cater to consumer needs. As of H1 2024 (Annualized), this segment is valued at approximately ₹ 5,845 billion (US\$ ~70 billion), having experienced a CAGR of ~6% over the past five years. It is projected to achieve a market size of ₹ 9,160 billion (US\$ ~110 billion) by CY2028P, growing at a CAGR of ~12%. When mobile phones are excluded, the B2C segment (excl. mobiles) is valued at approximately ₹ 2,720 billion (US\$ ~33 billion) in H1 2024, having grown at a CAGR of ~12% in the last 5 years. It is projected to grow to ₹ ~4,790 billion (US\$ ~58 billion) by CY2028P at a CAGR of ~15%.

### India Appliances & Electronics Market (B2C)

CY2018, CY2023, H1 2024 (Annualized), CY2028P, in INR Bn (USD Bn)



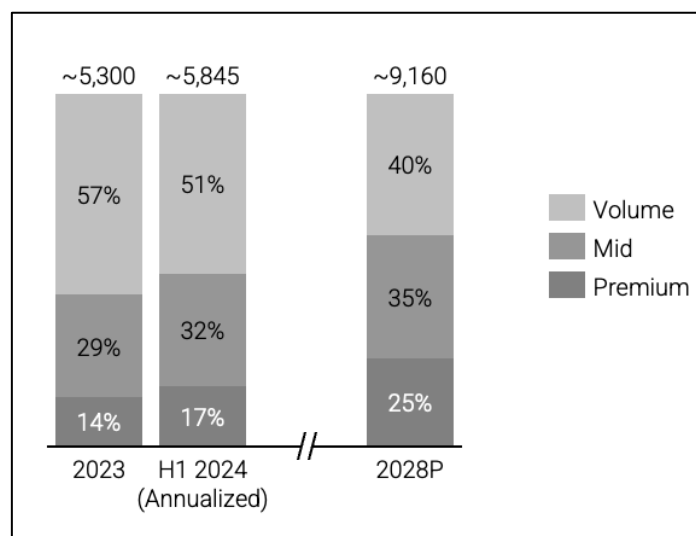
Note(s): Conversion rate: 1 US\$ = ₹ 83  
 Source(s): Redseer research and analysis

The B2C segment is evolving rapidly and is shaped by a multitude of interrelated factors:

1. *Rising incomes leading to the increasing demand for premium products:* India's growing middle class, coupled with rising disposable incomes, is driving strong demand for premium appliances and electronics. Consumers increasingly seek products with advanced features, energy efficiency, and larger capacities, reflecting a preference for higher-quality and longer-lasting goods. This demand is also supporting a market for value-added services such as appliance subscriptions and premium maintenance plans, providing convenience and support tailored to premium product users. Consumer discretionary spending in India has increased at a CAGR of ~7% from CY2018 to CY2023, and the average selling price and product volumes have increased for major home appliances and consumer electronics owing to a higher propensity to opt for more premium and aspirational products. LGEIL's market leadership also extends across the volume and premium segments<sup>ii</sup> across washing machines, panel televisions, and microwaves in India as per the value market share in the offline channel for the 6-month period ending June 30, 2024, as per GfK<sup>iii</sup>.

### India Appliances & Electronics Market (B2C) – Tier Segmentation

%, CY2023, H1 2024 (Annualized), CY2028P



Notes: Volume, Mid and Premium share have been arrived by aggregating pareto segments across product categories  
 Source(s): Redseer research and analysis

2. *Market expansion through urbanization and nuclearization of families:* Rapid urbanization particularly in Tier 1 and Tier 2+ cities has expanded the market's geographic footprint and brought modern consumer expectations to previously underserved areas. This is coupled with increasing nuclearization of households

in Metro and Tier 1 cities, spurring demand not only for essential consumer and home appliances but also for service models that meet the lifestyle needs of newly urbanized regions. These offerings allow consumers to access modern appliances without upfront costs, further driving B2C market penetration. With a growing middle-class population, an increase in preference for premium products and rapid urbanization and infrastructure development, there is an increase in demand for high-quality and technologically enabled consumer and electronics products in India.

- Increasing penetration:** Penetration for each category is measured as a percentage of total households at a specified number of units per household, providing an indication of market potential. The home appliances and consumer electronics market in India is highly underpenetrated (in terms of HH penetration compared to other G20 nations) as of June 30, 2024. India’s appliance penetration rates are low but are steadily advancing toward global benchmarks, driven by macroeconomic growth, improved affordability, and expanded distribution networks. Despite notable progress in recent years, India remains significantly underpenetrated compared to global averages, signalling considerable room for growth. As penetration increases, the target addressable market will expand, mirroring patterns seen in other emerging economies such as China. Enhanced accessibility through digital channels and innovative ownership models, such as flexible financing options, are further enabling Indian households to adopt a wider range of appliances and electronics, fuelling sustained growth in the B2C market.

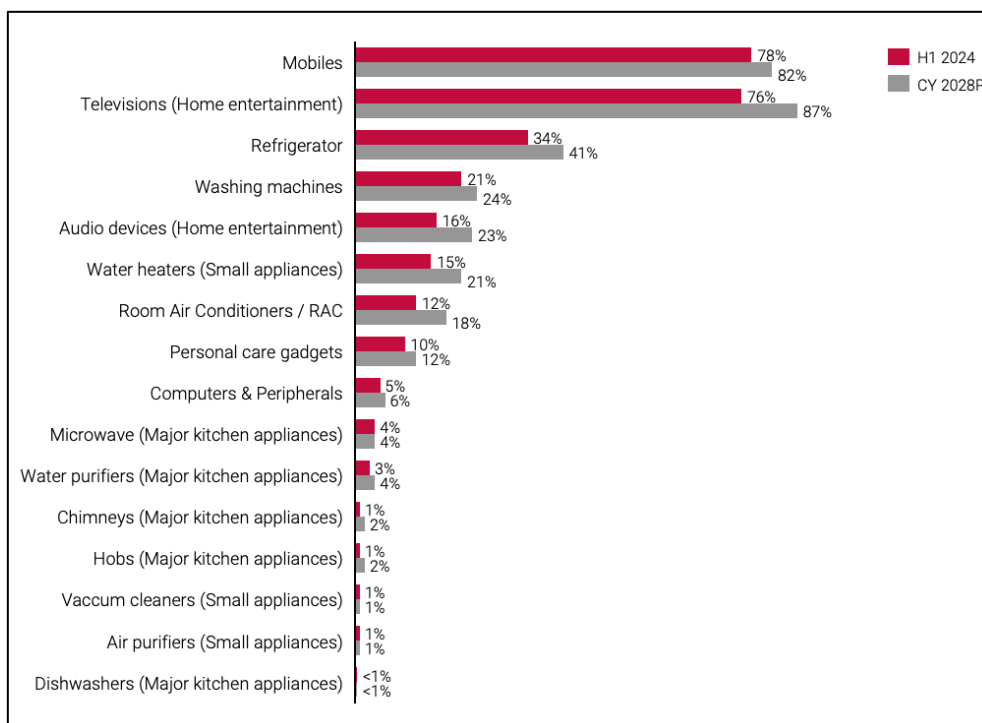
### Penetration of Key Appliances: India vs Global Benchmarks

HI 2024, %

	Refrigerators	Washing Machines	TVs	Microwaves
India	~34%	~21%	~76%	~4%
China	~99%	~69%	>85%	~21%
United States	>80%	>80%	>95%	>80%

### India Appliance & Electronics Market (B2C) – Penetration by Category

%, HI 2024, CY2028P



Source(s): Redseer research and analysis

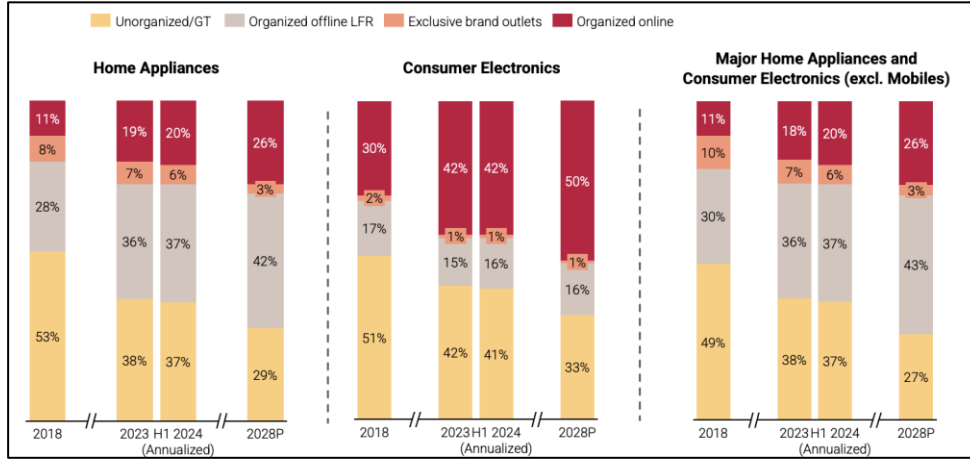
- Change in buying behavior:** The growth of organized retail and e-commerce channels has significantly increased demand for appliances and electronics, driven by changes in consumer buying behaviour. These platforms offer a wide range of affordable options, enhanced by the convenience of online shopping, which encourages more frequent purchases. Consumers now have easier access to product comparisons, promotions, and streamlined delivery options, which has not only reshaped how they shop but also fuelled



greater demand in the B2C segment. With an expanding urban, young, and affluent customer base, there is increasing awareness and preference for value-added features, digital connectivity, and aesthetics, in addition to price and quality considerations.

### India Appliances & Electronics Market (B2C) – Key Channels

%, CY2018, CY2023, H1 2024 (Annualized), CY2028P



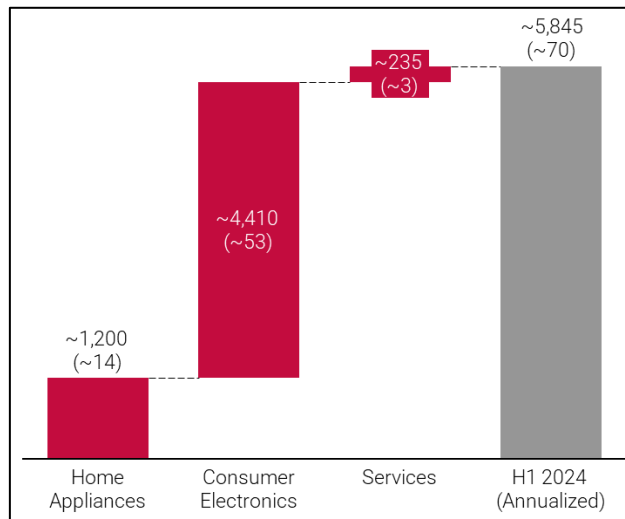
Note: 1. Major home appliances and consumer electronics (excl. Mobiles) includes B2C market for refrigerators, washing machines, inverter ACs, Microwaves, and Televisions  
Source(s): Redseer research and analysis

5. **Improved infrastructure:** Enhanced electricity supply and infrastructure in rural areas are increasing demand for large home appliances such as refrigerators, washing machines, and air conditioners. Reliable power access now allows brands to reach rural consumers, supported by localized services such as affordable maintenance plans and financing options.

The B2C market for appliances and electronics is composed of both products and services with products accounting for ~96% and services accounting for ~4% of the market.

### India Appliances & Electronics Market (B2C) – Split by Key Segments

H1 2024 (Annualized), in INR Bn (USD Bn)



Note(s): Conversion rate: 1 US\$ = ₹ 83  
Source(s): Redseer research and analysis

In India's B2C market, players are distinguished by their expansive range of product offerings across categories. LGEIL offered one of the widest product portfolios amongst leading home appliances and consumer electronics players excluding mobile phones in India as of June 30, 2024. Additionally, LGEIL was the first to introduce several global technologies among leading home appliances & consumer electronics players in India.

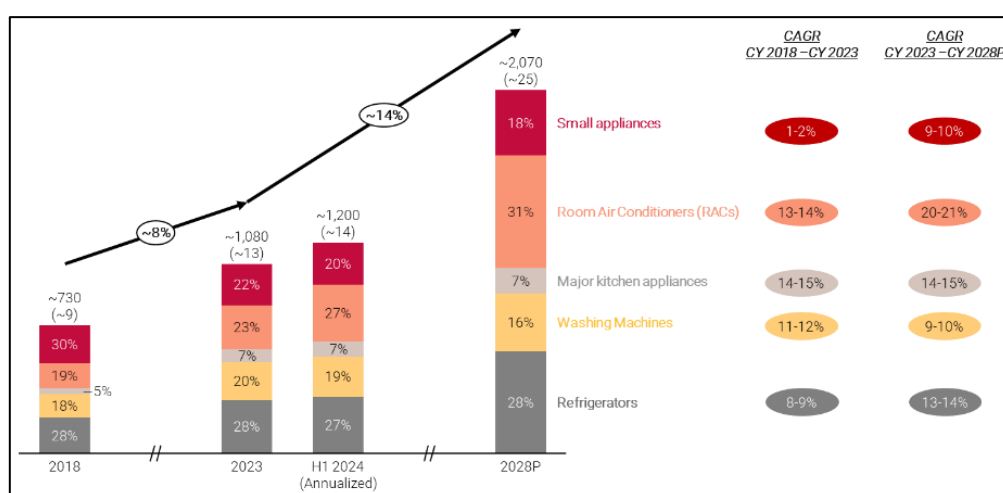
The appliances and electronics products market is broadly segmented into home appliances and consumer electronics, while services—including maintenance, subscriptions, and repairs—forms an additional segment within the B2C market in India.

### Home Appliances

The Home Appliances (HA) market in India is projected to grow steadily, driven by macroeconomic tailwinds and a growing preference for premium and energy-efficient products. The segment forms ~21% of the overall B2C appliances & electronics market in H1 2024 (Annualized) and is expected to reach ₹ ~2,070 billion (US\$ ~25 billion) by CY2028P, growing at a CAGR of ~14%. Key product categories, including refrigerators, washing machines, major kitchen appliances (including dishwashers, microwaves, water purifiers, chimneys, hobs, and built-in kitchens), air conditioners, and other small appliances (including water heaters, vacuum cleaners, air purifiers, and other minor appliances such as ironing and heating appliances) are witnessing significant demand uptake. With the organized sector accounting for ~60% of sales, the shift towards online and large-format retail channels is becoming more pronounced.

### India Home Appliances Market (B2C)

CY2018, CY2023, H1 2024 (Annualized), CY2028P, in INR Bn (USD Bn)



Note(s): Conversion rate: 1 US\$ = ₹ 83  
Source(s): Redseer research and analysis

The home appliances market in India is driven by key growth factors that influence various product categories and play a crucial role in shaping consumer demand and market dynamics

- i. **Increasing penetration:** The broadening reach and affordability of home appliances are driving penetration rates, particularly in urban and semi-urban areas. Shifting climate conditions are sharply increasing demand for categories such as air conditioners and refrigerators.
- ii. **Replacement cycle:** Rise in living standards, increases in consumer expectations, and new innovations in home appliances are prompting consumers to invest in newer models that are more functional and efficient models. This replacement trend is particularly evident in categories such as refrigerators and washing machines where older models are less efficient and reliable.
- iii. **Premiumization:** While increasing penetration drives demand for volume and mid-tier products, as disposable incomes rise, consumers are also increasingly drawn to premium, feature-rich appliances that offer superior energy efficiency and advanced functionalities. This shift not only reflects a preference for high-quality products but also drives replacement demand, as consumers upgrade to more sophisticated models that align with evolving lifestyle expectations. LGEIL's products listed on leading e-commerce marketplaces were the most energy efficient (in terms of % product line rated 5-star by BEE) in the Room Air Conditioners (RAC) category among leading home appliances and consumer electronics players as of 13th November 2024.
- iv. **Urbanization and lifestyle changes:** Rapid urbanization is changing consumer lifestyles, leading to increased demand for compact and multifunctional appliances suited for smaller living spaces, particularly in Metro cities.
- v. **Technological advancements:** Innovations such as smart appliances and IoT integration are elevating consumer convenience with connectivity and preventive maintenance among other novel features, driving

demand across categories. Consumers are increasingly seeking products that offer connectivity, automation, and a wide range of features.

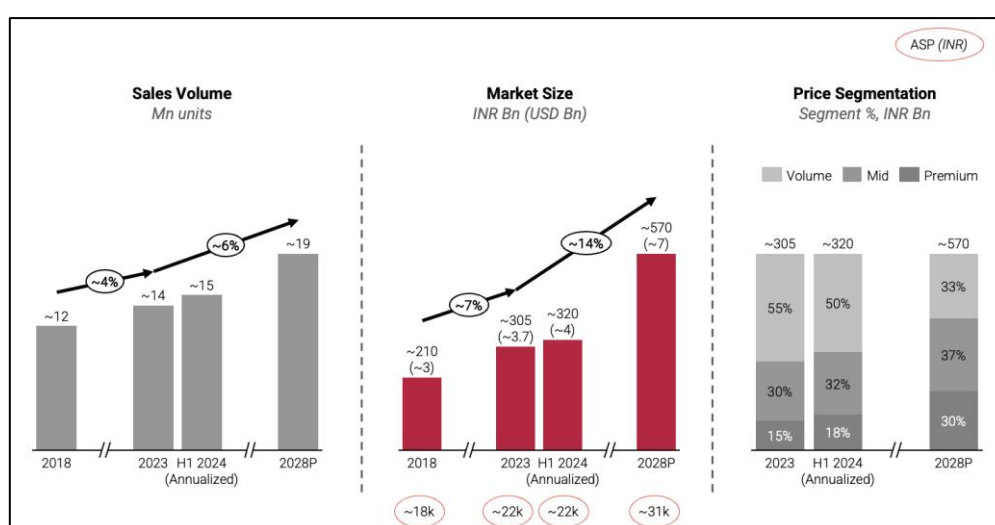
- vi. *Access to credit*: Increased access to consumer financing and instalment-based purchase options are enabling more consumers to afford more and premium home appliances, boosting overall demand across categories.

The home appliances market in India comprises of the following categories:

1. *Refrigerators*: The refrigerator segment in India is poised for substantial growth, currently valued at ₹ ~320 billion (US\$ ~4 billion) in H1 2024 (Annualized), with projections indicating a robust CAGR of ~13% that will elevate the market to ₹ ~570 billion (US\$ ~7 billion) by CY2028P. As the market is becoming increasingly organized with 63% of sales occurring through established channels, large-format retail stores and e-commerce platforms are projected to play a pivotal role in driving sales, contributing ~40% and ~20% respectively.

### India Refrigerators Market (B2C)

CY2018, CY2023, H1 2024 (Annualized), CY2028P, in INR Bn (USD Bn)



Note(s): Conversion rate: 1 US\$ = ₹ 83. Volume includes products such as direct-cool models, Mid includes frost-free models, and Premium includes French door/SBS models  
Source(s): Redseer research and analysis

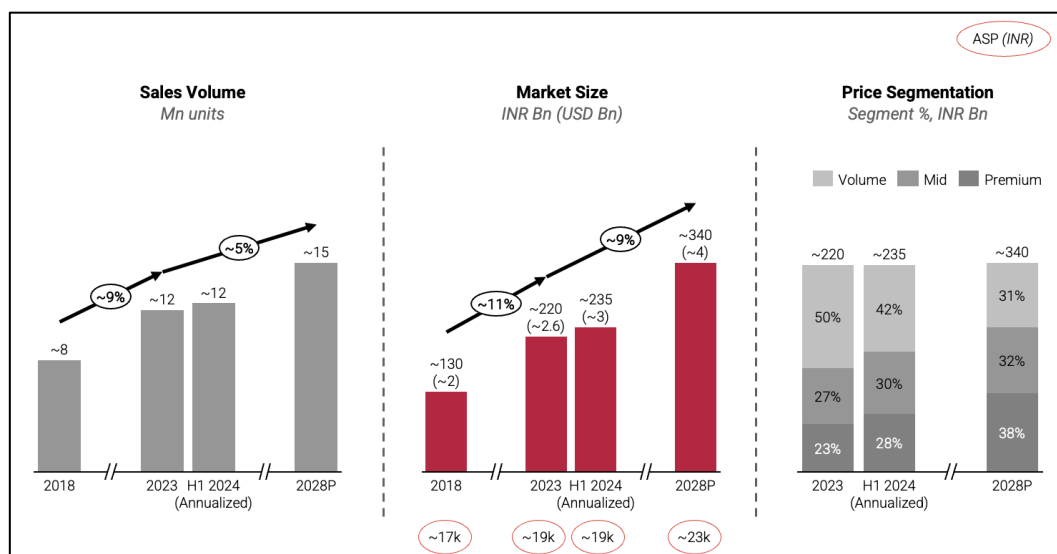
#### Growth Drivers:

- i. *Rising penetration*: The refrigerator market is experiencing significant growth due to increasing penetration into previously under-served and untapped segments. With enhanced distribution networks and improved affordability, the penetration of refrigerators is expected to rise from ~34% in CY2024 to ~41% in CY2028P.
  - ii. *Channel evolution*: The increase in share of organized large-format retail and online channels is reshaping distribution and boosting the refrigerators market across price segments, with large-format stores currently at ~40% and projected to capture ~45% of sales by CY2028P. E-commerce forms ~20% and is set to account for ~25% of sales by CY2028P, transforming access for a wider range of consumers.
  - iii. *Premium demand*: There is growing demand for refrigerators across volume, mid, and premium segments, with penetration driving the volume and mid segments including direct cool and frost-free models and premiumization driving side-by-side and French-door models. Rising incomes, aspirational buying, and the need for space optimization are fueling this trend, with consumers valuing design and functionality.
  - iv. *Market innovation*: The refrigerator market has seen consistent innovation, and LGEIL has a demonstrated track-record of introducing several industry-firsts in India. For example, the company was the first amongst leading home appliances and consumer electronics player in India to launch PowerCut EverCool technology in 2013 and smart diagnosis technologies in 2014. Further, LGEIL was amongst the first leading home appliances and consumer electronics players to launch single door refrigerators with smart inverter compressors in 2016 and hygiene fresh technology in 2016.
2. *Washing machines*: The washing machine segment is valued at ₹ ~235 billion (US\$ ~3 billion) in H1 2024 (Annualized) and is projected to grow at a CAGR of ~9%, reaching ₹ ~335 billion (US\$ ~4 billion) by

CY2028P. 64% of the market is organized, with online channels and large-format retail contributing ~22% and ~36% of sales respectively.

### India Washing Machines Market (B2C)

CY2018, CY2023, H1 2024 (Annualized), CY2028P, in INR Bn (USD Bn)



Note(s): Conversion rate: 1 US\$ = ₹ 83. Volume includes products such as semi-automatic machines, Mid includes top and front load machines with capacity up to 8.5 kg and 8 kg respectively, and Premium includes front and top load machines with greater than 9 kg and 8 kg capacity respectively, washer-dryers and other niche formats

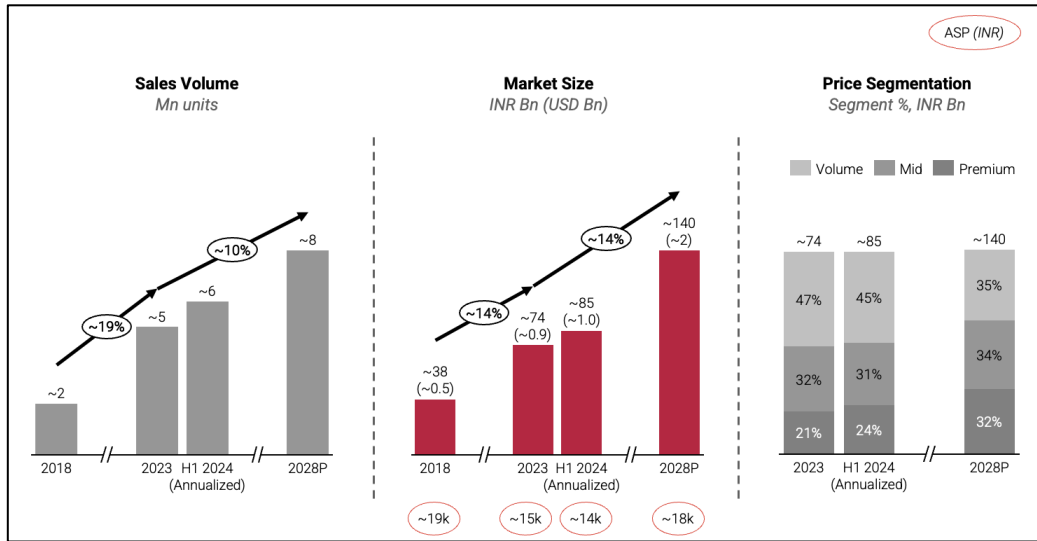
Source(s): Redseer research and analysis

#### Growth Drivers:

- i. **Rising penetration:** The washing machine market's expansion is being driven by rising penetration into underserved regions, with penetration rates projected to increase from ~20% in CY2024 to ~25% by CY2028P. This growth is fueled by enhanced distribution networks, growing affordability, and an increasing need for convenience in semi-urban and rural areas.
  - ii. **Channel evolution:** The evolution of distribution channels is reshaping the market with the rapid growth of organized retail and e-commerce. Large-format stores are projected to account for ~40% of sales by CY2028P, driven by consumer preference for omnichannel experiences offered by large-format retailers, better access to product choices, and competitive pricing.
  - iii. **Premiumization:** While demand for semi-automatic washing machines shrinks, there is a rise in demand for premium washing machines, particularly larger-capacity models (above 8 kg in both front-load and top-load washing machines) and washer-dryers. This shift reflects growing interest in advanced features, greater efficiency, and more convenience, as consumers prioritize quality and performance in their purchasing decisions.
  - iv. **Market innovation:** The refrigerator market has seen consistent innovation, and LGEIL has a demonstrated track-record of introducing several industry-firsts in India. For example, the company was the first amongst leading home appliances and consumer electronics players in India to introduce direct drive technology enabled washing machines in 1998, smart inverter technology enabled washing machines in 2017, and their wash tower range in 2023. Further, LGEIL was amongst the first leading home appliances and consumer electronics players to launch 5-star rated washing machines in India in 2019.
3. **Major kitchen appliances:** The major kitchen appliances segment in India, encompassing dishwashers (~8%), microwaves (~20%), water purifiers (~25%), chimneys and hobs (~15%), and built-in-kitchens (~32%), is valued at ₹ ~85 billion (US\$ ~1.0 billion) in H1 2024 (Annualized) and is projected to grow at a CAGR of ~14%, reaching ₹ ~140 billion (US\$ ~2 billion) by CY2028P. Penetration remains low at <5%, however robust growth is expected. Approximately ~80% of the market is organized, with e-commerce and large-format retail expected to contribute ~24% and ~50% of sales respectively.

## India Major Kitchen Appliances Market (B2C)

CY2018, CY2023, H1 2024 (Annualized), CY2028P, in INR Bn (USD Bn)



Note(s): Conversion rate: 1 US\$ = ₹ 83. Volume and premium dishwashers include models priced below INR 40,000 and above INR 55,000 respectively; volume and premium water purifiers include models priced below INR 5,000 and models with stainless steel tanks respectively; volume and premium chimneys include models priced below INR 7,500 and above INR 15,000 respectively; volume and premium segments for built-in-kitchens are based on aggregation of price segmentation across each sub-segment

Source(s): Redseer research and analysis

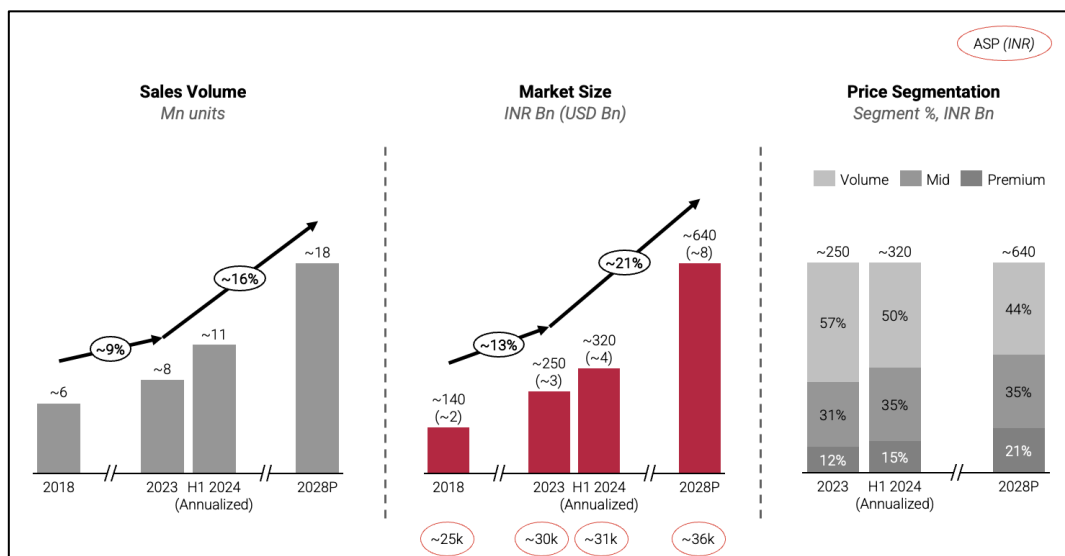
### Growth Drivers:

- Convenience and efficiency:** The growing need for time-saving solutions in households is driving demand for kitchen appliances that offer convenience and efficiency in cooking and cleaning. Consumers are increasingly drawn to kitchen appliances such as microwaves, dishwashers, and smart gadgets that automate or simplify tasks.
  - Urbanization:** With rapid urbanization, more people are living in space-constrained environments, particularly in metropolitan areas, enabling the need for space-efficient and multifunctional kitchen solutions, encouraging adoption among urban consumers.
  - Health awareness:** Heightened awareness of health and hygiene is prompting consumers to invest in advanced kitchen appliances that support healthier lifestyles. Products such as premium water purifiers and dishwashers with sanitizing capabilities are gaining popularity. In 2013, LGEIL was the first player amongst leading home appliances and consumer electronics players in India to transition from using plastic tanks in water purifiers to stainless steel tanks and also launched India's first RO glass water purifier in 2024. LGEIL held a 42.7% value market share in the offline channel in premium water purifiers (with stainless steel tanks) in India for the 6-month period ending June 30, 2024, as per GfK<sup>iv</sup>.
  - Technological advancements:** Continuous innovation in appliance technology is making kitchen equipment smarter and more efficient. Features such as IoT connectivity, energy-saving designs, and automated cooking settings are attracting consumers who seek greater convenience, personalization, and utility. LGEIL has a demonstrated track-record of introducing several industry-firsts in India. For example, the company was the first amongst leading home appliances and consumer electronics players in India to introduce microwaves in 1999, India's first charcoal lighting heater microwaves in 2013, scan-to-cook Wi-Fi enabled microwaves in 2023, and 401 auto-cook menus for microwaves in 2019.
  - Premiumization:** There is a growing shift towards premium kitchen appliances as consumers are more willing and able to invest in quality, while other attributes include functionality, aesthetic design, advanced features, and superior performance in high-end appliances.
4. **Air Conditioners:** The consumer/home/room air conditioner (RAC) segment is valued at ₹ ~320 billion (US\$ ~4 billion) in H1 2024 (Annualized) and is projected to grow at a CAGR of ~21%, reaching ₹ ~640 billion (US\$ ~8 billion) by CY2028P. Inverter ACs dominate the market with a ~75% share, while fixed-frequency models account for ~25%. Share of window air conditioners has declined in India in the last 5 years. Window ACs now form ~10% and are expected to decline further. The RAC segment is expected to see a marked increase in penetration, forecasted to rise from ~12% in H1 2024 to ~18% in CY2028P. The market

experiences seasonal fluctuations, with higher sales during summer months. Approximately 62% of the market is organized, with online channels and large-format retail contributing significantly to sales.

### India Air Conditioners Market (B2C)

CY2018, CY2023, H1 2024 (Annualized), CY2028P, in INR Bn (USD Bn)



Note(s): Conversion rate: 1 US\$ = ₹ 83. Volume includes window ACs and ACs with less than 2-ton capacity, Mid includes ACs with 4-star rating on energy efficiency and with 2-ton capacity, Premium includes ACs with 5-star rating on energy efficiency and with features such as Wi-Fi connectivity

Source(s): Redseer research and analysis

#### Growth Drivers:

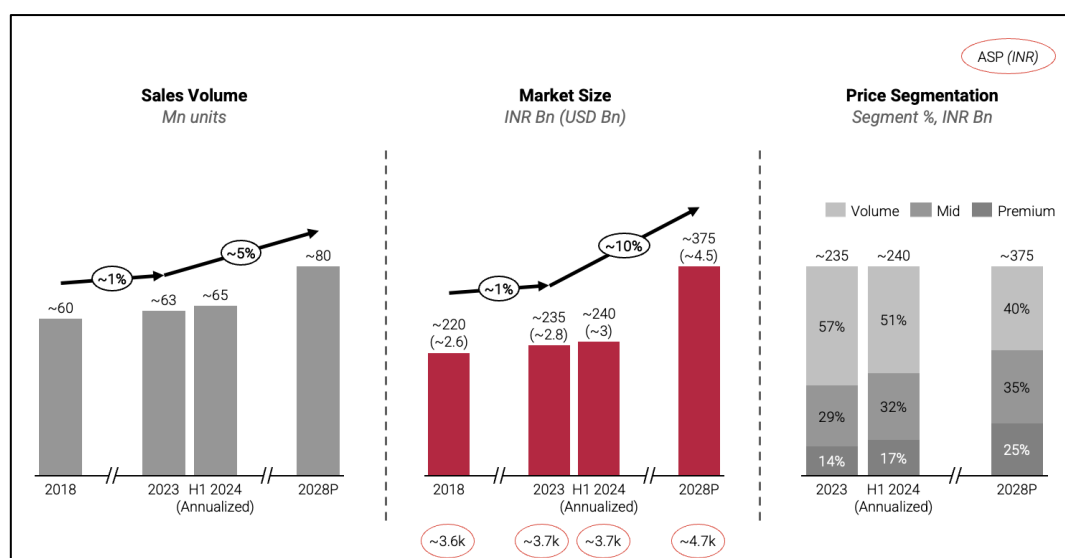
- Sharp increase in penetration:** Only ~12% of Indian households have installed air conditioners as of June 30, 2024. However, changing climate patterns such as rising heatwaves, coupled with rising affluence, growing disposable incomes, rapid urbanization and improved infrastructure, including better electricity supply, are driving significant growth in air conditioner penetration. As rising temperatures and more frequent heatwaves affect previously underserved markets, adoption rates are projected to increase from ~12% in H1 2024 to ~18% by CY2028P. Enhanced availability of affordable models and financing options is further supporting this trend.
- Premiumization:** There is a notable shift towards inverter air conditioners (~75% of RAC market), driven by consumer preferences for models that provide superior cooling performance and quieter operation. Inverter units are expected to capture a significant market share due to their long-term cost savings and advanced technology, appealing to consumers looking for higher-quality appliances.
- Energy efficiency:** With increasing awareness of energy consumption and rising electricity costs, demand is growing for 5-star rated, energy-efficient air conditioners, including advanced inverter units, especially given the environmental impacts of air conditioners which contribute approximately 4% of global GHG emissions and with cooling demand making up approximately 20% of energy consumption requirements for buildings. Government initiatives such as subsidies on energy-efficient appliances and regulations around minimum energy performance standards (MEPS) have also amplified this trend, making energy efficiency a priority for consumers who seek to reduce utility costs and environmental impact.
- Reduction of seasonality:** Traditionally, the air conditioner market in India experiences pronounced seasonality, with demand spiking during the summer months. There is a growing demand for multifunctional, year-round cooling and heating solutions that provide versatility across India's diverse climate zones. Consumers prioritize air conditioners with advanced features such as customizable cooling modes, allowing them to maintain comfort across the year.
- Market innovation:** The RAC market has seen consistent innovation, and LGEIL has a demonstrated track-record of introducing several industry-first technologies in India. For example, LGEIL was amongst the first leading home appliances and consumer electronics players to launch Smart Connectivity ACs integrated with the LG ThinQ app in 2019, and to introduce the Energy Manager feature in air conditioners in India which allows users to monitor the energy consumption of their

products through the LG ThinQ app in 2024. For example, LGEIL was one of the first among leading players to introduce inverter air conditioners in India in 2014 and was the first and only player in India to move 100% to inverter technology in 2017. As of the 6-months ending June 30, 2024, approximately eight out of 10 air conditioners sold in India are based on inverter technology.

5. *Small appliances*: The other small appliances segment, including water heaters (15%), vacuum cleaners (1%), air purifiers (3%), and other minor appliances such as irons and heating appliances, is valued at ₹ ~240 billion (US\$ ~3 billion) in H1 2024 (Annualized) and is projected to grow at a CAGR of ~10%, reaching ₹ ~375 billion (US\$ ~4.5 billion) by CY2028P. Approximately ~48% of the market is organized, with significant contributions from online channels and large-format retail at ~30% and ~18% respectively.

### India Small appliances Market (B2C)

CY2018, CY2023, H1 2024 (Annualized), CY2028P, INR Bn (USD Bn)



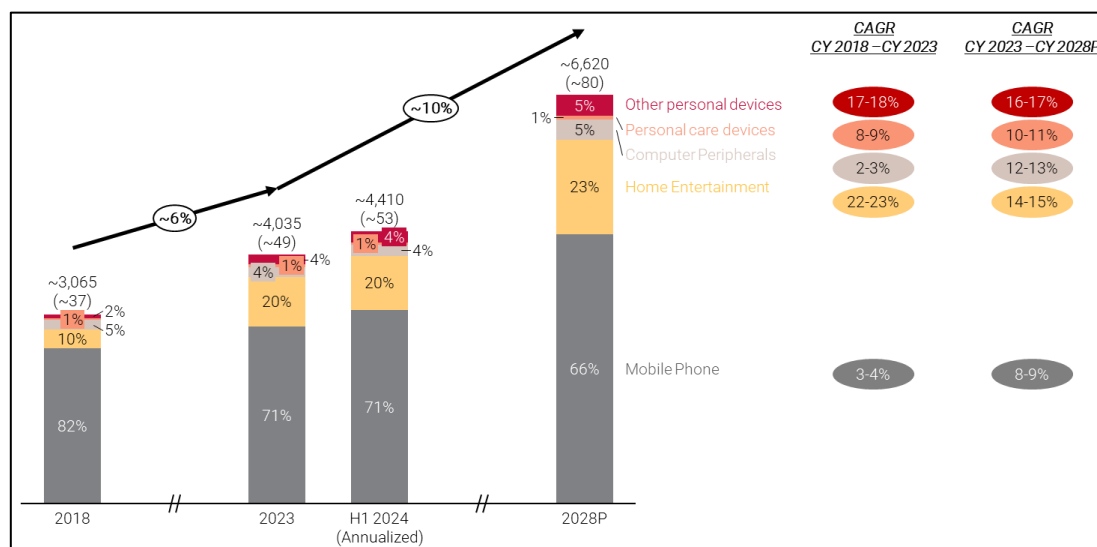
Note(s): Conversion rate: 1 US\$ = ₹ 83. Volume and premium water heaters include models priced below INR 5,000 and above INR 10,000 respectively; volume and premium vacuum cleaners include models priced below INR 5,000 and above INR 20,000 respectively; volume and premium air purifiers include models priced below INR 7,500 and above INR 20,000 respectively; volume and premium segments for other minor appliances are based on aggregation of price segmentation across each sub-segment  
Source(s): Redseer research and analysis

### Consumer Electronics

The Consumer Electronics (CE) market in India accounts for ~75% of the overall appliances & electronics market and is projected to reach ₹ ~6,620 billion (US\$ ~80 billion) by CY2028P, growing at a CAGR of ~10%. This segment encompasses key categories such as home entertainment (including TVs and audio), computers & peripherals (including monitors), personal care gadgets (such as shavers, trimmers, and hair styling gadgets), other personal devices (such as imaging devices, wearables, e-readers and portable players), and mobile phones. The market is witnessing significant demand, with the organized sector contributing ~60% of total sales. E-commerce and large-format retail channels continue to drive growth as they capture a greater share of the market.

## India Consumer Electronics Market (B2C)

CY2018, CY2023, H1 2024 (Annualized), CY2028P, INR Bn (USD Bn)



Note(s): Conversion rate: 1 US\$ = ₹ 83  
Source(s): Redseer research and analysis

The consumer electronics market in India is propelled by several growth drivers that are essential in shaping consumer demand and market dynamics.

- Wider availability:** Increasing affordability, rising awareness, and the improved distribution of consumer electronics products have led to expanding penetration rates across various categories, particularly in rural and semi-urban areas.
- Technological innovation:** The rapid pace of technological advancements in consumer electronics is a key growth driver. The demand for newer, faster, and feature-rich models is expected to drive repeat purchases, fueling growth across the segment.
- Uptake in premium offerings:** With rising disposable incomes, consumers are increasingly shifting towards high-end, premium electronics that offer superior features and design. This trend is particularly evident in the home entertainment segment.
- Shift in lifestyle and preferences:** Urbanization, along with a growing tech-savvy population, is driving demand for multifunctional and compact electronic devices. Lifestyles are shifting towards convenience and connectivity, with a surge in demand for wearable devices and smart home products.
- Gaming demand:** Gaming demand is a major catalyst in driving growth across multiple consumer electronics categories in India. The rise in eSports and competitive gaming, coupled with the growing gaming community, has increased demand for high-performance gaming PCs, accessories, and entertainment devices. Gaming monitors with their high refresh rates, higher resolutions, and adaptive sync technologies are experiencing strong sales as gamers seek performance-driven products. The popularity of console gaming is also propelling demand for large-screen TVs with low latency and 4K HDR capabilities, enhancing the immersive experience of gaming at home. Furthermore, the expanding role of virtual reality and multiplayer online games is pushing the need for specialized audio devices such as gaming headsets and soundbars that deliver immersive sound and communication clarity, which are essential for gamers. As the gaming culture continues to evolve, products in this category are becoming increasingly premium and feature-rich, driving both volume and value growth in the market.

The consumer electronics market in India comprises of the following categories:

- Home entertainment:** The home entertainment segment, encompassing televisions and audio devices, is currently valued at ₹ ~895 billion (US\$ ~11 billion) in H1 2024 (Annualized) and is expected to grow at a CAGR of ~15%, reaching ₹ ~1580 billion (US\$ ~19 billion) by CY2028P. Televisions account for ~47% of this market, with audio devices (personal audio and home audio systems) making up the remaining ~53%.

The Television market is valued at ₹ ~415 billion (US\$ ~5 billion) in H1 2024 (Annualized) and is projected to grow at a CAGR of ~13%, reaching ₹ ~685 billion (US\$ ~8 billion) by CY2028P. Within televisions, in H1 2024 (Annualized), large (>55 inch) screen sizes are increasing in popularity and now account for ~25% of sales, alongside premium models such as OLED/QLED/QLED+ which make up ~20% of the market.

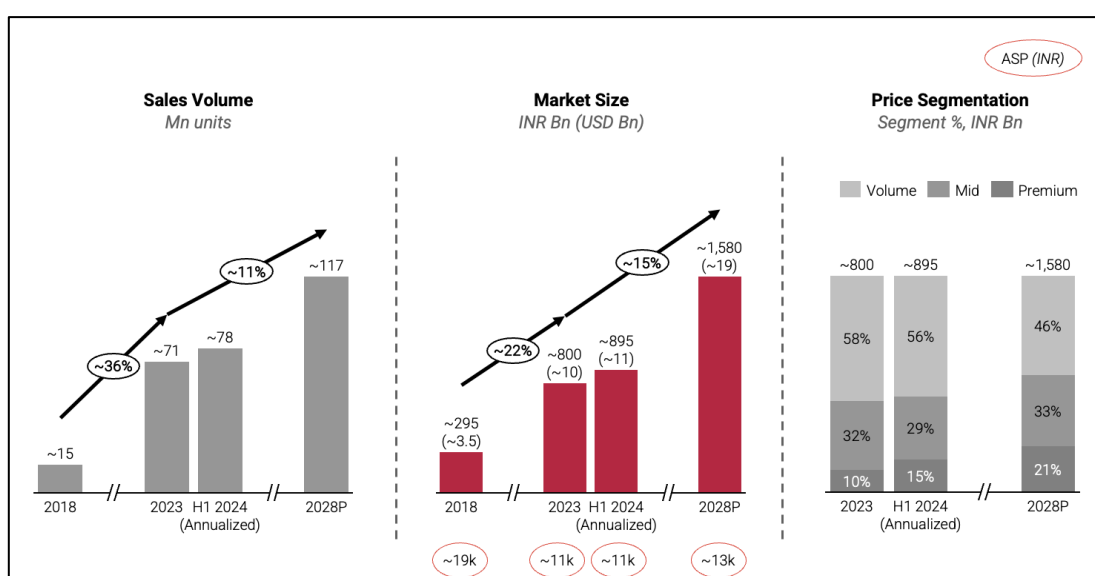


Other UHD/Smart models make up ~60% of the market, while LED/Full HD TVs form the remaining ~20%. 4K resolution and smart connectivity have become a minimum expectation, with viewing experience, feature sets, and larger screen sizes becoming consumer priorities. Organized retail channels, including large-format stores and e-commerce, make up ~60% of sales. In the 6-month period ending June 30, 2024, more than 80% of TVs sold had 4K picture quality and more than 90% of all TVs sold in were Smart TVs, and LGEIL had a value market share of ~29% and ~26% in 4K TVs and Smart TVs respectively in the offline channel in the same period, as per GfK<sup>v</sup>. Further, sales of OLED TVs grew from 1% of TVs sold in India in CY2018 to 5% in the 6-month period ending June 30, 2024; and LGEIL had a value market share of 58% in the offline channel for the same period, as per GfK<sup>vi</sup>. Further, LGEIL was the first to introduce OLED TVs in India in 2016.

LGEIL has a broader range of product offerings than most other leading home appliances and consumer electronics players in several product categories. For example, LGEIL's range of televisions spans across Organic Light-emitting Diode (“OLED”), Quantum Nano-Emitting Diode (“QNED”), NanoCell (technology that uses nanoparticles to display rich images), Ultra High Definition (“UHD”), and Light Emitting Diode (“LED”) models, while other leading players only offer fewer types/categories on average.

### India Home Entertainment Market (B2C)

CY2018, CY2023, H1 2024 (Annualized), CY2028P, INR Bn (USD Bn)



Note(s): Conversion rate: 1 US\$ = ₹ 83. Volume segment for television includes UHD/FHD/HD models, Mid includes models such as QNED/Nano cell and premium includes OLED/Mini LED. Volume for audio devices includes wireless speakers, Mid includes models such as XBOOM/ portable party speakers and premium includes sound bars.

Source(s): Redseer research and analysis

#### Growth Drivers:

- i. **Increasing penetration:** The television and audio segments are witnessing expanding penetration into previously underserved rural markets, fueled by improved connectivity and access to affordable technology. As distribution improves, consumers are gaining access to televisions and audio devices, leading to a projected increase in market penetration, particularly among budget-friendly and mid-range models.
- ii. **Replacement demand:** There is a significant trend in consumers upgrading from HD models to 4K and OLED/QLED televisions. Replacement demand is driven by the rapid advancement of display technology, alongside enhanced features such as better color accuracy. This is enabling consumers to invest in higher quality products that enhance viewing experience. LGEIL has a demonstrated track-record of introducing several industry-firsts in this category. LGEIL was the first leading home appliances and consumer electronics player to introduce OLED TVs in India in 2015 and was amongst the first players to launch 4K TVs and Smart TVs in 2011. Additionally, the company was the first amongst leading home appliances and consumer electronics players in India to launch India's first 4K OLED TV in 2015, the WebOS platform in 2014, world's first 8K OLED TV in 2020, and India's first rollable OLED TV in 2022.

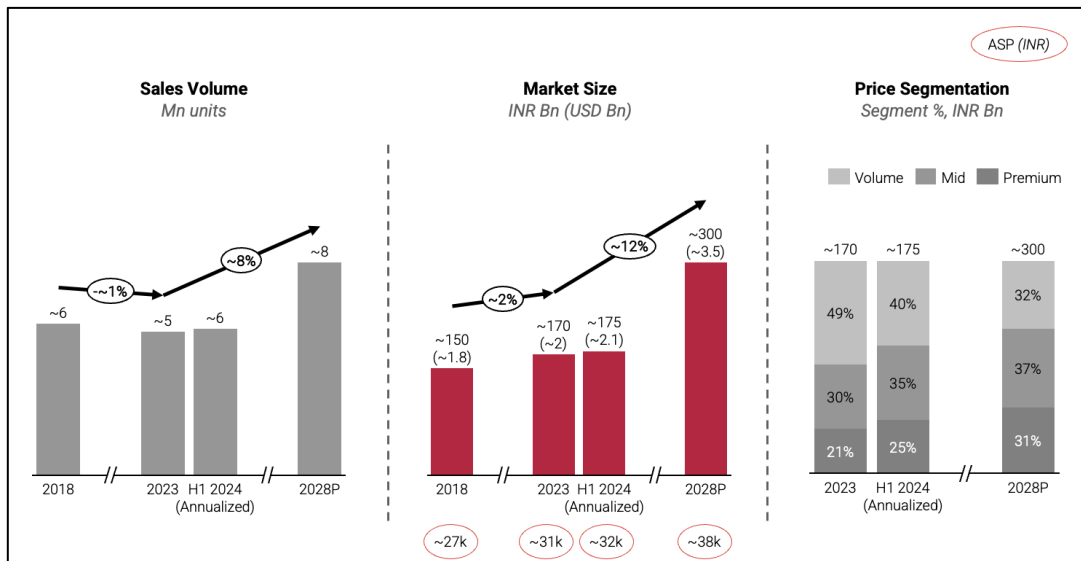
- iii. *Premiumization*: Growing consumer interest in larger screen sizes (55 inches and above) and advanced display technologies such as OLED and QLED are fueling demand in the premium segment. This segment is characterized by various technological advancements.
- iv. Additionally, smart features that integrate with streaming services and home automation systems that provide superior performance and versatility are increasingly becoming essential.
- v. *E-commerce surge*: The shift towards online shopping is significantly bolstering sales in the home entertainment sector. E-commerce channels are projected to capture approximately 28% of total sales for televisions and a remarkable 70% for audio devices by CY2028P. This transformation is largely attributed to the convenience of online shopping, competitive pricing, and extensive product variety available to consumers.
- vi. *Content demand*: The increasing availability of high-definition streaming content is a key driver of demand for smart TVs and advanced audio systems. As consumers seek immersive entertainment experiences, there is a growing need for compatible devices including systems equipped with surround sound and enhanced connectivity options that can support multiple streaming services.

2. *Computers & Peripherals*: The computers & peripherals market, including monitors, is valued at ₹ ~175 billion (US\$ ~2.1 billion) in H1 2024 (Annualized) and is projected to grow at a CAGR of ~12%, reaching ₹ ~300 billion (US\$ ~3.5 billion) by CY2028P. Driven by remote work, online education, and the gaming boom, this category has seen significant growth in recent years. Organized retail including e-commerce is a key channel and contributes ~90% of total sales of computers & peripherals.

Monitors make up ~35% of the computers & peripherals market. The segment is valued at ₹ ~65 billion (US\$ ~0.8 billion) in H1 2024 (Annualized) and is projected to grow at a CAGR of ~10%, reaching ₹ ~100 billion (US\$ ~1.2 billion) by CY2028P, driven by rising demand for high-resolution and larger displays. Organized retail contributes ~80% of total monitor sales. The gaming monitor segment forms 15-18% of the monitor market in CY2024 up from 5-7% in CY2018 and is expected to go up to 20-25% by 2028P.

### India Computers & Peripherals (incl. Monitors) Market (B2C)

CY2018, CY2023, H1 2024 (Annualized), CY2028P, in INR Bn (USD Bn)



Note(s): Conversion rate: 1 US\$ = ₹ 83. Volume includes computers priced under INR 40k, Mid includes computers priced between INR 40-80k and Premium includes computers priced above INR 80k.

Source(s): Redseer research and analysis

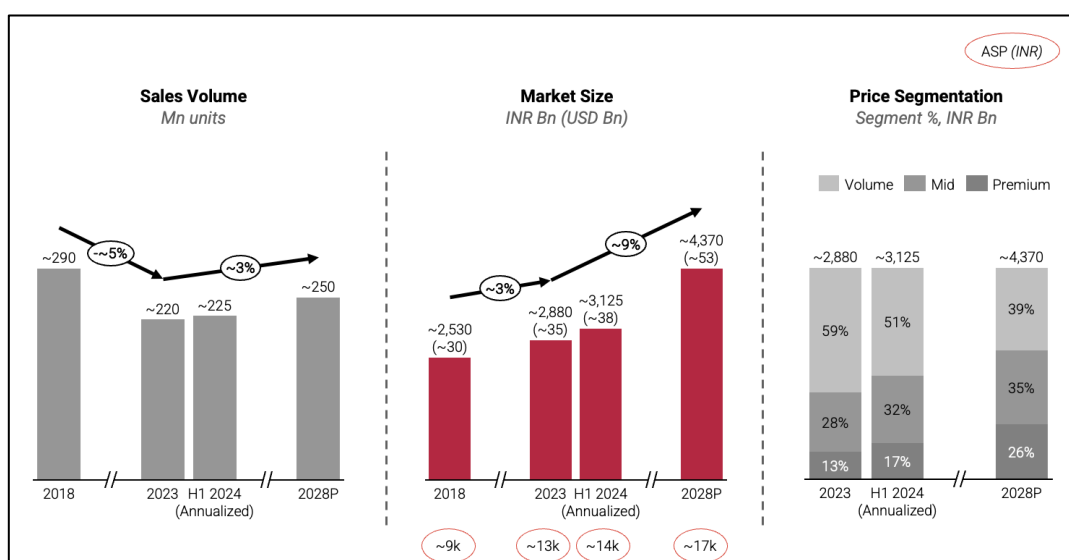
#### Growth Drivers:

- i. *Uptick in hybrid work*: The rise of hybrid work models has led to increased demand for computers and accessories among consumers. As individuals split their time between home and remote settings, there is a growing need for versatile devices that facilitate seamless transitions, prompting investments in quality equipment that enhances productivity and connectivity.
- ii. *Hardware upgrades*: Consumers are increasingly investing in updated hardware to keep pace with ongoing technological progress. This shift ensures better performance for everyday tasks, such as streaming, gaming, and content creation, leading to more frequent upgrades in home technology.

- iii. *Popularity of gaming:* Gaming demand drives the sales of high-performance gaming monitors, especially models with high refresh rates (120Hz and above) and 4K resolution. These features are essential for competitive gaming, while demand is being further fuelled by a rise in eSports and streaming activities.
  - iv. *Premium monitors:* There is a noticeable increase in the adoption of high-resolution, larger screen monitors (27 inches and above), especially among consumers focused on gaming and content consumption. These premium monitors offer enhanced visual clarity and better overall user experience, making them highly sought after by individuals who require superior display quality for entertainment and productivity.
  - v. *E-learning expansion:* The rapid rise of e-learning and digital classrooms is significantly contributing to growth in this segment. As students adapt to online learning platforms, there is an increasing demand for technology that facilitates interactive and engaging learning experiences, boosting sales of computers and related accessories for educational purposes.
3. *Mobile phones:* The mobile phones segment in India is valued at ₹ ~3,125 billion (US\$ ~38 billion) in H1 2024 (Annualized) and is expected to grow at a CAGR of ~9%, reaching ₹ ~4,370 billion (US\$ ~53 billion) by CY2028P. Penetration is already high at ~78%, and the market is increasingly driven by premiumization, with consumers upgrading to 5G-enabled smartphones and devices with better cameras and longer battery lives. Organized retail channels, both online and offline, contribute ~40% and ~12% of total sales, respectively.

### India Mobile Phones Market (B2C)

CY2018, CY2023, H1 2024 (Annualized), CY2028P, INR Bn (USD Bn)



Note(s): Conversion rate: 1 US\$ = ₹ 83. Volume includes mobiles priced under INR 15k, Mid includes mobiles priced between INR 15-45k and Premium includes mobiles priced above INR 45k.

Source(s): Redseer research and analysis

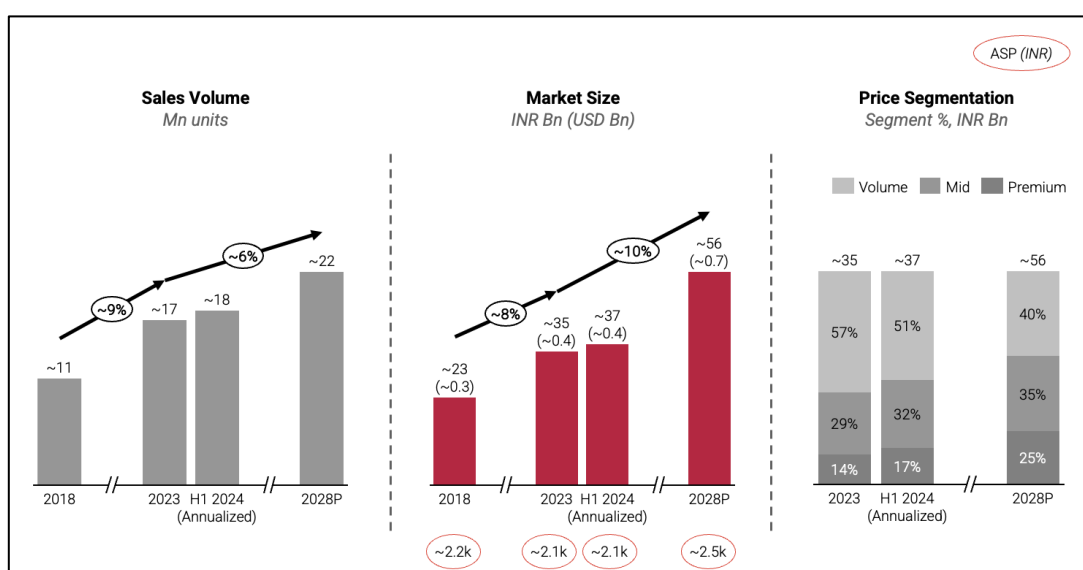
#### Growth Drivers:

- i. *High penetration:* Owing to rising disposable incomes and growing aspirational demand, the penetration of mobile phones in India are already remarkably significant, with expectations to rise to ~82% by CY2028P. This widespread adoption reflects not only the ubiquity of mobile technology but also its integral role in everyday life, enabling communication, access to information, and connectivity across urban and rural landscapes.
- ii. *Replacement demand:* The lifecycle of mobile phones is shortening as consumers increasingly prioritize the latest features and services. This trend is driven by advancements such as 5G connectivity, improved camera technologies, and enhanced user interfaces, leading individuals to replace their devices more frequently in pursuit of enhanced functionality and performance.
- iii. *Demand for premium phones:* There has been a sharp increase in the demand for premium mobile phones, fueled by changing consumer preferences and rising disposable incomes. As consumers seek devices that offer superior specifications, innovative features, and brand prestige, the market for high-end smartphones continues to expand.

- iv. *E-commerce dominance*: Online sales channels are experiencing substantial growth, with e-commerce expected to account for 48% of total mobile phone sales by CY2028P. This shift towards digital retailing is largely driven by the convenience of online shopping, competitive pricing, and an extensive range of product offerings, enabling consumers to make informed purchasing decisions from the comfort of their homes.
4. *Personal care devices*: The personal care gadgets segment (including hair styling devices, facial care devices, epilators and hair removal devices) is valued at ₹ ~37 billion (US\$ ~0.4 billion) in H1 2024 (Annualized) and has grown at over 8% in the last five years. It is projected to grow at a CAGR of ~10%, reaching ₹ ~56 billion (US\$ ~0.7 billion) by CY2028P. This growth is driven by increasing consumer focus on personal grooming and wellness. The organized market contributes ~85% of sales, with e-commerce channels contributing a steady 65% of sales.

### India Personal Care Devices Market (B2C)

CY2018, CY2023, H1 2024 (Annualized), CY2028P, INR Bn (USD Bn)



Note(s): Conversion rate: 1 US\$ = ₹ 83. Price segmentation is based on aggregation of data across each sub-category within this segment

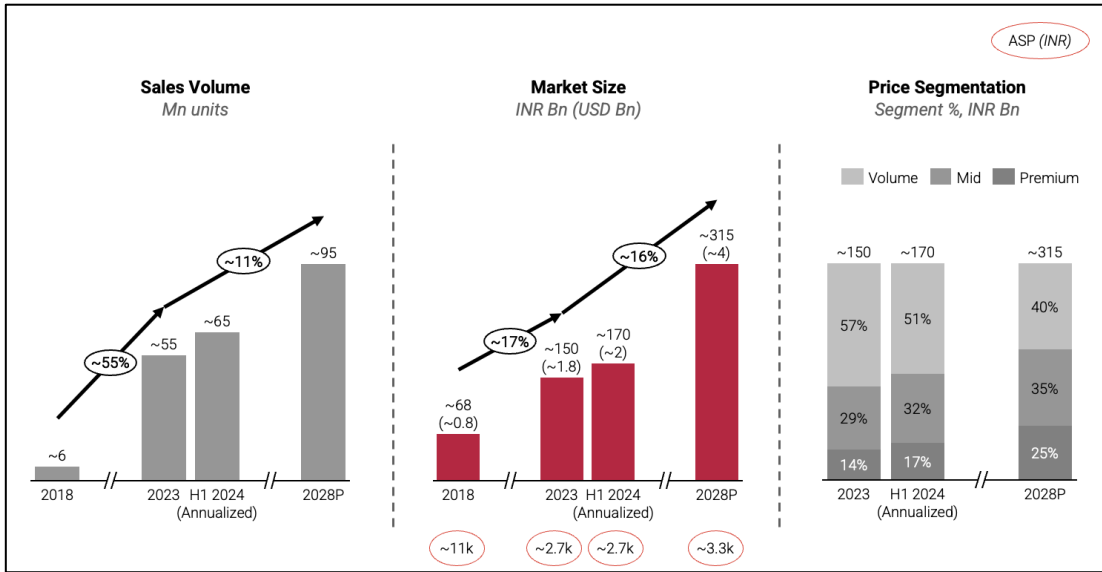
Source(s): Redseer research and analysis

#### Growth Drivers:

- i. *Rising penetration*: As grooming becomes a daily routine, penetration is expected to rise from ~10% in H1 2024 (Annualized) to ~12% in CY2028P. This growth is largely driven by expanding access in tier II and III cities, where awareness and adoption are increasing.
  - ii. *Premium grooming devices*: Consumers are shifting towards high-end grooming products, including professional-grade hair dryers and precision electric shavers, as they seek enhanced performance and quality. This trend is supported by rising awareness of personal grooming standards.
  - iii. *Replacement cycles*: The shorter lifecycles of grooming products are driving repeat purchases. Consumers tend to upgrade more frequently due to evolving technologies, new features, and the desire for better performance, especially in products such as shavers and hair dryers.
  - iv. *Wellness*: The growing consumer focus on wellness and self-care is fuelling demand for grooming tools that promote health, such as electric facial cleansers and massagers. This trend aligns with a broader shift toward products that enhance personal well-being and relaxation.
5. *Other personal devices*: The market for other personal devices includes imaging devices, wearables, e-readers and portable players. It is valued at ₹ ~170 billion (US\$ ~2 billion) in H1 2024 (Annualized) and is expected to grow at a CAGR of ~16%, reaching ₹ ~315 billion (US\$ ~4 billion) by CY2028P.

## India Other Personal Devices Market (B2C)

CY2018, CY2023, H1 2024 (Annualized), CY2028P, INR Bn (USD Bn)



Note(s): Conversion rate: 1 US\$ = ₹ 83. Price segmentation is based on aggregation of data across each sub-category within this segment

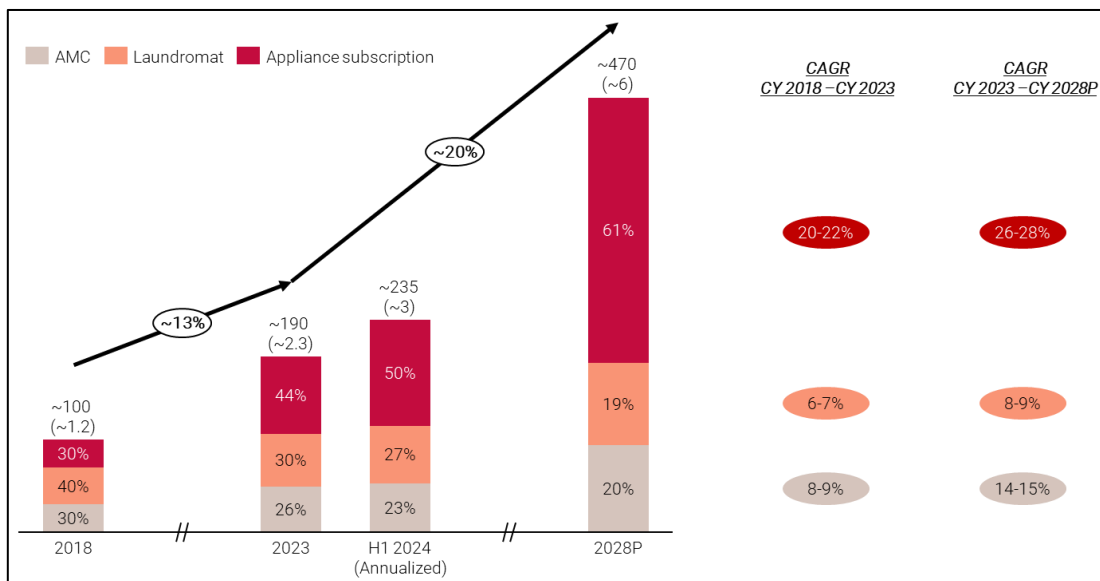
Source(s): Redseer research and analysis

## Services

The services segment of the India appliances & electronics market encompasses Annual Maintenance Contracts (AMCs), appliance subscription and rental services, and pay-to-use laundromat services. Collectively, this segment is projected to reach ₹ ~470 billion (US\$ ~6 billion) by CY2028P, growing at a robust CAGR of ~20%. The increasing consumer preference for convenience and long-term relationships with service providers is driving growth across these service categories, with the shift towards subscription models and digital platforms becoming increasingly significant.

## India (Electronics & Appliances) Services Market (B2C)

CY2018, CY2023, H1 2024 (Annualized), CY2028P, INR Bn (USD Bn)



Note(s): Conversion rate: 1 US\$ = ₹ 83  
Source(s): Redseer research and analysis

The services segment of the appliances & electronics market in India comprises of the following categories:

1. *Annual Maintenance Contracts (AMCs):* The Annual Maintenance Contracts (AMCs) segment includes service agreements for the maintenance and repair of home and electronic appliances in India. It is currently valued at ₹ ~55 billion (US\$ ~0.7 billion) in H1 2024 (Annualized), with projections indicating a CAGR of ~14% expected to elevate the market to ₹ ~95 billion (US\$ ~1 billion) by CY2028P. As consumers increasingly prioritize the longevity and performance of their appliances, the demand for AMCs is on the rise. The market is becoming more organized, with a growing number of service providers entering the field.

*Growth Drivers:*

- i. *Rising market penetration:* As consumers become more aware of the benefits of AMCs, particularly in terms of preventive maintenance and risk coverage, the market is experiencing broader penetration. More households are recognizing AMCs as an essential layer of protection that ensures continuous performance and avoids costly repairs, making it an attractive option for a wider consumer base.
  - ii. *Focus on appliance longevity & efficiency:* Consumers are opting for AMCs to maximize the lifespan of their appliances, which helps reduce the overall cost of ownership. AMCs enable regular upkeep, ensuring that appliances remain in optimal condition and perform efficiently over time. This approach is especially appealing for premium electronics such large-screen TVs or high-end refrigerators and washing machines, where longevity and consistent performance are essential to maximize value and reliability.
  - iii. *Service quality enhancements:* Improved service standards, including faster response times, certified technicians, and better parts availability, are significantly boosting consumer confidence in AMCs. Enhanced service quality has become a strong driver as consumers seek reliable maintenance solutions that guarantee high satisfaction, prompting more households to commit to annual contracts.
  - iv. *Urbanization and time constraints:* The growing urban population is increasingly adopting AMCs to address the challenges of busy, high-paced lifestyles. Urban consumers value the convenience and peace of mind that come with regular, hassle-free maintenance services. The demand for AMCs is especially strong in metropolitan areas where consumers prioritize service accessibility and time-saving solutions.
2. *Appliance subscription & rental services:* The appliance subscription and rental services market in India is valued at ₹ ~120 billion (US\$ ~1.4 billion) in H1 2024 (Annualized), with projections indicating a CAGR of ~28% expected to elevate the market to ₹ ~290 billion (US\$ ~3.5 billion) by CY2028P. The growing trend towards flexible ownership models is reshaping consumer preferences, particularly among millennials and urban dwellers. This segment includes rental services for major appliances such as refrigerators, washing machines, and air conditioners.

*Growth Drivers:*

- i. *Shift in consumer preferences:* As consumers increasingly favor flexibility over long-term commitments, demand for rental services is rising sharply, enabling them to access high-quality appliances without the financial burden of ownership. This trend is particularly strong among millennials and urban dwellers who value the ability to adjust to changing needs without being tied to long-term assets. The rental model appeals particularly to individuals who prioritize convenience and cost-efficiency.
  - ii. *Economic attractiveness:* Rental and subscription models offer consumers a more affordable and flexible option, reducing the financial burden of purchasing appliances upfront. These services typically provide customers with assurances of faulty units handled as part of the service agreement. This added security appeals to consumers looking for peace of mind without being tied to the long-term responsibility of ownership.
  - iii. *Urban lifestyle adaptation:* The expanding urban population, especially younger professionals and frequent movers, finds rental services well-suited to their mobile lifestyles. The convenience of flexible leasing and rental options aligns with the needs of individuals in metropolitan areas, who often prioritize convenience and flexibility over appliance ownership.
2. *Laundromat services:* The laundromat services market in India is valued at ₹ ~60 billion (US\$ ~0.7 billion) in H1 2024 (Annualized), with projections indicating a CAGR of ~9% expected to elevate the market to ₹ ~90 billion (US\$ ~1 billion) by CY2028P. As urban living continues to expand, laundromat services are gaining popularity due to their convenience and efficiency. The pay-to-use model appeals to busy professionals and families alike.

*Growth Drivers:*

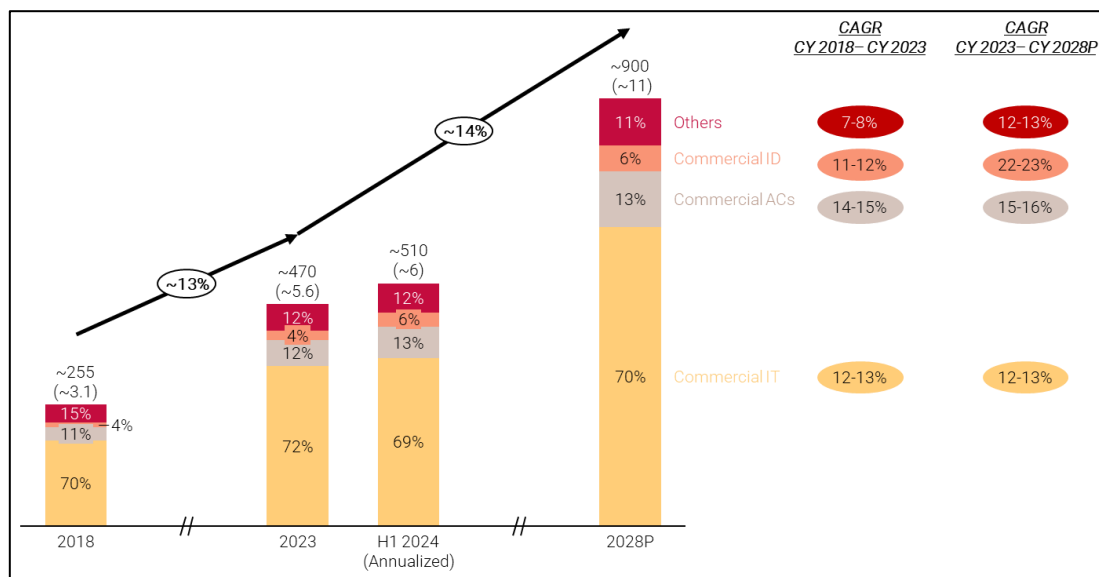
- i. *Need for convenience:* As urban populations grow and lifestyles become busier, consumers increasingly seek efficient solutions for daily chores. Laundromats with app-based booking are becoming popular among urban individuals, reflecting a preference for services that streamline tasks while offering quality service.
- ii. *Affordability:* Competitive pricing and the elimination of the need for personal laundry appliances make laundromats an economical choice for many, especially students and young professionals in urban areas where space and costs are high. Consumer demand is driven by the ability to access laundry services without significant investment.
- iii. *Technological integration:* Technology is enhancing user experience and fueling growth in laundromat services. Features such as app-based payments, machine availability tracking, and real-time notifications streamline the laundry process. This appeals to tech-savvy consumers who value the efficiency of managing their needs via mobile platforms, promoting loyalty and repeat usage.

**B2B market deep dive**

The B2B segment of the India appliances and electronics market is the institutional devices & systems market in India, which includes commercial air conditioning (CAC) systems (~13%), commercial IT / B2B computers & peripherals (~69%) including monitors, commercial ID / commercial displays & signages (~6%), and other B2B appliances & electronics (~12%) as vital segments of the market. Valued at ₹ ~510 billion (US\$ ~6 billion) in H1 2024 (Annualized), the B2B market is projected to grow at a CAGR of ~14%, reaching ₹ ~900 billion (US\$ ~11 billion) by CY2028P. As enterprises across sectors increasingly prioritize operational efficiency and digital transformation, demand for these institutional solutions is expected to accelerate.

**India (Electronics & Appliances) B2B Market**

INR Bn (USD Bn), CY2018, CY2023, H1 2024 (Annualized), CY2028P



Note(s): Conversion rate: 1 US\$ = ₹ 83  
 Source(s): Redseer research and analysis

Several key drivers are shaping the growth of institutional devices & systems in India:

- i. *Economic shift to a service and industrial economy:* As India transitions from a traditionally agrarian-based economy to one increasingly focused on industrial and service sectors, there is a growing need for infrastructure that supports business operations. With businesses expanding and modernizing, there is a surge in demand for commercial solutions that enhance efficiency and functional outcomes.
- ii. *Infrastructure development:* The ongoing expansion of healthcare, education, and government facilities is bolstering demand for sophisticated institutional equipment. This includes smart HVAC systems, connected office devices, and advanced AV solutions, particularly in high-demand use-cases such as conference rooms and in large institutions.

- iii. *Demand from key sectors:* The healthcare sector is seeing increased demand for specialized diagnostic displays and monitoring systems, while the hospitality and commercial sectors prioritize energy-efficient, high-quality equipment for operational efficiency. The government is also a significant buyer with ongoing investments in public infrastructure projects, such as the Smart Cities Mission, as well as initiatives such as Digital India, which are driving the adoption of advanced institutional appliances and technologies to support digital transformation in government services and public administration.
- iv. *Smart solutions:* The growth of IoT and smart building initiatives is fuelling demand for integrated and automated solutions. B2B consumers seek connected HVAC systems, intelligent lighting, and specialized IT displays that streamline operations, monitor energy use, and support remote diagnostics, meeting the efficiency and scalability requirements of modern commercial environments.

The institutional devices & systems market in India comprises of the following categories:

1. *Commercial Air Conditioning Systems:* The commercial air conditioning (CAC) segment in India is currently valued at ₹ ~65 billion (US\$ ~0.8 billion) in H1 2024 (Annualized) and is projected to grow at a robust CAGR of ~16%, reaching ₹ ~120 billion (US\$ ~1.4 billion) by CY2028P. The sector is experiencing growth driven by infrastructure developments in key areas such as healthcare, retail, hospitality, data centers, institutional infrastructure, and commercial real estate. The demand for advanced heating, ventilation and air conditioning (“HVAC”) solutions is driven by the expansion of healthcare, education, and government facilities requiring sophisticated equipment, the growth of IoT and smart building initiatives fueling integrated and automated solutions, increased penetration into emerging commercial real estate and urban infrastructure, and a growing emphasis on sustainability and energy efficiency, propelled by environmental regulations and government initiatives. The market is composed of chillers / HVAC (heating, ventilation, and air conditioning) systems, VRF systems (including cassette ACs), and ducted systems, which account for ~39%, ~23%, and ~24% of the commercial CAC market, respectively.

*Growth Drivers:*

- i. *Infrastructure expansion:* Increasing penetration systems into emerging commercial real estate and urban infrastructure is driving growth is fueling demand for advanced HVAC and CAC installations.
  - ii. *Replacement cycles:* Businesses are increasingly replacing outdated systems with more efficient installations, enhancing the overall market demand.
  - iii. *Sustainability:* Growing emphasis on sustainability and energy efficiency is pushing companies to adopt advanced HVAC solutions that align with environmental standards.
  - iv. *Technological advancements:* The introduction of smart HVAC systems, capable of real-time monitoring and control, is driving market interest and adoption.
  - v. *Changing climate patterns:* The increasing frequency of heatwaves and shifting climate patterns are driving significant demand for commercial air conditioning systems. As temperatures rise, businesses in sectors such as retail, hospitality, healthcare, and commercial real estate are prioritizing robust cooling solutions to ensure comfort and productivity. The need for more efficient and resilient systems is growing, with climate change contributing to a longer cooling season, necessitating greater energy efficiency and system reliability.
2. *Commercial IT (B2B computers & peripherals):* The commercial IT segment, which includes computers and peripherals, is valued at ₹ ~355 billion (US\$ ~4.3 billion) in H1 2024 (Annualized) and is projected to grow at a CAGR of ~13%, reaching ₹ ~630 billion (US\$ ~7.6 billion) by CY2028P. The surge in demand is propelled by businesses transitioning to digital infrastructures and the increasing prevalence of remote work. Key sectors such as education, banking, and IT services are significantly contributing to this growth. As companies adopt cloud computing, hybrid workspaces, and digital transformation initiatives, leading players are focusing on tailored solutions catering to institutional needs.

*Growth Drivers:*

- i. *Digital transformation:* The shift towards digital operations in businesses is driving demand for high-performance computers and peripherals.
- ii. *Penetration of cloud computing:* The adoption of digital and cloud solutions is encouraging businesses to invest in compatible hardware and peripherals, fostering market growth.
- iii. *Hybrid workspaces:* The emergence of hybrid work environments is creating a demand for versatile computing solutions that accommodate flexible work arrangements.
- iv. *Performance upgrade needs:* Continuous advancements in technology lead businesses to frequently upgrade their systems to ensure optimal performance and security.



3. *Commercial displays & signages*: The specialized display market for institutional applications, including institutional infrastructure such as airports, railways and museums, retail, and healthcare facilities, is projected to reach ₹ ~50 billion (US\$ ~0.6 billion) by CY2028P, growing from ₹ ~30 billion (US\$ ~0.4 billion) in H1 2024 (Annualized) at a CAGR of ~23%. This B2B segment encompasses MNT signages, commercial TVs, and hotel PTVs. LGEIL also lead multiple technological innovations for B2B products in India including being the first to introduce transparent OLED based information display solutions in 2020 and OLED gaming monitors in 2022.

*Growth Drivers:*

- i. *Economic shift to a service economy*: As the service economy rises, there is a growing demand for specialized commercial displays and signage systems, particularly in sectors such as healthcare, retail, hospitality, and education. This shift is driving increased investments in digital signage and interactive display technologies, particularly in urban areas.
- ii. *Increased resolution demand*: Rising expectations for high-resolution displays in hospitality and commercial spaces, airports, railways and museums, and in medical settings are driving market growth as service providers seek to add capacity and upgrade existing infrastructure.
- iii. *Technological advancements*: Innovations in display technology offering higher quality, performance, and energy efficiency such as OLED and interactive displays, are attracting investments and fostering market expansion.
- iv. *Regulatory standards*: Compliance with stringent regulatory standards for medical equipment is prompting healthcare facilities to upgrade their display systems.

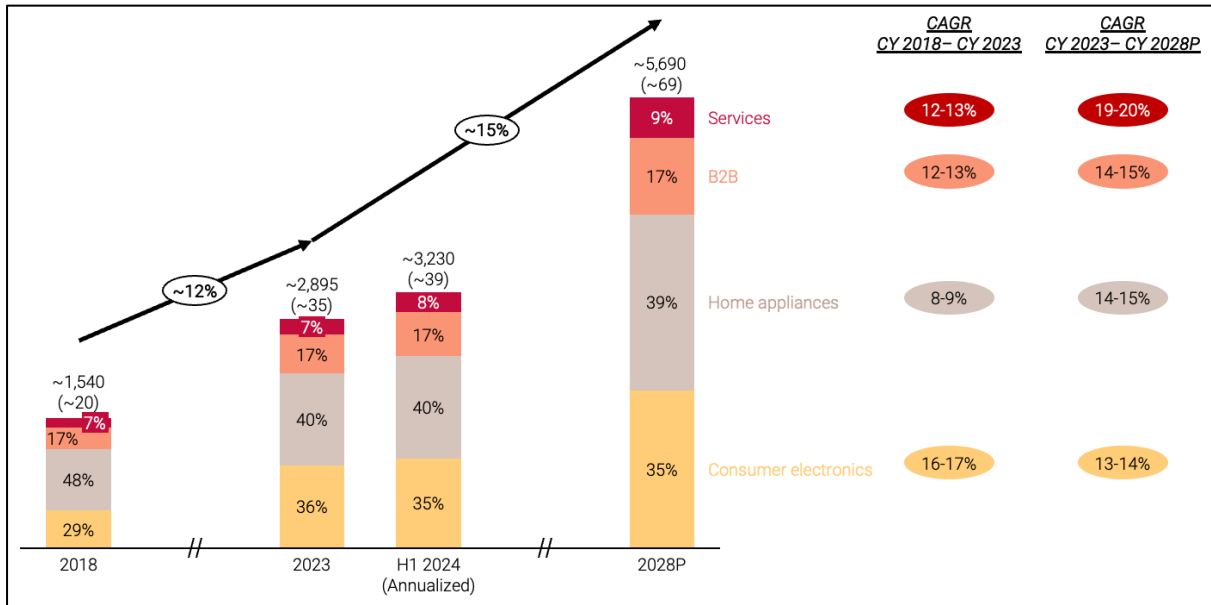
***Total addressable market***

The overall total addressable market (“TAM”) for the India appliances & electronics brands is estimated at ₹ ~3,230 billion (US\$ ~39 billion) in H1 2024 (Annualized) and is projected to reach ₹ ~5,690 billion (US\$ ~69 billion) by CY2028P, growing at a CAGR of ~15%. The TAM encompasses both B2C and B2B segments and excludes mobile phones. This reflects demand from households, commercial enterprises, and institutional buyers such as hospitals, hotels, and government bodies. This growth will be fueled by the continued expansion of urban and rural markets, increased penetration of energy-efficient appliances, and the ongoing premiumization of consumer products.

The B2C TAM is expected to grow from ₹ ~2,720 billion (US\$ ~33 billion) in H1 2024 (Annualized) to ₹ ~4,790 billion (US\$ ~58 billion) in CY2028P, driven by increased demand from consumers for home appliances, consumer electronics, and services. LGEIL expects to benefit from an expansion in the target addressable market as penetration improves, as has been witnessed in the case of several emerging economies. The B2B segment is estimated to grow from ₹ ~510 billion in CY2024 to ₹ ~900 billion in CY2028P, driven by increasing demand from industries such as healthcare, hospitality, commercial real estate, and the government sector.

## India Total Addressable Market

CY2018, CY2023, H1 2024 (Annualized), CY2028P, INR Bn (USD Bn)



### Trends in logistics & supply chain

The India appliances and electronics market is undergoing significant supply chain transformations shaped by both import and export dynamics.

- i. **Local production focus:** Companies are prioritizing local production to reduce import dependency, supported by government initiatives such as 'Make in India' and the Production-Linked Incentive (PLI) schemes. These programs offer incentives to strengthen domestic manufacturing, enhancing cost efficiency, supply chain resilience, and lead times. By investing in local capacity, manufacturers align with India's goals of self-reliance and sustainable growth while positioning for both domestic and export markets.
- ii. **Export opportunities:** India is increasingly positioning itself as a global manufacturing and export hub for home appliances and electronics. Manufacturers are expanding capacity to meet rising global demand, with a focus on improving product quality and cost efficiency. The growing local manufacturing base, alongside competitive labour costs and infrastructure improvements, enhances India's ability to tap into key international markets such as North America, Western Europe, Middle East and Africa. This shift supports India's ambition to become a major player in the global supply chain for appliances and electronics.
- iii. **Logistics upgrades:** The logistics and distribution networks are being modernized to accommodate the growing e-commerce sector. Emphasizing digital supply chain management enhances efficiency and responsiveness, allowing manufacturers to swiftly adapt to evolving consumer demands.
- iv. **Import trends:** Despite localization efforts, there is a persisting reliance on foreign components and finished products, especially in the premium segment. Key imports are primarily sourced from countries such as China, South Korea, and Japan, reflecting a strategic focus on enhancing product quality and technological advancement.

### Government Policies and Regulatory Overview

The Indian government's strategic initiatives are shaping a resilient and competitive landscape for the country's appliance and electronics sector. Key policies focus on fostering local manufacturing, enhancing export capabilities, and promoting sustainable practices, positioning India as a prominent player on the global stage.

- i. **Localization and "Make in India" Initiatives:** Government policies, especially the Make in India campaign and PLI scheme, are driving local manufacturing in India, reducing import dependency, and enhancing the country's competitiveness. These efforts position India to become a global manufacturing hub, supported by strategic trade deals with Japan, South Korea, and the EU. India's favourable

- geopolitical positioning and shifting supply chains further enhance its appeal as a key player in global electronics and appliances markets.
- ii. *Geopolitical advantage and export potential:* India's geopolitical positioning, with access to key markets in Asia, the Middle East, and Africa, strengthens its ability to become an export powerhouse. The country's active participation in key trade agreements, such as the Regional Comprehensive Economic Partnership (RCEP) and deals with countries such as Japan and South Korea, enhances its ability to import necessary technologies and components, while also expanding access to lucrative export markets. The increasing presence of multinational corporations is fuelling technology transfer and infrastructure development, reinforcing India's role as a key export hub in the global value chain.
  - iii. *Incentives for manufacturers and infrastructure growth:* Several government programs focus on fostering infrastructure development, making India an attractive destination for foreign investment in the appliance and electronics sector. Programs such as the Production Linked Incentive (PLI) scheme and the *Atmanirbhar Bharat* mission are directly contributing to infrastructure upgrades including logistics, digital supply chain management, and manufacturing facilities. In addition to this, state-level incentives, tax reductions, and financial support for infrastructure projects are providing a robust foundation for domestic and international players to scale up operations in India. This shift towards local manufacturing and infrastructure growth is aimed at achieving both supply chain resilience and higher-value exports, aligning India's goals with its vision to become a global export hub.
  - iv. *Regulatory frameworks and sustainability:* The government is also focusing on environmental and energy efficiency standards, such as Bureau of Energy Efficiency (BEE) ratings, to boost the global competitiveness of Indian products. Regulatory reforms streamline processes, attract foreign investment, and promote sustainable manufacturing, further strengthening India's position in global markets.

### **Competitive Positioning in India's Appliances and Electronics Market Involves Strategic Differentiation Through Innovation, Operational Efficiency, and Robust Brand Presence.**

The Indian appliances and electronics market demands R&D investment, robust manufacturing, strong branding, extensive distribution, and customer-centric after-sales service. Leading firms maintain competitive edge by focusing on quality, brand trust, and product innovation. Chinese brands add complexity with competitive pricing and strategic online penetration, making it essential for players to adapt and compete effectively across price segments and sales channels.

In India's dynamic and highly competitive appliances market, success hinges on several critical factors that determine a company's ability to lead and sustain growth over time. The appliances sector is marked by technological innovations, evolving consumer demands, and an increasingly crowded marketplace, making it essential for players to differentiate themselves not just through product offerings but also through operational excellence, brand strength, and customer-focused service.

*Factors needed to win:* To gain a competitive edge and secure long-term success, companies must excel across multiple dimensions, from product innovation and manufacturing capabilities to robust distribution networks and after-sales support. The following key factors that play a decisive role in determining success in the Indian appliances and electronics market:

- i. *Strong brand with comprehensive product portfolio:* A trusted brand is essential in a market where consumers value reliability and long-term performance. Companies with a broad portfolio of products—ranging from refrigerators to washing machines—can cater to diverse customer needs, from budget to premium segments, and strengthen their position in the market.
- ii. *Strong R&D:* Continual investment in R&D is crucial for staying ahead of market trends and addressing the evolving needs of consumers. Companies innovate in areas such as energy efficiency, smart home technology, and product usability to differentiate their offerings. Effective R&D helps create products tailored to local market demands, such as durable appliances suited for Indian conditions and energy-saving solutions that solve for rising energy costs.
- iii. *Robust manufacturing for quality control & efficiency:* Quality control and cost-efficient manufacturing are vital to meet consumer expectations for reliability and performance. Companies with efficient production processes can maintain product consistency while keeping costs competitive. Investments in automation and smart manufacturing also allow for scalability and faster market responsiveness.
- iv. *Direct distribution and e-commerce presence:* Direct-to-consumer channels, including own-brand stores, a strong e-commerce presence, and fleet-on-street operations, help companies control customer

*experience and build brand loyalty.* This direct reach enhances market visibility and consumer accessibility across varied segments, from urban centres to smaller towns.

- v. *Extensive dealer network and pan-India supply chain:* A widespread dealer network ensures products are accessible across urban and rural areas. Complemented by a robust pan-India supply chain, companies can lower lead times and improve delivery efficiency, leading to enhanced customer satisfaction and brand loyalty. Dealers also offer critical insights into market trends and preferences.
- vi. *After-Sales service quality and network:* Quality after-sales service is key for customer loyalty. Companies with extensive service networks and innovative solutions, such as mobile repair services or AI-driven diagnostics, create a superior customer experience. By ensuring appliance longevity and performance, companies foster lasting consumer relationships.

In India’s appliances and electronics market, competition unfolds across three major types of players: Domestic players, Chinese players, and global brands (including Korean players), each bringing distinct strengths and strategies that shape the competitive landscape.

- i. *Indian players:* Companies such as Voltas, Havells, Godrej, and Blue Star leverage their deep-rooted understanding of the Indian market to capture a broad consumer base. Their long-standing brand equity, coupled with extensive distribution networks, enables them to reach both urban and rural consumers, catering especially to price-sensitive segments where affordability is a priority. By aligning products with regional preferences, they build and maintain strong local trust. Indian brands also prioritize versatile offerings, frequently introducing models that balance basic functionality with modern features, appealing to consumers transitioning from first-time purchases to affordable upgrades. These factors allow Indian players to capture loyal segments, even as foreign brands intensify their presence.
- ii. *Chinese players:* Chinese brands, including Haier, have introduced additional competition to India’s appliances and electronics market by utilizing extensive scale, efficient manufacturing, and well-established channel penetration. With a significant presence, particularly in mid-tier and semi-urban areas, these brands offer competitively priced, feature-rich products that appeal across price-sensitive segments. Focused on rapid product cycles and functional upgrades, Chinese players cater primarily to budget-conscious consumers while also introducing smart functionalities at accessible prices to attract aspirational buyers. Additionally, as anti-dumping duties impact imports, many Chinese firms are forming local manufacturing partnerships to align with the “Make in India” initiative, further strengthening their footprint in the Indian market.
- iii. *Global players:* Global brands such as Whirlpool, Philips, Samsung, Sony, and LG leverage a blend of international expertise and robust brand reputation. Known for their quality and commitment to innovation, these brands primarily target the mid-premium and premium segments, where consumers are drawn to products that offer advanced functionality, reliability, and after-sales support. With a focus on high-quality manufacturing and cutting-edge features, these brands are well-positioned to meet the growing Indian demand for premium experiences and durable products. Global players often appeal to urban consumers seeking appliances that integrate seamlessly with modern lifestyles, offering smart technology, energy efficiency, and aesthetic appeal. Korean giants such as Samsung and LG have built considerable market share by adapting global best practices to local needs, incorporating features that address the climate, cultural preferences, and tech-savvy trends prevalent among India’s premium consumer base.

### Financial benchmarking

Companies below may have other related entities, or may define metrics differently, and hence may not be directly comparable.

Leading Home Appliances and Consumer Electronics Players <sup>0</sup> / Metrics	Samsung India Electronics Pvt. Ltd	LG Electronics India Pvt. Ltd.	Havells India Ltd.	Godrej & Boyce Mfg. Co. Ltd.	Voltas Ltd.	Blue Star Ltd.	Sony India Pvt. Ltd.	Whirlpool of India Ltd.	Haier Appliances (India) Pvt. Ltd.	Philips India Ltd.
Timelines	FY 2024	FY 2024	FY 2024	FY 2024	FY 2024	FY 2024	FY 2024	FY 2024	CY2023	FY 2024
Revenue from Ops. (INR Mn)	9,95,416.00 <sup>14</sup>	2,13,520.00	1,85,900.10	1,63,786.60	1,24,812.10	96,853.60	76,637.40	68,297.90	63,054.90	60,004.00
Gross Margin <sup>1</sup> (INR Mn)	2,49,387.00	64,218.22	60,213.30	78,832.40	26,671.70	22,933.90	12,788.90	22,541.20	19,127.50	35,382.00
Gross Margin <sup>2</sup> (%)	25.05%	30.08%	32.39%	48.13%	21.37%	23.68%	16.69%	33.00%	30.33%	58.97%

Leading Home Appliances and Consumer Electronics Players <sup>0</sup> / Metrics	Samsung India Electronics Pvt. Ltd.	LG Electronics India Pvt. Ltd.	Havells India Ltd.	Godrej & Boyce Mfg. Co. Ltd.	Voltas Ltd.	Blue Star Ltd.	Sony India Pvt. Ltd.	Whirlpool of India Ltd.	Haier Appliances (India) Pvt. Ltd.	Philips India Ltd.
Timelines	FY 2024	FY 2024	FY 2024	FY 2024	FY 2024	FY 2024	FY 2024	FY 2024	CY2023	FY 2024
EBITDA <sup>3</sup> (INR Mn)	92,746.00	22,248.73	18,426.20	13,391.20	3,360.10	6,654.30	1,891.20	3,840.80	3,575.20	4,474.00
EBITDA <sup>4</sup> (%)	9.32%	10.42%	9.91%	8.18%	2.69%	6.87%	2.47%	5.62%	5.67%	7.46%
PAT <sup>5</sup> (INR Mn)	81,887.00	15,110.68	12,707.60	5,458.70	2,481.10	4,143.10	1,669.90	2,243.00	1,555.50	2,575.00
PAT <sup>6</sup> (%)	7.98%	7.01%	6.75%	3.30%	1.95%	4.26%	2.16%	3.21%	2.45%	4.25%
EBIT / Op. Profit <sup>7</sup> (INR Mn)	81,267.00	18,605.04	15,041.20	8,343.80	2,884.20	5,678.20	1,662.30	1,737.60	1,855.20	3,048.00
Capital employed <sup>8</sup> (INR Mn)	318,667.88	41,057.76	77,499.20	191,147.40	65,978.40	28,555.60	8,282.81	40,744.40	24,197.41	18,903.00
Shareholders equity <sup>9</sup> (INR Mn)	311,903.88	37,358.21	74,467.60	150,831.30	58,542.10	26,126.30	7,719.81	38,434.80	21,037.71	14,896.00
ROCE <sup>10</sup> (%)	25.50%	45.31%	19.41%	4.37%	4.37%	19.88%	20.07%	4.26%	7.67%	16.12%
RONW <sup>11</sup> (%)	26.25%	40.45%	17.06%	3.62%	4.24%	15.86%	21.63%	5.84%	7.39%	17.29%
Working Capital Days <sup>12</sup> (#)	9.13	14.54	46.89	57.20	10.67	9.51	10.03	7.44	42.97	63.11
FCF Conversion Ratio <sup>13</sup> (%)	77.45%	59.49%	59.83%	3.15%	123.67%	-19.47%	13.34%	125.37%	113.64%	29.28%

**Notes:**

0. Leading home appliances and consumer devices players includes companies with a presence in 4 or more product categories within the appliances & electronics market with revenues exceeding INR 5,000 crore (INR 50 billion) and a revenue share of at least 15% from overlapping categories, where overlapping categories include refrigerators, washing machines, RACs, microwaves, dishwashers, water purifiers, built-in kitchens, vacuum cleaners, air purifiers, TVs, audio devices, computers/monitors, commercial ACs, commercial IT, commercial ID, and AMCs.

1. Gross Margin = (Sales) – (Cost of raw materials) – (Purchase of stock in trade) – (change in inventories)

2. Gross Margin % = (Gross Margin) / (Revenue from Operations)

3. EBITDA = (Profit before tax) + (depreciation, depletion and amortisation) + (finance costs) – (other income)

4. EBITDA % = (EBITDA) / (Revenue from Operations)

5. PAT = Restated Profit for the year after tax

6. PAT % = PAT / (Total revenue)

7. EBIT / Operating Profit = (Profit before tax) + (Finance costs) – (other income)

8. Capital employed = (Total equity excluding amalgamation reserves if any) + (Total lease liabilities)

9. Shareholders equity = Total equity excluding amalgamation reserves if any as of closing / end of period

10. ROCE (Return on capital employed) % = (EBIT) / (Capital Employed), where Capital Employed = (Total equity [excluding amalgamation reserves if any]) + (Total borrowings) + (Total lease liabilities and deferred tax liabilities)

11. RONW (Return on Net Worth) % = (PAT) / (Total Equity excluding amalgamation reserves)

12. Working capital days = (Receivable days Average receivables/Revenue from operations) + (Inventory days [Average inventory/Cost of goods sold]) – (Payable days Average payable/Cost of goods sold)

13. FCF [Free cash flow] conversion ratio % = (Free cash flow) / (EBITDA); Free cash flow = (Net cash flow from or used in operations) – (Capital expenditure); Capital expenditure = (Current year's PP&E) – (Previous year's PP&E) + (Depreciation, depletion, and amortisation); PP&E = Property, plant and equipment

14. Samsung India revenues from handheld phones (incl. accessories) amounts to INR 7,12,829 Mn, and Revenue from operations excluding handheld phones & accessories amounts to INR 2,82,587 million

15. Metrics reported by companies in financials (public or with MCA), annual reports, investor presentation, or exchange filings have been considered

16. Latest available year has been considered for each player in the defined peer set; CY23 for Haier, and Fiscal 2024 for remaining peers

17. Standalone statements have been considered for Sony and consolidated statements for other players

Source(s): Annual Reports of Listed Players, Ministry of Corporate Affairs for Private Players as on November 8, 2024

18. Amalgamation reserves include business combination reserves for peers if explicitly reported or disclosed

LGEIL had one of the best-in-class profitability, delivering EBITDA and PAT margin of ~10.4% and ~7.0%, as compared to an average of less than ~7% and ~4.5% respectively across leading home appliances and consumer electronics players in Fiscal 2024. LGEIL places an emphasis on capital efficiency which is reflected in a ROCE of ~45% in Fiscal 2024, the highest amongst leading home appliances and consumer electronics players with an average of ~17%. LGEIL also had a net working capital days profile of ~15 days as compared to an average of ~25 days for leading home appliances and consumer electronics players in Fiscal 2024. LGEIL's free cash flow conversion ratio is ~59.50% in Fiscal 2024 compared to an average of ~58.6% among leading home appliances and consumer electronics players.

### Threats and Challenges: Balancing Growth Amidst Evolving Market Dynamics

While the Indian appliances and electronics market holds strong growth potential, it also faces challenges that could affect its trajectory. These include rising competition, supply chain dependencies, and regulatory and technological shifts. However, ongoing investments in innovation, local manufacturing, and strategic adaptation provide resilience and mitigate potential risks.

The Indian appliances and electronics market presents a compelling growth story, yet there are several threats and challenges that may shape the sector's future trajectory. Companies in this dynamic market must navigate these obstacles to sustain momentum and enhance resilience:

1. *Intensifying market competition:* Players in this sector witness a broad range of competition from existing and new competitors ranging from large multinational companies to highly specialized entities that focus on a limited number of products and services. In particular, the sector is experiencing heightened competition from Chinese brands, which have been gaining ground in high-growth categories. Known for competitive pricing, innovative marketing strategies, and rapid product cycles, these brands are pushing companies to differentiate through unique features, premium service quality, and innovation. To address this, many companies are increasingly focused on strengthening brand trust, enhancing after-sales support, and expanding their R&D efforts to meet the evolving preferences of Indian consumers.
2. *Supply chain and input cost vulnerabilities:* Although India's push toward local production is significant, the market still relies on imported components, especially semiconductors and specialized materials critical for high-value appliances and electronics. This dependency exposes companies to price fluctuations, foreign exchange risk, and global supply chain disruptions. Investments in local manufacturing capabilities, spurred by government incentives such as the Production Linked Incentive (PLI) scheme, are beginning to address these vulnerabilities, yet the industry may continue to face short-term pressures from external supply risks.
3. *Changes in price and availability of raw materials:* The pricing and availability of raw materials is subject to competitive prices and can potentially be affected by global commodity prices, inflation. For example, pricing and availability of commodities such as steel, copper, and aluminum can be volatile due to numerous factors, including but not limited to general domestic and international economic conditions, geopolitical tensions, extreme weather shocks, import duties and tariffs and foreign currency exchange rates. Fluctuations in the cost of raw materials and components, supply interruptions or raw material and component shortages has a direct impact on the players' ability to manufacture products on time and within budgets and may therefore have an impact on costs and profitability.
4. *Regulatory and environmental compliance pressures:* Stricter environmental regulations and consumer demand for sustainable and energy-efficient products present both opportunities and challenges. The government's mandates for energy efficiency standards and the adoption of the Bureau of Energy Efficiency (BEE) ratings are encouraging shifts toward eco-friendly products, but compliance necessitates higher R&D and manufacturing costs. Companies that align with these standards can leverage sustainability as a differentiator, yet there is a need for careful navigation of the costs associated with regulatory compliance, particularly for newer and smaller market entrants.
5. *Continued support from the Government of India to boost transportation infrastructure:* While the Government of India has announced and implemented several initiatives such as National Infrastructure Pipeline, Gati Shakti Scheme and National Logistics Policy to improve the transportation infrastructure in the country, improvement in such infrastructure will involve major capital expenditure and policy and administrative focus.
6. *Adapting to rapid technological advancements and consumer expectations:* The Indian consumer's shift toward digital and connected lifestyles is shaping demand for advanced, IoT-enabled, and user-friendly appliances. To remain competitive, companies must keep pace with innovations such as smart home compatibility, energy-efficient designs, and automation features, which require sustained R&D and agile product development cycles. For brands that succeed, however, this aligns with India's rising premiumization trend, where consumers are increasingly willing to invest in value-added products that enhance convenience and lifestyle.

<sup>i</sup> The calculation is based in part on data reported by GfK through its Retail Audit Service for the mentioned categories Urban India Tier 1-6 (as per GOI census 2011) market and offline retail channel according to the GfK standard product hierarchy. Copyright © 2024, GfK.

<sup>ii</sup> Volume and premium segments have been considered as follows: volume and premium refrigerators include direct-cool models and side-by-side models respectively; volume and premium washing machines include semi-automatic and fully-automatic front-load (FAFL) models respectively; volume and premium inverter ACs include 5-star models and window models respectively; volume and premium microwaves include solo models and convection models respectively; volume and premium TVs include Smart TVs and OLED models respectively

<sup>iii</sup> The calculation is based in part on data reported by GfK through its Retail Audit Service for the mentioned categories Urban India Tier 1-6 (as per GOI census 2011) market and offline retail channel according to the GfK standard product hierarchy. Copyright © 2024, GfK.

<sup>iv</sup> *The calculation is based in part on data reported by GfK through its Retail Audit Service for the mentioned categories Urban India Tier 1-6 (as per GOI census 2011) market and offline retail channel according to the GfK standard product hierarchy. Copyright © 2024, GfK.*

<sup>v</sup> *The calculation is based in part on data reported by GfK through its Retail Audit Service for the mentioned categories Urban India Tier 1-6 (as per GOI census 2011) market and offline retail channel according to the GfK standard product hierarchy. Copyright © 2024, GfK.*

<sup>vi</sup> *After-sales service centre touchpoints include both company-owned and exclusive service centres.*

## OUR BUSINESS

*Some of the information in the following section, including information with respect to our business plans and strategies, consists of certain forward-looking statements that involve risks and uncertainties. Our actual results may differ materially from those expressed in, or implied by, these forward-looking statements. You should read the section “**Forward-Looking Statements**” on page 29 for a discussion of the risks and uncertainties related to those statements and the section “**Risk Factors**” on page 31, “**Management’s Discussion and Analysis of Results of Operations**” on page 315, “**Industry Overview**” on page 127 for a discussion of certain risks that may affect our business, financial condition, or results of operations. Unless otherwise stated, or the context otherwise requires, the financial information used in this section is derived from our Restated Financial Information included in this Draft Red Herring Prospectus beginning on page 232. Also see, “**Certain Conventions, Presentation of Financial, Industry and Market Data and Currency of Presentation – Industry and Market Data**” on page 25. Our financial year ends on March 31 of each year. Accordingly, references to “Fiscal 2022”, “Fiscal 2023” and “Fiscal 2024”, are to the 12-month period ended March 31 of the relevant year. For industry related information in this section, all references to “six months ended June 30, 2024” are to six months ended of CY 2024. Only to the extent explicitly indicated, industry and market data used in this section has been derived from the report titled “Industry Report for Appliances and Electronics Market in India” dated December 5, 2024 (the “**Redseer Report**”), prepared and issued by Redseer Strategy Consultants Private Limited (“**Redseer**”), commissioned by and paid for by our Company. The Redseer Report has been prepared and issued by Redseer for the purpose of understanding the industry exclusively in connection with the Offer. Unless otherwise indicated, all financial, operational, industry and other related information derived from the Redseer Report and included herein with respect to any particular fiscal or calendar year, refers to such information for the relevant fiscal or calendar year. All references to “**LG Group**” refer to any company (individually or in the aggregate, as the context may require) that is (i) directly or indirectly owned or controlled by LG Electronics Inc. (“**LG Electronics**”), or (ii) directly or indirectly owns or controls LG Electronics.*

### Overview

We are the market leader in India in major home appliances and consumer electronics (excluding mobile phones) in terms of volume for the six-month period ending June 30, 2024, as per the Redseer Report. Additionally, we have been the number one player in this industry for 13 consecutive years (CY2011 to CY2023) as per the value market share in the offline channel in India, as noted in the Redseer Report. We are also market leaders in India across multiple product categories including washing machines, refrigerators, panel televisions, inverter air conditioners, and microwaves, based on the value market share in the offline channel (which is approximately 80% of the major home appliances and consumer electronics market (excluding mobile phones) in India in terms of value in the same period) for the six-month period ending June 30, 2024, according to the Redseer Report. Our Company was incorporated in 1997 as a wholly owned subsidiary of LG Electronics, which is the leading single-brand global home appliances player in terms of market share by revenue in CY2023, according to the Redseer Report. We derive several benefits from our strong parentage including the “LG” brand which was listed on Interbrand’s Top 100 Best Global Brands in 2024. Our strong parentage, access to innovative technologies and commitment to quality, positions us as a trusted brand in India. “LG” was named as the Most Trusted Brand in India by Trust Research Advisory for four consecutive years (2020-2023).

We offered one of the widest product portfolios amongst leading home appliances and consumer electronics players (excluding mobile phones) in India as of June 30, 2024, according to the Redseer Report. We sell products to B2C and B2B consumers in India and outside India. We also offer installation services, and repairs and maintenance services for all our products. We operate our business across two segments as shown in the image below:



**Home Appliances and Air Solutions**

**Products Offered**  
**B2C:** Refrigerators, Washing Machines, Air Conditioners, Water Purifiers, Air Purifiers, Dishwashers, Microwave Ovens, Compressors & Motors  
**B2B:** System Air Conditioners

**Services Offered**

  
**Repairs & Maintenance / AMCs**

  
**Extended Warranty**

  
**Installation**

**Home Entertainment**

**Products Offered**  
**B2C:** Televisions and Audio Devices  
**B2B:** Information Technologies (Monitor & Projector) & Information Displays

**Services Offered**

  
**Repairs & Maintenance / AMCs**

  
**Extended Warranty**

  
**Installation**







*Note: AMCs refer to annual maintenance contracts.*








### Our Technological Leadership

Our 27 years of experience in India has enabled us to develop insights into consumers' preferences in India and understand the demands of Indian consumers. We address this demand by leveraging the global leadership of LG Electronics recognized as a pioneer of innovative technology according to the Redseer Report, to introduce new and innovative products for our consumers in India, and where necessary, tailor products to cater to Indian consumer preferences and local requirements. As a result, we were the first to introduce several global technologies among leading home appliances and consumer electronics players in India, according to the Redseer Report. For example, we were one of the first among leading players to introduce inverter air conditioners in India in 2014 and was the first and only player in India to move 100% to inverter technology in 2017, according to the Redseer Report. During the six-months ended June 30, 2024, approximately eight out of 10 air conditioners sold in India are based on the inverter technology, according to the Redseer Report. Further, in 2014, we were the first player amongst leading home appliances and consumer electronics players in India to transition from using plastic tanks in water purifiers to stainless steel tanks, according to the Redseer Report.

### Pan-India Distribution and Service Network

We operate the largest distribution network among leading home appliances and consumer electronics players in India as of June 30, 2024, according to the Redseer Report. Our distribution network spans across urban and rural India through 36,401 B2C touch points for the three months ended June 30, 2024. We are present across all distribution formats as shown in the image below:

### Distribution Footprint with Balanced Mix of Physical and Digital Channels

	LG BrandShops	Modern Trade Outlets	Multi-Brand Outlets	Regional Specialty Stores	Distributors & Sub-dealers	B2B	Online
<b>Overview</b>							
	Offline stores which sell LG products exclusively	Organized stores including supermarkets, hypermarkets & large-format stores	Traditional outlet stores that offer products from various brands	Traditional offline stores that focus on a narrow product line	Wholesale distributors who purchase products in bulk and resell in smaller quantities	Dedicated distributors and dealers	LG Website and 2 e-commerce marketplaces
<b>Number of B2C Touch Points / B2B Trade Partners <sup>(1)</sup></b>	<b>777</b>	<b>1,266</b>	<b>1,218</b>	<b>1,471</b>	<b>375 Distributors 31,291 Sub-dealers<sup>(2)</sup></b>	<b>472 B2B Trade Partners</b>	<b>3</b>

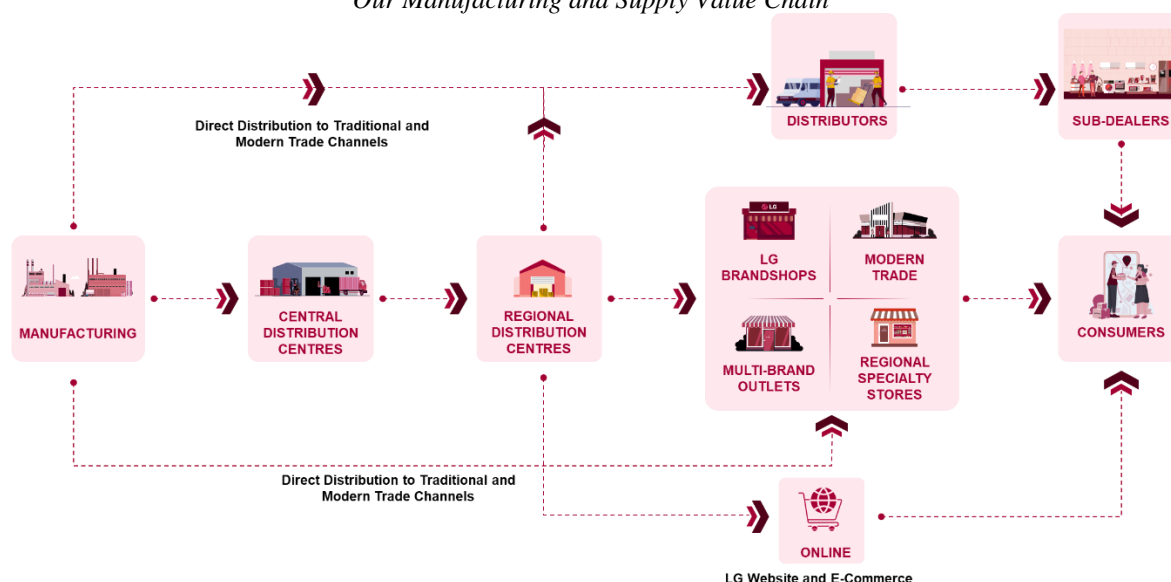
Notes:

1. During the three months ended June 30, 2024.
2. The count of sub-dealers varies period-on-period based on the sales made by distributors to sub-dealers in a given period. As a result, and to facilitate comparability, the count of sub-dealers has been provided for the period from July 1, 2023 to June 30, 2024.

To promote our products, we run promotion campaigns and have deployed sales promoters across our distribution channels to actively engage with consumers and highlight the technical features of our products. We service consumers through a dedicated team of 282 employees as of June 30, 2024, and 472 B2B trade partners in the three months ended June 30, 2024, which enables us to effectively address the demands of B2B consumers. This extensive pan-India presence enables us to offer our services to a wide consumer base which in turn helps us maintain our market share. Our distribution strategy is based on building strong relationships with our trade partners who purchase our products and sell to end consumers. For example, as of June 30, 2024, 48.47% of our trade partners have been distributing our products for over 10 years.

Complementing their distribution network, we operate one of the largest after-sales service networks in terms of number of after-sales service center touchpoints among leading home appliances and consumer electronics players in India as of June 30, 2024, according to the Redseer Report. We provide installation and repairs/maintenance services through 949 service centers across urban and rural India, supported by 12,590 engineers and four call centers, as of June 30, 2024. We also offer same-day installations.

*Our Manufacturing and Supply Value Chain*

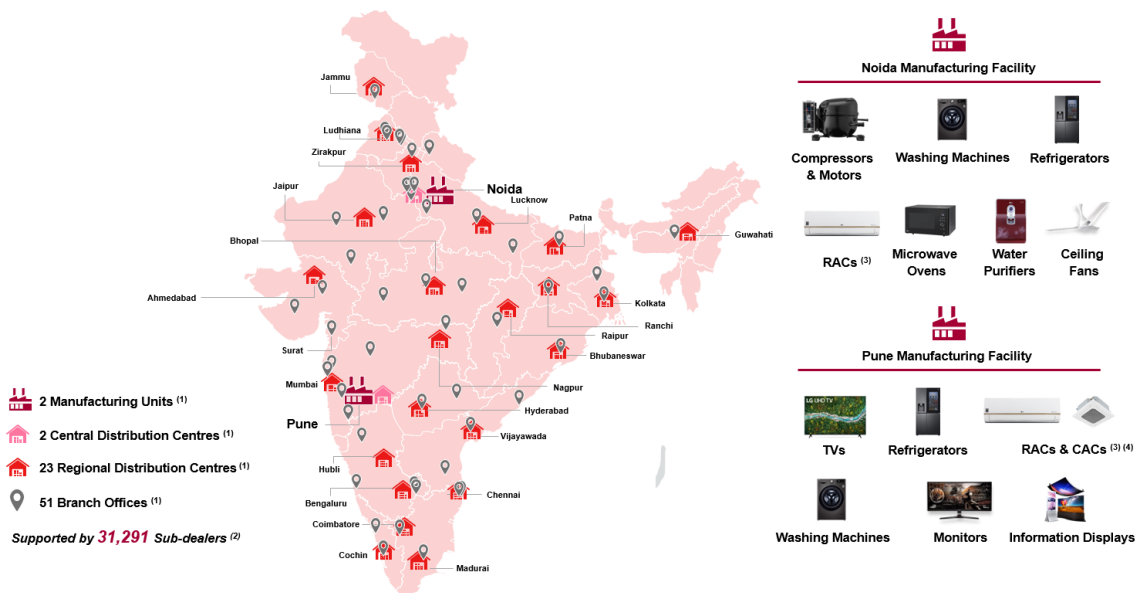


We had one of the largest in-house production capacity (excluding mobile phones) amongst leading home appliances and consumer electronics players in India as of June 30, 2024, according to the Redseer Report. We have two advanced manufacturing units located in Noida (the “**Noida Manufacturing Unit**”) and Pune (the “**Pune Manufacturing Unit**”). In Fiscal 2024, we had an installed capacity of 13,990,000 products at our Noida and Pune Manufacturing Units collectively. In addition to manufacturing products, we also manufacture several key components, such as compressors and motors, at our Noida Manufacturing Unit and Pune Manufacturing Unit, giving us greater control over the product development process, product quality, costs and supply and delivery time. Our manufacturing units are flexible and employ automation technologies. For example, our manufacturing units are equipped with assembly lines where different products can be manufactured on a single line which enables us to quickly meet consumer demands. We have also developed several in-house smart monitoring systems to lower incident rates. Our manufacturing units in Pune and Noida operated at an aggregate capacity utilization rate of 71.06% for Fiscal 2024 (on a double shift basis at the Noida Manufacturing Unit, except for the microwave ovens production line which operates on a single shift). As a testament to our commitment to India, we intend to construct a third manufacturing unit in Andhra Pradesh to expand our manufacturing capacity.

We have an extensive supplier network comprising 280 suppliers that have a relationship with us for an average of 11 years as of June 30, 2024. We are committed to the “Make in India” philosophy, whereby we manufacture our products domestically and to the extent available source a significant amount of our raw materials from domestic suppliers. We intend to increase the percentage of raw materials sourced from domestic suppliers, which was 45.08% in Fiscal 2022, 50.48% in Fiscal 2023, 48.82% in Fiscal 2024, and was 58.29% in the three months ended June 30, 2024. These localization efforts enable us to procure raw materials on short notice to meet consumer demands and lower our inventory and related costs, allowing us to competitively price our products.

To facilitate storage and movement of products to and from our manufacturing units, we have a pan-India supply chain network of 25 product warehouses, comprising two central distribution centers (“CDCs”) and 23 regional distribution centers (“RDCs”) as of June 30, 2024. Our CDC and RDC network help with inventory management and enables us to deliver products from the closest CDC or RDC, thereby shortening delivery times to our trade partners and our consumers. In Fiscal 2024, deliveries to our trade partners’ warehouses were generally made within six to seven days. Further, we also arrange for direct deliveries to our trade partners, which reduces our dependency on third parties, reduces delivery-lead times and optimizes our costs.

### Manufacturing and Pan-India Distribution Presence



1. Data as of June 30, 2024.
2. The count of sub-dealers varies period-on-period based on the sales made by distributors to sub-dealers in a given period. As a result, and to facilitate comparability, the count of sub-dealers has been provided for the period from July 1, 2023 to June 30, 2024.
3. RACs refer to residential air conditioners.
4. CACs refer to commercial air conditioning systems.

### Commitment to Environment, Social Initiatives and Corporate Governance Standards

According to the Redseer Report, our products listed on leading e-commerce marketplaces were the most energy efficient (in terms of percentage of product lines rated 5-star by BEE) in the room air conditioners category among leading home appliances and consumer electronics players as of November 13, 2024. Our approach to diversity and inclusion is also captured in the type of products we manufacture. For example, we recently introduced braille remotes for our air conditioners, facilitating the use of our products by visually impaired consumers.

In line with our brand philosophy of “Life’s Good When We Do Good”, we have a CSR program focused on nutrition and providing greater access to healthcare and education in India. Our aim is to create long-lasting value for our trade partners, consumers, employees and communities. We are committed towards contributing positively to the society while driving business growth. For more details, see “ – **Environment, Social and Governance** ” on page 187.

### Our Global Parentage and Management

LG Electronics is a leading single-brand global home appliances player in terms of market share by revenue in CY2023, according to the Redseer Report, that is committed to providing quality products and consumer experiences. We derive significant benefits from the LG Electronics parentage including in technology and product development, manufacturing, quality control and brand marketing.

Our operation in India is further supported by a strong management team. As of June 30, 2024, Sanjay Chitkara, our Chief Sales Officer, has been associated with us for over 25 years; Ashish Agrawal, our Chief Operating Officer, has been associated with us for over 25 years; Atul Khanna, our Chief Accounting Officer, has been associated with us for 21 years; and Gagan Jeet Singh, our Chief Manufacturing Officer, has 27 years of experience with us and in the industry. Our management model combines the global corporate governance standards of LG Electronics with our local industry expertise.

At the core of all our efforts is our commitment to act with fairness, transparency, and integrity. As a testament to our efforts towards building an institution that all our employees can be proud to be a part of, we have also been awarded the “Great Place to Work” certification for the period of one year from October 2024 to October 2025.

### Robust financial performance

The following table demonstrates our market leadership for the periods indicated:

Leadership in India				Fully Integrated Value Chain			Profitable Growth at Scale		
<b>Only Player with Market Leadership Across Categories<sup>1</sup></b>				<b>Manufacturing and Robust Supply Chain<sup>4</sup></b>			<b>Market Leader In India in Major Home Appliances and Consumer Electronics<sup>1</sup></b>		
33.5% Market Share <sup>2</sup> #1 in Washing Machines	28.7% Market Share <sup>2</sup> #1 in Refrigerators	25.8% Market Share <sup>2</sup> #1 in Panel Televisions	19.4% Market Share <sup>2</sup> #1 in Inverter Air Conditioners	19 Production Lines Across Noida and Pune Manufacturing Units	23 RDCs Located Pan-India for Efficient Distribution	280 Suppliers Diversified Supplier Network	₹213.52 Billion Revenue <sup>5</sup> FY2024	12.18% Revenue Growth FY2022-24 CAGR	
<b>Comprehensive Portfolio</b>		<b>Localized Innovation</b>		<b>Comprehensive Market Coverage<sup>4</sup></b>			<b>High Profitability</b>		
Broader Range of Product Offerings Than Most Leading Players <sup>1</sup>		Track Record of Introducing Several Industry-Firsts in India <sup>1</sup>		777 LG BrandShops	1,218 Multi-Brand Outlets	1,471 Regional Specialty Stores	31,291 <sup>9</sup> Sub-Dealers	10.42% EBITDA Margin <sup>6</sup>	7.01% Net Profit Margin <sup>6</sup>
<b>Strong Brand Equity</b>				<b>Quality Customer Support at Each Touch Point<sup>4</sup></b>			<b>Capital Efficient</b>	<b>Strong Cash Flow Generation</b>	
Most Trusted Brand (2020 – 2023) <sup>3</sup> Awarded Across Multiple Product Categories				949 Service Centers	9,597 LG Sales Promoters	12,590 Certified Engineers	45.31% ROCE <sup>7</sup> FY2024	₹16.7 Billion Net Operating Cash Flow <sup>8</sup> FY2024	

#### Notes:

1. As reported in the Redseer Report; 2. Refers to value market share in the offline channel in the 6-month period ending June 30, 2024 as reported in the Redseer Report; 3. Based on Trust Research Advisory survey; 4. Comprehensive Market Coverage is for the three months period June 30, 2024 and Quality Customer Support at Each Touch Point is as of June 30, 2024; 5. Refers to revenue from operations derived from the Restated Financial Information; 6. EBITDA Margin and Net Profit Margin are for Fiscal 2024, EBITDA Margin is calculated as EBITDA as a percentage of revenue from operations (including continuing and discontinued operations), and derived from the Restated Financial Information, Net profit Margin is calculated as profit for the period/year as a percentage of total income, and derived from the Restated Financial Information; 7. Return on Capital Employed is defined as EBIT as a percentage of Capital Employed, and derived from the Restated Financial Information. Capital Employed is calculated as total equity (excluding amalgamation reserve) plus lease liabilities. EBIT is calculated as profit before tax plus finance costs minus other income; 8. Refers to Net cash inflow from operating activities derived from the Restated Financial Information; 9. The count of sub-dealers varies period-on-period based on the sales made by distributors to sub-dealers in a given period. As a result, and to facilitate comparability, the count of sub-dealers has been provided for the period from July 1, 2023 to June 30, 2024.

### Summary Financial Information

Metric	Unit	As of and for three Months Ended June 30,		As of and for the Fiscal	
		2024	2024	2023	2022
Revenue from operations* .....	₹ million	64,087.97	213,520.00	198,682.39	169,657.25
Revenue growth (year-on-year) .....	%	-	7.47%	17.11%	-
Revenue from Home Appliances and Air Solution division .....	₹ million	50,609.38	156,797.49	150,306.78	124,182.26
Revenue from Home Appliances and Air Solution division as a percentage of revenue from operations.....	%	78.97%	73.43%	75.65%	73.20%
Revenue from Home Entertainment division.....	₹ million	13,478.59	56,722.51	48,339.15	44,159.87
Revenue from Home Entertainment division as a percentage of revenue from operations .....	%	21.03%	26.57%	24.33%	26.03%
EBITDA <sup>(1)(6)</sup> .....	₹ million	9,580.66	22,248.73	18,951.15	16,650.12
EBITDA Margin <sup>(2)(6)</sup> .....	%	14.95%	10.42%	9.54%	9.81%
Profit for the period .....	₹ million	6,796.46	15,110.68	13,449.30	11,747.33
Net Profit Margin <sup>(3)(6)</sup> .....	%	10.51%	7.01%	6.69%	6.84%
Return on Capital Employed <sup>(4)(6)</sup> .....	%	18.04%	45.31%	34.38%	24.44%
Return on Net Worth <sup>(5)(6)</sup> .....	%	15.39%	40.45%	31.13%	21.50%

Notes:

1. EBITDA is calculated as profit for the period / year plus total tax expense plus finance costs plus depreciation and amortization minus other income
2. EBITDA Margin is calculated as EBITDA as a percentage of revenue from operations (including continuing and discontinued operations).
3. Net Profit/(Loss) Margin is defined as profit for the period/year as a percentage of total income.
4. Return on Capital Employed is defined as EBIT as a percentage of Capital Employed. Capital Employed is calculated as total equity (excluding amalgamation reserve) plus lease liabilities. EBIT is calculated as profit before tax plus finance costs minus other income
5. Return on Net Worth is calculated as profit for the period / year as a percentage of equity attributable to equity holders of the parent. Equity attributable to equity holders of the parent is defined as equity share capital (excluding amalgamation reserve) plus other equity.
6. EBITDA, EBITDA Margin, Return on Capital Employed and Return on Net Worth are non-GAAP measures. For the reconciliation to GAAP measures, see “**Management’s Discussion and Analysis of our Results of Operations – Non-GAAP Measures**” on page 332.

\* includes revenue from continuing and discontinued operations

## Our Key Operating Metrics

Metric	Unit	Three Months Ended June 30,		Fiscal	
		2024	2024	2023	2022
Number of LG BrandShops <sup>(1)</sup> .....	#	777	780	814	809
Number of B2C touch points <sup>(2)</sup> .....	#	36,401	35,833	34,874	32,199

Notes:

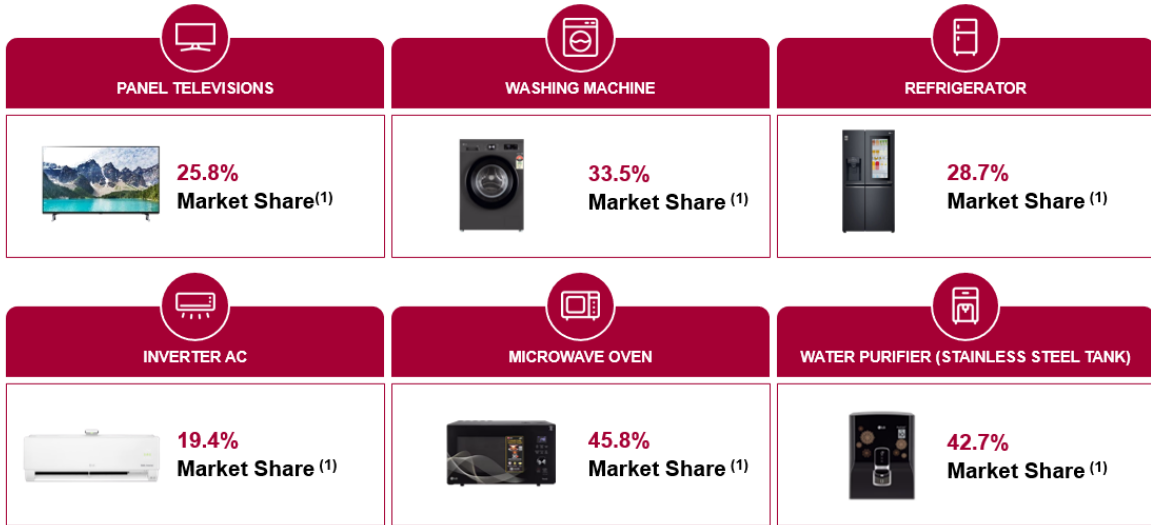
1. LG BrandShops refers to retail stores that sell exclusively LG products and are operated by third parties under a franchise model. For more details, see “- **Distribution Channels**” on page 183.
2. B2C touch points comprise LG BrandShops, modern trade stores, online touch points, traditional stores, distributors and sub-dealers. The count of sub-dealers varies period-on-period based on the sales made by distributors to sub-dealers in a given period. As a result, and to facilitate comparability, the count of sub-dealers has been provided for the period from July 1, 2023 to June 30, 2024.

## Our Competitive Strengths

**Leading market share in the home appliances and consumer electronics industry in India with #1 market share across key product categories.**

We have been the number one player in this industry for 13 consecutive years (CY2011 to CY2023) as per the value market share in the offline channel in India, as noted in the Redseer Report. We are also market leaders in India across multiple product categories including washing machines, refrigerators, panel televisions, inverter air conditioners, and microwaves, based on the value market share in the offline channel (which is approximately 80% of the major home appliances and consumer electronics market (excluding mobile phones) in India in terms of value in the same period) for the six-month period ending June 30, 2024, according to the Redseer Report. Our market leadership also extends across the volume and premium segments across washing machines, panel televisions, and microwaves in India as per the value market share in the offline channel for the six-month period ending June 30, 2024, as noted in the Redseer Report. Our market leadership reflects our understanding of the Indian consumers and our ability to deliver products that meet their evolving needs.

## Our Market Share by Product Category



(Source: As reported in the Redseer Report).

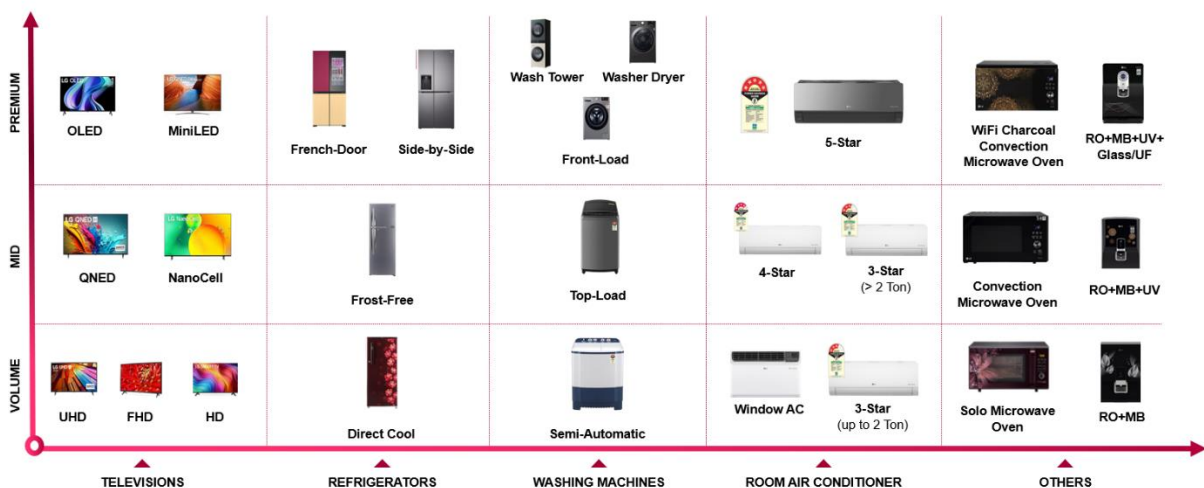
Note:

1. Refers to value market share in the offline channel in the 6-month period ending June 30, 2024

We have a broader range of product offerings than most other leading home appliances and consumer electronics players in several product categories, according to the Redseer Report. For example, our range of televisions spans across Organic Light-emitting Diode (“**OLED**”), Quantum Nano-Emitting Diode (“**QNED**”), NanoCell (technology that uses nanoparticles to display rich images), Ultra High Definition (“**UHD**”), and Light Emitting Diode (“**LED**”) models, while other leading players only offer fewer types/categories on average, according to the Redseer Report. Our extensive product portfolio, strong brand and quality service, built over 27 years of operations in India, positions us well to capture demand from consumers seeking to make new or replacement purchases of appliances.

We are committed to delivering consumer-centric innovations across product categories and price points, spanning a broad consumer base from volume market purchasers who value affordability, durability and quality, to premium purchasers who value aesthetics, multiple features and luxurious appliances. We maintain a balanced product strategy whereby we offer technologically advanced features in the premium segment and introduce product variants which cater to the needs of the volume segments in the mass market.

## Our B2C Product Range Across Price Points



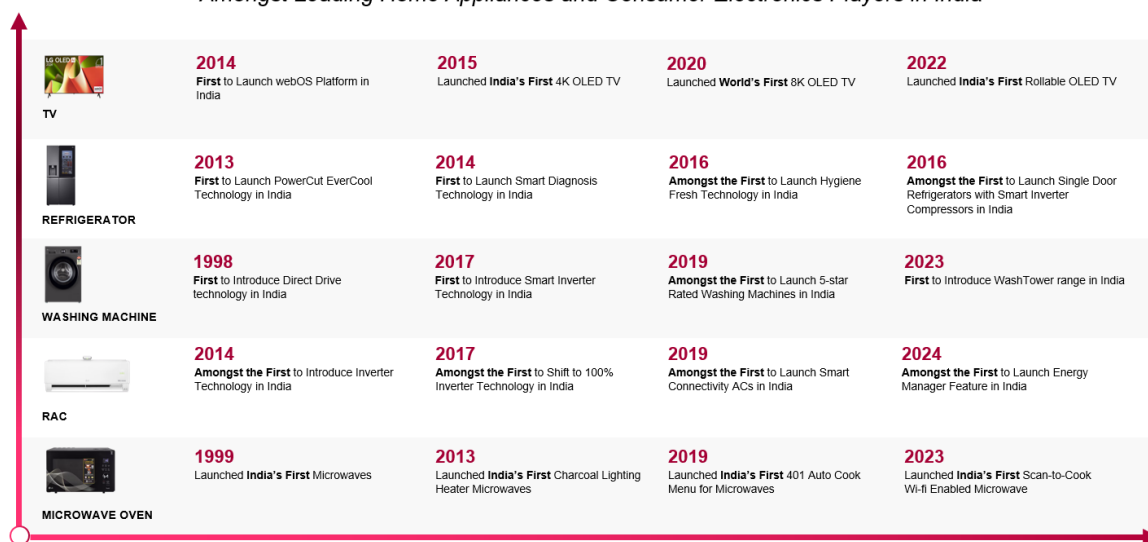
Notes: According to Redseer Report, volume and premium refrigerators include direct-cool models and side-by-side models respectively; volume and premium washing machines include semi-automatic and fully-automatic front-load (FAFL) models respectively; premium and volume inverter air conditioners include 5-star models and window models respectively; volume and premium microwaves include solo models and convection models respectively; volume and premium televisions include Smart televisions and OLED models respectively.

**Introducing innovative technologies tailored to the needs of the Indian consumers.**

Our 27 years of experience in India has enabled us to develop insights into consumers’ preferences in India and

understand the demands of Indian consumers. We address this demand by leveraging the global leadership of LG Electronics recognized as a pioneer of innovative technology according to the Redseer Report, to introduce new and innovative products for our consumers in India, and where necessary, customize some of these products to cater to Indian consumer preferences and local requirements. As a result, we have introduced many industry-first technologies in the home appliances and consumer electronics industry in India, according to the Redseer Report. For example, we were the first leading home appliances and consumer electronics player to introduce OLED televisions in India in 2015 and were amongst the first players to launch 4K televisions and Smart televisions in 2011, according to the Redseer Report. Sales of OLED televisions grew from 1% of the televisions sold in India in CY2018 to 5% in the six-month period ending June 30, 2024 and we had a value market share of 58% in the offline channel for the same period as we were the first movers in OLED televisions in India, as noted in the Redseer Report. In the six-month period ending June 30, 2024, more than 80% of televisions sold had 4K picture quality and more than 90% of all televisions sold in were Smart televisions, and we had a value market share of approximately 29% and 26% in 4K televisions and Smart televisions, respectively in the offline channel in the same period, as noted in the Redseer Report. In 2017, we announced our transition to 100% inverter technology for air conditioners. We were also the first amongst leading home appliances and consumer electronics players in India to introduce microwaves in 1999, according to the Redseer Report. The image below provides a more detailed overview of our industry-first products in India:

### Demonstrated Track Record of Introducing Several ‘Industry-Firsts’ Amongst Leading Home Appliances and Consumer Electronics Players in India



(Source: Redseer Report; Launch years are based on Company data)

Leveraging our strong consumer brand and extensive product range, we expanded our presence into the B2B market across three verticals – information technologies (covering monitors including medical monitors), information display (covering signage, interactive display boards, LED boards), and commercial air conditioning systems. We lead multiple technological innovations for B2B products in India including being the first to introduce transparent OLED based information display solutions in 2020 and OLED gaming monitors in 2022, according to the Redseer Report.

We leverage our deep consumer insights, derived from our long operating history and direct consumer feedback from our distribution and service networks to tailor our products for the Indian consumers. For example, we introduced washer dryers which solve issues of high humidity during monsoons that prevent clothes from drying, pollution and hygiene concerns related to outdoor drying and the time-consuming drying process. We tailored microwave ovens in India to have pre-built buttons for heating/cooking Indian dishes, such as the Indian Roti basket and ghee maker, and included charcoal options to generate smoky flavors. We installed rat-mats in our washing machines to prevent rodent-related damages. To cater our product designs to Indian tastes, we offer floral pattern options for our single-door refrigerators, and offer regal finishes for our some of our products.

#### *Shaping consumer experience with pan-India distribution and after-sales service network.*

We operate the largest distribution network among leading home appliances and consumer electronics players in India as of June 30, 2024, according to the Redseer Report. We have an expansive sales network through 36,401 B2C touch points (comprising LG BrandShops that are strategically located in main shopping areas of the cities and towns, modern trade stores such as Reliance Retail, Croma (Infiniti Retail) and Vijay Sales, online touch

points, traditional stores, distributors and sub-dealers), for the three months ended June 30, 2024. We also engage with consumers online through our website and e-commerce marketplaces, and our modern trade partners engage with consumers through their own e-commerce platforms. Our extensive offline presence, combined with our growing digital footprint, offer our consumers the opportunity to browse and purchase our products online and interact with our products in-person and receive personalized consumer services in store. This infrastructure also enables us to cater to regional consumer preferences and tailor our sales approach to a diverse audience, including the premium and volume segments, while maintaining a consistent brand experience throughout the consumer shopping journey. For example, we increase the supply of hot/cold air conditioners to North India during winters and air conditioners across all regions in India during summers. Sales promoters deployed at our LG BrandShops and multi-brand outlets, modern trade outlets and regional specialty stores, as of June 30, 2024, are trained by us and help ensure a consistent consumer experience and improve cross-selling of products. LG BrandShops are 1.7 times the exclusive brand outlet network, and distributor base is 1.1 times, that of the next largest leading home appliance and consumer electronics player as of June 30, 2024, according to the Redseer Report.

We have established long-standing relationships with our trade partners. For example, as of June 30, 2024, 48.47% of our trade partners have been distributing our products for over 10 years. We operate a large network of 97 sales offices that are strategically situated in semi-urban and rural areas, as of June 30, 2024, to coordinate sales and effectively meet the requirements of our trade partners. We service our B2B consumers through a dedicated team of employees and B2B trade partners that have expertise across industries, which enables us to effectively address the demands of our B2B consumers.

We operate one of the largest after-sales service networks in terms of number of after-sales service center touchpoints among leading home appliances and consumer electronics players in India as of June 30, 2024, according to the Redseer Report. Our after-sales service infrastructure helps us in providing high-quality consumer experiences. Our after-sales service network comprised 949 authorized service centers as of June 30, 2024, through which we offer same-day installations and repairs/maintenance services. Our service centers are supported by 12,590 engineers and four consumer call centers, as of June 30, 2024. This enables us to offer consumers timely and professional support for installations, maintenance, and repairs.

We also export our products to 54 countries across Asia, Africa and Europe, for the three months ended June 30, 2024, which provides us the optionality to sell products to targeted geographies, serving consumer demand beyond India. For further details, see “*Distribution Channels—Exports*” on page 184.

#### ***Operational efficiency through strong manufacturing capabilities and localized supply chain.***

We had one of the largest in-house production capacity (excluding mobile phones) amongst leading home appliances and consumer electronics players in India as of June 30, 2024, according to the Redseer Report. We have two manufacturing units located in Noida and Pune which in aggregate accounted for 84.18%, 85.73%, 85.28% and 84.17% of our overall sales in the three months ended June 30, 2024, and Fiscals 2024, 2023 and 2022, respectively. The remaining sales volume constitute products that are manufactured by third-parties based on specifications and blueprints provided by us, and sold as is without modifications or imported from other members of the LG Group. We manufacture key components of our products at our Noida Manufacturing Unit and Pune Manufacturing Unit, which gives us greater control over the product development process, product quality, costs and supply and delivery time.

Our manufacturing units are flexible and employ automation technologies, enabling us to efficiently produce a wide range of products at scale and adjust our production levels based on projected demand. For example, we can produce single and double-door refrigerators, and water purifiers and air conditions on a single production line. Similarly, we can produce televisions, monitors, signages of various sizes on a single production line. This enables us to increase production when demand increases and also manage efficiency. We have implemented and continue to implement several automation initiatives to improve our operating efficiency and increase production capacity, such as smart monitoring systems for quality control, machinery health and safety measures; auto-guided vehicles for part feeding and logistics; robotic systems; and automated material handling equipment such as tow carts and overhead conveyors. Our manufacturing units have 77 auto-guided vehicles which help us increase our unmanned processes. These initiatives help us increase efficiencies and increase production capacity. For example, through automation, we have increased capacity utilization rate of our air conditioners, washing machines and microwave oven lines to at least 78.72% in Fiscal 2024 (on a double shift basis at the Noida Manufacturing Unit, except for the microwave ovens production line which operates on a single shift). This in turn resulted an increase in productivity per hour per unit (that is the number of products produced per hour) by 29% in the case of air conditioners and 13% in the case of washing machines from Fiscals 2022 to 2024.



We have an extensive supplier network comprising 280 suppliers that have a relationship with us for an average of 11 years as of June 30, 2024. We are committed to manufacturing and sourcing our supplies locally. In order to support the local industry and ensure compliance with Indian manufacturing industry standards, we have implemented a phased approach to localization, gradually increasing the share of locally sourced components. This helps streamline our cost structures, including reducing our exposure to exchange rate fluctuations and reducing transportation and inventory costs, import duties, lead times and inventory levels, which in turn enables us to offer Indian consumers more competitively priced products. We intend to increase the percentage of raw materials sourced from domestic suppliers, which rose from 45.08% in Fiscal 2022 to 50.48% in Fiscal 2023 and 48.82% in Fiscal 2024, and was 58.29% in the three months ended June 30, 2024. We also focus on supplier quality and perform detailed due diligence before onboarding them, mainly focusing on the quality of their production processes, stability of potential supply, technological capabilities and sustainability considerations. We provide detailed specifications for material procurement and design blueprints to our suppliers to help control the quality of the raw material they supply to us. We have developed significant supply chain advantages through supplier stickiness, with 61.07% of our third-party raw material suppliers having been associated with us for the last 10 years.

In addition, we have implemented smart practices to track our manufacturing output and enhance our operational efficiency. For example, we have processes to comprehensively track the condition of our manufacturing equipment in real-time. This combination of advanced automation, strict quality management and efficiency enables us to adapt to market demands while maintaining consistent product performance and manufacturing costs.

We operate a supply chain network which includes two CDCs and 23 RDCs located across India as of June 30, 2024. Our Warehouse Management System (“WMS”) and Transport Management System (“TMS”) provide real-time updates on deliveries and optimized transport routes. See “-*Distribution and Transportation*” on page 185.

***Parentage of LG Electronics, which is the leading single-brand global home appliances player in terms of market share by revenue in CY 2023 and strong LG brand.***

LG Electronics is a leading single-brand global home appliances player in terms of market share by revenue in CY2023, according to the Redseer Report, that is committed to providing quality products and consumer experiences. In India, we have leveraged the “LG” brand image and associated consumer loyalty to maintain our market leadership. The “LG” brand is a symbol of reliability for Indian consumers, as evidenced in us being recognized by Trust Research Advisory as the “Most Trusted Brand for Refrigerators, Washing Machines, Air Conditioners & Televisions” for four consecutive years from 2020 to 2023, and the “Most Attractive Brand” in 2020 by The Economic Times Brand Equity. Our social media presence also enables us to reach a wider audience to promote new product launches. Our social media channels had over six million followers as of June 30, 2024.

In addition, as part of the LG Electronics ecosystem, we leverage their product innovations to design and introduce new variants of our products within a short period of time. Through the LG Electronics ecosystem, we also have access to global manufacturing and automation best practices and operating insights, which we draw on and use to enhance our own operation processes and systems. LG Electronics’ commitment to sustainability is reflected in our own business and the products that we have been introducing in India. We are committed to increase the use of recyclable materials for our product portfolio. See “- *Environment, Social and Governance*” on page 187.

***Capital efficient business with high growth and profitability.***

We have built a business with strong profitability and return compared to our peers, which is a testament to our business model. We place an emphasis on capital efficiency which is reflected in Return on Capital Employed of 45.31% in Fiscal 2024, the highest amongst leading home appliances and consumer electronics players with an average of approximately 17%, according to the Redseer Report. We also had a net working capital cycle of approximately 15 days in Fiscal 2024, as compared to the average of approximately 25 days among leading home appliances and consumer electronics players, according to the Redseer Report. Our free cash flow conversion ratio, that is defined as free cash flow divided by EBITDA, was approximately 59.5% in Fiscal 2024 compared to an average of approximately 58.6% among leading home appliances and consumer electronics players, according to the Redseer Report. We had one of the best-in-class profitability, delivering EBITDA Margin and Net Profit Margin of 10.42% and 7.01%, as compared to an average of less than 7% and 4.5% respectively across leading home appliances and consumer electronics players, in Fiscal 2024, according to the Redseer Report.

## Our Growth Strategies



### ***Build a strong foundation to capture long-term growth in India.***

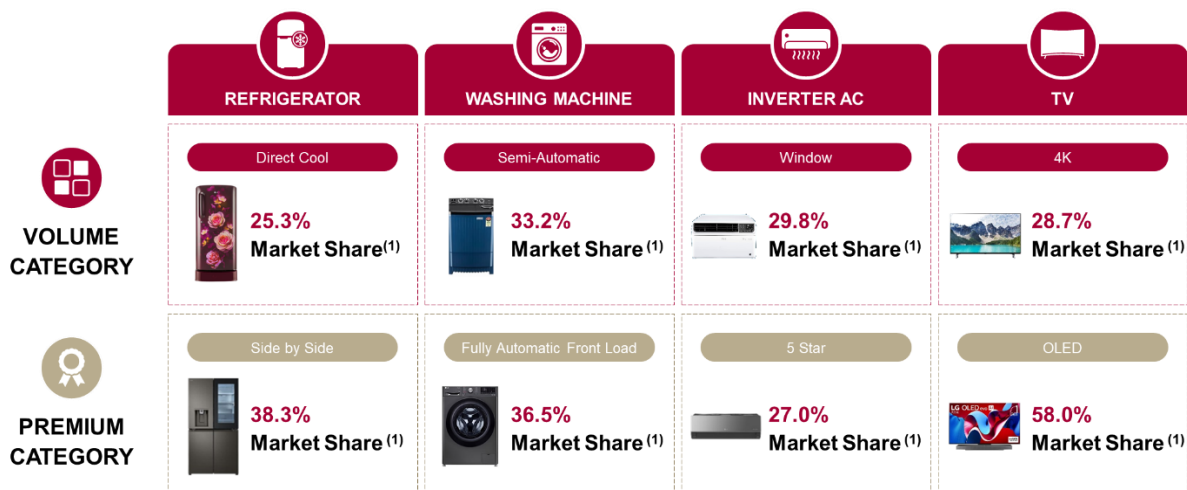
With a growing middle-class population, an increase in preference for premium products and rapid urbanization and infrastructure development, there is an increase in demand for high-quality and technologically enabled consumer and electronics products in India, according to the Redseer Report. Demand for home appliances and consumer electronics is expected to grow from approximately ₹6,360 billion in the six months ended June 30, 2024 (annualized) to approximately ₹10,060 billion in CY2028, according to the Redseer Report. We believe that our leading market standing, pan-India network, strong brand and high-quality products, positions us well to continue tapping these opportunities. We expect to benefit from an expansion in the target addressable market as penetration improves, as has been witnessed in the case of several emerging economies, according to the Redseer Report.

As a testament to our commitment to India and to continue addressing growing consumer demand, we intend to construct a third manufacturing unit in Andhra Pradesh to expand our manufacturing capacity to address the potential growth in demand for products. We also intend to enhance our existing manufacturing capabilities by implementing additional automation technologies. Specifically, we intend to improve line capacity by reducing production loss, upgrading machines with machine cycle signal chart improvements, and altering product structures to enable ease of manufacturing. In addition, we intend to further strengthen our supply chain to bring higher efficiency and optimization. For that, we intend to increase locally sourced raw materials.

We intend to continue enhancing consumer's shopping experience of LG products. For that, we plan to deepen our reach across India by tailoring a distribution strategy for each region to make relevant products accessible to a broader audience. This includes expanding our B2C distribution network to reach more towns in India, increasing the B2C touch points that exclusively distribute LG products across LG BrandShops and traditional channels and expand our B2B products across new industry verticals. We believe this will reinforce our brand presence and serve as a useful source of consumer feedback. We also intend to seek opportunities to grow and deepen the presence of LG BrandShops across India and strengthen our own direct to consumers channel operated through our website, as these channels are directly controlled by us, and offer better margins and serve as venues for enhancing brand awareness. Further, we intend to increase direct deliveries from CDCs to our trade partners, which reduces our dependency on third parties, reduces delivery-lead times and optimizes our costs. In addition, we plan to expand our online distribution presence to new commerce platforms, such as quick commerce, through partnerships.

### ***Continue to be a brand of choice for every Indian household across volume and premium market categories.***

Our goal is for every Indian household to own a LG product. We also aim at delivering products that meet core needs of Indian consumers across various price points and build strong brand loyalty through enhanced services experience. We also focus on ensuring our products are durable, reliable, easy-to-use and cater to the region-specific needs of Indian consumers to drive consumer demand. We plan to continue leveraging our scale in the Indian home appliances and consumer electronics industry and our deep consumer insights to introduce products in new product categories. For example, we entered the water purifier category in 2013 and introduced several new features such as reverse osmosis technology with mineral booster filters to enhance the taste and health benefits of water dispensed from our water purifiers. We plan to enter emerging categories such as built-in-kitchens.



(Source: As reported in the Redseer Report); Data for CY2023

Note:

1. Refers to value market share in the offline channel in the 6-month period ended June 30, 2024

For the volume market, we are dedicated to a strategy whereby we seek to provide a mix of products that are accessible, affordable, and designed for Indian consumers, including expanding our product portfolio to cover price points where we do not currently have offerings. For example, although the market share of window air conditioners has declined in India in the last five years, according to the Redseer Report, we continue to offer these models in North India given local demand for these affordable air-cooling solutions. Rapid technological innovation also enables us to provide advanced features in increasingly affordable models. For example, prior to 2021, our smart television features, such as artificial intelligence (“AI”) integration, were only available in models priced greater than ₹100,000, but since 2022, we offer such smart television features in models with prices starting at ₹50,000.

Our strategy in the premium category is critical to maintaining our competitive edge and our appeal to aspirational Indian consumers across regions. With an expanding urban, young, and affluent consumer base, there is increasing awareness and preference for value-added features, digital connectivity, and aesthetics, in addition to price and quality considerations, according to the Redseer Report. Further, according to the Redseer Report, consumer discretionary spending in India increased at a CAGR of approximately 7% from CY2018 to CY2023, and the average selling price and product volumes have increased for major consumer appliances owing to a higher propensity to opt for more premium and aspirational products. We plan to capitalize on this trend and introduce products that serve evolving consumer needs and preferences, with the aim that every Indian household will own an LG product.

In the premium market, we are focused on introducing in India products equipped with new technologies backed by AI, and have luxurious, sleek and modern designs, that are popular in developed markets. We strive to upgrade our products by incorporating consumer feedback and responding to consumer demand. We are committed to incorporating advanced technological features backed by AI and the LG ThinQ technology for smart home integration in our products to enhance our consumer experience. The Wi-fi and mobile connectivity features in our products enable consumers to control their appliances remotely through their mobile phones. According to the Redseer Report, we were amongst the first leading home appliances and consumer electronics players to introduce the Energy Manager feature in air conditioners in India which allows users to monitor the energy consumption of their products through the LG ThinQ app. As we expand our premium offerings, our consumers will have access to more product choices and have the option to upgrade to more feature-rich models within our product range.

Through targeted marketing and offering a wide products and services portfolio, our aim is to increase the number of LG products in a given household and drive consumers to upgrade their home appliances and consumer electronics products with our premium products.

***Diversify business model to create new consumer value.***

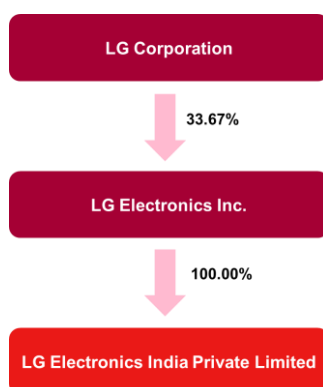
We intend to deepen our B2B business and introduce additional revenue streams. Valued at approximately ₹510 billion in the six months ended September 30, 2024 (annualized), the B2B market is projected to grow at a CAGR of approximately 14% from CY2023 to CY2028, reaching ₹900 billion by CY2028, according to the Redseer Report. Our aim is to leverage global technology of LG Group to expand product portfolio and meet the

specialized needs of high-value industries and expand into new industry such as hospitality. For example, according to the Redseer Report, the demand for advanced heating, ventilation and air conditioning (“HVAC”) solutions is driven by the expansion of healthcare, education, and government facilities requiring sophisticated equipment, the growth of IoT and smart building initiatives fueling integrated and automated solutions, increased penetration into emerging commercial real estate and urban infrastructure, and a growing emphasis on sustainability and energy efficiency. We are expanding our portfolio to cover HVAC, commercial information displays, commercial washing machines, LED displays and electronic blackboards, to address the growing demand in the B2B market. Specifically, we are focused on B2B products that offer superior performance, have high energy efficiency, can be easily integrated with building management systems, and are compatible across multiple industry verticals.

In addition, we intend to continue strengthening our AMC offerings for our B2C and B2B consumers, with a focus on HVAC servicing for our B2B consumers. According to the Redseer Report, the AMC market in India is valued at ₹50 billion in the six months ended September 30, 2024 (annualized), with projections indicating a CAGR of approximate 14% from CY2023 to CY2028, and the market reaching approximately ₹95 billion by CY2028. As consumers increasingly prioritize the longevity and performance of their appliances, the demand for AMCs is on the rise, according to the Redseer Report. Further, we aim to offer quality and prompt one-stop services by expanding service network, improving service standards, deploying certified engineers and enhancing spare parts availability. We also plan to launch additional revenue streams such as subscription services that are long-term appliance rentals program. We test launched subscription services at select LG BrandShops in India in November 2024, targeting premium consumers. We plan to roll this out across our distribution network, which we believe will enable us to offer differentiated services, enhance consumer satisfaction and drive sales to consumers.

### Our Corporate Structure

We were incorporated in 1997 in India. The following chart shows the corporate structure of our Company as of June 30, 2024:



As of the date of this Draft Red Herring Prospectus, LG Electronics, our Promoter owns 100.00% of the Equity Share capital of our Company. LG Electronics is a pioneer of innovative technology globally, as per Redseer Report. It is also a manufacturer of high-technology components for industrial consumers. In CY2023, LG Electronics supported a global network of over 74,000 employees in 146 locations with headquarters and regional offices across North America, Latin America, Europe, Asia, the Middle East and Africa. In addition to five AI research labs, it operates 33 production facilities across 14 countries, comprising 19 facilities in Asia (including five facilities in Korea and two in India), seven facilities in North America, three facilities in the Middle East and Africa, three facilities in Europe and Commonwealth of Independent States, and one in South and Central America.

### Our Product Portfolio

Our activities are organized into two business segments – (i) Home Appliances and Air Solution; and (ii) Home Entertainment. The following table provides an overview of our revenue from continuing operations by segment and for major products for the periods indicated:

Particulars	Three months ended June 30, 2024		2024		Fiscal 2023		2022	
	₹ million	% of revenue from continuing operations	₹ million	% of revenue from continuing operations	₹ million	% of revenue from continuing operations	₹ million	% of revenue from continuing operations
Home Appliance and Air Solution .....	<b>50,609.38</b>	<b>78.97%</b>	<b>156,797.49</b>	<b>73.43%</b>	<b>150,306.78</b>	<b>75.67%</b>	<b>124,182.26</b>	<b>73.77%</b>
Refrigerators.....	21,606.86	33.71%	57,844.93	27.09%	58,055.68	29.23%	49,482.70	29.40%
Washing machines.....	11,768.56	18.36%	44,919.38	21.04%	42,208.36	21.25%	36,168.01	21.48%
Air conditioners.....	14,148.19	22.08%	42,901.58	20.09%	39,906.05	20.09%	28,591.79	16.98%
Others <sup>(1)</sup> .....	3,085.77	4.82%	11,131.60	5.21%	10,136.69	5.10%	9,939.76	5.91%
Home Entertainment.....	<b>13,478.59</b>	<b>21.03%</b>	<b>56,722.51</b>	<b>26.57%</b>	<b>48,339.15</b>	<b>24.33%</b>	<b>44,159.87</b>	<b>26.23%</b>
Televisions .....	10,455.89	16.31%	45,583.29	21.35%	39,320.27	19.79%	36,675.93	21.79%
Others <sup>(2)</sup> .....	3,022.70	4.72%	11,139.22	5.22%	9,018.88	4.54%	7,483.94	4.44%
<b>Total revenue from continuing operations .....</b>	<b>64,087.97</b>	<b>100.00%</b>	<b>213,520.00</b>	<b>100.00%</b>	<b>198,645.93</b>	<b>100.00%</b>	<b>168,342.13</b>	<b>100.00%</b>

(1) Others include water purifiers, air purifiers, dishwashers, microwave ovens, vacuum cleaners and compressors.

(2) Others include media display and audiovisual products, including monitors, interactive displays, and information systems, projectors, wireless speakers and earbuds.

Within our product portfolio, we manufacture televisions and monitors, refrigerators, washing machines, air conditions, microwave ovens, water purifiers, compressors and ceiling fans at our manufacturing units in Noida and Pune. With respect to entry-level refrigerators, washing machines, window air conditioners and small-size televisions that are manufactured on a stock-in-trade basis, we typically provide blueprints, specifications and key materials to third-party suppliers to manufacture the products for us in India. We import the remaining products, such as audio systems, vacuum cleaners, dish washers and air purifiers, from other members of the LG Group.

We have received several awards for our products, including the “Most Trusted Brand” awards for four consecutive years (2020 to 2023), “Best Performing 4K HDR TV” award for LG QNED 91 (65 inch) at the Digit Zero1 awards 2022, “Luxury TV of the year” award for the LG OLED G297 (245 cm) at the Exhibit Tech 20 awards 2023, and “Best Washing Machine Brand” Users’ Choice award at the NDTV Gadget 360 awards 2023. In 2023, we received the “India’s Most Desired Refrigerators Brand” and “India’s Most Trusted Refrigerators Brand” from Trust Research Advisory. Additionally, we were recognized as “India’s Most Trusted Microwave Brand” in both 2022 and 2024 by the same organization.

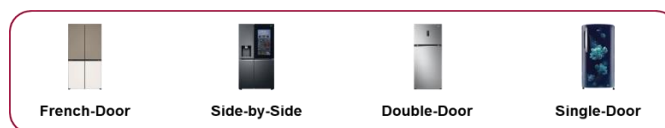
### Home Appliances and Air Solution

Under this segment, we sell a range of (i) home appliances such as refrigerators, washing machines, water purifiers, dishwashers and microwave ovens, and (ii) air solution such as air conditioners, air purifiers and compressors. We also provide installation and after-sale services for these products.



## Refrigerators

We launched our first refrigerator in 1997 which was a single door refrigerator. We have since expanded our portfolio of refrigerators to include (i) French door refrigerators; (ii) side by side refrigerators; (iii) double door refrigerators; and (iv) single door refrigerators. Under each type, we offer multiple variants and designs.



Based on consumer preferences, our refrigerators are available in multiple designs and capacities, and are equipped with technology enabled features such as (i) Door Cooling+ which includes an additional vent on the doors for cooling items kept in the door; (ii) Convertible that helps convert the freezer to a fridge, thus increasing the storage capacity of the refrigerator; and (iii) HygieneFresh+ which keeps food fresh for longer duration and has anti-bacterial deodorization air filters which remove bacteria and minimize bad odor in the refrigerator.

Our refrigerators are typically Bureau of Indian Standards (“**BIS**”), Bureau of Energy Efficiency (“**BEE**”) and Wireless Planning & Coordination (“**WPC**”) certified in India and have received certifications from relevant authorities in India.

We export refrigerators manufactured in India to a diverse range of markets in the Middle East, Asia, Africa and South America.

## Washing Machines and Dryers

We launched our first washing machine in 1997 which was a top load washing machine. We have since expanded our portfolio of washing machines to include (i) wash tower which is a fully integrated two-in-one smart connect machine that combines a separate washing machine and clothes dryer in unibody integration with automatic program sync in unique single body display, (ii) dryers, (iii) washer-dryers, (iv) front load and top load machines, and (v) semi-automatic washing machines. We cater to both residential and commercial consumers.



Our washing machines are equipped with features such as (i) 6 Motion Direct Drive technology that simulates six different wash motions that move the washing drum in different multiple directions to replicate the hand washing experience; (ii) AI Direct Drive intelligently analyzes fabric type, characteristics, fabric softness and load sensing, ensuring optimal washing performance. It also determines the optimal washing patterns based on machine learning data points using deep-data learning artificial intelligence technology; (iii) LG ThinQ that integrates washing machine into smart homes, allowing connectivity through Wi-Fi; (iv) LG Steam technology that aims to eliminate bacteria; (v) Wrinkle Care technology to provide wrinkle free and steam refresh laundry; (vi) Turbo Wash which provides for fast cleaning; and (vii) Toughened Glass exterior for durability.

Our washing machines are typically BEE, BIS and WPC certified and have received certifications from relevant authorities in India.

We export washing machines and dryers manufactured in India to Middle East and Africa.

## Air Conditioners

Currently, we manufacture and sell a wide range of residential and commercial air conditioners and air purifiers. We launched our first air conditioner in 1998. We currently offer two types of residential air conditioners (i) split air conditioner; and (ii) window air conditioners. Under each type, we offer multiple variants and designs.



For our B2B consumers, we offer commercial air-conditioning systems such as multi V cassette, ductable, multi-I home and chillers. These systems are used for large projects such as central cooling for residential complexes,

hotels, offices, educational institutions, airports, shopping malls, among others. We are focused on producing commercial air conditioners and chillers that are energy-efficient and sustainable.

Our air conditioners are equipped with features such as (i) AI convertibles which understands usage pattern and environment condition based on machine learning to offer customized cooling; (ii) ThinQ Wi-Fi smart platform to monitor and control air conditioners remotely; and (iii) Plasmaster Ionizer to purify the air. In addition, our new air conditioner models are equipped with energy manager, which enables users to fix and monitor its electricity bill through the ThinQ app and get regular notifications of excess use and maintenance. Driven by our focus on energy efficiency and green technology, we transitioned our air conditioner portfolio to inverter technology (which is an energy saving technology that eliminates wasted operation in air conditioners by efficiently controlling motor speed) in 2016.

Our air conditioners are typically BEE, BIS and WPC certified and have received certifications from relevant authorities in India.

We export air conditioners manufactured in India primarily to Sri Lanka and Nepal.

### ***Other Products***

We also sell other products under the Home Appliances and Air Solution division, such as water purifiers, dishwashers, microwave ovens, air purifiers and compressors. We offer multiple variants of these products and are technology-enabled to offer comfort to our consumers.

### **Home Entertainment**

We manufacture a range of media display and audiovisual products, including televisions, monitors, interactive displays, and information systems, and import products such as soundbars, audio systems, projectors, wireless speakers and earbuds, for sale in the domestic markets. The following paragraphs provide an overview of our major Home Entertainment products:



### ***Televisions***

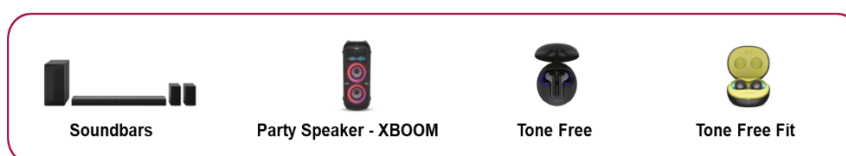


We launched our first television in 1997. Our television products generally range in size from miniature to large-screen, and some of our higher-end televisions are equipped with more advanced technologies, including OLED, QNED, NanoCell, UHD, and LED. We have introduced televisions in various forms, including rollable televisions, wallpaper televisions and gallery televisions, in order to create differentiated consumer experiences. In addition to our conventional television products, we offer various lifestyle television screen products for residential users that are equipped with mobile integration functions and touch abilities that allow the screens to be tailored to various viewing environments.

Our televisions are typically BEE, BIS and WPC certified.

### ***Other Products***

The Home Entertainment division also offers various types of home audio products, which mainly include sound bars, wireless and party speakers and wireless earbuds.



For our B2B consumers, we provide information technology systems such as monitors that are used across hospitals for surgical procedures, hotels, museums, airports, gaming, among others. We also provide information displays such as commercial televisions that are used in hotels; monitor signage that are used in banks, airports, railway stations, hotels, among others to display information; interactive display boards used in educational institutions, shopping malls and government offices to enable interactive displays; and LED screens used in offices, outdoor and indoor signages, and for home theatre systems, among others.

### Components

We manufacture several key components of our products at our Noida Manufacturing Unit and Pune Manufacturing Unit. Components manufactured in-house include motors and compressors for refrigerators and air conditioners, heat exchangers, printed circuit board assemblies and extruder sheets. We use these components for our manufacturing operations and also sell compressors to third parties. Our components, such as compressors, are designed to offer stable performance over wide range of voltages, are energy efficient, and have low noise levels.

### Service and Consumer Support

#### Services

We operate a pan-India service network to offer engineering services to our consumers on demand, including installation services, and repairs and maintenance. We are equipped to service consumer demands that are within the warranty period or outside the warranty period. We operate (i) LG centers (“LGCs”), which are exclusive service centers directly operated by us and (ii) exclusive service centers (“ESCs”) that are service centers operated by third parties to provide services exclusively to our consumers. To support our service function, we operate warehouses across India to supply spare parts and other materials to the LGCs and ESCs to service consumers. Some of our LGCs also operate as spare warehouses. As of June 30, 2024, our network of LGCs and ESCs spread across 594 cities in India. At each LGC and ESC, a team of engineers is deployed to provide services to consumers. We deploy engineers at LGCs through third-party manpower agencies, and these engineers are not our employees. Engineers deployed at ESCs are directly engaged by the ESC operators. The following table provides an overview of our consumer service reach for the periods indicated:

Particulars	As of June 30,		As of March 31,	
	2024	2024	2023	2022
LG centers <sup>(1)</sup> .....	56	56	55	48
Exclusive service centers.....	893	885	872	853
<b>Total service touch points .....</b>	<b>949</b>	<b>941</b>	<b>927</b>	<b>901</b>
Spare warehouses <sup>(2)</sup> .....	10	10	10	10
Engineers deployed at LGCs and ESCs.....	12,590	12,081	11,195	11,197

(1) including LG centers that also function as spare warehouses

(2) excluding LG centers that also function as spare warehouses

We enter into contracts with third parties that operate ESCs wherein we provide them a right to provide warranty and out-of-warranty services for our products in a defined geographical area and provide home services to our consumers. These agreements typically have a term of one year and can be renewed on mutually agreeable terms. For that, they are required to hire a team of qualified engineers and stock the relevant tools/equipment to support this function. We provide specifications and guidelines for providing services within a specified region. If the complaint remains unaddressed, we have the right to transfer the complaint to another ESC on a temporary basis. The ESC is also required to maintain a minimum level of spare parts as per the guidelines issued by us from time to time. These contracts can be terminated by either party by providing a notice of one month.

To support the development of engineers and to maintain service quality, we run regular training courses across India. As of June 30, 2024, we operated 17 training hubs, 6 training academies and 3 skill academies across India.

#### Warranties

Under our general terms and conditions of sale, we typically provide a standard warranty on our products that usually covers repair or replacement of defective parts or return of amounts paid for such items. The terms of the



warranties that we provide differ depending on the type of product and consumer. The following table provides an overview of the type of warranties we provide:

Warranty	Coverage
<b>Standard warranties (for B2C consumers)</b>	Standard warranties for consumers that typically have a term of one to two years. These warranties cover repairs or replacement during warranty period.  We also provide extended warranties for select parts of products (such as compressors or motors) with limited coverage, which are typically provided as part of promotions. These warranties can extend up to 10 years.
<b>Standard warranties (for B2B consumers)</b>	The terms of standard warranties are negotiated with B2B consumers and typically span one to three years, depending on product type and consumers. These warranties cover repairs or replacement during the warranty period.  We also provide extended warranties for select products with limited coverage.
<b>Annual maintenance contracts (AMCs)</b>	AMCs are additional warranties that can be purchased by both B2B and B2C consumers and typically have a term of one to four years, depending on product type. We offer AMCs to B2C consumers across all products and to B2B consumers for HVAC products.

The following table shows the warranty provision created for the period/year for the periods indicated:

Particulars	Three months ended June 30,		Fiscal	
	2024	2024	2023	2022
<b>Warranty provision created for the period / year</b>				
Provisions for warranty ( <b>₹ million</b> ).....	409.55	1,028.44	1,042.96	618.99
Number of warranty claims .....	224,016	634,516	577,178	460,767

We also repair products that are not covered within our warranty for a service charge. The service charges vary based on product and the type of service provided. For more details, see “*Management’s Discussion and Analysis of our Results of Operations – Our Business Model*” on page 315.

#### *Consumer engagement for services and redressal*

We operate an in-house call center in Noida and utilize three outsourced call centers in Mumbai, Hyderabad, and Kolkata, each providing 24/7 consumer service. The call centers are equipped with staff to address consumer calls. We have implemented several automation initiatives, such as chatbots for consumer interactions and automated call registrations.

Once a consumer lodges a complaint or service request with us, the consumer receives a text message containing a service number that we call the “Happiness code”. The service system then allocates the claim to the appropriate ESC or LGC, following which the claim is assigned to an engineer. The engineer contacts the consumer to schedule an appointment and visits the consumer to perform the necessary repair or installation. We follow the “2-1-1” guideline which aims to ensure that within two hours of a consumer request being lodged by a consumer, our engineers will reach out to the consumer, and within the next one hour, the consultation slot will be finalized, and the engineer will visit the consumer within the next day. After completing the service, the engineer collects the “Happiness code” from the consumer and closes the claim in the service system. Following claim closure, the consumer receives a text message confirming the status, along with a link for any follow up requests. Additionally, a consumer receives a survey link to provide feedback on the service provided. Our engineers are required to schedule appointments with consumers via a proprietary app called “Engineer App”, and we monitor the status of the appointments. We also utilize GPS to track the engineers’ locations to ensure service speed and productivity. In Fiscal 2024, we receive over 6 million service claims, encompassing AMC, out-of-warranty, cleaning service, and in-warranty claims, with all complaints resolved within the same fiscal year.

## Manufacturing Units

We have two manufacturing units in India – (i) Noida Manufacturing Unit; and (ii) Pune Manufacturing Unit.

### State-of-the-art Manufacturing Units



Note: Above metrics are as of June 30, 2024

The following table sets forth our installed capacity, production volume and capacity utilization of our products at the two units for the periods indicated:

Manufacturing Unit	Three months ended June 30,			Fiscal								
	2024			2024			2023			2022		
	Installed capacity <sup>(1)</sup>	Production volume	Capacity utilization (%) <sup>(2)(3)</sup>	Installed capacity <sup>(1)</sup>	Production volume	Capacity utilization (%) <sup>(2)(3)</sup>	Installed capacity <sup>(1)</sup>	Production volume	Capacity utilization (%) <sup>(2)(3)</sup>	Installed capacity <sup>(1)</sup>	Production volume	Capacity utilization (%) <sup>(2)(3)</sup>
Noida.....	7,400,000	1,591,476	86.03%	7,400,000	5,466,598	73.87%	7,400,000	5,343,696	72.21%	6,815,000	4,543,517	66.67%
Pune .....	6,590,000	1,137,112	69.02%	6,590,000	4,474,809	67.90%	6,250,000	4,242,212	67.88%	6,608,367	3,571,369	54.04%
<b>Total .....</b>	<b>13,990,000</b>	<b>2,728,588</b>	<b>78.02%</b>	<b>13,990,000</b>	<b>9,941,407</b>	<b>71.06%</b>	<b>13,650,000</b>	<b>9,585,908</b>	<b>70.23%</b>	<b>13,423,367</b>	<b>8,114,886</b>	<b>60.45%</b>

Source: As certified by the Independent Chartered Engineer by way of certificate dated December 6, 2024.

(1) Installed capacity is calculated based on the following assumptions: Noida Manufacturing Unit: based on double shift (except microwave oven) of eight hours for 293 working days. Pune Manufacturing Unit: based on a single shift of eight hours for 300 working days. The increased capacity in our Noida Manufacturing Unit from Fiscal 2022 to Fiscal 2023 was driven by the implementation of efficiency enhancing initiatives, including production loss reduction, machine cycle signal chart improvements, and product structures alternations. The increased capacity in our Pune Manufacturing Unit from Fiscal 2022 to Fiscal 2023 was driven by the addition of a production line for air conditioners, investment in a side-by-side refrigerator and mixed production line, upgradation of an existing lines, and machine cycle signal chart improvements. Our installed capacity at the Pune Manufacturing Unit decreased in Fiscal 2023 primarily due to an increase in demand for televisions of 32 inches and large size. The turnaround time for manufacturing these televisions is longer compared to smaller size televisions which was in higher demand in Fiscal 2022. Our installed capacity increased in Fiscal 2024 primarily due to additional automation at the Pune Manufacturing Unit.

(2) Capacity utilization has been calculated on the basis of actual production during the relevant fiscal year/ period divided by the aggregate installed capacity of relevant manufacturing facilities as of the end of the relevant fiscal year/ period. In the case of capacity utilization for the three months ended June 30, 2023, and June 30, 2024, the capacity utilization has been calculated by dividing the actual production for the period by 25%.

### Noida Manufacturing Unit:

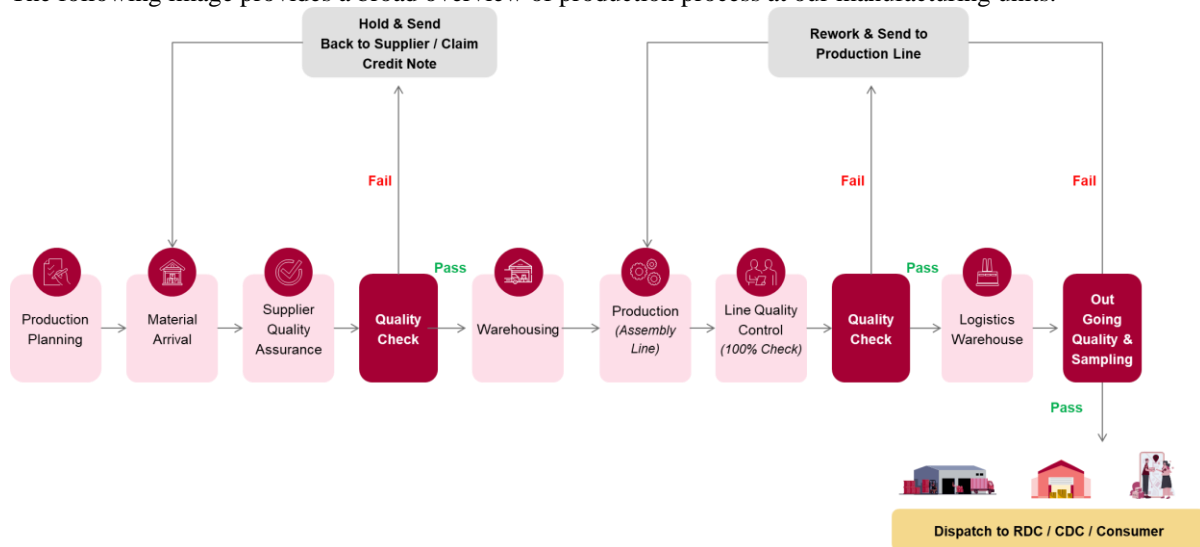
The Noida Manufacturing Unit is located at Greater Noida, Gautam Buddha Nagar District, Uttar Pradesh, India and is spread over 190,000 square meters, as of June 30, 2024. The unit commenced commercial operations in 1997. We operated 10 production lines at the Noida Manufacturing Unit, as of June 30, 2024. Products manufactured at the Noida Manufacturing Unit included refrigerators, washing machines, residential air conditioners, microwave ovens, compressors, water purifiers and ceiling fans.

### Pune Manufacturing Unit:

The Pune Manufacturing Unit is located at MIDC Ranjangaon, Pune, Maharashtra, India and is spread over 214,000 square meters, as of June 30, 2024. The unit commenced commercial operations in 2004. We operated nine production lines at the Pune Manufacturing Unit, as of June 30, 2024. Products manufactured at the Pune Manufacturing Unit included refrigerators, washing machines, residential air conditioners, commercial air conditioning systems and televisions.

## Manufacturing Process

The following image provides a broad overview of production process at our manufacturing units:



### Production planning

As part of the production planning function, we assess the demand for our products. We then interface with the global supply chain planning system to procure supplies for manufacturing products. We assess demand on a weekly basis and regularly monitor demand and supply.

### Material and in-bound logistics

For sourcing raw materials, orders are placed on a work order basis which helps us save cost of inventory. As we manufacture multiple products that are affected by seasonality, we continually allocate space for raw materials accordingly. Once the raw materials are checked for quality, these move into the assembly line. We have implemented Automated Material Feeding Systems like using Auto Guided Vehicles (“AGVs”) for moving materials onto the production line. As of June 30, 2024, our manufacturing units have 77 AGVs which help us increase our unmanned processes.

### Production management

We follow the SMART system of production, which is a real time, AI backed system. This solution encompasses production system design, monitoring and operation through digital technology; big data and AI-based management of quality, industrial safety and equipment; and the provision of various industrial robots. Smart factory solutions focus on minimizing delays or minute errors between processes. We have deployed various industrial robot solutions for factory automation. It also helps us identify hidden losses in production followed by real time actions. We have also deployed ANDON System, a system that promptly alerts operators about a problem on the production line which gives each worker the right to stop the line to control production quality. To ensure product quality, we use real time system-based quality parameters (Digital SPQC - Statistical Process Quality Control) to monitor quality and perform predictive failure and advance correction. We have deployed Real Time Equipment Performance Monitoring system for critical processes that are monitored by different types of sensors and communication modules.

We also have a SHIELD system, which is an advance safety management system for workers with features such as real-time safety parameters. For manpower management, we use “PMCO - Process Map Change Order System” to monitor and control workers’ skill, leaves, training needs and accordingly allocate work to the worker on the production line.

### Quality Control

As the markets for our products continue to evolve and consumers’ expectations of product features and performance become more demanding, our ability to offer high quality products is essential to maintaining our competitive position. Accordingly, we are actively involved in setting quality assurance policies and managing quality control processes to ensure that our products perform at optimal levels. In order to ensure that our quality assurance procedures are effectively applied, employees are provided with on-the-job training, including a

mandatory certification course on quality management for relevant personnel. All of our products undergo strict internal quality assurance tests, from design and manufacture to performance, to ensure compliance with internal quality standards. We also seek to minimize any elements that could compromise product safety and cause injury, such as electric shock and fire, by extensively testing product usage in real-life settings at various testing laboratories that are certified by international accreditation institutions.

In addition, we have implemented smart manufacturing practices based on self-developed applications with licensed software to track our manufacturing output and enhance our operational efficiency. Our Global Manufacturing Enterprise System (“GMES”) tracks the condition of our manufacturing equipment. Our manufacturing machinery is also IOT-functional and equipped with Real Time Equipment Performance Monitoring systems which help identify which components require repair to improve functionality. Across all product categories, we employ precision quality control techniques, such as electronic pump assembly processes for quality management. This combination of advanced automation, strict quality management and high throughput enables us to swiftly adapt to market demands while maintaining consistent product performance and operational efficiency. We also ensure our products comply with relevant regulatory requirements for domestic and export products. For example, in India, our products must comply with the requirements of BEE Star Label, such as five star rating for some of our air conditioners and BIS, such as IS 1391: Part 1: 2017, IS 1391:Part 2: 2018, IS 17550:Part 1: 2021, IS 302 Part 2: Sec 7: 2024 and IS 616 : 2017.

We also focus on supplier quality and perform detailed due diligence before onboarding them, mainly focusing on the quality of their production processes, stability of potential supply, technological capabilities and sustainability considerations. In certain instances, we provide detailed specifications for material procurement and design blueprints to our suppliers to help control the quality of the raw material they supply to us. In addition, approval is required following supplier evaluation, as part of the onboarding process.

Our Quality Control System complies with IOS standards - ISO 9001:2015, ISO 45001:2018 and 14001:2015. Driven by the same, our overall Quality Control can be categorized into areas of – development, supply, production, shipment and field quality. Additionally, we have an internal audit management system to ensure high quality of audit standards across these five categories.

We visit and interact with trade partners and conduct regular consumer surveys to understand consumer pain points and obtain real-time feedback. We then incorporate the feedback across parameters such as on consumer behavior, climate, regional factors and regulatory requirements, in order to enable us to introduce high-quality, relevant and innovative products to the market.

## Distribution Channels

### Domestic sales

The following table provides an overview of our B2C touch points by distribution channel for the periods indicated:

The following table provides an overview of our consumer touch points by distribution channel for the periods indicated:

Particulars	Three months ended June 30,		Fiscal	
	2024	2024	2023	2022
<b>LG BrandShops<sup>(1)</sup></b> .....	777	780	814	809
<b>Modern trade<sup>(2)</sup></b> .....	1,266	1,224	1,034	851
<b>Online business</b>				
LG website .....	1	1	1	1
E-commerce <sup>(3)</sup> .....	2	2	2	2
<b>Traditional channels</b> .....				
Distributors and sub-dealers.....	31,666	31,275	30,563	28,029
Distributors .....	375	417	429	396
Sub-dealers.....	31,291 <sup>(4)</sup>	30,858	30,134	27,633
Multi-brand outlets <sup>(5)</sup> .....	1,218	1,272	1,341	1,638
Regional specialty stores (“RSS”) <sup>(6)</sup> .....	1,471	1,279	1,119	869
<b>Total</b>	<b>36,401</b>	<b>35,833</b>	<b>34,874</b>	<b>32,199</b>

- (1) In the three months ended June 30, 2024, and Fiscals 2024, 2023 and 2022, we partnered with 619, 641, 643 and 647 LG BrandShop partners, respectively.
- (2) In the three months ended June 30, 2024, and Fiscals 2024, 2023 and 2022, we partnered with three modern trade partners. These partners sell our products in their stores and through their websites. The modern trade partners are Reliance Retail, Croma (Infiniti Retail) and Vijay Sales
- (3) Represents the e-commerce marketplaces where our e-commerce trade partners sell our products.
- (4) The count of sub-dealers varies period-on-period based on the sales made by distributors to sub-dealers in a given period. As a result, and to facilitate comparability, the count of sub-dealers has been provided for the period from July 1, 2023 to June 30, 2024.
- (5) In the three months ended June 30, 2024, and Fiscals 2024, 2023 and 2022, we partnered with 494,597, 649 and 648 multi-brand outlet partners, respectively.
- (6) In the three months ended June 30, 2024, and Fiscals 2024, 2023 and 2022, we partnered with 19, 19, 18 and 15 RSS partners, respectively.

**LG BrandShops:** LG BrandShops sell exclusively LG products and are operated by third parties under a franchise model. The furniture and fixtures of these stores are provided by us to keep the standardization of LG BrandShops as per the LG brand guidelines. We also participate in various consumer facing and co-op promotions with these LG BrandShops for promoting our products. They also have the right to use the “LG” trademark and logos to promote our products.

**Modern trade:** we partner with modern trade partners for the sales to B2C consumers through large format modern trade outlets that provide dedicated floor space to sell products, such as supermarkets, hypermarkets and large-format stores, and through their own websites. These modern trade outlets are typically located in tier-I and tier-II cities in India, and more recently in smaller towns and cities in India. We partner with modern trade outlets in many of their promotion events that are usually centered around sales seasons and festivals/holidays. Our main modern trade partners are Reliance Retail, Croma (Infiniti Retail) and Vijay Sales.

**Online business:** our online distribution channel consists of (i) our own direct to consumers (“D2C”) channel operated through our website and (ii) e-commerce, where we partner with e-commerce marketplaces to sell our products. We partner with online partners in many of their promotion events that are usually centered around sales seasons and festivals/holidays.

**Traditional channels:** refers to distribution channels located in cities and towns in India which serve mass market consumers. The traditional channels are more prevalent in smaller towns and rural India.

- We engage with distributors, which resell our products to various sub-dealers. Sub-dealers in turn sell our products to consumers.
- Multi-brand outlets are generally of smaller size and volume compared to modern trade outlets and offer products from various brands.
- RSS are traditional stores or brand shops that operate in a specific region, and don’t have a pan-India presence.

We enter into agreements with our B2C trade partners, which provides them the right to sell and market our products. Our offline sale partners are provided with a right to market products within the scope of their dealership/distributorship agreements. They have the right to use the signs, stationery and other materials. Our trade partners are required to stock adequate quantity and variety of our products based on estimated sales for future periods. They are also required to follow our “Brand Hygiene Guidelines”.

The following table provides an overview of our B2B trade partners by distribution channel for the periods indicated:

Particulars	Three months ended June 30		Fiscal	
	2024	2024	2023	2022
Total B2B trade partners.....	472	516	519	453

For our B2B business, we enter into stock and sale agreements or distribution agreements with our B2B trade partners. Under these contracts we grant non-exclusive rights to them to distribute, market, sell and provide installation services, as applicable for, our products. Under our stock and sale agreements, B2B trade partners are required to place advance orders for delivery of products in the manner provided in the agreements. Further, our Company and our B2B trade partners are required to meet periodically to review the B2B trade partners’ forecasted purchases each month, quarter or year. Stock and sale agreements also lay out the general terms on payment and delivery.

### Exports

We export our products to overseas markets, including the Middle East, Africa, Asia and South-Central America.

For exports, we typically service export orders received directly from LG Electronics in coordination with respective LG regional headquarters. Based on market demand, LG Electronics elects the country for exports based on their internal estimates and strategies. LG Electronics enters into agreements with these distributors pursuant to which these distributors agree to purchase products from us (as an affiliate of LG Electronics) for sale directly to consumers or to their authorized dealers in the assigned region. In certain instances, while we enter into contracts with distributors in one country, we may ship the products to another country based on their directions and as agreed under our contracts. The supply price of products is determined separately for each purchase order as agreed by us, LG Electronics and the distributor. The after-sales services for the products we export are provided by the respective sales subsidiaries of LG Electronics.

#### *Sales infrastructure*

We coordinate sales across India through a network of regional, branch and remote area offices. This network of offices co-ordinate and communicate with trade partners to procure purchase orders and arrange for delivery of products. The following table provides an overview of our sales offices for the periods indicated:

Particulars	As of June 30,		As of March 31,	
	2024	2024	2023	2022
Regional offices <sup>(1)</sup> .....	16	16	16	16
Branch offices <sup>(2)</sup> .....	51	51	51	51
Remote area offices <sup>(3)</sup> .....	46	46	46	46

(1) Refers to offices that are located in a district of a state in India.

(2) Refers to offices that report to the regional office. Typically, approximately three branch offices report to a regional office.

(3) Refers to offices that report to the branch office. Typically, approximately one remote area office report to a branch office.

#### **Distribution and Transportation**

We operate distribution centers across India where we store our finished products that can be supplied to our various distribution channels. Our distribution center network in India is extensive, which we believe enables us to deliver efficiently across the entire country. We have two CDCs, each located near our Noida Manufacturing Unit and Pune Manufacturing Unit. Products are transported from the CDCs to RDCs located throughout India, which function as warehouses. These RDCs then distribute products to various consumer touch points. In certain cases, CDCs also directly supply to consumer touch points. The following table provides a breakdown of our distribution network for the periods indicated:

Particulars	As of June 30,		As of March 31,	
	2024	2024	2023	2022
<b>Central distribution centers</b> .....	<b>2</b>	<b>2</b>	<b>2</b>	<b>2</b>
<b>Regional distribution centers</b> .....	<b>23</b>	<b>23</b>	<b>23</b>	<b>23</b>
North.....	5	5	5	5
South.....	8	8	8	8
East .....	5	5	5	5
West .....	5	5	5	5
<b>Total</b> .....	<b>25</b>	<b>25</b>	<b>25</b>	<b>25</b>
<b>Leased area (million square feet)</b> .....	<b>3.33</b>	<b>3.23</b>	<b>3.03</b>	<b>2.55</b>

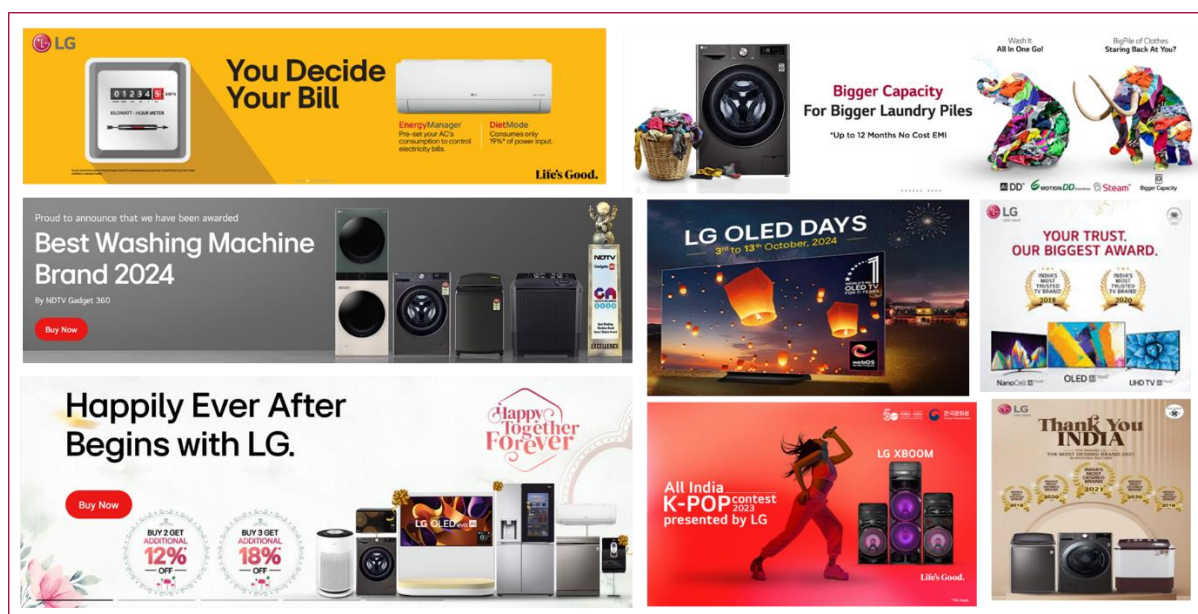
We utilize India's roadways to transport our products across India. For exports, we arrange for shipments directly from our manufacturing units. Our logistics partner, LX Pantos operates our entire logistics chain - transporting products from our manufacturing units to warehouses to distribution centers and consumer touch points. We entered into a Master Service Agreement with LX Pantos dated July 3, 2024. Pursuant to this agreement, LX Pantos has agreed to provide warehousing services, transportation services and related clearing and forwarding services. Our arrangements with LX Pantos are on a non-exclusive basis and can be terminated by either party by giving three months prior written notice. However, under the agreement, our company reserves the right to terminate the agreement immediately in the event of any breach of its terms and conditions by LX Pantos. Further, we have also entered into agreements with third party transport service providers and for leasing vehicles in order to arrange transportation of our products from consumer locations to our service centres. Such agreements are entered into for a one-year period for a fixed monthly rental payment. Such third parties are also responsible for providing manpower as such drivers and helpers, in addition to the vehicles.

For our online D2C distribution channel, we engage with courier companies to ensure last-mile connectivity and fast shipping.

We deploy a transport management system (TMS) to manage distribution from regional centers to trade partner warehouses. TMS has been developed in-house and has advanced logistics features to plan shipments based on demand and availability of trucks/ships. TMS also has the capability to optimize the load plans and suggest best-fit vehicles. Our warehouse management system (WMS) provides real-time visibility into inventory levels, fluctuations, and order fulfilment. WMS provides our warehouse operators complete control on the stock storage locations enabling easy storing and speedy retrieval for dispatches. The stocks are controlled through a serial number.

## Marketing

We continue to invest in targeted marketing campaigns to strengthen the “LG” brand in India. Our marketing strategy includes a diversified blend of media (including televisions, print and digital), in-store experiences and on-the-ground activations that appeal to local consumers, and we strategically select the target consumer segment for each campaign. We seek to roll out marketing campaigns timed to important Indian festivals. Our marketing efforts also extend to on-ground marketing initiatives which help enhance the consumer purchasing experience.



While offline marketing will continue to remain an important part of our strategy, we have also increased our spending on digital marketing campaigns. We use multiple platforms to market to a larger audience. Our marketing efforts encompass three key areas: (i) brand and corporate marketing, (ii) product marketing, and (iii) field marketing.

*Brand and Corporate Marketing* is dedicated to establishing and maintaining our brand’s positioning in line with our overall strategy. Our brand and corporate marketing team develops centralized campaigns and creates narratives for integrated marketing communications, and ensures brand compliances for all marketing initiatives, including product and on ground marketing. We also have a corporate marketing digital marketing team responsible for marketing on social media platforms.

*Product Marketing* involves communicating information about our products, including new product launches and features across distribution channels, through integrated marketing campaigns, such as in-store ads, digital campaigns, social media influencer engagement and sponsorships.

*Field Marketing* involves marketing across our various distribution channels. We conduct roadshows and deploy signages/banners/hoardings at our various distribution channels. Our offline sale partners are provided with a right to market products within the scope of their dealership/ distributorship agreements. We engage with social media platforms and influencers in each region to further promote our products. We also deploy sales promoters across some of our trade partners’ stores to promote our products and provide information on the technical details of our products to consumers. These promoters are trained by our branch professionals to communicate our products’ technical features to our consumers. As of June 30, 2024, and March 31, 2024, 2023 and 2022, we engaged 9,597; 9,300; 9,193 and 8,381 sales promoters, respectively. We also have product-specific sales teams throughout our distribution channels. For example, through our collaboration with third-party marketing agencies, we offer ‘Health Hygiene Experts’ who provide cooking classes and ‘X-Boom Ambassadors’ who are musicians who help promote our audio products at new store inaugurations.

## **Our Suppliers**

We depend on a combination of Indian and global suppliers, including LG Electronics, to provide raw materials including steel, resin, copper, aluminum and chemicals, and components such as semiconductors, electromechanical parts, open cells and packaging materials, among others, for our manufacturing operations. As part of our localization strategy, we source a large portion of our raw materials from India. However, certain specialized parts, such as grooved tubes for air conditioners or semiconductors, are imported.

While procuring supplies from LG Electronics, our Company places purchase orders for our monthly supply requirements at least two-three months in advance based on forecast of demand. The unit price of the parts is determined based on negotiations between both parties.

We sign Master Purchase Agreements with our suppliers, typically for a term of three years and which are supplemented by supply orders. Under the Master Purchase Agreements, our suppliers agree to share reasonable quantities of samples with us based on monthly forecasts provided by us. Further, our suppliers are required to provide valid and verifiable certificates of origin for materials used in the production of the products. The Master Purchase Agreements also include clauses in relation to delivery, most favorable price being provided to us in case such terms have been offered to any other party and warranty. Under the Master Purchase Agreements, we may inspect the products supplied at our own cost and may require the supplier to recall or correct if the products contain any defects, quality or performance deficiencies or are in non-conformance of any standards or requirements. The Master Purchase Agreements with our suppliers also contain confidentiality obligations that cover the suppliers' responsibility to keep certain information provided by us, such as drawings, inventions, software, business plans, confidential. For each purchase, we place supply orders with these suppliers which specify the quality, price, delivery time and other details.

## **Environment, Social and Governance**

At part of the LG Electronics ecosystem, we uphold LG Electronics' global commitment to engage in environmentally and socially responsible management of operations.

### *Environment*

Given the environmental impacts of air conditioners which contribute approximately 4% of global GHG emissions and with cooling demand making up approximately 20% of energy consumption requirements for buildings, according to the Redseer Report, we have invested in developing energy-saving technologies. We were the first and only player in India to move 100% to inverter technology in 2017, according to the Redseer Report. We undertake initiatives to uplift the areas around our manufacturing units. To contribute to environmental protection, we developed a green space near the Noida Manufacturing Unit. We also intend to increase the use of renewable power, such as solar power, at our manufacturing units. For example, we have installed rooftop solar panels at our Noida Manufacturing Unit. We have planted shrubs, flowers, and trees and have installed slogan boards to inspire green practices. Moreover, we conduct street plays to raise awareness about safe driving and traffic rules, and we have installed reflectors at road junctions near our manufacturing units to prevent accidents.

### *Social*

In line with our brand philosophy of "Life's Good When We Do Good," we had an extensive CSR program which is focused on eradicating hunger, providing better access to healthcare and education initiatives in India.

### *Safety and health care*

- Through the "Karein Roshni" initiative, we facilitate free cataract surgeries in association with charitable eye care institutions.
- We operate the "Life's Good Nutrition" program through which we provide cooked breakfast and lunch to students across Government-aided schools in India. Through this program we aim to address malnutrition, reduce student dropout rates, increase school attendance, among others.
- We operate two LG health centers in India offering free medical assistance to local villagers.
- We have firefighting capabilities at our Pune Manufacturing Unit and can assist the Fire Department in times of need.
- In Fiscals 2023 and 2024, we collaborated with Habitat for Humanity to build sanitation units and homes in Pune and Ghaziabad.



## *Education and skill development*

- We launched the “Life’s Good Scholarship” program in association with Buddy4Study Foundation pursuant to which we provide financial assistance to under privileged students for higher education, with a special focus female students.
- We established the first “Technical Hope Skill Academy” in New Delhi, in partnership with the Electronics Sector Skills Council of India (“ESSCI”). As of June 30, 2024, we ran three Hope Skill Academies across the cities of Delhi, Chennai and Hyderabad. As of June 30, 2024, 1,157 benefited from this program since its inception.
- We have taken steps to digitize Government schools to empower teachers and students with tools featuring advanced technology and provide a more dynamic and interactive educational and learning experience. For example, we have deployed smartboard in schools which enables interactive learning. As of September 30, 2024, 10 schools benefited from such this initiative.


## *Diversity*

Our approach to diversity and inclusion is captured in the type of products we produce. For example, we recently introduced Braille remotes for our air conditioners, facilitating use of our products by visually impaired consumers.

## *Governance*

Through our LG Electronics parentage, we have adopted LG Electronics’ standards of corporate governance. We practice Board-centered management system, striving to implement transparent corporate governance. Half of our Board members are independent directors, who are experts in various fields, such as public administration accounting and finance, and securities law.

## **Intellectual Property**

We have entered into a revised license agreement dated July 27, 2017, read with the addendums dated March 9, 2018, June 17, 2021, June 20, 2023, September 28, 2023 and November 18, 2024 (“**License Agreement**”) we entered into with LG Electronics for the use of (i) the licensed brand, (ii) the technology claimed in the licensed patents and (iii) the licensed technical know-how and other intellectual property rights for the Authorized Products (as defined in the License Agreement). Under the terms of the License Agreement, from January 1, 2023, we are required to pay a royalty of 2.30% of net sales for Authorized Products other than LCD televisions and monitors and 2.40% of net sales for LCD televisions and monitors. The agreement is effective perpetually unless terminated by either party upon prior written notice of not less than six months. Pursuant to the License Agreement, LG Electronics has granted us an exclusive right to use the trademark owned by it, including “ LG”. We have also entered into a framework agreement dated November 25, 2024 (“**Framework Agreement**”) to record the principal terms of provisions in relation to providing or availing services and deliverables to or from our Company, our Promoter and companies within the LG Group. For further details, see “*History and Certain Corporate Matters – Key terms of other subsisting material agreements*” on page 204.

As of the date of this Draft Red Herring Prospectus, we have filed 490 patent applications, of which 389 have been published, 159 have been granted/registered, and 101 are yet to be published in India. Additionally, we have filed two patent applications under the Patent Cooperation Treaty, both of which have been published. We have also filed 89 design applications, of which 88 have been registered and one has been abandoned, as of the date of this Draft Red Herring Prospectus. For further details, see “*Risk Factors – Internal Risks – We or LG Electronics may be unable to adequately protect our intellectual property rights, trade secrets and unpatented proprietary know-how, which may substantially harm our business*” on page 61.

## **Information Technology and Data Security and Protection**

We utilize third-party business software and solutions to support our operations. We have implemented office automation and security systems across our offices and manufacturing units across India. To align with business needs, we regularly update our systems such that our systems can efficiently handle and process high levels of data. We have various controls in place to protect data from unauthorized access, use, or destruction including when and how the personal data can be processed. We use various data security tools and third-party business software and solutions to support our operations.

Additionally, we have implemented Cloud environment for Employees with seamless access to their desktop virtually protecting Company mission critical data that span across our network infrastructure in our

manufacturing facilities and sales offices throughout India. To align with business needs, we regularly keep update our systems, ensuring that both hardware and software can handle the data processing demands and keeping the information intact having robust backup/ recovery procedures.

### **Data Security and Protection**

We operate our own data center to support our business. Our data center is equipped with safety and security measures that prevent unauthorized access and maintain logs of users who access the system. All of our websites and applications require multi-level authentication. All hardware and OS security features must be approved before installation, and the system administrator must be trained in OS-specific security requirements. We regularly roll out software patches and updates to our services and applications. In rolling out updates to our websites, our Global Security team undertakes a vulnerability assessment to protect against malware. All critical systems have an individual checklist with defined fallback procedures to ensure business continuity. We have implemented security policies and procedures to ensure data security and privacy. Data collection during our operations by end-users including data handling and disposal are in accordance with our data security policies. We review and updates these policies annually to comply with new Indian security regulations.

### **Employees**

As of June 30, 2024, we had 3,693 employees. Our contractual manpower include contract labor and staff at our manufacturing units, call center personnel and certain secretarial staff, among others. The following table sets forth the number of our employees by function for the periods indicated:

Particulars	As of June 30, 2024		2024		As of March 31, 2023		2022	
	Employees	(%)	Employees	(%)	Employees	(%)	Employees	(%)
Manufacturing Production .....	2,284	61.85%	2,274	61.38%	2,199	61.15%	2,143	60.88%
Sales, Service & Marketing .....	942	25.51%	970	26.18%	940	26.14%	907	25.77%
Supporting .....	467	12.64%	461	12.44%	457	12.71%	470	13.35%
<b>Total.....</b>	<b>3,693</b>	<b>100.00%</b>	<b>3,705</b>	<b>100.00%</b>	<b>3,596</b>	<b>100.00%</b>	<b>3,520</b>	<b>100.00%</b>

The table below provides our employee attrition rate for the periods indicated.

Particulars	Three months ended June 30,	Fiscal		
	2024	2024	2023	2022
	(%)			
Employee –Attrition Rate <sup>(1)</sup> .....	3.08%	9.51%	10.99%	9.69%

(1) Employees exited during the period/ fiscal divided by the average number of employees for the period/ fiscal. The average number of employees is computed as average of number of employees at the beginning and end of the period/ year.

While we do not have an active labor union, we operate an “Internal Works Committee” to facilitate discussions between the workers and management. For risks related to unionization of our employees, work stoppages or increased labor costs, please see “**Risk Factors – Internal Risks – We may be subject to unionization, work stoppages or increased labor costs, which could adversely affect our business and results of operations**” on page 65.

### **Our Culture**

We foster a collaborative culture that makes our workplace a great place to work. Certified by Great Place to Work Institute, India, as a “Great Place to Work” for the period from October 2024 to October 2025, we encourage the active involvement and engagement of our employees. We have a “Junior Board Committee” which facilitates as a voice of the employees to the senior management and is tasked with ensuring a healthy work environment through working activities among employees. We operate various forums across the organization to keep them engaged. For example, we celebrate various festivals at the office and organize sport tournaments. We also have a cultural team where employees can participate in CSR initiatives of the Company. We also incentivize our employees by giving them global recognition with awards and travel opportunities to other LG offices.

## Insurance

Our insurance policies cover, among others, protection from fire, earthquake, burglary and special perils, consequential fire loss, employee dishonesty, money in transit, public liability insurance, all risk and marine cargo insurance. While we believe that the level of insurance, we maintain would be adequate to cover the normal risks associated with the operation of our business, we do not have insurance policies to cover all possible events. Also, see “*Risk Factors – Internal Risks – We rely primarily on third-party insurance policies to insure our operations-related risks. If our insurance coverage is inadequate, it may have an adverse effect on our business, financial condition and results of operations*” on page 59.

## Property

A 24/6, Mohan Cooperative Industrial Estate, Mathura Road, New Delhi 110 044, Delhi, India in Delhi. Our Corporate Office is located at 16<sup>th</sup> - 20<sup>th</sup> Floor, C-001, Tower D, KP Tower, Sector 16B, Noida 201 301, Uttar Pradesh, India. The details of our owned and leased properties are set forth in the table below:

	Location	Total Area	Lease/Freehold	Average lease term
<i>Registered offices</i>				
1	Corporate office .....	181,642 square feet	Leased	15 years
2	Registered Office .....	9,804 square feet	Leased	2 years
<i>Manufacturing units</i>				
1	Noida Manufacturing Unit.....	190,232 square meters	Leased	90 years
2	Pune Manufacturing Unit .....	213,916 square meters	Leased	90 years
<i>LG centers/call centers</i>				
1	North.....	136,382 square feet	Leased	11 months to 9 years
2	South.....	86,710 square feet	Leased	11 months to 5 years
3	East.....	44,595 square feet	Leased	11 months to 5 years
4	West.....	68,775 square feet	Leased	3 to 6 years
<i>Regional distribution centers</i>				
1	North.....	336,953 square feet	Leased	11 months to 9 years
2	South.....	908,464 square feet	Leased	11 months to 9 years
3	East.....	323,361 square feet	Leased	2 to 9 years
4	West.....	442,578 square feet	Leased	3 to 9 years
<i>Central distribution centers</i>				
1	Noida.....	927,127 square feet	Leased	11 months to 10 years
2	Pune.....	388,534 square feet	Leased	9 years
<i>Zonal/Regional/Branch/Remote area offices</i>				
1	North.....	89,742 square feet	Leased	11 months to 6 years
2	South.....	100,951 square feet	Leased	11 months to 5 years
3	East.....	46,398 square feet	Leased	11 months to 9 years
4	West.....	69,433 square feet	Leased	11 months to 9 years
<i>Others</i>				
1	North.....	149,124 square feet	Leased	11 months to 3 years
2	South.....	65,668 square feet	Leased	11 months to 5 years
3	East.....	8,670 square feet	Leased	11 months to 6 years
4	West.....	56,770 square feet	Leased	11 months to 5 years

## KEY REGULATIONS AND POLICIES

*The following is a brief overview of certain sector specific laws and regulations in India which are applicable to the business and operations of our Company. The information in this section has been obtained from legislations, including rules, regulations, guidelines and circulars promulgated and issued by regulatory bodies that are available in the public domain. The statements below are based on the current provisions of Indian law, which are subject to change or modification by subsequent legislative actions, regulatory, administrative or judicial decisions. Judicial and administrative interpretations are subject to modification or clarification by subsequent legislative, judicial or administrative decisions. The description of laws and regulations set out below may not be exhaustive and are only intended to provide general information to the investors and are neither designed nor intended to substitute for professional legal advice.*

### **Laws in relation to our business**

#### ***The Bureau of Indian Standards Act, 2016 (the “BIS Act”)***

The BIS Act establishes the Bureau of Indian Standards (“**Bureau**”) as a national standards body of India for the harmonious development of the activities of standardization, conformity assessment and quality assurance of goods, articles, processes, systems and services. The Government of India in consultation with the Bureau issues quality control orders for goods or articles of any industry, process, system or service directing conformity to a standard and making procurement of licence or certificate of conformity compulsory for such goods, article, process, system or service. The Government of India has issued an order called the Air Conditioner and its related Parts, Hermetic Compressor and Temperature Sensing Controls (Quality Control) Order, 2019 bringing room air conditioners (RACs), both unitary and split, under the purview of compulsory use of standard mark on the RACs and compulsory procurement of licence from the Bureau by the manufacturers, distributors, retailers or sellers. The RACs must conform to the Indian standards – IS 1391 (part 1): 2017, IS 1391 (part 2): 2018, IS 17550 (part 1): 2021, IS 11329:2018, IS 10617:2018, IS 16240:2023, among others and the RACs must bear the standard mark under a license issued by the Bureau.

#### ***The Legal Metrology Act, 2009 (the “Legal Metrology Act”) and The Legal Metrology (Packaged Commodities) Rules, 2011 (the “Legal Metrology Rules”)***

The Legal Metrology Act, along with the Legal Metrology Rules, establishes and enforces standards of weights and measures, regulates trade and commerce in weights, measures and other goods which are sold or distributed by weight, measure or numbers. Any transaction relating to goods, or a class of goods shall be as per the weight, measurements or numbers prescribed by the Legal Metrology Act. The Legal Metrology Act prohibits the manufacture, packing, selling, importing, distributing, delivering, offer for sale of any pre-packaged commodity if such does not adhere to the standard regulations set out.

The Legal Metrology Rules are ancillary to the Legal Metrology Act and set out to define various manufacturing and packing terminology. It lays out specific prohibitions where manufacturing, packing, selling, importing, distributing, delivering, offering for sale would be illegal and requires that any form of advertisement where the retail sale price is given must contain a net quantity declaration. Circumstances which are punishable are also laid out in the Legal Metrology Rules.

#### ***Consumer Protection Act, 2019 and the rules made thereunder (the “Consumer Protection Act”)***

The Consumer Protection Act, 2019 was designed and enacted to provide simpler and quicker access to redress consumer grievances. It seeks, inter alia to promote and protect the interests of consumers against deficiencies and defects in goods or services and secure the rights of a consumer against unfair trade practices, which may be practiced by manufacturers, service providers and traders. The definition of “consumer” under the Consumer Protection Act also includes persons engaged in offline or online transactions through electronic means or by tele-shopping or direct-selling or multi-level marketing. It provides for the establishment of consumer disputes redressal forums and commissions for the purposes of redressal of consumer grievances. In addition to awarding compensation and/or passing corrective orders, the forums and commissions under the Consumer Protection Act, in cases of misleading and false advertisements, are empowered to impose imprisonment for a term which may extend to two years and fine which may extend to ten lakhs.

#### ***Factories Act, 1948 (the “Factories Act”)***

The Factories Act, 1948, as amended, defines a “factory” to cover any premises which employs 10 or more workers on any day of the preceding 12 months and in which a manufacturing process is carried on with the aid

of power or any premises where at least 20 workers are employed, and where a manufacturing process is carried on without the aid of power. Each State Government has enacted rules in respect of the prior submission of plans and their approval for the establishment of factories and registration/licensing thereof. The Factories Act provides for imposition of fines and imprisonment of the manager and occupier of the factory in case of any contravention of the provisions of the Factories Act.

#### ***Sale of Goods Act, 1930 (the “Sale of Goods Act”)***

The Sale of Goods Act governs contracts relating to sale of goods in India. The contracts for sale of goods are subject to the general principles of the law relating to contracts. A contract of sale may be an absolute one or based on certain conditions. The Sale of Goods Act, 1930 contains provisions in relation to the essential aspects of such contracts, including the transfer of ownership of the goods, delivery of goods, rights and duties of the buyer and seller, remedies for breach of contract and the conditions and warranties implied under a contract for sale of goods.

#### ***National Policy on Electronics, 2019 (the “NPE”)***

The NPE envisions positioning India as a global hub for Electronics System Design and Manufacturing (“ESDM”) by encouraging and driving capabilities in the country for developing core components, including chipsets, and creating an enabling environment for the industry to compete globally. The NPE replaces the National Policy of Electronics, 2012. The NPE when implemented will lead to the formulation of several schemes, initiatives, projects, etc., in consultation with the Ministries/Departments concerned, for the development of the ESDM sector in the country. It will enable the flow of investment and technology, leading to higher value addition in the domestically manufactured electronic products, and increased electronics hardware manufacturing in the country and their export while generating substantial employment opportunities.

#### ***The Standards and Labelling Scheme, 2006 (the “S&L Scheme”)***

The S&L Scheme provides for display of energy performance labels on high-energy end-use equipment & appliances and lays down minimum energy performance standards. A star rating, ranging from 1 to 5 in the ascending order of energy efficiency is provided to the products registered with BEE. The Star or Energy labeling is based on standards that prescribe limits on energy performance (usually maximum use or minimum efficiency) based on specified test protocols. The informative labels affixed to products describe energy performance usually in the form of energy use, efficiency, or energy cost.

#### ***Modified Special Incentive Package Scheme, 2012 (“M-SIPS”)***

Under the M-SIPS scheme, incentives are provided in the form of subsidies for startup projects, project expansions (in terms of capital investment), or diversification of products. The government offers a subsidy of 20% for investments in Special Economic Zones (SEZs) and 25% for capital investments in non-SEZs. These incentives are provided on a reimbursement basis, meaning that subsidies are claimed after the investments have been made. They are available for ten years from the date of approval, which is based on the submission of the application rather than its receipt. Additionally, projects with significant capital investments can obtain reimbursement for central taxes and duties. The scheme also encourages the relocation of units from abroad to India.

#### ***The Indian Boilers Act, 1923 (the “Boilers Act”) and the Indian Boiler Regulations, 1950 (the “Boiler Regulations”)***

Under the provisions of the Boilers Act, an owner of a boiler is required to get the boiler registered and certified for its use. The Boilers Act provides for inter alia the safety of life and property of persons from the danger of explosions of steam boilers and regulates the possession of steam boilers. It sets out the requirements for achieving uniformity in registration and inspection during operation and maintenance of boilers in India and provides for penalties for illegal use of boilers. It also prescribes standard requirements with respect to material, construction, safety and testing of boilers. The Boiler Regulations provides for, inter alia, standard requirements with respect to material, construction, safety and testing of boilers.

#### ***The Information Technology Act, 2000 (the “IT Act”) and the rules made thereunder***

The IT Act seeks to (i) provide legal recognition to transactions carried out by various means of electronic data interchange and other means of electronic communication, commonly referred to as “electronic commerce”, involving alternatives to paper-based methods of communication and storage of information, (ii) facilitate electronic filing of documents, and (iii) create a mechanism for the authentication of electronic documentation through digital signatures. The IT Act facilitates electronic commerce by recognizing contracts concluded through

electronic means, protects intermediaries in respect of third-party information liability and creates liability for failure to protect sensitive personal data. The IT Act also prescribes civil and criminal liability. Including fines and imprisonment, for computer related offences including those relating to unauthorized access to computer systems, tampering with or unauthorised manipulation of any computer, computer system or computer network and, damaging computer systems and creates liability for negligence in dealing with or handling any sensitive personal data or information in a computer resource and in maintaining reasonable security practices and procedures in relation thereto.

The IT Act empowers the Government of India to formulate rules with respect to reasonable security practices and procedures and sensitive personal data. In exercise of this power, the Department of Information Technology, Ministry of Electronics and Information Technology, Government of India, in April 2011, notified the Information Technology (Reasonable Security Practices and Procedures and Sensitive Personal Data or Information) Rules, 2011 (“**IT Security Rules**”) prescribe directions for the collection, disclosure, and transfer of sensitive personal data by a body corporate or any person acting on behalf of a body corporate. The IT Security Rules require every such body corporate or person who on behalf of the body corporate receives, stores or handles information to provide a privacy policy for handling and dealing with personal information, including sensitive personal data, publishing such policy on its website. The IT Security Rules further require that all such personal data be used solely for the purposes for which it was collected, and any third-party disclosure of such data is made with the prior consent of the information provider, unless contractually agreed upon between them or where such disclosure is mandated by law.

### ***The Digital Personal Data Protection Act, 2023 (“DPDP Act”)***

The DPDP Act received the assent of the President of India on August 11, 2023 and the provisions of the DPDP Act shall come into effect on such date as the Central Government may notify in the official gazette. The DPDP Act provides for collection and processing of digital personal data by persons, including companies. Further, companies collecting and dealing in high volumes of personal data are defined as significant data fiduciaries. These significant data fiduciaries will be required to fulfil certain additional obligations under the DPDP Act including appointment of a data protection officer who will be the point of contact between such fiduciaries and individuals for grievance redressal. Further such significant data fiduciaries will also be required to appoint an independent data auditor who will evaluate their compliance with the DPDP Act. The Central Government will also establish the Data Protection Board of India (the “**DPB**”), whose key functions include: (i) monitoring compliance and imposing penalties, (ii) directing data fiduciaries to take necessary measures in the event of a data breach, and (iii) hearing grievances made by data principals.

### ***The Electricity Act, 2003 (“Electricity Act”)***

The Electricity Act was enacted to regulate the generation, transmission, distribution, trading, and use of electricity by authorizing a person to carry on the above acts either by availing a license or by seeking an exemption under the Electricity Act. Additionally, the Electricity Act states no person other than Central Transmission Utility or State Transmission Utility, or a licensee shall transmit or use electricity at a rate exceeding 250 watts and 100 volts in any street or place which is a factory within the meaning of the Factories Act, 1948 or a mine within the meaning of the Mines Act, 1952 or any place in which 100 or more persons are ordinarily likely to be assembled. An exception to the said rule is given by stating that the applicant shall apply by giving not less than 7 days’ notice in writing of his intention to the Electrical Inspector and to the District Magistrate or the Commissioner of Police containing the particulars of electrical installation and plant, if any, the nature, and purpose of supply of such electricity. The Electricity Act also lays down the requirement of mandatory use of meters to regulate the use of electricity and authorizes the Commission so formed under the Electricity Act, to determine the tariff for such usage. The Electricity Act also authorizes the State Government to grant subsidy to the consumers or class of consumers it deems fit from paying the standard tariff required to be paid.

### ***The Explosives Act, 1884 (“Explosives Act”) and the Explosives Rules, 2008 (“Explosive Rules”)***

The Explosives Act is a comprehensive law which regulates by licensing the manufacturing, possession, sale, transportation, export and import of explosives. Under the Explosives Act, “explosive” means inter alia any substance, whether a single chemical compound or a mixture of substances, whether solid or liquid or gaseous, used or manufactured with a view to produce a practical effect by explosion or pyrotechnic effect. The Central Government may, for any part of India, make rules consistent with this act to regulate or prohibit, except under and in accordance with the conditions of a license granted as provided by those rules, the manufacture, possession, use sale, transport, import and export of explosives, or any specified class of explosives. Extensive penalty provisions have been provided for manufacture, import or export, possession, usage, selling or transportation of explosives in contravention of the Explosives Act. In furtherance to the purpose of the Explosives Act, the Central

Government has notified the Explosive Rules to regulate the manufacture, import, export, transport and possession for sale or use of explosives.

### **Environmental legislations**

#### ***Environment Protection Act, 1986 (the “EP Act”) and the Environment Protection Rules, 1986 (the “EP Rules”) read with the Environmental Impact Assessment Notification, 2006 (“EIA Notification”)***

The EP Act has been enacted with an objective of protection and improvement of the environment and for matters connected therewith. As per the EP Act, the Central Government has been given the power to take all such measures for the purpose of protecting and improving the quality of the environment and preventing environmental pollution. Further, the Central Government has been given the power to give directions in writing to any person or officer or any authority for any of the purposes of the EP Act, including the power to direct the closure, prohibition or regulation of any industry, operation, or process. The EP Rules prescribes the standards for emission or discharge of environmental pollutants from industries, operations, or processes through prohibitions and restrictions on the location of industries as well as on the handling of hazardous substances in different areas for the purpose of protecting and improving the quality of the environment and preventing and abating environmental pollution. Additionally, under the EIA Notification and its subsequent amendments, projects are required to mandatorily obtain environmental clearance from the concerned authorities depending on the potential impact on human health and resources.

The Manufacture, Storage and Import of Hazardous Chemical Rules, 1989 (the “**MSIHC Rules**”) are formulated under the EP Act and are applicable to an industrial activity in which a hazardous chemical which satisfies certain criteria as listed in the schedule thereto, and to an industrial activity in which there is involvement of a threshold quantity of hazardous chemicals as specified in the schedule thereto. The occupier of a facility where such industrial activity is undertaken has to provide evidence to the prescribed authorities that he has identified the major accident hazards and that he has taken steps to prevent the occurrence of such accident and has to provide to the persons working on the site with the information, training and equipment including antidotes necessary to ensure their safety. Where a major accident occurs on a site or in a pipeline, the occupier shall forthwith notify the concerned authority and submit reports of the accident to the said authority.

#### ***Water (Prevention and Control of Pollution) Act, 1974 (the “Water Act”) and Water (Prevention and Control of Pollution) Cess Act, 1977***

The Water Act provides for one Central Pollution Control Board, as well as state pollution control boards (“**State PCB**”), to be formed to implement its provisions, including enforcement of standards for factories discharging pollutants into water bodies. The Water Act prohibits the use of any stream or well for the disposal of polluting matter, in violation of the standards set down by the State PCB. The Water Act also provides that the consent of the State PCB must be obtained prior to opening of any new outlets or discharges, which are likely to discharge sewage effluent. The Water Act prescribes specific amounts of fine and terms of imprisonment for various contraventions.

#### ***Air (Prevention and Control of Pollution) Act, 1981 (the “Air Act”)***

The Air Act provides for the prevention, control and abatement of air pollution. Under the Air Act, the State Government may, after consultation with the state pollution control board declare, any area or areas within the State as air pollution control area or areas for the purposes of the Air Act. Pursuant to the provisions of the Air Act, any person establishing or operating any industrial plant within an air pollution control area, must obtain the consent of the relevant state pollution control board prior to establishing or operating such industrial plant. Further, under section 22 of the Air Act, no person operating any industrial plant in any air pollution control area shall discharge or permit or cause to be discharged the emission of any air pollutant in excess of the standards laid down by the state pollution control board. The Air Act prescribes specific amounts of fine and terms of imprisonment for various contraventions.

#### ***Noise Pollution (Regulation and Control) Rules, 2000 (the “Noise Pollution Rules”)***

The Noise Pollution Rules were enacted to regulate and control noise producing and generating sources with the objective of maintaining ambient air quality standards in respect of noise in different areas/zones. Pursuant to the Noise Pollution Rules, different areas/zones shall be classified into industrial, commercial, residential or silence areas/zones, with each area having a permitted ambient air quality standard in respect of noise. The Noise Pollution Rules provide for penalties in case the noise levels in any area/zone exceed the permitted standards.

***Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016 (the “Hazardous Waste Rules”)***

The Hazardous Waste Rules regulate the management, treatment, storage and disposal of hazardous waste. Under the Hazardous Waste Rules, “hazardous waste” inter alia means any waste which by reason of characteristics such as physical, chemical, biological, reactive, toxic, flammable, explosive or corrosive, causes danger or is likely to cause danger to health or environment, whether alone or in contact with other wastes or substances. Every occupier and operator of a facility generating hazardous waste must obtain authorization from the relevant state pollution control board. Further, the occupier, importer or exporter is liable for damages caused to the environment or third party resulting from the improper handling and management and disposal of hazardous waste and must pay any financial penalty that may be levied by the respective state pollution control board.

***The Public Liability Insurance Act, 1991 (the “PLI Act”) read with the Public Liability Insurance Rules, 1991 (the “PLI Rules”)***

The PLI Act imposes liability on the owner or controller of hazardous substances for any damage arising out of an accident involving such hazardous substances. The Government by way of a notification has enumerated a list of hazardous substances. The owner or handler is also required to obtain an insurance policy insuring against liability to provide relief under the terms of the legislation. The PLI Act also provides for the establishment of the Environmental Relief Fund, which shall be utilized towards payment of relief granted under the Public Liability Act. The PLI Rules mandate the employer to contribute a sum equal to the premium paid on the insurance policies towards the Environmental Relief Fund.

***Bio-Medical Waste Management Rules, 2016 (the “BMW Rules”)***

The BMW Rules apply to all persons who generate, collect, receive, store, transport, treat, dispose, or handle bio-medical waste in any form. The BMW Rules mandate every occupier of an institution generating bio-medical waste to take all necessary steps to ensure that such waste is handled without any adverse effect to human health and environment and inter alia to make provisions for safe premises, ventilated and secured location for storage of segregated bio-medical waste, pre-treat laboratory waste and provide training to workers involved in handling bio-medical waste.

***E-Waste Management Rules, 2022 (the “E-Waste Rules”)***

The E-Waste Rules apply to every manufacturer, producer, refurbisher, dismantler and recycler involved in manufacture, sale, transfer, purchase, refurbishing, dismantling, recycling, and processing of e-waste or electrical and electronic equipment as classified under the E-Waste Rules, including their components, consumables, parts, and spares which make the product operations. The E-Waste Rules mandate that a manufacturer must register on the portal and submit returns on the portal developed by the Central Pollution Control Board. In case any registered entity furnishes false information or wilfully conceals information for getting registration or return or report or information required to be provided or furnished or in case of any irregularity, the registration of such entity may be revoked by the Central Pollution Control Board for a period up to three-years in addition to levy of environmental compensation charges.

***Plastic Waste Management Rules, 2016 (the “Plastic Waste Management Rules”)***

Under the Plastic Waste Management Rules, all institutional generators of plastic waste, are required to inter alia, segregate and store the waste generated by them in accordance with the Municipal Solid Waste (Management and Handling) Rules, 2000, as amended, and handover segregated wastes to authorized waste processing or disposal facilities or deposition centres, either on its own or through the authorized waste collection agency.

***The Battery Waste Management Rules, 2022 (“Battery Rules”)***

The Battery Rules are framed under the Environment Protection Act, 1986 and apply to every producer, dealer, consumer, entities involved in collection, segregation, transportation, re-furbishment and recycling of waste battery. The Battery Rules prescribe the responsibilities and functions of a producer, consumer, entity involved in collection, segregation, and treatment, refurbisher, and recycler of the batteries as well as lay down the provisions for imposition of environmental compensation. The Battery Rules cover all types of batteries regardless of chemistry, shape, volume, weight, material composition and use, (viz. electric vehicle batteries, portable batteries, automotive batteries, and industrial batteries), except those used in protection of essential security interests including those intended specifically for military purposes and equipment designed to be sent into space.



## **Intellectual Property Laws**

### ***The Trade Marks Act, 1999 (the “Trademarks Act”)***

The Trademarks Act governs the statutory protection of trademarks and prohibits any registration of deceptively similar trademarks, among others. The purpose of the Trademarks Act is to grant exclusive rights to marks such as a brand, label and heading, and to obtain relief in case of infringement of such marks. Indian law permits the registration of trademarks for both goods and services. Under the provisions of the Trademarks Act, an application for trademark registration may be made before the Trademark Registry by any person claiming to be the proprietor of a trademark, whether individual or joint applicants, and can be made on the basis of either actual use or intention to use a trademark in the future. Once granted, a trademark registration is valid for 10 years unless cancelled, subsequent to which, it can be renewed. If not renewed, the mark lapses and the registration are required to be restored. Further, pursuant to the notification of the Trade Marks (Amendment) Act, 2010 (“**Trademark Amendment Act**”) simultaneous protection of trademarks in India and other countries has been made available to owners of Indian and foreign trademarks. The Trademark Amendment Act also seeks to simplify the law relating to transfer of ownership of trademarks by assignment or transmission and to conform Indian trademark law to international practice.

### ***The Patents Act 1970 (the “Patents Act”)***

The Patents Act governs the patent regime in India. A patent under the Patents Act is an intellectual property right relating to inventions and grant of exclusive right, for limited period, provided by the Government to the patentee, in exchange of full disclosure of his invention, for excluding others from making, using, selling and importing the patented product or process or produce that product. The Patents Act recognises both product and process patents and prescribes eligibility criteria for grant of patents, including the requirement that an invention must satisfy the requirements of novelty, utility and non-obviousness in order for it to avail patent protection.

### ***The Copyright Act, 1957 (the “Copyright Act”)***

The Copyright Act, along with the Copyright Rules, 2013 (“**Copyright Laws**”) governs copyright protection in India. The Register of Copyrights under the Copyright Laws acts as prima facie evidence of the particulars entered therein and helps expedite infringement proceedings and reduce delay caused due to evidentiary considerations. The Copyright Laws prescribe a fine, imprisonment or both for violations, with enhanced penalty on second or subsequent convictions.

### ***The Design Act, 2000 (the “Design Act”)***

The Design Act consolidates and amends the law relating to the protection of designs. The Design Act is a complete code in itself and is statutory in nature and protects new or original designs from getting copied which cause loss to the proprietor. The proprietor upon registration gets ‘copyrights in design’ for the period of 10 years from the date of registration which can be renewed for a second period of five years, before the expiration of original period of 10 years. The controller registers a design under this Act after verifying that the design of any person, claiming to be the proprietor, is the new or original design not previously published anywhere in any country and is not against any public policy or morality. Any obvious or fraudulent imitation of a design, which is already registered, without the consent of its proprietor, is unlawful. It also prohibits the import of any material which closely resembles a registered design. The Central Government also drafted the Design Rules, 2001 (the “**Design Rules**”) under the authority of the Design Act for the purposes of specifying certain prescriptions regarding the practical aspects related to designs such as payment of fees, register for designs, classification of goods, address for service, restoration of designs, etc.

## **Foreign investment and trade regulations**

### ***The Foreign Exchange Management Act, 1999 and regulations framed thereunder***

Foreign investment in India is governed by the provisions of Foreign Exchange Management Act, 1999, as amended, along with the rules, regulations and notifications made by the Reserve Bank of India thereunder, and the consolidated FDI Policy, effective from October 15, 2020, issued by the DPIIT, and any modifications thereto or substitutions thereof, issued from time to time (the “**Consolidated FDI Policy**”). Under the current Consolidated FDI Policy, foreign investment in manufacturing sector is under automatic route. Further, a manufacturer is permitted to sell its products manufactured in India through wholesale and/or retail, including through e-commerce, without Government approval.

### ***Foreign Trade (Development and Regulation) Act, 1992 (the “FTA”) and the rules framed thereunder***

The FTA seeks to provide for the development and regulation of foreign trade by facilitating imports into, and augmenting exports from, India. The FTA provides that no person shall make any import or export except under an importer-exporter code number (“**IEC**”) granted by the Director General of Foreign Trade, Ministry of Commerce (“**DGFT**”). The IEC granted to any person may be suspended or cancelled inter alia in case the person contravenes any of the provisions of FTA or any rules or orders made thereunder or the DGFT or any other officer authorized by him has reason to believe that any person has made an export or import in a manner prejudicial to the trade relations of India. Any person who makes any export or import in contravention of any provision of this Act or any rules or orders made thereunder or the foreign trade policy would become liable to a penalty under the FTA.

### **Taxation laws**

The Goods and Services Tax (“**GST**”) is levied on supply of goods or services or both jointly by the Central Government and State Governments. GST provides for imposition of tax on the supply of goods or services and will be levied by the Central Government and by the State Government including union territories on intra-state supply of goods or services. Further, Central Government levies GST on the inter-state supply of goods or services. The GST is enforced through various acts viz. Central Goods and Services Act, 2017 (“**CGST**”), relevant state’s Goods and Services Act, 2017 (“**SGST**”), Union Territory Goods and Services Act, 2017 (“**UTGST**”), Integrated Goods and Services Act, 2017 (“**IGST**”), Goods and Services (Compensation to States) Act, 2017 and various rules made thereunder.

Further, the Income-tax Act, 1961 (the “**Income Tax Act**”) is applicable to every company, whether domestic or foreign whose income is taxable under the provisions of the Income Tax Act or rules made there under depending upon its “Residential Status” and “Type of Income” involved. The Income Tax Act provides for the taxation of persons resident in India on global income and persons not resident in India on income received, accruing or arising in India or deemed to have been received, accrued or arising in India. Every company assessable to income tax under the Income Tax Act is required to comply with the provisions thereof, including those relating to tax deduction at source, advance tax, minimum alternative tax, etc. In 2019, the Government has also passed an amendment act pursuant to which concessional rates of tax are offered to a few domestic companies and new manufacturing companies.

Under the Customs Act, 1962, the Central Government has the power to prohibit either absolutely or subject to such conditions, the import or export of goods of any specified description. Further, the Central Government may specify goods of such class or description, if it is satisfied that it is necessary to take special measures for the purpose of checking the illegal import, circulation or disposal of such goods.

### **Labour law legislations**

#### ***Contract Labour (Regulation and Abolition) Act, 1970 (the “CLRA”)***

The CLRA regulates the employment of contract labour in certain establishments. The CLRA provides that the appropriate Government may, after consultation with the Central or State Advisory Boards (constituted under the CLRA), prohibit employment of contract labour in any process, operation or other work in any establishment.

#### ***Shops and establishments legislations***

Under the provisions of local shops and establishments legislations applicable in the states in India where our establishments are set up and business operations exist, such establishments are required to be registered. Such legislations regulate the working and employment conditions of the workers employed in shops and establishments, including commercial establishments, and provide for fixation of working hours, rest intervals, overtime, holidays, leave, termination of service, maintenance of records, maintenance of shops and establishments and other rights and obligations of the employers and employees. These shops and establishments’ acts, and the relevant rules framed thereunder, also prescribe penalties in the form of monetary fine or imprisonment for violation of provisions, as well as procedures for appeal in relation to such contravention of the provisions.

In addition to the Factories Act, the CLRA and the local shops and establishments legislations, the employment of workers, depending on the nature of activity, is regulated by a wide variety of generally applicable labour laws. The various other labour and employment-related legislations (and rules issued thereunder) that may apply to our

operations, from the perspective of protecting the workers' rights and specifying registration, reporting and other compliances, and the requirements that may apply to us as an employer, including but not limited to the following:

- Employees' Provident Funds and Miscellaneous Provisions Act, 1952.
- Employee's Compensation Act, 1923.
- Employees' State Insurance Act, 1948.
- The Equal Remuneration Act, 1976.
- Maternity Benefit Act, 1961.
- Minimum Wages Act, 1948.
- Payment of Bonus Act, 1965.
- Payment of Gratuity Act, 1972.
- Payment of Wages Act, 1936.
- The Child Labour (Prohibition and Regulation) Act, 1986.
- The Right of Persons with Disabilities Act, 2016.
- The Workmen's Compensation Act, 1923.
- The Labour Welfare Fund Act, 1965.
- Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.
- Apprentices Act, 1961.

In order to rationalize and reform labour laws in India, the Government of India has framed four labour codes, namely:

- a) The Occupational Safety, Health and Working Conditions Code, 2020 received the assent of the President of India on September 28, 2020, and proposes to subsume certain existing legislations, including the Factories Act, 1948, the Contract Labour (Regulation and Abolition) Act, 1970, and the Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979. This code proposes to provide for, among other things, standards for health, safety and working conditions for employees of establishments, and will come into effect on a date to be notified by the Central Government.
- b) The Industrial Relations Code, 2020 received the assent of the President of India on September 28, 2020, and proposes to subsume three existing legislations, namely, the Industrial Disputes Act, 1947, the Trade Unions Act, 1926 and the Industrial Employment (Standing Orders) Act, 1946. The Industrial Relations Code, 2020 will come into effect on a date to be notified by the Central Government.
- c) The Code on Wages, 2019 received the assent of the President of India on August 8, 2019. Through its notification dated December 18, 2020, the Government of India brought into force certain sections of the Code on Wages, 2019. The remaining provisions of this code will be brought into force on a date to be notified by the Government of India. It proposes to subsume four separate legislations, namely, the Payment of Wages Act, 1936, the Minimum Wages Act, 1948, the Payment of Bonus Act, 1965 and the Equal Remuneration Act, 1976.
- d) The Code on Social Security, 2020 received the assent of the President of India on September 28, 2020. Through its notification dated April 30, 2021, the Government of India brought into force section 142 of the Code on Social Security, 2020. The remaining provisions of this code will be brought into force on a date to be notified by the Government of India. It proposes to subsume several separate legislations including the Employee's Compensation Act, 1923, the Employees' State Insurance Act, 1948, the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, the Employment Exchanges (Compulsory Notification of Vacancies) Act, 1959, the Maternity Benefit Act, 1961, and the Payment of Gratuity Act, 1972.

### **Other Indian laws**

In addition to the above, we are also governed by the provisions of the Companies Act and rules framed thereunder, fire-safety related laws, the Contract Act, 1872, the Competition Act, 2002, the Prevention of Money Laundering Act, 2002 and other applicable laws and regulation imposed by the Central Government and State Governments and other authorities for our day-to-day business.

## HISTORY AND CERTAIN CORPORATE MATTERS

### Brief history of our Company

Our Company was incorporated on January 20, 1997 as a private limited company under the Companies Act, 1956, with the name “LG Electronics India Private Limited”, pursuant to a certificate of incorporation granted by the Registrar of Companies, National Capital Territory of Delhi and Haryana situated at New Delhi, India. Subsequently, in accordance with Section 43A(1A) of the Companies Act, 1956, our Company became a deemed public limited company with effect from March 31, 2000 and the name of our Company was changed to “LG Electronics India Limited”. Our Board took note of such conversion pursuant to resolution approved on March 15, 2000 consequent upon which, the Registrar of Companies, National Capital Territory of Delhi and Haryana situated at New Delhi, India endorsed such conversion on the certificate of incorporation dated January 20, 1997 with effect from March 31, 2000. Pursuant to the amendment in Section 43A of the Companies Act, 1956 by the Companies (Amendment) Act, 2000, and the approval of our Board on February 21, 2002, our Company’s status was converted from a deemed public company to a private limited company and consequent upon which the name of our Company was changed to “LG Electronics India Private Limited” and the Registrar of Companies, National Capital Territory of Delhi and Haryana situated at New Delhi, India endorsed such conversion on the certificate of incorporation dated January 20, 1997 with effect from March 28, 2002. Subsequently, pursuant to resolutions passed by our Board and Shareholders dated November 8, 2024 and November 11, 2024 respectively, our Company was converted into a public limited company and consequently, the name of our company was changed to “LG Electronics India Limited”, consequent upon which, a fresh certificate of incorporation dated December 3, 2024 issued by the RoC.

### Changes in the Registered Office

Except as stated below, our Company has not changed its registered office address since the date of incorporation:

S. No.	Effective date	Details of change	Reasons for change
1.	May 7, 1997	The address of the registered office of our Company was changed from 701, Surya Kiran Building, 19 K G Marg, New Delhi 110 001, Delhi, India to 3 <sup>rd</sup> Floor, “F” Block, International Trade Tower, Nehru Place, New Delhi 110 019, Delhi, India	
2.	June 27, 1997	The address of the registered office of our Company was changed from 3 <sup>rd</sup> Floor, “F” Block, International Trade Tower, Nehru Place, New Delhi 110 019, Delhi, India to A 41, Mohan Cooperative Industrial Estate, Mathura Road, New Delhi 110 044, Delhi, India	
3.	March 15, 2000	The address of the registered office of our Company was changed from A 41, Mohan Cooperative Industrial Estate, Mathura Road, New Delhi 110 044, Delhi, India to 221, Okhla Industrial Estate Phase III, New Delhi 110 020, Delhi, India	
4.	April 19, 2003	The address of the registered office of our Company was changed from 221, Okhla Industrial Estate Phase III, New Delhi 110 020, Delhi, India to 702, Bhikaji Cama Bhawan, Bhikaji Cama Place, New Delhi 110 066, Delhi, India	To ensure greater operational efficiency and to meet business requirements
5.	February 23, 2004	The address of the registered office of our Company was changed from 702, Bhikaji Cama Bhawan, Bhikaji Cama Place, New Delhi 110 066, Delhi, India to 20A Shivaji Marg, Moti Nagar, New Delhi 110 015, Delhi, India	
6.	December 16, 2005	The address of the registered office of our Company was changed from 20A Shivaji Marg, Moti Nagar, New Delhi 110 015, Delhi, India to Plot No. 51, Udyog Vihar, Surajpur Kasma Road, Greater Noida 201 306, Noida, Uttar Pradesh	
7.	May 30, 2011	The address of the registered office of our Company was changed from Plot No. 51, Udyog Vihar, Surajpur Kasma Road, Greater Noida 201 306, Noida, Uttar Pradesh to A 27, Mohan Cooperative Industrial Estate, Mathura Road, New Delhi 110 044, Delhi, India	
8.	December 18, 2013	The address of the registered office of our Company was changed from A 27, Mohan Cooperative Industrial Estate, Mathura Road, New Delhi 110 044, Delhi, India to A Wing, 3 <sup>rd</sup> Floor, D-3, District Centre, Saket, New Delhi 110 017, Delhi, India	

S. No.	Effective date	Details of change	Reasons for change
9.	January 21, 2020	The address of the registered office of our Company was changed from A Wing 3 <sup>rd</sup> Floor, D-3, District Centre, Saket, New Delhi 110 017, Delhi, India to A 24/6, Mohan Cooperative Industrial Estate, Mathura Road, New Delhi 110 044, Delhi, India	

### Main objects of our Company

The main objects contained in our Memorandum of Association are set forth below:

- “1. To manufacture, assemble, alter, import, export, market, trade, distribute, hire, exchange, buy, sell (including online sale & sale through any other mode), service, remodel, fabricate, supply, design, manipulate, improve, prepare, install, maintain, repair and deal in all kinds of consumer durable products, home appliances, audio video products, telecommunication products, computer products, electric and electronic equipments, products, goods and appliances of every description, including but not limiting, refrigerators, washing machines, air conditioners, colour televisions, monitor including but not limited to PC Monitor, Medical Monitors & all other type of Medical equipment's & Machines, colour picture tubes, colour display tube, microwave ovens, video and audio products and components including video cassette recorder, video cassette player, video compact disc players, compact disc players, cassette players, stereos, multi media players, digital video disc players, record tapes, record players, laser disc players, video games, video projection equipment, electrical toys and games and screens of all types, vacuum cleaners, floor polishers, food grinders & mixers and fruit or vegetable juice extractors, kitchen waste disposers, electric scissors, electric generating sets, electrical transformers, electrical and battery operated lamps, cells and batteries, static converters and inductors, circuit breakers, shavers, hair clippers, hair removing appliances, electric motors and generators, transformers, hair dryers, other hair dressing apparatus, hand drying apparatus, electric smoothing irons, coffee or tea maker, toasters, telephone sets, video phones, cordless handsets, cell phones, facsimile machinery, teleprinters, microphones, loudspeakers, headphones, earphones, dictating machines, telephone answering machines, cameras, television cameras, burglar or fire alarms and similar apparatus, semiconductors, chips, printed circuit boards, semiconductors, integrated circuits, memory chips, connectors, resistors, rectifiers capacitors, digital meters, micro circuits and related components, electronic calculators, diodes, transistors and allied items, electronic typewriters and printers, word processors, mini and micro computers, terminals, computer peripherals, photocopy and photographic equipments, calculators, watches and clocks and components and parts of all of the foregoing and accessories thereto.
2. To procure any parts, components, equipments, and machineries necessary for, the manufacturer, assembling, alteration, import, export, marketing, trading, distribution, hiring, exchange, buying, servicing, remodeling, fabrication, supply, designing, manipulation, improvement, preparation, installation, maintenance, repairing and dealing of all the products mentioned in the foregoing object and components and parts of all of the foregoing and accessories thereto.
3. To plan, construct, equip and operate plants and to engage in any and all other activities or businesses which are related directly or indirectly, to the attainment of the foregoing objects.
4. To provide communication solution. Value added services, manufacture, assemble, install, produce, purchase, sell, design, develop, repair, procure, import, export, distribute, hire or let on hire, lease, supply, render service, operate, extend customer support and otherwise deal in:
  - (a) The entire range of telecommunication products and system such as (but not limited to) public switching, transmission products, wireless product, private switching, data communication products, optical fiber products, business communication products etc. including assemblies and sub assemblies, part and components, peripherals, accessories and allied equipment's relating to power supply, commissioning and installation, cable laying and related civil work.
  - (b) All things, items, components, spare parts, apparatuses, frames tools, appliances implements of raw materials capable of being used in connection with the manufacture, maintenance or working of any of the items mentioned in (4)(a) above.
  - (c) All activities or services in connection with item listed in (4)(a) & (b) above.
5. To engage in the business of commercial laundry and cleaning services, supplies, equipment and related

*businesses. Also, to carry on business of launderettes washing machines, drying machines and dry cleaning machines and deal in and hire of washing machines, drying machines and dry cleaning machines and ancillary plant and equipment of every description and also to carry on the business repair of all article. To operate, supply, lease, hire, buy, sell or in deal in all automatic machineries of all descriptions including but not limited to gaming machines, automatic slot machines, laundry machine, car washing and to act as manufacturer's representative in connection with the same.*

6. *To Give on Rent, or on lease, license or in any other manner, electronics products and/or services including Water Purifier, Refrigerator, Washing Machine, Air conditioner, Color Television or any other manufactured, or traded, imported products of the Company including accessories to any person, in consideration of Lease/License Rental or Rent or may be defined with any other term in whatsoever name called for a period as may be decided from time to time."*

The main objects clause and matters necessary for furtherance of the main objects, as contained in our Memorandum of Association, enable our Company to carry on the business presently being carried out.

### **Amendments to the Memorandum of Association**

Set out below are the amendments to the Memorandum of Association of our Company during the 10 years immediately preceding the date of this Draft Red Herring Prospectus:

<b>Date of Shareholders' resolution/Effective date</b>	<b>Details of amendment</b>
January 13, 2024	<p>Point 1 of clause III(A) of the Memorandum of Association of our Company was amended and updated as follows:</p> <p><i>"To manufacture, assemble, alter, import, export, market, trade, distribute, hire, exchange, buy, sell (Including online sell &amp; sell through any other mode), service, remodel, fabricate, supply, design, manipulate, improve, prepare, install, maintain, repair and deal in all kinds of consumer durable products, home appliances, audio video products, telecommunication products, computer products, electric and electronic equipments, products, goods and appliances of every description, including but not limiting, refrigerators, washing machines, air conditioners, colour televisions, Monitor including but not limited to PC Monitor, Medical Monitors &amp; all other type of Medical equipment's &amp; Machines, colour picture tubes, colour display tube, microwave ovens, video and audio products and components including video cassette recorder, video cassette player, video compact disc players, compact disc players, cassette players, stereos, multi media players, digital video disc players, record tapes, record players, laser disc players, video games, video projection equipment, electrical toys and games and screens of all types, vacuum cleaners, floor polishers, food grinders &amp; mixers and fruit or vegetable juice extractors, kitchen waste disposers, electric scissors, electric generating sets, electrical transformers, electrical and battery operated lamps, cells and batteries, static converters and inductors, circuit breakers, shavers, hair clippers, hair removing appliances, electric motors and generators, transformers, hair dryers, other hair dressing apparatus, hand drying apparatus, electric smoothing irons, coffee or tea maker, toasters, telephone sets, video phones, cordless handsets, cell phones, facsimile machinery, teleprinters, microphones, loudspeakers, headphones, earphones, dictating machines, telephone answering machines, cameras, television cameras, burglar or fire alarms and similar apparatus, semiconductors, chips, printed circuit boards, semiconductors, integrated. circuits, memory chips, connectors, resistors, rectifiers capacitors, digital meters, micro circuits and related components, electronic calculators, diodes, transistors and allied items, electronic typewriters and printers, word processors, mini and micro computers, terminals, computer peripherals, photocopy and photographic equipments, calculators, watches and clocks and components and parts of all of the foregoing and accessories thereto."</i></p> <p>Clause III(A) of the Memorandum of Association of our Company was amended to include point 5 as follows:</p> <p><i>"To engage in the business of commercial laundry and cleaning services, supplies, equipment and related businesses. Also, to carry on business of launderettes washing machines, drying machines and dry cleaning machines and deal in and hire of washing machines, drying machines and dry cleaning machines and ancillary plant and equipment of every description and also to carry on the business repair of all article. To operate, supply, lease, hire, buy, sell or in deal in all automatic machineries of all descriptions including but not limited to gaming machines, automatic slot machines, laundry machine, car washing and to act as manufacturer's representative in connection with the same."</i></p>

Date of Shareholders' resolution/Effective date	Details of amendment
	<p>Sub-clauses 33 and 34 of clause III(B) of the Memorandum of Association of our Company were amended and updated as follows:</p> <p><i>“33) To pay all the costs, charges and expenses of and incidental to the promotion formation, registration and establishment of the Company and the issue of its Capital including any underwriting or other commissions, broker's fees and other charges and to remunerate by cash or allotment of fully or partly paid, shares to any person, firm or company for services rendered in interdicting any property or business to the Company. or in placing, assisting to place or guaranteeing the subscription of any shares, debentures, debenture stocks, or other securities of the company or in or about the formation or promotion of the Company or the acquisition of property by the Company of the conduct of its business or for any other reason which the Company may think proper subject to provisions of Section 188 of the Act.</i></p> <p><i>34) To borrow or raise or secure the payment of money, or to receive money on deposit at interest for any of the purposes of the Company, and at such or times and in such manner as may be thought fit in particular by the issue of debenture or debenture stocks, perpetual or otherwise, including debentures or debenture stocks convertible into shares of the Company or any other Company or perpetual annuities and as securities for any such money so borrowed, raised or received or of any debenture stocks so issued to mortgage, pledge or charge the whole or any part of the property, assets or revenue and profits of the Company, present or future, including its uncalled Capital by special assignment or otherwise or to transfer or convey the same absolutely or in trust to give the lenders power of sale and other powers as may seem expedient, and to purchase, redeem, or pay off any such securities and also by a similar mortgage, charge or lien to secure and guarantee the performance by the Company or any other person or Company of any obligation undertaken by the Company or any other or Company as the case maybe. The Company shall not carry on banking business as defined under the Banking Regulation Act, 1949 and subject to provisions of Section 73 of the Companies Act and directives of RBI.”</i></p>
	<p>Sub-clause 37 of clause III(B) of the Memorandum of Association of our Company was amended and substituted with the following:</p> <p><i>“To distribute any of the properties of the Company amongst members in specie otherwise subject to the provisions of Companies Act, 2013 and the Rules made thereunder in the event of winding up.”</i></p>
April 8, 2024	<p>Clause III(A) of the Memorandum of Association of our Company was amended to include point 6 as follows:</p> <p><i>“6. To Give on Rent, or on lease, license or in any other manner, electronics products and/or services including Water Purifier, Refrigerator, Washing Machine, Air conditioner, Color Television or any other manufactured, or traded, imported products of the Company including accessories to any person, in consideration of Lease/License Rental or Rent or may be defined with any other term in whatsoever name called for a period as may be decided from time to time.”</i></p>
October 18, 2024	<p>Clause V of the Memorandum of Association of our Company was amended to reflect the increase in the authorized share capital of our Company from ₹ 1,150,000,000 (Rupees one thousand one hundred and fifty million) divided into 115,000,000 (one hundred and fifteen million) equity shares of face value of ₹ 10 (Rupees ten) each to ₹ 15,000,000,000 (Rupees fifteen thousand million) divided into 1,500,000,000 (one thousand and five hundred million) equity shares of face value of ₹ 10 (Rupees ten) each</p>
November 11, 2024	<p>Clause I of the Memorandum of Association of our Company was amended to reflect the change in the name of our Company from “LG Electronics India Private Limited” to “LG Electronics India Limited”</p>

## Major events and milestones

The table below sets forth certain major events in the history of our Company:

Calendar Year <sup>#</sup>	Events and Milestones
1997	Set-up our manufacturing facility at Industrial Plot No. 51, Surajpur, Kasna Road, Udyog Vihar, Greater Noida 201 306, Uttar Pradesh, India
1998	Commenced production of colour television, washing machine and air conditioners First to introduce direct drive technology for washing machines*

Calendar Year <sup>#</sup>	Events and Milestones
1999	Commenced production of microwave ovens First to launch microwave ovens in India*
2001	Commenced production of refrigerators and colour monitors
2004	Set-up our manufacturing facility at Plot No. A-6, Ranjangaon Industrial Area, Karegaon and Dhok Sangavi Taluka, Shirur, Pune, Maharashtra, India
2013	Launched India's first charcoal lighting heater microwaves* Launched power cut ever cool technology for refrigerators*
2014	Enabled smart diagnosis technology for refrigerators* Launched LG webOS platform*
2015	Launched India's first 4k OLED television*
2016	Commenced production of water purifiers
2017	Introduced smart inverter technology in washing machines* Commenced production of ceiling fans and air purifiers
2019	Launched 401 auto cook menu for microwaves* Amongst the first to launch smart connectivity air conditioners integrated with LG ThinQ app*
2020	Launched world's first 8k OLED television*
2022	Commenced production of window air conditioner Launched India's first rollable OLED television*
2023	Commenced production of air conditioner compressor First to introduce wash tower range of washing machines in India* Launched India's first scan-to-cook Wi-Fi enabled microwave*
2024	Amongst the first two launch Energy Manager feature in air conditioners*

\*Source: Redseer Report

<sup>#</sup>Launch years are based on Company data.

### Key awards, accreditations and recognition

Set forth below are some of the key awards, accreditations and recognition received by our Company:

Calendar Year	Awards and accreditations
1999	Obtained ISO 9001:2015 certification for the Noida Manufacturing Unit
2005	Obtained ISO 14001:2015 certification for the Pune Manufacturing Unit
2011	Obtained ISO 9001:2015 certification for the Pune Manufacturing Unit
2021	Obtained ISO 45001:2018 certification for the Pune Manufacturing Unit
2022	Recognised as "Most Trusted Brand" by the TRA Research Obtained ISO/IEC 17025:2017 certification for the Noida Manufacturing Unit
2023	Obtained ISO/IEC 17025:2017 certification for the Pune Manufacturing Unit Recognised as a "Great Place to Work" for the period December 2023 to December 2024 by Great Place to Work Institute, India
2024	Awarded "Sanrakshan Award" by PRO India Awarded the "Best Washing Machine Brand" at the NDTV Gadgets 360 Awards

### Significant financial or strategic partnerships

Our Company does not have any significant financial or strategic partners as on the date of this Draft Red Herring Prospectus.

### Time/cost overrun in setting up projects

We have not experienced any time or cost overrun in setting up our projects as on the date of this Draft Red Herring Prospectus.

### Capacity/facility creation, location of plants

For details regarding capacity/facility creation and location of plants of our Company, see "*Our Business – Manufacturing Units*" on page 181.

### Launch of key products or services, entry in new geographies or exit from existing markets

For details of key products launched by us and entry into new geographies or exit from existing markets, as applicable, see "*Our Business – Our Product Portfolio*" and "*History and certain Corporate Matters – Major events and milestones*" on pages 175 and 203, respectively.



### **Defaults or re-scheduling/restructuring of borrowings with financial institutions/banks**

As on the date of this Draft Red Herring Prospectus, there have been no defaults or rescheduling/restructuring of borrowings with financial institutions/banks.

### **Details regarding material acquisitions or divestments of business/undertakings, mergers, amalgamations, any revaluation of assets, etc., in the last 10 years**

Our Company has not made any material acquisitions or divestments of business/undertakings, mergers, amalgamation, any revaluation of assets, etc., during the 10 years immediately preceding the date of this Draft Red Herring Prospectus.

### **Summary of key agreements and shareholders' agreements**

There are no agreements, arrangements, deeds of assignment, acquisition agreements, shareholders' agreements, inter-se agreements, or agreements of like nature or agreements comprising any clauses or covenants which are material to our Company and which need to be disclosed in this Draft Red Herring Prospectus or non-disclosure of which may have bearing on the investment decision in connection with the Offer. Further, there are no clauses or covenants which are adverse or prejudicial to the interest of the minority/public shareholders of our Company.

### **Guarantees given by our Promoter Selling Shareholder**

Except as disclosed below, no guarantee has been issued by our Promoter Selling Shareholder as on the date of this Draft Red Herring Prospectus:

Our Promoter, LG Electronics Inc. has executed a deed of guarantee dated June 11, 2024 in favour of Citigroup Inc. and each subsidiary and affiliate thereof, including Citibank N.A. ("**Bank**") for consideration and to induce the Bank to extend and/or maintain credit in our Company's account with the Bank. LG Electronics Inc. has the following obligations under the deed of guarantee: (a) obligations under or in connection with any and all extensions of credit extended or maintained by the Bank, or (ii) obligations under or in connection with any and all services provided by the Bank ("**Obligations**"). Under the deed of guarantee, LG Electronics Inc.'s maximum liability with respect to that portion of the Obligations consisting of principal will not exceed ₹ 2.50 million ("**Principal Amount**"); and LG Electronics Inc.'s liability with respect to all the other portions of the Obligations will not exceed 20% of the Principal Amount. In addition, LG Electronics Inc. will also pay to the Bank any and all costs and expenses incurred by the Bank in enforcing its rights under deed of guarantee. The deed of guarantee is in addition to any collateral, other security or lien held or to be held by the Bank for the money guaranteed. The deed of guarantee is continuing and LG Electronics Inc.'s liability is unconditional. No consideration is payable to our Promoter, LG Electronics Inc. for acting as guarantor.

### **Agreements with Key Managerial Personnel or Senior Management, Director, Promoter or any other employee**

As on the date of this Draft Red Herring Prospectus, there are no agreements entered into by a Key Managerial Personnel or Senior Management or Directors or the Promoter or any other employee of our Company, either by themselves 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 our Company.

### **Key terms of other subsisting material agreements**

Except as stated below, as on the date of this Draft Red Herring Prospectus, our Company has not entered into any other subsisting material agreements including with strategic partners, joint venture partners, and/or financial partners other than in the ordinary course of business of our Company:

*Revised license agreement dated July 27, 2017, between our Company and our Promoter, LG Electronics Inc., ("Revised License Agreement") read with the addendum to the Revised License Agreement dated March 9, 2018, addendum to the Revised License Agreement dated June 17, 2021, amendment to the Revised License Agreement dated June 20, 2023, addendum to the Revised License Agreement dated September 28, 2023 and addendum to the Revised License Agreement dated November 18, 2024 (together, the "License Agreement")*

Pursuant to the License Agreement, our Promoter, LG Electronics Inc. has granted our Company an exclusive, non-transferable, non-assignable and indivisible license (without the right to grant sub-license) to use:

- (a) the licensed brand, as specified in the License Agreement, for the authorised products as specified in the License Agreement, including, coloured television sets (“**CTVs**”) including LCD, PDP and LED, monitors, vacuum cleaners, microwaves, washing machines, air-conditioners, refrigerators, compressors, water purifiers, and phones (“**Authorised Products**”) that are (i) manufactured or sold by our Company or through in India in accordance with the standards, specifications, instructions and guidelines supplied by our Promoter, LG Electronics Inc; (ii) export of the Authorised Products to countries outside India (“**Territory**”);
- (b) the technology claimed in the licensed patents, as specified in the License Agreement, for the Authorised Products that are manufactured or sold by our Company in the Territory; and
- (c) the licensed technical know-how and other intellectual property rights in the manufacture and sale of the Authorised Products in the Territory.

Pursuant to the Revised License Agreement dated November 18, 2024, our Company is required to pay an amount to our Promoter, LG Electronics Inc. equal to 1.90% to 2.00% of our net sales of the Authorized Products till December 2022 and 2.30% to 2.40% of our net sales of the Authorized Products from January 2023 (as defined in the License Agreement)(“**Royalty**”).

In addition, our Company has agreed to indemnify our Promoter LG Electronics Inc., its subsidiaries, affiliates, and their respective directors, officers and employees (“**Indemnified Party**”) from among others, losses, liabilities, costs, expenses and fees relating to any claim, demand or suit against the Indemnified Party arising out of any defects in the Authorised Products, breach of the License Agreement, violation of any law or rights of third party relating to its use of the intellectual property rights. Our Promoter, LG Electronics Inc. will be responsible for any damages arising to our Company out of or resulting from any error or mistake in the technical information furnished by LG Electronics Inc.

The License Agreement may be terminated by either party upon prior written notice of not less than six months.

***Framework agreement dated November 25, 2024, between our Company and our Promoter (“Framework Agreement”)***

Our Company, our Promoter and their respective holding companies, subsidiaries, associates, affiliates, or subsidiaries of holding companies (“**LG Group Companies**”) from time to time (i) require and provide, resources; (ii) purchase and sell goods; and (iii) provide and avail services to/ from each other relating to, among others, administrative, operational, manufacturing, supply, marketing, and other matters as required for the conduct of their respective business operations (“**Services and Deliverables**”). The Framework Agreement has been entered into to record the principal terms of provision of Services and Deliverables by our Company, our Promoter and the LG Group Companies (“**Group Transactions**”).

Our Promoter has, from time to time, granted our Company the right to, among others, manufacture, market, sell and service the products authorized by it and to use its brand and patent licenses (“**Business Activities**”) and supply technical know-how and information, designs, and drawings to our Company for the Business Activities (“**Existing Arrangements**”) and there exist Group Transactions between our Company, our Promoter and the LG Group Companies. Our Company and our Promoter have agreed that obligations and relationship of the various parties under the Existing Arrangements shall be subject to the terms and conditions under the Framework Agreement.

The statement of work/work order/other necessary documentation (“**SOWs**”) to be entered into in connection with the Group Transactions shall comprise, among other things, details of the nature of Group Transaction and the fees payable. All SOWs shall be governed by the Framework Agreement. Our Company and our Promoter have agreed to defend, indemnify and hold harmless each other and their respective directors, officers, employees and suppliers from among others, losses, damages, resulting from or arising out of direct or indirect breach of any representation, warranty or, covenant or agreement made by the party in or pursuant to the Framework Agreement.

The Framework Agreement shall be valid unless terminated by either our Company or our Promoter in accordance with the terms of the Framework Agreement, by providing a 30 day prior written notice to the other party. The Framework Agreement can be terminated for among others, breach of terms and conditions of the Framework Agreement by any party and failure to remedy the breach within 30 days, any party becomes incapable of performing any of their respective obligations under the Framework Agreement, cancellation or expiration of any approval necessary to conduct Services. The Framework Agreement shall terminate automatically, without any action on part of either of the parties, upon our Company ceasing to be a subsidiary of our Promoter.

As on the date of this Draft Red Herring Prospectus, there are no other agreements/ arrangements and clauses / covenants which are material and which needs to be disclosed or non-disclosure of which may have bearing on the investment decision, other than the ones which have already disclosed in this Draft Red Herring Prospectus.

**Holding company**

Our Company's holding company is our Promoter, LG Electronics Inc.

For details regarding the corporate information and nature of business of our Promoter, please see "*Our Promoter and Promoter Group – Our Promoter*" on page 225.

**Subsidiaries**

As on the date of this Draft Red Herring Prospectus, our Company does not have any subsidiary.

**Joint Venture**

As on the date of this Draft Red Herring Prospectus, our Company does not have any joint venture.

**Confirmations**

As on date of this Draft Red Herring Prospectus, our Company does not have any Subsidiary.

## OUR MANAGEMENT

### Board of Directors

In accordance with our Articles of Association, our Company is required to have not less than three Directors and not more than 15 Directors. As of the date of this Draft Red Herring Prospectus, we have six Directors on our Board comprising one Managing Director, one Whole-time Director, one Non-executive Director and three Independent Directors, including one woman Director. Our Company is in compliance with the corporate governance norms prescribed under the SEBI Listing Regulations and the Companies Act, 2013, in relation to the composition of our Board and constitution of committees thereof.

The following table sets forth details regarding our Board as of the date of this Draft Red Herring Prospectus:

S. No.	Name, DIN, Designation, Address, Occupation, Date of Birth, Period of Directorship and Term	Age (Years)	Other Directorships
1.	<p>Hong Ju Jeon</p> <p><b>DIN:</b> 10041232</p> <p><b>Designation:</b> Managing Director</p> <p><b>Address:</b> C-171, Tower C, DLF The Crest, Phase 5, Golf Course Road, Gurugram 122 001, Haryana, India</p> <p><b>Occupation:</b> Professional</p> <p><b>Term:</b> Four years up to January 30, 2027 and liable to retire by rotation</p> <p><b>Period of directorship:</b> Director since January 31, 2023</p> <p><b>Date of birth:</b> October 7, 1969</p>	55	<p><i>Indian Companies:</i></p> <p>Nil</p> <p><i>Foreign Companies:</i></p> <p>Nil</p>
2.	<p>Dongmyung Seo</p> <p><b>DIN:</b> 09481866</p> <p><b>Designation:</b> Whole-time Director and Chief Financial Officer</p> <p><b>Address:</b> Crowne Plaza, Greater Noida A Surajpur Chowk, Institutional Green 1, Gautam Buddha Nagar 201 306, Uttar Pradesh, India</p> <p><b>Occupation:</b> Professional</p> <p><b>Term:</b> Four years up to January 27, 2026 and liable to retire by rotation</p> <p><b>Period of directorship:</b> Director since January 27, 2022</p> <p><b>Date of birth:</b> April 8, 1969</p>	55	<p><i>Indian Companies:</i></p> <p>Nil</p> <p><i>Foreign Companies:</i></p> <p>Nil</p>
3.	<p>Daehyun Song</p> <p><b>DIN:</b> 10835809</p> <p><b>Designation:</b> Chairman and Non-executive Director</p> <p><b>Address:</b> 506-dong, 1009-ho, 567 Songpadaero, Songpa-gu, Seoul Metropolitan, Seoul, Korea</p> <p><b>Occupation:</b> Professional</p>	65	<p><i>Indian Companies:</i></p> <p>Nil</p> <p><i>Foreign Companies:</i></p> <p>Nil</p>

S. No.	Name, DIN, Designation, Address, Occupation, Date of Birth, Period of Directorship and Term	Age (Years)	Other Directorships
	<b>Term:</b> Three years up to November 17, 2027		
	<b>Period of directorship:</b> Director since November 18, 2024		
	<b>Date of birth:</b> December 12, 1958		
4.	Promila Bhardwaj	69	<i>Indian Companies:</i>
	<b>DIN:</b> 06428534		<ul style="list-style-type: none"> <li>• ACB (India) Power Limited</li> <li>• Apex Capital and Finance Limited</li> <li>• Pristine Infracon Private Limited</li> <li>• Ramraja Multispeciality Hospital &amp; Trauma Centre Private Limited</li> <li>• Yatharth Hospital &amp; Trauma Care Services Limited</li> </ul>
	<b>Designation:</b> Independent Director		
	<b>Address:</b> 702, Tower 12, South Close, Nirvana Country, Sector 50, South City - ii, Gurgaon 122018, Haryana, India		
	<b>Occupation:</b> Professional		<i>Foreign Companies:</i>
	<b>Term:</b> Three years up to November 18, 2027		Nil
	<b>Period of directorship:</b> Director since November 19, 2024		
	<b>Date of birth:</b> December 25, 1954		
5.	Ramesh Ramachandran Nair	55	<i>Indian Companies:</i>
	<b>DIN:</b> 02528707		Nil
	<b>Designation:</b> Independent Director		<i>Foreign Companies:</i>
	<b>Address:</b> C - 203, First Floor, Sarvodaya Enclave, Opposite Aurobindo Ashram, Aurobindo Lane, Malviya Nagar, South Delhi 110017, Delhi, India		Nil
	<b>Occupation:</b> Self employed		
	<b>Term:</b> Three years up to November 18, 2027		
	<b>Period of directorship:</b> Director since November 19, 2024		
	<b>Date of birth:</b> June 1, 1969		
6.	Santosh Kumar Mohanty	63	<i>Indian Companies:</i>
	<b>DIN:</b> 06690879		<ul style="list-style-type: none"> <li>• Acuite Ratings &amp; Research Limited</li> <li>• Bajaj Finserv Asset Management Limited</li> <li>• Computer Age Management Services Limited</li> <li>• SBI CDMDF Trustee Private Limited</li> </ul>
	<b>Designation:</b> Independent Director		<i>Foreign Companies:</i>
	<b>Address:</b> B-1001, Kamla Habitat Avadhut C.H.S. Limited, Sunder Nagar, Near K.E.S High School, Kalina, Santacruz East, Mumbai 400098, Maharashtra, India		Nil
	<b>Occupation:</b> Professional		
	<b>Term:</b> Three years up to November 18, 2027		
	<b>Period of directorship:</b> Director since November 19, 2024		
	<b>Date of birth:</b> July 9, 1961		

## Relationship between our Directors

None of our Directors are related to each other.

## Brief Biographies of our Directors

**Hong Ju Jeon** is the Managing Director of our Company. He has been associated with our Company since December 22, 2022. He holds a master's degree in business administration (global management) from Thunderbird School of Global Management, Glendale, Arizona, United States. He is responsible for directing sales strategies, operational planning, and initiatives to support overall business objectives and strengthen the dealer network at our Company. He has been associated with the LG group since October 4, 1994.

**Dongmyung Seo** is the Whole-time Director and Chief Financial Officer of our Company. He has been associated with our Company since December 31, 2021. He holds a master's degree in business administration from Seoul School of Integrated Sciences & Technologies, Seoul, Korea. He is responsible for managing all financial activities and accounting operations and overseeing every aspect of our Company's finances, including financial reports. He has been associated with the LG group since December 19, 1994.

**Daehyun Song** is the Chairman and Non-executive Director of our Company. He has been associated with our Company since November 18, 2024. He holds a bachelor's degree in science (mechanical design) from Pusan National University, Busan, Korea. He is responsible for leading board and ensuring effective governance practice and communication between the board, stakeholders, management, advisories and advices. He has been associated with the LG group since November 28, 1983.

**Promila Bhardwaj** is an Independent Director of our Company. She has been associated with our Company since November 19, 2024. She holds a bachelor's degree in arts (English) as well as a master's degree in arts (English), both from Panjab University, Chandigarh, Punjab, India, a master's degree in philosophy (social sciences) from Panjab University, Chandigarh, Punjab, India, and a master's diploma in public administration from the Indian Institute of Public Administration, New Delhi, Delhi, India. She joined Indian revenue services in 1979 and retired as the Directorate General of Income Tax (Systems) from Directorate of Income Tax (Systems).

**Ramesh Ramachandran Nair** is an Independent Director of our Company. He has been associated with our Company since November 19, 2024. He holds a bachelor's degree in technology (electrical engineering) from Kurukshetra University, Kurukshetra, Haryana, India and a post graduate diploma in financial management from Indira Gandhi National Open University, New Delhi, Delhi, India. He was previously associated with Avaada Electro Private Limited, Mundra Solar PV Limited, Bharat Aluminium Company Limited and Jindal Stainless Limited.

**Santosh Kumar Mohanty** is an Independent Director of our Company. He has been associated with our Company since November 19, 2024. He holds a bachelor's degree in arts (honours) in political science from Utkal University Bhubaneswar, Odisha, India, a bachelor's degree in law from Siddharth College of Law, University of Mumbai, Mumbai, Maharashtra, India, a post graduate diploma in securities law course from Government Law College, Mumbai, Maharashtra, India and a master's degree in arts in political science (international studies) from Jawaharlal Nehru University, Delhi, India. He was previously associated with the Securities and Exchange Board of India, Forward Markets Commission (Government of India) and Income Tax Department (Government of India).

## Terms of Appointment of our Whole-time Directors

### Hong Ju Jeon

Hong Ju Jeon is the Managing Director of our Company. He has been associated with our Company since December 22, 2022 and associated as a director since January 31, 2023. He was appointed as a Managing Director of our Company pursuant to resolution passed by our Board dated January 10, 2023, and regularised by way of an ordinary resolution of passed by our Shareholders at their meeting dated September 30, 2023, for a period of four years with effect from January 31, 2023.

According to the terms of the appointment letter dated January 10, 2023, the board resolution dated January 10, 2023, and the ordinary resolution dated September 30, 2023, he is entitled to receive a basic salary of ₹ 0.87

million per month, in addition to perquisites such as accommodation and conveyance.

### **Dongmyung Seo**

Dongmyung Seo is the Whole-time Director and Chief Financial Officer of our Company. He has been associated with our Company since December 31, 2021 and associated as a director since January 27, 2022. He was appointed as a Whole-time Director of our Company pursuant to resolution passed by our Board dated January 13, 2022, and regularised by way of an ordinary resolution of passed by our Shareholders at their meeting dated September 30, 2022, for a period of four years with effect from January 27, 2022. He was further designated as the Chief Financial Officer of our Company pursuant to the resolution passed by our Board dated November 18, 2024.

According to the terms of the appointment letter dated January 13, 2022, the board resolution dated January 13, 2022, and the ordinary resolution dated September 30, 2022, he is entitled to receive a basic salary of ₹ 0.51 million per month, in addition to perquisites such as accommodation and conveyance.

### **Commission and sitting fees payable to the Independent Directors**

Pursuant to (a) appointment letters dated November 19, 2024, issued to each of our Independent Directors; and (b) a resolution passed by our Board on November 18, 2024 a special resolution of our Shareholders passed at their meeting held on November 19, 2024, our Independent Directors are each entitled to receive (a) a sitting fee of ₹ 0.1 million for each meeting of our Board; and (b) ₹ 0.07 million for each meeting of any duly constituted committee of our Board.

Further, our Independent Directors are entitled to an annual commission, as disclosed below:

<b>Name of our Independent Director</b>	<b>Amount</b>	<i>(in ₹ million)</i>
Ramesh Ramachandran Nair		3.76
Promila Bhardwaj		2.26
Santosh Kumar Mohanty		2.26

### **Payment or Benefit to Directors**

Details of the remuneration paid to the Directors by our Company are disclosed below:

#### *1. Compensation paid to our Managing Director and Whole-time Director*

The remuneration paid by our Company to our Managing Director, Hong Ju Jeon, during the Financial Year ended March 31, 2024 was ₹ 50.06 million.

The remuneration paid by our Company to our Whole-time Director, Dongmyung Seo, during the Financial Year ended March 31, 2024 was ₹ 36.08 million.

#### *2. Compensation paid to our Non-executive and Independent Directors*

Our Non-Executive Director, Daehyun Song and our Independent Directors, Promila Bhardwaj, Ramesh Ramachandran Nair and Santosh Kumar Mohanty, were appointed in Fiscal 2025, and accordingly no sitting fees or commission or remuneration was paid by our Company to our Independent Directors for Fiscal 2024.

### **Contingent and deferred compensation payable to Directors**

No contingent or deferred compensation was accrued or payable to any of our Directors for Fiscal 2024.

### **Shareholding of our Directors in our Company**

None of our Directors hold Equity Shares in our Company, as on date of this Draft Red Herring Prospectus.

### **Arrangement or Understanding with Major Shareholders, Customers, Suppliers or Others**

None of our Directors have been appointed pursuant to any arrangement or understanding with major Shareholders, customers, suppliers or others.

### **Loans to Directors**

As of the date of this Draft Red Herring Prospectus, no loans have been availed by our Directors from our

Company.

### Interest of Directors

1. All Directors may be deemed to be interested to the extent of (i) sitting fees, if any, payable to them for attending meetings of our Board and committees and other remuneration or benefits, if any, to which they are entitled in accordance with the terms of their appointment or reimbursement of expenses incurred by them during the ordinary course of business by our Company, (ii) transactions entered into in the ordinary course of business with companies in which our Directors hold directorship, and (iii) their directorship on the board of directors of, and/or their shareholding in our Company.
2. Our Company has not entered into any service contracts with our Directors providing for benefits upon termination of their employment.
3. None of our Directors have any interest in the promotion or formation of our Company.
4. None of our Directors are a party to any bonus or profit-sharing plan by our Company.
5. Our Directors have no interest in any property acquired by our Company or proposed to be acquired of our Company or by our Company, as of the date of this Draft Red Herring Prospectus.
6. Our Directors are not interested as a member of a firm or company, and no sum has been paid or agreed to be paid to our Directors or to such firm or company in cash or shares or otherwise by any person either to induce them to become, or to help them qualify as a Director, or otherwise for services rendered by them or by the firm or company in which they are interested, in connection with the promotion or formation of our Company.
7. None of our Directors have any interest in any property acquired in the three years immediately preceding the date of this Draft Red Herring Prospectus or proposed to be acquired by our Company or in any transaction by our Company for acquisition of land, construction of building or supply of machinery, etc.

### Confirmations

None of our Directors is or was a director of any listed company during the five years immediately preceding the date of this Draft Red Herring Prospectus, whose shares have been or were suspended from being traded on any of the stock exchanges during the term of their directorship in such company.

None of our Directors is or was a director of any listed company which has been or was delisted from any stock exchange during the term of their directorship in such company.

None of our Directors have any interest in any transaction by our Company for acquisition of land, construction of building or supply of machinery.

No amount or benefit has been paid or given within the two preceding years or is intended to be paid or given to any of our Directors except the normal remuneration for services rendered as a director of our Company.

There is no conflict of interests between the suppliers of raw materials and third-party service providers of our Company (crucial for operations of our Company) and our Directors and Key Managerial Personnel.

There is no conflict of interests between the lessors of the immovable properties of our Company (crucial for operation of our Company) and our Directors and Key Managerial Personnel.

### Changes in the Board during the last three years

S. No.	Name	Effective Date of Appointment/Change in designation/Cessation/Regularization	Reason
1.	Daehyun Song	November 18, 2024	Appointment as an additional director designated as Non-executive Director
2.	Yongchan Jung	November 18, 2024	Cessation as a whole-time director
3.	Jaecil Kim	November 18, 2024	Cessation as a whole-time director
4.	Hanjun Kim	November 28, 2024	Cessation as a whole-time director



S. No.	Name	Effective Date of Appointment/Change in designation/Cessation/Regularization	Reason
5.	Promila Bhardwaj	November 19, 2024	Appointment as an additional director - independent – non-executive <sup>(1)</sup>
6.	Ramesh Ramachandran Nair	November 19, 2024	Appointment as an additional director - independent – non-executive <sup>(2)</sup>
7.	Santosh Kumar Mohanty	November 19, 2024	Appointment as an additional director - independent – non-executive <sup>(3)</sup>
8.	Hanjun Kim	July 10, 2024	Appointment as an additional director designated as whole-time director <sup>(4)</sup>
9.	Hwayoung Seo	July 10, 2024	Resignation as a whole-time director due to his return to South Korea
10.	Yongchan Jung	January 18, 2024	Appointment as an additional director designated as whole-time director <sup>(5)</sup>
11.	Hyunjin Lee	December 28, 2023	Resignation as a whole-time director due to his return to South Korea
12.	Hong Ju Jeon	January 31, 2023	Appointment as an additional director designated as Managing Director <sup>(6)</sup>
13.	Younglak Kim	January 10, 2023	Resignation as a managing director due to his return to South Korea
14.	Dongmyung Seo	January 27, 2022	Appointment as an additional director designated as whole-time director <sup>(7)</sup>
15.	Soo Cheol Kim	January 5, 2022	Resignation as a whole-time director due to his return to South Korea

<sup>(1)</sup> Regularised by way of an ordinary resolution of the Shareholders passed at their meeting dated November 19, 2024.

<sup>(2)</sup> Regularised by way of an ordinary resolution of the Shareholders passed at their meeting dated November 19, 2024.

<sup>(3)</sup> Regularised by way of an ordinary resolution of the Shareholders passed at their meeting dated November 19, 2024.

<sup>(4)</sup> Regularised by way of an ordinary resolution of the Shareholders passed at their meeting dated September 30, 2024.

<sup>(5)</sup> Regularised by way of an ordinary resolution of the Shareholders passed at their meeting dated September 30, 2024.

<sup>(6)</sup> Regularised by way of an ordinary resolution of the Shareholders passed at their meeting dated September 30, 2023.

<sup>(7)</sup> Regularised by way of an ordinary resolution of the Shareholders passed at their meeting dated September 30, 2022.

### Borrowing Powers of our Board

In accordance with our Articles of Association and pursuant to a resolution of the Board dated July 17, 2000 and a special resolution of our Shareholders passed at their meeting dated August 31, 2000, the Board of Directors has been authorized to borrow any sum or sums of money from time to time, which together with the money already borrowed by our Company, may exceed aggregate of its paid-up capital, free reserves and securities premium, apart from temporary loans obtained from our Company's bankers in the ordinary course of business, provided however, the total amount so borrowed shall not exceed ₹ 2,500 million.

### Corporate Governance

Our Company is in compliance with the requirements of the applicable regulations, including the SEBI Listing Regulations (as applicable to equity listed companies), the Companies Act and the SEBI ICDR Regulations, as well as the applicable requirements prescribed by the RBI, in respect of corporate governance, including in relation to the constitution of our Board and committees thereof.

### Committees of the Board

In addition to the committees of our Board described below, our Board may constitute committees for various functions from time to time.

#### *Audit Committee*

The Audit Committee was constituted pursuant to a resolution passed by our Board at its meeting held on November 18, 2024. The composition and terms of reference of the Audit Committee are in compliance with Section 177 and other applicable provisions of the Companies Act and Regulation 18 of the SEBI Listing Regulations. The Audit Committee currently comprises:

1. Santosh Kumar Mohanty (*Independent Director*) (*Chairperson*);
2. Promila Bhardwaj (*Independent Director*); and
3. Dongmyung Seo (*Whole-time Director and Chief Financial Officer*)

### *Scope and Terms of Reference*

The Audit Committee shall be responsible for, among other things, as may be required by the relevant stock exchange(s) in India where the equity shares of the Company are proposed to be listed (the “**Stock Exchanges**”) from time to time, the following:

### **Powers of Audit Committee**

The Audit Committee shall have powers, including the following:

- (1) to investigate any activity within its terms of reference;
- (2) to seek information from any employee;
- (3) to obtain outside legal or other professional advice;
- (4) to secure attendance of outsiders with relevant expertise, if it considers necessary; and
- (5) such powers as may be prescribed under the Companies Act and SEBI Listing Regulations.

### **Role of Audit Committee**

The role of the Audit Committee shall include the following:

- (a) Oversight of the financial reporting process and the disclosure of financial information relating to the Company to ensure that the financial statements are correct, sufficient and credible.
- (b) Recommendation for appointment, re-appointment, replacement, remuneration and terms of appointment of auditors including statutory auditors, secretarial auditors, cost auditors, internal auditors of the Company and the fixation of the audit fee, as applicable.
- (c) Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
- (d) Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
  - Matters required to be included in the director's responsibility statement to be included in the Board's report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act 2013;
  - Changes, if any, in accounting policies and practices and reasons for the same;
  - Major accounting entries involving estimates based on the exercise of judgment by management;
  - Significant adjustments made in the financial statements arising out of audit findings;
  - Compliance with listing and other legal requirements relating to financial statements;
  - Disclosure of any related party transactions; and
  - Modified opinion(s) in the draft audit report.
- (e) Reviewing, with the management, the quarterly, half-yearly and annual financial statements before submission to the Board for approval.
- (f) Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the issue document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public issue or rights issue or preferential issue, and making appropriate recommendations to the Board to take up steps in this matter.
- (g) Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process.
- (h) Approval of any subsequent modification of transactions of the Company with related parties and omnibus approval for related party transactions proposed to be entered into by the Company, subject to the conditions as may be prescribed;

*Explanation: The term “related party transactions” shall have the same meaning as provided in Regulation 2(1)(zc) of the SEBI Listing Regulations and/or the applicable Accounting Standards and/or the Companies Act 2013.*

- (i) Scrutiny of inter-corporate loans and investments.
- (j) Valuation of undertakings or assets of the Company, wherever it is necessary.
- (k) Evaluation of internal financial controls and risk management systems.
- (l) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
- (m) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
- (n) Discussion with internal auditors of any significant findings and follow up there on.
- (o) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
- (p) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- (q) Looking into the reasons for substantial defaults in the payment to depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
- (r) Recommending to the Board the appointment and removal of the external auditor, fixation of audit fees and approval for payment for any other services.
- (s) Reviewing the functioning of the whistle blower mechanism.
- (t) Overseeing the vigil mechanism established by the Company, with the chairman of the Audit Committee directly hearing grievances of victimization of employees and directors, who used vigil mechanism to report genuine concerns in appropriate and exceptional cases.
- (u) Approval of appointment of chief financial officer (i.e., the whole-time finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate.
- (v) Reviewing the utilization of loans and/or advances from/investment by the holding company in the subsidiary exceeding ₹ 1,000,000,000 or 10% of the asset size of the subsidiary, whichever is lower including existing loans/ advances/ investments existing as on the date of coming into force of this provision.
- (w) Considering and commenting on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.
- (x) Approving the key performance indicators for disclosure in the offer documents.
- (y) Carrying out any other functions required to be carried out by the Audit Committee as may be decided by the Board and/or as provided under the Companies Act, or as contained in the SEBI Listing Regulations or any other applicable law, as and when amended from time to time.

The Audit Committee shall mandatorily review the following information:

- (a) management discussion and analysis of financial condition and results of operations;
- (b) management letters / letters of internal control weaknesses issued by the statutory auditors;

- (c) internal audit reports relating to internal control weaknesses;
- (d) the appointment, removal and terms of remuneration of the chief internal auditor; and
- (e) statement of deviations in terms of the SEBI Listing Regulations:
  - quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s); and
  - annual statement of funds utilized for purposes other than those stated in the offer document/ prospectus/ notice, if any.

The Audit Committee shall meet at least four times a year with maximum interval of 120 days between two consecutive meetings, and shall have the authority to investigate into any matter in relation to the items specified under the terms of reference or such other matter as may be referred to it by the Board and for this purpose, shall have full access to information contained in the records of the Company and shall have power to seek information from any employee, obtain external professional advice and secure attendance of outsiders with relevant expertise if necessary.

#### *Nomination and Remuneration Committee*

The Nomination and Remuneration Committee was constituted pursuant to a resolution passed by our Board at its meeting held on November 18, 2024. The composition and terms of reference of the Nomination and Remuneration Committee are in compliance with Section 178 and other applicable provisions of the Companies Act and Regulation 19 of the SEBI Listing Regulations. The Nomination and Remuneration Committee currently comprises:

1. Ramesh Ramachandran Nair (*Independent Director*) (*Chairperson*);
2. Daehyun Song (*Non-executive Director*); and
3. Santosh Kumar Mohanty (*Independent Director*)

#### *Scope and terms of reference:*

The Nomination and Remuneration Committee shall be responsible for, among other things, the following:

- Formulation of 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.
- For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
  - (a) use the services of an external agencies, if required;
  - (b) consider candidates from a wide range of backgrounds, having due regard to diversity; and
  - (c) consider the time commitments of the candidates;
- Formulation of criteria for evaluation of performance of independent directors and the Board.
- Devising a policy on Board diversity.
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal and carrying out evaluation of every director's performance (including independent director).
- Whether to extend or continue the term of appointment of the independent director, on the basis of the

report of performance evaluation of independent directors.

- Recommend to the Board, all remuneration, in whatever form, payable to senior management.
- Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
- Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar and Share Transfer Agent.
- Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company
- Carrying out any other activities as may be delegated by the Board and functions required to be carried out by the Nomination and Remuneration Committee as contained in the SEBI Listing Regulations or any other applicable law, as and when amended from time to time.

The Nomination and Remuneration Committee, while formulating the Remuneration Policy, should ensure that

- a. the level and composition of remuneration be reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully;
- b. relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- c. remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short- and long-term performance objectives appropriate to the working of the Company and its goals.

In addition, the Nomination and Remuneration Committee has also been empowered to perform such functions as are required to be performed by the compensation committee under Regulation 5 of the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, as applicable, including the following:

- (a) administering the employee stock option plans of the Company as may be instituted from time to time, including the employee stock option schemes;
- (b) determining the eligibility of employees to participate under the employee stock option plans;
- (c) granting options to eligible employees and determining the date of grant under the employee stock option plans;
- (d) determining the number of options to be granted to an employee under the employee stock option plans;
- (e) determining the exercise price under the employee stock option plans; and
- (f) construing and interpreting the employee stock option plans and any agreements defining the rights and obligations of the Company and eligible employees under the employee stock option plans, and prescribing, amending and/or rescinding rules and regulations relating to the administration of the employee stock option plans.

The Nomination and Remuneration Committee is required to meet at least once every year in accordance with the SEBI Listing Regulations.

#### *Stakeholders' Relationship Committee*

The Stakeholders' Relationship Committee was constituted pursuant to a resolution passed by our Board at its meeting held on November 18, 2024, in compliance with Section 178 of the Companies Act and Regulation 20 of the SEBI Listing Regulations. The Stakeholders' Relationship Committee currently comprises:

1. Daehyun Song (*Non-executive Director*) (*Chairperson*);

2. Hong Ju Jeon (*Managing Director*); and
3. Ramesh Ramachandran Nair (*Independent Director*)

#### *Scope and Terms of Reference*

The Stakeholders' Relationship Committee shall be responsible for, among other things, as may be required under applicable law, the following:

- Considering and looking into various aspects of interest of shareholders, debenture holders and other security holders.
- Redressal of grievances of the security holders of the Company, including complaints in respect of allotment of Equity Shares, transfer/ transmission of Equity Shares, non-receipt of share credit in demat accounts, declared dividends, annual reports, balance sheets of the Company, general meetings, etc.
- Giving effect to allotment of Equity Shares, approval of transfer or transmission of Equity Shares, debentures or any other securities.
- Issue of duplicate certificates and new certificates on split/consolidation/renewal, etc.
- Reviewing measures taken for effective exercise of voting rights by shareholders.
- Reviewing adherence to the service standards adopted by the Company in respect of various services being rendered by the registrar and share transfer agent.
- Reviewing the various measures and initiatives undertaken 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.
- Carrying out any other functions required to be carried out by the Stakeholders' Relationship Committee as contained in the SEBI Listing Regulations or any other applicable law, as and when amended from time to time.

The Stakeholders' Relationship Committee is required to meet at least once in a year in accordance with the SEBI Listing Regulations.

#### *Risk Management Committee*

The Risk Management Committee was constituted pursuant to a resolution passed by our Board at its meeting held on November 18, 2024, in compliance with Regulation 21 of the SEBI Listing Regulations. The Risk Management Committee currently comprises:

1. Hong Ju Jeon (*Managing Director*) (*Chairperson*);
2. Dongmyung Seo (*Whole-time Director and Chief Financial Officer*); and
3. Santosh Kumar Mohanty (*Independent Director*)

The role and responsibility of the Risk Management Committee shall be as follows:

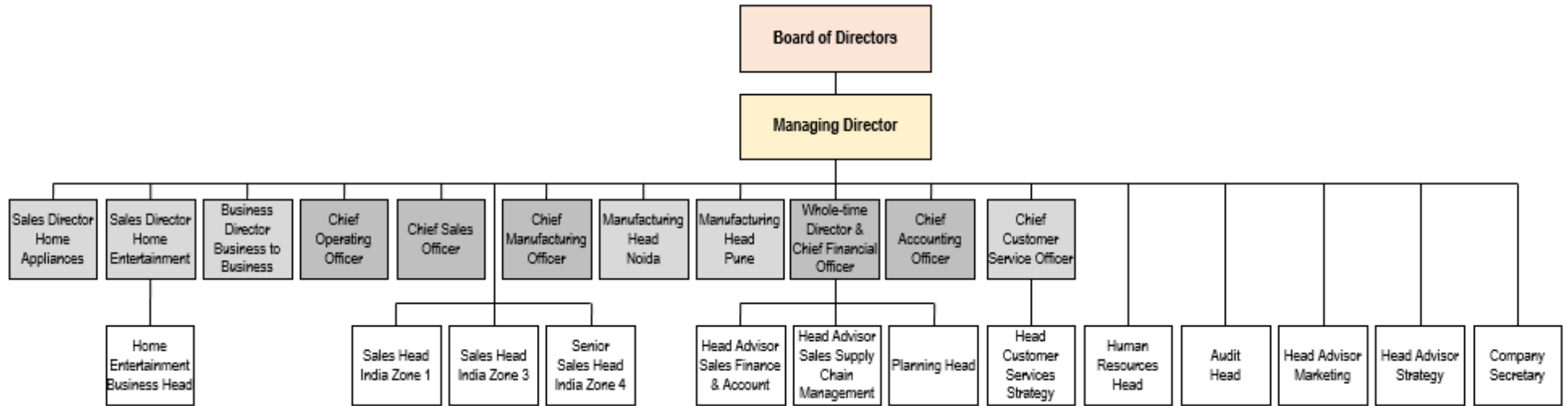
- Formulation of a detailed risk management policy which shall include: (a) a framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Risk Management Committee; (b) measures for risk mitigation including systems and processes for internal control of identified risks; and (c) business continuity plan;
- Ensuring that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
- Monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
- Periodically review the risk management policy, at least once in two years, including by considering the

changing industry dynamics and evolving complexity, and recommend for any amendment or modification thereof, as necessary;

- Keep the Board of directors of the Company informed about the nature and content of its discussions, recommendations and actions to be taken; and
- Review the appointment, removal and terms of remuneration of the chief risk officer (if any).
- To implement and monitor policies and/or processes for ensuring cyber security;
- Any other similar or other functions as may be laid down by Board from time to time and/or as may be required under applicable law, as and when amended from time to time, including the SEBI Listing Regulations.

In addition to the above, our Company has also constituted the Corporate Social Responsibility Committee and an IPO Committee.

## Management Organization Structure





## Key Managerial Personnel of our Company

In addition to Hong Ju Jeon, our Managing Director and Dongmyung Seo, our Whole-time Director and Chief Financial Officer, whose details are provided in “– *Brief Biographies of our Directors*” on page 209, the details of our Key Managerial Personnel as of the date of this Draft Red Herring Prospectus are set out below:

**Anuj Goyal** is the Company Secretary and Compliance Officer of our Company. He has been associated with our Company since November 25, 2024. He has passed the examinations for a bachelor’s degree in commerce (honours) from University of Delhi, Delhi, India and a bachelor’s degree in law from Chaudhary Charan Singh University, Meerut, Uttar Pradesh, India. He is also a member of the Institute of Company Secretaries of India. He has previously worked with JBM Auto Limited, Uniparts India Limited and MB Power (Madhya Pradesh) Limited. He is responsible for handling secretarial and compliance functions in our Company. Since he joined our Company in Fiscal 2025, he has not been paid any remuneration from our Company for Fiscal 2024.

## Senior Management of our Company

The details of the members of our Senior Management in terms of SEBI ICDR Regulations, as on the date of this Draft Red Herring Prospectus, are set out below:

**Abhiral Bhansali** is the Home Entertainment Business Head of our Company. He has been associated with our Company since December 27, 2005. He holds a post graduate diploma in business management from Birla Institute of Management Technology, New Delhi, India. He has previously worked with EKL Appliances Limited. He is responsible for home entertainment business in our Company. During Fiscal 2024, he received a remuneration of ₹ 8.16 million.

**Ashish Agrawal** is the Chief Operating Officer of our Company. He has been associated with our Company since July 19, 1999. He holds a bachelor’s degree in commerce (honours) from University of Delhi, Delhi, India. He has also passed the final examination held by the Institute of Chartered Accountants of India. He has previously worked with S.R. Batliboi & Co. He is responsible for the go-to-market division which includes business strategy, market sensing, brand shop management, in-store and sell-out management in our Company. During Fiscal 2024, he received a remuneration of ₹ 14.18 million.

**Atul Khanna** is the Chief Accounting Officer. He joined Escorts Communications Limited on September 8, 1997, which subsequently merged with our Company on December 13, 2002. He holds a bachelor’s degree in commerce from Kurukshetra University, Thanesar, Haryana, India. He has also passed the final examination held by the Institute of Chartered Accountants of India. He is responsible for treasury and insurance management, customer and credit risk management, direct and indirect taxation and financial reporting in our Company. During Fiscal 2024, he received a remuneration of ₹ 7.41 million.

**Changhwan Kim** is the Chief Customer Service Officer of our Company. He has been associated with our Company since December 31, 2023. His current tenure in our Company is for a period of four years commencing from December 31, 2023 to December 31, 2027. He holds a bachelor’s degree in engineering from the College of Engineering of Dong-A University, Busan, Korea. He has been associated with the LG group since September 25, 2000. He is responsible for service operation, customer relation management and development of standards of service quality and performance in our Company. During Fiscal 2024, he received a remuneration of ₹ 9.31 million.

**Gagan Jeet Singh** is the Chief Manufacturing Officer of our Company. He has been associated with our Company since October 27, 1997. He holds a bachelor’s degree in engineering (electronics) from University of Pune, Maharashtra, India. He is responsible for operations at the Noida factory in our Company. During Fiscal 2024, he received a remuneration of ₹ 8.23 million.

**Gireesan T. Gopi** is the Sales Head – India Zone 1 of our Company. He has been associated with our Company since January 4, 2005. He holds a bachelor’s degree in science from Gujarat University, Gujarat, India. He has previously worked with BPL Limited. He is responsible for sales in India zone 1 in our Company. During Fiscal 2024, he received a remuneration of ₹ 10.51 million.

**Gurpinderjeet Singh** is the Planning Head of our Company. He has been associated with our Company since January 3, 2005. He holds a bachelor’s degree in commerce from the University of Delhi, Delhi, India. He has

also passed the final examination held by the Institute of Chartered Accountants of India. He has previously worked with SKOL Breweries Limited. He is responsible for planning and sales program including budgeting, monitoring and reporting sales achievement at the organizational level in our Company. During Fiscal 2024, he received a remuneration of ₹ 5.86 million.

**Hanjun Kim** is the Head Advisor – Sales Finance and Account of our Company. He has been associated with our Company since June 20, 2024. His current tenure in our Company is for a period of four years commencing from June 20, 2024 to June 20, 2028. He holds a bachelor's degree in economics from Sogang University, Seoul, Korea. He has previously worked with POSCO International Corporation. He is responsible for finance operations in our Company (sales organization). He has been associated with the LG group since March 29, 2004. Since he joined our Company in Fiscal 2025, he has not been paid any remuneration from our Company in Fiscal 2024.

**Jaecil Kim** is the Manufacturing Head – Pune of our Company. He has been associated with our Company since December 19, 2020. His current tenure in our Company is for a period of four years commencing from December 19, 2020 to December 19, 2024. He holds a master's degree in engineering from Pukyong National University, Busan, Korea. He has been associated with the LG group since January 12, 2004. He is responsible for reviewing the manufacturing process, production support and managing overall production milestone at the Pune factory in our Company. During Fiscal 2024, he received a remuneration of ₹ 40.34 million.

**Jae Hyung Jun** is the Head Advisor - Marketing of our Company. He has been associated with our Company since December 22, 2022. His current tenure in our Company is for a period of three years and eleven months commencing from December 22, 2022 to November 30, 2026. He holds a bachelor's degree in arts from Busan University of Foreign Studies, Busan, Korea. He has been associated with the LG group since March 29, 2004. He is responsible for planning, development and execution of marketing, advertisement initiatives and strategies for the brand of our Company. During Fiscal 2024, he received a remuneration of ₹ 22.44 million.

**Rajesh Chandrasekar** is the Head – Customer Services Strategy of our Company. He has been associated with our Company since April 27, 2004. He holds a bachelor's degree in engineering (electronics and communication engineering) from Bharatiar University, Coimbatore, Tamil Nadu, India and a diploma in management from Brilliant's School of Management, Chennai, India. He has previously worked with National Panasonic India Private Limited. He is responsible for building customer service strategies in our Company. During Fiscal 2024, he received a remuneration of ₹ 8.05 million.

**Sanjay Chitkara** is the Chief Sales Officer of our Company. He has been associated with our Company since March 8, 1999. He holds a bachelor's degree in technology (electrical engineering) from Kurukshetra University, Thanesar, Haryana, India and a post graduate diploma in business management from the Institute of Management Technology, Ghaziabad, Uttar Pradesh, India. He has previously worked with Videocon International Limited. He is responsible for the home appliances business in our Company. During Fiscal 2024, he received a remuneration of ₹ 11.02 million.

**Sarvesh Maheshwari** is the Audit Head of our Company. He has been associated with our Company since February 16, 2000. He holds a bachelor's degree in commerce (honours) from Shri Ram College of Commerce, University of Delhi, Delhi, India. He has also passed the final examination held by the Institute of Chartered Accountants of India. He has previously worked with Agiwal & Associates, Chartered Accountants. He is responsible for audits in our Company. During Fiscal 2024, he received a remuneration of ₹ 7.11 million.

**Soo Hwan Koh** is the Head Advisor – Sales Supply Chain Management of our Company. He has been associated with our Company since December 5, 2022. His current tenure in our Company is for a period of three years and eleven months commencing from December 5, 2022 to November 1, 2026. He holds a bachelor's degree in arts from Dong-A University, Busan, Korea and a master's degree in business administration from Sungkyunkwan University, Seoul, Korea. He has been associated with the LG group since November 3, 2003. He has previously worked with Hankook Atlas BX. He is responsible for managing logistics and supply chain management in our Company (sales organization). During Fiscal 2024, he received a remuneration of ₹ 20.94 million.

**Sudheer Prabhakaran** is the Senior Sales Head – India Zone 4 of our Company. He has been associated with our Company since January 23, 2002. He holds a diploma in electrical engineering from the Department of Technical Education, Government of Kerala, Kerala, India. He has previously worked with BPL Limited. He is responsible for sales for India zone 4 in our Company. During Fiscal 2024, he received a remuneration of ₹ 11.71 million.

**Surinder Singh Sachdeva** is the Sales Head – India Zone 3 of our Company. He has been associated with our Company since January 12, 2003. He holds a bachelor's degree in engineering (electronics engineering) from Bangalore University, Bangalore, Karnataka, India. He has previously worked with Electrolux Kelvinator

Limited. He is responsible for sales for India zone 3 in our Company. During Fiscal 2024, he received a remuneration of ₹ 10.73 million.

**Vijay Ranjan Singh** is the Human Resources Head of our Company. He has been associated with our Company since July 9, 2007. He holds a bachelor's degree in arts from Deshbandhu College, University of Delhi, Delhi, India and a master's degree in business administration from Guru Gobind Indraprastha University, Delhi, India. He has previously worked with Noida Power Company Limited. He is responsible for the human resources department in our Company. During Fiscal 2024, he received a remuneration of ₹ 6.91 million.

**Woo Hae Lee** is the Head Advisor - Strategy of our Company. He has been associated with our Company since May 28, 2024. His current tenure in our Company is for a period of four years and one month commencing from May 28, 2024 to June 20, 2028. He holds a bachelor's degree in science (mechanical engineering) from Yonsei University, Seoul, Korea. He has been associated with the LG group since May 17, 2021. He has previously worked with Eland Retail Limited and Eland World Limited. He is responsible for formulating strategies in our Company. Since he joined our Company in Fiscal 2025, he has not been paid any remuneration from our Company in Fiscal 2024.

**Yongchan Jung** is the Manufacturing Head – Noida of our Company. He has been associated with our Company since December 14, 2023. His current tenure in our Company is for a period of four years and one month commencing from December 14, 2023 to December 31, 2027. He holds a bachelor's degree in science (aerospace engineering). He has been associated with the LG Eroup since February 18, 2002. He is responsible for reviewing the manufacturing process, production support and managing the overall production milestone at Noida factory in our Company. During Fiscal 2024, he received a remuneration of ₹ 9.74 million.

**Yoojae Kim** is the Business Director – Business to Business (B2B) of our Company. He has been associated with our Company since January 8, 2022. His current tenure in our Company is for a period of four years commencing from January 8, 2022 to January 8, 2026. He holds a bachelor's degree in arts (international trade) from Hanyang University, Seoul, Korea. He has been associated with the LG group since January 4, 1995. He is responsible for sales strategy and execution for all business-to-business activities in our Company. During Fiscal 2024, he received a remuneration of ₹ 29.93 million.

**Younghwan Jung** is the Sales Director – Home Entertainment of our Company. He has been associated with our Company since December 31, 2023. His current tenure in our Company is for a period of four years commencing from December 31, 2023 to December 31, 2027. He holds a bachelor's degree in commercial science from Dong-eui University, Busan, Korea. He has been associated with the LG group since April 7, 2004. He is responsible for directing aspects of home entertainment sales activity for meeting sales through strategic and operational planning which supports the overall business objective of home entertainment products in our Company. During Fiscal 2024, he received a remuneration of ₹ 4.85 million.

**Young Min Hwang** is the Sales Director – Home Appliances of our Company. He has been associated with our Company since January 1, 2024. His current tenure in our Company is for a period of four years commencing from January 1, 2024 to January 01, 2028. He holds a bachelor's degree in science (metallurgical engineering) from Sungkyunkwan University, Seoul, Korea and a master's degree in business administration (marketing management) from Ajou University, Suwon, Korea. He has been associated with the LG group since January 8, 2001. He is responsible for directing aspects of home appliances sales activity for meeting sales through strategic and operational planning in our Company. During Fiscal 2024, he received a remuneration of ₹ 5.16 million.

#### **Status of Key Managerial Personnel and Senior Management**

All Key Managerial Personnel and Senior Management are permanent employees of our Company. It is clarified that in accordance with the Human Resources Practices for Overseas Expatriates of our Company, i.e., Changhwan Kim, Hanjun Kim, Jaeil Kim, Jae Hyung Jun, Soo Hwan Koh, Woo Hae Lee, Yongchan Jung, Yoojae Kim, Younghwan Jung and Young Min Hwang, have been onboarded as permanent employees of our Company for their respective tenures in our Company.

#### **Relationship between our Key Managerial Personnel, Senior Management and Directors**

None of our Key Managerial Personnel and Senior Management are related to each other or to the Directors of our Company.

## Shareholding of Key Managerial Personnel and Senior Management in our Company

Except as disclosed in “*Capital Structure – Shareholding of our Directors, Key Managerial Personnel and members of Senior Management in our Company*” on page 105, none of our Key Managerial Personnel and Senior Management Personnel hold any Equity Shares in our Company.

## Bonus or Profit-Sharing Plan of our Key Managerial Personnel and Senior Management

None of our Key Managerial Personnel or Senior Management is a party to any profit-sharing plan by our Company.

## Arrangement or Understanding with Major Shareholders, Customers, Suppliers or Others

There are no arrangements or understanding with major shareholders, customers, suppliers or others, pursuant to which any of our Key Managerial Personnel or Senior Management were selected as members of our management.

## Interest of Key Managerial Personnel and Senior Management

Except as disclosed in “- *Interest of Directors*” on page 211, our Key Managerial Personnel and Senior Management do not have any interests in our Company, other than to the extent of (i) the remuneration or incentives, if any, to which they are entitled in accordance with the terms of their appointment or reimbursement of expenses incurred by them during the ordinary course of business by our Company and (ii) their directorship on the board of directors of, and/or their shareholding in our Company, as applicable and any dividend payable to them and other benefits arising out of such shareholding.

None of our Key Managerial Personnel or Senior Management have been paid any consideration of any nature by our Company other than remuneration in the ordinary course of their employment.

No deferred or contingent compensation was accrued or payable to any of our Key Managerial Personnel or Senior Management in Fiscal 2024.

## Changes in the Key Managerial Personnel and Senior Management during the last three years

Other than as disclosed in “- *Changes in the Board during the last three years*” on page 211, the changes in the Key Managerial Personnel and Senior Management in the preceding three years are as follows:

Name	Date of Change	Reason for Change
Anuj Goyal	November 25, 2024	Appointment as Company Secretary and Compliance Officer
Manish Kumar Surolia	November 25, 2024	Cessation as company secretary
Dongmyung Seo	November 18, 2024	Appointment as Chief Financial Officer
Gagan Jeet Singh	October 25, 2024	Appointment as Chief Manufacturing Officer
Abhiral Bhansali	October 24, 2024	Appointment as Home Entertainment Business Head
Ashish Agrawal	October 24, 2024	Appointment as Chief Operating Officer
Atul Khanna	October 24, 2024	Appointment as Chief Accounting Officer
Gurpinderjeet Singh	October 24, 2024	Appointment as Planning Head
Rajesh Chandrasekar	October 24, 2024	Appointment as Head – Customer Services Strategy
Sanjay Chitkara	October 24, 2024	Appointment as Chief Sales Officer
Sarvesh Maheshwari	October 24, 2024	Appointment as Audit Head
Vijay Ranjan Singh	October 24, 2024	Appointment as Human Resources Head
Dong Myung Seo	October 24, 2024	Appointment as Chief Financial Officer
Changhwan Kim	October 24, 2024	Appointment as Chief Customer Service Officer
HanJun Kim	October 24, 2024	Appointment as Head Advisor – Sales Finance and Account
Jae Hyung Jun	October 24, 2024	Appointment as Head Advisor – Marketing
Soo Hwan Koh	October 24, 2024	Appointment as Head Advisor – Sales Supply Chain Management
Yoojae Kim	October 24, 2024	Appointment as Business Director – Business to Business (B2B)
Younghwan Jung	October 24, 2024	Appointment as Sales Director – Home Entertainment
Young Min Hwang	October 24, 2024	Appointment as Sales Director – Home Appliances
Manish Kumar Surolia	July 5, 2024	Appointment as company secretary
Pradeep Panda	July 1, 2024	Cessation as company secretary
Woo Hae Lee	May 28, 2024	Appointment as Head Advisor – Strategy

Name	Date of Change	Reason for Change
Yongchan Jung	December 14, 2023	Appointment as Manufacturing Head – Noida

### **Payment or Benefit to Key Managerial Personnel and Senior Management**

No amount or benefit has been paid or given within two years preceding the date of this Draft Red Herring Prospectus or is intended to be paid or given to any officers of our Company, including our Key Managerial Personnel and Senior Management, other than normal remuneration, for services rendered as officers of our Company, and as disclosed in “*Restated Financial Information – Note 6 – Financial assets- Loans- Loans to employees*” on page 260.

Other than statutory benefits upon termination of employment, our Company has not entered into any service contracts with our Key Managerial Personnel/ Senior Management providing for benefits upon termination of their employment.

### **Employee stock option and stock purchase schemes**

Our Company has not formulated any employee stock option or stock purchase scheme as of the date of this Draft Red Herring Prospectus.

## PROMOTER AND PROMOTER GROUP

### Our Promoter

As on the date of this Draft Red Herring Prospectus, LG Electronics Inc. is the Promoter of our Company.

As on the date of this Draft Red Herring Prospectus, our Promoter, holds 678,772,392 equity shares of face value of ₹ 10 each, including, six equity shares of face value of ₹ 10 each, i.e., one equity share of face value of ₹ 10 each held by each of Ajay Rambal, Atul Khanna, Gurbinderjeet Singh, Kapil Mehra, Sandeep Kumar and Vishal Rastogi on behalf of and as nominees of LG Electronics Inc., our Promoter on behalf of and as nominees of LG Electronics Inc., which constitutes 100.00% of the issued, subscribed and paid-up Equity Share capital of our Company. For further details, see “*Capital Structure - History of build-up of the Promoter shareholding in our Company*” on page 101.

### LG Electronics Inc.

#### Corporate Information

LG Electronics Inc. was incorporated as ‘LG Electronics Inc.’ on April 1, 2002 in the Republic of Korea, as a public limited company and was granted a registration certificate by the Republic of Korea. The resident (corporation) registration number of LG Electronics Inc. is 110111-2487050 and the business registration number of LG Electronics Inc. is 107-86-14075. Its registered office is located at 128, Yeoui-daero, Yeongdeungpo-gu, Seoul, Korea.

As on the date of this Draft Red Herring Prospectus, the equity shares of LG Electronics Inc. are listed on the Korea Exchange.

#### Nature of Business

LG Electronics Inc. is engaged in the business of manufacturing, *inter alia*, home appliances and electronic products, etc.

#### Change in Activities

There has been no change in business activities of LG Electronics Inc.

#### Board of Directors

The board of directors of LG Electronics Inc., as on the date of this Draft Red Herring Prospectus is as follows:

Sr. No.	Name of the Director	Designation
1.	Bong Seok Kwon	Vice chairman and non-executive director
2.	William (Joowan) Cho	Chief executive officer and executive director
3.	Chang Tae Kim	Chief financial officer and executive director
4.	Sang Goo Lee	Independent director
5.	Soo Jin Kang	Independent director
6.	Choong Yeul Yoo	Independent director
7.	Seung Woo Seo	Independent director

#### Shareholding Pattern of LG Electronics Inc.

The shareholding pattern of the equity shares of LG Electronics Inc. as on September 30, 2024 is as follows:

Sr. No	Name Of Shareholders	Number Of Shares	Shareholding (%)
1.	LG Corporation	55,094,582	33.67
2.	National Pension Service of Korea*	12,246,087	7.48
3.	Treasury Shares	763,176	0.47
4.	Public shareholding	95,543,969	58.38
	<b>Total</b>	<b>163,647,814</b>	<b>100.00</b>

\* Based on the latest public disclosure of National Pension Service's shareholding as of August 9, 2024.

#### *Details of change in control of LG Electronics Inc.*

There has been no change in the control of LG Electronics Inc. in the last three years preceding the date of this Draft Red Herring Prospectus.

#### *Promoter of LG Electronics Inc.*

As on date of this Draft Red Herring Prospectus, LG Electronics Inc. does not have a promoter or any natural person who is control of LG Electronics Inc.

Our Company confirms that the permanent account number, bank account number, company registration number of our Promoter along with the addresses of the relevant registrar of companies (to the extent applicable) where our Promoter is registered will be submitted to the Stock Exchanges at the time of filing of this Draft Red Herring Prospectus.

#### **Change in the control of our Company**

There has been no change in the control of our Company during the last five years preceding the date of this Draft Red Herring Prospectus. Pursuant to a resolution passed by the Board of Directors dated December 4, 2024, LG Electronics Inc. has been identified as the Promoter.

#### **Interests of our Promoter**

Our Promoter is interested in our Company to the extent (i) that it is the Promoter of our Company; (ii) of transactions entered into by our Company with it; (iii) of our Promoter's shareholding in our Company; (iv) the dividend payable, if any, and any other distributions in respect of the Equity Shares held by our Promoter in our Company, from time to time; and (v) agreements entered amongst our Company and our Promoter, such as, the License Agreement and the Framework Agreement, see, "*History and Certain Corporate Matters – Key terms of other subsisting material agreements*" on page 204. For further details of LG Electronics Inc.'s shareholding in our Company, see "*Capital Structure*" beginning on page 97.

Our Promoter is not interested in the properties acquired or proposed to be acquired by our Company in the three years preceding the date of filing of the Draft Red Herring Prospectus. Our Promoter is not interested in any transaction in acquisition of land, construction of building or supply of machinery, etc.

Our Promoter is not interested as members of a firm or a company, and no sum have been paid or agreed to be paid to our Promoter or to such firm or company in which our Promoter is interested as a member, in cash or shares or otherwise by any person either to induce any such person to become, or qualify them as a director, or otherwise for services rendered by such firm or company in connection with the promotion of our Company.

#### **Payment or benefits to our Promoter or to the members of the Promoter Group**

Except as stated in "*History and Certain Corporate Matters – Key terms of other subsisting material agreements – Revised license agreement dated July 27, 2017, between our Company and our Promoter, LG Electronics Inc., ("Revised License Agreement") read with the addendum to the Revised License Agreement dated March 9, 2018, addendum to the Revised License Agreement dated June 17, 2021, amendment to the Revised License Agreement dated June 20, 2023, addendum to the Revised License Agreement dated September 28, 2023 and addendum to the Revised License Agreement dated November 18, 2024 (together, the "License Agreement")*", "*Restated Financial Information – Note 28 - Related Party Disclosures*" and "*Dividend Policy*" on pages 204, 281 and 231, there has been no payment of any amount or benefit given to our Promoter or the members of our Promoter Group during the two years preceding the date of filing of the Draft Red Herring Prospectus nor is there any intention to pay any amount or give any benefit to our Promoter or the members of our Promoter Group as on the date of filing of this Draft Red Herring Prospectus.

#### **Material guarantees given by our Promoter to third parties with respect to Equity Shares**

Our Promoter has not given any material guarantee to any third party with respect to the Equity Shares as on the date of this Draft Red Herring Prospectus.

#### **Companies and firms with which our Promoter has disassociated in the last three years**

Except as disclosed below, our Promoter has not disassociated itself from any company or firm in the three years

immediately preceding the date of this Draft Red Herring Prospectus.

<b>Name of company or firm from which the Promoter has disassociated</b>	<b>Reasons and circumstances for disassociation</b>	<b>Terms of disassociation</b>	<b>Date of disassociation</b>	<b>Country of incorporation</b>
NOVA Prime Ventures GP LLC	As per strategic decision	Sale of ownership stake	November 27, 2023	U.S.A.
ZKW Elektronik GmbH	As per strategic decision	Merger	September 8, 2023	Austria
LG Electronics Nanjing Battery Pack CO., LTD	As per strategic decision	Liquidation	August 31, 2022	China
LG Innotek Huizhou Co.,Ltd	As per strategic decision	Sale of ownership stake	March 3, 2022	China
LG Electronics Mobile Research U.S.A.,LLC.	As per strategic decision	Liquidation	January 3, 2022	U.S.A.
Zenith Electronics Corporation of Pennsylvania	As per strategic decision	Liquidation	December 13, 2021	U.S.A.
Inspur LG Digital Mobile Communications Co., Ltd.	As per strategic decision	Sale of ownership stake	November 29, 2021	China

### **Promoter Group**

The names of the members of our Promoter Group, identified in accordance with the provisions of Regulation 2(1)(pp) of the SEBI ICDR Regulations (excluding our Promoter), are provided below:

<b>Sr No.</b>	<b>Members of the Promoter Group</b>
1)	ACE R&A Co., Ltd
2)	ACE R&A Hungary Korlatolt Felelossegu Tarsasag
3)	ACE R&A US INC
4)	Alluto LLC.
5)	Alphonso Hellas S.A.
6)	Alphonso Inc.
7)	Alphonso Labs Private Limited
8)	Alphonso UK Limited
9)	Arcelik-LG Klima Sanayi ve Ticaret A.S
10)	Athom B.V.
11)	Athom Holding B.V.
12)	Athom Inc
13)	Bear Robotics, Inc.
14)	CCP-LGE OWNER, LLC
15)	Cybellum Technologies Ltd
16)	Cybellum Technologies Ltd Japan
17)	Cybellum Technologies USA, Inc.
18)	EIC PROPERTIES PTE LTD.
19)	Ericsson-LG Co.,Ltd.
20)	Fitnesscandy Co., Ltd.
21)	Guangdong Smart Life Technology Co., Ltd
22)	Hanuri Co., Ltd.
23)	HI M SOLUTEK HVAC SERVICE AND MAINTENANCE LLC.
24)	Hi-Caresolution Co.,Ltd
25)	HiEV Charger Co., Ltd.
26)	Hi-M Solutek Mexico S. De R.L De C.V.
27)	Hi-M Solutek Philippines Inc.
28)	HI-M SOLUTEK POLAND Sp. Z O.O
29)	Hi-M Solutek Vietnam Co.,Ltd
30)	Hi-M. Solutek Germany GmbH
31)	Hi-M.SOLUTEK
32)	Hi-M.Solutek India Private Limited
33)	Hi-M.Solutek LLC
34)	Hi-M.SOLUTEK US INC



<b>Sr No.</b>	<b>Members of the Promoter Group</b>
35)	Hitachi-LG Data Storage Inc.
36)	Hi-Teleservice
37)	KES – kabelové a elektrické systémy, spol. s.r.o.
38)	KES Poland Sp.z o.o.
39)	LG Consulting Corp.
40)	LG Corp.
41)	LG Display Co., Ltd.
42)	LG Electronics (China) Co., Ltd.
43)	LG Electronics (China) Research and Development Center Co., Ltd.
44)	LG Electronics Levant - Jordan
45)	LG Electronics (M) Sdn. Bhd.
46)	LG Electronics Africa Logistics FZE
47)	LG Electronics Air-Conditioning (Shandong) Co., Ltd.
48)	LG Electronics Alabama, Inc.
49)	LG Electronics Algeria SARL
50)	LG Electronics Almaty Kazakhstan Limited Liability Partnership
51)	LG Electronics Angola Limitada
52)	LG Electronics Argentina S.A.
53)	LG Electronics Australia Pty Ltd
54)	LG Electronics Benelux Sales B.V.
55)	LG Electronics Canada, Inc.
56)	LG Electronics Colombia Limitada
57)	LG Electronics Deutschland GmbH
58)	LG Electronics Development Vietnam Company Limited
59)	LG Electronics do Brasil Ltda.
60)	LG Electronics Dubai FZE
61)	LG Electronics Egypt S.A.E.
62)	LG Electronics Espana S.A.
63)	LG Electronics European Holding B.V.
64)	LG Electronics European Shared Service Center B.V.
65)	LG Electronics Finland Lab Oy
66)	LG Electronics France S.A.S
67)	LG Electronics Fund I LLC
68)	LG ELECTRONICS FUND II LLC
69)	LG Electronics Guatemala S.A.
70)	LG Electronics Gulf FZE
71)	LG Electronics Hellas Single Member S.A.
72)	LG Electronics HIPLAZA Inc.
73)	LG Electronics HK Ltd.
74)	LG Electronics Huizhou Ltd.
75)	LG Electronics Inc Chile Limitada
76)	LG Electronics Italia S.p.A.
77)	LG Electronics Japan, Inc.
78)	LG Electronics Latvia LTD
79)	LG Electronics Magyar KFT
80)	LG Electronics Mexico S.A. DE C.V.
81)	LG Electronics Middle East & Africa Regional Headquarter
82)	LG Electronics Middle East Co., Ltd.
83)	LG Electronics Mlawa Sp.z.o.o.
84)	LG Electronics Morocco S.A.R.L
85)	LG Electronics Nanjing New Technology Co., Ltd
86)	LG Electronics Nanjing Vehicle Components Co., Ltd.
87)	LG Electronics New Jersey, LLC
88)	LG Electronics Nigeria Limited
89)	LG Electronics Nordic AB
90)	LG Electronics Overseas Trading FZE
91)	LG Electronics Panama S.A.

<b>Sr No.</b>	<b>Members of the Promoter Group</b>
92)	LG Electronics Peru S.A.
93)	LG Electronics Philippines, Inc.
94)	LG Electronics Polska Limited Liability Company
95)	LG Electronics Portugal S.A.
96)	LG Electronics Qinhuangdao Co., Ltd.
97)	LG Electronics RUS, LLC
98)	LG Electronics South Africa (Pty) Ltd.
99)	LG Electronics Saudi Arabia LLC
100)	LG Electronics Shenyang Inc.
101)	LG Electronics Singapore Pte Ltd.
102)	LG Electronics Taiwan Taipei Co., Ltd.
103)	LG Electronics Thailand Co., Ltd.
104)	LG Electronics Tianjin Appliances Co., Ltd.
105)	LG Electronics Ticaret A.S.
106)	LG Electronics U.K. LTD
107)	LG Electronics U.S.A., Inc.
108)	LG Electronics Ukraine
109)	LG Electronics Vehicle Components Europe GmbH
110)	LG Electronics Vehicle Components U.S.A., LLC
111)	LG Electronics Venezuela S.A.
112)	LG Electronics Vietnam Hai Phong Co., Ltd
113)	LG Electronics Wales Ltd.
114)	LG Electronics Wroclaw Sp. z.o.o.
115)	LG Electronis Reynosa, S.A. De C.V.
116)	LG Innotek Co., Ltd.
117)	LG Japan Lab. Inc.
118)	LG Magna e-Powertrain Co., Ltd.
119)	LG Magna e-Powertrain Hungary Kft.
120)	LG Magna e-Powertrain Mexico S.A. de C.V.
121)	LG Magna e-Powertrain USA Inc.
122)	LG Magna Nanjing e-Powertrain Vehicle Components Co., Ltd
123)	LG Soft India Private Limited.
124)	LG Technology Ventures LLC
125)	LG ENAF Service Company SARL
126)	LGEUS Power, LLC
127)	LG-LHT Aircraft Solutions GmbH
128)	LG-LHT Passenger Solutions GmbH
129)	LG Shaker Co. Ltd.
130)	Mirae Asset-LG Electronics New Growth Fund I
131)	Nanjing LG Panda Appliances Co., Ltd.
132)	NOVA Prime Fund I, LP.
133)	OverDriver Energy Inc
134)	PrimeFocus Health Inc
135)	PT Him Solutek Indonesia
136)	PT LGE Indonesia Research And Development Center
137)	PT LG Electronics Indonesia
138)	PT. LG Electronics Service Indonesia
139)	Qingonglian Electrical Installation Engineering Co.,Ltd
140)	Rinse Inc.
141)	Robostar Co., Ltd.
142)	Taizhou LG Electronics Refrigeration Co., Ltd
143)	Zenith Electronics LLC
144)	ZKW Austria Immobilien GmbH
145)	ZKW Austria Immobilien Holding GmbH
146)	ZKW Automotive Engineering CZ s.r.o.
147)	ZKW Group GmbH
148)	ZKW Holding GmbH

<b>Sr No.</b>	<b>Members of the Promoter Group</b>
149)	ZKW Lichtsysteme GmbH
150)	ZKW Lighting Systems (Dalian) Co. Ltd.
151)	ZKW Lighting Systems Korea Co., Ltd.
152)	ZKW Lighting Systems USA, Inc.
153)	ZKW Mexico Inmobiliaria, S.A. de C.V.
154)	ZKW Mexico, S.A. de C.V.
155)	ZKW Slovakia s.r.o.

## DIVIDEND POLICY

The declaration and payment of dividend on the Equity Shares, if any, will be recommended by our Board and approved by our Shareholders, at their discretion subject to the provisions of the Articles of Association and applicable law, including the Companies Act, read with the applicable rules issued thereunder, each as amended.

The dividend distribution policy of our Company was approved and adopted by our Board on December 4, 2024 (“**Dividend Policy**”). In terms of the Dividend Policy, the dividend, if any, will depend on a number of internal and external factors, which includes, *inter alia*, profits earned and available for distribution, accumulated reserves, cash flows and expansion/diversification of business.

Any future determination as to the declaration and payment of dividends will be at the discretion of our Board and Shareholders. The dividend, if any, will depend on the aforementioned parameters and on factors that our Board deems relevant, including but not limited to macro-economic environment, regulatory changes, technological changes and other factors considered relevant by the Board. For details in relation to risks involved in this regard, please see “**Risk Factors – Our ability to pay dividends in the future will depend on our earnings, financial condition, working capital requirements, capital expenditures and restrictive covenants of our financing arrangements.**” on page 65.

Except as disclosed below, our Company has not declared and paid any dividends on the Equity Shares during the period from July 1, 2024 until the date of this Draft Red Herring Prospectus and the three months ended June 30, 2024 and Financial Years ended March 31, 2024, March 31, 2023 and March 31, 2022:

Particulars	Period				
	July 1, 2024 to December 5, 2024	April 1, 2024 to June 30, 2024	Financial year ended March 31, 2024	Financial year ended March 31, 2023	Financial year ended March 31, 2022
<b>No. of Equity Shares bearing face value of ₹ 10*</b>	678,772,392	113,128,732	113,128,732	113,128,732	113,128,732
<b>Face value of Equity Shares**</b>	10	10	10	10	10
<b>Interim Dividend</b>	Nil	Nil	20,928.82	24,888.32	22,625.75
<b>Final Dividend</b>	Nil	Nil	Nil	Nil	Nil
<b>Total Dividend</b>	Nil	Nil	20,928.82	24,888.32	22,625.75
<b>Dividend per share</b>	Nil	Nil	185.00	220.00	200.00
Number of equity shares*	Nil	Nil	113,128,732	113,128,732	113,128,732
<b>Dividend Rate (%)**</b>	Nil	Nil	1,850.00%	2,200.00%	2,000.00%
<b>Mode of payment of dividend</b>	NA	NA	Bank	Bank	Bank
<b>Dividend Distribution Tax</b>	Nil	Nil	Nil	Nil	Nil

*Final dividend declared at the end of a Fiscal Year is paid to our Shareholders in the ensuing Fiscal Year subsequent to the approval of such dividend payout at the annual general meeting of the Shareholders.*

*\*At the time of payment of dividend.*

*\*\* Rate of dividend per equity share (%) is calculated as (total dividend per equity share divided by face value per equity share at the time of payment of dividend) multiplied by 100.*

The amounts paid as dividends in the past are not necessarily indicative of dividend amounts that will be paid, if any, in the future. Bidders are cautioned not to rely on past dividends as an indication of the future performance of our Company or for an investment in the Equity Shares offered in the Offer. There is no guarantee that any dividends will be declared or paid in the future.

**SECTION V: FINANCIAL INFORMATION**

**RESTATED FINANCIAL INFORMATION**

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**Independent Auditor’s Examination Report on Restated Financial Information in connection with the Proposed Initial Public Offering of LG Electronics India Limited (formerly known as LG Electronics India Private Limited)**

To

The Board of Directors  
LG Electronics India Limited  
16th - 20th Floor, C-001, Tower D, KP Tower,  
Sector 16B, Noida 201 301,  
Uttar Pradesh, India

Dear Sirs,

1. This report is issued in accordance with the terms of our agreement dated December 03, 2024.
2. We have examined the attached Restated Financial Information, expressed in Indian Rupees in Millions of LG Electronics India Limited (formerly known as LG Electronics India Private Limited) (hereinafter referred to as the “Company” or the “Issuer”) comprising:
  - (a) the “Restated Statement of Assets and Liabilities” as at June 30, 2024, March 31, 2024, March 31, 2023 and March 31, 2022 (enclosed as Annexure I);
  - (b) the “Restated Statement of Profit and Loss” for the three months interim period ended June 30, 2024 and for the years ended March 31, 2024, March 31, 2023 and March 31, 2022 (enclosed as Annexure II);
  - (c) the “Restated Statement of Changes in Equity” for the three months interim period ended June 30, 2024 and for the years ended March 31, 2024, March 31, 2023 and March 31, 2022 (enclosed as Annexure III);
  - (d) the “Restated Statement of Cash Flows” for the three months interim period ended June 30, 2024 and for the years ended March 31, 2024, March 31, 2023 and March 31, 2022 (enclosed as Annexure IV);
  - (e) the “Notes to Restated Financial Information” for the three months interim period ended June 30, 2024 and for the years ended March 31, 2024, March 31, 2023 and March 31, 2022 (enclosed as Annexure V); and
  - (f) the “Statement of Adjustments to the Audited Special Purpose Interim Financial Statements as at and for the three months period ended June 30, 2024 and Audited Financial Statements as at and for the years ended March 31, 2024, March 31, 2023 and March 31, 2022” (enclosed as Annexure VI).

(hereinafter together referred to as the “Restated Financial Information”), prepared by the Management of the Company in connection with the Proposed Initial Public Offering of Equity Shares of the Company (the “Proposed IPO” or “Issue”) in accordance with the requirements of:

- i. Section 26 of Part I of Chapter III of the Companies Act, 2013 as amended from time to time (the “Act”),
- ii. Paragraph (A) of Clause 11 (I) of Part A of Schedule VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended to date (the “SEBI ICDR Regulations”) issued by the Securities and Exchange Board of India (the “SEBI”); and
- iii. the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India (“ICAI”), as amended from time to time (the “Guidance Note”).

The said Restated Financial Information has been approved by the Board of Directors of the Company at their meeting held on December 04, 2024 for the purpose of inclusion in the Draft Red Herring Prospectus (“DRHP) and initialed by us for identification purposes only.

### **Management’s Responsibility for the Restated Financial Information**

3. The preparation of the Restated Financial Information, for the purpose of inclusion in the DRHP to be filed with Securities and Exchange Board of India (“SEBI”), BSE Limited (“BSE”) and National Stock Exchange of India Limited (“NSE”), in connection with the Proposed IPO, is the responsibility of the Board of Directors of the Company. The Restated Financial Information has been prepared by the Management of the Company in accordance with the basis of preparation stated in Note 2.1(A) to the Restated Financial Information included in Annexure V. The Management’s responsibility includes designing, implementing and maintaining internal control relevant to the preparation and presentation of the Restated Financial Information. The Management is also responsible for identifying and ensuring that the Company complies with the Act, SEBI ICDR Regulations and the Guidance Note.

### **Restated Financial Information**

4. The Restated Financial Information, expressed in Indian Rupees in Millions, has been prepared by the Company’s Management from:
  - (a) Audited Special Purpose Interim Financial Statements of the Company as at and for the three months period ended June 30, 2024 prepared in accordance with Indian Accounting Standard (Ind AS) 34 “Interim Financial Reporting”, specified under Section 133 of the Act and other accounting principles generally accepted in India except for inclusion of comparative information as those are not being given in the Restated Financial Information as per the option available to the Issuer under Paragraph (A) (I) of Clause 11(I) of Part A of Schedule VI of the SEBI ICDR Regulations (the “Special Purpose Interim Financial Statements”) which have been approved by the Board of Directors at their meeting held on December 04, 2024; and
  - (b) Audited Financial Statements of the Company as at and for the years ended March 31, 2024, March 31, 2023 and March 31, 2022 prepared in accordance with the Indian Accounting Standards (referred to as “Ind AS”) as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended, which have been approved by the Board of Directors at their meetings held on August 31, 2024, September 04, 2023 and September 07, 2022 respectively.

## **Auditor's Responsibilities**

5. Our work has been carried out considering the concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Financial Information in accordance with the Guidance Note and other applicable authoritative pronouncements issued by the ICAI, and pursuant to the requirements of Section 26 of the Act and the SEBI ICDR Regulations. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act, the SEBI ICDR Regulations and the Guidance Note in connection with the Issue.
6. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
7. Our examination of the Restated Financial Information has not been carried out in accordance with the auditing standards generally accepted in the United States of America, standards of the Public Company Accounting Oversight Board and accordingly should not be relied upon by any one as if it had been carried out in accordance with those standards or any other standards besides the standards referred to in this report.
8. For the purpose of our examination, we have relied on:
  - (a) Auditor's report issued by us on the Special Purpose Interim Financial Statements of the Company as at and for the three months period ended June 30, 2024 as referred in Paragraph 4(a) above, on which we issued an unmodified opinion vide our report dated December 04, 2024; and
  - (b) Auditor's reports issued by us on the Financial Statements of the Company as at and for the years ended March 31, 2024, March 31, 2023 and March 31, 2022 as referred in Paragraph 4(b) above, on which we issued an unmodified opinion vide our reports dated August 31, 2024, September 04, 2023 and September 07, 2022 respectively.
9. We have not audited any financial statements of the Company as of any date or for any period subsequent to June 30, 2024. Accordingly, we do not express any opinion on the financial position, results, changes in equity or cash flows of the Company as of any date or for any period subsequent to June 30, 2024.

## **Opinion**

10. Based on our examination and according to the information and explanations given to us, we report that the Restated Financial Information:
  - a. has been prepared in accordance with the Act, the SEBI ICDR Regulations and the Guidance Note;
  - b. has been prepared after incorporating adjustments in respect of regrouping/reclassifications retrospectively to reflect the same accounting treatment as per the accounting policies as at and for the three months period ended June 30, 2024, for all the reporting periods; and
  - c. does not contain any qualification in the auditor's reports requiring any adjustments.
11. The Restated Financial Information does not reflect the effects of events that occurred subsequent to the respective dates of the reports on the audited financial statements as mentioned in paragraph 4 above.



12. This report should not in any way be construed as a re-issuance or re-dating of any of the prior years' audit reports issued by us on the financial statements of the Company, nor should this be construed as new opinion on any of the financial statement referred to herein.
13. We have no responsibility to update our report for events and circumstances occurring after the date of the report.

### **Emphasis of Matter**

14. We draw your attention to the following matters:

- a. The Auditor's report dated December 04, 2024 issued by us on the Special Purpose Interim Financial Statements of the Company as at and for the three months period ended June 30, 2024 included the following Emphasis of Matter paragraphs, which have been reproduced below:

“We draw attention to the following matters:

- (i) Note 2.1 (A) to the Special Purpose Interim Financial Statements which describes the Basis of Preparation. The Special Purpose Interim Financial Statements dealt with by this report have been prepared for the express purpose of preparation of restated financial information of the Company, which will be included in the Draft Red Herring Prospectus (“DRHP”), to be filed by the Company with the Securities and Exchange Board of India (“SEBI”), BSE Limited (“BSE”) and National Stock Exchange of India Limited (“NSE”), in connection with the Proposed Initial Public Offering of the equity shares of the Company (“Offering”). As a result, the Special Purpose Interim Financial Statements may not be suitable for any purpose.
- (ii) Note 31(B) to the Special Purpose Interim Financial Statements regarding the addendum dated November 18, 2024 to the revised license agreement dated July 27, 2017 entered into by the Company with its holding company to align its royalty obligation to the amounts accrued in the books for the respective years / period. Pending approval of the Mutual Agreement Procedure (“MAP”) application dated May 8, 2024 filed by the Company and its holding company with the respective Competent Authority in India and the Republic of Korea to resolve the consequences of double taxations arising from certain transfer pricing tax adjustments made by the tax authority of the Republic of Korea on the holding company, the Company has disclosed the remaining portion of royalty under contingent liability.

Our opinion is not modified in respect of these matters.”

(Note 2.1(A) and 31(B) referred above have been reproduced as Note 2.1(A) and 31(B) to the Restated Financial Information in Annexure V).

- b. The Auditor's report dated August 31, 2024 issued by us on the Financial Statements of the Company as at and for the year ended March 31, 2024 included the following Emphasis of Matter paragraph, which has been reproduced below:

“We draw your attention to Note 32 to the accompanying financial statements, where it is stated that the Company had entered into a Revised License Agreement dated July 27, 2017 with its parent Company, i.e., LG Electronics Inc., Republic of Korea, for the use of technology and brand name. In accordance with the aforesaid agreement, the Company is liable to pay royalty to LG

Electronics Inc., Republic of Korea. Based on the original agreement, royalty amounting to Rs. 4,032 Millions has been accrued during the year ended March 31, 2024, and remaining portion of royalty based on the aforesaid Revised License Agreement amounting to Rs. 67,437 Millions pertaining to the period from April 01, 2016 to March 31, 2024 is contingent upon conclusion of the Advance Pricing Agreement with the Government of India. Consequently, the Company has not accrued the remaining portion and the obligation has been disclosed as a contingent liability. Our opinion is not modified in respect of this matter.”

(Note 32 referred above has been reproduced as Note 31(B) to the Restated Financial Information in Annexure V).

- c. The Auditor’s report dated September 04, 2023 issued by us on the Financial Statements of the Company as at and for the year ended March 31, 2023 included the following Emphasis of Matter paragraph, which has been reproduced below:

“We draw your attention to Note 32 to the accompanying financial statements, where it is stated that the Company had entered into a Revised License Agreement dated July 27, 2017 with its parent Company, i.e., LG Electronics Inc., South Korea, for the use of technology and brand name. In accordance with the aforesaid agreement, the Company is liable to pay royalty to LG Electronics Inc., South Korea. Based on the original agreement, royalty amounting to Rs. 3,232 Millions has been accrued during the year ended March 31, 2023, and remaining portion of royalty based on the aforesaid Revised License Agreement amounting to Rs. 59,867 Millions pertaining to the period from April 01, 2016 to March 31, 2023 is contingent upon conclusion of the Advance Pricing Agreement with the Government of India. Consequently, the Company has not accrued the remaining portion and the obligation has been disclosed as a contingent liability. Our opinion in not modified in respect of this matter”.

(Note 32 referred above has been reproduced as Note 31(B) to the Restated Financial Information in Annexure V).

- d. The Auditor’s report dated September 07, 2022 issued by us on the Financial Statements of the Company as at and for the year ended March 31, 2022 included the following Emphasis of Matter paragraph, which has been reproduced below:

"We draw your attention to Note 32 to the accompanying financial statements, where it is stated that the Company had entered into a Revised License Agreement dated July 27, 2017 with its parent Company, i.e., LG Electronics Inc., Korea, for the use of technology and brand name. In accordance with the aforesaid agreement, the Company is liable to pay royalty to LG Electronics Inc., Korea. Based on the original agreement, royalty amounting to Rs. 2,548 Millions has been accrued during the year ended March 31, 2022, and remaining portion of royalty based on the aforesaid Revised License Agreement amounting to Rs. 52,856 Millions pertaining to the period from April 01, 2016 to March 31, 2022 is contingent upon conclusion of the Advance Pricing Agreement with the Government of India. Consequently, the Company has not accrued the remaining portion and the obligation has been disclosed as a contingent liability. Our opinion in not modified in respect of this matter.”

(Note 32 referred above has been reproduced as Note 31(B) to the Restated Financial Information in Annexure V).

**Restriction on Use**

15. This report is addressed to and is provided solely to enable the Board of Directors of the Company to include this report in the DRHP, prepared in connection with the Proposed Initial Public Offering of Equity Shares of the Company, to be filed by the Company with the Securities and Exchange Board of India, BSE Limited and National Stock Exchange of India Limited, in connection with the Proposed IPO. Our report should not be used, referred to, or distributed for any other purpose except with our prior consent in writing. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

For Price Waterhouse Chartered Accountants LLP  
Firm Registration Number: 012754N/N500016

Anurag Khandelwal  
Partner  
Membership Number: 078571

UDIN: 24078571BKFWVQ8178  
Place: Gurugram  
Date: December 04, 2024

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LG Electronics India Limited (formerly known as LG Electronics India Private Limited)  
CIN: U32107DL1997PLC220109  
Annexure I - Restated Statement of Assets and Liabilities  
All amounts are in INR Millions, unless otherwise stated

	Annexure V Notes	As at June 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
<b>ASSETS</b>					
<b>Non-current assets</b>					
(a) Property, plant and equipment	3(a)	12,527.85	13,105.43	13,328.47	10,386.75
(b) Capital work-in-progress	3(b)	569.81	242.05	243.49	1,024.00
(c) Intangible assets	4(a)	76.03	83.06	99.46	88.06
(d) Intangible assets under development	4(b)	3.74	2.49	2.56	5.60
(e) Financial assets					
(i) Trade receivables	5	-	-	-	-
(ii) Loans	6	54.19	54.93	47.94	58.40
(iii) Other financial assets	7	901.69	1,141.05	1,192.53	1,011.37
(f) Deferred tax assets (net)	26(b)	1,762.54	1,719.71	1,364.60	1,277.98
(g) Other non-current assets	8	2,229.33	2,051.54	2,001.44	2,437.08
<b>Total non-current assets</b>		<b>18,125.18</b>	<b>18,400.26</b>	<b>18,280.49</b>	<b>16,289.24</b>
<b>Current assets</b>					
(a) Inventories	9	22,570.63	23,974.18	26,410.30	24,094.40
(b) Financial assets					
(i) Trade receivables	5	12,324.03	17,970.21	14,995.30	13,810.50
(ii) Cash and cash equivalents	10	36,060.72	22,226.05	27,625.88	37,268.56
(iii) Loans	6	19.83	18.17	20.56	21.42
(iv) Other financial assets	7	1,729.08	929.78	612.65	1,040.04
(c) Other current assets	8	1,701.06	1,465.50	1,935.82	1,556.14
		<b>74,405.35</b>	<b>66,583.89</b>	<b>71,600.51</b>	<b>77,791.06</b>
Assets classified as held-for-sale	8(a)	-	0.20	40.20	112.08
<b>Total current assets</b>		<b>74,405.35</b>	<b>66,584.09</b>	<b>71,640.71</b>	<b>77,903.14</b>
<b>Total assets</b>		<b>92,530.53</b>	<b>84,984.35</b>	<b>89,921.20</b>	<b>94,192.38</b>
<b>EQUITY AND LIABILITIES</b>					
<b>Equity</b>					
(a) Equity share capital	11	1,131.29	1,131.29	1,131.29	1,131.29
(b) Other equity	12	43,396.36	36,591.17	42,431.16	53,876.16
<b>Total equity</b>		<b>44,527.65</b>	<b>37,722.46</b>	<b>43,562.45</b>	<b>55,007.45</b>
<b>LIABILITIES</b>					
<b>Non-current liabilities</b>					
(a) Financial liabilities					
- Lease liabilities	17	2,765.63	2,846.96	2,494.88	2,346.70
(b) Provisions	13	893.51	875.18	704.96	624.13
(c) Other non-current liabilities	14(a)	1,838.32	1,673.16	1,160.07	931.30
<b>Total non-current liabilities</b>		<b>5,497.46</b>	<b>5,395.30</b>	<b>4,359.91</b>	<b>3,902.13</b>
<b>Current liabilities</b>					
(a) Financial liabilities					
(i) Lease liabilities	17	820.32	852.59	689.63	560.82
(ii) Trade payables	15				
- total outstanding dues of micro enterprises and small enterprises; and		2,259.22	3,093.71	3,750.60	3,188.63
- total outstanding dues of creditors other than micro enterprises and small enterprises		28,027.12	27,256.79	27,441.46	22,794.87
(iii) Other financial liabilities	16	2,993.49	2,881.26	3,235.94	2,885.66
(b) Other current liabilities	14(a)	5,053.17	5,906.04	5,092.08	4,256.16
(c) Provisions	13	1,680.33	1,532.03	1,353.93	1,144.80
(d) Current tax liabilities (net)	14(b)	1,671.77	344.17	435.20	388.93
		<b>42,505.42</b>	<b>41,866.59</b>	<b>41,998.84</b>	<b>35,219.87</b>
Liabilities classified as held-for-sale	35	-	-	-	62.93
<b>Total current liabilities</b>		<b>42,505.42</b>	<b>41,866.59</b>	<b>41,998.84</b>	<b>35,282.80</b>
<b>Total liabilities</b>		<b>48,002.88</b>	<b>47,261.89</b>	<b>46,358.75</b>	<b>39,184.93</b>
<b>Total equity and liabilities</b>		<b>92,530.53</b>	<b>84,984.35</b>	<b>89,921.20</b>	<b>94,192.38</b>

The above Restated Statement of Assets and Liabilities should be read in conjunction with Notes to the Restated Financial Information appearing in Annexure - V and Statement of Adjustments to the Audited Special Purpose Interim Financial Statements as at and for the three months period ended June 30, 2024 and Audited Financial Statements as at and for the years ended March 31, 2024, March 31, 2023 and March 31, 2022, respectively, appearing in Annexure - VI.

This is the Restated Statement of Assets and Liabilities referred to in our report of even date.

For Price Waterhouse Chartered Accountants LLP  
Firm Registration No: 012754N/N500016

Anurag Khandelwal  
Partner  
Membership No: 078571

Place : Gurugram  
Date : December 04, 2024

For and on behalf of the Board of Directors  
of LG Electronics India Limited  
(formerly known as LG Electronics India Private Limited)

Hong Ju Jeon  
Managing Director  
DIN : 10041232

Atul Khanna  
Chief Accounting Officer

Suresh Kumar Jhanwar  
General Manager, Accounting

Place : Noida  
Date : December 04, 2024

Dong Myung Seo  
Whole Time Director and  
Chief Financial Officer  
DIN : 09481866

Anuj Goyal  
Company Secretary and  
Compliance Officer  
Membership No : A23761

LG Electronics India Limited (formerly known as LG Electronics India Private Limited)  
CIN: U32107DL1997PLCZ20109  
Annexure II - Restated Statement of Profit and Loss  
All amounts are in INR Millions, unless otherwise stated

	Annexure V Notes	For the three months period ended June 30, 2024	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2022
<b>A. Continuing operations</b>					
Revenue from operations	18	64,087.97	213,520.00	198,645.93	168,342.13
Other income	19	580.00	2,051.18	2,439.91	2,037.97
<b>Total income</b>		<b>64,667.97</b>	<b>215,571.18</b>	<b>201,085.84</b>	<b>170,380.10</b>
<b>Expenses</b>					
Cost of materials consumed	20(a)	34,312.38	129,160.49	123,608.20	100,322.12
Purchases of stock-in-trade	20(b)	5,638.68	19,357.72	18,787.63	14,917.33
Changes in inventories of finished goods, stock-in-trade and work-in-progress	20(c)	2,872.58	783.57	(2,115.10)	2,766.29
Employee benefits expense	21	2,408.62	8,868.24	7,991.56	7,254.54
Finance costs	22	69.35	285.05	225.84	225.10
Depreciation and amortisation expense	23	967.21	3,643.69	3,003.93	2,583.59
Other expenses	24	9,275.05	33,101.25	31,380.49	25,995.50
<b>Total expenses</b>		<b>55,543.87</b>	<b>195,200.01</b>	<b>182,882.55</b>	<b>154,064.47</b>
<b>Profit before tax from continuing operations</b>		<b>9,124.10</b>	<b>20,371.17</b>	<b>18,203.29</b>	<b>16,315.63</b>
<b>Tax expense</b>					
- Current tax	26(a)	2,373.40	5,567.39	4,794.35	4,107.73
- Current tax expense relating to previous year	26(a)	-	40.08	13.73	5.28
- Deferred tax	26(b)	(45.76)	(346.98)	(84.99)	146.63
<b>Total tax expense</b>		<b>2,327.64</b>	<b>5,260.49</b>	<b>4,723.09</b>	<b>4,259.64</b>
<b>Profit for the period/year from continuing operations</b>		<b>6,796.46</b>	<b>15,110.68</b>	<b>13,480.20</b>	<b>12,055.99</b>
<b>B. Discontinued operations</b>					
Loss from discontinued operations before tax	35	-	-	(42.00)	(417.99)
Tax expense of discontinued operations	35	-	-	(11.10)	(109.33)
<b>Loss after tax from discontinued operations</b>		<b>-</b>	<b>-</b>	<b>(30.90)</b>	<b>(308.66)</b>
<b>Profit for the period/year</b>		<b>6,796.46</b>	<b>15,110.68</b>	<b>13,449.30</b>	<b>11,747.33</b>
<b>Other Comprehensive Income</b>					
Items that will not be reclassified to profit or loss					
- Remeasurement of post-employment benefit obligation	27	11.66	(29.98)	(7.61)	27.61
Income tax relating to these items	26(b)	(2.93)	8.13	1.63	(6.89)
<b>Other Comprehensive Income for the period/year (net of tax)</b>		<b>8.73</b>	<b>(21.85)</b>	<b>(5.98)</b>	<b>20.72</b>
<b>Total Comprehensive Income for the period/year</b>		<b>6,805.19</b>	<b>15,088.83</b>	<b>13,443.32</b>	<b>11,768.05</b>
<b>Earnings per equity share from continuing operations attributable to the equity holders of the Company</b>					
Basic earnings per share (INR)	29	10.01	22.26	19.86	17.76
Diluted earnings per share (INR)	29	10.01	22.26	19.86	17.76
<b>Earnings per equity share from discontinued operations attributable to the equity holders of the Company</b>					
Basic earnings per share (INR)	29	-	-	(0.05)	(0.45)
Diluted earnings per share (INR)	29	-	-	(0.05)	(0.45)
<b>Earnings per equity share from continuing and discontinued operations attributable to the equity holders of the Company</b>					
Basic earnings per share (INR)	29	10.01	22.26	19.81	17.31
Diluted earnings per share (INR)	29	10.01	22.26	19.81	17.31

The above Restated Statement of Profit and Loss should be read in conjunction with Notes to the Restated Financial Information appearing in Annexure - V and Statement of Adjustments to the Audited Special Purpose Interim Financial Statements as at and for the three months period ended June 30, 2024 and Audited Financial Statements as at and for the years ended March 31, 2024, March 31, 2023 and March 31, 2022, respectively, appearing in Annexure - VI.

This is the Restated Statement of Profit and Loss referred to in our report of even date.

For Price Waterhouse Chartered Accountants LLP  
Firm Registration No: 012754/N/500016

For and on behalf of the Board of Directors  
of LG Electronics India Limited  
(formerly known as LG Electronics India Private Limited)

Anurag Khandelwal  
Partner  
Membership No: 078571

Hong Ju Jeon  
Managing Director  
DIN : 10041232

Dong Myung Seo  
Whole Time Director and  
Chief Financial Officer  
DIN : 09481866

Atul Khanna  
Chief Accounting Officer

Anuj Goyal  
Company Secretary and  
Compliance Officer  
Membership No : A23761

Suresh Kumar Jhanwar  
General Manager, Accounting

Place : Gurugram  
Date : December 04, 2024

Place : Noida  
Date : December 04, 2024

LG Electronics India Limited (formerly known as LG Electronics India Private Limited)  
CIN: U32107DL1997PLC220109  
Annexure III - Restated Statement of Changes in Equity  
All amounts are in INR Millions, unless otherwise stated

	Annexure V Notes	Equity share capital	Reserves and surplus			Attributable to owners of the parent
			Amalgamation reserve	Retained earnings	General reserve	
<b>Balance as at April 01, 2021</b>		<b>1,131.29</b>	<b>364.25</b>	<b>62,545.31</b>	<b>1,824.30</b>	<b>64,733.86</b>
Profit for the year		-	-	11,747.33	-	11,747.33
Other Comprehensive Income		-	-	20.72	-	20.72
<b>Total Comprehensive Income for the year</b>		-	-	<b>11,768.05</b>	-	<b>11,768.05</b>
<b>Transactions with owners in their capacity as owners :</b>						
Less : Interim dividend paid INR 200.00 per share	12	-	-	22,625.75	-	22,625.75
<b>Balance as at March 31, 2022</b>		<b>1,131.29</b>	<b>364.25</b>	<b>51,687.61</b>	<b>1,824.30</b>	<b>53,876.16</b>
<b>Balance as at April 01, 2022</b>		<b>1,131.29</b>	<b>364.25</b>	<b>51,687.61</b>	<b>1,824.30</b>	<b>53,876.16</b>
Profit for the year		-	-	13,449.30	-	13,449.30
Other Comprehensive Income		-	-	(5.98)	-	(5.98)
<b>Total Comprehensive Income for the year</b>		-	-	<b>13,443.32</b>	-	<b>13,443.32</b>
<b>Transactions with owners in their capacity as owners :</b>						
Less : Interim dividend paid INR 220.00 per share	12	-	-	24,888.32	-	24,888.32
<b>Balance as at March 31, 2023</b>		<b>1,131.29</b>	<b>364.25</b>	<b>40,242.61</b>	<b>1,824.30</b>	<b>42,431.16</b>
<b>Balance as at April 01, 2023</b>		<b>1,131.29</b>	<b>364.25</b>	<b>40,242.61</b>	<b>1,824.30</b>	<b>42,431.16</b>
Profit for the year		-	-	15,110.68	-	15,110.68
Other Comprehensive Income		-	-	(21.85)	-	(21.85)
<b>Total Comprehensive Income for the year</b>		-	-	<b>15,088.83</b>	-	<b>15,088.83</b>
<b>Transactions with owners in their capacity as owners :</b>						
Less : Interim dividend paid INR 185.00 per share	12	-	-	20,928.82	-	20,928.82
<b>Balance as at March 31, 2024</b>		<b>1,131.29</b>	<b>364.25</b>	<b>34,402.62</b>	<b>1,824.30</b>	<b>36,591.17</b>
<b>Balance as at April 01, 2024</b>		<b>1,131.29</b>	<b>364.25</b>	<b>34,402.62</b>	<b>1,824.30</b>	<b>36,591.17</b>
Profit for the period		-	-	6,796.46	-	6,796.46
Other Comprehensive Income		-	-	8.73	-	8.73
<b>Total Comprehensive Income for the period</b>		-	-	<b>6,805.19</b>	-	<b>6,805.19</b>
<b>Balance as at June 30, 2024</b>		<b>1,131.29</b>	<b>364.25</b>	<b>41,207.81</b>	<b>1,824.30</b>	<b>43,396.36</b>

The above Restated Statement of Changes in Equity should be read in conjunction with Notes to the Restated Financial Information appearing in Annexure - V and Statement of Adjustments to the Audited Special Purpose Interim Financial Statements as at and for the three months period ended June 30, 2024 and Audited Financial Statements as at and for the years ended March 31, 2024, March 31, 2023 and March 31, 2022, respectively, appearing in Annexure - VI.

This is the Restated Statement of Changes in Equity referred to in our report of even date.

For Price Waterhouse Chartered Accountants LLP  
Firm Registration No: 012754N/500016

For and on behalf of the Board of Directors  
of LG Electronics India Limited  
(formerly known as LG Electronics India Private Limited)

Anurag Khandelwal  
Partner  
Membership No: 078571

Hong Ju Jeon  
Managing Director  
DIN. : 10041232

Dong Myung Seo  
Whole Time Director and  
Chief Financial Officer  
DIN. : 09481866

Atul Khanna  
Chief Accounting Officer

Anuj Goyal  
Company Secretary and  
Compliance Officer  
Membership No : A23761

Suresh Kumar Jhanwar  
General Manager, Accounting

Place : Gurugram  
Date : December 04, 2024

Place : Noida  
Date : December 04, 2024

LG Electronics India Limited (formerly known as LG Electronics India Private Limited)

CIN: U32107DL1997PLC220109

Annexure IV - Restated Statement of Cash Flows

All amounts are in INR Millions, unless otherwise stated

	Annexure V Notes	For the three months period ended June 30, 2024	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2022
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>					
Profit before tax from continuing operations		9,124.10	20,371.17	18,203.29	16,315.63
Loss before tax from discontinued operations		-	-	(42.00)	(417.99)
<b>Profit before income tax including discontinued operations</b>		<b>9,124.10</b>	<b>20,371.17</b>	<b>18,161.29</b>	<b>15,897.64</b>
<i>Adjustments for:</i>					
Depreciation and amortisation expense	23 & 35	967.21	3,643.69	3,003.93	2,611.71
Profit on sale of property, plant and equipment (net)	19 & 35	(5.34)	(8.42)	(7.09)	(33.10)
Interest income on bank deposits	19	(557.42)	(1,989.48)	(2,201.51)	(1,624.12)
Interest on lease liabilities	22	69.35	269.42	225.03	224.61
Property, plant and equipment written-off	24	13.56	3.21	2.60	1.03
Allowance for doubtful trade receivables, other assets and other financial assets	24	(37.71)	(15.48)	47.27	72.50
Trade receivables written-off	24	0.92	13.63	18.97	12.74
Provision for warranty expenses	24 & 35	117.01	136.95	87.45	(94.42)
Provision for service tax liability written-back	19	-	-	-	(343.74)
Sundry advances written-off/(written-back)	24	-	-	-	(1.49)
Unrealised (gain)/loss on foreign currency (net)		(17.35)	61.04	(19.25)	62.35
		<b>550.23</b>	<b>2,114.56</b>	<b>1,157.40</b>	<b>888.07</b>
Operating profit before change in operating assets and liabilities		<b>9,674.33</b>	<b>22,485.73</b>	<b>19,318.69</b>	<b>16,785.71</b>
<i>Changes in working capital:</i>					
Adjustment for (increase)/decrease in operating assets:					
Inventories		1,403.55	2,468.08	(2,262.02)	2,237.76
Trade receivables		5,688.24	(2,946.03)	(1,206.40)	(3,282.00)
Other assets		(420.18)	369.32	(269.25)	122.49
Other financial assets		(560.02)	(257.92)	246.23	(186.10)
Loans		(0.92)	(4.60)	11.32	(30.00)
Adjustment for increase/(decrease) in operating liabilities:					
Trade payables		(48.93)	(913.87)	5,232.75	(6,940.60)
Provisions		61.28	181.39	194.90	60.43
Other liabilities		(687.71)	1,327.05	1,001.76	1,105.48
Other financial liabilities		(17.00)	(356.04)	865.05	121.49
		<b>5,418.31</b>	<b>(132.62)</b>	<b>3,814.34</b>	<b>(6,791.05)</b>
Cash generated from operations		<b>15,092.64</b>	<b>22,353.11</b>	<b>23,133.03</b>	<b>9,994.66</b>
Net income tax (paid)/refunds		(1,045.80)	(5,698.50)	(4,424.75)	(4,016.00)
<b>Net cash inflow/(outflow) from operating activities (A)</b>		<b>14,046.84</b>	<b>16,654.61</b>	<b>18,708.28</b>	<b>5,978.66</b>
<b>B. CASH FLOWS FROM INVESTING ACTIVITIES</b>					
Purchase of property, plant and equipment and intangible assets (including Capital work-in-progress and Intangible assets under development)					
		(520.07)	(2,421.25)	(5,171.04)	(2,734.04)
Proceeds from government grant					
		-	208.06	196.59	296.41
Proceeds from sale of property, plant and equipment					
		3.92	19.14	32.94	38.46
Interest income on bank deposits					
		557.42	1,989.48	2,201.51	1,624.12
<b>Net cash (outflow)/inflow from investing activities (B)</b>		<b>41.27</b>	<b>(204.57)</b>	<b>(2,740.00)</b>	<b>(775.05)</b>
<b>C. CASH FLOWS FROM FINANCING ACTIVITIES</b>					
Principal payment of lease liabilities					
		(186.01)	(654.29)	(493.96)	(414.69)
Interest paid on lease liabilities					
		(69.35)	(269.42)	(225.03)	(224.61)
Interim dividend					
		-	(20,928.82)	(24,888.32)	(22,625.75)
<b>Net cash (outflow)/inflow from financing activities (C)</b>		<b>(255.36)</b>	<b>(21,852.53)</b>	<b>(25,607.31)</b>	<b>(23,265.05)</b>



**LG Electronics India Limited (formerly known as LG Electronics India Private Limited)**  
**CIN: U32107DL1997PLC220109**  
**Annexure IV - Restated Statement of Cash Flows**  
**All amounts are in INR Millions, unless otherwise stated**

	Annexure V Notes	For the three months period ended June 30, 2024	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2022
<b>Net increase/(decrease) in cash and cash equivalents (A+B+C)</b>		13,832.75	(5,402.49)	(9,639.03)	(18,061.44)
Cash and cash equivalents at the beginning of the period/year	10	22,226.05	27,625.88	37,268.56	55,326.00
Effect of exchange differences on restatement of foreign currency accounts		1.92	2.66	(3.65)	4.00
<b>Cash and cash equivalents at the end of the period/year</b>	10	<b>36,060.72</b>	<b>22,226.05</b>	<b>27,625.88</b>	<b>37,268.56</b>
<b>Non-cash investing activities</b>					
Acquisition of right of use assets	3	79.87	1,169.45	788.17	312.17
<b>Cash and cash equivalents at the end of the period/year comprises:</b>					
(a) Balances with banks					
(i) In current accounts	10	1,036.05	696.18	245.71	299.55
(ii) Exchange Earner's Foreign Currency (EEFC) Accounts	10	504.12	457.75	344.59	307.56
(b) Cash on hand	10	9.31	8.00	5.21	5.96
(c) Bank deposits with original maturity of less than three months	10	34,511.24	21,064.12	27,030.37	36,655.49
		<b>36,060.72</b>	<b>22,226.05</b>	<b>27,625.88</b>	<b>37,268.56</b>

**Notes:**

- (i) The above Restated Statement of Cash Flows has been prepared under the indirect method as set out in "Ind AS 7 Statement of Cash Flows".  
(ii) Amount in bracket represent outflows, except for working capital changes  
(iii) Net cash inflow / (outflow) from operating activities includes amount of INR 20.22 Millions (March 31, 2024 : INR 264.55 Millions, March 31, 2023 : INR 187.99 Millions, March 31, 2022 : INR 276.39 Millions) spent towards Corporate social responsibility.  
(iv) Balance with banks in current accounts and bank deposits with original maturity of less than three months includes balance in separate CSR unspent account amounting to INR 738.65 Millions and INR 150.10 Millions, respectively (March 31, 2024 : INR 27.85 Millions and INR 543.45 Millions, March 31, 2023 : INR 56.19 Millions and INR 418.80 Millions, respectively, March 31, 2022 : INR 18.35 Millions and INR 139.05 Millions, respectively).

The above Restated Statement of Cash Flows should be read in conjunction with Notes to the Restated Financial Information appearing in Annexure - V and Statement of Adjustments to the Audited Special Purpose Interim Financial Statements as at and for the three months period ended June 30, 2024 and Audited Financial Statements as at and for the years ended March 31, 2024, March 31, 2023 and March 31, 2022, respectively, appearing in Annexure - VI.

This is the Restated Statement of Cash Flows referred to in our report of even date.

For Price Waterhouse Chartered Accountants LLP  
Firm Registration No: 012754N/N500016

For and on behalf of the Board of Directors  
of LG Electronics India Limited  
(formerly known as LG Electronics India Private Limited)

Anurag Khandelwal  
Partner  
Membership No: 078571

Hong Ju Jeon  
Managing Director  
DIN. : 10041232

Dong Myung Seo  
Whole Time Director and  
Chief Financial Officer  
DIN. : 09481866

Atul Khanna  
Chief Accounting Officer

Anuj Goyal  
Company Secretary and  
Compliance Officer  
Membership No : A23761

Suresh Kumar Jhanwar  
General Manager, Accounting

Place : Gurugram  
Date : December 04, 2024

Place : Noida  
Date : December 04, 2024

**1. Company Information**

LG Electronics India Limited (formerly known as LG Electronics India Private Limited) (the "Company") was incorporated on January 20, 1997 in India, having registered office at Delhi and is engaged in the business of manufacturing and trading of Television (Flat panel, Signage, Projectors, Monitor TV etc.), Air Conditioners, Refrigerators, Microwave Ovens, Washing Machines, Dishwasher, Vacuum Cleaners, Ceiling Fan, Monitor, Audio Visual, Water Purifiers, Air Purifiers, Compressors, Personal Computer and Security Camera.

The Manufacturing facilities of the Company are situated at Greater Noida in the State of Uttar Pradesh and in Ranjangaon near Pune in the State of Maharashtra.

The Company was converted from a Private Limited Company to a Public Limited Company and the name of the Company was changed to LG Electronics India Limited pursuant to a special resolution passed in the extraordinary general meeting of the shareholders of the Company held on November 11, 2024. A fresh certificate of incorporation dated December 03, 2024 was issued by the Registrar of Companies, Delhi & Haryana.

These Restated Financial Information was authorised for issue in accordance with a resolution of the meeting of Board of Directors held on December 04, 2024.

**2. Basis of preparation, Critical estimates and judgments, Material and Other accounting policies**

**2.1 Basis of preparation**

**A) Statement of compliance and basis of preparation**

The Restated Statement of Assets and Liabilities of the Company as at June 30, 2024, March 31, 2024, March 31, 2023 and March 31, 2022, and the Restated Statement of Profit and Loss, the Restated Statement of Changes in Equity and the Restated Statement of Cash Flows for the three months period ended June 30, 2024 and for the years ended March 31, 2024, March 31, 2023, March 31, 2022, Notes to the Restated Financial Information and Statement of Adjustments to the Audited Special Purpose Interim Financial Statements for the three months period ended June 30, 2024 and Audited Financial Statements for the years ended March 31, 2024, March 31, 2023 and March 31, 2022 ("Statement of Adjustments to the Audited Financial Statements") are together referred as "Restated Financial Information".

The Restated Financial Information has been prepared by the management of the Company as required under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("SEBI ICDR Regulations") issued by the Securities and Exchange Board of India ("SEBI"), in pursuance of the Securities and Exchange Board of India Act, 1992, for the purpose of inclusion in the Draft Red Herring Prospectus ("DRHP"), to be filed by the Company with the SEBI, BSE Limited ("BSE"), and National Stock Exchange of India Limited ("NSE"), in connection with the proposed initial public offering of the equity shares of the Company (the "Offering").

The Restated Financial Information, which has been approved by the Board of Directors of the Company, has been prepared in accordance with the requirements of:

- a. Section 26 of Part I of Chapter III of the Companies Act, 2013, as amended from time to time ("the Act");
- b. Paragraph (A) of Clause 11 (I) of Part A of Schedule VI of the SEBI ICDR Regulations; and
- c. The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India (ICAI), as amended from time to time (the "Guidance Note")

The Restated Financial Information has been compiled by the management of the Company from:

- Audited special purpose interim financial statements of the Company as at and for the three months period ended June 30, 2024 prepared in accordance with Indian Accounting Standard 34 ("Ind AS 34") "Interim Financial Reporting", prescribed under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time, except for inclusion of comparative information as those are not being given in the Restated Financial Information as per the exemption available to the Issuer under Paragraph (A) (i) of Clause 11(I) of Part A of Schedule VI of the SEBI ICDR Regulations, and other accounting principles generally accepted in India, which have been approved by the Board of Directors at their meeting held on December 04, 2024

- Audited financial statements of the Company as at and for the year(s) ended March 31, 2024, March 31, 2023 and March 31, 2022 prepared in accordance with the Ind AS as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India, which have been approved by the Board of Directors at their meetings held on August 31, 2024, September 4, 2023 and September 7, 2022 respectively.

The accounting policies have been consistently applied by the Company in preparation of the Restated Financial Information and are consistent with those adopted in the preparation of Audited Special Purpose Interim Financial Statements for the three months period ended June 30, 2024. These Restated Financial Information do not reflect the effects of events that occurred subsequent to the respective dates of auditor's reports on Audited Special Purpose Interim Financial Statements and the Audited Financial Statements mentioned above.

The Restated Financial Information:

- a) has been prepared after incorporating adjustments in respect of changes in the accounting policies, material errors, and regrouping / reclassifications, if any, retrospectively in the years ended March 31, 2024, March 31, 2023 and March 31, 2022 to reflect the same accounting treatment as per the accounting policies and grouping/classifications followed as at and for the three months period ended June 30, 2024; and
- b) does not require any adjustment for qualifications as there are no qualifications in the underlying auditors' reports which require any adjustments.

**B) Historical cost convention**

The Restated Financial Information has been prepared on the historical cost basis except that:

- i) Certain financial assets and liabilities (including derivative instruments) and,
  - ii) Defined benefit plans - plan assets
- have been measured at fair value.

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.

**C) Functional currency and rounding off**

The Restated Financial Information is presented in INR, which is also the Company's functional currency. All amounts disclosed in the Restated Financial Information and notes have been rounded off to the nearest INR Millions up to two decimal places, unless otherwise stated. Amount below rounding off norm are disclosed as " \* \* ".

**D) New and amended accounting standards adopted by the Company**

The Ministry of Corporate Affairs has amended the Companies (Indian Accounting Standard) Rules, 2015 via notifications dated August 12, 2024, and September 09, 2024, to introduce the new Ind AS 117 i.e "Insurance Contracts" and amended the Ind AS 116 i.e. Leases, respectively. Both are effective from April 01, 2024.

This new standard and the aforesaid amendment did not have any material impact on the amounts recognised and are not expected to significantly affect the current or future periods.

**2.2 Critical estimates and judgments**

In the process of applying the Company's accounting policies, management has made the following estimates, assumptions and judgments, which have a significant effect on the amounts recognised in the Restated Financial Information:

**(a) Provisions and contingencies**

Management judgment is required for estimating the possible outflow of resources, if any, in respect of contingencies/claim/litigations against the Company as it is not possible to predict the outcome of pending matters with accuracy.

**(b) Warranty**

The estimated liability for product warranties is recorded when products are sold. These estimates are established using historical information on the nature, frequency and average cost of warranty claims and management estimates regarding possible future incidence based on corrective actions or product failures.

**(c) Revenue from operations**

The estimated refund liability and a right to recover the returned goods are recognised for the products expected to be returned at the time of sale. These estimates are established using historical information in nature, frequency and actual return of product with management estimate of future return of products.

### 2.3 Material Accounting Policies

The material accounting policies applied by the Company in the preparation of its Restated Financial Information are listed below. Such accounting policies have been applied consistently to all the periods presented in these Restated Financial Information, unless otherwise indicated.

#### A) Revenue recognition

The Company recognises revenue when the amount of revenue can be reliably measured; when it is probable that future economic benefits will flow to the entity; and specific criteria have been met for each of the Company's activities as described below:

##### Sales of products

Revenue from sale of finished goods, stock-in-trade, raw material, service components and spares is recognised when control of the goods is transferred to the customers (retailers, distributors, large format stores etc.) being when the products are delivered to the customer. Delivery does not occur until the products have been shipped to the specified location, the risk of loss (i.e. control) have been transferred to the customer.

Revenue is recognised based on the consideration specified in a contract with a customer (transaction price) and is net of discounts and goods and services tax (GST).

The products are often sold with discounts and customers have a right to return faulty products. Accumulated experience is used to estimate and provide for the discounts and returns. The discounts are assessed based on expected cost. The Company recognises contract liabilities for sales return (hereinafter referred to as 'refund liability') based on reasonable expectation reflecting sale return rate incurred historically. The Company estimates an amount of variable consideration by using the expected value approach which the Company expects to better predict the amount of consideration. The Company recognises revenue with transaction price including variable consideration to the extent that it is highly probable that a significant reversal in the accumulated amount of revenue will not occur when the refund period has lapsed.

The transaction price will be allocated to each performance obligation based on relative stand alone selling price of the goods or services being provided to a customer. The Company determines the stand alone price for each performance obligation by using 'adjusted market assessment approach'. In limited circumstances, the Company uses an 'expected cost plus a margin approach' to estimate stand alone selling price.

Refund liability for the expected returns from customers is recognised as an adjustment to revenue. The Company has a right to recover the products from the customer when the customer exercises his right of return and recognises an asset and a corresponding adjustment to cost of sales. A right to recover the products is measured at the former carrying amount of the product.

The Company's obligation to repair or replace faulty products under the standard warranty terms is recognised as a provision and disclosed in Note No 13.

Revenue from sale of scrap arising during the manufacturing is recognised when control is transferred being when the scrap materials are collected by the scrap dealer.

##### Sales, installation and commissioning contracts

The fixed price contract of sales, installation and commissioning are integrated contracts and revenue is recognised at a point in time when the performance obligation is met basis the output oriented method (i.e. milestone completion) and where no significant uncertainty exists regarding the amount of consideration that will be derived on completion of the contract. Milestone is determined on the basis of survey of work performed up to the reporting date.

Provision for anticipated loss is recognised where it is probable that the estimated contract costs are likely to exceed the total contract revenue. Provision is made for liquidated damages and penalties in terms of the contract wherever there is a delayed delivery attributable to the Company.

##### Maintenance service contracts

Revenue from maintenance contracts are recognised on a pro-rata basis over the period of the contract.

##### Financing Components

The Company does not have any contracts where the period between the transfer of promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, the Company does not adjust any of the transaction prices for the time value of money.

#### B) Inventories

Inventories are valued at lower of cost and net realisable value after providing for obsolescence and other losses, wherever considered necessary.

Cost of raw materials and traded goods comprises cost of purchases. Cost of work-in-progress and finished goods comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Cost of inventories also include all other costs incurred in bringing the inventories to their present location and condition. Goods in transit are valued at lower of cost and net realisable value. Net realisable value is estimated selling price in the ordinary course of business less the estimated cost of completion and costs necessary to make the sales. The basis for determination of cost of various categories of inventory are as follows:

Category	Basis of determination
Raw materials, stores and spares and packaging materials	Monthly weighted average
Stock-in-trade	Monthly weighted average
Finished goods (manufactured), work in progress	Monthly weighted average of material cost plus an appropriate share of labour and manufacturing overheads wherever applicable.

Provision for obsolescence on surplus stores and spares held to support servicing of discontinued models and cost of certain obsolete/dormant models is accrued at lower of carrying value and estimated fair value. The recoverability of all other inventories is periodically reviewed and an impairment loss is recognised only when carrying value exceeds the fair value.

#### C) Provisions and contingencies

The Company creates provision when there is present obligation as a result of a past events and it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

The assessments undertaken in recognising provisions and contingencies have been made in accordance with Ind AS 37, 'Provisions, Contingent Liabilities and Contingent Assets'. The evaluation of the likelihood of the contingent events requires best judgment by management regarding the probability of exposure to potential loss. Should circumstances change following unforeseeable developments, this likelihood could alter.

Provisions are reviewed at each Balance Sheet date and adjusted to reflect the current best estimate. If it is no longer probable that the outflow of resources would be required to settle the obligation, the provision is reversed.

Contingent assets are not recognised in the Restated Financial Information. However, contingent assets are assessed continually and if it is virtually certain that an economic benefit will arise, the asset and the related income are recognised in the period in which the change occurs.

LG Electronics India Limited (formerly known as LG Electronics India Private Limited)

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**Annexure V - Notes to the Restated Financial Information**

All amounts are in INR Millions, unless otherwise stated

**D) Property, plant and equipment**

Property, plant and equipment are stated at original cost net of tax/ duty credit availed less government grants received to purchase/construct assets, accumulated depreciation and impairment losses, if any. When the significant part of property, plant and equipment are required to be replaced at intervals, the Company derecognises the written down value of replaced parts and recognises the new part with its own associated useful life and it is depreciated accordingly. Likewise, when a major repair and inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as replacements, only if recognition criteria are satisfied. All the other repair and maintenance costs are recognised in the Restated Statement of Profit and Loss as incurred. Freehold land is carried at historical cost.

Depreciation on property, plant and equipment is provided on the straight-line method over the estimated useful life of the assets at rates which are higher / lower than the rates specified in Schedule II to the Companies Act, 2013. The life of the assets has been assessed as under based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturer's warranties and maintenance support etc. The estimated useful lives are as follows:

Category of property, plant and equipment	Useful life as per Schedule II (Years)	Estimated Useful Life (Years)
Building	30	10-20
Plant and machineries	15	5-10
Furniture and fixtures	10	5
Office equipment	5	5
Computers	3	5
Vehicles	8	5

Useful lives, depreciation method and residual value are reviewed by the management at the end of each reporting period.

Gain and losses on disposals are determined by comparing proceeds with carrying amount of property, plant and equipment. These are included in the Restated Statement of Profit and Loss.

An asset's carrying amount is written down immediately to its recoverable amount if the assets carrying amount is greater than its estimated recoverable amount.

**E) Impairment**

At the end of each reporting period, the Company reviews the carrying amounts of its property, plant and equipment and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the Restated Statement of Profit and Loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in Restated Statement of Profit and Loss.

Non-Financial assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

**F) Warranty**

The estimated liability for assurance type warranty is recorded when products are sold based on management's best estimate. The expense for such warranties is included under Customer service expenses (Other expenses). These estimates are established using historical information on the nature, frequency and average cost of warranty claims and management estimates regarding possible future incidence based on corrective actions or product failures. The timing of outflows will vary as and when warranty claim will arise.

#### 2.4 Other accounting policies

The other accounting policies applied by the Company in the preparation of these Restated Financial Information are listed as below.

##### A) Financial instruments

###### Financial assets and financial liabilities

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the relevant instrument. Financial assets are derecognised when the rights to receive benefits have expired or been transferred, and the Company has transferred substantially all risks and rewards of ownership of such financial asset. Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires. Purchase or sale 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 when the Company commits to purchase or sell the asset.

###### The Company classifies its financial assets in the following measurement categories:

- i) those to be measured subsequently either by fair value through Other Comprehensive Income or fair value through profit and loss, and
- ii) those measured at amortised cost.

The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in the Restated Statement of Profit and Loss or Other Comprehensive Income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through Other Comprehensive Income. The Company reclassifies debt investments when and only when its business model for managing those assets changes.

###### Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the Balance Sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

###### Measurement

At initial recognition, the Company measures a financial asset at its fair value other than trade receivables which are measured at the transaction price, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in the Restated Statement of Profit and Loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

###### Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

- Amortised cost: Assets (Bank Balances, loans, security deposits and grant receivable) that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in the Restated Statement of Profit and Loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

- Fair value through Other Comprehensive Income (FVTOCI): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the asset's cash flows represent solely payments of principal and interest, are measured at fair value through Other Comprehensive Income (FVTOCI). Movements in the carrying amount are taken through Other Comprehensive Income (OCI), except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in the Restated Statement of Profit and Loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in Other Comprehensive Income (OCI) is reclassified from equity to Restated Statement of Profit and Loss and recognised in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method.

- Fair value through profit or loss (FVTPL): Assets that do not meet the criteria for amortised cost or FVTOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in the Restated Statement of Profit and Loss and presented net in the Restated Statement of Profit and Loss within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in other income.

###### Trade receivables

Trade receivables are recognised initially at transaction value and subsequently measured at amortised cost using the effective interest method less any expected credit loss.

###### Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, bank deposits and other short-term highly liquid investments/deposits with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdraft.

###### Impairment of financial assets

The Company recognises loss /allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables is measured at an amount equal to lifetime ECL as they do not include a significant financial component. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognised as an impairment gain or loss in the Restated Statement of Profit and Loss.

###### Derecognition of financial assets

A financial asset is derecognised only when

- the Company has transferred the rights to receive cash flows from the financial asset or
- retains the contractual rights 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 risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the Company has not transferred substantially all risks and rewards of ownership of the financial asset, 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.

###### Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to end of financial year which are unpaid. The amounts are unsecured and are usually paid based on trade terms. 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 amortised cost using effective interest method.

###### Derivative financial instruments

The Company holds derivative financial instruments such as foreign exchange forward to mitigate the risk of changes in exchange rates on foreign currency exposures. The counterparty for these contracts is generally a bank. Changes in fair value of derivatives including forward exchange contracts are recognised in the Restated Statement of Profit and Loss.

###### Other Income

Income from interest on bank deposits is recognised on the time proportion method taking into consideration the amount outstanding and the applicable interest rates.

**B) Government grants**

Government grants are not recognised until there is reasonable assurance that the Company will comply with the conditions attached to them and the grants will be received.

i) Government grants wherein primary condition is that the Company should purchase, construct or otherwise acquire non-current assets are recognised as deduction from property, plant and equipment and intangible assets in the Restated Statement of Assets and Liabilities and transferred to the Restated Statement of Profit and Loss on a systematic and rational basis over the useful lives of the related assets.

ii) Government grants of industrial promotion subsidy are recognised in the Restated Statement of Profit and Loss on a systematic basis over the periods in which the Company recognises related revenue on which grant for taxes are intended to compensate.

iii) Export benefits in respect of Merchandise Exports from India Scheme (MEIS) and Remission of Duties or Taxes on Export Products Scheme (RoDTEP) under Foreign Trade Policy of India are recognised as income in the period in which goods are exported at fair value of consideration received or receivable.

iv) Export benefits arising from duty drawback scheme are recognised on export of goods in accordance with the underlying scheme at fair value of consideration received or receivable.

**C) Employee benefits**

Employee benefits include salaries, wages, bonus, provident fund, employees' state insurance, gratuity, compensated absences, long term service award and staff welfare expenses.

**Defined contribution plans**

In accordance with the provisions of the Employees Provident Funds and Miscellaneous Provisions Act, 1952 and The Employee's State Insurance Act, 1948, eligible employees of the Company are entitled to receive benefits with respect to provident fund and employee state insurance, a defined contribution plan in which both the Company and the employee contribute monthly at a determined rate. Company's contribution to provident fund and employees state insurance is charged to the Restated Statement of Profit and Loss.

**Retirement benefit costs**

The Company operates the following schemes:

Defined benefit plans such as gratuity.

Defined contribution plans such as provident fund.

Payments to retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the benefit.

Benefits payable to eligible employees of the Company with respect to gratuity, a defined benefit plan is accounted for on the basis of an actuarial valuation as at the Balance Sheet date. In accordance with the Payment of Gratuity Act, 1972, the plan provides for lump sum payments to vested employees on retirement, death while in service or on termination of employment an amount equivalent to 15 days' basic salary for each completed year of service. Vesting occurs upon completion of five years of service.

Service costs and net interest expense or income is reflected in the Restated Statement of Profit and Loss. Gain or Loss on account of measurements are recognised immediately through Other Comprehensive Income in the period in which they occur.

Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorised as follows:

- service cost (including past service cost, as well as gains and losses on curtailment and settlement);
- net interest expense or income; and
- measurement

The Company presents the first two components of defined benefit costs in the Restated Statement of Profit and Loss in the line item - employee benefits expense.

**Short-term employee benefits**

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service.

**Long-term employee benefits**

Compensated absences benefits payable to employees of the Company on retirement, death while in service or on termination of employment or separation with respect to accumulated leaves outstanding at the year end are accounted for on the basis of an actuarial valuation as at the Balance Sheet date. Measurements as result of experience adjustment and changes in actuarial assumptions are recognised in the Restated Statement of Profit and Loss.

**Long-term service award**

Eligible employees are entitled to long term service award, which are in the nature of long term benefit and are estimated based on actuarial valuation as at the Balance Sheet date.

**D) Income tax**

Income tax expense represents sum of the current tax and deferred tax. Current tax assets and liabilities are offset where the Company has a legally enforceable right to offset and either intends to settle on a net basis, or to realise the asset and the liability simultaneously.

**Current tax**

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the Restated Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period. Management periodically evaluates position taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and establishes provision wherever appropriate.

**Deferred tax**

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the restated financial information and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit amended with effect from April 1, 2023.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset is realised, based on tax rates (and tax laws) that have been enacted or substantively enacted at the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

**Current and deferred tax for the period/year**

Current and deferred tax are recognised in the Restated Statement of Profit and Loss, except when they relate to items that are recognised in Other Comprehensive Income or directly in equity, in which case, the current and deferred tax are also recognised in Other Comprehensive Income or directly in equity, respectively.

**E) Leases**

The Company recognises right of use assets and lease liabilities for all non cancellable leases with a term of more than twelve months, unless the underlying asset is low value in nature.

Right of use assets are measured at cost comprising the following:

- The amount of the initial measurement of lease liability
- Any lease payment made at or before the commencement date
- Initial direct cost (if any)

Depreciation on right of use assets and finance costs on lease liabilities are recognised as an expense in the Restated Statement of Profit and Loss over the shorter of the asset's useful life and the lease term on a straight line basis. The lease payments made by the Company under the lease arrangement are adjusted against the lease liabilities.

Payment of cancellable or low value leases are recognised as an expense on a straight-line basis over the lease term, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

For lease liabilities at the commencement date, the Company measures the lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the incremental borrowing rate.

**F) Intangible assets**

**Intangible assets acquired separately**

Intangible assets mainly representing computer software are acquired separately and are carried at cost less government grants received to purchase/construct assets, accumulated amortisation and accumulated impairment losses, if any. Amortisation is recognised on a straight-line basis over their estimated useful life. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

The estimated useful life is as follows:

Category of assets	Useful life (Years)
Software	3 - 5

**G) Segment reporting**

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM). Managing Director and Chief Financial Officer have been identified as the chief operating decision maker to assess the financial performance and position of the Company and make strategic decisions. The Company identifies operating segments based on the dominant source, nature of risks and returns and the internal organisation and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit / loss amounts are evaluated regularly by the executive management in deciding how to allocate resources and in assessing performance.

The accounting policies adopted for segment reporting are in line with the accounting policies of the Company. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment (Refer Note No 34 for reportable segments determined by the Company and segment information presentation).

Revenue, expenses, assets and liabilities which relate to the Company as a whole and are not allocable to segments on reasonable basis are included under unallocated revenue / expenses / assets / liabilities.

**H) Earnings per share**

Basic earnings per share are calculated by dividing the net profit or loss for the period/year attributable to equity shareholders by the weighted average number of equity shares outstanding during the period/year.

Diluted earnings per share are calculated by dividing the net profit or loss for the period/year attributable to equity shareholders as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of shares outstanding during the period / year as adjusted for the effects of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

**I) Dividends**

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the Company, on or before the end of the reporting period but not distributed at the end of the reporting period.

**J) Customs duty**

Customs duty (including GST) payable on stocks lying with customs or in bonded warehouses as at the Balance Sheet date is accrued and included in the valuation of closing stock. Payment of customs duty is deferred till clearance of goods.

**K) Insurance claims**

Insurance claims are accounted for on the basis of claims admitted and to the extent that there is no uncertainty in receiving the claims.

**L) Foreign currency transactions and translations**

Items included in the Restated Financial Information are measured using the currency of primary economic environment in which the Company operates. The Company's functional currency is INR as Company operates primarily in India.

Foreign currency transactions are recorded on initial recognition in the functional currency using the exchange rate at the date of transaction. At each Balance Sheet date foreign currency monetary items are reported using the closing exchange rate. Exchange difference that arise on settlement of monetary items or on reporting at each balance sheet date of the Company's monetary items at the closing rate are recognised as income or expense in the period in which they arise. Translation differences on assets and liabilities carried at fair value are reported as part of fair value gain or loss.

**M) Borrowing costs**

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Investment Income earned on temporary investment of specific borrowing pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in the Statement of Restated Profit and Loss in the period in which they are incurred.

**N) Non-current assets (or disposal groups) held for sale and discontinued operations**

Non-current assets (or disposal groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets and contractual rights under insurance contracts, which are specifically exempt from this requirement.

An impairment loss is recognised for any initial or subsequent write-down of the asset (or disposal group) to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset (or disposal group), but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non-current asset (or disposal group) is recognised at the date of de-recognition.

Non-current assets (including those that are part of a disposal group) are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognised.

Non-current assets classified as held for sale and the assets of a disposal group classified as held for sale are presented separately from the other assets in the Balance Sheet. The liabilities of a disposal group classified as held for sale are presented separately from other liabilities in the balance sheet.

A discontinued operation is a component of the entity that has been disposed of or is classified as held for sale and that represents a separate line of business, as part of a single co-ordinated plan to dispose of such a line of business. The net assets relating to such discontinued operations are presented as current assets and the results of discontinued operations are presented separately in the Restated Statement of Profit and Loss.

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**Note 3(a) : Property, plant and equipment**

Particulars	As at June 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
I. Owned assets	9,393.89	9,836.94	10,458.49	7,671.80
II. Right of use assets	3,133.96	3,268.49	2,869.98	2,714.95
<b>Total</b>	<b>12,527.85</b>	<b>13,105.43</b>	<b>13,328.47</b>	<b>10,386.75</b>

**I. Owned Assets**

Particulars	Land - Freehold	Buildings	Leasehold improvements	Plant and machineries [Refer Note No (i)]	Office equipment	Furniture and fixtures	Vehicles	Total
<b>As at March 31, 2022</b>								
<b>Gross Carrying amount</b>								
Opening gross carrying amount as at April 01, 2021	0.20	2,458.30	345.98	14,765.27	1,163.62	246.49	100.51	19,080.37
Additions during the year	-	112.23	45.40	2,086.89	195.09	48.64	50.18	2,538.43
Government grant received during the year	-	9.87	-	284.25	1.38	0.05	0.75	296.30
Classified as held for Sale	-	36.23	-	19.79	-	-	-	56.02
Disposals during the year	-	6.95	-	205.37	63.72	3.49	0.67	280.20
<b>Closing gross carrying amount as at March 31, 2022</b>	<b>0.20</b>	<b>2,517.48</b>	<b>391.38</b>	<b>16,342.75</b>	<b>1,293.61</b>	<b>291.59</b>	<b>149.27</b>	<b>20,986.28</b>
<b>Accumulated depreciation</b>								
Opening accumulated depreciation as at April 01, 2021	-	1,146.44	37.76	9,521.59	715.54	131.49	50.31	11,603.13
Depreciation charge during the year	-	237.20	29.38	1,781.51	142.97	48.10	32.33	2,271.49
Government grant amortised during the year	-	4.09	-	224.82	0.53	0.39	0.48	230.31
Classified as held for Sale	-	36.23	-	19.79	-	-	-	56.02
Disposals during the year	-	6.94	-	199.51	63.31	3.38	0.67	273.81
<b>Closing accumulated depreciation as at March 31, 2022</b>	<b>-</b>	<b>1,336.38</b>	<b>67.14</b>	<b>10,858.98</b>	<b>794.67</b>	<b>175.82</b>	<b>81.49</b>	<b>13,314.48</b>
<b>Net Carrying Amount as at March 31, 2022</b>	<b>0.20</b>	<b>1,181.10</b>	<b>324.24</b>	<b>5,483.77</b>	<b>498.94</b>	<b>115.77</b>	<b>67.78</b>	<b>7,671.80</b>
<b>As at March 31, 2023</b>								
<b>Gross Carrying amount</b>								
Opening gross carrying amount as at April 01, 2022	0.20	2,517.48	391.38	16,342.75	1,293.61	291.59	149.27	20,986.28
Additions during the year	-	413.51	46.94	4,596.21	244.44	43.43	25.51	5,370.04
Government grant received during the year	-	7.61	-	188.11	0.87	-	-	196.59
Classified as held for Sale	-	2.81	-	13.11	-	2.24	0.32	18.48
Disposals during the year	-	3.08	-	148.09	89.29	4.55	24.76	269.77
<b>Closing gross carrying amount as at March 31, 2023</b>	<b>0.20</b>	<b>2,917.49</b>	<b>438.32</b>	<b>20,589.65</b>	<b>1,447.89</b>	<b>328.23</b>	<b>149.70</b>	<b>25,871.48</b>
<b>Accumulated depreciation</b>								
Opening accumulated depreciation as at April 01, 2022	-	1,336.38	67.14	10,858.98	794.67	175.82	81.49	13,314.48
Depreciation charge during the year	-	263.49	58.22	2,067.61	166.21	52.05	29.91	2,637.49
Government grant amortised during the year	-	5.35	-	280.73	1.34	-	-	287.42
Classified as held for Sale	-	1.41	-	6.54	-	1.97	0.32	10.24
Disposals during the year	-	3.11	-	138.44	86.93	3.90	8.94	241.32
<b>Closing accumulated depreciation as at March 31, 2023</b>	<b>-</b>	<b>1,590.00</b>	<b>125.36</b>	<b>12,500.88</b>	<b>872.61</b>	<b>222.00</b>	<b>102.14</b>	<b>15,412.99</b>
<b>Net Carrying Amount as at March 31, 2023</b>	<b>0.20</b>	<b>1327.49</b>	<b>312.96</b>	<b>8,088.77</b>	<b>575.28</b>	<b>106.23</b>	<b>47.56</b>	<b>10,458.49</b>



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Particulars	Land - Freehold	Buildings	Leasehold improvements	Plant and machineries [Refer Note No (i)]	Office equipment	Furniture and fixtures	Vehicles	Total
<b>As at March 31, 2024</b>								
<b>Opening gross carrying amount as at April 01, 2023</b>	0.20	2,917.49	438.32	20,589.65	1,447.89	328.23	149.70	25,871.48
Additions during the year	-	134.09	93.12	1,782.01	335.15	49.21	27.69	2,421.27
Government grant received during the year	-	41.40	-	161.97	1.38	2.00	0.51	207.26
Classified as held for Sale	0.20	2.16	-	9.97	-	-	0.97	13.30
Disposals during the year	-	16.08	-	167.06	84.03	8.14	1.04	276.35
<b>Closing gross carrying amount as at March 31, 2024</b>	-	<b>2,991.94</b>	<b>531.44</b>	<b>22,032.66</b>	<b>1,697.63</b>	<b>367.30</b>	<b>174.87</b>	<b>27,795.84</b>
<b>Accumulated depreciation</b>								
Opening accumulated depreciation as at April 01, 2023	-	1,590.00	125.36	12,500.88	872.61	222.00	102.14	15,412.99
Depreciation charge during the year	-	254.67	73.96	2,338.87	208.74	56.39	28.07	2,960.70
Government grant amortised during the year	-	6.92	-	122.37	1.12	-	0.77	131.18
Classified as held for Sale	-	2.16	-	9.97	-	-	0.97	13.10
Disposals during the year	-	14.80	-	163.82	82.68	7.91	1.30	270.51
<b>Closing accumulated depreciation as at March 31, 2024</b>	-	<b>1,820.79</b>	<b>199.32</b>	<b>14,543.59</b>	<b>997.55</b>	<b>270.48</b>	<b>127.17</b>	<b>17,958.90</b>
<b>Net Carrying Amount as at March 31, 2024</b>	-	<b>1,171.15</b>	<b>332.12</b>	<b>7,489.07</b>	<b>700.08</b>	<b>96.82</b>	<b>47.70</b>	<b>9,836.94</b>
<b>As at June 30, 2024</b>								
<b>Opening gross carrying amount as at April 01, 2024</b>	-	2,991.94	531.44	22,032.66	1,697.63	367.30	174.87	27,795.84
Additions during the period	-	12.37	7.89	244.53	45.07	6.01	1.78	317.65
Government grant received during the period	-	-	-	-	-	-	-	-
Classified as held for Sale	-	-	-	-	-	-	-	-
Disposals during the period	-	1.81	6.50	25.20	11.88	0.34	2.79	48.52
<b>Closing gross carrying amount as at June 30, 2024</b>	-	<b>3,002.50</b>	<b>532.83</b>	<b>22,251.99</b>	<b>1,730.82</b>	<b>372.97</b>	<b>173.86</b>	<b>28,064.97</b>
<b>Accumulated depreciation</b>								
Opening accumulated depreciation as at April 01, 2024	-	1,820.79	199.32	14,543.59	997.55	270.48	127.17	17,958.90
Depreciation charge during the period	-	65.19	13.50	622.40	57.09	14.86	7.12	780.16
Government grant amortised during the period	-	3.42	-	27.14	0.29	0.34	0.20	31.39
Classified as held for Sale	-	-	-	-	-	-	-	-
Disposals during the period	-	1.81	2.17	25.16	4.48	0.29	2.68	36.59
<b>Closing accumulated depreciation as at June 30, 2024</b>	-	<b>1,880.75</b>	<b>210.65</b>	<b>15,113.69</b>	<b>1,049.87</b>	<b>284.71</b>	<b>131.41</b>	<b>18,671.08</b>
<b>Net Carrying Amount as at June 30, 2024</b>	-	<b>1,121.75</b>	<b>322.18</b>	<b>7,138.30</b>	<b>680.95</b>	<b>88.26</b>	<b>42.45</b>	<b>9,393.89</b>

Notes:

(i) Gross carrying amount and net carrying amount includes assets aggregating to INR 11,709.63 Millions and INR 1,925.29 Millions, respectively, (March 31, 2024 INR 11,350.04 Millions and INR 1,790.17 Millions, March 31, 2023 INR 10,412.30 Millions and INR 1,725.81 Millions, March 31, 2022 INR 9,225.35 Millions and INR 1,063.49 Millions) lying with third parties.

(ii) Refer Note No 32 for disclosure of contractual commitments for the acquisition of property, plant and equipment.

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**II. Right of use assets**

Particulars	Land - leasehold	Buildings	Office equipment	Vehicles	Total
<b>As at March 31, 2022</b>					
<b>Gross carrying amount</b>					
Opening gross carrying amount as at April 01, 2021	115.00	3,212.00	11.00	84.23	3,422.23
Additions during the year	-	279.88	-	32.29	312.17
Deletions/Termination during the year	-	174.99	-	26.49	201.48
<b>Closing gross carrying amount as at March 31, 2022</b>	<b>115.00</b>	<b>3,316.89</b>	<b>11.00</b>	<b>90.03</b>	<b>3,532.92</b>
<b>Accumulated depreciation</b>					
Opening gross carrying amount as at April 01, 2021	4.00	437.00	1.00	39.00	481.00
Depreciation charge during the year	1.49	504.75	2.79	26.90	535.93
Deletions/Termination during the year	-	174.11	-	24.85	198.96
<b>Closing accumulated depreciation as at March 31, 2022</b>	<b>5.49</b>	<b>767.64</b>	<b>3.79</b>	<b>41.05</b>	<b>817.97</b>
<b>Net Carrying Amount as at March 31, 2022</b>	<b>109.51</b>	<b>2,549.25</b>	<b>7.21</b>	<b>48.98</b>	<b>2,714.95</b>
<b>As at March 31, 2023</b>					
<b>Gross carrying amount</b>					
Opening gross carrying amount as at April 01, 2022	115.00	3,316.89	11.00	90.03	3,532.92
Additions during the year	-	753.22	-	34.95	788.17
Deletions/Termination during the year	-	391.66	1.71	22.38	415.75
<b>Closing gross carrying amount as at March 31, 2023</b>	<b>115.00</b>	<b>3,678.45</b>	<b>9.29</b>	<b>102.60</b>	<b>3,905.34</b>
<b>Accumulated depreciation</b>					
Opening gross carrying amount as at April 01, 2022	5.49	767.64	3.79	41.05	817.97
Depreciation charge during the year	1.62	581.33	2.75	30.22	615.92
Deletions/Termination during the year	-	375.55	1.71	21.27	398.53
<b>Closing accumulated depreciation as at March 31, 2023</b>	<b>7.11</b>	<b>973.42</b>	<b>4.83</b>	<b>50.00</b>	<b>1,035.36</b>
<b>Net Carrying Amount as at March 31, 2023</b>	<b>107.89</b>	<b>2705.03</b>	<b>4.46</b>	<b>52.60</b>	<b>2,869.98</b>

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Particulars	Land - leasehold	Buildings	Office equipment	Vehicles	Total
<b>As at March 31, 2024</b>					
<b>Gross carrying amount</b>					
Opening gross carrying amount as at April 01, 2023	115.00	3,678.45	9.29	102.60	3,905.34
Additions during the year	-	1,110.36	-	59.09	1,169.45
Deletions/Termination during the year	-	386.95	-	30.10	417.05
<b>Closing gross carrying amount as at March 31, 2024</b>	<b>115.00</b>	<b>4,401.86</b>	<b>9.29</b>	<b>131.59</b>	<b>4,657.74</b>
<b>Accumulated depreciation</b>					
Opening gross carrying amount as at April 01, 2023	7.11	973.42	4.83	50.00	1,035.36
Depreciation charge during the year	1.62	732.39	1.97	34.84	770.82
Deletions/Termination during the year	-	386.87	-	30.06	416.93
<b>Closing accumulated depreciation as at March 31, 2024</b>	<b>8.73</b>	<b>1,318.94</b>	<b>6.80</b>	<b>54.78</b>	<b>1,389.25</b>
<b>Net Carrying Amount as at March 31, 2024</b>	<b>106.27</b>	<b>3,082.92</b>	<b>2.49</b>	<b>76.81</b>	<b>3,268.49</b>
<b>As at June 30, 2024</b>					
<b>Gross carrying amount</b>					
Opening gross carrying amount as at April 01, 2024	115.00	4,401.86	9.29	131.59	4,657.74
Additions during the period	-	78.51	-	1.36	79.87
Deletions/Termination during the period	-	88.96	-	3.84	92.80
<b>Closing gross carrying amount as at June 30, 2024</b>	<b>115.00</b>	<b>4,391.41</b>	<b>9.29</b>	<b>129.11</b>	<b>4,644.81</b>
<b>Accumulated depreciation</b>					
Opening gross carrying amount as at April 01, 2024	8.73	1,318.94	6.80	54.78	1,389.25
Depreciation charge during the period	0.40	196.71	0.49	9.34	206.94
Deletions/Termination during the period	-	81.67	-	3.67	85.34
<b>Closing accumulated depreciation as at June 30, 2024</b>	<b>9.13</b>	<b>1,433.98</b>	<b>7.29</b>	<b>60.45</b>	<b>1,510.85</b>
<b>Net Carrying Amount as at June 30, 2024</b>	<b>105.87</b>	<b>2,957.43</b>	<b>2.00</b>	<b>68.66</b>	<b>3,133.96</b>

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**Note 3(b) : Capital work-in-progress**

Particulars	As at June 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Opening carrying amount	242.05	243.49	1,024.00	333.34
Additions during the period/year	645.41	2,419.83	4,589.53	3,229.09
Capitalised during the period/year	317.65	2,421.27	5,370.04	2,538.43
<b>Closing carrying amount</b>	<b>569.81</b>	<b>242.05</b>	<b>243.49</b>	<b>1,024.00</b>

**Ageing of capital work-in-progress**

Projects-in-progress	Amount in capital work-in-progress for a period of				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
As at June 30, 2024	558.25	11.56	-	-	569.81
As at March 31, 2024	230.49	11.56	-	-	242.05
As at March 31, 2023	235.01	-	8.48	-	243.49
As at March 31, 2022	913.44	10.84	99.72	-	1,024.00

**Completion schedule for capital work in progress whose completion is overdue as compared to its original plan**

Projects-in-progress	Amount in capital work-in-progress for a period of				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
As at June 30, 2024	11.56	-	-	-	11.56
As at March 31, 2024	11.56	-	-	-	11.56
As at March 31, 2023	91.30	-	-	-	91.30
As at March 31, 2022	596.22	-	-	-	596.22

Note:

(i) Capital work-in-progress mainly comprises Plant and machineries, Buildings and Office equipment.

(ii) There are no projects which have been temporarily suspended.

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Note 4(a) : Intangible assets

Description of assets	Computer software
<b>As at March 31, 2022</b>	
<b>Gross carrying amount</b>	
Opening gross carrying amount as at April 01, 2021	279.00
Additions during the year	52.05
Government grant received during the year	0.11
Disposals during the year	9.79
<b>Closing gross carrying amount as at March 31, 2022</b>	<b>321.15</b>
<b>Accumulated amortisation</b>	
Opening accumulated amortisation as at April 01, 2021	208.00
Amortisation charge during the year	34.99
Government grant amortised during the year	0.11
Disposals during the year	9.79
<b>Closing accumulated amortisation as at March 31, 2022</b>	<b>233.09</b>
<b>Net carrying amount as at March 31, 2022</b>	<b>88.06</b>
<b>As at March 31, 2023</b>	
<b>Gross carrying amount</b>	
Opening gross carrying amount as at April 01, 2022	321.15
Additions during the year	49.34
Government grant received during the year	-
Disposals during the year	-
<b>Closing gross carrying amount as at March 31, 2023</b>	<b>370.49</b>
<b>Accumulated amortisation</b>	
Opening accumulated amortisation as at April 01, 2022	233.09
Amortisation charge during the year	37.94
Government grant amortised during the year	-
Disposals during the year	-
<b>Closing accumulated amortisation as at March 31, 2023</b>	<b>271.03</b>
<b>Net carrying amount as at March 31, 2023</b>	<b>99.46</b>
<b>As at March 31, 2024</b>	
<b>Gross carrying amount</b>	
Opening gross carrying amount as at April 01, 2023	370.49
Additions during the year	27.80
Government grant received during the year	0.80
Disposals during the year	11.00
<b>Closing gross carrying amount as at March 31, 2024</b>	<b>386.49</b>
<b>Accumulated amortisation</b>	
Opening accumulated amortisation as at April 01, 2023	271.03
Amortisation charge during the year	44.15
Government grant amortised during the year	0.80
Disposals during the year	10.95
<b>Closing accumulated amortisation as at March 31, 2024</b>	<b>303.43</b>
<b>Net carrying amount as at March 31, 2024</b>	<b>83.06</b>
<b>As at June 30, 2024</b>	
<b>Gross carrying amount</b>	
Opening gross carrying amount as at April 01, 2024	386.49
Additions during the period	4.48
Government grant received during the period	-
Disposals during the period	7.85
<b>Closing gross carrying amount as at June 30, 2024</b>	<b>383.12</b>
<b>Accumulated amortisation</b>	
Opening accumulated amortisation as at April 01, 2024	303.43
Amortisation charge during the period	11.50
Government grant amortised during the period	-
Disposals during the period	7.84
<b>Closing accumulated amortisation as at June 30, 2024</b>	<b>307.09</b>
<b>Net carrying amount as at June 30, 2024</b>	<b>76.03</b>

Note 4(b) : Intangible assets under development

Description of assets	As at June 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Opening carrying amount	2.49	2.56	5.60	4.55
Additions during the period/year	5.73	27.73	46.30	53.10
Capitalised during the period/year	4.48	27.80	49.34	52.05
<b>Closing carrying amount</b>	<b>3.74</b>	<b>2.49</b>	<b>2.56</b>	<b>5.60</b>

Ageing for Intangible assets under development

Projects in progress	Amount in intangible assets under development for a period of				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
As at June 30, 2024	3.74	-	-	-	3.74
As at March 31, 2024	-	2.49	-	-	2.49
As at March 31, 2023	2.56	-	-	-	2.56
As at March 31, 2022	1.51	4.09	-	-	5.60

Completion schedule for intangible assets under development whose completion is overdue as compared to its original plan

Projects in progress	To be completed in				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
As at June 30, 2024	-	-	-	-	-
As at March 31, 2024	2.49	-	-	-	2.49
As at March 31, 2023	-	-	-	-	-
As at March 31, 2022	4.09	-	-	-	4.09

**Note 5 : Trade receivables**

Non-current trade receivables	As at June 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Trade receivables from contract with customers	72.23	72.23	72.23	72.23
Trade receivables from contract with customers – related parties [Refer Note No 28(b)]	-	-	-	-
Less: Loss allowance	72.23	72.23	72.23	72.23
	-	-	-	-
Break-up of security details				
- Secured, considered good	-	-	-	-
- Unsecured, considered good	-	-	-	-
- Which have significant increase in credit risk	72.23	72.23	72.23	72.23
- Credit impaired	-	-	-	-
Less: Loss allowance	72.23	72.23	72.23	72.23
<b>Total non-current trade receivables</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

Current trade receivables	As at June 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Trade receivables from contract with customers	10,508.25	16,459.10	12,749.49	12,072.49
Trade receivables from contract with customers – related parties [Refer Note No 28(b)]	2,085.29	1,823.39	2,592.00	2,082.86
Less: Loss allowance	269.51	312.28	346.19	341.41
	<b>12,324.03</b>	<b>17,970.21</b>	<b>14,995.30</b>	<b>13,813.94</b>
Break-up of security details				
- Secured, considered good	-	-	-	-
- Unsecured, considered good	12,593.54	18,282.49	15,341.49	14,155.35
- Which have significant increase in credit risk	-	-	-	-
- Credit impaired	-	-	-	-
Less: Loss allowance	269.51	312.28	346.19	341.41
	<b>12,324.03</b>	<b>17,970.21</b>	<b>14,995.30</b>	<b>13,813.94</b>
Less: Trade receivables related to discontinued operations (Refer Note No 35)	-	-	-	3.44
<b>Total current trade receivables</b>	<b>12,324.03</b>	<b>17,970.21</b>	<b>14,995.30</b>	<b>13,810.50</b>

**Ageing of non-current trade receivables**

**As at June 30, 2024**

Non-current trade receivables	Not due	Outstanding for following periods from the due date					Total
		Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
<b>Undisputed trade receivables</b>							
- Considered good	-	-	-	-	-	-	-
- Which have significant increase in credit risk	-	-	-	-	-	72.23	72.23
- Credit impaired	-	-	-	-	-	-	-
Less: Loss allowance	-	-	-	-	-	72.23	72.23
<b>Disputed trade receivables</b>							
- Considered good	-	-	-	-	-	-	-
- Which have significant increase in credit risk	-	-	-	-	-	-	-
- Credit impaired	-	-	-	-	-	-	-
Less: Loss allowance	-	-	-	-	-	-	-
<b>Trade receivables-Unbilled</b>	-	-	-	-	-	-	-

**As at March 31, 2024**

Non-current trade receivables	Not due	Outstanding for following periods from the due date					Total
		Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
<b>Undisputed trade receivables</b>							
- Considered good	-	-	-	-	-	-	-
- Which have significant increase in credit risk	-	-	-	-	-	72.23	72.23
- Credit impaired	-	-	-	-	-	-	-
Less: Loss allowance	-	-	-	-	-	72.23	72.23
<b>Disputed trade receivables</b>							
- Considered good	-	-	-	-	-	-	-
- Which have significant increase in credit risk	-	-	-	-	-	-	-
- Credit impaired	-	-	-	-	-	-	-
Less: Loss allowance	-	-	-	-	-	-	-
<b>Trade receivables-Unbilled</b>	-	-	-	-	-	-	-

**As at March 31, 2023**

Non-current trade receivables	Not due	Outstanding for following periods from the due date					Total
		Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
<b>Undisputed trade receivables</b>							
- Considered good	-	-	-	-	-	-	-
- Which have significant increase in credit risk	-	-	-	-	-	72.23	72.23
- Credit impaired	-	-	-	-	-	-	-
Less: Loss allowance	-	-	-	-	-	72.23	72.23
<b>Disputed trade receivables</b>							
- Considered good	-	-	-	-	-	-	-
- Which have significant increase in credit risk	-	-	-	-	-	-	-
- Credit impaired	-	-	-	-	-	-	-
Less: Loss allowance	-	-	-	-	-	-	-
<b>Trade receivables-Unbilled</b>							
	-	-	-	-	-	-	-
	-	-	-	-	-	-	-

**As at March 31, 2022**

Non-current trade receivables	Not due	Outstanding for following periods from the due date					Total
		Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
<b>Undisputed trade receivables</b>							
- Considered good	-	-	-	-	-	-	-
- Which have significant increase in credit risk	-	-	-	-	-	72.23	72.23
- Credit impaired	-	-	-	-	-	-	-
Less: Loss allowance	-	-	-	-	-	72.23	72.23
<b>Disputed trade receivables</b>							
- Considered good	-	-	-	-	-	-	-
- Which have significant increase in credit risk	-	-	-	-	-	-	-
- Credit impaired	-	-	-	-	-	-	-
Less: Loss allowance	-	-	-	-	-	-	-
<b>Trade receivables-Unbilled</b>							
	-	-	-	-	-	-	-
	-	-	-	-	-	-	-

**Ageing of current trade receivables**

**As at June 30, 2024**

Current trade receivables	Not due	Outstanding for following periods from the due date					Total
		Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
<b>Undisputed trade receivables</b>							
- Considered good	11,604.01	752.05	30.09	31.87	2.29	40.33	12,460.64
- Which have significant increase in credit risk	-	-	-	-	-	132.90	132.90
- Credit impaired	-	-	-	-	-	-	-
Less: Loss allowance	88.90	6.29	8.35	12.39	1.23	152.35	269.51
<b>Disputed trade receivables</b>							
- Considered good	-	-	-	-	-	-	-
- Which have significant increase in credit risk	-	-	-	-	-	-	-
- Credit impaired	-	-	-	-	-	-	-
Less: Loss allowance	-	-	-	-	-	-	-
<b>Trade receivables-Unbilled</b>							
	-	-	-	-	-	-	-
	<b>11,515.11</b>	<b>745.76</b>	<b>21.74</b>	<b>19.48</b>	<b>1.06</b>	<b>20.88</b>	<b>12,324.03</b>

**As at March 31, 2024**

Current trade receivables	Not due	Outstanding for following periods from the due date					Total
		Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
<b>Undisputed trade receivables</b>							
- Considered good	17,211.15	846.17	24.47	27.65	-	40.05	18,149.49
- Which have significant increase in credit risk	-	-	-	-	-	133.00	133.00
- Credit impaired	-	-	-	-	-	-	-
Less: Loss allowance	132.15	9.70	7.47	10.90	-	152.06	312.28
<b>Disputed trade receivables</b>							
- Considered good	-	-	-	-	-	-	-
- Which have significant increase in credit risk	-	-	-	-	-	-	-
- Credit impaired	-	-	-	-	-	-	-
Less: Loss allowance	-	-	-	-	-	-	-
<b>Trade receivables-Unbilled</b>							
	-	-	-	-	-	-	-
	<b>17,079.00</b>	<b>836.47</b>	<b>17.00</b>	<b>16.75</b>	<b>-</b>	<b>20.99</b>	<b>17,970.21</b>

**As at March 31, 2023**

Current trade receivables	Not due	Outstanding for following periods from the due date					Total
		Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
<b>Undisputed trade receivables</b>							
- Considered good	14,363.49	744.12	20.32	30.12	11.62	171.82	15,341.49
- Which have significant increase in credit risk	-	-	-	-	-	-	-
- Credit impaired	-	-	-	-	-	-	-
Less: Loss allowance	152.02	14.23	7.46	13.92	8.04	150.52	346.19
<b>Disputed trade receivables</b>							
- Considered good	-	-	-	-	-	-	-
- Which have significant increase in credit risk	-	-	-	-	-	-	-
- Credit impaired	-	-	-	-	-	-	-
Less: Loss allowance	-	-	-	-	-	-	-
<b>Trade receivables-Unbilled</b>							
	<b>14,211.47</b>	<b>729.89</b>	<b>12.86</b>	<b>16.20</b>	<b>3.58</b>	<b>21.30</b>	<b>14,995.30</b>

**As at March 31, 2022**

Current trade receivables	Not due	Outstanding for following periods from the due date					Total
		Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
<b>Undisputed trade receivables</b>							
- Considered good	13,011.17	886.76	37.09	25.49	34.75	160.09	14,155.35
- Which have significant increase in credit risk	-	-	-	-	-	-	-
- Credit impaired	-	-	-	-	-	-	-
Less: Loss allowance	125.12	14.01	12.75	17.36	15.92	156.25	341.41
<b>Disputed trade receivables</b>							
- Considered good	-	-	-	-	-	-	-
- Which have significant increase in credit risk	-	-	-	-	-	-	-
- Credit impaired	-	-	-	-	-	-	-
Less: Loss allowance	-	-	-	-	-	-	-
<b>Trade receivables-Unbilled</b>							
	<b>12,886.05</b>	<b>872.75</b>	<b>24.34</b>	<b>8.13</b>	<b>18.83</b>	<b>3.84</b>	<b>13,813.94</b>



**Note 6 : Financial assets - Loans**

Non-current financial assets - Loans	As at June 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
<b>Loans to employees</b>				
- Secured, considered good	-	-	-	-
- Unsecured, considered good	54.19	54.93	47.94	58.40
<b>Total non-current financial assets - Loans</b>	<b>54.19</b>	<b>54.93</b>	<b>47.94</b>	<b>58.40</b>

Current financial assets - Loans	As at June 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
<b>Loans to employees</b>				
- Secured, considered good	-	-	-	-
- Unsecured, considered good	19.83	18.17	20.56	21.42
<b>Total current financial assets - Loans</b>	<b>19.83</b>	<b>18.17</b>	<b>20.56</b>	<b>21.42</b>

**Note 7 : Other financial assets**

Other Non-current financial assets	As at June 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
(a) Government grant recoverable				
Unsecured, considered good	582.42	803.45	845.53	702.89
Considered doubtful	3.93	3.93	15.40	15.40
Less: Loss allowance	3.93	3.93	15.40	15.40
	<u>582.42</u>	<u>803.45</u>	<u>845.53</u>	<u>702.89</u>
(b) Security deposits #				
Unsecured, considered good	319.27	337.60	344.17	308.48
Considered doubtful	2.28	2.26	2.26	2.26
Less: Loss allowance	2.28	2.26	2.26	2.26
	<u>319.27</u>	<u>337.60</u>	<u>344.17</u>	<u>308.48</u>
(c) Other recoverables				
Unsecured, considered good	-	-	2.83	-
Considered doubtful	-	-	0.03	-
Less: Loss allowance	-	-	0.03	-
	<u>-</u>	<u>-</u>	<u>2.83</u>	<u>-</u>
<b>Total other non-current financial assets</b>	<b>901.69</b>	<b>1,141.05</b>	<b>1,192.53</b>	<b>1,011.37</b>

Other current financial assets	As at June 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
(a) Recoverable from related parties [Refer Note No 28(b)]	48.04	85.31	56.74	39.07
(b) Government grant recoverable				
Unsecured, considered good	1,466.91	636.93	361.10	829.44
Considered doubtful	2.63	2.63	-	-
Less: Loss allowance	2.63	2.63	-	-
	<u>1,466.91</u>	<u>636.93</u>	<u>361.10</u>	<u>829.44</u>
(c) Security deposits #				
Unsecured, considered good	207.37	175.84	175.77	142.91
Considered doubtful	0.52	0.47	0.25	0.01
Less: Loss allowance	0.52	0.47	0.25	0.01
	<u>207.37</u>	<u>175.84</u>	<u>175.77</u>	<u>142.91</u>
(d) Derivative financial assets	-	4.85	-	-
(e) Other recoverables				
Unsecured, considered good	6.76	26.85	19.04	28.62
Considered doubtful	1.48	1.47	0.55	1.43
Less: Loss allowance	1.48	1.47	0.55	1.43
	<u>6.76</u>	<u>26.85</u>	<u>19.04</u>	<u>28.62</u>
<b>Total other current financial assets</b>	<b>1,729.08</b>	<b>929.78</b>	<b>612.65</b>	<b>1,040.04</b>

# Includes Current and Non-current portion of deposits made for residential accommodation on behalf of directors amounting to INR 0.26 Millions and INR 2.00 Millions, respectively (March 31, 2024 : INR 0.50 Millions and INR 2.00 Millions, respectively, March 31, 2023 : INR 0.60 Millions and INR 2.19 Millions, respectively, March 31, 2022 : INR 0.60 Millions and INR 1.14 Millions, respectively).[Refer Note No 28(b)]

**Note 8 : Other assets**

<b>Other non-current assets</b>	As at <b>June 30, 2024</b>	As at <b>March 31, 2024</b>	As at <b>March 31, 2023</b>	As at <b>March 31, 2022</b>
<b>Advances other than capital advances</b>				
(i) Balances with government authorities (other than income taxes)				
Unsecured, considered good				
a) Excise and customs duty recoverable	233.49	50.00	44.20	125.50
b) Sales tax recoverable (Refer Note No (i) below)	152.59	154.23	154.65	177.44
c) GST recoverable	41.69	40.52	2.27	2.34
Unsecured, considered doubtful				
a) Excise and customs duty recoverable	311.71	307.23	281.63	238.05
b) Sales tax recoverable	24.08	24.08	24.08	26.14
c) GST recoverable	10.94	10.94	10.94	10.94
Less: Allowance for doubtful assets				
a) Excise and customs duty recoverable	311.71	307.23	281.63	238.22
b) Sales tax recoverable	24.08	24.08	24.08	26.14
c) GST recoverable	10.94	10.94	10.94	10.94
	<u>427.77</u>	<u>244.75</u>	<u>201.12</u>	<u>305.11</u>
(ii) Advance income tax [net of provision for income tax INR 60,125.88 Millions (March 31, 2024: INR 60,125.88 Millions, March 31, 2023: INR 55,301.84 Millions, March 31, 2022: INR 51,290.21 Millions) (Refer Note No 31(A) and Note No (ii) below)]	1,772.15	1,772.15	1,772.15	2,098.11
(iii) Prepayments	8.50	13.98	8.09	12.96
(iv) Insurance advance	0.25	-	-	-
(v) Others				
Unsecured, considered good	20.66	20.66	20.08	20.90
Unsecured considered doubtful	34.61	34.60	34.72	34.68
Less: Allowance for doubtful assets (Refer Note No (iii) below)	34.61	34.60	34.72	34.68
	<u>20.66</u>	<u>20.66</u>	<u>20.08</u>	<u>20.90</u>
<b>Total other non-current assets</b>	<b><u>2,229.33</u></b>	<b><u>2,051.54</u></b>	<b><u>2,001.44</u></b>	<b><u>2,437.08</u></b>

<b>Other current assets</b>	<b>As at June 30, 2024</b>	<b>As at March 31, 2024</b>	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
<b>Capital advances</b>				
(i) Capital advances				
Unsecured, considered good	-	1.84	26.79	6.35
<b>Advances other than capital advances</b>				
(i) Advance to suppliers				
Unsecured, considered good	103.92	53.45	100.11	125.04
Unsecured, considered doubtful	2.04	1.66	1.27	1.16
Less: Allowance for doubtful assets	2.04	1.66	1.27	1.16
	<u>103.92</u>	<u>53.45</u>	<u>100.11</u>	<u>125.04</u>
(ii) Balances with government authorities (other than income taxes)				
Unsecured, considered good				
a) Excise and customs duty recoverable	2.00	1.99	2.03	3.05
b) GST recoverable	1,116.09	993.83	1,432.38	1,093.92
Unsecured, considered doubtful				
a) Excise and customs duty recoverable	0.17	0.17	0.17	-
Less: Allowance for doubtful assets				
a) Excise and customs duty recoverable	0.17	0.17	0.17	-
	<u>1,118.09</u>	<u>995.82</u>	<u>1,434.41</u>	<u>1,096.97</u>
(iii) Prepayments	192.91	113.56	116.52	101.87
(iv) Insurance advance				
Unsecured, considered good	140.70	122.54	64.00	48.64
Unsecured, considered doubtful	0.98	0.95	0.66	0.45
Less: Allowance for doubtful assets	0.98	0.95	0.66	0.45
	<u>140.70</u>	<u>122.54</u>	<u>64.00</u>	<u>48.64</u>
(v) Right to recover returned goods	143.27	171.17	164.41	154.09
(vi) Contract assets	2.17	7.12	29.58	45.98
	<u>1,701.06</u>	<u>1,465.50</u>	<u>1,935.82</u>	<u>1,578.94</u>
Less: Other assets related to discontinued operation (Refer Note No 35)	-	-	-	22.80
<b>Total other current assets</b>	<u>1,701.06</u>	<u>1,465.50</u>	<u>1,935.82</u>	<u>1,556.14</u>

Notes:

(i) Sales tax recoverable include amount paid under protest aggregating to INR 159.29 Millions (March 31, 2024: INR 154.93 Millions, March 31, 2023: INR 160.55 Millions, March 31, 2022: INR 164.49 Millions).

(ii) Adjustment of provision has been done assessment year wise to the extent of tax paid. In respect of any assessment year, where tax provision created is in excess of tax paid then (Net) provision for the respective years are reflected in Note No 14(b).

(iii) Others represent withholding tax recoverable amounting to INR 9.92 Millions (March 31, 2024: INR 9.92 Millions, March 31, 2023: INR 9.92 Millions, March 31, 2022: INR 9.92 Millions) and deposits paid under protest amounting to INR 45.35 Millions (March 31, 2024: INR 45.54 Millions, March 31, 2023: INR 45.08 Millions, March 31, 2022: INR 46.08 Millions)

**Note 8(a) : Assets held for sale**

<b>Particular</b>	<b>As at June 30, 2024</b>	<b>As at March 31, 2024</b>	<b>As at March 31, 2023</b>	<b>As at March 31, 2022</b>
(i) Assets related to discontinued operations (Refer Note No 35)	-	-	31.96	112.08
(ii) Plant and machineries	-	-	6.57	-
(ii) Buildings, land and others	-	0.20	1.67	-
<b>Total Assets held for sale</b>	<u>-</u>	<u>0.20</u>	<u>40.20</u>	<u>112.08</u>

**Note 9 : Inventories**

Particulars	As at	As at	As at	As at
	June 30, 2024	March 31, 2024	March 31, 2023	March 31, 2022
(a) Raw materials	13,152.00	11,643.10	13,423.97	13,393.15
(b) Work-in-progress	192.72	351.43	364.78	361.11
(c) Finished goods	5,253.88	8,098.71	9,218.25	6,417.15
(d) Stock-in-trade	2,162.13	2,031.17	1,681.85	2,371.52
(e) Stores and spares	1,802.32	1,829.53	1,731.01	1,618.07
(f) Packaging material	7.58	20.24	22.40	19.24
<b>Inventories</b>	<b>22,570.63</b>	<b>23,974.18</b>	<b>26,442.26</b>	<b>24,180.24</b>
Less: Inventories related to discontinued operation (Refer Note No 35)	-	-	31.96	85.84
<b>Total inventories</b>	<b>22,570.63</b>	<b>23,974.18</b>	<b>26,410.30</b>	<b>24,094.40</b>
<b>Included above, goods-in-transit:</b>				
(i) Raw materials	7,413.83	4,516.64	6,483.05	4,559.23
(ii) Stock-in-trade	696.57	604.15	457.50	854.90
(iii) Stores and spares	182.58	110.09	53.33	81.05
<b>Total goods-in-transit</b>	<b>8,292.98</b>	<b>5,230.88</b>	<b>6,993.88</b>	<b>5,495.18</b>

Note:

(i) Write-down of inventories to net realisable value recognised as an expense during the period/year amounts to INR 6.46 Millions (March 31, 2024: INR 9.56 Millions, March 31, 2023: INR 21.95 Millions, March 31, 2022: INR 21.77 Millions). These were included in changes in inventories of finished goods, stock-in-trade and work-in-progress in Restated Statement of Profit and Loss [Refer Note No 20 (c)].

(ii) Details of inventories lying with third parties:

Particulars	As at	As at	As at	As at
	June 30, 2024	March 31, 2024	March 31, 2023	March 31, 2022
Raw materials	1,248.82	1,062.47	1,330.89	973.78
Finished goods and stock-in-trade	9.89	7.60	13.48	23.78
<b>Total</b>	<b>1,258.71</b>	<b>1,070.07</b>	<b>1,344.37</b>	<b>997.56</b>

**Note 10 : Cash and cash equivalents**

Particulars	As at	As at	As at	As at
	June 30, 2024	March 31, 2024	March 31, 2023	March 31, 2022
(a) Balance with banks				
(i) In current accounts#	1,036.05	696.18	245.71	299.55
(ii) In Exchange Earner's Foreign Currency Accounts	504.12	457.75	344.59	307.56
(b) Cash on hand	9.31	8.00	5.21	5.96
(c) Bank deposits with original maturity of less than three months# *	34,511.24	21,064.12	27,030.37	36,655.49
<b>Total cash and cash equivalents</b>	<b>36,060.72</b>	<b>22,226.05</b>	<b>27,625.88</b>	<b>37,268.56</b>

# Balance with banks in current accounts and bank deposits with original maturity of less than three months includes balance in separate CSR unspent account amounting to INR 738.65 Millions and INR 150.10 Millions, respectively (March 31, 2024 : INR 27.85 Millions and INR 543.45 Millions, March 31, 2023 : INR 56.19 Millions and INR 418.80 Millions, respectively, March 31, 2022 : INR 18.35 Millions and INR 139.05 Millions, respectively) [Refer Note No 33].

\* Includes interest accrued on Bank deposits of INR 290.33 Millions (March 31, 2024: INR 52.91 Millions, March 31, 2023: INR 110.77 Millions, March 31, 2022: INR 175.49 Millions).

**LG Electronics India Limited (formerly known as LG Electronics India Private Limited)**  
**CIN: U32107DL1997PLC220109**  
**Annexure V - Notes to the Restated Financial Information**  
**All amounts are in INR Millions, unless otherwise stated**

**Note 11 : Equity share capital**

**Share capital**

Particulars	As at	As at	As at	As at
	June 30, 2024	March 31, 2024	March 31, 2023	March 31, 2022
(a) Authorised 115,000,000 Equity shares of INR 10 each with voting rights	1,150.00	1,150.00	1,150.00	1,150.00
(b) Issued 113,128,732 Equity shares of INR 10 each with voting rights	1,131.29	1,131.29	1,131.29	1,131.29
(c) Subscribed and fully paid up 113,128,732 Equity shares of INR 10 each with voting rights	1,131.29	1,131.29	1,131.29	1,131.29

**Notes:**

(i) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

Particulars	As at		As at		As at		As at	
	June 30, 2024		March 31, 2024		March 31, 2023		March 31, 2022	
	No. of shares held	INR (In Millions)	No. of shares held	INR (In Millions)	No. of shares held	INR (In Millions)	No. of shares held	INR (In Millions)
Equity shares with voting rights								
<b>Balance at the beginning of the period/year</b>	<b>113,128,732</b>	<b>1,131.29</b>	<b>113,128,732</b>	<b>1,131.29</b>	<b>113,128,732</b>	<b>1,131.29</b>	<b>113,128,732</b>	<b>1,131.29</b>
Add: Shares issued during the period/year	-	-	-	-	-	-	-	-
<b>Balance at the end of the period/year</b>	<b>113,128,732</b>	<b>1,131.29</b>	<b>113,128,732</b>	<b>1,131.29</b>	<b>113,128,732</b>	<b>1,131.29</b>	<b>113,128,732</b>	<b>1,131.29</b>

The Company has only one class of equity shares having par value of INR10 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion of their shareholding.

(ii) Details of shares held by the holding company and its subsidiary company:

Name of shareholder	As at		As at		As at		As at	
	June 30, 2024		March 31, 2024		March 31, 2023		March 31, 2022	
	No. of shares held	INR (In Millions)	No. of shares held	INR (In Millions)	No. of shares held	INR (In Millions)	No. of shares held	INR (In Millions)
Equity shares with voting rights								
LG Electronics Inc., South Korea, (The Holding company)	113,128,726	1,131.29	113,128,726	1,131.29	113,128,726	1,131.29	113,128,726	1,131.29
LG Soft India Private Limited (Subsidiary of the holding company)	6	*	6	*	6	*	6	*
<b>Total</b>	<b>113,128,732</b>	<b>1,131.29</b>	<b>113,128,732</b>	<b>1,131.29</b>	<b>113,128,732</b>	<b>1,131.29</b>	<b>113,128,732</b>	<b>1,131.29</b>

\* Amount is below rounding-off norm adopted by the Company.

(iii) Details of each shareholder holding more than 5% shares:

Name of Shareholder	As at			As at			As at			As at		
	June 30, 2024			March 31, 2024			March 31, 2023			March 31, 2022		
	No. of shares held	%		No. of shares held	%		No. of shares held	%		No. of shares held	%	
LG Electronics Inc., South Korea, (The Holding company)	113,128,726	100%		113,128,726	100%		113,128,726	100%		113,128,726	100%	

(iv) Details of shareholding of promoters:

Name of the promoter	As at			As at			As at			As at		
	June 30, 2024			March 31, 2024			March 31, 2023			March 31, 2022		
	No. of shares held	%		No. of shares held	%		No. of shares held	%		No. of shares held	%	
LG Electronics Inc., South Korea, (The Holding company)	113,128,726	100		113,128,726	100		113,128,726	100		113,128,726	100	
LG Soft India Private Limited (Subsidiary of the holding company)	6	*		6	*		6	*		6	*	

\* Amount is below rounding-off norm adopted by the Company.

Subsequent to June 30, 2024, the Board of Directors of the Company in their Board Meeting held on December 04, 2024, have identified LG Electronics Inc. as the sole promoter of the Company. LG Soft India Private Limited as a nominee of LG Electronics Inc., South Korea, transferred its shareholding in the Company to its 6 employees on November 8, 2024.

(v) Changes to share capital:

Subsequent to June 30, 2024, the Company has increased the authorised share capital from existing 115,000,000 equity shares to 1,500,000,000 equity shares of INR 10 each, which was approved by the Board of Directors in their meeting and shareholders in their extraordinary general meeting held on October 17, 2024 and October 18, 2024 respectively.

The Board of Directors of the Company, at its meeting held on October 17, 2024 also approved the issuance of five new bonus shares for every one existing share held by the shareholders of the Company, which was approved by the shareholders in extraordinary general meeting held on October 18, 2024. The date of allotment of bonus shares is November 18, 2024.

Also refer note 29 and 43 of the Restated Financial Information.

LG Electronics India Limited (formerly known as LG Electronics India Private Limited)  
CIN: U32107DL1997PLC220109  
Annexure V - Notes to the Restated Financial Information  
All amounts are in INR Millions, unless otherwise stated

Note 12 : Other equity

Particulars	Reserves and surplus			Total
	Amalgamation reserve*	Retained earnings	General reserve	
<b>Balance as at April 01, 2021</b>	<b>364.25</b>	<b>62,545.31</b>	<b>1,824.30</b>	<b>64,733.86</b>
Profit for the year	-	11,747.33	-	11,747.33
Other Comprehensive Income/(Loss) (net of tax)	-	20.72	-	20.72
<b>Total Comprehensive Income for the year</b>	<b>-</b>	<b>11,768.05</b>	<b>-</b>	<b>11,768.05</b>
Less : Interim dividend paid	-	22,625.75	-	22,625.75
<b>Balance as at March 31, 2022</b>	<b>364.25</b>	<b>51,687.61</b>	<b>1,824.30</b>	<b>53,876.16</b>
<b>Balance as at April 01, 2022</b>	<b>364.25</b>	<b>51,687.61</b>	<b>1,824.30</b>	<b>53,876.16</b>
Profit for the year	-	13,449.30	-	13,449.30
Other Comprehensive Income/(Loss) (net of tax)	-	(5.98)	-	(5.98)
<b>Total Comprehensive Income for the year</b>	<b>-</b>	<b>13,443.32</b>	<b>-</b>	<b>13,443.32</b>
Less : Interim dividend paid	-	24,888.32	-	24,888.32
<b>Balance as at March 31, 2023</b>	<b>364.25</b>	<b>40,242.61</b>	<b>1,824.30</b>	<b>42,431.16</b>
<b>Balance as at April 01, 2023</b>	<b>364.25</b>	<b>40,242.61</b>	<b>1,824.30</b>	<b>42,431.16</b>
Profit for the year	-	15,110.68	-	15,110.68
Other Comprehensive Income/(Loss) (net of tax)	-	(21.85)	-	(21.85)
<b>Total Comprehensive Income for the year</b>	<b>-</b>	<b>15,088.83</b>	<b>-</b>	<b>15,088.83</b>
Less : Interim dividend paid	-	20,928.82	-	20,928.82
<b>Balance as at March 31, 2024</b>	<b>364.25</b>	<b>34,402.62</b>	<b>1,824.30</b>	<b>36,591.17</b>
<b>Balance as at April 01, 2024</b>	<b>364.25</b>	<b>34,402.62</b>	<b>1,824.30</b>	<b>36,591.17</b>
Profit for the period	-	6,796.46	-	6,796.46
Other Comprehensive Income/(Loss) (net of tax)	-	8.73	-	8.73
<b>Total Comprehensive Income for the period</b>	<b>-</b>	<b>6,805.19</b>	<b>-</b>	<b>6,805.19</b>
<b>Balance as at June 30, 2024</b>	<b>364.25</b>	<b>41,207.81</b>	<b>1,824.30</b>	<b>43,396.36</b>

\*This reserve was created at the time of amalgamation carried out in earlier years. This reserve is to be utilised in accordance with the provisions of the Act.

**Note 13 : Provisions**

Non-current provisions	As at	As at	As at	As at
	June 30, 2024	March 31, 2024	March 31, 2023	March 31, 2022
(a) Provision for employee benefits (Refer Note No 27)				
(i) Provision for long term service award	73.63	73.79	65.53	71.02
(ii) Provision for gratuity	684.47	664.26	569.96	490.15
	<b>758.10</b>	<b>738.05</b>	<b>635.49</b>	<b>561.17</b>
(b) Other provisions (Refer Note No 30)				
Warranty	135.41	137.13	69.47	62.96
	<b>135.41</b>	<b>137.13</b>	<b>69.47</b>	<b>62.96</b>
<b>Total non-current provisions</b>	<b>893.51</b>	<b>875.18</b>	<b>704.96</b>	<b>624.13</b>

Current provisions	As at	As at	As at	As at
	June 30, 2024	March 31, 2024	March 31, 2023	March 31, 2022
(a) Provision for employee benefits (Refer Note No 27)				
(i) Provision for compensated absences	428.32	412.94	385.01	370.01
(ii) Provision for long term service award	12.57	16.00	27.98	18.47
(iii) Provision for gratuity	158.58	161.81	148.07	119.98
	<b>599.47</b>	<b>590.75</b>	<b>561.06</b>	<b>508.46</b>
(b) Other provisions (Refer Note No 30)				
(i) Warranty	785.81	667.08	597.79	516.85
(ii) Provision for other contingencies	295.05	274.20	195.08	119.49
	<b>1,080.86</b>	<b>941.28</b>	<b>792.87</b>	<b>636.34</b>
<b>Total current provisions</b>	<b>1,680.33</b>	<b>1,532.03</b>	<b>1,353.93</b>	<b>1,144.80</b>

**Note 14(a) : Other liabilities**

Other non-current liabilities	As at	As at	As at	As at
	June 30, 2024	March 31, 2024	March 31, 2023	March 31, 2022
Contract liability				
- Deferred revenue (Refer Note No 18)	1,838.32	1,673.16	1,160.07	931.30
<b>Total other non-current liabilities</b>	<b>1,838.32</b>	<b>1,673.16</b>	<b>1,160.07</b>	<b>931.30</b>

Other current liabilities	As at	As at	As at	As at
	June 30, 2024	March 31, 2024	March 31, 2023	March 31, 2022
(i) Advances received from customers (including INR 1.46 Millions (March 31, 2024: INR 2.35 Millions, March 31, 2023: INR, March 31, 2022: INR) from related party. Refer Note No 28 (b))	213.80	247.51	279.69	241.20
(ii) Statutory dues				
- Statutory remittances	1,582.41	2,648.22	2,403.39	2,048.02
(iii) Contract liability				
- Deferred revenue (Refer Note No 18)	2,052.06	1,852.07	1,386.13	1,250.61
(iv) Refund liability	225.79	253.97	234.67	223.06
(v) Liability towards Corporate social responsibility (Refer Note No 33)	979.11	904.27	788.20	556.20
	<b>5,053.17</b>	<b>5,906.04</b>	<b>5,092.08</b>	<b>4,319.09</b>
Less: Other current liabilities related to discontinued operation (Refer Note No 35)	-	-	-	62.93
<b>Total other current liabilities</b>	<b>5,053.17</b>	<b>5,906.04</b>	<b>5,092.08</b>	<b>4,256.16</b>

**Note 14 (b) : Current tax liabilities (net)**

Current tax liabilities	As at	As at	As at	As at
	June 30, 2024	March 31, 2024	March 31, 2023	March 31, 2022
Income tax liabilities (Refer Note No 8)				
[net of Advance income tax INR 12,062.03 Millions (March 31, 2024: INR 11,016.23 Millions) (March 31, 2023: INR 10,141.77 Millions) (March 31, 2022: INR 9,402.69 Millions)]	1,671.77	344.17	435.20	388.93
<b>Current tax liabilities (net)</b>	<b>1,671.77</b>	<b>344.17</b>	<b>435.20</b>	<b>388.93</b>

**Note 15 : Trade payables**

Trade payables	As at June 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Trade payables to micro enterprises and small enterprises [Refer Note No 36]	2,259.22	3,093.71	3,750.60	3,188.63
Trade payables to creditors other than micro enterprises and small enterprises				
- Related parties [Refer Note No 28(b)]	6,988.59	5,126.52	7,485.28	5,932.22
- Acceptances	38.62	80.12	137.43	60.79
- Others	20,999.91	22,050.15	19,818.75	16,801.86
<b>Total trade payables</b>	<b>30,286.34</b>	<b>30,350.50</b>	<b>31,192.06</b>	<b>25,983.50</b>

**Ageing of trade payables**  
As at June 30, 2024

Trade Payables	Unbilled	Not due	Outstanding for following periods from due date of payment				Total
			Less than 1 Year	1-2 Years	2-3 Years	More than 3 years	
<b>Undisputed Trade Payables</b>							
Micro enterprises and small enterprises	604.12	1,633.80	2.67	-	0.02	0.15	2,240.76
Others	6,226.44	19,408.86	2,145.57	22.55	19.54	110.78	27,933.74
<b>Disputed Trade Payables</b>							
Micro enterprises and small enterprises	-	18.46	-	-	-	-	18.46
Others	-	93.38	-	-	-	-	93.38
<b>Total</b>	<b>6,830.56</b>	<b>21,154.50</b>	<b>2,148.24</b>	<b>22.55</b>	<b>19.56</b>	<b>110.93</b>	<b>30,286.34</b>

As at March 31, 2024

Trade Payables	Unbilled	Not due	Outstanding for following periods from due date of payment				Total
			Less than 1 Year	1-2 Years	2-3 Years	More than 3 years	
<b>Undisputed Trade Payables</b>							
Micro enterprises and small enterprises	468.89	2,604.50	2.12	-	-	-	3,075.51
Others	4,854.93	19,374.19	2,783.90	22.26	65.58	62.32	27,163.18
<b>Disputed Trade Payables</b>							
Micro enterprises and small enterprises	-	18.20	-	-	-	-	18.20
Others	-	93.61	-	-	-	-	93.61
<b>Total</b>	<b>5,323.82</b>	<b>22,090.50</b>	<b>2,786.02</b>	<b>22.26</b>	<b>65.58</b>	<b>62.32</b>	<b>30,350.50</b>

As at March 31, 2023

Trade Payables	Unbilled	Not due	Outstanding for following periods from due date of payment				Total
			Less than 1 Year	1-2 Years	2-3 Years	More than 3 years	
<b>Undisputed Trade Payables</b>							
Micro enterprises and small enterprises	440.79	3,289.69	1.08	-	-	0.04	3,731.60
Others	4,171.08	19,433.15	3,499.33	122.90	52.12	46.88	27,325.46
<b>Disputed Trade Payables</b>							
Micro enterprises and small enterprises	-	19.00	-	-	-	-	19.00
Others	-	116.00	-	-	-	-	116.00
<b>Total</b>	<b>4,611.87</b>	<b>22,857.84</b>	<b>3,500.41</b>	<b>122.90</b>	<b>52.12</b>	<b>46.92</b>	<b>31,192.06</b>

As at March 31, 2022

Trade Payables	Unbilled	Not due	Outstanding for following periods from due date of payment				Total
			Less than 1 Year	1-2 Years	2-3 Years	More than 3 years	
<b>Undisputed Trade Payables</b>							
Micro enterprises and small enterprises	374.68	2,472.49	9.69	-	0.04	-	2,856.90
Others	3,275.82	17,130.00	2,150.83	127.33	70.36	40.53	22,794.87
<b>Disputed Trade Payables</b>							
Micro enterprises and small enterprises	-	331.73	-	-	-	-	331.73
Others	-	-	-	-	-	-	-
<b>Total</b>	<b>3,650.50</b>	<b>19,934.22</b>	<b>2,160.52</b>	<b>127.33</b>	<b>70.40</b>	<b>40.53</b>	<b>25,983.50</b>



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**Note 16 : Other financial liabilities**

Other current financial liabilities	As at June 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Capital creditors	259.87	138.86	156.29	635.88
Capital creditors-related parties [Refer Note No 28(b)]	32.60	24.38	5.59	40.77
Expected promotional incentive for customers	2,695.17	2,718.02	3,050.49	2,204.10
Derivative financial liabilities	5.85	-	23.57	4.91
<b>Total other financial liabilities</b>	<b>2,993.49</b>	<b>2,881.26</b>	<b>3,235.94</b>	<b>2,885.66</b>

**Note 17 : Lease liabilities**

Non-current lease liabilities	As at June 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Lease liabilities (Refer Notes below)	2,765.63	2,846.96	2,494.88	2,346.70
<b>Total non-current lease liabilities</b>	<b>2,765.63</b>	<b>2,846.96</b>	<b>2,494.88</b>	<b>2,346.70</b>
Current lease liabilities	As at June 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Lease liabilities (Refer Notes below)	820.32	852.59	689.63	560.82
<b>Total current lease liabilities</b>	<b>820.32</b>	<b>852.59</b>	<b>689.63</b>	<b>560.82</b>

**Notes:**

- i) Interest expense relating to lease liabilities are included in finance cost (Refer Note No 22).
- ii) Depreciation charge of right of use asset are included in depreciation and amortisation expense (Refer Note No 23).
- iii) Expense relating to short-term and low value leases are included in other expenses as rent (Refer Note No 24).
- iv) The Company does not have any leases with variable lease payments.
- v) The total cash outflow for leases including interest and short term leases amounting to INR 442.95 Millions (March 31, 2024: INR 1,703.15 Millions, March 31, 2023: INR 1,566.42 Millions, March 31, 2022: INR 1,532.24 Millions).
- vi) Extension and termination options are included in a number of property and equipment leases across the Company. These are used to maximise operational flexibility in terms of managing the assets used in the Company's operations. The majority of extension and termination options held are exercisable only by the Company and not by the respective lessor.
- vii) Refer Note No 32 for contractual commitments on lease liabilities.

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Note 18 : Revenue from operations

Particulars	For the three months period ended June 30, 2024	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2022
Revenue from contracts with customers				
- Sale of products (Refer Note No (i) below)	61,396.09	206,531.13	192,739.04	163,325.80
- Rendering of services (Refer Note No (ii) below)	1,785.32	5,769.14	4,846.26	4,088.43
	63,181.41	212,300.27	197,585.30	167,414.23
Other operating revenues (Refer Note No (iii) below)	906.56	1,219.73	1,060.63	927.90
<b>Total revenue from operations</b>	<b>64,087.97</b>	<b>213,520.00</b>	<b>198,645.93</b>	<b>168,342.13</b>

Notes :

(i) Sale of products				
<b>Stock-in-trade</b>	7,473.66	23,706.21	23,672.90	20,733.97
Less: Sale return	27.58	218.14	364.26	214.37
<b>Total - sale of stock-in-trade</b>	<b>7,446.08</b>	<b>23,488.07</b>	<b>23,308.64</b>	<b>20,519.60</b>
<b>Manufactured goods</b>	54,129.91	184,075.90	170,225.12	143,278.38
Less: Sale return	179.90	1,032.84	794.72	472.18
<b>Total - sale of manufactured goods</b>	<b>53,950.01</b>	<b>183,043.06</b>	<b>169,430.40</b>	<b>142,806.20</b>
<b>Total - sale of products</b>	<b>61,396.09</b>	<b>206,531.13</b>	<b>192,739.04</b>	<b>163,325.80</b>
(ii) Rendering of services				
Service income	928.82	2,865.02	2,446.40	2,545.23
Installation and commissioning	856.50	2,904.12	2,399.86	1,543.20
<b>Total - rendering of services</b>	<b>1,785.32</b>	<b>5,769.14</b>	<b>4,846.26</b>	<b>4,088.43</b>
(iii) Other operating revenue				
Government grant related to revenue	688.56	524.27	442.90	249.17
Sale of scrap	130.45	430.74	361.88	326.79
Duty drawback and other export incentives	87.55	264.72	255.85	351.94
<b>Total - other operating revenue</b>	<b>906.56</b>	<b>1,219.73</b>	<b>1,060.63</b>	<b>927.90</b>

The following table shows timing of revenue recognition:

Particulars	For the three months period ended June 30, 2024	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2022
Satisfied at a point in time	62,324.91	209,396.15	195,185.44	165,871.03
Satisfied over time	856.50	2,904.12	2,399.86	1,543.20
<b>Total revenue from contracts with customers</b>	<b>63,181.41</b>	<b>212,300.27</b>	<b>197,585.30</b>	<b>167,414.23</b>

Revenue recognition on the basis of product category and geographical location of customers has been disclosed in Note No.34.

The following table shows unsatisfied performance obligation resulting from fixed-price contracts:

Particulars	For the three months period ended June 30, 2024	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2022
Aggregate amount of the transaction price allocated to fixed price contracts that are partially or fully unsatisfied as at reporting date	3,890.38	3,525.23	2,546.20	2,181.91

The Company estimates that transaction price amount to INR 2,052.06 Millions (March 31, 2024 : INR 1,852.07 Millions, March 31, 2023 : INR 1,386.13 Millions, March 31, 2022 : INR 1,250.61 Millions) will be recognised as revenue during the next twelve months out of unsatisfied contracts and remaining amount will be recognised in subsequent financial years.

Reconciliation of revenue recognised with contract price :

Particulars	For the three months period ended June 30, 2024	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2022
Contract price	71,074.77	241,648.28	221,609.76	187,098.83
Variable considerations	6,986.80	28,128.28	22,963.83	18,756.70
<b>Revenue from operations</b>	<b>64,087.97</b>	<b>213,520.00</b>	<b>198,645.93</b>	<b>168,342.13</b>

Movement of contract liabilities

Particulars	For the three months period ended June 30, 2024	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2022
At the beginning of the period/year	3,525.23	2,546.20	2,181.91	1,872.00
Invoiced/billed during the period/year	1,053.04	3,402.54	2,320.83	1,959.08
Income recognised during the period/year	687.89	2,423.51	1,956.54	1,649.17
<b>At the end of the period/year</b>	<b>3,890.38</b>	<b>3,525.23</b>	<b>2,546.20</b>	<b>2,181.91</b>

**Note 19 : Other income**

Particulars	For the three months period ended June 30, 2024	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2022
<b>Interest Income</b>				
Interest income on bank deposits	557.42	1,989.48	2,201.51	1,624.12
<b>Other non-operating income (net of expenses directly attributable to such income)</b>				
Profit on sale of property, plant and equipment (net)	5.34	8.42	7.09	14.82
Provision for warranty written-back* (Refer Note No 30)	-	-	-	23.90
Net gain on foreign currency transactions and translation	7.67	-	-	-
Provision for service tax liability written-back (Refer Note No 30)	-	-	-	343.74
Gain on derivatives measured at fair value (Net)	-	19.55	164.39	-
Miscellaneous income	9.57	33.73	66.92	31.39
<b>Total other income</b>	<b>580.00</b>	<b>2,051.18</b>	<b>2,439.91</b>	<b>2,037.97</b>

\* Provision for warranty written-back does not include Nil (March 31, 2024: Nil, March 31, 2023: Nil and March 31, 2022: INR 70.52 Millions) relating to discontinued operations.

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All amounts are in INR Millions, unless otherwise stated

Note 20

(a) Cost of materials consumed

Particulars	For the three months period ended June 30, 2024	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2022
Opening inventories	11,663.34	13,446.37	13,412.39	13,363.27
Add: Purchases of raw materials	42,917.24	152,586.08	149,158.10	121,221.19
	54,580.58	166,032.45	162,570.49	134,584.46
Less: Sales of raw materials	8,497.41	29,732.17	29,273.76	23,871.63
Less: Closing inventories	13,159.58	11,663.34	13,446.37	13,412.39
<b>Cost of raw materials consumed*</b>	<b>32,923.59</b>	<b>124,636.94</b>	<b>119,850.36</b>	<b>97,300.44</b>
Cost of service spare parts sold	559.75	1,539.93	1,351.58	1,075.74
Consumption for Installation and commissioning	1,281.29	4,785.26	3,422.42	3,112.64
Captive consumption of finished goods	(452.25)	(1,801.64)	(1,016.16)	(1,166.70)
<b>Cost of materials consumed</b>	<b>34,312.38</b>	<b>129,160.49</b>	<b>123,608.20</b>	<b>100,322.12</b>

\*Cost of raw materials consumed includes packaging material

(b) Purchase of stock-in-trade

Particulars	For the three months period ended June 30, 2024	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2022
Purchase of stock-in-trade	5,693.23	19,755.88	19,402.78	15,544.97
Captive consumption of stock-in-trade	(54.55)	(398.16)	(615.15)	(627.64)
<b>Purchase of stock-in-trade</b>	<b>5,638.68</b>	<b>19,357.72</b>	<b>18,787.63</b>	<b>14,917.33</b>

(c) Changes in inventories of finished goods, stock-in-trade and work-in-progress

Particulars	For the three months period ended June 30, 2024	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2022
Closing inventories:				
Finished goods	5,253.88	8,098.71	9,218.25	6,417.15
Stock-in-trade	2,162.13	2,031.17	1,681.85	2,371.52
Work-in-progress	192.72	351.43	364.78	361.11
<b>A) Total</b>	<b>7,608.73</b>	<b>10,481.31</b>	<b>11,264.88</b>	<b>9,149.78</b>
Opening inventories:				
Finished goods	8,098.71	9,218.25	6,417.15	7,643.58
Stock-in-trade	2,031.17	1,681.85	2,371.52	3,922.22
Work-in-progress	351.43	364.78	361.11	350.27
<b>B) Total</b>	<b>10,481.31</b>	<b>11,264.88</b>	<b>9,149.78</b>	<b>11,916.07</b>
<b>Net decrease / (increase) (B-A)</b>	<b>2,872.58</b>	<b>783.57</b>	<b>(2,115.10)</b>	<b>2,766.29</b>

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**Note 21 : Employee benefits expense**

Particulars	For the three months period ended June 30, 2024	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2022
Salaries and wages, including bonus	1,943.96	7,290.32	6,506.87	6,001.15
Contribution to provident fund and employees' state insurance scheme	74.78	284.89	258.44	238.83
Contribution to defined benefit plan	41.09	149.34	135.71	128.00
Staff welfare expenses	348.79	1,143.69	1,090.54	886.56
<b>Total employee benefits expense</b>	<b>2,408.62</b>	<b>8,868.24</b>	<b>7,991.56</b>	<b>7,254.54</b>

**Note 22 : Finance costs**

Particulars	For the three months period ended June 30, 2024	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2022
Interest on lease liabilities	69.35	269.42	225.03	224.61
Interest on delayed payment of customs duty	-	15.63	-	-
Interest on delayed payment of income tax	-	-	0.81	0.49
<b>Total finance costs</b>	<b>69.35</b>	<b>285.05</b>	<b>225.84</b>	<b>225.10</b>

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**Note 23 : Depreciation and amortisation expense**

Particulars	For the three months period ended June 30, 2024	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2022
Depreciation of property, plant and equipment				
- Owned assets (net of government grant amortisation)	748.77	2,829.52	2,350.07	2,014.52
- Right of use assets	206.94	770.82	615.92	535.93
Amortisation of intangible assets (net of government grant amortisation)	11.50	43.35	37.94	33.14
<b>Total depreciation and amortisation expense</b>	<b>967.21</b>	<b>3,643.69</b>	<b>3,003.93</b>	<b>2,583.59</b>

**Note 24 : Other expenses**

Particulars	For the three months period ended June 30, 2024	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2022
Consumption of consumables and spares	106.36	427.16	390.51	342.37
Customer service expenses [Refer Note No (ii) below]	798.91	2,350.39	1,929.50	1,521.87
Sample and testing	0.05	7.62	4.59	6.85
Power and fuel	238.47	803.37	827.56	657.10
Royalty (Refer Note No 31(B))	1,215.08	4,032.30	3,232.44	2,547.59
Rent	187.59	779.44	847.43	892.94
Repairs and maintenance - buildings	20.22	90.93	96.89	87.77
Repairs and maintenance - plant and machineries	17.68	135.77	102.46	109.12
Repairs and maintenance - others	90.33	365.03	357.44	230.86
Insurance	92.51	415.78	349.27	369.51
Rates and taxes	2.58	47.46	13.64	24.52
Communication and information technology expenses	203.24	664.75	571.58	428.83
Travelling and conveyance	150.66	562.31	474.94	241.97
Research and development	245.84	827.42	736.53	684.68
Freight and forwarding	2,244.47	7,630.72	7,345.89	6,099.45
Advertisement	716.34	2,547.56	2,671.41	2,493.40
Sales promotion	1,714.76	6,859.56	6,228.36	5,061.18
Bank charges	10.17	38.51	20.46	18.30
Legal and professional	21.28	81.62	83.45	76.84
Payments to auditors [Refer Note No (i) below]	5.08	20.70	21.73	19.93
Trade receivables written-off	0.92	13.63	18.97	12.74
Loss on derivatives measured at fair value (net)	9.08	-	-	43.18
Loss on foreign currency transactions and translation (net)	-	260.35	1,080.21	519.27
Property, plant and equipment written-off	13.56	3.21	2.60	1.03
Allowance for doubtful trade receivables, other financial assets and other assets	(37.71)	(15.48)	47.27	71.01
Provision for warranty expenses	117.01	136.95	87.45	-
Corporate social responsibility (Refer Note No 33)	95.06	380.62	419.99	461.10
Waste of electrical and electronic equipment	492.50	1,942.08	1,852.44	1,740.39
Miscellaneous expenses	503.01	1,691.49	1,565.48	1,231.70
<b>Total other expenses</b>	<b>9,275.05</b>	<b>33,101.25</b>	<b>31,380.49</b>	<b>25,995.50</b>

**Notes:**

(i) Payments to auditors comprises:

Audit fee	4.63	18.95	19.00	16.33
Tax audit fee	0.26	1.05	1.00	1.00
Reimbursement of expenses	0.19	0.58	1.53	-
Certification fee	-	0.12	0.20	2.60
<b>Total</b>	<b>5.08</b>	<b>20.70</b>	<b>21.73</b>	<b>19.93</b>

(ii) Customer service expenses include consumption of spares aggregating to INR 342.16 Millions (March 31, 2024: INR 754.82 Millions, March 31, 2023: INR 815.86 Millions, March 31, 2022: INR 676.02 Millions) and indirect expenses (including expenses related to service and call centres) aggregating to INR 129.85 Millions (March 31, 2024: INR 444.71 Millions, March 31, 2023: INR 504.79 Millions, March 31, 2022: INR 443.80 Millions).

**Note 25 : Financial instruments and risk management**

A) All financial assets and liabilities of the Company (other than derivative assets / liabilities ) are subsequently measured at amortised cost.

**B) Fair value hierarchy**

Fair value of the financial instruments is classified in various fair value hierarchy based on the following three levels:

**Level 1:** Quoted prices (unadjusted) in active market for identical assets or liabilities.

**Level 2:** Inputs other than quoted price including within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

**Level 3:** Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case with listed instruments where market is not liquid and for unlisted instruments.

The fair value of trade receivables, loans, cash and cash equivalents, other financial assets and trade payables (including capital creditors) are considered to be equal to the carrying amounts of these items due to their short – term nature.

<b>Financial assets and liabilities as at June 30, 2024</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
<b>Financial assets</b>				
Security deposits (measured at amortised cost for which fair value is disclosed)	-	-	526.64	526.64
<b>Financial liabilities</b>				
Derivative liabilities not designated as hedge (measured at fair value-recurring fair value measurement)	-	5.85	-	5.85
<b>Total</b>	<b>-</b>	<b>5.85</b>	<b>526.64</b>	<b>532.49</b>

<b>Financial assets and liabilities as at March 31, 2024</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
<b>Financial assets</b>				
Security deposits (measured at amortised cost for which fair value is disclosed)	-	-	513.44	513.44
Derivative assets not designated as hedge (measured at fair value-recurring fair value measurement)	-	4.85	-	4.85
<b>Total</b>	<b>-</b>	<b>4.85</b>	<b>513.44</b>	<b>518.29</b>

<b>Financial assets and liabilities as at March 31, 2023</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
<b>Financial assets</b>				
Security deposits (measured at amortised cost for which fair value is disclosed)	-	-	519.94	519.94
<b>Financial liabilities</b>				
Derivative liabilities not designated as hedge (measured at fair value-recurring fair value measurement)	-	23.57	-	23.57
<b>Total</b>	<b>-</b>	<b>23.57</b>	<b>519.94</b>	<b>543.51</b>

<b>Financial assets and liabilities as at March 31, 2022</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
<b>Financial assets</b>				
Security deposits (measured at amortised cost for which fair value is disclosed)	-	-	451.39	451.39
<b>Financial liabilities</b>				
Derivative liabilities not designated as hedge (measured at fair value-recurring fair value measurement)	-	4.91	-	4.91
<b>Total</b>	<b>-</b>	<b>4.91</b>	<b>451.39</b>	<b>456.30</b>

**Valuation technique used to determine fair value:**

Specific valuation techniques used to value financial instruments include:

- the fair value of forward foreign exchange contracts is determined using forward exchange rates at the Balance Sheet date.
- the fair values for security deposits (assets & liabilities) were calculated based on present values of cash flows and the discount rates used were adjusted for counterparty or own credit risk. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counterparty credit.

**C) Risk management**

**Financial risk management**

The Company's activities expose it to various risks such as market risk, liquidity risk and credit risk. This section explains the risks, which the Company is exposed to and how it manages those risks.

**Market risk**

**i) Foreign exchange risk**

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company is mainly exposed to foreign exchange risk on the US Dollar.

The purpose of foreign exchange risk management is to provide the foundation of stable business operations by minimising the uncertainty and volatility of foreign exchange gains and losses from foreign exchange rate fluctuations.

The Company has its own foreign exchange policy through which the Company minimises the exposure to foreign exchange risk by netting off foreign exchange assets and liabilities from general operating activities. The Company considers foreign exchange risk hedges against its remaining exposure with derivative financial instruments and scrutinises changes in foreign exchange exposure and the results of hedging activities on a monthly basis. Speculative foreign exchange trading is prohibited.

Refer Note No 37 for the details on derivative instruments and unhedged foreign currency exposure.

**ii) Sensitivity**

The sensitivity of profit or loss due to changes in exchange rates arises mainly from US Dollar denominated financial assets and liabilities. Following are impact on profit or loss due to increase or decrease of foreign currency against INR. Impact on other components of equity is Nil.

Particulars	Impact on profit before tax			
	June 30, 2024	March 31, 2024	March 31, 2023	March 31, 2022
<b>Foreign currency sensitivity</b>				
<b>Trade receivables</b>				
Increase by 10%*	221.77	210.55	267.18	277.15
Decrease by 10%*	(221.77)	(210.55)	(267.18)	(277.15)
<b>Other receivables</b>				
Increase by 10%*	4.80	8.53	5.33	3.92
Decrease by 10%*	(4.80)	(8.53)	(5.33)	(3.92)
<b>EEFC</b>				
Increase by 10%*	50.41	46.01	34.41	30.76
Decrease by 10%*	(50.41)	(46.01)	(34.41)	(30.76)
<b>Trade payables</b>				
Increase by 10%*	(1,385.77)	(1,384.58)	(1,471.53)	(1,232.51)
Decrease by 10%*	1,385.77	1,384.58	1,471.53	1,232.51
<b>Advance from customers</b>				
Increase by 10%*	-	-	-	(3.00)
Decrease by 10%*	-	-	-	3.00
<b>Net impact</b>				
Increase by 10%*	(1,108.79)	(1,119.49)	(1,164.61)	(923.69)
Decrease by 10%*	1,108.79	1,119.49	1,164.61	923.69

\*Keeping all other variables constant

**Interest rate risk**

The Company is not exposed to significant interest rate risk as at the respective reporting dates.

**Credit risk**

Credit risk arises from the possibility that the counterparty will default on its contractual obligations resulting in financial loss to the Company. To manage this, the management periodically analyses historical bad debts and ageing of accounts receivable. The Company has secured the credit risk against the trade receivables through credit insurance.

For other financial assets, the Company considers the probability of default upon initial recognition of assets and whether there has been a significant increase in credit risk on an ongoing basis through each reporting period. To assess whether there is significant increase in credit risk, the Company does reasonable analysis of counterparty's financial capability based on following information :

- (i) Actual or expected significant adverse changes in business;
- (ii) Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligation;
- (iii) Significant increase in credit risk and other financial instruments of the same counterparty;
- (iv) Significant changes in the value of collateral supporting the obligation or in the quality of third party guarantees or credit enhancements.

The expected credit loss on security deposits, bank balances / deposits and government grants has been determined to be immaterial.

The allowance for expected credit (gain) / loss on customer balances is given below :

Particulars	As at June 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
<b>Balance at the beginning of the period/year</b>	<b>384.51</b>	<b>418.42</b>	<b>413.64</b>	<b>343.85</b>
Impairment (gain)/loss recognised	(41.85)	(20.28)	23.75	82.53
Amount written off	0.92	13.63	18.97	12.74
<b>Balance at the end of the period/year</b>	<b>341.74</b>	<b>384.51</b>	<b>418.42</b>	<b>413.64</b>

The Company's credit period generally ranges from 0-30 days. Considering the large number of customers to which the Company sells, the credit risk in trade receivables is not concentrated in a single / few customers. The Company has performed an analysis of historical bad debts and has used the provision matrix approach to determine expected credit loss (ECL) on such receivables. The expected credit loss on trade receivables as at June 30, 2024, March 31, 2024, March 31, 2023 and March 31, 2022 is determined to be not material.



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All amounts are in INR Millions, unless otherwise stated

**D) Capital management**

**Risk management**

The Company's objectives when managing capital is to safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders.

The Company monitors capital on the basis of the following gearing ratio:

Net debt (total borrowings net of cash and cash equivalents) ÷ Total equity (as shown in the Restated Statement of Assets and Liabilities)

Particulars	As at	As at	As at	As at
	June 30, 2024	March 31, 2024	March 31, 2023	March 31, 2022
Equity share capital	1,131.29	1,131.29	1,131.29	1,131.29
Other equity	43,396.36	36,591.17	42,431.16	53,876.16
<b>Total equity</b>	<b>44,527.65</b>	<b>37,722.46</b>	<b>43,562.45</b>	<b>55,007.45</b>
Lease liabilities	3,585.95	3,699.55	3,184.51	2,907.52
<b>Total debt</b>	<b>3,585.95</b>	<b>3,699.55</b>	<b>3,184.51</b>	<b>2,907.52</b>
Less :				
Cash and cash equivalents	36,060.72	22,226.05	27,625.88	37,268.56
<b>Net debt</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net debt to equity ratio</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>

**E) Liquidity risk**

The liquidity risk encompasses any risk that the Company cannot fully meet its financial obligations. To manage the liquidity risk, cash flow forecasting is performed by finance team. The Company's finance team monitors rolling forecasts for the Company's liquidity requirements to ensure it has sufficient cash to meet operational needs and so that the Company does not breach borrowing limits or covenants (where applicable) on any of its borrowing facilities.

**Financing arrangements**

The entity had access to the following undrawn borrowing facilities at the end of the reporting period:

Particulars	As at June 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Undrawn working capital facility* #	3,388.65	3,391.00	4,131.00	3,508.00

\*Working capital facility from banks are secured by letter of support from LG Electronic Inc. (The Holding company) [(Refer Note No 28(b))].

# Includes working capital facility of USD 10.00 Millions (March 31, 2024: USD 10.00 Millions, March 31, 2023: USD 10.00 Millions, March 31, 2022: USD 10.00 Millions).

**Maturities of financial liabilities**

The tables below analyse the entity's financial liabilities into relevant maturity groupings based on their contractual maturities for:

- i) All non-derivative financial liabilities, and
- ii) Derivative financial liabilities

The amounts disclosed in the tables are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

Contractual maturities of financial liabilities as at June 30, 2024	Less than 1 year	1 to 5 years	More than 5 years	Total
<b>Non-derivatives</b>				
Trade payables	30,286.34	-	-	30,286.34
Other financial liabilities	2,987.64	-	-	2,987.64
Lease liabilities	820.32	2,054.31	1,921.72	4,796.35
<b>Derivatives</b>				
Derivative financial liabilities	5.85	-	-	5.85
<b>Total</b>	<b>34,100.15</b>	<b>2,054.31</b>	<b>1,921.72</b>	<b>38,076.18</b>

Contractual maturities of financial liabilities as at March 31, 2024	Less than 1 year	1 to 5 years	More than 5 years	Total
<b>Non-derivatives</b>				
Trade payables	30,350.50	-	-	30,350.50
Other financial liabilities	2,881.26	-	-	2,881.26
Lease liabilities	852.59	2,089.00	2,022.12	4,963.71
<b>Derivatives</b>				
Derivative financial liabilities	-	-	-	-
<b>Total</b>	<b>34,084.35</b>	<b>2,089.00</b>	<b>2,022.12</b>	<b>38,195.47</b>

Contractual maturities of financial liabilities as at March 31, 2023	Less than 1 year	1 to 5 years	More than 5 years	Total
<b>Non-derivatives</b>				
Trade payables	31,192.06	-	-	31,192.06
Other financial liabilities	3,212.37	-	-	3,212.37
Lease liabilities	689.63	1,545.00	2,259.00	4,493.63
<b>Derivatives</b>				
Derivative financial liabilities	23.57	-	-	23.57
<b>Total</b>	<b>35,117.63</b>	<b>1,545.00</b>	<b>2,259.00</b>	<b>38,921.63</b>

Contractual maturities of financial liabilities as at March 31, 2022	Less than 1 year	1 to 5 years	More than 5 years	Total
<b>Non-derivatives</b>				
Trade payables	25,983.50	-	-	25,983.50
Other financial liabilities	2,880.75	-	-	2,880.75
Lease liabilities	560.82	1,260.61	2,535.32	4,356.75
<b>Derivatives</b>				
Derivative financial liabilities	4.91	-	-	4.91
<b>Total</b>	<b>29,429.98</b>	<b>1,260.61</b>	<b>2,535.32</b>	<b>33,225.91</b>

**Note 26 (a) : Income tax**

Income tax expense in the Restated Statement of Profit and Loss comprises:

Particulars	For the three months period ended June 30, 2024	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2022
Current taxes (includes current tax on discontinued operations and Current tax expenses relating to previous year)	2,373.40	5,607.47	4,796.98	4,003.79
(Increase)/decrease in deferred tax assets	(8.99)	(450.11)	(124.00)	210.01
Increase/(decrease) in deferred tax liabilities	(33.84)	95.00	37.38	(56.49)
<b>Total</b>	<b>2,330.57</b>	<b>5,252.36</b>	<b>4,710.36</b>	<b>4,157.31</b>

Current tax expense for the period/year ended June 30, 2024 includes Nil (March 31, 2024: INR 40.08 Millions, March 31, 2023: INR 13.73 Millions, March 31, 2022: INR 5.28 Millions) pertaining to prior periods.

A reconciliation of the income tax provision to the amount computed by applying the statutory income tax rate to the income before income taxes is summarised below:

Particulars	For the three months period ended June 30, 2024	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2022
Profit before tax [includes loss on discontinued operations and remeasurement of post-employment benefit obligation]	9,135.76	20,341.19	18,153.68	15,925.25
Enacted tax rates in India	25.168%	25.168%	25.168%	25.168%
Computed expected tax expense	2,299.29	5,119.47	4,568.92	4,008.07
Current tax expenses relating to previous year	-	40.08	13.73	5.28
Permanent differences- Corporate social responsibility expense, tax on non-monetary perquisites, interest under Section 234C and others.	31.28	92.81	127.71	143.85
<b>Total tax expense</b>	<b>2,330.57</b>	<b>5,252.36</b>	<b>4,710.36</b>	<b>4,157.20</b>

**Note 26 (b) : Deferred tax**

In assessing the realisability of deferred income tax assets, management considers whether some portion or all of the deferred income tax assets will not be realised. The ultimate realisation of deferred income tax assets is dependent upon the generation of future taxable income during the periods in which the temporary differences become deductible. Management considers the scheduled reversals of deferred income tax liabilities, projected future taxable income, and tax planning strategies in making this assessment. Based on the level of historical taxable income and projections for future taxable income over the periods in which the deferred income tax assets are deductible, management believes that the Company will realise the benefits of those deductible differences. The amount of the deferred income tax assets considered realisable, however, could be reduced in the near term if estimates of future taxable income during the carry forward period are reduced.

The tax effects of significant temporary differences that resulted in deferred income tax assets and liabilities are as follows:

Particulars	As at June 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
<b>Deferred income tax assets</b>				
Property, plant and equipment	802.71	744.56	615.16	571.63
Provision for employee benefits	352.96	338.15	304.23	272.35
Provision for cenvat credit on goods transport agency services	26.88	26.41	24.53	22.64
Provision for employee benefits recognised in Other Comprehensive Income	-	-	-	7.15
Disallowances u/s 40(a)	35.29	34.24	30.74	25.41
Allowance for doubtful assets	139.47	149.00	142.09	141.40
Provision for long term service award	21.69	22.60	23.51	22.57
Provision for waste of electrical and electronic equipment	203.42	234.62	123.31	142.91
Lease liabilities	902.51	931.10	801.43	731.74
Provision for stamp duty	39.86	35.09	-	-
Others	2.82	2.85	3.51	6.71
<b>Total deferred income tax assets</b>	<b>2,527.61</b>	<b>2,518.62</b>	<b>2,068.51</b>	<b>1,944.51</b>
<b>Deferred income tax liabilities</b>				
Right of use assets	744.43	778.40	681.48	645.79
Interest on Income tax refund	20.64	20.51	20.72	20.74
Provision for employee benefits recognised in Other Comprehensive Income	-	-	1.71	-
<b>Total deferred income tax liabilities</b>	<b>765.07</b>	<b>798.91</b>	<b>703.91</b>	<b>666.53</b>
<b>Deferred income tax assets (net)</b>	<b>1,762.54</b>	<b>1,719.71</b>	<b>1,364.60</b>	<b>1,277.98</b>

**Reconciliation of deferred tax assets (net)**

Particulars	As at June 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
<b>Opening balance</b>	1,719.71	1,364.60	1,277.98	1,431.50
Tax income recognised during the period/year in Restated Statement of Profit and Loss	45.76	346.98	84.99	(146.63)
Tax expense recognised during the period/year in Other Comprehensive Income	(2.93)	8.13	1.63	(6.89)
<b>Closing balance</b>	<b>1,762.54</b>	<b>1,719.71</b>	<b>1,364.60</b>	<b>1,277.98</b>

**Note 27 : Disclosure as required by Indian Accounting Standards( Ind AS) 19 Employee Benefits**

a) **Defined contribution plans**

The Company makes Provident Fund and Employees' State Insurance contributions to defined contribution plans for qualifying employees. Under the Scheme, the Company is required to contribute a specified percentage of the payroll costs to registered provident fund and employee state insurance administered by government. The Company recognised INR 74.78 Millions (March 31, 2024: INR 284.89 Millions, March 31, 2023: INR 258.44 Millions, March 31, 2022: INR 238.83 Millions) for Provident Fund contributions and Employees' State Insurance contributions in the Restated Statement of Profit and Loss. The contributions payable under these plans by the Company are at the rates specified in the rules of the respective schemes.

b) **Defined benefit plans**

The Company offers various employee benefit schemes to its employees. Benefits payable to eligible employees of the Company with respect to defined benefit plan are accounted for on the basis of an actuarial valuation determined using projected unit credit method as at the Restated Statement of Assets and Liabilities date.

The following table sets out the funded status of the defined benefit schemes (gratuity) and the amount recognised in the Restated Financial Information:

Particulars	For the three months period ended June 30, 2024	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2022
<b>Expenses recognised in the Restated Statement of Profit and Loss</b>				
Current service cost	30.10	109.24	102.03	98.34
Interest cost	24.50	89.71	78.88	68.93
Expected return on plan assets	(11.20)	(41.97)	(39.51)	(34.15)
<b>Net expense recognised in the Restated Statement of Profit and Loss</b>	<b>43.40</b>	<b>156.98</b>	<b>141.40</b>	<b>133.12</b>
<b>Remeasurements (gains) / losses recognised directly in Other Comprehensive Income</b>				
Return on plan assets (greater)/less than discount rate	3.57	1.04	0.77	(0.59)
Actuarial (gains) / losses				
- from changes in financial assumptions	4.65	18.34	(21.26)	(32.52)
- Experience adjustments	(19.88)	10.60	28.10	5.50
<b>Total amount recognised in Other Comprehensive Income</b>	<b>(11.66)</b>	<b>29.98</b>	<b>7.61</b>	<b>(27.61)</b>
<b>Actual contribution and benefit payments for period/year</b>				
Actual benefit payments	22.39	66.89	63.66	49.29
Actual contributions	-	80.00	40.00	80.00
<b>Net liability/ (asset) as at period/year end</b>				
Present value of defined benefit obligation	1,491.56	1,489.34	1,327.58	1,203.49
Fair value of plan assets	648.51	663.27	609.55	593.36
Funded status [(Surplus)/Deficit]	843.05	826.07	718.03	610.13
<b>Net liability/ (asset) recognised in the Balance Sheet</b>	<b>843.05</b>	<b>826.07</b>	<b>718.03</b>	<b>610.13</b>

The following table shows the defined benefit obligations (DBO) and Plan assets :

Particulars	For the three months period ended June 30, 2024	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2022
<b>Changes in DBO during the period/year</b>				
Present value of DBO at beginning of the period/year	1,489.34	1,327.58	1,203.49	1,112.53
i) Current service cost	30.10	109.24	102.03	98.34
ii) Interest cost	24.50	89.71	78.88	68.93
iii) Change due to Acquisition/Divesture	(14.76)	0.76	-	-
iv) Actuarial losses/(gains)	(15.23)	28.94	6.84	(27.02)
v) Benefits paid	(22.39)	(66.89)	(63.66)	(49.29)
<b>Present value of DBO at the end of the period/year</b>	<b>1,491.56</b>	<b>1,489.34</b>	<b>1,327.58</b>	<b>1,203.49</b>
<b>Change in fair value of assets during the period/year</b>				
i) Plan assets at beginning of the period/year	663.27	609.55	593.36	527.49
ii) Expected return on plan assets	11.20	41.97	39.51	34.15
iii) Actual Company contributions	-	80.00	40.00	80.00
iv) Actuarial (losses)/gains	(3.57)	(1.36)	0.34	1.01
v) Benefits paid	(22.39)	(66.89)	(63.66)	(49.29)
<b>Fair Value of Plan assets at end of the period/year</b>	<b>648.51</b>	<b>663.27</b>	<b>609.55</b>	<b>593.36</b>
<b>Composition of the plan assets is as follows:</b>				
Government of India securities	61.07%	55.13%	67.00%	66.00%
Debt instruments	28.06%	28.19%	25.00%	24.00%
Equity shares	4.22%	4.60%	6.00%	5.00%
Other deposits	6.65%	12.08%	2.00%	5.00%

The plan assets of the Company are managed by Life Insurance Corporation of India, ICICI Prudential Life Insurance, India First Life Insurance Company Limited and Birla Sun Life Insurance Company Limited to fund obligations of the Company with respect to its gratuity plan which is being administered by LG Electronics India Private Limited Employee Group Gratuity Fund. The categories of plan assets as a percentage of total plan assets is based on information provided by Life Insurance Corporation of India, ICICI Prudential Life Insurance, India First Life Insurance Company Limited and Birla Sun Life Insurance Company Limited with respect to their investment pattern for group gratuity fund for investments managed in total for several other companies.

Employee benefit plans (cont'd)

Particulars	For the three months period ended June 30, 2024	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2022
<b>Actuarial assumptions</b>				
Discount rate	6.90%	6.95%	7.15%	6.90%
Expected return on plan assets	7.00%	7.00%	7.00%	7.00%
Salary escalation	8.00%	8.00%	8.00%	8.00%
Mortality tables	IALM (2012-14)	IALM (2012-14)	IALM (2012-14)	IALM (2012-14)
Attrition	10%	10%	10%	10%
Retirement age	58	58	58	58

The discount rate is based on the prevailing market yields of Government of India securities as at the Balance Sheet date for the estimated term of obligations.

The estimate of future salary increases considered, takes into account the inflation, seniority, promotion, increments and other relevant factors.

Through its defined benefit plans, the Company is exposed to a number of risks, the most significant of which are detailed below:

A) Asset volatility- The plan liabilities are calculated using a discount rate set with reference to bond yields; if plan assets underperform this yield, this will create a deficit. Most of the plan asset investments are in fixed income securities with high grades and in government securities. These are subject to interest rate risk and the fund manages interest rate risk with derivatives to minimise risk to an acceptable level. A portion of the funds are invested in equity securities and in alternative investments which have low correlation with equity securities. The equity securities are expected to earn a return in excess of the discount rate and contribute to the plan deficit. The Company has a risk management strategy where the aggregate amount of risk exposure on a portfolio level is maintained at a fixed range. Any deviations from the range are corrected by rebalancing the portfolio. The Company intends to maintain the above investment mix in the continuing years.

B) Changes in bond yields - A decrease in bond yields will increase plan liabilities, although this will be partially offset by an increase in the value of the plans' bond holdings.

C) Inflation risks - In the defined plans, the payment are not linked to inflation, so this is a less material risk.

D) Life expectancy - The increases in life expectancy will result in an increase in the plans' liabilities. This is particularly significant where inflationary increases result in higher sensitivity to changes in life expectancy.

E) Withdrawals - Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact plan's liability.

Experience adjustments	For the three months period ended June 30, 2024	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2022
Present value of DBO	1,491.56	1,489.34	1,327.58	1,203.49
Fair value of plan assets	648.51	663.27	609.55	593.36
Funded Status [Surplus/(Deficit)]	(843.05)	(826.07)	(718.03)	(610.13)
Experience (gain)/loss adjustments on Liabilities	(15.23)	28.94	6.84	(27.02)
Experience (loss)/gain adjustments on plan Asset	3.57	1.04	0.77	(0.59)

Present value of obligations at end of the period/year	As at June 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Current	158.58	161.81	148.07	119.98
Non-Current	684.47	664.26	569.96	490.15
<b>Total</b>	<b>843.05</b>	<b>826.07</b>	<b>718.03</b>	<b>610.13</b>

Expected contribution to defined benefit plan for the year ending June 30, 2025 is INR 121.10 Millions (March 31, 2025 is INR 120.41 Millions, March 31, 2024 : INR 109.24 Millions, March 31, 2023 : INR 102.03 Millions)

The expected maturity analysis of undiscounted gratuity is as follows:

Expected maturity analysis	As at June 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Less than a year	158.58	161.81	148.07	119.98
Between 1-2 years	162.82	166.91	148.22	134.06
3-5 years	486.04	485.09	420.06	367.47
6 years and above	1,680.00	1,675.92	1,563.81	1,451.72
<b>Total</b>	<b>2,487.44</b>	<b>2,489.73</b>	<b>2,280.16</b>	<b>2,073.23</b>

Sensitivity analysis	As at June 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
<u>Discount Rate</u>				
Revised DBO due to 1% decrease in Discount Rate	1,591.77	1,588.40	1,417.50	1,287.43
Revised DBO due to 1% increase in Discount Rate	1,404.77	1,402.50	1,249.35	1,128.11
<u>Salary Escalation Rate</u>				
Revised DBO due to 1% decrease in Salary Escalation Rate	1,404.85	1,402.54	1,249.25	1,128.18
Revised DBO due to 1% increase in Salary Escalation Rate	1,589.77	1,586.46	1,415.91	1,285.71

The above sensitivity analysis are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated.

c) Other employee benefit obligations:

Compensated absences	As at June 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Current	428.32	412.94	385.01	370.01
Non-current				
<b>Total</b>	<b>428.32</b>	<b>412.94</b>	<b>385.01</b>	<b>370.01</b>

Compensated absences are presented as current liabilities in the Balance Sheet as the Company does not have an unconditional legal and contractual right to defer settlement for a period beyond twelve months after the reporting period.

Long term service award obligation	As at June 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Current	12.57	16.00	27.98	18.47
Non-current	73.63	73.79	65.53	71.02
<b>Total</b>	<b>86.20</b>	<b>89.79</b>	<b>93.51</b>	<b>89.49</b>

**LG Electronics India Limited (formerly known as LG Electronics India Private Limited)**

**CIN: U32107DL1997PLC220109**

**Annexure V - Notes to the Restated Financial Information**

**All amounts are in INR Millions, unless otherwise stated**

**28. Related party transactions**

The Company has entered into transactions with its Holding company and fellow subsidiaries controlled by the Holding company as mentioned below. The names of related parties of the Company as required to be disclosed under Ind AS 24 are as follows:

**(a) Details of related parties:**

Description of relationship	Name of related parties
The Holding company	LG Electronics Inc.
	LG Soft India Pvt. Ltd. LG CNS Co. Ltd. LG CNS India Private Limited S&I Corp. LG Display Co. Ltd. LG Electronics (Huizhou) Inc. LG Electronics (Levant) Jordan LG Electronics Thailand Co., Ltd. LG Electronics Africa Logistics FZE LG Electronics Alabama, Inc. LG Electronics Almaty Kazakhstan Co. Ltd. LG Electronics Australia Pty., Ltd LG Electronics Dubai FZE LG Electronics Gulf FZE LG Electronics Mexico Monterrey S.A.De C.V. LG Electronics S.A.(Pty) Ltd. LG Electronics Singapore Pte Ltd LG Electronics Taiwan Taipei Co.Ltd. LG Electronics HK Ltd. LG Electronics Taistar Taiwan LG Electronics Tianjin Appliances Co. Ltd.
Fellow subsidiaries (Controlled by the Holding company)	PT. LG Electronics Indonesia PT. LG Innotek Indonesia LG Electronics Inc. Chile Limited LG Electronics Middle East Co. Ltd. LG Electronics Morocco S.A.R.L. LG Electronics Panama S.A. LG Electronics Philippines Inc. LG Electronics Polska Sp.z o.o Nanjing LG-Panda Appliances Co., Ltd. LG Electronics Magyar Kft. LG Electronics (Kunshan) Co. Ltd LG Electronics Qinhuangdao Co. Ltd. Taizhou LG Electronics Refrigeration Co. Ltd. LG Electronics Vietnam Haiphong Co. Ltd. LG Electronics Hellas S.A. LG Electronics Nanjing New Technology Co.,Ltd LG Electronics Air-Conditioning(Shandong) Co. Ltd. LG Electronics (M) Sdn. Bhd LG Electronics Mexico S.A. DE C.V. LG Electronics Egypt S.A.E LG Electronics Mlawa Sp. z o.o LG Electronics Nanjing Display Co., Ltd LG Electronics (China) Co., Ltd. LG Electronics Argentina S.A. LG Electronics Peru S.A. PT. LG Electronics Service Indonesia LG Electronics Canada, Inc. LG Electronics Ticaret A.S. LG Innotek Yantai Co., Ltd Arcelik-LG Klima Sanayi ve Ticaret A.S. LG-Shaker Co. Ltd. LG Electronics Overseas Trading FZE Robostar Co., Ltd LG Electronics Wroclaw Sp. z o.o LG Electronics RUS, LLC LG Electronics France S.A.S LG-MRI LLC LG Electronics Saudi Arabia Limited LG Electronics European Shared Service Center B.V.

(a) Details of related parties (cont'd):

Description of relationship	Name of related parties
Key management personnel (KMP)	<p>Mr. Hong Ju Jeon (Managing Director) (with effect from January 31, 2023)</p> <p>Mr. Dong Myung Seo (Whole Time Director and Chief Financial Officer) (with effect from January 27, 2022)</p> <p>Mr. Hwayoung Seo (Director) (with effect from August 10, 2022 and July 10, 2024)</p> <p>Mr. Jaeil Kim (Director) (with effect from January 01, 2021 and till November 18, 2024)</p> <p>Mr. Yongchan Jung (Director) (with effect from January 18, 2024 and till November 18, 2024)</p> <p>Mr. Hyunjin Lee (Director) (Till December 28, 2023)</p> <p>Mr. Younglak Kim (Managing Director) (till December 22, 2022)</p> <p>Mr. Soo Cheol Kim (Director and Chief financial officer) (till Jan 07, 2022)</p> <p>Mr. Hanjun Kim (Director) (with effect from July 10, 2024 and till November 28, 2024)</p> <p>Mr. Pradeep Panda (Company Secretary) (till July 05, 2024)</p> <p>Mr. Manish Kumar Surolia (Company Secretary) (with effect from July 05, 2024 and till November 25, 2024)</p> <p>Mr. Anuj Goyal (Company Secretary and Compliance Officer) (with effect from November 25, 2024)</p> <p>Mr. Ramesh Ramachandran Nair (Non-Executive &amp; Independent Director) (with effect from November 19, 2024)</p> <p>Ms. Promila Bhardwaj (Non-Executive &amp; Independent Director) (with effect from November 19, 2024)</p> <p>Mr. Santosh Kumar Mohanty (Non-Executive &amp; Independent Director) (with effect from November 19, 2024)</p> <p>Mr. Daehyun Song (Non-Executive &amp; Non-Independent Director) (with effect from November 18, 2024)</p>

Related party transactions (cont'd)

(b) Details of related party transactions during the period/year:

Particulars	For the three months period ended June 30, 2024	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2022
<b>Sale of raw materials, stores and spares and service components</b>				
<i> Holding company</i>	0.92	23.14	48.95	1,307.27
<i>Fellow subsidiaries</i>				
PT. LG Electronics Indonesia	50.87	211.95	201.81	221.68
LG Electronics Mlawa Sp. z o.o	-	-	-	85.01
Arcelik-LG Klima Sanayi ve Ticaret A.S.	-	-	-	140.01
Others	10.86	65.89	49.40	100.14
<b>Sale of manufactured goods</b>				
<i> Holding company</i>	817.53	1,276.18	270.03	11.65
<i>Fellow subsidiaries</i>				
PT. LG Electronics Indonesia	574.81	1,517.84	840.53	869.78
LG Electronics Africa Logistics FZE	535.42	1,402.43	2,047.76	2,374.62
LG Electronics Gulf FZE	-	1,218.70	2,543.62	688.02
LG Electronics Morocco S.A.R.L.	225.08	648.57	460.13	365.84
LG Electronics (Levant) Jordan	2.91	313.77	290.10	88.23
Others	117.31	350.14	399.95	402.11
<b>Sale of stock-in-trade</b>				
<i> Holding company</i>	70.35	289.44	93.11	-
<i>Fellow subsidiaries</i>				
LG Electronics Africa Logistics FZE	24.47	84.62	83.02	109.73
LG Electronics Singapore Pte Ltd	1.93	12.19	14.67	13.19
Others	2.82	35.95	29.04	21.98
<b>Reimbursement of expenses recovered</b>				
<i> Holding company</i>	0.87	4.84	5.09	6.16
<i>Fellow subsidiaries</i>				
LG Electronics Africa Logistics FZE	-	0.97	-	-
LG Electronics Nanjing New Technology co.,LTD	0.42	0.70	-	-
LG Electronics Tianjin Appliances Co. Ltd.	-	-	-	1.00
LG Electronics Nanjing Display Co., Ltd	-	-	3.48	1.33
LG Electronics Singapore Pte Ltd	0.27	-	-	-
<b>Service warranty claims recovered</b>				
<i> Holding company</i>	45.84	237.19	284.19	224.69
<i>Fellow subsidiaries</i>				
Taizhou LG Electronics Refrigeration Co. Ltd.	7.75	0.95	-	-
<b>Purchase of raw materials, stores and spares and service components</b>				
<i> Holding company</i>	4,079.03	13,424.52	12,488.36	8,876.59
<i>Fellow subsidiaries</i>				
LG Display Co. Ltd.	1,154.21	2,686.55	4,210.32	5,915.80
Nanjing LG-Panda Appliances Co., Ltd.	802.14	2,204.40	3,297.34	2,163.37
LG Electronics Tianjin Appliances Co. Ltd.	269.22	2,107.24	4,180.98	3,484.46
Others	1,273.93	3,821.18	3,941.45	2,793.72
<b>Purchase of stock-in-trade</b>				
<i> Holding company</i>	2,795.21	9,238.19	8,065.26	6,353.16
<i>Fellow subsidiaries</i>				
Taizhou LG Electronics Refrigeration Co. Ltd.	-	369.72	3,320.91	3,512.67
LG Electronics Thailand Co., Ltd.	-	-	847.51	977.60
Others	84.78	510.64	695.35	615.15



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Annexure V - Notes to the Restated Financial Information

All amounts are in INR Millions, unless otherwise stated

Related Party Transactions (cont'd)

Details of related party transactions during the period/year:

Particulars	For the three months period ended June 30, 2024	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2022
<b>Service warranty charges</b>				
<i>Fellow subsidiaries</i>				
LG Electronics Saudi Arabia Limited	2.55	-	-	-
LG Electronics Middle East Co. Ltd.	0.22	5.34	2.01	3.74
LG Electronics (Levant) Jordan	0.30	2.60	2.59	1.67
LG Electronics Taiwan Taipei Co.,Ltd	-	-	-	0.99
Others	0.46	1.17	-	-
<b>Royalty</b>				
<i>Holding company ( Also Refer Note No 31(B) )</i>	1,215.08	4,032.30	3,232.44	2,547.59
<b>Service charges</b>				
<i>Fellow subsidiaries</i>				
LG Electronics Singapore Pte Ltd	4.80	15.00	13.89	13.39
Others	-	1.00	-	-
<b>Other expenses</b>				
<i>Holding company</i>	4.56	65.09	25.99	5.65
<i>Fellow subsidiaries</i>				
LG CNS India Private Limited	200.40	759.50	682.21	464.77
LG CNS Co. Ltd.	12.83	43.49	4.66	8.08
Others	0.28	1.26	0.66	-
<b>Interim dividend paid</b>				
<i>Holding company</i>	-	20,928.82	24,888.32	22,625.75
<b>Managerial remuneration</b>				
<i>Key Management Personnel</i>				
Salaries and wages*	63.55	200.02	182.00	212.07
<b>Purchase of property, plant and equipment</b>				
<i>Holding company</i>	53.72	160.66	331.46	157.46
<i>Fellow subsidiaries</i>				
LG CNS India Private Limited	16.93	175.26	155.40	157.81
LG Electronics Thailand Co., Ltd.	-	97.80	-	-
LG Electronics Tianjin Appliances Co. Ltd.	-	1.39	123.73	-
Others	-	2.36	-	-

Related Party Transactions (cont'd)  
Details of Related Party Outstanding Balances

Balances outstanding at the end of the period/year	As at June 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
<b>Trade receivables</b>				
<i>Holding company</i>	529.87	275.96	274.73	2.23
<i>Fellow subsidiaries</i>				
LG Electronics Africa Logistics FZE	651.35	388.90	610.88	1,149.78
LG Electronics Gulf FZE	11.11	379.42	1,185.49	352.66
LG Electronics Morocco S.A.R.L.	456.52	288.20	249.49	124.83
PT. LG Electronics Indonesia	229.72	229.85	144.89	237.99
LG Electronics (Levant) Jordan	5.72	82.57	53.84	52.97
Others	201.00	178.49	72.68	162.40
<b>Other financial assets</b>				
<i>Holding company</i>	38.42	82.09	52.04	38.17
<i>Fellow subsidiaries</i>				
LG Electronics Qinhuangdao Co. Ltd.	1.69	0.97	0.92	0.90
Taizhou LG Electronics Refrigeration Co. Ltd.	5.87	-	-	-
Others	2.06	2.25	3.78	-
<b>Trade payables</b>				
<i>Holding company</i>	4,193.16	3,444.51	4,033.68	2,716.27
<i>Fellow subsidiaries</i>				
LG Display Co.Ltd	756.89	261.62	576.25	645.00
Nanjing LG-Panda Appliances Co., Ltd.	714.76	377.35	638.31	309.83
LG Electronics Thailand Co. Ltd	478.41	259.88	753.18	388.25
Taizhou LG Electronics Refrigeration Co. Ltd.	155.90	141.79	195.47	816.66
LG Electronics Tianjin Appliances Co. Ltd.	124.47	137.23	488.51	599.04
Others	565.00	504.14	799.88	457.17
<b>Capital creditors</b>				
<i>Holding company</i>	28.08	19.49	4.08	7.52
<i>Fellow subsidiaries</i>				
LG CNS India Private Limited	4.52	4.89	1.51	33.25
<b>Advance received from customers</b>				
<i>Fellow subsidiaries</i>				
LG Display Co. Ltd.	1.46	2.35	-	-
<b>Security deposit for residential accommodation paid on behalf of directors</b>				
<i>Key Management Personnel</i>				
Mr. Hong Ju Jeon	1.10	1.10	1.10	-
Mr. Hwayoung Seo	0.26	0.50	0.60	0.60
Mr. Yongchan Jung	0.90	0.90	-	-
Mr. Hyunjin Lee	-	-	0.55	0.55
Mr. Younglak Kim	-	-	0.54	0.54

**Notes**

1) Refer Note No 25(E) for working capital facility secured by letter of support from the Holding company.

2) Refer Note No 31(B) for contingent liability in relation to royalty payable to related party.

\* As gratuity, compensated absences and long term service award are computed for all employees in aggregate based on the actuarial valuation carried out for the Company as a whole, and accordingly the amount related to key managerial personnel has not been separately identified and disclosed.

29. Earnings per share

The following is the computation of earnings per share and a reconciliation of the equity shares used in the computation of basic and diluted earnings per equity share:

Particulars	For the three months period ended June 30, 2024	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2022
a) Profit for the period/year				
(i) From continuing operations	6,796.46	15,110.68	13,480.20	12,055.99
(ii) From discontinued operations	-	-	(30.90)	(308.66)
Total profit for the period/year	6,796.46	15,110.68	13,449.30	11,747.33
b) Weighted average number of equity shares outstanding*	678,772,392	678,772,392	678,772,392	678,772,392
c) Effect of dilutive potential equity share equivalents	-	-	-	-
d) Weighted average number of equity shares and potential equity share equivalents outstanding*	678,772,392	678,772,392	678,772,392	678,772,392
e) Nominal Value of Equity Shares (INR)	10.00	10.00	10.00	10.00
f) Earnings per equity share from continuing operations attributable to the equity holders of the Company				
- Basic earnings per share	10.01	22.26	19.86	17.76
- Diluted earnings per share	10.01	22.26	19.86	17.76
g) Earnings per equity share from discontinued operations attributable to the equity holders of the Company				
- Basic earnings per share	-	-	(0.05)	(0.45)
- Diluted earnings per share	-	-	(0.05)	(0.45)
h) Earnings per equity share from continuing and discontinued operations attributable to the equity holders of the Company				
- Basic earnings per share	10.01	22.26	19.81	17.31
- Diluted earnings per share	10.01	22.26	19.81	17.31

\*Pursuant to resolutions passed by the Board of Directors held on October 17, 2024 and the extra ordinary general meeting of shareholders held on October 18, 2024, the Company has issued five bonus shares for every one share held by the existing shareholders. In compliance with Ind AS 33, i.e. "Earnings Per Share", the disclosure of basic and diluted earnings per share for all the period / years presented has been arrived at after giving effect to the issuance of bonus shares. Also refer note 11 and 43 to the Restated Financial Information.

**30. Details of provisions**

The Company has made provision for various contractual and other obligations based on its assessment of the amount to be incurred to meet such obligations, details of which are given below:

Particulars	As at June 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
<b>Provision for warranty</b>				
At the beginning of the period/year	804.21	667.26	579.81	674.23
Additions during the period/year	409.55	1,028.44	1,042.96	618.99
Utilised during the period/year	292.54	891.49	955.51	713.41
[Net of warranty written back in March 31, 2022: INR 94.42 Millions]				
<b>At the end of the period/year</b>	<b>921.22</b>	<b>804.21</b>	<b>667.26</b>	<b>579.81</b>
Current	785.81	667.08	597.79	516.85
Non-current	135.41	137.13	69.47	62.96
	<b>921.22</b>	<b>804.21</b>	<b>667.26</b>	<b>579.81</b>
<b>Provision for other contingencies*</b>				
At the beginning of the period/year	274.20	195.08	119.49	444.74
Additions during the period/year	20.85	79.12	75.59	18.49
Reversed during the period/year	-	-	-	343.74
<b>At the end of the period/year</b>	<b>295.05</b>	<b>274.20</b>	<b>195.08</b>	<b>119.49</b>
Current	295.05	274.20	195.08	119.49
Non-current	-	-	-	-
	<b>295.05</b>	<b>274.20</b>	<b>195.08</b>	<b>119.49</b>

\*represents provision for indirect tax and legal contingencies.

### 31. Contingent liabilities

#### A) Claims against the Company not acknowledged as debt #

Particulars	As at June 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
(a) Demand notices from Central Excise/Service Tax/Customs Department:				
Total demand	2,246.55	2,250.82	2,242.99	4,521.17
Less: Provision	111.88	110.01	102.51	96.00
Total	2,134.67	2,140.81	2,140.48	4,425.17
(b) Demand notices from Sales Tax Department/GST Department:				
Total demand	3,270.37	3,125.20	1,160.27	940.47
Less: Provision	53.33	53.33	53.33	55.00
Total	3,217.04	3,071.87	1,106.94	885.47
(c) Demand from Income Tax Department:				
Total demand	22,500.56	22,500.43	22,198.00	25,039.21
Less: Provision	1,985.12	1,985.12	1,985.12	1,985.12
Total	20,515.44	20,515.31	20,212.88	23,054.09
(d) Other claims				
Total demand	281.84	275.94	253.73	236.64
Less: Provision	75.24	74.82	72.67	71.00
Total	206.60	201.12	181.06	165.64
Total demands	<b>28,299.32</b>	<b>28,152.39</b>	<b>25,854.99</b>	<b>30,737.49</b>
Less: Provision	<b>2,225.57</b>	<b>2,223.28</b>	<b>2,213.63</b>	<b>2,207.12</b>
<b>Grand total</b>	<b>26,073.75</b>	<b>25,929.11</b>	<b>23,641.36</b>	<b>28,530.37</b>

#### # Notes:

- Based on the interpretation of the provisions of applicable Acts and in respect of other legal cases, the Company is of the opinion that the above demands are likely to be deleted or substantially reduced and accordingly no additional provision has been made.
- Excludes show cause notices replied by the Company. The Company has not yet heard back from the appropriate authorities in the matter and is of the view that same are not contingent in nature.
- It is not practical for the Company to estimate the timing of cash outflows, if any, in respect of the above, pending resolution of the respective proceedings.
- During the year ended March 31, 2019, the Company had evaluated the impact of the Supreme Court Judgment in case of "Vivekananda Vidyamandir And Others Vs The Regional Provident Fund Commissioner (II) West Bengal" and the related circular (Circular No. C-1/1(33)2019/Vivekananda Vidya Mandir/284) dated March 20, 2019 issued by the Employees' Provident Fund Organisation in relation to non-exclusion of certain allowances from the definition of "basic wages" of the relevant employees for the purposes of determining contribution to provident fund under the Employees' Provident Funds & Miscellaneous Provisions Act, 1952. In the assessment of the management which was supported by legal advice, the aforesaid matter was not likely to have a significant impact and accordingly, no provision has been made in the Restated Financial Information.
- Amounts are as per demand order and include penalty and interest, wherever applicable.

#### B) Contingency on advance pricing agreement of royalty

The Company had accrued royalty expense and paid INR 1,215.08 Millions, INR 4,032.30 Millions, INR 3,232.44 Millions and INR 2,547.59 Millions for the three months period ended June 30, 2024 and years ended March 31, 2024, March 31, 2023 and March 31, 2022, respectively, to its holding company, i.e., LG Electronics Inc., Republic of Korea, for the use of technology and brand name. The royalty was determined in accordance with the revised license agreement dated July 27, 2017, effective from April 1, 2016, as amended from time to time, between the Company and its holding company.

The revised license agreement also provided for additional payment of royalty, which was contingent upon the approval of the application dated March 28, 2018 for Advance Pricing Agreement ('APA') filed with the income-tax authorities in India and the Republic of Korea. The period of APA expired on March 31, 2023 and thereafter an application for extension was filed on March 31, 2023 covering the financial years 2023-24 to 2027-28. The possible obligation arising from additional royalty payments based on the aforesaid revised license agreement amounting to INR 71,594.98 Millions, INR 67,436.64 Millions, INR 59,866.92 Millions and INR 52,856.46 Millions was disclosed as contingent liability as at June 30, 2024, March 31, 2024, March 31, 2023 and March 31, 2022, respectively.

On May 8, 2024, the Company and its holding company, filed a Mutual Agreement Procedure ('MAP') application with the respective Competent Authority of India and the Republic of Korea, under Article 25(1) of the comprehensive agreements between India and the Republic of Korea to resolve the consequences of double taxation arising from certain transfer pricing tax adjustments made by the tax authority of the Republic of Korea on the holding company.

Subsequent to the period ended June 30, 2024, the Company entered into an addendum on November 18, 2024 to the aforesaid revised license agreement, aligning its royalty obligation to the amount accrued and paid for the respective years / periods and updated its APA application accordingly. The Company has withdrawn the APA extension application dated March 31, 2023 through its filing with the Income-tax authority in India on November 20, 2024. Pursuant to the addendum dated November 18, 2024 and pending approval of the MAP application, the contingent liability determined as of June 30, 2024 at INR 71,594.98 Millions has now been reduced to INR 3,153.00 Millions.

### 32. Commitments

Particulars	As at June 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Estimated amount of contracts remaining to be executed on capital account and not provided for				
Property, plant and equipment	528.40	359.00	102.00	311.00
Leases	4,796.35	4,963.71	4,493.63	4,356.75

**33. Expenditure on corporate social responsibility (CSR)**

Section 135(5) of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, requires that the Board of Directors of every eligible company, shall ensure that the company spends, in every financial year, at least 2% of the average net profits of the company made during the three immediately preceding financial years, in pursuance of its Corporate Social Responsibility Policy. The details of CSR expenditure incurred are as follows:

Particulars	As at June 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
(a) Gross amount required to be spent by the Company during the period/year	90.63	365.02	411.71	461.10
Additional amount required to be spent on account of interest earned on bank deposits made out of separate CSR unspent account (Net of tax)	4.43	15.60	8.28	-
(b) Amount spent during the period/year on:				
(i) Promoting healthcare and awareness	0.27	6.78	31.16	14.02
(ii) Promoting education	-	4.07	53.49	-
(iii) Benefit of armed forces veterans, war widows and their dependents	-	10.08	0.50	35.00
(iv) Ensuring environmental sustainability	-	1.27	2.53	3.01
(v) CSR compliance and administrative expenses	-	9.85	10.82	10.27
	<b>0.27</b>	<b>32.05</b>	<b>98.50</b>	<b>62.30</b>
(c) Accrual towards unspent obligation in relation to:				
-Ongoing project	90.36	332.97	313.21	398.80

**Details of ongoing CSR projects under Section 135(6) of the Act**

Balance as at April 01, 2024		Amount required to be spent during the Period	Additional amount required to be spent on account of interest earned on bank deposits made out of separate CSR unspent account (Net of tax)	Amount spent during the period		Balance as at June 30, 2024	
With the Company	In separate CSR unspent account			From the Company's bank account	From separate CSR unspent account	With the Company #	In separate CSR unspent account
INR	INR	INR	INR	INR	INR	INR	INR
332.97	571.30	90.63	4.43	0.27	19.95	90.36	888.75

Balance as at April 01, 2023		Amount required to be spent during the year	Additional amount required to be spent on account of interest earned on bank deposits made out of separate CSR unspent account (Net of tax)	Amount spent during the year		Balance as at March 31, 2024	
With the Company	In separate CSR unspent account			From the Company's bank account	From separate CSR unspent account	With the Company #	In separate CSR unspent account
INR	INR	INR	INR	INR	INR	INR	INR
313.21	474.99	365.02	15.60	32.05	232.50	332.97	571.30

Balance as at April 01, 2022		Amount required to be spent during the year	Additional amount required to be spent on account of interest earned on bank deposits made out of separate CSR unspent account (Net of tax)	Amount spent during the year		Balance as at March 31, 2023	
With the Company	In separate CSR unspent account			From the Company's bank account	From separate CSR unspent account	With the Company #	In separate CSR unspent account
INR	INR	INR	INR	INR	INR	INR	INR
398.80	157.40	411.71	8.28	98.50	89.49	313.21	474.99

Balance as at April 01, 2021		Amount required to be spent during the year	Additional amount required to be spent on account of interest earned on bank deposits made out of separate CSR unspent account (Net of tax)	Amount spent during the year		Balance as at March 31, 2022	
With the Company	In separate CSR unspent account			From the Company's bank account	From separate CSR unspent account	With the Company #	In separate CSR unspent account
INR	INR	INR	INR	INR	INR	INR	INR
371.49	-	461.10	-	62.30	214.09	398.80	157.40

# Balance with the Company has been deposited in separate bank account within the stipulated time line.

34 Segment reporting

The Company has identified two reportable business segments as primary segments: Home appliances and air solution division and Home entertainment division. These segments have been identified and reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM). The Segment viz. Mobile communications division was discontinued during the year ended March 31, 2022. Refer note 35.

The main products that each business segment manufactures and/or sells are as follows:

**Business segments:**

- **Home appliances and air solution division:** Air Conditioners, Refrigerators, Microwave Ovens, Washing Machines, Dishwasher, Vacuum Cleaners, Compressors, Ceiling Fan, Water Purifiers and Air Purifiers.

- **Home entertainment division:** Televisions (Flat panel, Signage, Projectors, Monitor TV etc.), Audio Visual, Monitors, Security Camera, and Personal computers.

In accordance with the Indian Accounting Standard on Segment Reporting (Ind AS 108), information relating to segments is as under.

Particulars	For the period/year ended	Continuing business segments		Discontinued business segments	Total
		Home appliances and air solution division	Home entertainment division	Mobile communications division	
<b>Revenue from operations</b>					
-External	June 30, 2024	50,609.38	13,478.59	-	64,087.97
	March 31, 2024	156,797.49	56,722.51	-	213,520.00
	March 31, 2023	150,306.78	48,339.15	36.46	198,682.39
	March 31, 2022	124,182.26	44,159.87	1,315.12	169,657.25
<b>Other income</b>					
	June 30, 2024	5.21	-	-	5.21
	March 31, 2024	13.52	1.00	-	14.52
	March 31, 2023	16.32	4.60	-	20.92
	March 31, 2022	12.23	1.86	18.24	32.33
<b>Total</b>					
	June 30, 2024	50,614.59	13,478.59	-	64,093.18
	March 31, 2024	156,811.01	56,723.51	-	213,534.52
	March 31, 2023	150,323.10	48,343.75	36.46	198,703.31
	March 31, 2022	124,194.49	44,161.73	1,333.36	169,689.58
<b>Expenses</b>					
	June 30, 2024	43,043.37	11,141.67	-	54,185.04
	March 31, 2024	140,068.09	49,843.61	-	189,911.70
	March 31, 2023	137,324.62	40,271.06	78.46	177,674.14
	March 31, 2022	112,447.12	36,860.02	1,751.35	151,058.49
<b>Segment result</b>					
	June 30, 2024	7,571.22	2,336.92	-	9,908.14
	March 31, 2024	16,742.92	6,879.90	-	23,622.82
	March 31, 2023	12,998.48	8,072.69	(42.00)	21,029.17
	March 31, 2022	11,747.37	7,301.71	(417.99)	18,631.09
<b>Unallocable income (Other income)</b>					
	June 30, 2024				17.37
	March 31, 2024				47.18
	March 31, 2023				217.48
	March 31, 2022				399.76
<b>Unallocable expenses</b>					
	June 30, 2024				1,289.48
	March 31, 2024				5,003.26
	March 31, 2023				5,061.03
	March 31, 2022				4,532.23
<b>Operating income</b>					
	June 30, 2024				8,636.03
	March 31, 2024				18,666.74
	March 31, 2023				16,185.62
	March 31, 2022				14,498.62
<b>Interest expense</b>					
	June 30, 2024				69.35
	March 31, 2024				285.05
	March 31, 2023				225.84
	March 31, 2022				225.10
<b>Interest income</b>					
	June 30, 2024				557.42
	March 31, 2024				1,989.48
	March 31, 2023				2,201.51
	March 31, 2022				1,624.12
<b>Profit before tax</b>					
	June 30, 2024				9,124.10
	March 31, 2024				20,371.17
	March 31, 2023				18,161.29
	March 31, 2022				15,897.64
<b>Tax expense</b>					
	June 30, 2024				2,327.64
	March 31, 2024				5,260.49
	March 31, 2023				4,711.99
	March 31, 2022				4,150.31
<b>Profit for the period/year</b>					
	June 30, 2024				6,796.46
	March 31, 2024				15,110.68
	March 31, 2023				13,449.30
	March 31, 2022				11,747.33

34 Segment reporting (cont'd)

Particulars	For the period/year ended	Continuing business segments		Discontinued business segments	Total
		Home appliances and air solution division	Home entertainment division	Mobile communications division	
<b>Reportable segments</b>					
Segment assets	June 30, 2024	29,942.66	12,829.76	-	42,772.42
	March 31, 2024	39,032.11	12,284.05	-	51,316.16
	March 31, 2023	39,269.06	11,287.12	31.96	50,588.14
	March 31, 2022	36,175.75	9,945.06	112.08	46,232.89
Unallocable assets	June 30, 2024				49,758.11
	March 31, 2024				33,668.19
	March 31, 2023				39,333.06
	March 31, 2022				47,959.49
<b>Total assets</b>	June 30, 2024				92,530.53
	March 31, 2024				84,984.35
	March 31, 2023				89,921.20
	March 31, 2022				94,192.38
Segment liabilities	June 30, 2024	21,768.95	10,857.05	-	32,626.00
	March 31, 2024	23,404.69	9,166.17	-	32,570.86
	March 31, 2023	23,397.41	8,514.68	-	31,912.09
	March 31, 2022	19,376.62	5,755.11	62.93	25,194.66
Unallocable liabilities	June 30, 2024				15,376.88
	March 31, 2024				14,691.03
	March 31, 2023				14,446.66
	March 31, 2022				13,990.27
<b>Total liabilities</b>	June 30, 2024				48,002.88
	March 31, 2024				47,261.89
	March 31, 2023				46,358.75
	March 31, 2022				39,184.93
<b>Other information</b>					
Shareholders funds	June 30, 2024				44,527.65
	March 31, 2024				37,722.46
	March 31, 2023				43,562.45
	March 31, 2022				55,007.45
Capital expenditure (unallocable)	June 30, 2024				731.01
	March 31, 2024				3,616.00
	March 31, 2023				5,424.00
	March 31, 2022				3,593.00
Depreciation and amortisation (unallocable)	June 30, 2024				967.21
	March 31, 2024				3,643.69
	March 31, 2023				3,003.93
	March 31, 2022				2,583.59



34 Segment reporting (cont'd)

Additional information

The Company has disclosed Geographic information on revenue for the period/year end is as follows:

Particular	Revenue			
	For the three months period ended June 30, 2024	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
Domestic	60,507.68	203,635.32	189,137.76	161,474.02
Africa	521.39	1,693.39	1,777.06	1,395.80
Europe	0.02	0.51	11.48	6.78
Asia (excluding India)	3,054.51	8,162.78	7,728.49	6,716.16
Others	4.37	28.00	27.60	64.49
<b>Total Revenue from operations</b>	<b>64,087.97</b>	<b>213,520.00</b>	<b>198,682.39</b>	<b>169,657.25</b>

**Notes:**

- Administrative and corporate expenses, interest expense and interest income, unallocable other income and provision for tax have not been allocated to reportable segments. Consequently, segment wise net profit has not been disclosed.
- Unallocable other income has not been measured and reported segment wise as these components are not realistically allocable and identifiable.
- Unallocable corporate expenses include expenses such as depreciation, employee remuneration and benefits, administrative and other expenses which are not directly related to the specific segments.
- Unallocable assets include property, plant and equipment, intangible assets, cash and cash equivalents, deferred tax assets, unallocable loans and advances and other current assets which are not directly related to the specific segments.
- Capital expenditure pertains to additions made to property, plant and equipment during the period/year and movement in capital work in progress during the period/year.

**LG Electronics India Limited (formerly known as LG Electronics India Private Limited)**  
**CIN: U32107DL1997PLC220109**  
**Annexure V - Notes to the Restated Financial Information**  
**All amounts are in INR Millions, unless otherwise stated**

**35 Discontinued operations**

Discontinuation of Mobile Communications Division: - On April 05, 2021, LG Electronics Inc. (Holding company), announced its decision to discontinue the mobile phones business by July 31, 2021. It, however, decided to continue to provide services support and software updates for existing customers for a period as the Company deemed fit.

Pursuant to the aforesaid decision, the management prepared a liquidation plan for the remaining inventories as on March 31, 2022 amounting to INR 85.84 Millions (comprising manufactured and finished goods), factoring in the likely reduction in realisable value of its merchandise goods, likely damages on cancellation of purchase orders placed with the vendors, likely demolition cost for the production line, likely disposal cost of kits etc. and expected to incur an additional cost of approximately INR 40.00 Millions. The Company also impaired the entire property, plant and equipment (PP&E) pertaining to the mobile communications division amounting to INR 25.90 Millions during the year ended March 31, 2022.

During the year ended March 31, 2023, the Company liquidated inventories (comprising manufactured and finished goods) amounting INR 53.89 Millions and the remaining inventory amounting to INR 31.96 Millions pertained to services parts. All additional cost provided in March 31, 2022 was incurred by the Company during the year ended March 31, 2023.

The financial performance pertaining to the mobile communications division are as follows:

Particulars	For the three months period ended June 30, 2024	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
Revenue from operations (including other income)	-	-	36.46	1,333.36
Expenses	-	-	78.46	1,751.35
<b>Loss before tax</b>	-	-	<b>(42.00)</b>	<b>(417.99)</b>
Income tax expense	-	-	(11.10)	(109.33)
<b>Loss after tax</b>	-	-	<b>(30.90)</b>	<b>(308.66)</b>

The carrying amounts of assets and liabilities pertaining to the mobile communications division are as follows:

Particulars	As at June 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Inventories	-	-	31.96	85.84
Trade receivables	-	-	-	3.44
Other current assets	-	-	-	22.80
<b>Total assets</b>	-	-	<b>31.96</b>	<b>112.08</b>
Other current liabilities	-	-	-	62.93
<b>Total liabilities</b>	-	-	-	<b>62.93</b>
<b>Net assets</b>	-	-	<b>31.96</b>	<b>49.15</b>

The Net cash flows from mobile communications division are as follow:

Particulars	For the three months period ended June 30, 2024	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2022
Net cash (outflow)/ inflow from operating activities	-	-	(13.86)	553.68
Net cash (outflow)/inflow from investing activities	-	-	-	18.28
Net cash (outflow)/inflow from financing activities	-	-	-	-
<b>Net cash (outflow)/ inflow from discontinued operations</b>	-	-	<b>(13.86)</b>	<b>571.96</b>
<b>Earnings per share (Refer Note No 29)</b>				
Basic earnings per share for discontinued operations	-	-	(0.05)	(0.45)
Diluted earnings per share for discontinued operations	-	-	(0.05)	(0.45)

36. Disclosures under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

In terms of notification dated September 4, 2015 issued by the Government of India, the disclosure of payments due to any supplier are as follows:

Particulars	As at June 30, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting period/year.	2,259.22	3,093.71	3,750.60	3,188.63
(ii) Principal amount (excluding interest) paid during the period/year to any supplier beyond the appointed date.	-	-	-	-
(iii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting period/year.	-	-	-	-
(iv) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day.	-	-	-	-
(v) The amount of interest due and payable for the period/year.	-	-	-	-
(vi) The amount of interest accrued and remaining unpaid at the end of the accounting period/year.	-	-	-	-
(vii) The amount of further interest remaining due and payable even in the succeeding period/year, until such date when the interest dues as above are actually paid.	-	-	-	-

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management.

37. Details on derivatives instruments and unhedged foreign currency exposure

The following derivative positions are open as at June 30, 2024. These transactions have been undertaken to act as economic hedges for the Company's exposures to various risks in foreign exchange markets.

Forward exchange contracts which are not intended for trading or speculative purposes but for hedge purposes required at the settlement date of certain payables and receivables.

Outstanding forward exchange contracts as at June 30, 2024 are as follows:

Currency		Buy / Sell	Cross Currency
USD	USD 35.26 equivalent to INR 2,939.22 (March 31, 2024 : USD 24.47 equivalent to INR 2,040.71) (March 31, 2023 : USD 46.74 equivalent to INR 3,840.90) (March 31, 2022 : USD 33.72 equivalent to INR 2,555.89)	Buy	INR

The year-end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are given below:

Particulars	[INR in Millions, Foreign currency (FC) in '000]							
	As at June 30, 2024		As at March 31, 2024		As at March 31, 2023		As at March 31, 2022	
	Receivable/ (Payable) INR	Receivable/ (Payable) FC	Receivable/ (Payable) INR	Receivable/ (Payable) FC	Receivable/ (Payable) INR	Receivable/ (Payable) FC	Receivable/ (Payable) INR	Receivable/ (Payable) FC
i) Receivables in foreign currency								
- Trade receivables	2,217.70	US \$ 26,602.27 AED 0 € 0	2,105.54	US \$ 25,243.21 AED 0 € 0	2,672.30	US \$ 32,221.76 AED 930.63 € 40.60	2,771.53	US \$ 35,701.16 AED 4,768.92 € 74.87
- Other receivables	47.99	US \$ 575.63	85.31	US \$ 1,022.75	53.25	US \$ 647.97	39.17	US \$ 516.78
- EEFC A/c	504.12	US \$ 6,047.10	457.75	US \$ 5,487.99	344.59	US \$ 4,205.52	307.56	US \$ 4,070.82
ii) Payables in foreign currency								
- Trade payables	(13,857.66)	US \$ (164,703.04) ¥ (32,490.80) (1,234.43) S \$ (1.05)	(13,845.81)	US \$ (164,550.57) ¥ (63,964.00) (€ 949.16)	(14,715.28)	US \$ (177,952.86) ¥ (35,347.60) (€ 784.43)	(12,324.52)	US \$ (161,937.32) ¥ (36,945.57) (€ 322.05)
- Advances from customers	(29.98)	US \$ (359.84)	(61.88)	US \$ (741.87)	(23.27)	US \$ (283.15)	(33.57)	US \$ (442.92)

**38. Amounts remitted in foreign currency during the period/year on account of interim dividend:**

Particulars	For the three months period ended June 30, 2024	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2022
Amount of interim dividend remitted in foreign currency	-	20,928.82	24,888.32	22,625.75
Total number of non-resident shareholders	1	1	1	1
Total number of shares held by them	113,128,726	113,128,726	113,128,726	113,128,726
Year to which the interim dividend relates	-	2023-24	2022-23	2021-22

**39 Government grants**

- a) In terms of the Infrastructure & Industrial Investment Policy, 2012 as notified by the Pradeshiya Industrial & Investment Corporation of Uttar Pradesh Limited ('PICUP'), the Company has received claim approval for availing incentive with respect to the sales made for products eligible under the aforementioned policy which have been manufactured and sold in the state of Uttar Pradesh. The Company is eligible for the subsidy provided the additional fixed capital investment of the Company is not less than INR 5,000 Millions made over a period of five years commencing from January 01, 2015 to December 31, 2019. The industrial promotion subsidy is restricted to 80% of the State Goods and Service Tax ('SGST') payable after utilisation of the GST input tax credit calculated on the increased eligible turnover in proportion to the existing investment in factory situated at Greater Noida in the state of Uttar Pradesh.

Pursuant to fulfillment of the above stated criteria, the Company has recognised incentive aggregating to INR 567.15 Millions during the period April 01, 2024 to June 30, 2024 (Included in Note No. 18) which pertains to the eligible sale of products manufactured and sold in the state of Uttar Pradesh during the period January 01, 2020 to June 30, 2024. The outstanding balance of claims receivable as at June 30, 2024 aggregating to INR 567.15 Millions has been included in government grant recoverable in Note No. 7.

- b) In the prior years, the Company was availing sales tax exemption in the State of Uttar Pradesh. Pursuant to an amendment in the Uttar Pradesh Values Added Tax Act, 2008, the Company is required to deposit with the VAT authorities, the amount of VAT collected from the dealers and thereafter file a refund claim for the VAT deposited.

The outstanding balance of claims receivable as at June 30, 2024 aggregating to INR 155.54 Millions (March 31, 2024: INR 155.54 Millions, March 31, 2023: INR 155.54 Millions, March 31, 2022: INR 155.54 Millions) is included in government grant recoverable in Note No. 7.

The Company believes it has good case on merits for the recoverability of the same. Based on legal opinion obtained by the Company, the Company has taken up matter with appropriate forum, which is pending resolution.

- c) In terms of the package of incentive 2001 as notified by the Government of Maharashtra, the Company received an eligibility certificate for availing industrial promotion subsidy under the status of mega project involving expansion by way of fixed capital investment in the existing project at its factory at Ranjangaon, Pune. The Company is eligible for the subsidy provided the additional fixed capital investments is not less than INR 2,500.00 Millions made during period commencing from August 11, 2005 to December 29, 2008. The industrial promotion subsidy is restricted to the lower of 75% of the fixed capital investment and Value added tax (VAT) deposited with the Government of Maharashtra on the increased turnover arising from the additional fixed capital investment.

The Company has recorded claim aggregating to Nil for the period ended June 30, 2024 (March 31, 2024: INR 6.09 Millions, March 31, 2023: Nil, March 31, 2022: Nil). The outstanding balance of claims receivable as at June 30, 2024 aggregating to Nil (March 31, 2024: Nil, March 31, 2023: INR 13.49 Millions, March 31, 2022: INR 23.04 Millions) is included in government grant recoverable in Note No. 7.

- d) In terms of the package scheme of incentive 2007 as notified by the Government of Maharashtra, the Company received another eligibility certificate for availing industrial promotion subsidy under the status of mega project involving expansion by way of fixed capital investment in the existing project at its factory at Ranjangaon, Pune. The Company is eligible for the subsidy provided the additional fixed capital investment of the Company is not less than INR 5,000.00 Millions made over a period of five years commencing from April 01, 2011 to March 31, 2016. The industrial promotion subsidy is restricted to the lower of 75% of the fixed capital investment and 50% of VAT deposited with the Government of Maharashtra on the increased turnover calculated in proportion to the existing investment in factory at Ranjangaon.

The Company has recorded claim aggregating to INR 121.41 Millions for the period ended June 30, 2024 (March 31, 2024: INR 456.78 Millions, March 31, 2023: INR 442.91 Millions, March 31, 2022: INR 335.00 Millions). The outstanding balance of claims receivable as at June 30, 2024 aggregating to INR 1,193.43 Millions (March 31, 2024: INR 1,171.39 Millions, March 31, 2023: INR 915.12 Millions, March 31, 2022: INR 980.26 Millions) is included in government grant recoverable in Note No. 7.

- e) Export benefit recoverable includes Duty Drawback Scheme wherein relief of duties suffered on the inputs used in the manufacture of products which are exported is allowed to the Company, the Merchandise Exports from India Scheme (MEIS) under Foreign Trade Policy of India (FTP 2015-20) which provides incentive in the form of duty credit scrip to the exporter to compensate for loss on payment of duties and, the Remission of Duties or Taxes on Export Products Scheme (RoDTEP) allowed to neutralize duties and taxes suffered on the inputs used in the manufacture of products which are exported in a freely convertible foreign currency.

The outstanding balance of claims receivable as at June 30, 2024 aggregating to INR 133.21 Millions (March 31, 2024: INR 113.45 Millions, March 31, 2023: INR 122.48 Millions, March 31, 2022: INR 219.49 Millions) is included in government grant recoverable in Note No. 7.

- f) In terms of the package scheme of incentive scheme 2012 as notified by the Government of India, the Company received eligibility certificate for availing industrial promotion incentive under the status of modified special incentive package scheme involving expansion by way of fixed capital investment in the existing project at its factory at Ranjangaon, Pune and Surajpur, Noida. The Company is eligible for the incentive provided the additional fixed capital investment of the Company is not less than 25% of existing fixed capital investment made over a period of 10 years. The industrial promotion incentive is restricted to the 25% of fixed capital investment.

The Company has recorded claim aggregating to Nil for the period ended June 30, 2024 (March 31, 2024: INR 208.02 Millions, March 31, 2023: INR 196.59 Millions, March 31, 2022: INR 296.40 Millions). The outstanding balance of claims receivable as at June 30, 2024 is Nil (March 31, 2024: Nil, March 31, 2023: Nil, March 31, 2022: INR 154.00 Millions) is included in government grant recoverable in Note No. 7.

**40 Transfer pricing**

The Company has established a comprehensive system on maintenance of information and documents as required by the transfer pricing legislation under Sections 92-92F of the Income Tax Act, 1961 and has documented transfer pricing benchmarking study upto the year ended March 31, 2024. Since the law requires existence of such information and documentation to be contemporaneous in nature. The management is of the opinion that its international transactions are at arm's length and the aforesaid legislation is not expected to have any material impact on the Restated Financial Information.

LG Electronics India Limited (formerly known as LG Electronics India Private Limited)

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Annexure V - Notes to the Restated Financial Information

All amounts are in INR Millions, unless otherwise stated

41. Analytical ratios

Ratios	Unit of measurement	Numerator	Denominator	March 31, 2024	March 31, 2023	% Change	Reason for Variance (where change is more than 25%)
<b>Current Ratio</b>	Times	Total Current Assets	Total Current Liabilities	1.59	1.71	-7%	
<b>Debt-Equity Ratio</b>	Times	Total Debt = Borrowings + Lease liabilities	Shareholder's equity	0.10	0.07	34%	Variance is on account of reduction in Shareholders equity due to dividend payment and increase in lease liability.
<b>Debt Service Coverage Ratio</b>	Times	Earning Available for Debt Service= Profit for the year + Finance costs + Non cash Operating expenses	Debt Service = Finance costs and lease payment + Principal repayment	20.34	23.14	-12%	
<b>Inventory turnover ratio</b>	Times	Revenue from operations	Average inventories	8.47	7.85	8%	
<b>Trade Receivables turnover ratio</b>	Times	Revenue from operations	Average trade receivables	12.95	13.79	-6%	
<b>Trade payables turnover ratio</b>	Times	Purchases	Average Trade payables	4.63	4.87	-5%	
<b>Net capital turnover ratio</b>	Times	Revenue from operations	Working capital (Current Assets-Current Liabilities)	8.64	6.70	29%	Variance is on account of increase in revenue from operations and decrease in working capital due to payment of dividend.
<b>Return on Equity Ratio</b>	%	Profit for the year	Average Shareholder's equity	37.18	27.29	36%	Variance is on account of reduction in Shareholders equity due to dividend payment and increase in profit during the year.
<b>Net profit ratio</b>	%	Profit for the year	Revenue from operations	7.08	6.77	5%	
<b>Return on Capital employed</b>	%	Earnings before finance costs and tax	Capital employed= (Shareholder's equity + Total Debt + deferred tax liabilities)	49.87	39.33	27%	Variance is on account of reduction in Shareholders equity due to dividend payment and increase in profit during the year.
<b>Return on investment</b>	%	Earnings before finance costs and tax	Average total assets	23.62	19.97	18%	

Ratios	Unit of measurement	Numerator	Denominator	March 31, 2023	March 31, 2022	% Change	Reason for Variance (where change is more than 25%)
<b>Current Ratio</b>	Times	Total Current Assets	Total Current Liabilities	1.71	2.22	-23%	
<b>Debt-Equity Ratio</b>	Times	Total Debt = Borrowings + Lease liabilities	Shareholder's equity	0.07	0.05	38%	Higher dividend paid compared to last year
<b>Debt Service Coverage Ratio</b>	Times	Earning Available for Debt Service= Profit for the year + Finance costs + Non cash Operating expenses	Debt Service = Finance costs and lease payment + Principal repayment	23.14	22.92	1%	
<b>Inventory turnover ratio</b>	Times	Revenue from operations	Average inventories	7.85	6.71	17%	
<b>Trade Receivables turnover ratio</b>	Times	Revenue from operations	Average trade receivables	13.79	13.90	-1%	
<b>Trade payables turnover ratio</b>	Times	Purchases	Average Trade payables	4.87	3.85	27%	Purchases during current year are higher
<b>Net capital turnover ratio</b>	Times	Revenue from operations	Working capital (Current Assets-Current Liabilities)	6.70	3.97	69%	Increase is on account of growth in revenue from operations and decrease in working capital due to payment of dividend during the current year and higher trade payables as compared to previous year .
<b>Return on Equity Ratio</b>	%	Profit for the year	Average Shareholder's equity	27.29	19.44	40%	Average shareholder's equity in current year is lower due to higher dividend payouts
<b>Net profit ratio</b>	%	Profit for the year	Revenue from operations	6.77	6.92	-2%	
<b>Return on Capital employed</b>	%	Earnings before finance costs and tax	Capital employed= (Shareholder's equity + Total Debt + deferred tax liabilities)	39.33	27.84	41%	Capital employed in current year is lower due to dividend payouts
<b>Return on investment</b>	%	Earnings before finance costs and tax	Average total assets	19.97	15.75	27%	Investment in current year is lower due to dividend payouts

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Annexure V - Notes to the Restated Financial Information

All amounts are in INR Millions, unless otherwise stated

Ratios	Unit of measurement	Numerator	Denominator	March 31, 2022	March 31, 2021	% Change	Reason for Variance (where change is more than 25%)
<b>Current Ratio</b>	<b>Times</b>	Total Current Assets	Total Current Liabilities	2.22	2.35	-6%	
<b>Debt-Equity Ratio</b>	<b>Times</b>	Total Debt = Borrowings + Lease liabilities	Shareholder's equity	0.05	0.05	16%	
<b>Debt Service Coverage Ratio</b>	<b>Times</b>	Earning Available for Debt Service= Profit for the year + Finance costs + Non cash Operating expenses	Debt Service = Finance costs and lease payment + Principal repayment	22.92	45.02	-49%	Decrease is on account of higher lease payments and lower profit earned during the current year.
<b>Inventory turnover ratio</b>	<b>Times</b>	Revenue from operations	Average inventories	6.71	6.35	6%	
<b>Trade Receivables turnover ratio</b>	<b>Times</b>	Revenue from operations	Average trade receivables	13.90	19.81	-30%	Decrease is on account of increase in average trade receivables in current year as compared to previous year.
<b>Trade payables turnover ratio</b>	<b>Times</b>	Purchases	Average Trade payables	3.85	3.83	0%	
<b>Net capital turnover ratio</b>	<b>Times</b>	Revenue from operations	Working capital (Current Assets-Current Liabilities)	3.97	2.83	40%	Increase is on account of growth in revenue from operations and decrease in working capital due to payment of higher dividend during the current year as compared to previous year.
<b>Return on Equity Ratio</b>	<b>%</b>	Profit for the year	Average Shareholder's equity	19.44	23.56	-18%	
<b>Net profit ratio</b>	<b>%</b>	Profit for the year	Revenue from operations	6.92	9.90	-30%	Decrease is on account of decline in profit earned during the current year due to increase in overall cost of goods sold.
<b>Return on Capital employed</b>	<b>%</b>	Earnings before finance costs and tax	Capital employed= (Shareholder's equity + Total Debt + deferred tax liabilities)	27.84	30.35	-8%	
<b>Return on investment</b>	<b>%</b>	Earnings before finance costs and tax	Average total assets	15.75	20.64	-24%	Decrease is on account of decline in profit earned during the current year due to increase in overall cost of goods sold.

As mentioned in Note 2.1(A), the comparative information in respect of the preceding period (i.e., April 1, 2023 to June 30, 2023 and as at June 30, 2023) as required by Ind AS 34 is not presented in the Audited Special Purpose Interim Financial Statements, as the comparative financial information is not required to be included in the Restated Financial Information as per the exemption available to the Issuer under paragraph (A) (i) of clause 11(1) of part A of schedule VI of the SEBI ICDR Regulations, analytical ratios disclosure for June 30, 2024 are not presented.

**42 Additional regulatory information required by Schedule III**

**(i) Details of benami property held**

No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

**(ii) Borrowing secured against current assets**

The Company does not have borrowings from banks and financial institutions on the basis of security of current assets.

**(iii) Willful defaulter**

The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.

**(iv) Relationship with struck off Companies (Amount in INR)**

Name of the struck off company	Nature of transactions with struck off company	Balance outstanding as at June 30, 2024 (INR)	Relationship with the struck off company, if any, to be disclosed	Balance outstanding as at March 31, 2024 (INR)	Relationship with the struck off company, if any, to be disclosed	Balance outstanding as at March 31, 2023 (INR)	Relationship with the struck off company, if any, to be disclosed	Balance outstanding as at March 31, 2022 (INR)	Relationship with the struck off company, if any, to be disclosed
Gem Hvac Engineering Private Limited	Receivables against sale of goods/ rendering of services	-	None	-	None	753.73	None	-	None
Super Tech Aircon Private Limited	Advance against sale of goods/ rendering of services	-	None	-	None	16,605.24	None	-	None
Mentor Graphics India Private Limited	Receivables against sale of goods/ rendering of services	-	None	-	None	1,742.00	None	-	None
Banadurga Tele Service Pvt.Ltd	Payable for purchase of goods/services	-	None	-	None	-	None	-	None
Shakun And Company (Services) Pvt Ltd	Payable for purchase of goods/services	-	None	-	None	-	None	-	None

**(v) Compliance with number of layers of companies**

The Company has not invested in any other company during the current financial period or previous years and does not have any investment in any other company as at June 30, 2024, March 31, 2024, March 31, 2023 and March 31, 2022. Hence, the compliance with respect to the number of layers prescribed under clause 87 of Section 2 of the Companies Act, 2013 read with the Companies (Restriction on number of Layers) Rules, 2017 is not applicable to the Company.

**(vi) Compliance with approved scheme(s) of arrangements**

The Company has not entered into any scheme of arrangement which has an accounting impact on current financial period or previous financial years.

**(vii) Utilisation of borrowed funds and share premium**

A) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

- 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.

B) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

- 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.

**(viii) Undisclosed income**

There is no income surrendered or disclosed as income during the current financial period or previous financial years in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

**(ix) Details of crypto currency or virtual currency**

The Company has not traded or invested in crypto currency or virtual currency during the current financial period or previous financial years.

**(x) Valuation of Property, plant and equipment and intangible asset**

The Company has chosen cost model and has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current financial period or previous years.

**43 Subsequent events**

There are no subsequent events that have occurred after the reporting period till the date of approval of these restated financial information except for as disclosed in note 11, 29 and 31(B).

For Price Waterhouse Chartered Accountants LLP  
Firm Registration No. : 012754N/N500016

For and on behalf of the Board of Directors  
of LG Electronics India Private Limited  
(formerly known as LG Electronics India Private Limited)

Anurag Khandelwal  
Partner  
Membership No. : 078571

Hong Ju Jeon  
Managing Director  
DIN. : 10041232

Dong Myung Seo  
Whole Time Director and  
Chief Financial Officer  
DIN. : 09481866

Atul Khanna  
Chief Accounting Officer

Anuj Goyal  
Company Secretary and  
Compliance Officer  
Membership No : A23761

Suresh Kumar Jhanwar  
General Manager, Accounting

Place : Gurugram  
Date : December 04, 2024

Place : Noida  
Date : December 04, 2024

LG Electronics India Limited (formerly known as LG Electronics India Private Limited)  
CIN: U32107DL1997PLC220109

Annexure VI - Statement of Adjustments to the Audited Special Purpose Interim Financial Statements as at and for the three months period ended June 30, 2024 and Audited Financial Statements as at and for the years ended March 31, 2024, March 31, 2023 and March 31, 2022

All amounts are in INR Millions, unless otherwise stated

Summarised below are the restatement adjustments made to the Audited Special Purpose Interim Financial Statements as at and for the three months period ended June 30, 2024 and the Audited Financial Statements as at and for the years ended March 31, 2024, March 31, 2023 and March 31, 2022 and their impact on equity and the profit of the Company:

**Part A: Statement of adjustments to the Audited Financial Statements**

**Reconciliation between audited equity and restated equity**

Particulars	For the three months period ended June 30, 2024	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2022
Total Equity as per Audited Special Purpose Interim Financial Statements and Audited Financial Statements	43,396.36	36,591.17	42,431.16	53,876.16
(i) Audit qualifications	-	-	-	-
(ii) Adjustments due to change in accounting policy/material errors/other adjustments	-	-	-	-
(iii) Deferred tax impact on adjustments in (i) and (ii), as applicable	-	-	-	-
Total Adjustments (i+ii+iii)	-	-	-	-
<b>Total equity as per restated statement of assets and liabilities</b>	<b>43,396.36</b>	<b>36,591.17</b>	<b>42,431.16</b>	<b>53,876.16</b>

**Reconciliation between audited profit and restated profit**

Particulars	For the three months period ended June 30, 2024	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2022
Profit after tax as per Audited Special Purpose Interim Financial Statements and Audited Financial Statements	6,796.46	15,110.68	13,449.30	11,747.33
(i) Audit qualifications	-	-	-	-
(ii) Adjustments due to change in accounting policy/material errors/other adjustments	-	-	-	-
(iii) Deferred tax impact on adjustments in (i) and (ii), as applicable	-	-	-	-
Total Adjustments (i+ii+iii)	-	-	-	-
<b>Restated profit after tax for the period/year</b>	<b>6,796.46</b>	<b>15,110.68</b>	<b>13,449.30</b>	<b>11,747.33</b>

**Notes to adjustment:**

i) Audit qualifications - There are no audit qualifications in auditor's report for the three months period ended June 30, 2024 and financial years ended March 31, 2024, March 31, 2023 and March 31, 2022.

ii) Material regrouping/reclassification - Appropriate regrouping/reclassification has been made in the Restated Statement of Assets and Liabilities, Restated Statement of Profit and Loss and Restated Statement of Cash Flows, Restated Statement of Changes in Equity, wherever required, by reclassification of the corresponding items of income, expenses, assets, liabilities and cash flows, in order to bring them in line with the accounting policies and classification as per the Audited Special Purpose Interim Financial statements for the three months period ended June 30, 2024 prepared in accordance with Schedule III (Division II) of the Act, as amended, requirements of Ind AS 1 - 'Presentation of financial statements' and other applicable Ind AS principles and the requirements of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended.

**Part B: non-adjusting items**

a) Emphasis of Matters not requiring adjustments to Restated Financial Information are reproduced below in respect of the Audited Special Purpose Interim Financial Statements for the three months period ended June 30, 2024 and Audited Financial Statements for the years ended March 31, 2024, March 31, 2023 and March 31, 2022:

**1. Emphasis of Matters for the three months period ended June 30, 2024**

"We draw attention to the following matters:

i) Note 2.1 (A) to the special purpose interim financial statements which describes the Basis of Preparation. The special purpose interim financial statements dealt with by this report have been prepared for the express purpose of preparation of restated financial information of the Company, which will be included in the Draft Red Herring Prospectus ("DRHP"), to be filed by the Company with the Securities and Exchange Board of India ("SEBI"), BSE Limited (BSE) and National Stock Exchange of India Limited (NSE), in connection with the proposed Initial Public Offering of the equity shares of the Company ("Offering"). As a result, the special purpose interim financial statements may not be suitable for any purpose.

ii) We draw attention to Note 31(B) to the special purpose interim financial statements regarding the addendum dated November 18, 2024 to the revised license agreement dated July 27, 2017 entered into by the Company with its holding company to align its royalty obligation to the amounts accrued in the books for the respective years / period. Pending approval of the Mutual Agreement Procedure ("MAP") application dated May 8, 2024 filed by the Company and its holding company with the respective Competent Authority in India and the Republic of Korea to resolve the consequences of double taxation arising from certain transfer pricing tax adjustments made by the tax authority of the Republic of Korea on the holding company, the Company has disclosed the remaining portion of royalty under contingent liability.

Our opinion is not modified in respect of these matters."

(Note 2.1(A) and 31(B) referred above have been reproduced as Note 2.1(A) and 31(B) to the Restated Financial Information in Annexure V).

**2. Emphasis of Matter for the year ended March 31, 2024**

"We draw your attention to Note 32 to the accompanying financial statements, where it is stated that the Company had entered into a Revised License Agreement dated July 27, 2017 with its parent Company, i.e., LG Electronics Inc., Republic of Korea, for the use of technology and brand name. In accordance with the aforesaid agreement, the Company is liable to pay royalty to LG Electronics Inc., Republic of Korea. Based on the original agreement, royalty amounting to Rs. 4.032 Millions has been accrued during the year ended March 31, 2024, and remaining portion of royalty based on the aforesaid Revised License Agreement amounting to Rs. 67,437 Millions pertaining to the period from April 01, 2016 to March 31, 2024 is contingent upon conclusion of the Advance Pricing Agreement with the Government of India. Consequently, the Company has not accrued the remaining portion and the obligation has been disclosed as a contingent liability. Our opinion is not modified in respect of this matter".

(Note 32 referred above has been reproduced as Note 31(B) to the Restated Financial Information in Annexure V).



**LG Electronics India Limited (formerly known as LG Electronics India Private Limited)**

**CIN: U32107DL1997PLC220109**

**Annexure VI - Statement of Adjustments to the Audited Special Purpose Interim Financial Statements as at and for the three months period ended June 30, 2024 and Audited Financial Statements as at and for the years ended March 31, 2024, March 31, 2023 and March 31, 2022**

**All amounts are in INR Millions, unless otherwise stated**

### **3. Emphasis of Matter for the year ended March 31, 2023**

"We draw your attention to Note 32 to the accompanying financial statements, where it is stated that the Company had entered into a Revised License Agreement dated July 27, 2017 with its parent Company, i.e., LG Electronics Inc., South Korea, for the use of technology and brand name. In accordance with the aforesaid agreement, the Company is liable to pay royalty to LG Electronics Inc., South Korea. Based on the original agreement, royalty amounting to Rs. 3,232 Millions has been accrued during the year ended March 31, 2023, and remaining portion of royalty based on the aforesaid Revised License Agreement amounting to Rs. 59,867 Millions pertaining to the period from April 01, 2016 to March 31, 2023 is contingent upon conclusion of the Advance Pricing Agreement with the Government of India. Consequently, the Company has not accrued the remaining portion and the obligation has been disclosed as a contingent liability. Our opinion is not modified in respect of this matter".

(Note 32 referred above has been reproduced as Note 31(B) to the Restated Financial Information in Annexure V).

### **4. Emphasis of Matter for the year ended March 31, 2022**

"We draw your attention to Note 32 to the accompanying financial statements, where it is stated that the Company had entered into a Revised License Agreement dated July 27, 2017 with its parent Company, i.e., LG Electronics Inc., Korea, for the use of technology and brand name. In accordance with the aforesaid agreement, the Company is liable to pay royalty to LG Electronics Inc., Korea. Based on the original agreement, royalty amounting to Rs. 2,548 Millions has been accrued during the year ended March 31, 2022, and remaining portion of royalty based on the aforesaid Revised License Agreement amounting to Rs. 52,856 Millions pertaining to the period from April 01, 2016 to March 31, 2022 is contingent upon conclusion of the Advance Pricing Agreement with the Government of India. Consequently, the Company has not accrued the remaining portion and the obligation has been disclosed as a contingent liability. Our opinion is not modified in respect of this matter".

(Note 32 referred above has been reproduced as Note 31(B) to the Restated Financial Information in Annexure V).

**b. Auditor's Comments in the Independent Auditor's report not requiring adjustments to Restated Financial Information are reproduced below in respect of the Audited Financial Statements for the years ended March 31, 2024, March 31, 2023 and March 31, 2022:**

#### **1. Auditor's Comments in the Independent Auditor's report for the year ended March 31, 2024**

*Paragraph 12 (b) of the Auditor's report:*

a. 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 that the backup of books of account and other books and papers maintained in electronic mode has not been maintained on a daily basis on servers physically located in India during the year and for the matters stated in paragraph 12(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended).

*Paragraph 12 (h)(vi) of the Auditor's report:*

b. Based on our examination, the Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility. However, the audit trail was not enabled for the accounting software used throughout the year. Accordingly, the question of our commenting on whether the audit trail was tampered with, does not arise.

#### **2. Auditor's Comments in the Independent Auditor's report for the year ended March 31, 2023**

*Paragraph 12 (b) of the Auditor's report:*

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 that the backup of books of account and other books and papers maintained in electronic mode has not been maintained on a daily basis on servers physically located in India during the year.

#### **3. Auditor's Comments in the Independent Auditor's report for the year ended March 31, 2022**

*Paragraph 12 (b) of the Auditor's report:*

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 that the back-up of the books of account and other books and papers maintained in electronic mode has not been maintained on servers physically located in India.

LG Electronics India Limited (formerly known as LG Electronics India Private Limited)

CIN: U32107DL1997PLC220109

Annexure VI - Statement of Adjustments to the Audited Special Purpose Interim Financial Statements as at and for the three months period ended June 30, 2024 and Audited Financial Statements as at and for the years ended March 31, 2024, March 31, 2023 and March 31, 2022

All amounts are in INR Millions, unless otherwise stated

**c. Auditor's Comments in Annexure to Auditor's Report:**

In addition to the audit opinion on the financial statements, the auditors are required to comment upon the matters included in the annexure to the Auditor's reports issued under Companies (Auditor's Report) Order, 2020 issued by the Central Government of India under sub-section (11) of Section 143 of Companies Act, 2013, on the financial statements for the years ended March 31, 2024, March 31, 2023 and March 31, 2022.

Certain statements/comments included in the CARO on the financial statements of the Company for the years ended March 31, 2024, March 31, 2023 and March 31, 2022 which do not require any adjustments in the Restated Financial Information are reproduced below.

**Year ended March 31, 2024:**

Clause (vii)(a) of CARO 2020 Order:

In our opinion, the Company is generally regular in depositing undisputed statutory dues in respect of goods and services tax, provident fund and income tax, though there has been a slight delay in a few cases, and is regular in depositing undisputed statutory dues, including employees' state insurance, duty of customs, and other material statutory dues, as applicable, with the appropriate authorities. Also, refer Note 31 A(iv) to the financial statements regarding management's assessment on certain matters relating to provident fund.

(Note 31A(iv) referred above has been reproduced as Note 31A(iv) to the Restated Financial Information in Annexure V)

Clause (vii)(b) of CARO 2020 Order:

The particulars of statutory dues referred to in sub-clause (a) as at March 31, 2024 which have not been deposited on account of a dispute, are as follows:

Name of the Statute	Nature of Dues	Amount (Rs. In Millions)	Amount deposited (Rs. in Millions)	Amount not paid (Rs. in Millions)	Period to which amount relates	Forum where dispute is pending
The Customs Act, 1962	Customs Duty	0.02	-	0.02	2003-04	Commissioner of Customs Indira Gandhi International Airport, New Delhi
The Customs Act, 1962	Customs Duty	0.61	-	0.61	2001-02	Commissioner of Customs Indira Gandhi International Airport, New Delhi
The Customs Act, 1962	Customs Duty	0.80	-	0.80	2006-07	High Court of Bombay
The Customs Act, 1962	Customs Duty	3.56	-	3.56	1998-99	Custom Excise & Service Tax Appellate Tribunal, Delhi Bench
The Customs Act, 1962	Customs Duty	6.99	0.20	6.79	2018-19	Commissioner of Customs Indira Gandhi International Airport, New Delhi
The Customs Act, 1962	Customs Duty	9.46	0.65	8.81	2018-19	Custom Excise & Service Tax Appellate Tribunal, Delhi Bench
The Customs Act, 1962	Customs Duty	11.86	0.30	11.56	2006-07	Custom Excise & Service Tax Appellate Tribunal, Delhi Bench
The Customs Act, 1962	Customs Duty	69.76	7.63	62.13	2020-21	Custom Excise & Service Tax Appellate Tribunal, Mumbai Bench
The Jammu and Kashmir Goods and Services Tax Act, 2017	Goods and Services Tax	0.48	0.02	0.46	2017-18	Joint Commissioner (Appeals)
The Jharkhand Goods and Services Tax Act, 2017	Goods and Services Tax	1.48	0.08	1.40	2017-18	Joint Commissioner (Appeals)
The Karnataka Goods and Services Tax Act, 2017	Goods and Services Tax	184.28	-	184.28	2018-19	Joint Commissioner (Appeals)
The Karnataka Goods and Services Tax Act, 2017	Goods and Services Tax	126.47	-	126.47	2017-18	Joint Commissioner (Appeals)
The Karnataka Goods and Services Tax Act, 2017	Goods and Services Tax	0.42	-	0.42	2017-18	Joint Commissioner (Appeals)

LG Electronics India Limited (formerly known as LG Electronics India Private Limited)

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Annexure VI - Statement of Adjustments to the Audited Special Purpose Interim Financial Statements as at and for the three months period ended June 30, 2024 and Audited Financial Statements as at and for the years ended March 31, 2024, March 31, 2023 and March 31, 2022

All amounts are in INR Millions, unless otherwise stated

Name of the Statute	Nature of Dues	Amount (Rs. In Millions)	Amount deposited (Rs. in Millions)	Amount not paid (Rs. in Millions)	Period to which amount relates	Forum where dispute is pending
The Tamil Nadu Goods and Services Act, 2017	Goods and Services Tax	113.03	10.28	102.75	2018-19	Joint Commissioner (Appeals)
The Tamil Nadu Goods and Services Act, 2017	Goods and Services Tax	132.79	11.85	120.94	2017-18	Joint Commissioner (Appeals)
The Tamil Nadu Goods and Services Act, 2017	Goods and Services Tax	27.52	2.50	25.02	2017-18	Joint Commissioner (Appeals)
The Tamil Nadu Goods and Services Act, 2017	Goods and Services Tax	13.55	1.23	12.32	2022-23	Joint Commissioner (Appeals)
The Tamil Nadu Goods and Services Act, 2017	Goods and Services Tax	11.46	1.04	10.42	2022-23	Joint Commissioner (Appeals)
The Tamil Nadu Goods and Services Act, 2017	Goods and Services Tax	2.84	0.26	2.58	2022-23	Joint Commissioner (Appeals)
The Tamil Nadu Goods and Services Act, 2017	Goods and Services Tax	0.12	0.01	0.11	2019-20	Joint Commissioner (Appeals)
The Tamil Nadu Goods and Services Act, 2017	Goods and Services Tax	109.41	9.95	99.46	2019-20	Joint Commissioner (Appeals)
The Telangana Goods and Services Tax Act, 2017	Goods and Services Tax	0.40	0.04	0.36	Multiple years	Joint Commissioner (Appeals)
The Union Territory Goods and Services Tax Act, 2017	Goods and Services Tax	2.36	0.11	2.25	2017-18	Joint Commissioner (Appeals)
The Uttar Pradesh Goods and Services Tax Act, 2017	Goods and Services Tax	1,410.19	-	1,410.19	Multiple years	Joint Commissioner (Appeals)
The Uttar Pradesh Goods and Services Tax Act, 2017	Goods and Services Tax	64.07	-	64.07	2017-18	Joint Commissioner (Appeals)
The Uttar Pradesh Goods and Services Tax Act, 2017	Goods and Services Tax	1.27	-	1.27	2018-19	Joint Commissioner (Appeals)
The Uttarakhand Goods and Services Tax Act, 2017	Goods and Services Tax	0.80	0.07	0.73	2017-18	Joint Commissioner (Appeals)
The West Bengal Goods and Services Tax Act, 2017	Goods and Services Tax	0.94	0.09	0.85	2023-24	Joint Commissioner (Appeals)
The Income Tax Act, 1961	Income Tax	2,017.36	150.00	1,867.36	2013-14	Income Tax Appellate Tribunal, Delhi
The Income Tax Act, 1961	Income Tax	1,748.19	62.04	1,686.15	2014-15	Income Tax Appellate Tribunal, Delhi
The Income Tax Act, 1961	Income Tax	1,624.09	100.00	1,524.09	2011-12	Income Tax Appellate Tribunal, Delhi
The Income Tax Act, 1961	Income Tax	1,606.04	-	1,606.04	2015-16	High Court of Delhi
The Income Tax Act, 1961	Income Tax	1,573.38	100.00	1,473.38	2012-13	Income Tax Appellate Tribunal, Delhi
The Income Tax Act, 1961	Income Tax	1,533.73	604.23	929.50	2009-10	High Court of Judicature at Allahabad
The Income Tax Act, 1961	Income Tax	1,433.83	41.41	1,392.42	2016-17	Income Tax Appellate Tribunal, Delhi
The Income Tax Act, 1961	Income Tax	1,033.74	-	1,033.74	2019-20	Assessing Officer
The Income Tax Act, 1961	Income Tax	1,350.33	184.05	1,166.28	2010-11	Income Tax Appellate Tribunal, Delhi
The Income Tax Act, 1961	Income Tax	1,335.70	-	1,335.70	2004-05	Income Tax Appellate Tribunal, Delhi
The Income Tax Act, 1961	Income Tax	1,150.98	-	1,150.98	2005-06	Income Tax Appellate Tribunal, Delhi
The Income Tax Act, 1961	Income Tax	775.38	310.51	464.87	2008-09	High Court of Judicature at Allahabad
The Income Tax Act, 1961	Income Tax	696.72	380.30	316.42	2006-07	High Court of Judicature at Allahabad
The Income Tax Act, 1961	Income Tax	669.18	363.19	305.99	2007-08	High Court of Judicature at Allahabad
The Income Tax Act, 1961	Income Tax	624.84	241.12	383.72	2004-05	High Court of Judicature at Allahabad

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All amounts are in INR Millions, unless otherwise stated

Name of the Statute	Nature of Dues	Amount (Rs. In Millions)	Amount deposited (Rs. in Millions)	Amount not paid (Rs. in Millions)	Period to which amount relates	Forum where dispute is pending
The Income Tax Act, 1961	Income Tax	623.40	254.50	368.90	2005-06	High Court of Judicature at Allahabad
The Income Tax Act, 1961	Income Tax	490.86	0.11	490.75	2017-18	Income Tax Appellate Tribunal, Delhi
The Income Tax Act, 1961	Income Tax	320.01	1.20	318.81	2006-07	Income Tax Appellate Tribunal, Delhi
The Income Tax Act, 1961	Income Tax	274.44	-	274.44	2014-15 to 2018-19	Commissioner of Income Tax (Appeals)
The Income Tax Act, 1961	Income Tax	225.90	45.18	180.72	2009-10	Commissioner of Income Tax (Appeals)
The Income Tax Act, 1961	Income Tax	172.43	126.33	46.10	2002-03	High Court of Judicature at Allahabad
The Income Tax Act, 1961	Income Tax	149.90	135.41	14.49	2003-04	High Court of Judicature at Allahabad
The Income Tax Act, 1961	Income Tax	146.19	-	146.19	2011-12 to 2013-14	Commissioner of Income Tax (Appeals)
The Income Tax Act, 1961	Income Tax	101.00	101.00	-	2001-02	High Court of Judicature at Allahabad
The Income Tax Act, 1961	Income Tax	83.73	-	83.73	2005-06	Commissioner of Income Tax (Appeals)
The Income Tax Act, 1961	Income Tax	71.46	-	71.46	2007-08	Commissioner of Income Tax (Appeals)
The Income Tax Act, 1961	Income Tax	69.52	-	69.52	2008-09	Commissioner of Income Tax (Appeals)
The Income Tax Act, 1961	Income Tax	54.47	54.47	-	2007-08	Income Tax Appellate Tribunal, Delhi
The Income Tax Act, 1961	Income Tax	48.18	-	48.18	2006-07	Commissioner of Income Tax (Appeals)
The Income Tax Act, 1961	Income Tax	40.34	8.07	32.27	2005-06	Income Tax Appellate Tribunal, Delhi
The Income Tax Act, 1961	Income Tax	21.57	4.31	17.26	2004-05	Income Tax Appellate Tribunal, Delhi
The Income Tax Act, 1961	Income Tax	0.57	-	0.57	2000-01	Commissioner of Income Tax (Appeals)
The Legal Metrology Act, 2009	Legal Metrology	0.15	-	0.15	2015-16	Patiala House Court Complex
The Provident Fund and Miscellaneous Provisions Act, 1952	Provident Fund	36.55	-	36.55	August 2012-March 2015	High Court of Bombay
The Finance Act, 1994	Service Tax	1,042.60	-	1,042.60	April 2006 - October 2010	High Court of Judicature at Allahabad
The Finance Act, 1994	Service Tax	196.96	7.38	189.58	June 2010 - March 2015	Commissioner of CGST (Appeals), Pune
The Finance Act, 1994	Service Tax	157.74	5.93	151.81	September 2004-March 2008	Custom Excise & Service Tax Appellate Tribunal, Allahabad Bench
The Finance Act, 1994	Service Tax	120.24	0.06	120.18	April 2011 - March 2015	Custom Excise & Service Tax Appellate Tribunal, Mumbai Bench
The Finance Act, 1994	Service Tax	117.88	3.52	114.36	April 2012 - December 2015	Custom Excise & Service Tax Appellate Tribunal, Mumbai Bench
The Finance Act, 1994	Service Tax	112.26	3.70	108.56	August 2002 - March 2006	Custom Excise & Service Tax Appellate Tribunal, Allahabad Bench
The Finance Act, 1994	Service Tax	92.06	3.45	88.61	July 2011 - March 2016	Custom Excise & Service Tax Appellate Tribunal, Allahabad Bench
The Finance Act, 1994	Service Tax	73.28	2.71	70.57	January 2016 - June 2017	Custom Excise & Service Tax Appellate Tribunal, Mumbai Bench
The Finance Act, 1994	Service Tax	59.21	-	59.21	April 2012 - September 2015 and April 2011-January 2013	Custom Excise & Service Tax Appellate Tribunal, Allahabad Bench
The Finance Act, 1994	Service Tax	58.26	2.19	56.07	July 2015 - March 2016	Custom Excise & Service Tax Appellate Tribunal, Mumbai Bench
The Finance Act, 1994	Service Tax	48.91	1.85	47.06	April 2015 - December 2015	Commissioner of CGST (Appeals), Pune
The Finance Act, 1994	Service Tax	17.55	-	17.55	April 2012 - December 2015	Custom Excise & Service Tax Appellate Tribunal, Allahabad Bench
The Finance Act, 1994	Service Tax	15.84	1.44	14.40	April 2016 - June 2017	Custom Excise & Service Tax Appellate Tribunal, Allahabad Bench
The Finance Act, 1994	Service Tax	10.13	5.06	5.07	July 2012 - December 2015	Custom Excise & Service Tax Appellate Tribunal, Allahabad Bench

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All amounts are in INR Millions, unless otherwise stated

Name of the Statute	Nature of Dues	Amount (Rs. In Millions)	Amount deposited (Rs. in Millions)	Amount not paid (Rs. in Millions)	Period to which amount relates	Forum where dispute is pending
The Finance Act, 1994	Service Tax	7.30	-	7.30	October 2015 - July 2016	Custom Excise & Service Tax Appellate Tribunal, Allahabad Bench
The Finance Act, 1994	Service Tax	6.14	0.31	5.83	April 2010 - March 2011	Custom Excise & Service Tax Appellate Tribunal
The Finance Act, 1994	Service Tax	5.88	-	5.88	April 2015 - June 2015	Custom Excise & Service Tax Appellate Tribunal, Mumbai Bench
The Finance Act, 1994	Service Tax	3.24	-	3.24	August 2016- June 2017	Commissioner (Appeals)
The Finance Act, 1994	Service Tax	2.25	0.09	2.16	April 2007- April 2013	Custom Excise & Service Tax Appellate Tribunal, Mumbai Bench
The Andhra Pradesh Value Added Tax Act, 2005	VAT/ Sales tax	0.43	0.39	0.04	2015-16	Sales Tax Tribunal
The Bihar Finance Act, 1961	VAT/ Sales tax	5.43	5.43	-	2002-03	Commissioner (Appeals)
The Bihar Value Added Tax Act, 2005	VAT/ Sales tax	12.18	4.26	7.92	2012-13	Commissioner (Appeals)
The Bihar Value Added Tax Act, 2005	VAT/ Sales tax	11.33	3.32	8.01	2008-09	The High Court of Judicature at Patna
The Bihar Value Added Tax Act, 2005	VAT/ Sales tax	5.57	5.57	-	2011-12	Supreme Court of India
The Bihar Value Added Tax Act, 2005	VAT/ Sales tax	2.45	0.91	1.54	2017-18	Commissioner (Appeals)
The Bihar Value Added Tax Act, 2005	VAT/ Sales tax	1.05	1.05	-	2007-08	Commissioner (Appeals)
The Bihar Value Added Tax Act, 2005	VAT/ Sales tax	0.58	0.10	0.48	2013-14	Commissioner (Appeals)
The Bihar Value Added Tax Act, 2005	VAT/ Sales tax	0.24	-	0.24	2015-16	Commissioner (Appeals)
The Chattisgarh Value Added Tax Act, 2005	VAT/ Sales tax	0.12	0.12	-	2016-17	Commissioner (Appeals)
The Delhi Value Added Tax Act, 2004	VAT/ Sales tax	25.72	-	25.72	2017-18	Commissioner (Appeals)
The Delhi Value Added Tax Act, 2004	VAT/ Sales tax	0.25	0.04	0.21	April 2015 - December 2015	Commissioner (Appeals)
The Gujarat Value Added Tax Act, 2003	VAT/ Sales tax	4.78	3.29	1.49	2006-07	Sales tax Tribunal
The Gujarat Value Added Tax Act, 2003	VAT/ Sales tax	0.38	0.23	0.15	2012-13	Sales Tax Tribunal
The Jharkhand Value Added Tax Act, 2005	VAT/ Sales tax	8.18	1.64	6.54	2010-11	Commissioner (Appeals)
The Jharkhand Value Added Tax Act, 2005	VAT/ Sales tax	2.25	-	2.25	2009-10	Commissioner (Appeals)
The Jharkhand Value Added Tax Act, 2005	VAT/ Sales tax	1.74	-	1.74	2015-16	Commissioner (Appeals)
The Jharkhand Value Added Tax Act, 2005	VAT/ Sales tax	0.49	0.49	-	2013-14	Commissioner (Appeals)
The Karnataka Value Added Tax Act, 2003	VAT/ Sales tax	1.35	1.35	-	2014-15	Commissioner (Appeals)
The Karnataka Value Added Tax Act, 2003	VAT/ Sales tax	0.54	0.54	-	2011-12	Commissioner (Appeals)
The Karnataka Value Added Tax Act, 2003	VAT/ Sales tax	0.28	0.28	-	2013-14	Commissioner (Appeals)
The Karnataka Value Added Tax Act, 2003	VAT/ Sales tax	0.11	0.11	-	2012-13	Commissioner (Appeals)
The Kerala Value Added Tax Act, 2003	VAT/ Sales tax	62.89	-	62.89	2009-10	High Court of Kerala
The Kerala Value Added Tax Act, 2003	VAT/ Sales tax	55.04	4.03	51.01	2015-16	Commissioner (Appeals)
The Kerala Value Added Tax Act, 2003	VAT/ Sales tax	44.99	1.80	43.19	2010-11	High Court of Kerala
The Kerala Value Added Tax Act, 2003	VAT/ Sales tax	25.31	-	25.31	2016-17	High Court of Kerala
The Kerala Value Added Tax Act, 2003	VAT/ Sales tax	25.26	5.91	19.35	2006-07	High Court of Kerala
The Kerala Value Added Tax Act, 2003	VAT/ Sales tax	5.04	4.10	0.94	2011-12	Commissioner (Appeals)
The Kerala Value Added Tax Act, 2003	VAT/ Sales tax	4.87	0.79	4.08	2013-14	Commissioner (Appeals)
The Kerala Value Added Tax Act, 2003	VAT/ Sales tax	3.88	1.25	2.63	2012-13	Commissioner (Appeals)

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All amounts are in INR Millions, unless otherwise stated

Name of the Statute	Nature of Dues	Amount (Rs. In Millions)	Amount deposited (Rs. in Millions)	Amount not paid (Rs. in Millions)	Period to which amount relates	Forum where dispute is pending
The Kerala Value Added Tax Act, 2003	VAT/ Sales tax	3.73	-	3.73	2017-18	High Court of Kerala
The Kerala Value Added Tax Act, 2003	VAT/ Sales tax	1.67	1.07	0.60	2014-15	Commissioner (Appeals)
The Kerala Value Added Tax Act, 2003	VAT/ Sales tax	1.63	0.54	1.09	2008-09	Sales Tax Tribunal
The Kerala Value Added Tax Act, 2003	VAT/ Sales tax	0.90	-	0.90	2008-09	High Court of Kerala
The Kerala Value Added Tax Act, 2003	VAT/ Sales tax	0.64	0.08	0.56	2011-12	Sales Tax Tribunal
The Kerala Value Added Tax Act, 2003	VAT/ Sales tax	0.19	0.03	0.16	2012-13	Sales Tax Tribunal
The Madhya Pradesh Vanijyik Kar Adhiniyam, 1994	VAT/ Sales tax	4.51	2.51	2.00	2001-02	High Court of Madhya Pradesh
The Madhya Pradesh Vanijyik Kar Adhiniyam, 1994	VAT/ Sales tax	1.23	1.23	-	1998-99	High Court of Madhya Pradesh
The Maharashtra Value Added Tax Act, 2002	VAT/ Sales tax	5.45	-	5.45	2006-07	High Court of Bombay
The Orissa Entry Tax Act, 1999	VAT/ Sales tax	7.03	5.50	1.53	2003-04	High Court of Orissa
The Orissa Entry Tax Act, 1999	VAT/ Sales tax	1.89	0.60	1.29	2002-03	Sales Tax Tribunal
The Orissa Value Added Tax Act, 2004	VAT/ Sales tax	2.49	0.33	2.16	2008-09	Commissioner (Appeals)
The Orissa Value Added Tax Act, 2004	VAT/ Sales tax	1.26	0.15	1.11	2007-08	Sales Tax Tribunal
The Punjab Value Added Tax Act, 2005	VAT/ Sales tax	0.02	-	0.02	2017-18	Commissioner (Appeals)
The Rajasthan Entry Tax Act, 1999	VAT/ Sales tax	20.67	-	20.67	2017-18	Commissioner (Appeals)
The Rajasthan Entry Tax Act, 1999	VAT/ Sales tax	3.78	1.44	2.34	April 2008 - March 2013	Sales Tax Tribunal
The Rajasthan Entry Tax Act, 1999	VAT/ Sales tax	3.26	3.26	-	2011-12	Rajasthan High Court
The Rajasthan Entry Tax Act, 1999	VAT/ Sales tax	2.97	2.97	-	2014-15	Sales Tax Tribunal
The Rajasthan Entry Tax Act, 1999	VAT/ Sales tax	1.12	1.12	-	2013-14	Sales Tax Tribunal
The Rajasthan Entry Tax Act, 1999	VAT/ Sales tax	0.38	0.38	-	2012-13	Sales Tax Tribunal
The Rajasthan Entry Tax Act, 1999	VAT/ Sales tax	0.25	0.23	0.02	2010-11	Sales Tax Tribunal
The Rajasthan Value Added Tax Act, 2003	VAT/ Sales tax	102.46	-	102.46	April 2008 - March 2010	Rajasthan High Court
The Rajasthan Value Added Tax Act, 2003	VAT/ Sales tax	26.68	1.24	25.44	2010-11	Sales Tax Tribunal
The Rajasthan Value Added Tax Act, 2003	VAT/ Sales tax	7.56	7.56	-	April 2009 - March 2013	Rajasthan High Court
The Rajasthan Value Added Tax Act, 2003	VAT/ Sales tax	0.93	-	0.93	2015-16	Commissioner (Appeals)
The Tamil Nadu Value Added Tax Act, 2006	VAT/ Sales tax	2.94	2.94	-	2007-08	Sales Tax Tribunal
The Tamil Nadu Value Added Tax Act, 2006	VAT/ Sales tax	1.66	1.66	-	2011-12	Sales Tax Tribunal
The Telangana Value Added Tax Act, 2005	VAT/ Sales tax	100.16	23.90	76.26	2012-13 to 2013-14	High Court for the state of Telangana
The Uttar Pradesh Trade Tax Act, 1948	VAT/ Sales tax	166.97	-	166.97	1997-98	High Court of Judicature at Allahabad
The Uttar Pradesh Trade Tax Act, 1948	VAT/ Sales tax	1.93	-	1.93	2003-04	Sales Tax Tribunal
The Uttar Pradesh Value Added Tax Act, 2008	VAT/ Sales tax	4.63	4.63	-	April 2017 - June 2017	Commissioner (Appeals)
The Uttar Pradesh Value Added Tax Act, 2008	VAT/ Sales tax	2.01	1.64	0.37	2010-11	Sales Tax Tribunal
The Uttar Pradesh Value Added Tax Act, 2008	VAT/ Sales tax	0.85	0.85	-	2008-09	Sales Tax Tribunal
The Uttar Pradesh Value Added Tax Act, 2008	VAT/ Sales tax	0.38	0.31	0.07	2015-16	Sales Tax Tribunal
The Uttarakhand Value Added Tax Act, 2005	VAT/ Sales tax	0.16	0.16	-	2013-14	Commissioner (Appeals)
The West Bengal Sales Tax Act, 1994	VAT/ Sales tax	98.78	15.00	83.78	2011-12	Sales Tax Tribunal
The West Bengal Sales Tax Act, 1994	VAT/ Sales tax	10.69	-	10.69	2001-02	Sales Tax Tribunal
The West Bengal Sales Tax Act, 1994	VAT/ Sales tax	7.94	0.79	7.15	2016-17	Commissioner (Appeals)
The West Bengal Sales Tax Act, 1994	VAT/ Sales tax	0.51	-	0.51	2009-10	Commissioner (Appeals)

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All amounts are in INR Millions, unless otherwise stated

**Year ended March 31, 2023:**

**Clause (vii)(a) of CARO 2020 Order:**

According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues in respect of income tax, though there has been a slight delay in a few cases, and is regular in depositing undisputed statutory dues, including goods and services tax, provident fund, employees' state insurance, duty of customs and other material statutory dues, as applicable, with the appropriate authorities. Also, refer Note 31(A)(iv) to the financial statements regarding management's assessment on certain matters relating to provident fund.

(Note 31(A)(iv) referred above has been reproduced as Note 31(A)(iv) to the Restated Financial Information in Annexure V)

**Clause (vii)(b) of CARO 2020 Order:**

According to the information and explanations given to us and the records of the Company examined by us, there are no statutory dues of employees' state insurance which have not been deposited on account of any dispute. The particulars of other statutory dues referred to in sub-clause (a) as at March 31, 2023 which have not been deposited on account of a dispute, are as follows:

Name of the Statute	Nature of Dues	Amount (Rs. in Millions)	Amount deposited (Rs. in Millions)	Amount not paid (Rs. in Millions)	Period to which amount relates	Forum where dispute is pending
The Customs Act, 1962	Customs Duty	0.02	-	0.02	2003-04	Commissioner of Customs Indira Gandhi International Airport, New Delhi
The Customs Act, 1962	Customs Duty	0.61	-	0.61	2001-02	Commissioner of Customs Indira Gandhi International Airport, New Delhi
The Customs Act, 1962	Customs Duty	0.80	-	0.80	2006-07	High Court of Bombay
The Customs Act, 1962	Customs Duty	3.56	-	3.56	1998-99	Custom Excise & Service Tax Appellate Tribunal, Delhi Bench
The Customs Act, 1962	Customs Duty	6.99	0.20	6.79	2018-19	Commissioner of Customs Indira Gandhi International Airport, New Delhi
The Customs Act, 1962	Customs Duty	9.46	0.65	8.81	2018-19	Custom Excise & Service Tax Appellate Tribunal, Delhi
The Customs Act, 1962	Customs Duty	11.86	0.30	11.56	2006-07	Custom Excise & Service Tax Appellate Tribunal, Delhi
The Customs Act, 1962	Customs Duty	69.76	7.63	62.13	2020-21	Custom Excise & Service Tax Appellate Tribunal, Mumbai
The Tamil Nadu Goods and Services Act, 2017	Goods and Services Tax	113.03	-	113.03	2018-19	Joint Commissioner (Appeals)
The Tamil Nadu Goods and Services Act, 2017	Goods and Services Tax	109.41	-	109.41	2019-20	Joint Commissioner (Appeals)
The Income Tax Act, 1961	Income Tax	0.57	-	0.57	2000-01	Commissioner of Income Tax (Appeals)
The Income Tax Act, 1961	Income Tax	21.57	4.31	17.26	2004-05	Commissioner of Income Tax (Appeals)
The Income Tax Act, 1961	Income Tax	40.34	8.07	32.27	2005-06	Commissioner of Income Tax (Appeals)
The Income Tax Act, 1961	Income Tax	48.18	-	48.18	2006-07	Commissioner of Income Tax (Appeals)
The Income Tax Act, 1961	Income Tax	54.47	54.47	-	2007-08	Income Tax Appellate Tribunal
The Income Tax Act, 1961	Income Tax	69.52	-	69.52	2008-09	Commissioner of Income Tax (Appeals)
The Income Tax Act, 1961	Income Tax	71.46	-	71.46	2007-08	Commissioner of Income Tax (Appeals)
The Income Tax Act, 1961	Income Tax	83.73	-	83.73	2005-06	Commissioner of Income Tax (Appeals)

Name of the Statute	Nature of Dues	Amount (Rs. In Millions)	Amount deposited (Rs. in Millions)	Amount not paid (Rs. in Millions)	Period to which amount relates	Forum where dispute is pending
The Income Tax Act, 1961	Income Tax	101.00	101.00	-	2001-02	High Court, Allahabad
The Income Tax Act, 1961	Income Tax	149.90	135.41	14.49	2003-04	High Court, Allahabad
The Income Tax Act, 1961	Income Tax	172.43	126.33	46.10	2002-03	High Court, Allahabad
The Income Tax Act, 1961	Income Tax	225.90	45.18	180.72	2009-10	Commissioner of Income Tax (Appeals)
The Income Tax Act, 1961	Income Tax	320.01	3.34	316.66	2006-07	Income Tax Appellate Tribunal
The Income Tax Act, 1961	Income Tax	490.86	0.11	490.75	2017-18	Income Tax Appellate Tribunal
The Income Tax Act, 1961	Income Tax	623.40	254.50	368.89	2005-06	High Court, Allahabad
The Income Tax Act, 1961	Withholding Tax	274.44	-	274.44	2014-15 to 2018-19	Commissioner of Income Tax (Appeals)
The Income Tax Act, 1961	Income Tax	624.84	241.12	383.71	2004-05	High Court, Allahabad
The Income Tax Act, 1961	Withholding Tax	146.19	-	146.19	2011-12 to 2013-14	Commissioner of Income Tax (Appeals)
The Income Tax Act, 1961	Withholding Tax	93.58	221.61	-	2004-05 to 2009-10	Income Tax Appellate Tribunal
The Income Tax Act, 1961	Income Tax	669.18	363.19	305.99	2007-08	High Court, Allahabad
The Income Tax Act, 1961	Income Tax	696.72	380.30	316.41	2006-07	High Court, Allahabad
The Income Tax Act, 1961	Income Tax	775.38	310.51	464.87	2008-09	High Court, Allahabad
The Income Tax Act, 1961	Income Tax	1,350.33	184.05	1,166.28	2010-11	Income Tax Appellate Tribunal
The Income Tax Act, 1961	Income Tax	1,433.71	41.41	1,392.30	2016-17	Income Tax Appellate Tribunal
The Income Tax Act, 1961	Withholding Tax	30.07	30.07	-	2010-11	Income Tax Appellate Tribunal
The Income Tax Act, 1961	Income Tax	1,573.38	100.00	1,473.38	2012-13	Income Tax Appellate Tribunal
The Income Tax Act, 1961	Income Tax	1,510.33	-	1,510.33	2015-16	High Court, Delhi
The Income Tax Act, 1961	Income Tax	1,624.09	100.00	1,524.09	2011-12	Income Tax Appellate Tribunal
The Income Tax Act, 1961	Income Tax	1,748.19	60.00	1,688.19	2014-15	Income Tax Appellate Tribunal
The Income Tax Act, 1961	Income Tax	2,017.36	150.00	1,867.36	2013-14	Income Tax Appellate Tribunal
The Income Tax Act, 1961	Income Tax	633.94	583.59	50.35	2009-10	High Court, Allahabad
The Legal Metrology Act, 2009	Legal Metrology	0.15	-	0.15	2015-16	Patiala House Court
The Provident Fund and Miscellaneous Provisions Act, 1952	Provident Fund	36.55	9.03	27.52	August'12-March'15	High Court, Mumbai
The Finance Act, 1994	Service Tax	2.25	0.09	2.16	Apr'07 ~ Apr'13	Custom Excise & Service Tax Appellate Tribunal
The Finance Act, 1994	Service Tax	3.24	-	3.24	Aug'16~Jun'17	Commissioner (Appeals)
The Finance Act, 1994	Service Tax	5.88	-	5.88	Apr'15~Jun'15	Custom Excise & Service Tax Appellate Tribunal
The Finance Act, 1994	Service Tax	6.14	0.31	5.83	Apr'10-Mar'11	Custom Excise & Service Tax Appellate Tribunal
The Finance Act, 1994	Service Tax	7.30	-	7.30	Oct'15-Jul'16	Custom Excise & Service Tax Appellate Tribunal
The Finance Act, 1994	Service Tax	10.13	5.06	5.07	Jul'12- Dec'15	Custom Excise & Service Tax Appellate Tribunal
The Finance Act, 1994	Service Tax	15.84	1.44	14.40	Apr'16~Jun'17	Custom Excise & Service Tax Appellate Tribunal
The Finance Act, 1994	Service Tax	17.55	-	17.55	April'12-Dec'15	Custom Excise & Service Tax Appellate Tribunal
The Finance Act, 1994	Service Tax	48.91	1.85	47.06	Apr'15~Dec'15	Custom Excise & Service Tax Appellate Tribunal
The Finance Act, 1994	Service Tax	58.26	2.19	56.07	Jul'15~Mar'16	Custom Excise & Service Tax Appellate Tribunal
The Finance Act, 1994	Service Tax	59.21	-	59.21	Apr'12- Sep'15 and Apr'11- Jan'13	Custom Excise & Service Tax Appellate Tribunal
The Finance Act, 1994	Service Tax	68.74	2.71	66.03	Jan'16~June'17	Custom Excise & Service Tax Appellate Tribunal
The Finance Act, 1994	Service Tax	92.06	3.45	88.61	Jul'11~Mar'16	Custom Excise & Service Tax Appellate Tribunal
The Finance Act, 1994	Service Tax	112.26	3.70	108.56	Aug'02-Mar'06	Custom Excise & Service Tax Appellate Tribunal
The Finance Act, 1994	Service Tax	114.92	3.52	111.40	Apr'12~Dec'15	Custom Excise & Service Tax Appellate Tribunal



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All amounts are in INR Millions, unless otherwise stated

Name of the Statute	Nature of Dues	Amount (Rs. In Millions)	Amount deposited (Rs. in Millions)	Amount not paid (Rs. in Millions)	Period to which amount relates	Forum where dispute is pending
The Finance Act, 1994	Service Tax	120.24	4.76	115.48	Apr'11~Mar'15	Custom Excise & Service Tax Appellate Tribunal
The Finance Act, 1994	Service Tax	157.74	5.93	151.81	Sep'04-Mar'08	Custom Excise & Service Tax Appellate Tribunal
The Finance Act, 1994	Service Tax	196.96	7.38	189.58	Jun'10~Mar'15	Custom Excise & Service Tax Appellate Tribunal
The Finance Act, 1994	Service Tax	1,042.60	-	1,042.60	April 2006 to October 2010	High Court Allahabad, Uttar Pradesh
The Andhra Pradesh Value Added Tax Act, 2005	VAT/ Sales tax	0.43	0.39	0.04	2015-16	Sales Tax Tribunal
The Bihar Finance Act, 1961	VAT/ Sales tax	5.43	5.43	-	2002-03	Commissioner (Appeals)
The Bihar Value Added Tax Act, 2005	VAT/ Sales tax	12.18	4.26	7.92	2012-13	Commissioner (Appeals)
The Bihar Value Added Tax Act, 2005	VAT/ Sales tax	11.33	3.32	8.01	2008-09	High Court, Bihar
The Bihar Value Added Tax Act, 2005	VAT/ Sales tax	5.57	5.57	-	2011-12	Sales Tax Tribunal
The Bihar Value Added Tax Act, 2005	VAT/ Sales tax	2.45	-	2.45	2017-18	Commissioner (Appeals)
The Bihar Value Added Tax Act, 2005	VAT/ Sales tax	1.05	1.24	-	2007-08	Commissioner (Appeals)
The Bihar Value Added Tax Act, 2005	VAT/ Sales tax	0.58	0.10	0.48	2013-14	Sales Tax Tribunal
The Bihar Value Added Tax Act, 2005	VAT/ Sales tax	0.31	-	0.31	2015-16	Commissioner (Appeals)
The Chattisgarh Value Added Tax Act, 2005	VAT/ Sales tax	0.12	0.15	-	2016-17	Commissioner (Appeals)
The Delhi Value Added Tax Act, 2004	VAT/ Sales tax	25.72	-	25.72	2017-18	Commissioner (Appeals)
The Delhi Value Added Tax Act, 2004	VAT/ Sales tax	0.25	0.04	0.21	Apr'15-Dec'15	Commissioner (Appeals)
The Gujarat Value Added Tax Act, 2003	VAT/ Sales tax	4.78	3.29	1.49	2006-07	Sales tax Tribunal
The Gujarat Value Added Tax Act, 2003	VAT/ Sales tax	0.38	0.23	0.15	2012-13	Sales Tax Tribunal
The Jharkhand Value Added Tax Act, 2005	VAT/ Sales tax	8.18	1.64	6.54	2010-11	Commissioner (Appeals)
The Jharkhand Value Added Tax Act, 2005	VAT/ Sales tax	2.25	-	2.25	2009-10	Commissioner (Appeals)
The Jharkhand Value Added Tax Act, 2005	VAT/ Sales tax	1.74	-	1.74	2015-16	Commissioner (Appeals)
The Jharkhand Value Added Tax Act, 2005	VAT/ Sales tax	0.49	0.49	-	2013-14	Commissioner (Appeals)
The Karnataka Value Added Tax Act, 2003	VAT/ Sales tax	4.17	1.25	2.92	2014-15	Sales Tax Tribunal
The Karnataka Value Added Tax Act, 2003	VAT/ Sales tax	3.94	1.02	2.92	2011-12	High Court, Karnataka
The Karnataka Value Added Tax Act, 2003	VAT/ Sales tax	3.33	1.58	1.75	2012-13	High Court, Karnataka
The Karnataka Value Added Tax Act, 2003	VAT/ Sales tax	3.10	1.22	1.88	2013-14	High Court, Karnataka
The Kerala Value Added Tax Act, 2003	VAT/ Sales tax	62.89	-	62.89	2009-10	High Court, Kerala
The Kerala Value Added Tax Act, 2003	VAT/ Sales tax	55.04	4.03	51.01	2015-16	Commissioner (Appeals)
The Kerala Value Added Tax Act, 2003	VAT/ Sales tax	44.99	1.93	43.06	2010-11	High Court, Kerala
The Kerala Value Added Tax Act, 2003	VAT/ Sales tax	25.31	-	25.31	2016-17	High Court, Kerala
The Kerala Value Added Tax Act, 2003	VAT/ Sales tax	25.26	5.91	19.35	2006-07	High Court, Kerala
The Kerala Value Added Tax Act, 2003	VAT/ Sales tax	9.26	0.79	8.47	2013-14	High Court, Kerala
The Kerala Value Added Tax Act, 2003	VAT/ Sales tax	4.13	1.25	2.88	2012-13	High Court, Kerala
The Kerala Value Added Tax Act, 2003	VAT/ Sales tax	3.73	-	3.73	2017-18	High Court, Kerala
The Kerala Value Added Tax Act, 2003	VAT/ Sales tax	3.44	7.00	-	2007-08	Commissioner (Appeals)

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Name of the Statute	Nature of Dues	Amount (Rs. In Millions)	Amount deposited (Rs. in Millions)	Amount not paid (Rs. in Millions)	Period to which amount relates	Forum where dispute is pending
The Kerala Value Added Tax Act, 2003	VAT/ Sales tax	2.49	4.10	-	2011-12	High Court, Kerala
The Kerala Value Added Tax Act, 2003	VAT/ Sales tax	1.63	0.54	1.09	2008-09	Sales Tax Tribunal
The Kerala Value Added Tax Act, 2003	VAT/ Sales tax	0.90	-	0.90	2008-09	High Court, Kerala
The Kerala Value Added Tax Act, 2003	VAT/ Sales tax	0.64	0.19	0.45	2011-12	Sales Tax Tribunal
The Kerala Value Added Tax Act, 2003	VAT/ Sales tax	0.19	0.06	0.13	2012-13	Sales Tax Tribunal
The Madhya Pradesh Vanijiyik Kar Adhiniyam, 1994	VAT/ Sales tax	4.51	2.51	2.00	2001-02	High Court, Madhya Pradesh
The Madhya Pradesh Vanijiyik Kar Adhiniyam, 1994	VAT/ Sales tax	1.23	1.23	-	1998-99	High Court, Madhya Pradesh
The Maharashtra Value Added Tax Act, 2002	VAT/ Sales tax	5.45	-	5.45	2006-07	High Court, Mumbai
The Orissa Entry Tax Act, 1999	VAT/ Sales tax	7.03	5.50	1.53	2003-04	High Court, Orissa
The Orissa Entry Tax Act, 1999	VAT/ Sales tax	1.89	0.60	1.29	2002-03	Sales Tax Tribunal
The Orissa Value Added Tax Act, 2004	VAT/ Sales tax	2.49	0.33	2.16	2008-09	Commissioner (Appeals)
The Orissa Value Added Tax Act, 2004	VAT/ Sales tax	1.26	0.15	1.11	2007-08	Sales Tax Tribunal
The Rajasthan Entry Tax Act, 1999	VAT/ Sales tax	20.67	-	20.67	2017-18	Commissioner (Appeals)
The Rajasthan Entry Tax Act, 1999	VAT/ Sales tax	3.78	1.44	2.34	April 2008 to March 2013	Sales Tax Tribunal
The Rajasthan Entry Tax Act, 1999	VAT/ Sales tax	3.26	3.26	-	2011-12	High Court, Rajasthan
The Rajasthan Entry Tax Act, 1999	VAT/ Sales tax	2.97	4.66	-	2014-15	Sales Tax Tribunal
The Rajasthan Entry Tax Act, 1999	VAT/ Sales tax	1.12	1.60	-	2013-14	Sales Tax Tribunal
The Rajasthan Entry Tax Act, 1999	VAT/ Sales tax	0.38	0.38	-	2012-13	Sales Tax Tribunal
The Rajasthan Entry Tax Act, 1999	VAT/ Sales tax	0.25	0.23	0.02	2010-11	Sales Tax Tribunal
The Rajasthan Value Added Tax Act, 2003	VAT/ Sales tax	102.46	-	102.46	Apr'08-Mar'10	High Court, Rajasthan
The Rajasthan Value Added Tax Act, 2003	VAT/ Sales tax	26.68	1.24	25.44	2010-11	Sales Tax Tribunal
The Rajasthan Value Added Tax Act, 2003	VAT/ Sales tax	7.56	7.59	-	Apr'09 -Mar'13	High Court, Rajasthan
The Rajasthan Value Added Tax Act, 2003	VAT/ Sales tax	0.93	-	0.93	2015-16	Commissioner (Appeals)
The Tamil Nadu Value Added Tax Act, 2006	VAT/ Sales tax	2.94	3.11	-	2007-08	Sales Tax Tribunal
The Tamil Nadu Value Added Tax Act, 2006	VAT/ Sales tax	1.66	2.29	-	2011-12	Sales Tax Tribunal
The Telangana Value Added Tax Act, 2005	VAT/ Sales tax	100.16	23.90	76.26	2012-13 to 2013-14	Telangana High Court
The Uttar Pradesh Trade Tax Act, 1948	VAT/ Sales tax	166.97	-	166.97	1997-98	High Court, Allahabad
The Uttar Pradesh Trade Tax Act, 1948	VAT/ Sales tax	1.93	-	1.93	2003-04	Sales Tax Tribunal
The Uttar Pradesh Value Added Tax Act, 2008	VAT/ Sales tax	4.63	5.14	-	Apr'17-Jun'17	Commissioner (Appeals)
The Uttar Pradesh Value Added Tax Act, 2008	VAT/ Sales tax	2.01	1.64	0.37	2010-11	Sales Tax Tribunal
The Uttar Pradesh Value Added Tax Act, 2008	VAT/ Sales tax	0.85	0.85	-	2008-09	Sales Tax Tribunal
The Uttar Pradesh Value Added Tax Act, 2008	VAT/ Sales tax	0.38	0.31	0.07	2015-16	Sales Tax Tribunal
The Uttarakhand Value Added Tax Act, 2005	VAT/ Sales tax	0.16	0.17	-	2013-14	Commissioner (Appeals)
The West Bengal Sales Tax Act, 1994	VAT/ Sales tax	98.78	15.00	83.78	2011-12	Sales Tax Tribunal
The West Bengal Sales Tax Act, 1994	VAT/ Sales tax	10.69	-	10.69	2001-02	Sales Tax Tribunal
The West Bengal Sales Tax Act, 1994	VAT/ Sales tax	7.94	0.79	7.15	2016-17	Commissioner (Appeals)
The West Bengal Sales Tax Act, 1994	VAT/ Sales tax	0.51	-	0.51	2009-10	Commissioner (Appeals)

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Year ended March 31, 2022:

**Clause (vii)(a) of CARO 2020 Order:**

According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues in respect of provident fund, and is regular in depositing undisputed statutory dues, including employees' state insurance, income tax, service tax, duty of customs, sales tax, duty of excise, value added tax, goods and services tax, cess and other material statutory dues, as applicable, with the appropriate authorities. Also, refer Note 31(A)(v) to the financial statements regarding management's assessment on certain matters relating to provident fund.

(Note 31(A)(iv) referred above has been reproduced as Note 31(A)(iv) to the Restated Financial Information in Annexure V)

**Clause (vii)(b) of CARO 2020 Order:**

According to the information and explanations given to us and the records of the Company examined by us, the particulars of statutory dues referred to in sub-clause (a) as at March 31, 2022 which have not been deposited on account of a dispute, are as follows:

Name of the Statute	Nature of Dues	Amount (Rs. In Millions)#	Amount deposited (Rs. in Millions)	Amount not paid (Rs. in Millions)	Period to which amount relates	Forum where dispute is pending
The Central Excise Act, 1944	Central Excise	2,285.32	81.09	2,204.23	December 1998 to January 2004	Custom Excise & Service Tax Appellate Tribunal
The Customs Act, 1962	Customs Duty	0.61	-	0.61	2001-02	Commissioner of Customs Indira Gandhi International Airport, New Delhi
The Customs Act, 1962	Customs Duty	15.41	-	15.41	2004-05 and 2006-07	Custom Excise & Service Tax Appellate Tribunal
The Customs Act, 1962	Customs Duty	0.02	-	0.02	2003-04	Commissioner of Customs Indira Gandhi International Airport, New Delhi
The Customs Act, 1962	Customs Duty	9.46	0.65	8.81	Mar-19	Custom Excise & Service Tax Appellate Tribunal
The Customs Act, 1962	Customs Duty	6.99	-	6.99	April 01, 2018 to October 18, 2018	Commissioner of Customs IGI, Delhi
The Customs Act, 1962	Customs Duty	0.80	-	0.80	September 2006	Bombay High Court
The Customs Act, 1962	Customs Duty	69.76	-	69.76	2020-21	Custom Excise & Service Tax Appellate Tribunal, Mumbai
Income Tax Act, 1961	Income Tax	0.57	-	0.57	2000-01	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax	101.00	101.00	-	2001-02	High Court, Allahabad
Income Tax Act, 1961*	Income Tax	172.43	126.33	46.10	2002-03	High Court, Allahabad
Income Tax Act, 1961*	Income Tax	149.90	135.41	14.49	2003-04	High Court, Allahabad
Income Tax Act, 1961*	Income Tax	624.84	241.12	383.72	2004-05	High Court, Delhi
Income Tax Act, 1961*	Income Tax	623.40	254.50	368.90	2005-06	High Court, Delhi
Income Tax Act, 1961	Income Tax	83.73	-	83.73	2005-06	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961*	Income Tax	696.72	380.30	316.42	2006-07	High Court, Allahabad
Income Tax Act, 1961	Income Tax	48.18	-	48.18	2006-07	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax	669.18	363.19	305.99	2007-08	High Court, Delhi
Income Tax Act, 1961	Income Tax	71.46	-	71.46	2007-08	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax	775.38	310.51	464.87	2008-09	High Court, Delhi
Income Tax Act, 1961	Income Tax	69.52	-	69.52	2008-09	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax	7,783.36	580.15	7,203.21	2009-10	Income Tax Appellate Tribunal
Income Tax Act, 1961*	Income Tax	1,350.33	184.05	1,166.28	2010-11	Income Tax Appellate Tribunal
Income Tax Act, 1961	Income Tax	320.01	51.74	268.27	2006-07	Income Tax Appellate Tribunal
Income Tax Act, 1961	Income Tax	1,624.09	100.00	1,524.09	2011-12	Income Tax Appellate Tribunal
Income Tax Act, 1961	Income Tax	225.90	45.18	180.72	2009-10 (Revision)	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax	1,573.38	100.00	1,473.38	2012-13	Income Tax Appellate Tribunal

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Name of the Statute	Nature of Dues	Amount (Rs. In Millions)#	Amount deposited (Rs. in Millions)	Amount not paid (Rs. in Millions)	Period to which amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	47.61	-	47.61	2010-11	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax	21.57	-	21.57	2004-05	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax	40.34	-	40.34	2005-06	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax	2,017.36	150.00	1,867.36	2013-14	Income Tax Appellate Tribunal
Income Tax Act, 1961	Income Tax	1,748.19	60.00	1,688.19	2014-15	Income Tax Appellate Tribunal
Income Tax Act, 1961	Income Tax	1,510.13	-	1,510.13	2015-16	High Court, Delhi
Legal Metrology Act, 2009	Metrology Demand	0.15	-	0.15	2014-2015	Patiala House Court
Legal Metrology Act, 2009	Metrology Demand	0.15	-	0.15	2015-16	Patiala House Court
Legal Metrology Act, 2009	Metrology Demand	0.15	-	0.15	2015-16	District Court, Gautam Budh Nagar
Provident Fund and Miscellaneous Provisions Act, 1952	Provident Fund	36.55	9.03	27.52	August 2012-March 2015	Bombay High Court
Finance Act, 1994	Service Tax	1,042.60	-	1,042.60	April 2006 to October 2010	High Court Allahabad, Uttar Pradesh
Finance Act, 1994	Service Tax	18.00	-	18.00	April 2012 to December 2015	Custom Excise & Service Tax Appellate Tribunal
Finance Act, 1994	Service Tax	158.00	6.00	152.00	September 2004 to March 2008	Custom Excise & Service Tax Appellate Tribunal
Finance Act, 1994	Service Tax	112.26	3.70	108.56	August 2002 to March 2006	Custom Excise & Service Tax Appellate Tribunal
Finance Act, 1994	Service Tax	6.14	0.31	5.83	April 2010 to March 2011	Custom Excise & Service Tax Appellate Tribunal
Finance Act, 1994	Service Tax	59.21	-	59.21	April 2012 to September 2015 and April 2011 to January 2013	Custom Excise & Service Tax Appellate Tribunal
Finance Act, 1994	Service Tax	10.13	5.06	5.07	July 2012 to December 2015	Custom Excise & Service Tax Appellate Tribunal
Finance Act, 1994	Service Tax	7.30	-	7.30	October 2015 to July 2016	Custom Excise & Service Tax Appellate Tribunal
Finance Act, 1994	Service Tax	196.96	7.38	189.58	June 2010 to March 2015	Custom Excise & Service Tax Appellate Tribunal
Finance Act, 1994	Service Tax	48.91	1.85	47.06	April 2015 to December 2015	Custom Excise & Service Tax Appellate Tribunal
Finance Act, 1994	Service Tax	112.00	3.52	108.48	April 2012 to December 2015	Custom Excise & Service Tax Appellate Tribunal
Finance Act, 1994	Service Tax	64.00	2.71	61.29	January 2016 to June 2017	Custom Excise & Service Tax Appellate Tribunal
Finance Act, 1994	Service Tax	120.24	4.76	115.48	April 2011 to March 2015	Custom Excise & Service Tax Appellate Tribunal
Finance Act, 1994	Service Tax	5.88	-	5.88	April 2015 to June 2015	Custom Excise & Service Tax Appellate Tribunal
Finance Act, 1994	Service Tax	58.26	2.19	56.07	July 2015 to March 2016	Custom Excise & Service Tax Appellate Tribunal
Finance Act, 1994	Service Tax	2.25	0.09	2.16	April 2007 to April 2013	Custom Excise & Service Tax Appellate Tribunal
Finance Act, 1994	Service Tax	3.24	-	3.24	August 2016 to June 2017	Commissioner (Appeals)
Finance Act, 1994	Service Tax	92.06	3.45	88.61	July 2011 to March 2016	Custom Excise & Service Tax Appellate Tribunal
Finance Act, 1994	Service Tax	15.84	1.44	14.40	April 2016 to June 2017	Commissioner (Appeals)
UP Trade Tax Act, 1948	VAT/ Sales tax	166.97	-	166.97	1997-98	High Court Allahabad, Uttar Pradesh
Orissa Entry Tax Act, 1999	VAT/ Sales tax	7.03	5.50	1.53	2003-04	High Court, Orissa
West Bengal Sales Tax Act, 1994	VAT/ Sales tax	10.69	-	10.69	2000-01	Sales Tax Tribunal
Kerala VAT Act, 2003	VAT/ Sales tax	25.26	5.91	19.35	2006-07	High Court, Kerala
Madhya Pradesh Vanijyik Kar Adhinyam, 1994	VAT/ Sales tax	4.51	2.51	2.00	2001-02	High Court, Madhya Pradesh
Madhya Pradesh Vanijyik Kar Adhinyam, 1994	VAT/ Sales tax	1.23	1.23	-	1998-99	Madhya Pradesh High Court
Orissa Entry Tax Act, 1999	VAT/ Sales tax	1.89	0.60	1.29	2002-03	Sales Tax Tribunal
Rajasthan Entry Tax Act, 1999	VAT/ Sales tax	3.78	1.44	2.34	April 2008 to March 2013	Sales Tax Tribunal

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Name of the Statute	Nature of Dues	Amount (Rs. In Millions)	Amount deposited (Rs. in Millions)	Amount not paid (Rs. in Millions)	Period to which amount relates	Forum where dispute is pending
Bihar Finance Act, 1961	VAT/ Sales tax	5.43	5.43	-	2002-03	Commissioner (Appeals)
Gujrat VAT Act, 2003	VAT/ Sales tax	4.78	3.29	1.49	2006-07	Sales tax Tribunal
UP Trade Tax Act, 1948	VAT/ Sales tax	1.93	-	1.93	2003-04	High Court Allahabad, Uttar Pradesh
Kerala VAT Act, 2003	VAT/ Sales tax	3.44	7.00	-	2007-08	Commissioner (Appeals)
Kerala VAT Act, 2003	VAT/ Sales tax	1.63	0.54	1.09	2008-09	Sales Tax Tribunal
Tamil Nadu VAT Act, 2006	VAT/ Sales tax	2.94	3.11	-	2007-08	Sales Tax Tribunal
Bihar VAT Act, 2005	VAT/ Sales tax	11.33	3.32	8.01	2008-09	Sales Tax Tribunal
Jharkhand VAT Act, 2005	VAT/ Sales tax	2.25	-	2.25	2009-10	Commissioner (Appeals)
UP VAT Act, 2008	VAT/ Sales tax	2.01	1.64	0.37	2010-11	Sales Tax Tribunal
Tamil Nadu VAT Act, 2006	VAT/ Sales tax	1.66	2.29	-	2011-12	Sales Tax Tribunal
West Bengal Sales Tax Act, 1994	VAT/ Sales tax	98.78	15.00	83.78	2011-12	Sales Tax Tribunal
Bihar VAT Act, 2005	VAT/ Sales tax	5.57	5.57	-	2011-12	Sales Tax Tribunal
Rajasthan VAT Act, 2003	VAT/ Sales tax	102.46	-	102.46	April 2008 to March 2010	Rajasthan High Court
Rajasthan VAT Act, 2003	VAT/ Sales tax	7.56	7.59	-	April 2009 to March 2013	Rajasthan High Court
UP VAT Act, 2008	VAT/ Sales tax	1.65	1.49	0.16	2011-12	Commissioner (Appeals)
Orissa VAT Act, 2004	VAT/ Sales tax	2.49	0.33	2.16	2008-09	Commissioner (Appeals)
West Bengal Sales Tax Act, 1994	VAT/ Sales tax	0.51	-	0.51	2009-10	Commissioner (Appeals)
Orissa VAT Act, 2004	VAT/ Sales tax	1.26	0.15	1.11	2007-08	Sales Tax Tribunal
Rajasthan Entry Tax Act, 1999	VAT/ Sales tax	0.25	0.23	0.02	2010-11	Sales Tax Tribunal
Delhi VAT Act, 2004	VAT/ Sales tax	0.25	0.04	0.21	April 2015 to December 2015	Commissioner (Appeals)
Rajasthan VAT Act, 2003	VAT/ Sales tax	26.68	1.24	25.44	2010-11	Sales Tax Tribunal
UP VAT Act, 2008	VAT/ Sales tax	2.41	3.09	-	2012-13	Sales Tax Tribunal
Rajasthan Entry Tax Act, 1999	VAT/ Sales tax	20.67	-	20.67	2017-18	Sales Tax Tribunal
Kerala VAT Act, 2003	VAT/ Sales tax	55.04	4.03	51.01	2015-16	Commissioner (Appeals)
UP VAT Act, 2008	VAT/ Sales tax	6.02	0.16	5.86	April 2017 to June 2017	Commissioner (Appeals)
Kerala VAT Act, 2003	VAT/ Sales tax	25.31	-	25.31	2016-17	High Court, Kerala
Kerala VAT Act, 2003	VAT/ Sales tax	3.73	-	3.73	2017-18	High Court, Kerala
Delhi VAT Act, 2004	VAT/ Sales tax	25.72	-	25.72	2017-18	Commissioner (Appeals)
Chattisgarh VAT Act, 2003	VAT/ Sales tax	1.48	0.15	1.33	2016-17	Commissioner (Appeals)
Maharashtra VAT Act, 2002	VAT/ Sales tax	5.45	-	5.45	2006-07	Bombay High Court
Rajasthan Entry Tax Act, 1999	VAT/ Sales tax	3.26	3.26	-	2011-12	Rajasthan High Court
Karnataka VAT Act, 2003	VAT/ Sales tax	3.33	1.58	1.75	2012-13	Sales Tax Tribunal
Karnataka VAT Act, 2003	VAT/ Sales tax	3.10	1.22	1.88	2013-14	Sales Tax Tribunal
West Bengal Sales Tax Act, 1994	VAT/ Sales tax	4.88	0.52	4.36	2013-14	Commissioner (Appeals)
Jharkhand VAT Act, 2005	VAT/ Sales tax	8.18	1.64	6.54	2010-11	Commissioner (Appeals)
Rajasthan Entry Tax Act, 1999	VAT/ Sales tax	0.38	0.38	-	2012-13	Sales Tax Tribunal
Jharkhand VAT Act, 2005	VAT/ Sales tax	1.74	-	1.74	2015-16	Commissioner (Appeals)
Kerala VAT Act, 2003	VAT/ Sales tax	62.89	-	62.89	2009-10	High Court, Kerala
Bihar VAT Act, 2005	VAT/ Sales tax	0.58	0.10	0.48	2013-14	Sales Tax Tribunal
Rajasthan Entry Tax Act, 1999	VAT/ Sales tax	1.12	1.60	-	2013-14	Sales Tax Tribunal
Rajasthan Entry Tax Act, 1999	VAT/ Sales tax	2.97	4.66	-	2014-15	Sales Tax Tribunal
Kerala VAT Act, 2003	VAT/ Sales tax	44.99	1.93	43.06	2010-11	Kerala High Court and Sales Tax Tribunal
Kerala VAT Act, 2003	VAT/ Sales tax	2.49	4.10	-	2011-12	High Court, Kerala
Kerala VAT Act, 2003	VAT/ Sales tax	4.13	1.25	2.88	2012-13	High Court, Kerala
UP VAT Act, 2008	VAT/ Sales tax	6.24	5.06	1.18	2013-14	Commissioner (Appeals)
Gujrat VAT Act, 2003	VAT/ Sales tax	0.38	0.23	0.15	2012-13	Sales Tax Tribunal
Kerala VAT Act, 2003	VAT/ Sales tax	9.26	0.79	8.47	2013-14	High Court, Kerala
Kerala VAT Act, 2003	VAT/ Sales tax	0.90	-	0.90	2008-09	High Court, Kerala
AP VAT Act, 2005	VAT/ Sales tax	0.43	0.39	0.04	2015-16	Sales Tax Tribunal
TSVAT Act 2005	VAT/ Sales tax	100.16	23.90	76.26	2012-13 to 2013-14	Telangana High Court
Rajasthan VAT Act, 2003	VAT/ Sales tax	0.93	-	0.93	2015-16	Assessing officer

LG Electronics India Limited (formerly known as LG Electronics India Private Limited)

CIN: U32107DL1997PLC220109

Annexure VI - Statement of Adjustments to the Audited Special Purpose Interim Financial Statements as at and for the three months period ended June 30, 2024 and Audited Financial Statements as at and for the years ended March 31, 2024, March 31, 2023 and March 31, 2022

All amounts are in INR Millions, unless otherwise stated

Name of the Statute	Nature of Dues	Amount (Rs. In Millions)	Amount deposited (Rs. in Millions)	Amount not paid (Rs. in Millions)	Period to which amount relates	Forum where dispute is pending
Karnataka VAT Act, 2003	VAT/ Sales tax	3.94	1.02	2.92	2011-12	Sales Tax Tribunal
Kerala VAT Act, 2003	VAT/ Sales tax	0.64	0.19	0.45	2011-12	Sales Tax Tribunal
Kerala VAT Act, 2003	VAT/ Sales tax	0.19	0.06	0.13	2012-13	Sales Tax Tribunal
UP VAT Act, 2008	VAT/ Sales tax	0.85	0.85	-	2008-09	Sales Tax Tribunal
UP VAT Act, 2008	VAT/ Sales tax	0.38	0.38	-	2015-16	Commissioner (Appeals)
Uttarakhand VAT Act, 2005	VAT/ Sales tax	0.16	0.17	-	2013-14	Commissioner (Appeals)
Bihar VAT Act, 2005	VAT/ Sales tax	1.05	1.24	-	2007-08	Commissioner (Appeals)
Jharkhand VAT Act, 2005	VAT/ Sales tax	0.49	0.49	-	2013-14	Commissioner (Appeals)
West Bengal Sales Tax Act, 1994	VAT/ Sales tax	7.94	0.79	7.15	2016-17	Commissioner (Appeals)
Karnataka VAT Act, 2003	VAT/ Sales tax	4.17	1.25	2.92	2014-15	Sales Tax Tribunal
Income Tax Act, 1961	Withholding Tax	93.58	221.61	-	2004-05 to 2009-10	Income Tax Appellate Tribunal
Income Tax Act, 1961	Withholding Tax	30.07	30.07	-	2010-11	Income Tax Appellate Tribunal
Income Tax Act, 1961	Withholding Tax	146.19	-	146.19	2011-12 to 2013-14	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Withholding Tax	274.44	-	274.44	2014-15 to 2018-19	Commissioner of Income Tax (Appeals)

#Amount as per demand orders including interest and penalty, wherever applicable.

\* Amount not deposited relates to matters decided in favour of the Company and appeal has been filed by the Department in higher forums.

For Price Waterhouse Chartered Accountants LLP  
Firm Registration No: 012754N/N500016

For and on behalf of the Board of Directors  
of LG Electronics India Limited  
(formerly known as LG Electronics India Private Limited)

Anurag Khandelwal  
Partner  
Membership No: 078571

Hong Ju Jeon  
Managing Director  
DIN. : 10041232

Dong Myung Seo  
Whole Time Director and  
Chief Financial Officer  
DIN. : 09481866

Atul Khanna  
Chief Accounting Officer

Anuj Goyal  
Company Secretary and  
Compliance Officer  
Membership No : A23761

Suresh Kumar Jhanwar  
General Manager, Accounting

Place : Gurugram  
Date : December 04, 2024

Place : Noida  
Date : December 04, 2024

## OTHER FINANCIAL INFORMATION

The audited financial statements of our Company as at and for the Financial Years ended March 31, 2024, March 31, 2023, and March 31, 2022, together with all annexures, schedules and notes thereto (“**Audited Financial Statements**”) are available on our website at <https://www.lg.com/in/investorrelations/standalone-audited-financials>. Our Company is providing a link to this website solely to comply with the requirements specified in the SEBI ICDR Regulations. The Audited Financial Statements or any other information on such website does not constitute, (i) a part of this Draft Red Herring Prospectus; or (ii) a prospectus, a statement in lieu of a prospectus, an offering circular, an offering memorandum, an advertisement, an offer or a solicitation of any offer or an offer document or recommendation or solicitation to purchase or sell any securities under the Companies Act, the SEBI ICDR Regulations, or any other applicable law in India or elsewhere in the world. The Audited Financial Statements should not be considered as part of information that any investor should consider when subscribing for or purchasing any securities of our Company and should not be relied upon or used as a basis for any investment decision. None of our Company or any of its advisors, nor BRLMs or the Selling Shareholder nor any of their respective employees, directors, affiliates, agents or representatives accept any liability whatsoever for any loss, direct or indirect, arising from reliance placed on any information presented or contained in the Audited Financial Statements, or the opinions expressed therein.

The accounting ratios derived from the Restated Financial Information as required under Clause 11 of Part A of Schedule VI of the SEBI ICDR Regulations are given below:

Particulars	As at and for the three month ended June 30, 2024 <sup>#</sup>	As at and for Financial Year ended March 31, 2024	As at and for Financial Year ended March 31, 2023	As at and for Financial Year ended March 31, 2022
Restated earnings per equity share				
- Basic earnings per share (in ₹)	10.01	22.26	19.81	17.31
- Diluted earnings per share (in ₹)	10.01	22.26	19.81	17.31
Return On Net Worth (%)	15.39	40.45	31.13	21.50
Net Asset Value Per Equity Share (in ₹)	65.06	55.04	63.64	80.50
EBITDA (₹ in million)	9,580.66	22,248.73	18,951.15	16,650.12

<sup>#</sup> Not annualised

Notes:

(1) Our Board and our Shareholders pursuant to their resolutions dated October 17, 2024 and October 18, 2024, respectively, approved the issuance of bonus shares in the ratio of five Equity Shares for every one Equity Share held. Subsequently, pursuant to the Board resolution dated November 18, 2024, 565,643,660 equity shares of face value of ₹ 10 each, were allotted to LG Electronics Inc. by way of a bonus issue of Equity Shares in the ratio of five Equity Shares for every one Equity Share held. See, “**Capital Structure – Notes to Capital Structure – Equity shares issued out of revaluation reserves or by way of bonus issue**” on page 99.

For a reconciliation of non-GAAP measures, see “**Management’s Discussion and Analysis of our Results of Operations – Non-GAAP Financial Measures**” on page 332.

### Related Party Transactions

For details of the related party transactions, as per the requirements under applicable Accounting Standards, i.e., Ind AS 24 -Related Party Disclosures, read with the SEBI ICDR Regulations for the the three month ended June 30, 2024 and the Financial Years ended March 31, 2024, March 31, 2023, and March 31, 2022 and as reported in the Restated Financial Information, see “**Restated Financial Information – Note 28 – Related Party Disclosures**” on page 281.

## MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

*The following discussion is intended to convey the management's perspective on our financial condition and results of operations for the three months ended June 30, 2024, and Fiscals 2024, 2023 and 2022. For industry related information in this section, all references to "six months ended June 30, 2024" are to six months ended of CY 2024. Unless otherwise stated, the financial information in this section has been derived from the Restated Financial Information. Our financial year ends on March 31 of each year. Accordingly, references to "Fiscal 2024", "Fiscal 2023" and "Fiscal 2022", are to the 12-month period ended March 31 of the relevant year. Ind AS differs in certain respects from Indian GAAP, IFRS and U.S. GAAP and other accounting principles with which prospective investors may be familiar. Please also see "Risk Factors — Internal Risks — Significant differences exist between Ind AS and other accounting principles, such as IFRS and U.S. GAAP, which may be material to investors' assessments of our financial condition" on page 68. This discussion contains certain forward-looking statements that involve risks and uncertainties. Our actual results may differ materially from those anticipated in these forward-looking statements as a result of certain factors, such as the risks set forth in the chapters entitled "Risk Factors" and "Forward Looking Statements" beginning on pages 31 and 29, respectively.*

*Only to the extent explicitly indicated, industry and market data used in this section has been derived from the report titled 'Industry Report for Appliances and Electronics Market in India' dated December 5, 2024, prepared and issued by Redseer (the "Redseer Report"), commissioned by and paid for by our Company. Neither our Company, nor the Directors, Promoter or the BRLMs is related to Redseer as per the definition of "related party" under the Companies Act, 2013 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Redseer Report has been prepared and issued by Redseer for the purpose of understanding the industry exclusively in connection with the Offer. Unless otherwise indicated, all financial, operational, industry and other related information derived from the Redseer Report and included herein with respect to any particular fiscal or calendar year, refers to such information for the relevant fiscal or calendar year. For further details, see "Industry Overview" on page 127, respectively.*

*All references to "LG Group" refer to any company (individually or in the aggregate, as the context may require) that is (i) directly or indirectly owned or controlled by LG Electronics Inc. ("LG Electronics"), or (ii) directly or indirectly owns or controls LG Electronics.*

### Overview

We are the market leader in India in major home appliances and consumer electronics (excluding mobile phones) in terms of volume for the six-month period ending June 30, 2024, as per the Redseer Report. Additionally, we have been the number one player in this industry for 13 consecutive years (CY2011 to CY2023) as per the value market share in the offline channel in India, as noted in the Redseer Report. We are also market leaders in India across multiple product categories including washing machines, refrigerators, panel televisions, inverter air conditioners, and microwaves, based on the value market share in the offline channel (which is approximately 80% of the major home appliances and consumer electronics market (excluding mobile phones) in India in terms of value in the same period) for the six-month period ending June 30, 2024, according to the Redseer Report. Our Company was incorporated in 1997 as a wholly owned subsidiary of LG Electronics, which is the leading single-brand global home appliances player in terms of market share by revenue in CY2023, according to the Redseer Report. We derive several benefits from our strong parentage including the "LG" brand which was listed on Interbrand's Top 100 Best Global Brands in 2024. Our strong parentage, access to innovative technologies and commitment to quality, positions us as a trusted brand in India. "LG" was named as the Most Trusted Brand in India by Trust Research Advisory for four consecutive years (2020-2023).

We offered one of the widest product portfolios amongst leading home appliances and consumer electronics players (excluding mobile phones) in India as of June 30, 2024, according to the Redseer Report. We sell products to B2C and B2B consumers in India and outside India. We also offer installation services, and repairs and maintenance services for all our products. In addition, we export our products to 54 countries across Asia, Africa and Europe, as of June 30, 2024, which provides us the optionality to sell products to targeted geographies, serving



consumer demand beyond India.

## Our Business Model

### Revenue

We earn revenue primarily from the sale of our consumer electronics and home appliances products in India and outside India, and from rendering installation and after-sale services in India. We also earn other operating revenue from government grants in relation to revenue incentives from state governments, sale of scrap and export related incentives including duty drawback and incentives from the Remission of Duties and Taxes on Export Products scheme.

We have two business segments through which we cater to B2B and B2C consumers, comprising: (i) home appliances and air solution division covering the sale of products such as refrigerators, washing machines, air conditioners, water purifiers, dishwashers, microwave ovens, air purifiers and compressors, among others; and (ii) home entertainment division covering the sale of products such as televisions, monitors, interactive displays and information systems. Until Fiscal 2022, we had a third segment – Mobile Communication division covering LG phones and related parts, which we fully discontinued in Fiscal 2023. It was a result of the strategic decision taken by LG Electronics in Fiscal 2022 to exit the competitive mobile business unit at a global level, to enable us and the LG Group to focus resources in other growth areas. The following table provides a breakdown of our revenue from operations by segment for the periods indicated:

Particulars	Three months ended June 30,				Fiscal			
	2024		2024		2023		2022	
	₹ million	% of revenue from operation s*	₹ million	% of revenue from operation s*	₹ million	% of revenue from operation s*	₹ million	% of revenue from operation s*
Home appliances and air solution division	50,609.38	78.97%	156,797.49	73.43%	150,306.78	75.65%	124,182.26	73.20%
Home entertainment division	13,478.59	21.03%	56,722.51	26.57%	48,339.15	24.33%	44,159.87	26.03%
Discontinued business segment – Mobile communications division	-	-	-	-	36.46	0.02%	1,315.12	0.77%

\* includes revenue from continuing and discontinued operations

The following table provides a breakdown of our revenue from the sale of products and rendering of services for the periods indicated:

Particulars	Three months ended June 30,				Fiscal			
	2024		2024		2023		2022	
	₹ million	% of revenue from operatio ns*	₹ million	% of revenue from operatio ns*	₹ million	% of revenue from operatio ns*	₹ million	% of revenue from operati ons*
Sale of manufactured goods	53,950.01	84.18%	183,043.06	85.73%	169,430.40	85.28%	142,806.20	84.17%
Sale of stock-in-trade	7,446.08	11.62%	23,488.07	11.00%	23,308.64	11.73%	20,519.60	12.09%
<b>Total sale of products</b>	<b>61,396.09</b>	<b>95.80%</b>	<b>206,531.13</b>	<b>96.73%</b>	<b>192,739.04</b>	<b>97.01%</b>	<b>163,325.80</b>	<b>96.27%</b>
Service income	928.82	1.45%	2,865.02	1.34%	2,446.40	1.23%	2,545.23	1.50%
Installation and commissioning	856.50	1.34%	2,904.12	1.36%	2,399.86	1.21%	1,543.20	0.91%
<b>Total rendering of</b>	<b>1,785.32</b>	<b>2.79%</b>	<b>5,769.14</b>	<b>2.70%</b>	<b>4,846.26</b>	<b>2.44%</b>	<b>4,088.43</b>	<b>2.41%</b>

Particulars	Three months ended June 30, 2024		2024		Fiscal 2023		2022	
	₹ million	% of revenue from operations*	₹ million	% of revenue from operations*	₹ million	% of revenue from operations*	₹ million	% of revenue from operations*
		₹ million		% of revenue from operations*		₹ million		% of revenue from operations*
services								

\* includes revenue from continuing and discontinued operations

We recognize revenue from operations from the sale of products (net of returns) and rendering of services. Our revenue from sale of products primarily includes products that we manufacture at our manufacturing units. It also includes revenue from the sale of stock-in-trade which refers to finished products, such as audio systems, vacuum cleaners, dishwashers and air purifiers, that we source from other members of the LG Group and in some instances from third-parties and sell “as-is” without modifications under the LG brand. With respect to entry-level refrigerators, washing machines, window air conditioners and small-size televisions that are manufactured on a stock-in-trade basis, we typically provide blueprints, specifications and key materials to third-party suppliers to manufacture the products for us in India.

Our revenue from rendering services primarily includes revenue from (i) service income for annual maintenance contracts taken by end-consumers for the maintenance of their products; replacement of parts and other services provided to end-consumers for out-of-warranty services, and (ii) installations and commissions services provided to end-consumers primarily for installation services.

The following table provides an overview of our revenue from continuing operations by segment and for major products for the periods indicated:

Particulars	Three months ended June 30, 2024		2024		Fiscal 2023		2022	
	₹ million	% of revenue from continuing operations	₹ million	% of revenue from continuing operations	₹ million	% of revenue from continuing operations	₹ million	% of revenue from continuing operations
		₹ million		% of revenue from continuing operations		₹ million		% of revenue from continuing operations
<b>Home Appliance and Air Solution division</b>	<b>50,609.38</b>	<b>78.97%</b>	<b>156,797.49</b>	<b>73.43%</b>	<b>150,306.78</b>	<b>75.67%</b>	<b>124,182.26</b>	<b>73.77%</b>
Refrigerators	21,606.86	33.71%	57,844.93	27.09%	58,055.68	29.23%	49,482.70	29.40%
Washing machines	11,768.56	18.36%	44,919.38	21.04%	42,208.36	21.25%	36,168.01	21.48%
Air conditioners.	14,148.19	22.08%	42,901.58	20.09%	39,906.05	20.09%	28,591.79	16.98%
Others <sup>(1)</sup>	3,085.77	4.82%	11,131.60	5.21%	10,136.69	5.10%	9,939.76	5.91%
<b>Home Entertainment division</b>	<b>13,478.59</b>	<b>21.03%</b>	<b>56,722.51</b>	<b>26.57%</b>	<b>48,339.15</b>	<b>24.33%</b>	<b>44,159.87</b>	<b>26.23%</b>
Televisions	10,455.89	16.31%	45,583.29	21.35%	39,320.27	19.79%	36,675.93	21.79%
Others <sup>(2)</sup>	3,022.70	4.72%	11,139.22	5.22%	9,018.88	4.54%	7,483.94	4.44%
<b>Total revenue from continuing operations</b>	<b>64,087.97</b>	<b>100.00%</b>	<b>213,520.00</b>	<b>100.00%</b>	<b>198,645.93</b>	<b>100.00%</b>	<b>168,342.13</b>	<b>100.00%</b>

(1) Others include water purifiers, air purifiers, dishwashers, microwave ovens, vacuum cleaners and compressors.

(2) Others include media display and audiovisual products, including monitors, interactive displays, and information systems, projectors, wireless speakers and earbuds.

## Expenses

Our major expenses include (i) cost of materials consumed, (ii) purchases of stock-in-trade, (iii) changes in inventories of finished goods, stock-in-trade and work-in-progress, (iv) employee benefit expenses, (v) depreciation and amortisation expense and (vi) other expenses which primarily includes expenses related to freight and forwarding, sales promotion, royalty, advertisement and consumer service expenses.

#### *Cost of materials consumed and purchase of stock-in-trade*

Our cost of materials consumed primarily includes the costs of raw materials used in manufacturing our products, including certain forms of steel, copper, aluminum, polymers and components such as semiconductors, electromechanical parts, open cells and packaging materials, among others, for our manufacturing operations from a combination of domestic and foreign suppliers. Purchase of stock-in-trade primarily includes expenses incurred for purchasing finished products from third party suppliers and other members of the LG Group. For more details, see “***Our Business – Our Suppliers***” on page 187.

#### *Changes in inventories of finished goods, stock-in-trade and work-in-progress*

Our changes in inventories of finished goods, stock-in-trade and work-in-progress represent the difference between the closing inventories and the opening inventories of finished goods, stock-in-trade and work-in-progress for a specific period.

#### *Employee benefits expense*

Our employee benefits expenses primarily include salaries, wages and bonuses paid to our employees. It also includes contributions to provident and other funds, and staff welfare expenses. As of June 30, 2024 and as of March 31, 2024, 2023 and 2022, our employee base was 3,693, 3,705, 3,596 and 3,520, respectively.

#### *Depreciation and amortisation expense*

Our depreciation and amortisation expenses primarily include depreciation of owned assets (net of government grant amortization) in relation to our machinery and equipment and right of use assets associated with our lease properties.

#### *Other expenses*

Our other expenses primarily include expenses related to freight and forwarding, sales promotion, royalty, advertisement, and consumer service expenses.

- Freight and forwarding: primarily includes fees we pay to our logistic partner, LX Pantos Solutions India Private Limited for transporting products from our manufacturing units to warehouses, trade partners and end-consumers in India and for exports as well as for warehouse operations. It also includes fees paid to third-party transport service providers and to other courier companies for product delivery to B2C consumers through our LG website. For more details, see “***Our Business – Distribution and Transportation***” on page 185.
- Sales promotion: primarily includes expenses for engaging sales promoters across some of our channel partners’ stores to promote our products and provide technical details about our products to consumers. As of June 30, 2024 and as of March 31, 2024, 2023 and 2022, we engaged 9,597, 9,300, 9,193 and 8,381 sales promoters, respectively. Sales promotion expenses also include expense for in-store display fixtures, promotion road shows and dealer events. For more details, see “***Our Business – Marketing***” on page 186.
- Royalty: includes royalty that we pay to LG Electronics under the revised license agreement dated July 27, 2017, read with the addendums dated March 9, 2018, June 17, 2021, June 20, 2023, September 28, 2023 and November 18, 2024 (“***License Agreement***”) with LG Electronics for the use of (i) the licensed brand, (ii) the technology claimed in the licensed patents, and (iii) the licensed technical know-how and other intellectual property rights for the Authorized Products (as defined in the License Agreement and in the “***Definitions and Abbreviations***” section on page 1). Under the terms of the License Agreement, from January 1, 2023, we are required to pay a royalty of 2.30% of net sales for Authorized Products (other than LCD televisions and monitors) and 2.40% of net sales for LCD televisions and monitors. For further details of the License Agreement, see “***History and Certain Corporate Matters – Key terms of other subsisting material agreements***” on page 204.

- Advertisement: primarily includes expenses related to our print, radio, television campaigns and digital marketing through multiple social media network. For more details on our marketing initiatives, see “*Our Business – Marketing*” on page 186.
- Consumer service expenses: primarily includes expenses related to parts consumed for repairs, maintenance and installation, call center expenses, LG center (“**LGC**”) and exclusive service center (“**ESC**”) related expenses, and expenses for operating spare warehouses. For more details on our services, see “*Our Business – Service and Consumer Support – Services*” on page 179.

## **Principal Factors Affecting our Financial Condition and Results of Operations**

### *Demand for our products and services and our ability to sell additional products and services*

Our revenues depend on the market acceptance and demand for our products as it translates into the sales volumes of our products. According to the Redseer Report, India’s appliances and electronics market has grown at approximately 7% in the last five years and this growth is expected to accelerate to approximately 12% in the next five years driven by rising disposable incomes, growing urbanization, and increasing penetration of appliances and electronics in both urban and rural areas. The home appliances and consumer electronics market in India is highly underpenetrated as of June 30, 2024, according to the Redseer Report. Further, according to the Redseer Report, the growth of organized retail and e-commerce channels has significantly increased demand for appliances and electronics, driven by changes in consumer buying behavior. Redseer Report also notes that enhanced electricity supply and infrastructure in rural areas are increasing demand for large home appliances such as refrigerators, washing machines, and air conditioners. Reliable power access now allows brands to reach rural consumers, supported by localized services such as affordable maintenance plans and financing options, according to the Redseer Report.

The demand for our products and services depends on our ability to anticipate and respond to emerging consumer preferences and demands by ensuring continued and timely development of new products and services, as well as enhancements to existing products and services and stimulating consumer demand for new and upgraded products. Further, it also depends on our ability to sell a higher volume of our products across all price ranges. We address this demand by leveraging the global leadership of LG Electronics which is recognized as a pioneer of innovative technology according to the Redseer Report, to introduce new and innovative products and services for our consumers in India, and where necessary, tailor products to cater to Indian consumer preferences and local requirements. For example, we were one of the first among leading players to introduce inverter air conditioners in India in 2014 and was the first and only player in India to move 100% to inverter technology in 2017, according to the Redseer Report. During the six-months ended June 30, 2024, approximately eight out of 10 air conditioners sold in India are based on the inverter technology, according to the Redseer Report. In the premium market, we are focused on introducing in India products equipped with new technologies backed by AI, and have luxurious, sleek and modern designs. We are committed to incorporating advanced technological features backed by AI and the LG ThinQ technology for smart home integration in our products to enhance our consumer experience. For the volume market, we are dedicated to a strategy whereby we seek to provide a mix of products that are accessible, affordable, and designed for Indian consumers, including expanding our product portfolio into more affordable price points. Through targeted marketing and offering a wide products and services portfolio, our aim is to increase the number of LG products in a given household and drive consumers to upgrade their home appliances and consumer electronics products with our premium products. This requires us to expend resources towards efficient manufacturing, procurement of supplies, adopting new technologies, sales promotion and to expand our distribution network.

In addition, to provide consumers with prompt and quality support, which could be a key consideration in the consumers’ purchase decisions, we operate one of the largest after-sales service networks in terms of number of after-sales service center touchpoints among leading home appliances and consumer electronics players in India as of June 30, 2024, according to the Redseer Report. We provide installation and repairs/maintenance services through 949 service centers across urban and rural India, supported by 12,590 engineers and four call centers, as of June 30, 2024. We intend to continue strengthening our AMC offerings for our B2C and B2B consumers, with a focus on HVAC servicing for our B2B consumers. Further, we aim to offer quality and prompt one-stop services by expanding service network, improving service standards, deploying certified engineers and enhancing spare parts availability. We also plan to launch additional revenue streams such as subscription services that are long-term appliance rentals program to provide additional value to our consumers and serve as a recurring source of

revenue. The level of investments made by us to launch these various initiatives, as well as the returns we are able to achieve on our investments, affect the Company's financial condition and results of operations.

***Competition and our ability to introduce new products for the Indian market***

According to the Redseer Report, players in the Indian appliances and electronics sector witness a broad range of competition from existing and new competitors ranging from large multinational companies to highly specialized entities that focus on a limited number of products and services. Known for competitive pricing, innovative marketing strategies, and rapid product cycles, these brands are pushing companies to differentiate through unique features, premium service quality, and innovation, according to the Redseer Report. To stay competitive, we may offer and adjust our promotional offers including discounts, cashbacks or promotional financing schemes to trade partners and consumers. Similar to other major home appliance consumer electronics companies, we face significant pricing pressures, as competitors offer trade partners and end-consumers price reductions in order to stimulate demand, which may, in turn, adversely affect our results of operations. It is important for us to introduce upgrades and new products periodically addressing consumer demands in terms of price, features and performance. We leverage our deep consumer insights, derived from our long operating history and direct consumer feedback from our distribution and service networks to tailor our products for the Indian consumers. We visit and interact with trade partners and conduct regular consumer surveys to understand consumer pain points and obtain real-time feedback. Our product development team then incorporates the feedback across parameters such as on consumer behavior, climate, regional factors and regulatory requirements, in order to enable us to introduce high-quality, relevant and innovative products to the market. In the B2B space, our aim is to leverage global technology of LG Group to expand our product portfolio, meet the specialized needs of high-value industries and expand into new industries, such as hospitality. We are expanding our portfolio to cover HVAC, commercial information displays, commercial washing machines, LED displays and electronic blackboards, to address the growing demand in the B2B industry. The ability of our new or upgraded products to achieve anticipated sales volumes, realize our investments and achieve economies of scale depends on their appeal to consumers and competitive pressures such as price, features and services, which in turn will affect our results of operations.

***Changes in price and availability of raw materials***

Our operations and our suppliers' ability to provide raw materials to us at competitive prices is affected by global commodity prices, inflation and our ability to negotiate with our suppliers effectively. For example, pricing and availability of commodities like steel and aluminum can be volatile due to numerous factors, including but not limited to general domestic and international economic conditions, geopolitical tensions, extreme weather shocks, import duties and tariffs and foreign currency exchange rates, according to the Redseer Report. Fluctuations in the cost of raw materials, supply interruptions or raw material shortages has a direct impact on the players' ability to manufacture products on time and within budget, according to the Redseer Report. Based on market conditions and to offer competitive pricing, we may strategically pass through some of the increase in the cost of raw materials to our trade partners by increasing the price of our products. However, we may not be able to pass through all cost increases which could adversely affect our results of operations. Conversely, a reduction in product prices within the industry could lead to decreased revenue and margins for us if there is no corresponding reduction in raw material costs.

We are committed to the "Make in India" philosophy, whereby we manufacture our products domestically and, to the extent available, source a significant amount of our raw materials from domestic suppliers. We have been taking steps to increase raw materials sourced from domestic suppliers. In Fiscals 2022, 2023 and 2024, and in the three months ended June 30, 2024, 45.08%, 50.48%, 48.82% and 58.29% of our suppliers were sourced locally. These localization efforts enable us to procure raw materials on short notice to meet consumer demands and lower our inventory and related costs, allowing us to competitively price our products. While we source a significant portion of our raw materials from suppliers within India, we source some raw materials from suppliers outside India, primarily from Korea. The following table provides a breakdown of raw materials sourced from India and outside India for the periods indicated:

Particulars	Three months ended June 30, 2024		2024		Fiscal 2023		2022	
	₹ million	% purchas es of raw material s	₹ million	% purchas es of raw material s	₹ million	% purchas es of raw material s	₹ million	% purchas es of raw material s
Purchases of raw materials sourced from India .....	25,014.64	58.29%	74,493.45	48.82%	75,297.02	50.48%	54,644.58	45.08%
Purchases of raw materials sourced from outside India .....	17,902.60	41.71%	78,092.63	51.18%	73,861.08	49.52%	66,576.61	54.92%
Purchases of raw materials sourced from Korea .....	8,970.03	20.90%	34,658.81	22.71%	34,597.41	23.20%	30,077.96	24.81%
Purchases of raw materials from other countries	8,932.57	20.81%	43,433.82	28.47%	39,263.67	26.32%	36,498.65	30.11%
<b>Purchases of raw materials</b>	<b>42,917.24</b>	<b>100.00%</b>	<b>152,586.08</b>	<b>100.00%</b>	<b>149,158.10</b>	<b>100.00%</b>	<b>121,221.19</b>	<b>100.00%</b>

As a result of the localization strategy, our aim is to depend less on imports as domestic sourcing allows us to leverage the comparatively low manufacturing cost in India, reduce logistic costs and eliminates import duties that may otherwise be payable on foreign sourced supplies. We manage our inventory of raw materials based on rolling forecasts of consumer demand and order raw materials in advance of product announcements and shipments based on such forecasts. To mitigate any potential interruptions of supplies and the vulnerability of our production schedule, we generally source most of our raw materials from multiple suppliers. However, we depend on a limited number of suppliers for some of our key raw materials. The following table provides a breakdown of the raw materials, from our top suppliers for the periods indicated:

The table below highlights the percentage of purchases of raw material from our top-five suppliers, top-10 suppliers, and related parties for the periods indicated:

Particulars	Three months ended June 30, 2024		Fiscal 2023		2022
	₹ million unless otherwise indicated				
Purchases of raw materials	42,917.24	152,586.08	149,158.10	121,221.19	
Top-five suppliers as a % of purchases of raw materials <sup>(1)(3)</sup>	21.45%	26.09%	22.85%	27.35%	
Top-10 suppliers as a % of purchases of raw materials <sup>(2)(3)</sup>	31.44%	36.78%	35.78%	40.78%	
Purchases of raw materials sourced from related parties <sup>(4)(5)</sup> as a % of purchases of raw materials	14.42%	17.06%	19.27%	20.96%	

(1) one of our top-five suppliers during the three months ended June 30, 2024, one of our top-five suppliers during Fiscal 2024, two of our top-five suppliers during Fiscal 2023 and three of our top-five suppliers during Fiscal 2022 are from related parties.

(2) two of our top-10 suppliers during the three months ended June 30, 2024, three of our top-10 suppliers during Fiscal 2024, four of our top-10 suppliers during Fiscal 2023 and four of our top-10 suppliers during Fiscal 2022 are from related parties.

(3) our top-five or top-ten suppliers are primarily located in India and Korea.

(4) raw materials sourced from related parties include chips, capacitors, ceramics, compressors, connectors, television display panels, among others.

(5) includes duties and handling charges and excludes goods in transit

### Capital expenditure and production capacity

The following table provides a breakdown of our capital expenditure costs incurred for the periods indicated:

Particulars	Three months ended June 30, 2024		2024		Fiscal 2023		2022	
	₹ million	% of revenue from operations*	₹ million	% of revenue from operations*	₹ million	% of revenue from operations *	₹ million	% of revenue from operations *
	Capital expenditure (unallocable)	731.01	1.14%	3,616.00	1.69%	5,424.00	2.73%	3,593.00

\* includes revenue from continuing and discontinued operations

In the three months ended June 30, 2024, Fiscals 2024, 2023 and 2022, we invested in enhancing our production facilities and upgrading equipment and manufacturing processes in order to increase efficiencies, additional economies of scale and support production of new products. In particular, in Fiscal 2023, we also installed a side-by-side refrigerator line at the Pune Manufacturing Unit and an air conditioner compressor line at the Noida Manufacturing Unit. We expect to continue making investments to support our growth. We intend to construct a third manufacturing unit in Andhra Pradesh to expand our manufacturing capacity to address the potential growth in demand for products. We expect to benefit from incentives for constructing the new manufacturing unit in Andhra Pradesh. Based on Government Order dated November 26, 2024, issued by Andhra Pradesh Government, we are eligible for financial incentives under Andhra Pradesh Industrial Development Policy (4.0) 2024-29. The incentive will be in the form of waiver of stamp duty/ registration fees, subsidy on utilities, state GST refund on construction work, capital subsidy and subsidy for skilling of workers. We also intend to enhance our existing manufacturing capabilities by implementing additional automation technologies. Specifically, we intend to improve line capacity by reducing production loss, upgrading machines with machine cycle signal chart improvements, and altering product structures to enable ease of manufacturing. The amount of capital expenditure made by us, as well as the returns we are able to achieve on our capital expenditure investments, affect the Company's financial condition and results of operations. For more details on our manufacturing, see **"Our Business – Manufacturing Units"** on page 181.

The following table provides a breakdown of our Return on Capital Employed for the periods indicated:

Metric	Three Months Ended June 30,		Fiscal Year	
	2024	2024	2023	2022
Return on Capital Employed <sup>(1) (2)</sup>	18.04%	45.31%	34.38%	24.44%

(1) Return on Capital Employed is defined as EBIT as a percentage of Capital Employed. Capital Employed is calculated as total equity (excluding amalgamation reserve) - plus lease liabilities. EBIT is calculated as profit before tax plus finance cost less other income.

(2) For the reconciliation to GAAP measures, see **"– Non-GAAP Financial Measures"** on page 332.

#### **Our ability to pursue additional operational cost savings.**

Many of our competitors may have used aggressive pricing and marketing strategies as well as different product design approaches and alternative technologies that consumers may prefer over those of ours, in order to maintain or gain market share. Accordingly, the success of our business depends, in part, on our continual reduction of manufacturing costs and operating expenses. The following table provides a breakdown of our cost of materials consumed, purchases of stock-in-trade and changes in inventories of finished goods, stock-in-trade and work-in-progress for the periods indicated:

Particulars	Three months ended June 30, 2024		2024		Fiscal 2023		2022	
	₹ million	% of revenue from operations *	₹ million	% of revenue from operations *	₹ million	% of revenue from operations *	₹ million	% of revenue from operations *
	Cost of materials consumed	34,312.38	53.54%	129,160.49	60.49%	123,608.20	62.21%	100,322.12
Purchases of stock-in-trade	5,638.68	8.80%	19,357.72	9.07%	18,787.63	9.46%	14,917.33	8.79%

Particulars	Three months ended June 30, 2024		2024		Fiscal 2023		2022	
	₹ million	% of revenue from operations *	₹ million	% of revenue from operations *	₹ million	% of revenue from operations *	₹ million	% of revenue from operations *
Changes in inventories of finished goods, stock-in-trade and work-in-progress	2,872.58	4.48%	783.57	0.37%	(2,115.10)	(1.06)%	2,766.29	1.63%

\* includes revenue from continuing and discontinued operations

Our costs related to materials consumed, purchases of stock-in-trade, and changes in inventories of finished goods, stock-in-trade, and work-in-progress as a percentage of revenue from operations fluctuates. Our cost of materials consumed and purchases of stock-in-trade as a percentage of revenue from operations increased from Fiscal 2022 to Fiscal 2023, primary due to a price increase in raw materials sourced as a result of supply shortage following the COVID-19 pandemic which required us to source materials for alternate sources. We continually engage in various cost optimization and other initiatives intended to increase efficiency and productivity, including refinement of our manufacturing processes to increase production yields, reduce production cycle time, design innovations through changes in raw material structure as well as specification optimization. Further, we also arrange for direct deliveries to our trade partners to reduce our dependency on third parties, reduces delivery-lead times and optimizes our costs. Our results of operations and profitability will be affected by our ability to improve the cost efficiency of our operations.

Our ability to achieve cost savings may be affected if we manufacture products that do not meet consumer specifications or contain defects, in which case we may be faced with warranty claims from our consumers and recalls involving our products. For more details, see “**Risk Factors – Internal Risks – Our warranty reserves may be insufficient to cover future warranty claims, which could adversely affect our financial condition and results of operations**” on page 44. We recognize provisions for product warranties for the estimated costs of future warranty claims based on our historical experience. While we have established provisions with respect to potential warranty costs relating to our products sold to consumers, there is no guarantee that such provisions will be sufficient to cover all of our warranty costs relating to our products. We may also recognize additional provisions for warranty expenses in relation to potential future warranty claims.

### Seasonality

The sales volumes of some our products are influenced by the cyclicity and seasonality of demand. Typically, demand for some of our products such as air conditioners, compressor, air purifiers and refrigerators increase in the summer months in India between April and July and is lean during the winter months between September and December. The demand for washing machines and water purifiers increases in the second quarter of the fiscal year during the monsoon season, and the demand for all products also increases in the second half of a fiscal year due to festivals and marriage season. We plan our inventories and monitor inventory adequacy status in line with annual, quarterly and monthly sales plans which factor in the effects of seasonality and cyclicity of product demands. We also coordinate with our logistics providers and warehouses for advanced inventory planning. Additionally, our product mix across multiple product categories helps us manage the impact of seasonality on our sales.

### Support from LG Electronics and the “LG” brand

We have the support of LG Electronics in many aspects of our business including management, R&D, design, product planning, manufacturing, supply chain development, quality control, marketing, distribution, brand, human resources and financing, among others. Specifically, we are well connected with other operating entities within the LG Group in other geographic areas, regularly exchanging information on emerging market trends, changing consumer preferences, manufacturing processes and supply chain]. Additionally, In India, we have leveraged the “LG” brand image and associated consumer loyalty to maintain our market leadership as the number one player in this industry for 13 consecutive years (CY2011 to CY2023) as per the value market share in the offline channel in India, as noted in the Redseer Report. We have entered into various agreements and transactions with our Promoter, LG Electronics, such as the License Agreement under which LG Electronics has granted our Company an exclusive, non-transferable, non-assignable and indivisible license to use its licensed brand, technology and technical know-how for the Authorized Products (for further details on the License Agreement.



See “*History and Certain Corporate Matters – Key terms of other subsisting material agreements*” on page 204. The continued support of LG Electronics is critical to our ability to provide high-quality and innovative products and services to consumers. The current royalty rate payable to LG Electronics is 2.30% for all products manufactured by us other than televisions and monitors and 2.40% for televisions and monitors of our net sales of the products. The following table shows the royalty to LG Electronics Inc, South Korea for the periods indicated:

Particulars	Three months ended June 30,				Fiscal			
	2024		2024		2023		2022	
	₹ million	% of revenue from operations*	₹ million	% of revenue from operations*	₹ million	% of revenue from operations*	₹ million	% of revenue from operations*
Royalty	1,215.08	1.90%	4,032.30	1.89%	3,232.44	1.63%	2,547.59	1.50%

\*includes revenue from continuing and discontinued operations

Additionally, we paid an interim dividend to our Shareholder, LG Electronics, periodically. The table below shows the dividend paid to LG Electronics for the periods indicated:

Particulars	As of June 30, 2024		As of March 31, 2023	
	₹ million	2024	₹ million	2022
Interim dividend paid	-	20,928.82	24,888.32	22,625.75

In addition, we enter into various transactions with related parties. For further information see “*Other Financial Information - Related Party Transactions*” on page 314.

#### *Foreign exchange fluctuations*

Our consolidated financial statements are prepared in Indian rupees. However, a portion of our sales is denominated in currencies other than Indian rupees, particularly the U.S. dollar, and our purchases of raw materials from overseas suppliers are denominated primarily in U.S. dollars. Accordingly, our consolidated financial statements may be affected by exchange rate fluctuations. To the extent that we incur costs in one currency and derive sales in another currency, our results of operations may be affected by the relative strengths of the two currencies. Although the impact of exchange rate fluctuations has in the past been partially mitigated by our hedging strategies, including forward exchange contracts, we have foreign currency exposures that have not been hedged by a derivative instrument or otherwise. For more details, see “*Notes to the Restated Financial Information – Note 37 – Details on derivatives instruments and unhedged foreign currency exposure*” on page 294. Our results of operations have historically been affected by exchange rate fluctuations, and there can be no assurance that such strategies will be effective in eliminating or reducing the adverse impact of future fluctuations.

#### **Results of Operations**

The following table sets forth select financial data from our restated consolidated statement of profit and loss for the three months ended June 30, 2024 and Fiscals 2024, 2023 and 2022, the components of which are also expressed as a percentage of total income for such years/ period.

Particulars	Three months ended June 30,				Fiscal			
	2024		2024		2023		2022	
	₹ million	% of total income*	₹ million	% of total income*	₹ million	% of total income*	₹ million	% of total income*
<b>Continuing operations</b>								
<b>Income</b>								
Revenue from operations	64,087.97	99.10%	213,520.00	99.05%	198,645.93	98.77%	168,342.13	98.04%
Other income	580.00	0.90%	2,051.18	0.95%	2,439.91	1.21%	2,037.97	1.19%
<b>Total income</b>	<b>64,667.97</b>	<b>100.00%</b>	<b>215,571.18</b>	<b>100.00%</b>	<b>201,085.84</b>	<b>99.98%</b>	<b>170,380.10</b>	<b>99.23%</b>
<b>Expenses</b>								

Particulars	Three months ended June 30, 2024		2024		Fiscal 2023		2022	
	₹ million	% of total income*	₹ million	% of total income*	₹ million	% of total income*	₹ million	% of total income*
Cost of materials consumed	34,312.38	53.06%	129,160.49	59.92%	123,608.20	61.46%	100,322.12	58.42%
Purchases of stock-in-trade	5,638.68	8.72%	19,357.72	8.98%	18,787.63	9.34%	14,917.33	8.69%
Changes in inventories of finished goods, stock-in-trade and work-in-progress	2,872.58	4.44%	783.57	0.36%	(2,115.10)	(1.05)%	2,766.29	1.61%
Employee benefits expense	2,408.62	3.72%	8,868.24	4.11%	7,991.56	3.97%	7,254.54	4.22%
Finance costs	69.35	0.11%	285.05	0.13%	225.84	0.11%	225.10	0.13%
Depreciation and amortisation expense	967.21	1.50%	3,643.69	1.69%	3,003.93	1.49%	2,583.59	1.50%
Other expenses	9,275.05	14.34%	33,101.25	15.36%	31,380.49	15.60%	25,995.50	15.14%
<b>Total expenses</b>	<b>55,543.87</b>	<b>85.89%</b>	<b>195,200.01</b>	<b>90.55%</b>	<b>182,882.55</b>	<b>90.93%</b>	<b>154,064.47</b>	<b>89.72%</b>
<b>Profit before tax from continuing operations.</b>	<b>9,124.10</b>	<b>14.11%</b>	<b>20,371.17</b>	<b>9.45%</b>	<b>18,203.29</b>	<b>9.05%</b>	<b>16,315.63</b>	<b>9.50%</b>
<b>Tax expense</b>								
Current tax	2,373.40	3.67%	5,567.39	2.58%	4,794.35	2.38%	4,107.73	2.39%
Current tax expense relating to previous year	-	-	40.08	0.02%	13.73	0.01%	5.28	0.00%
Deferred tax	(45.76)	(0.07)%	(346.98)	(0.16)%	(84.99)	(0.04)%	146.63	0.09%
Total tax expense	2,327.64	3.60%	5,260.49	2.44%	4,723.09	2.35%	4,259.64	2.48%
<b>Profit for the period / year from continuing operations</b>	<b>6,796.46</b>	<b>10.51%</b>	<b>15,110.68</b>	<b>7.01%</b>	<b>13,480.20</b>	<b>6.70%</b>	<b>12,055.99</b>	<b>7.02%</b>
<b>Discontinued operations</b>								
Loss from discontinued operations before tax ..	-	-	-	-	(42.00)	(0.02)%	(417.99)	(0.24)%
Tax expense of discontinued operations	-	-	-	-	(11.10)	(0.01)%	(109.33)	(0.06)%
<b>Loss after tax from discontinued operations</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(30.90)</b>	<b>(0.02)%</b>	<b>(308.66)</b>	<b>(0.18)%</b>
<b>Profit for the period / year</b>	<b>6,796.46</b>	<b>10.51%</b>	<b>15,110.68</b>	<b>7.01%</b>	<b>13,449.30</b>	<b>6.69%</b>	<b>11,747.33</b>	<b>6.84%</b>
<b>Total comprehensive income for the period / year</b>	<b>6,805.19</b>	<b>10.52%</b>	<b>15,088.83</b>	<b>7.00%</b>	<b>13,443.32</b>	<b>6.68%</b>	<b>11,768.05</b>	<b>6.85%</b>

\*includes income/loss from continuing and discontinued operations

### Revenue and segment results by segment

The following table provides a breakdown of our revenue from operations by segment and segment results for the periods indicated:

Particulars	Three months ended June 30, 2024		2024		Fiscal 2023		2022	
	₹ million	% of total income*	₹ million	% of total income*	₹ million	% of total income*	₹ million	% of total income*
<b>Revenue from operations</b>								
Home appliances and air solution division	50,609.38	78.26%	156,797.49	72.74%	150,306.78	74.73%	124,182.26	72.32%
Home entertainment division	13,478.59	20.84%	56,722.51	26.31%	48,339.15	24.03%	44,159.87	25.72%
Discontinued business segment – Mobile communications division..	-	-	-	-	36.46	0.02%	1,315.12	0.77%
<b>Segment results</b>								
Home appliances and air solution division	7,571.22	11.71%	16,742.92	7.77%	12,998.48	6.46%	11,747.37	6.84%
Home entertainment division	2,336.92	3.61%	6,879.90	3.19%	8,072.69	4.01%	7,301.71	4.25%
Discontinued business segment – Mobile communications division					(42.00)	(0.02%)	(417.99)	(0.24%)

Notes: Until Fiscal 2022, we had a third segment – Mobile Communication division covering LG phones and related parts, which we fully discontinued in Fiscal 2023. It was a result of the strategic decision taken by LG Electronics in Fiscal 2022 to exit the competitive mobile business unit at a global level, to enable us and the LG Group to focus resources in other growth areas.

\* includes income/loss from continuing and discontinued operations

The following table provides a breakdown of our revenue from operations by geography for the period indicated:

Particulars	Three months ended June 30, 2024		2024		Fiscal 2023		2022	
	₹ million	% of revenue from operations*	₹ million	% of revenue from operations*	₹ million	% of revenue from operations*	₹ million	% of revenue from operations*
Domestic	60,507.68	94.41%	203,635.32	95.37%	189,137.76	95.20%	161,474.02	95.18%
Africa <sup>(1)</sup>	521.39	0.81%	1,693.39	0.79%	1,777.06	0.89%	1,395.80	0.82%
Asia (excluding India) <sup>(2)</sup>	3,054.51	4.77%	8,162.78	3.83%	7,728.49	3.89%	6,716.16	3.96%
Europe <sup>(3)</sup>	0.02	0.00%	0.51	0.00%	11.48	0.01%	6.78	0.00%
Others <sup>(4)</sup>	4.37	0.01%	28.00	0.01%	27.60	0.01%	64.49	0.04%
<b>Revenue from operations</b>	<b>64,087.97</b>	<b>100.00%</b>	<b>213,520.00</b>	<b>100.00%</b>	<b>198,682.39</b>	<b>100.00%</b>	<b>169,657.25</b>	<b>100.00%</b>

(1) includes Algeria, Benin, Cameroon, Cape Verde (Fiscals 2022, 2023 and 2024), Congo (Fiscals 2022, 2023 and 2024), Côte d'Ivoire (Fiscals 2022, 2023 and 2024), Egypt (Fiscals 2022, 2023 and 2024), Ethiopia (Fiscals 2022, 2023 and 2024), Gabon, Gambia, Ghana, Guinea (Fiscals 2022, 2023 and 2024), Kenya, Liberia (Fiscal 2022), Libya, Mauritania (Fiscal 2023), Mauritius, Madagascar (Fiscals 2023 and 2024 and three months ended June 30, 2024), Morocco, Nigeria, São Tomé (Fiscals 2022 and 2023 and three months ended June 30, 2024), Senegal, Seychelles (Fiscals 2023 and 2024), Somalia, South Africa (Fiscals 2022, 2023 and 2024), Sudan (Fiscals 2022, 2023 and 2024), Tanzania, Togo (Fiscals 2022, 2023 and 2024), Tunisia, Zambia (Fiscals 2022, 2023 and 2024) and Zimbabwe.

(2) includes Azerbaijan, Bahrain, Bangladesh, Brunei, Cambodia (Fiscals 2022 and 2023), China, Hong Kong Special Administrative Region of China (Fiscals 2022 and 2024), Indonesia, Iraq, Israel, Jordan, Kazakhstan, Lebanon, Malaysia, Maldives (Fiscal 2023), Nepal, Oman, Philippines, Qatar, Republic of Korea, Russian Federation (Fiscal 2022), Saudi Arabia, Singapore, Sri Lanka, Taiwan, Thailand, Turkey, United Arab Emirates, Vietnam and Yemen.

(3) includes Ecuador (Fiscal 2022), France (Fiscal 2023), Georgia, Greece (Fiscals 2022 and 2023), Italy (Fiscal 2022), Netherlands, Poland (Fiscals 2022, 2023 and 2024) and Spain.

(4) includes Argentina (Fiscals 2022 and 2023), Australia, Canada (Fiscals 2022 and 2023 and three months ended June 30, 2024), Chile, Dominican Republic (Fiscals 2023 and 2024), Fiji, Mexico, Panama, Peru (Fiscal 2024), Puerto Rico (Fiscal 2023) and United States.

\* includes revenue from continued and discontinued operations

### Three Months Ended June 30, 2024

#### Income

Our total income was ₹64,667.97 million in the three months ended June 30, 2024, which primarily included:

- revenue from our Home Appliances and Air Solution Division of ₹50,609.38 million, which primarily included revenue from the sale of, and services rendered for, refrigerators, air conditioners and washing machines.
- revenue from our Home Entertainment Division of ₹13,478.59 million, which primarily included revenue from the sale of, and services rendered for, televisions.

For more details on our sales volume, see “– *Our Business Model*” on page 315.

Our total income also included revenue from rendering services of ₹1,785.32 million in the three months ended June 30, 2024, which included revenue from installation and commission of ₹856.50 million and service income of ₹928.82 million; and revenue from the sale of stock-in-trade of ₹7,446.08 million in the three months ended June 30, 2024 which included the sale of finished products that we source from domestic and foreign suppliers, including from members of the LG Group.

Further, our other operating revenue was ₹906.56 million in the three months ended June 30, 2024, which included government grant related to revenue of ₹688.56 million, sale of scrap of ₹130.45 million and duty drawback and other export incentives of ₹87.55 million.

Our other income was ₹580.00 million in the three months ended June 30, 2024, primarily consisting of interest income on bank deposits of ₹557.42 million.

### ***Expenses***

#### *Cost of materials consumed*

Our cost of materials consumed was ₹34,312.38 million in the three months ended June 30, 2024, which primarily included purchases of raw materials for our manufacturing operations.

#### *Purchases of stock-in-trade*

Our purchases of stock-in-trade were ₹5,638.68 million in the three months ended June 30, 2024, which primarily included products that we source primarily from the LG Group and sell “as-is” without modifications. In the three months ended June 30, 2024, our primary stock-in-trade products included entry-level refrigerators, washing machines, window air conditioners, monitors and small-size televisions.

#### *Employee benefits expense*

Our employee benefit expense was ₹2,408.62 million in the three months ended June 30, 2024, which primarily included salaries, wages and bonus of ₹1,943.96 million and staff welfare expenses of ₹348.79 million. We had 3,693 employees as of June 30, 2024.

#### *Changes in inventories of finished goods, stock-in-trade and work-in-progress*

Our changes in inventories were a net decrease of ₹2,872.58 million in the three months ended June 30, 2024, which included a decrease in inventories of finished goods of ₹2,844.83 million, a decrease in inventories of work-in-progress of ₹158.71 million, partially offset by an increase in inventories of stock-in-trade of ₹130.96 million.

#### *Finance costs*

Our finance costs were ₹69.35 million in the three months ended June 30, 2024, all of which was interest on lease liabilities pertaining to premises used in our sales and supply chain operations.

#### *Depreciation and amortisation expense*

Our depreciation and amortisation expense was ₹967.21 million in the three months ended June 30, 2024, which primarily included depreciation of owned assets (net of government grant amortisation) of ₹748.77 million in relation to property, plant and equipment excluding right of use assets of ₹206.94 million and amortisation of intangible assets (net of government grant amortisation) of ₹11.50 million.

#### *Other expenses*

Our other expenses were ₹9,275.05 million in the three months ended June 30, 2024, which primarily included freight and forwarding expense of ₹2,244.47 million for the transportation of our products within India and outside India; sales promotion expense of ₹1,714.76 million for deploying sales promoters across some of our channel partners in India; royalty expense paid to LG Electronics of ₹1,215.08 million and customer service expenses of ₹798.91 million for sourcing parts for our services business, waste of electrical and electronic equipment expense of ₹492.50 million and miscellaneous expenses of ₹503.01 million.

#### *Tax expense*

Our tax expenses was ₹2,327.64 million in the three months ended June 30, 2024, which primarily included current tax expense of ₹2,373.40 million. This was partially offset by a deferred tax credit of ₹45.76 million.

#### *Profit for the Period*

As a result of the foregoing factors, our profit for three months ended June 30, 2024 was ₹6,796.46 million.

### **Fiscal 2024 compared to Fiscal 2023**

#### *Income from Continuing Operations*

Our total income increased by 7.20% to ₹215,571.18 million in Fiscal 2024 from ₹201,085.84 million in Fiscal 2023, primarily due to:

- an increase in the revenue from our Home Appliances and Air Solution Division by 4.32% to ₹156,797.49 million in Fiscal 2024 from ₹150,306.78 million in Fiscal 2023. This increase was due to an increase in the sales volume of our home appliances and air solution products sold, and related services rendered. In particular, our revenue from the sale of air conditioners and washing machines increased with an increase in the demand for these products. While the sales volume of refrigerators increased in Fiscal 2024, the revenue generated from these sales decreased due to change in model mix in Fiscal 2024. For more details, see “ - *Our Business Model*” on page 315.
- Our revenue from our Home Entertainment Division increased by 17.34% to ₹56,722.51 million in Fiscal 2024 from ₹48,339.15 million in Fiscal 2023. This increase was due to an increase in the sales volumes of our home entertainment products, in particular, televisions, and the increase in the selling price of other Home Entertainment products. The increase was partially offset by a reduction in the selling price of televisions aligned with the market trends in India, and a decrease in the costs of television display panels. For more details, see “ - *Our Business Model*” on page 315.

Our revenue also increased with an increase in revenue from rendering services by 19.04% to ₹5,769.14 million in Fiscal 2024 from ₹4,846.26 million in Fiscal 2023. Our revenue from service income increased by 17.11% to ₹2,865.02 million in Fiscal 2024 from ₹2,446.40 million in Fiscal 2023 primarily due to an increase in the annual maintenance contracts entered into in Fiscal 2024 compared to Fiscal 2023 in line with an increase in the demand for such services. Further, our revenue from installations and commissions increased by 21.01% to ₹2,904.12 million in Fiscal 2024 from ₹2,399.86 million in Fiscal 2023 primarily due to an increase in our sales volumes.

Our revenue from sale of stock-in-trade marginally increased to ₹23,488.07 million in Fiscal 2024 from ₹23,308.64 million in Fiscal 2023.

Our other operating revenue increased by 15.00% to ₹1,219.73 million in Fiscal 2024 from ₹1,060.63 million in Fiscal 2023, primarily due to an increase in government grants that related to increase in tax incentives earned for the Pune Manufacturing Unit; an increase in the sale of scrap as we increased our production volumes; and an increase in duty drawback and other export incentives.

Our other income decreased by 15.93% to ₹2,051.18 million in Fiscal 2024 from ₹2,439.91 million in Fiscal 2023, primarily due to a decrease in interest income on bank deposits as we did not make dividend payments due for the year in Fiscal 2023. The dividend payments due for Fiscal 2023 were paid to LG Electronics in Fiscal 2024.

### ***Expenses from Continuing Operations***

#### ***Cost of materials consumed***

Our cost of materials consumed increased by 4.49% to ₹129,160.49 million in Fiscal 2024 from ₹123,608.20 million in Fiscal 2023, as we increased the quantum of raw materials sourced to support the increase in our production volumes in Fiscal 2024 compared to Fiscal 2023.

#### ***Purchases of stock-in-trade***

Our purchases of stock-in-trade increased by 3.03% to ₹19,357.72 million in Fiscal 2024 from ₹18,787.63 million in Fiscal 2023, primarily due to an increase in demand for such products.

#### ***Employee benefits expense***

Our employee benefit expenses increased by 10.97% to ₹8,868.24 million in Fiscal 2024 from ₹7,991.56 million in Fiscal 2023, primarily due to an increase in our employee base from 3,596 as of March 31, 2023 to 3,705 as of March 31, 2024, including employees at senior levels, which caused an increase in salaries, wages and bonus.

#### ***Changes in inventories of finished goods, stock-in-trade and work-in-progress***

Our changes in inventories decreased to ₹783.57 million in Fiscal 2024 from ₹(2,115.10) million in Fiscal 2023 primarily due to an increase in the opening inventories which was partially offset by a decrease in the closing inventories of finished goods, primarily due to early onset of monsoons in Fiscal 2023 which led to an increase in stock of air conditioners in Fiscal 2023.

#### ***Finance costs***

Our finance costs increased by 26.22% to ₹285.05 million in Fiscal 2024 from ₹225.84 million in Fiscal 2023, primarily due to an increase in interest on lease liabilities to ₹269.42 million in Fiscal 2024 from ₹225.03 million in Fiscal 2023, which was due to an increase in premises leased to support our sales and supply operations. We also incurred an interest cost for delayed payments of custom duties in Fiscal 2024 for mobile phones imported from Vietnam into India in previous years as certain benefits applicable to us under the free trade agreements with countries were disallowed.

#### ***Depreciation and amortisation expense***

Our depreciation and amortisation expense increased by 21.30% to ₹3,643.69 million in Fiscal 2024 from ₹3,003.93 million in Fiscal 2023, primarily due to an increase in depreciation of owned assets to ₹2,829.52 million in Fiscal 2024 from ₹2,350.07 million in Fiscal 2023 and an increase in depreciation of right of use assets to ₹770.82 million in Fiscal 2024 from ₹615.92 million in Fiscal 2023. The increase was primarily driven by the purchase of assets to support our operations for our manufacturing operations.

#### ***Other expenses***

Our other expenses increased by 5.48% to ₹33,101.25 million in Fiscal 2024 from ₹31,380.49 million in Fiscal 2023, which was primarily attributable to an increase in following expenses:

- ***Royalty.*** Our royalty expense increased by 24.74% to ₹4,032.30 million in Fiscal 2024 from ₹3,232.44 million in Fiscal 2023, with an increase in revenue in Fiscal 2024.
- ***Sales promotion.*** Our sales promotion expense increased by 10.13% to ₹6,859.56 million in Fiscal 2024 from ₹6,228.36 million in Fiscal 2023, as a result of an increase in the number of sales promoters from 9,193 as of March 31, 2023 to 9,300 as of March 31, 2024 and the related expenses to engage promoters to support our growing sales network.

- *Customer service.* Our customer service expense increased by 21.81% to ₹2,350.39 million in Fiscal 2024 from ₹1,929.50 million in Fiscal 2023 primarily due to an increase in the parts sourced for our services business and other service-related expenses.
- *Freight and forwarding.* Our freight and forwarding expense increased by 3.88% to ₹7,630.72 million in Fiscal 2024 from ₹7,345.89 million in Fiscal 2023, largely in line with an increase in revenue from sale of products.

This increase in other expenses was partially offset by a decrease in loss on foreign currency transactions and translation (net) by 75.90% to ₹260.35 million in Fiscal 2024 from ₹1,080.21 million in Fiscal 2023, as a result of appreciation of the Indian rupee against the US dollar in Fiscal 2024.

#### ***Tax Expense from Continuing Operations***

Our tax expense increased by 11.38% to ₹5,260.49 million in Fiscal 2024 from ₹4,723.09 million in Fiscal 2023, primarily due to an increase in our current tax expense, arising from the increase in profit before tax from continuing operations.

#### ***Profit for the Year from Continuing Operations***

As a result of the foregoing factors, our profit for the year increased by 12.35% to ₹15,110.68 million in Fiscal 2024 from ₹13,449.30 million in Fiscal 2023.

#### **Fiscal 2023 compared to Fiscal 2022**

##### ***Income from Continuing Operations***

Our total income increased by 18.02% to ₹201,085.84 million in Fiscal 2023 from ₹170,380.10 million in Fiscal 2022, primarily due to an increase in our revenue from operations by 18.00% to ₹198,645.93 million in Fiscal 2023 from ₹168,342.13 million in Fiscal 2022.

- *Our* revenue from our Home Appliances and Air Solution Division increased by 21.04% to ₹150,306.78 million in Fiscal 2023 from ₹124,182.26 million in Fiscal 2022. This increase was due to an increase in the sales volume of our home appliances and air solution products sold, and related services rendered. In particular, our revenue from the sale of refrigerators, air conditioners and washing machines increased with an increase in the demand for these products and their high-priced models after the COVID-19 pandemic, and an increase in the selling price of our products. For more details, see “ - *Our Business Model*” on page 315.
- Our revenue from our Home Entertainment Division increased by 9.46% to ₹48,339.15 million in Fiscal 2023 from ₹44,159.87 million in Fiscal 2022. This increase was due to an increase in the sales volumes of our home entertainment products, in particular, televisions, and the increase in the selling price of other Home Entertainment products. The increase was partially offset by a reduction in the selling price of televisions aligned with the market trends in India, and a decrease in the costs of television display panels. For more details, see “ - *Our Business Model*” on page 315.

Our revenue also increased with an increase in revenue from the sale of stock-in-trade by 13.59% to ₹23,308.64 million in Fiscal 2023 from ₹20,519.60 million in Fiscal 2022 primarily due to an increase in demand for such products.

Our revenue also increased with an increase in revenue from rendering services by 18.54% to ₹4,846.26 million in Fiscal 2023 from ₹4,088.43 million in Fiscal 2022. Our revenue from service income decreased by 3.88% to ₹2,446.40 million in Fiscal 2023 from ₹2,545.23 million in Fiscal 2022 primarily due to a decrease in the sales volume of service parts for replacement of parts provided to end-consumers for out-of-warranty services in Fiscal 2023 compared to Fiscal 2022. Further, our revenue from installations and commissions increased by 55.51% to ₹2,399.86 million in Fiscal 2023 from ₹1,543.20 million in Fiscal 2022 primarily due to an increase in sales of our products during the year.

Our other operating revenue increased by 14.30% to ₹1,060.63 million in Fiscal 2023 from ₹927.90 million in Fiscal 2022 due to an increase in government grants related to revenue incentives from state governments, and an

increase in sale of scrap as we increased our production volumes. This increase was partially offset by a decrease in duty drawback and other export incentives.

Our other income increased by 19.72% to ₹2,439.91 million in Fiscal 2023 from ₹2,037.97 million in Fiscal 2022, primarily attributable to an increase in interest income on bank deposits primarily because we did not make dividend payments due for the year in Fiscal 2023. The dividend payments for Fiscal 2023 were paid to LG Electronics in Fiscal 2024.

### ***Expenses from Continuing Operations***

#### *Cost of materials consumed*

Our cost of materials consumed increased by 23.21% to ₹123,608.20 million in Fiscal 2023 from ₹100,322.12 million in Fiscal 2022 as we increased the quantum of raw materials sourced to support the increase in our production volumes in Fiscal 2023 compared to Fiscal 2022.

#### *Purchases of stock-in-trade*

Our purchases of stock-in-trade increased by 25.94% to ₹18,787.63 million in Fiscal 2023 from ₹14,917.33 million in Fiscal 2022, primarily due to an increase in purchase of stock-in-trade in Fiscal 2023 compared to Fiscal 2022 due to an increase in demand for such products.

#### *Employee benefits expense*

Our employee benefit expenses increased by 10.16% to ₹7,991.56 million in Fiscal 2023 from ₹7,254.54 million in Fiscal 2022, primarily due to an increase in salaries and wages, and staff welfare expense. This increase was primarily due to an increase in our employee base from 3,520 as of March 31, 2022 to 3,596 as of March 31, 2023, including employees at senior levels.

#### *Changes in inventories of finished goods, stock-in-trade and work-in-progress*

Our changes in inventories increased to ₹(2,115.10) million in Fiscal 2023 from ₹2,766.29 million in Fiscal 2022 primarily due to an increase in the closing inventories due to an increase in finished goods in Fiscal 2023, which was partially offset by a decrease in the closing inventories of finished goods and stock-in-trade, to support the increase in sales during Fiscal 2023.

#### *Finance costs*

Our finance costs remained stable at ₹225.84 million in Fiscal 2023 compared to ₹225.10 million in Fiscal 2022.

#### *Depreciation and amortisation expense*

Our depreciation and amortisation expense increased by 16.27% to ₹3,003.93 million in Fiscal 2023 from ₹2,583.59 million in Fiscal 2022, primarily due to an increase in depreciation of owned assets to ₹2,350.07 million in Fiscal 2023 from ₹2,014.52 million in Fiscal 2022 and an increase in depreciation of right-of-use assets to ₹615.92 million in Fiscal 2023 from ₹535.93 million in Fiscal 2022. The increase was primarily driven by the purchase of assets to support our operations for our manufacturing operations.

#### *Other expenses*

Our other expenses increased by 20.72% to ₹31,380.49 million in Fiscal 2023 from ₹25,995.50 million in Fiscal 2022, which was primarily attributable to an increase in following expenses:

- *Freight and forwarding.* Our freight and forwarding expense increased by 20.44% to ₹7,345.89 million in Fiscal 2023 from ₹6,099.45 million in Fiscal 2022, largely to support the increase in sales volumes in 2023.
- *Sales promotion.* Our sales promotion expense increased by 23.06% to ₹6,228.36 million in Fiscal 2023 from ₹5,061.18 million in Fiscal 2022, as a result of an increase in the number of sales promoters



providing sales promotion services from 8,381 as of March 31, 2022 to 9,193 and the related expenses to engage promoters as of March 31, 2023 to support our growing sales network.

- *Royalty.* Our royalty expense increased by 26.88% to ₹3,232.44 million in Fiscal 2023 from ₹2,547.59 million in Fiscal 2022, with an increase in revenue in Fiscal 2024
- *Loss on foreign currency transactions and translation (net).* Our loss on foreign currency transactions and translation (net) increased by 108.02% to ₹1,080.21 million in Fiscal 2023 from ₹519.27 million in Fiscal 2022, as a result of depreciation of the Indian rupee against the US dollar.
- *Customer service.* Our customer service expense increased by 26.78% to ₹1,929.50 million in Fiscal 2023 from ₹1,521.87 million in Fiscal 2022, primarily due to an increase in the parts sourced for our services business and other service related expenses.

### ***Tax Expense from Continuing Operations***

Our tax expense increased by 10.88% to ₹4,723.09 million in Fiscal 2023 from ₹4,259.64 million in Fiscal 2022, primarily due to an increase in our current tax expense with an increase in profit before tax.

### ***Profit for the Year from Continuing Operations***

As a result of the foregoing factors, our profit for the year increased by 14.49% to ₹13,449.30 million in Fiscal 2023 from ₹11,747.33 million in Fiscal 2022.

### **Non-GAAP Financial Measures**

In addition to our results determined in accordance with Ind AS, we believe the following non-GAAP measures are useful to investors in evaluating our operating performance. We use the following non-GAAP financial information to evaluate our ongoing operations and for internal planning and forecasting purposes. We believe that non-GAAP financial information, when taken collectively with financial measures prepared in accordance with Ind AS, may be helpful to investors because it provides an additional tool for investors to use in evaluating our ongoing operating results and trends and in comparing our financial results with other companies in our industry because it provides consistency and comparability with past financial performance. However, our management does not consider these non-GAAP measures in isolation or as an alternative to financial measures determined in accordance with Ind AS.

Non-GAAP financial information is presented for supplemental informational purposes only, has limitations as an analytical tool and should not be considered in isolation or as a substitute for financial information presented in accordance with Ind AS. Non-GAAP financial information may be different from similarly titled non-GAAP measures used by other companies. The principal limitation of these non-GAAP financial measures is that they exclude significant expenses and income that are required by Ind AS to be recorded in our financial statements, as further detailed below. In addition, they are subject to inherent limitations as they reflect the exercise of judgment by management about which expenses and income are excluded or included in determining these Non-Ind AS financial measures. A reconciliation is provided below for each non-GAAP financial measure to the most directly comparable financial measure prepared in accordance with Ind AS. Investors are encouraged to review the related Ind AS financial measures and the reconciliation of non-GAAP financial measures to their most directly able Ind AS financial measures included below and to not rely on any single financial measure to evaluate our business.

### ***EBITDA, EBITDA Margin, Net Profit Margin***

The following table reconciles EBITDA, EBITDA Margin and Net Profit/(Loss) Margin to profit for the period/year.

- EBITDA is calculated as profit for the period / year plus total tax expense plus finance costs plus depreciation and amortization minus other income
- EBITDA Margin is calculated as EBITDA as a percentage of revenue from operations (including continuing and discontinued operations).
- Net Profit Margin is defined as profit for the period/year as a percentage of total income.

Particulars	Three months ended June 30,	Fiscal		
	2024	2024	2023	2022
		<i>₹ million except %</i>		
Total income	64,667.97*	215,571.18*	201,122.30*	171,713.46*
Revenue from operations	64,087.97*	213,520.00*	198,682.39*	169,657.25*
Profit for the period / year	6,796.46	15,110.68	13,449.30	11,747.33
Add: Tax expenses	2,327.64	5,260.49	4,711.99	4,150.31
Add: Depreciation and amortisation expense	967.21	3,643.69	3,003.93	2,583.59
Add: Finance costs	69.35	285.05	225.84	225.10
Less: Other Income	580.00	2,051.18	2,439.91	2,056.21
<b>EBITDA</b>	<b>9,580.66</b>	<b>22,248.73</b>	<b>18,951.15</b>	<b>16,650.12</b>
<b>EBITDA Margin</b>	<b>14.95%</b>	<b>10.42%</b>	<b>9.54%</b>	<b>9.81%</b>
<b>Net Profit Margin</b>	<b>10.51%</b>	<b>7.01%</b>	<b>6.69%</b>	<b>6.84%</b>

\*includes total income and revenue from operations for both continuing and discontinued operations

### Return on Capital Employed

Return on Capital Employed is defined as EBIT as a percentage of Capital Employed. Capital Employed is calculated as total equity (excluding amalgamation reserve) plus lease liabilities. EBIT is calculated as profit before tax plus finance costs minus other income. The table below reconciles Return on Capital Employed to total equity and profit for the period / year to total equity and profit before tax including discontinued operations for the periods indicated:

Particulars	Three months ended June 30,	Fiscal		
	2024	2024	2023	2022
		<i>₹ million except %</i>		
Total equity* (A)	44,163.40	37,358.21	43,198.20	54,643.20
Lease liabilities (B)	3,585.95	3,699.55	3,184.51	2,907.52
<b>Capital Employed (A+B)</b>	<b>47,749.35</b>	<b>41,057.76</b>	<b>46,382.71</b>	<b>57,550.72</b>
Profit before tax including discontinued operations (A)	9,124.10	20,371.17	18,161.29	15,897.64
Finance costs (B)	69.35	285.05	225.84	225.10
Other income (C)	580.00	2,051.18	2,439.91	2,056.21
<b>EBIT (A+B-C)</b>	<b>8,613.45</b>	<b>18,605.04</b>	<b>15,947.22</b>	<b>14,066.53</b>
<b>Return on Capital employed (EBIT / Capital Employed)</b>	<b>18.04%</b>	<b>45.31%</b>	<b>34.38%</b>	<b>24.44%</b>

\*excluding amalgamation reserve

### Return on Net Worth

Return on Net Worth is calculated as profit for the period / year as a percentage of equity attributable to equity holders of the parent. Equity attributable to equity holders of the parent is defined as equity share capital (excluding amalgamation reserve) plus other equity. The table below reconciles Return on Net Worth to profit for the year/period:

Particulars	Three months ended June 30,	Fiscal		
	2024	2024	2023	2022
		<i>₹ million except %</i>		
Equity share capital (A)	1,131.29	1,131.29	1,131.29	1,131.29
Other equity (B)	43,396.36	36,591.17	42,431.16	53,876.16
Amalgamation Reserve* (C)	(364.25)	(364.25)	(364.25)	(364.25)
<b>Equity attributable to equity holders of the parent (D=A+B+C)</b>	<b>44,163.40</b>	<b>37,358.21</b>	<b>43,198.20</b>	<b>54,643.20</b>
Profit for the period / year (E)	6,796.46	15,110.68	13,449.30	11,747.33
<b>Return on Net Worth (F=E/D)</b>	<b>15.39%</b>	<b>40.45%</b>	<b>31.13%</b>	<b>21.50%</b>

## Liquidity and Capital Resources

Historically, our primary liquidity requirements have been to finance our working capital needs for our operations. We have met these requirements through cash flows from operations and equity infusions from shareholders. As of June 30, 2024, we had cash balance with banks of ₹1,540.17 million, cash on hand of ₹9.31 million and bank deposits with original maturity of less than three months of ₹34,511.24 million.

We believe that, after considering the expected cash to be generated from operations and any equity investments, we will have sufficient liquidity for our present requirements and anticipated requirements for capital expenditure, including in relation to setting up of a new manufacturing unit in Andhra Pradesh, and working capital will be sufficient to meet our working capital and capital expenditures needs for at least the next 12 months and beyond.

Our future capital requirements will depend on many factors, including, but not limited to our growth, our ability to attract and retain trade partners and consumers, increase our product development capabilities in India, expand our operations by deepening our presence in India, address consumer concerns quickly, and implement new technologies in operations. Further, we may in the future enter into arrangements to strategically pursue inorganic growth opportunities to support our operations. We may finance our capital requirements through equity, debt, or a combination thereof.

### Cash Flows

The table below summarizes the statement of cash flows, as per our restated consolidated cash flow statements, for the years and periods indicated:

Particulars	Three months ended June 30,	Fiscal		
	2024	2024	2023	2022
	₹ million			
Operating profit before change in operating assets and liabilities	9,674.33	22,485.73	19,318.69	16,785.71
Net cash inflow/(outflow) from operating activities	14,046.84	16,654.61	18,708.28	5,978.66
Net cash (outflow)/inflow from investing activities	41.27	(204.57)	(2,740.00)	(775.05)
Net cash (outflow)/inflow from financing activities	(255.36)	(21,852.53)	(25,607.31)	(23,265.05)
Cash and cash equivalents at the end of the year	36,060.72	22,226.05	27,625.88	37,268.56

### Operating Activities

Our net cash inflow from operating activities in the three months ended June 30, 2024 was ₹14,046.84 million, while our operating profit before change in operating assets and liabilities was ₹9,674.33 million. Such difference was primarily attributable to a decrease in trade receivables of ₹5,688.24 million and a decrease in inventories of ₹1,403.55 million. This was partially offset by net income tax paid of ₹1,045.80 million, a decrease in other liabilities of ₹687.71 million and an increase in other assets of ₹420.18 million.

Our net cash inflow from operating activities in Fiscal 2024 was ₹16,654.61 million, while our operating profit before change in operating assets and liabilities was ₹22,485.73 million. Such difference was primarily attributable to net income tax paid of ₹5,698.50 million, an increase in trade receivables of ₹2,946.03 million and a decrease in trade payables of ₹913.87 million. This was partially offset by a decrease in inventories of ₹2,468.08 million and an increase in other liabilities of ₹1,327.05 million.

Our net cash inflow from operating activities in Fiscal 2023 was ₹18,708.28 million, while our operating profit before change in operating assets and liabilities was ₹19,318.69 million. Such difference was primarily attributable to net income tax paid of ₹4,424.75 million, an increase in inventories of ₹2,262.02 million and an increase in trade receivables of ₹1,206.40 million. This was partially offset by an increase in trade payables of ₹5,232.75 million, an increase in other liabilities of ₹1,001.76 million and an increase in other financial liabilities of ₹865.05 million.

Our net cash inflow from operating activities in Fiscal 2022 was ₹5,978.66 million, while our operating profit before change in operating assets and liabilities was ₹16,785.71 million. Such difference was primarily attributable to net income tax paid of ₹4,016.00 million and an increase in trade receivables of ₹3,282.00 million, partially offset by a decrease in inventories of ₹2,237.76 million and an increase in other liabilities of ₹1,105.48 million.

#### *Investing Activities*

Our net cash inflow from investing activities in the three months ended June 30, 2024 was ₹41.27 million, which consisted of interest income on bank deposits of ₹557.42 million, partially offset by purchase of property, plant and equipment and intangible assets (including capital work-in-progress and intangible assets under development) of ₹520.07 million

Our net cash outflow from investing activities in Fiscal 2024 was ₹204.57 million, which consisted of purchase of property, plant and equipment and intangible assets (including capital work-in-progress and intangible assets under development) of ₹2,421.25 million, partially offset by interest income on bank deposits of ₹1,989.48 million and proceeds from government grant of ₹208.06 million.

Our net cash outflow from investing activities in Fiscal 2023 was ₹2,740 million, which consisted of purchase of property, plant and equipment and intangible assets (including capital work-in-progress and intangible assets under development) of ₹5,171.04 million, partially offset by interest income on bank deposits of ₹2,201.51 million and proceeds from government grant of ₹196.59 million.

Our net cash outflow from investing activities in Fiscal 2022 was ₹775.05 million, which consisted of purchase of property, plant and equipment and intangible assets (including capital work-in-progress and intangible assets under development) of ₹2,734.04 million, partially offset by interest income on bank deposits of ₹1,624.12 million and proceeds from government grant of ₹296.41 million.

#### *Financing Activities*

Our net cash outflow from financing activities in the three months ended June 30, 2024 was ₹255.36 million, which consisted of principal payment of lease liabilities of ₹186.01 million and interest paid on lease liabilities of ₹69.35 million.

Our net cash outflow from financing activities in Fiscal 2024 was ₹21,852.53 million, which consisted of interim dividend of ₹20,928.82 million, principal payment of lease liabilities of ₹654.29 million and interest paid on lease liabilities of ₹269.42 million.

Our net cash outflow from financing activities in Fiscal 2023 was ₹25,607.31 million, which consisted of interim dividend of ₹24,888.32 million, principal payment of lease liabilities of ₹493.96 million and interest paid on lease liabilities of ₹225.03 million.

Our net cash outflow from financing activities in Fiscal 2022 were ₹23,265.05 million, which consisted of interim dividend of ₹22,625.75 million, principal payment of lease liabilities of ₹414.69 million and interest paid on lease liabilities of ₹224.61 million.

#### **Contractual Obligations**

The table below sets forth our contractual obligations with definitive payment terms as of June 30, 2024. These obligations primarily relate to our trade payables. Our trade payables primarily relate to the purchase of raw materials and stock-in-trade, as well as other services such as marketing activities involving third-party marketing agencies and freight.

Particulars	Less than one year	1-2 years	More than 5 years	Total
<i>₹ million</i>				
<b>Non-derivatives</b>				
Trade payables.....	30,286.34	-	-	30,286.34
Other financial liabilities .....	2,987.64	-	-	2,987.64
Lease liabilities.....	820.32	2,054.31	1,921.72	4,796.35
<b>Derivatives</b>				

Derivative financial liabilities.....	5.85	-	-	5.85
<b>Total .....</b>	<b>34,100.15</b>	<b>2,054.31</b>	<b>1,921.72</b>	<b>38,076.18</b>

## Contingent Liabilities

A) The following table sets forth the principal components of our claims against the Company not acknowledged as debt (to the extent not specifically provided for) as of June 30, 2024 and as of March 31, 2024, 2023 and 2022.

Particulars	As of June	As of March 31,		
	30, 2024	2024	2023	2022
	₹ million			
Claims against the Company not acknowledged as debt #				
(a) Demand notices from Central Excise/ Service Tax/ Customs Department:				
Total demand .....	2,246.55	2,250.82	2,242.99	4,521.17
Less: Provision.....	111.88	110.01	102.51	96.00
Total.....	2,134.67	2,140.81	2,140.48	4,425.17
(b) Demand notices from Sales Tax Department / goods and services tax (“GST”) Department:				
Total demand .....	3,270.37	3,125.20	1,160.27	940.47
Less: Provision.....	53.33	53.33	53.33	55.00
Total.....	3,217.04	3,071.87	1,106.94	885.47
(c) Demand from Income Tax Department:				
Total demand .....	22,500.56	22,500.43	22,198.00	25,039.21
Less: Provision.....	1,985.12	1,985.12	1,985.12	1,985.12
Total.....	20,515.44	20,515.31	20,212.88	23,054.09
(d) Other claims.....	281.84	275.94	253.73	236.64
Less: Provision.....	75.24	74.82	72.67	71.00
Total.....	206.60	201.12	181.06	165.64
Total demands.....	28,299.32	28,152.39	25,854.99	30,737.49
Less: Provision.....	2,225.57	2,223.28	2,213.63	2,207.12
<b>Grand total .....</b>	<b>26,073.75</b>	<b>25,929.11</b>	<b>23,641.36</b>	<b>28,530.37</b>

### # Notes:

i) Based on the interpretation of the provisions of applicable Acts and in respect of other legal cases, we are of the opinion that the above demands are likely to be deleted or substantially reduced and accordingly no additional provision has been made.

ii) Excludes show cause notices replied by us. We have not yet heard from the appropriate authorities in the matter and is of the view that same are not contingent in nature.

iii) It is not practical for us to estimate the timing of cash outflows, if any, in respect of the above, pending resolution of the respective proceedings.

iv) During the year ended March 31, 2019, we had evaluated the impact of the Supreme Court Judgment in case of “Vivekananda Vidyamandir and Others vs The Regional Provident Fund Commissioner (II) West Bengal” and the related circular (Circular No. C-1/1(33)2019/Vivekananda Vidya Mandir/284) dated March 20, 2019 issued by the Employees’ Provident Fund Organization in relation to non-exclusion of certain allowances from the definition of “basic wages” of the relevant employees for the purposes of determining contribution to provident fund under the Employees’ Provident Funds & Miscellaneous Provisions Act, 1952. In the assessment of the management which was supported by legal advice, the aforesaid matter was not likely to have a significant impact and accordingly, no provision has been made in the financial statements.

v) Amounts are as per demand order and include penalty and interest, wherever applicable.

## B) Contingency on advance pricing agreement of royalty

We had accrued royalty expense and paid ₹1,215.08 million, ₹4,032.30 million, ₹3,232.44 million and ₹2,547.59 million for the three months period ended June 30, 2024 and Fiscals 2024, 2023 and 2022, respectively, to our holding company, LG Electronics, for the use of technology and brand name. The royalty was determined in accordance with the License Agreement, effective from April 1, 2016, as amended from time to time, between the Company and LG Electronics.

The License Agreement also provided for additional payment of royalty, which was contingent upon the approval of the application dated March 28, 2018 for Advance Pricing Agreement (“APA”) filed with the income-tax authorities in India and the Republic of Korea. The APA expired on March 31, 2023 and thereafter an application

for extension was filed on March 31, 2023 covering Fiscals 2024 to 2028 as well. The possible obligation arising from additional royalty payments based on the aforesaid revised license agreement amounting to ₹71,594.98 million, ₹67,436.64 million, ₹59,866.92 million and ₹52,856.46 million was disclosed as contingent liability as of June 30, 2024, March 31, 2024, March 31, 2023 and March 31, 2022, respectively.

On May 8, 2024, we and LG Electronics filed a Mutual Agreement Procedure (“MAP”) application with the respective Competent Authorities of India and the Republic of Korea, under Article 25(1) of the comprehensive agreements between India and the Republic of Korea to resolve the consequences of double taxation arising from certain transfer pricing tax adjustments made by the tax authority of the Republic of Korea on LG Electronics.

Subsequent to the three months period ended June 30, 2024, we entered into an addendum on November 18, 2024 to the License Agreement, aligning its royalty obligation to the amount accrued and paid for the respective years / periods and updated our APA application accordingly. We have withdrawn the APA extension application dated March 31, 2023 through our filing with the income-tax authority in India on November 20, 2024. Pursuant to the addendum dated November 18, 2024 and pending approval of the MAP application, the contingent liability determined on June 30, 2024 at ₹71,594.98 million has now been reduced to ₹3,153.00 million.

### Capital Expenditures

Our historical capital expenditures were, and we expect our future capital expenditures to be, primarily for enhancing our production facilities and upgrading equipment and manufacturing processes in order to increase our manufacturing capacity utilization. The following table provides our capital expenditure costs incurred for the periods indicated. For more details see, “ – *Principal Factors affecting our results of operations – Capital Expenditure and Production Capacity*” on page 321.

Particulars	Three months ended June 30, 2024		2024		Fiscal 2023		2022	
	% of revenue from		% of revenue from		% of revenue from		% of revenue from	
	₹ million	operations*	₹ million	operations*	₹ million	operation*	₹ million	operations*
Capital expenditure (unallocable).....	731.01	1.14%	3,616.00	1.69%	5,424.00	2.73%	3,593.00	2.12%

\* includes revenue from continuing and discontinued operations

### Off-Balance Sheet Arrangements

We do not have any off-balance sheet arrangements, derivative instruments or other relationships with other entities that would have been established for the purpose of facilitating off-balance sheet arrangements.

### Related Party Transactions

We enter into various transactions with related parties. For further information see “*Other Financial Information - Related Party Transactions*” on page 314 of this Draft Red Herring Prospectus.

### Significant Economic Changes

Other than as described in “*Our Business*” on page 163, to the knowledge of our management, there are no other significant economic changes that materially affect or are likely to affect income from continuing operations.

### Unusual or Infrequent Events of Transactions

Except as described in this Draft Red Herring Prospectus, there have been no other events or transactions that, to our knowledge, may be described as “unusual” or “infrequent”.

### Known Trends or Uncertainties

Our business has been affected and we expect will continue to be affected by the trends identified above “– *Principal Factors Affecting our Financial Condition and Results of Operations*” on page 319 and the uncertainties described in “*Risk Factors*” on page 31. To our knowledge, except as described or anticipated in

this Draft Red Herring Prospectus, there are no known factors which we expect will have a material adverse impact on our revenues or income from continuing operations.

### Seasonality of Business

The sales volumes of some of our products are influenced by the cyclical and seasonality of demand for our products in India. For further details, see “*Principal Factors Affecting our Financial Condition and Results of Operations – Seasonality*” and “*Risk Factors – Internal Risks – Our business is seasonal in nature and a decrease in our sales during some quarters could have an adverse impact on our financial performance*” on pages 323 and 58, respectively.

### Competitive Conditions

We operate in several business segments in different industries with multiple product and service categories and face a broad range of competition from existing and new competitors ranging from large multinational companies to highly specialized entities that focus on a limited number of products and services, according to the Redseer Report. Our existing and future competitors may have significantly greater financial resources that can be devoted to design, development, manufacturing, marketing, sales, and support of their products. They may also have technical and manufacturing capabilities and/or marketing, retail and service network and brand recognition that is comparable to, or more developed than, our own. For further details, see “*Principal Factors Affecting our Financial Condition and Results of Operations – Competition and our ability to introduce new products for the Indian market*” on page 319 and “*Risk Factors – Internal Risks – We may not be able to compete successfully in the highly competitive and fast evolving home appliances and consumer electronics markets which could have an adverse impact on our operations*” on page 37.

### New Products or Business Segments Expected

Except as disclosed in “*Our Business*” on page 163, and products that we announce in the ordinary course of business, we have not announced and do not expect to announce in the near future any new products or business segments.

### Significant Dependence on Single or Few Trade Partners, Consumers or Suppliers

We largely depend on a single logistics partner for warehousing and logistics chain management. For further details. While we generally source most of our raw materials from multiple suppliers, we depend on a limited number of suppliers for some of our key raw materials. For example, we depend on three steel manufacturers in India for pre-coated and galvanized steel; we source majority of our acrylonitrile butadiene styrene resin and expanded polystyrene resin from two suppliers; and a majority of internally grooved tubes from a single supplier. For further details, see “*Risk Factors - Our top-five suppliers and top-10 suppliers contributed 21.45% and 31.44% of our total purchases of raw in the three months ended June 30, 2024. Further, we source certain raw materials from suppliers in select countries outside India. Any interruption in the availability of raw materials or supplier misconduct could adversely impact our business operations*” on page 34.

### Future Relationship Between Cost and Income

Other than as described elsewhere in this Draft Red Herring Prospectus, to the knowledge of our management, there are no known factors that might affect the future relationship between costs and revenues.

### Auditor Observations

Our Statutory Auditor has noted an emphasis of matter in their auditor reports for the financial statements as of and for the three months ended June 30, 2024 and as of and for the years ended March 31, 2024, 2023 and 2022, as highlighted in the table:

Period	Emphasis of matters
Three months ended June 30, 2024	Note 31(B) to the Special Purpose Interim Financial Statements regarding the addendum dated November 18, 2024 to the revised license agreement dated July 27, 2017 entered into by the Company with its holding company to align its royalty obligation to the amounts accrued in the books for the respective years / period. Pending approval of the Mutual Agreement Procedure (‘MAP’) application dated May 8, 2024 filed by the Company and its holding company with the respective Competent Authority in India and the Republic of Korea to resolve the

Period	Emphasis of matters
	consequences of double taxations arising from certain transfer pricing tax adjustments made by the tax authority of the Republic of Korea on the holding company, the Company has disclosed the remaining portion of royalty under contingent liability.
<b>Fiscal 2024</b>	We draw your attention to Note 32 to the accompanying financial statements, where it is stated that the Company had entered into a Revised License Agreement dated July 27, 2017 with its parent Company, i.e., LG Electronics Inc., Republic of Korea, for the use of technology and brand name. In accordance with the aforesaid agreement, the Company is liable to pay royalty to LG Electronics Inc., Republic of Korea. Based on the original agreement, royalty amounting to ₹4,032 million has been accrued during the year ended March 31, 2024, and remaining portion of royalty based on the aforesaid Revised License Agreement amounting to ₹67,437 million pertaining to the period from April 1, 2016 to March 31, 2024 is contingent upon conclusion of the Advance Pricing Agreement with the Government of India. Consequently, the Company has not accrued the remaining portion and the obligation has been disclosed as a contingent liability.
<b>Fiscal 2023</b>	We draw your attention to Note 32 to the accompanying financial statements, where it is stated that the Company had entered into a Revised License Agreement dated July 27, 2017 with its parent Company, i.e., LG Electronics Inc., South Korea, for the use of technology and brand name. In accordance with the aforesaid agreement, the Company is liable to pay royalty to LG Electronics Inc., South Korea. Based on the original agreement, royalty amounting to ₹3,232 million has been accrued during the year ended March 31, 2023, and remaining portion of royalty based on the aforesaid Revised License Agreement amounting to ₹59,867 million pertaining to the period from April 1, 2016 to March 31, 2023 is contingent upon conclusion of the Advance Pricing Agreement with the Government of India. Consequently, the Company has not accrued the remaining portion and the obligation has been disclosed as a contingent liability.
<b>Fiscal 2022</b>	We draw your attention to Note 32 to the accompanying financial statements, where it is stated that the Company had entered into a Revised License Agreement dated July 27, 2017 with its parent Company, i.e., LG Electronics Inc., Korea, for the use of technology and brand name. In accordance with the aforesaid agreement, the Company is liable to pay royalty to LG Electronics Inc., Korea. Based on the original agreement, royalty amounting to ₹2,548 million has been accrued during the year ended March 31, 2022, and remaining portion of royalty based on the aforesaid Revised License Agreement amounting to ₹52,856 million pertaining to the period from April 1, 2016 to March 31, 2022 is contingent upon conclusion of the Advance Pricing Agreement with the Government of India. Consequently, the Company has not accrued the remaining portion and the obligation has been disclosed as a contingent liability.

Please also see “**Risk Factors – Internal Risks – Our Statutory Auditor’s report for the financial statements as of and for the three months ended June 30, 2024 and as of and for the years ended March 31, 2024, 2023 and 2022 include observations with respect to the contingent liabilities arising from the License Agreement**” on page 67.

## **Quantitative and Qualitative Disclosures about Market Risks**

### **Market Risk**

#### *Foreign exchange risk*

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. We are mainly exposed to foreign exchange risk on the US Dollar.

The purpose of foreign exchange risk management is to provide the foundation of stable business operations by minimizing the uncertainty and volatility of foreign exchange gains and losses from foreign exchange rate fluctuations.

We have our own foreign exchange policy through which we minimize the exposure to foreign exchange risk by netting off foreign exchange assets and liabilities from general operating activities. We consider foreign exchange risk hedges against our remaining exposure with derivative financial instruments and scrutinize changes in foreign exchange exposure and the results of hedging activities on a monthly basis. Speculative foreign exchange trading is prohibited.



For more details on derivative instruments and unhedged foreign currency exposure, see “**Restated Financial Information – Note 37 – Details on derivatives instruments and unhedged foreign currency exposure**” on page 294.

### *Sensitivity*

The sensitivity of profit or loss due to changes in exchange rates arises mainly from US Dollar denominated financial assets and liabilities. The following table sets forth the impact on profit and loss due to increase or decrease of foreign currency against the Indian rupee. Impact on other components of equity is nil.

Particulars	Impact on profit before tax			
	June 30, 2024	March 31, 2024	March 31, 2023	March 31, 2022
<b>Foreign currency sensitivity</b>				
<b>Trade receivables</b>				
Increase by 10%* .....	221.77	210.55	267.18	277.15
Decrease by 10%* .....	(221.77)	(210.55)	(267.18)	(277.15)
<b>Other receivables</b>				
Increase by 10%* .....	4.80	8.53	5.33	3.92
Decrease by 10%* .....	(4.80)	(8.53)	(5.33)	(3.92)
<b>EEFC</b>				
Increase by 10%* .....	50.41	46.01	34.41	30.76
Decrease by 10%* .....	(50.41)	(46.01)	(34.41)	(30.76)
<b>Trade payables</b>				
Increase by 10%* .....	(1,385.77)	(1,384.58)	(1,471.53)	(1,232.51)
Decrease by 10%* .....	1,385.77	1,384.58	1,471.53	1,232.51
<b>Advance from customers</b>				
Increase by 10%* .....	-	-	-	(3.00)
Decrease by 10%* .....	-	-	-	3.00
<b>Net impact</b>				
Increase by 10%* .....	(1,108.79)	(1,119.49)	(1,164.61)	(923.69)
Decrease by 10%* .....	1,108.79	1,119.49	1,164.61	923.69

\*Keeping all other variables constant

### *Interest rate risk*

We are not exposed to significant interest rate risk as at the respective reporting dates.

### *Credit Risk*

Credit risk arises from the possibility that the counterparty will default on its contractual obligations resulting in financial loss to us. To manage this, the management periodically analyses historical bad debts and ageing of accounts receivable. We have secured the credit risk against the trade receivables through credit insurance.

For other financial assets, we consider the probability of default upon initial recognition of assets and whether there has been a significant increase in credit risk on an ongoing basis through each reporting period. To assess whether there is significant increase in credit risk, we do reasonable analysis of counterparty’s financial capability based on following information:

- (i) Actual or expected significant adverse changes in business;
- (ii) Financial or economic conditions that are expected to cause a significant change to the counterparty’s ability to meet its obligation;
- (iii) Significant increase in credit risk and other financial instruments of the same counterparty; and
- (iv) Significant changes in the value of collateral supporting the obligation or in the quality of third party guarantees or credit enhancements.

The expected credit loss on security deposits, bank balances / deposits and government grants has been determined to be immaterial.

Our credit period generally ranges from 0-30 days. Considering the large number of customers to which we sale, the credit risk in trade receivables is not concentrated in a single / few customers. We have performed an analysis of historical bad debts and has used the provision matrix approach to determine expected credit loss on such

receivables. The expected credit loss on trade receivables as of June 30, 2024, March 31, 2024, March 31, 2023 and March 31, 2022 is determined to be not material.

### ***Liquidity Risk***

The liquidity risk encompasses any risk that we cannot fully meet our financial obligations. To manage the liquidity risk, cash flow forecasting is performed by finance team. Our finance team monitors rolling forecasts for our liquidity requirements to ensure we have sufficient cash to meet operational needs and so that we do not breach borrowing limits or covenants (where applicable) on any of our borrowing facilities.

### **Material Accounting Policies and Use of Judgements and Estimates**

A full description of our material accounting policies adopted in the preparation of our Restated Financial Information is provided in Note 2.3 to our Restated Financial Information. See “***Restated Financial Information – Note 2.2 Critical estimates and judgments***” and “***Restated Financial Information – Note 2.3 Material accounting policies***” on pages 245 and 246, respectively. Critical estimates and judgments and the critical accounting policies that our management believes to be the most significant are summarized below.

#### ***Critical estimates and judgments***

In the process of applying our accounting policies, management has made the following estimates, assumptions and judgments, which have significant effect on the amounts recognised in the financial statement:

##### ***Provisions and contingencies***

Management judgment is required for estimating the possible outflow of resources, if any, in respect of contingencies/claim/litigations against us as it is not possible to predict the outcome of pending matters with accuracy.

##### ***Warranty***

The estimated liability for product warranties is recorded when products are sold. These estimates are established using historical information on the nature, frequency and average cost of warranty claims and management estimates regarding possible future incidence based on corrective actions or product failures.

##### ***Revenue from operations***

The estimated refund liability and a right to recover the returned goods are recognised for the products expected to be returned at the time of sale. These estimates are established using historical information in nature, frequency and actual return of product with management estimate of future return of products.

#### ***Revenue recognition***

We recognize revenue when the amount of revenue can be reliably measured; when it is probable that future economic benefits will flow to the entity; and specific criteria have been met for each of our activities as described below:

##### ***Sales of products***

Revenue from sale of finished goods, stock-in-trade, raw material, service components and spares is recognised when control of the goods is transferred to the customers (retailers, distributors, large format stores etc.) being when the products are delivered to the customer. Delivery does not occur until the products have been shipped to the specified location, the risk of loss (i.e. control) have been transferred to the customer.

Revenue is recognised based on the consideration specified in a contract with a customer (transaction price) and is net of discounts and goods and services tax (“GST”).

The products are often sold with discounts and customers have a right to return faulty products. Accumulated experience is used to estimate and provide for the discounts and returns. The discounts are assessed based on

expected cost. We recognize contract liabilities for sales return (hereinafter referred to as “**refund liability**”) based on reasonable expectation reflecting sale return rate incurred historically. We estimate an amount of variable consideration by using the expected value approach which we expect to better predict the amount of consideration. We recognize revenue with transaction price including variable consideration to the extent that it is highly probable that a significant reversal in the accumulated amount of revenue will not occur when the refund period has lapsed.

The transaction price will be allocated to each performance obligation based on relative standalone selling price of the goods or services being provided to a customer. We determine the stand alone price for each performance obligation by using ‘adjusted market assessment approach’. In limited circumstances, we use an ‘expected cost plus a margin approach’ to estimate standalone selling price.

Refund liability for the expected returns from customers is recognised as an adjustment to revenue. We have a right to recover the products from the customer when the customer exercises his right of return and recognizes an asset and a corresponding adjustment to cost of sales. A right to recover the products is measured at the former carrying amount of the product.

Our obligation to repair or replace faulty products under the standard warranty terms is recognised as provision and disclosed in Note No 13. See “**Restated Financial Information – Note 13: Provisions**” on page 266.

Revenue from sale of scrap arising during the manufacturing is recognised when control is transferred being when the scrap materials are collected by the scrap dealer.

*Sales, installation and commissioning contracts*

The fixed price contract of sales, installation and commissioning are integrated contracts and revenue is recognised at a point in time when the performance obligation is met basis the output oriented method (i.e., milestone completion) and where no significant uncertainty exists regarding the amount of consideration that will be derived on completion of the contract. Milestone is determined on the basis of survey of work performed up to the reporting date.

Provision for anticipated loss is recognised where it is probable that the estimated contract costs are likely to exceed the total contract revenue. Provision is made for liquidated damages and penalties in terms of the contract wherever there is a delayed delivery attributable to us.

*Maintenance service contracts*

Revenue from maintenance contracts are recognised on a pro-rata basis over the period of the contract.

*Financing Components*

We do not have any contracts where the period between the transfer of promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, we do not adjust any of the transaction prices for the time value of money.

**Inventories**

Inventories are valued at lower of cost and net realizable value after providing for obsolescence and other losses, wherever considered necessary.

Cost of raw materials and traded goods comprises cost of purchases. Cost of work-in-progress and finished goods comprises direct materials, direct labor and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Cost of inventories also include all other costs incurred in bringing the inventories to their present location and condition. Goods in transit are valued at lower of cost and net realizable value. Net realizable value is estimated selling price in the ordinary course of business less the estimated cost of completion and costs necessary to make the sales. The basis for determination of cost of various categories of inventory are as follows:

Category	Basis of determination
Raw materials, stores and spares and packaging materials .....	Monthly weighted average

Stock-in-trade .....	Monthly weighted average
Finished goods (manufactured), work in progress.....	Monthly weighted average of material cost plus an appropriate share of labor and manufacturing overheads wherever applicable.

Provision for obsolescence on surplus stores and spares held to support servicing of discontinued models and cost of certain obsolete/dormant models is accrued at lower of carrying value and estimated fair value. The recoverability of all other inventories is periodically reviewed and an impairment loss is recognised only when carrying value exceeds the fair value.

### ***Provisions and contingencies***

We create provision when there is present obligation as a result of a past events and it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

The assessments undertaken in recognizing provisions and contingencies have been made in accordance with Ind AS 37, 'Provisions, Contingent Liabilities and Contingent Assets'. The evaluation of the likelihood of the contingent events requires best judgment by management regarding the probability of exposure to potential loss. Should circumstances change following unforeseeable developments, this likelihood could alter.

Provisions are reviewed at each Balance Sheet date and adjusted to reflect the current best estimate. If it is no longer probable that the outflow of resources would be required to settle the obligation, the provision is reversed.

Contingent assets are not recognised in the Restated Financial Information. However, contingent assets are assessed continually and if it is virtually certain that an economic benefit will arise, the asset and the related income are recognised in the period in which the change occurs.

### ***Property, plant and equipment***

Property, plant and equipment are stated at original cost net of tax/ duty credit availed less government grants received to purchase/construct assets, accumulated depreciation and impairment losses, if any. When the significant part of property plant and equipment are required to be replaced at intervals, we derecognize the written down value of replaced parts and recognizes the new part with its own associated useful life and it is depreciated accordingly. Likewise, when a major repair and inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as replacements, only if recognition criteria are satisfied. All the other repair and maintenance costs are recognised in the Restated Statement of Profit and Loss as incurred.

Freehold land is carried at historical cost.

Depreciation on property, plant and equipment is provided on the straight-line method over the estimated useful life of the assets at rates which are higher / lower than the rates specified in Schedule II to the Companies Act, 2013. The life of the assets has been assessed as under based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturer's warranties and maintenance support etc. The estimated useful lives are as follows:

<b>Category of property, plant and equipment</b>	<b>Useful life as per Schedule II (Years)</b>	<b>Estimated Useful Life (Years)</b>
Building.....	30	10-20
Plant and machineries.....	15	5-10
Furniture and fixtures .....	10	5
Office equipment.....	5	5
Computers .....	3	5
Vehicles.....	8	5

Useful lives, depreciation method and residual value are reviewed by the management at the end of each reporting period.

Gain and losses on disposals are determined by comparing proceeds with carrying amount of property, plant and equipment. These are included in the Restated Statement of Profit and Loss.

An asset's carrying amount is written down immediately to its recoverable amount if the assets carrying amount is greater than its estimated recoverable amount.

### ***Impairment***

At the end of each reporting period, we review the carrying amounts of its property, plant and equipment and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, we estimate the recoverable amount of the cash-generating unit to which the asset belongs.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the Restated Statement of Profit and Loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in Restated Statement of Profit and Loss.

Non-Financial assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

### ***Warranty***

The estimated liability for assurance type warranty is recorded when products are sold based on management's best estimate. The expense for such warranties is included under customer service expenses (Other expenses). These estimates are established using historical information on the nature, frequency and average cost of warranty claims and management estimates regarding possible future incidence based on corrective actions or product failures. The timing of outflows will vary as and when warranty claim will arise.

### **Recent Accounting Pronouncements**

The Ministry of Corporate Affairs has amended the Companies (Indian Accounting Standard) Rules, 2015 via notifications dated August 12, 2024, and September 9, 2024, to introduce the new Ind AS 117 i.e., "Insurance Contracts" and amended the Ind As 116 i.e., Leases, respectively. Both are effective from April 1, 2024.

This new standard and the aforesaid amendment did not have any material impact on the amounts recognized and are not expected to significantly affect the current or future periods.

### **Significant Developments after June 30, 2024 that may affect our future results of operations**

Except as stated in this Draft Red Herring Prospectus, to our knowledge, no circumstances have arisen since the date of the Restated Financial Information as disclosed in this Draft Red Herring Prospectus which materially and adversely affect or are likely to affect our operations or profitability, or the value of our assets or our ability to pay our material liabilities within the next twelve months.

## CAPITALISATION STATEMENT

The following table sets forth our Company’s capitalisation, derived from our Restated Financial Information as of June 30, 2024. This table below should be read in conjunction with the sections titled “*Risk Factors*”, “*Restated Financial Information*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*”, beginning on pages 31, 232 and 315, respectively.

Particulars	Pre-Offer as of June 30, 2024	(₹ in million, except ratios) As adjusted for the proposed Offer <sup>(1)</sup>
<b>Total Borrowings</b>		
Non-current borrowings <sup>(2)</sup> (including current maturities of long term borrowings) (A)	-	
Current borrowings (including current maturities of long term borrowings) <sup>(2)</sup> (B)	-	
<b>Total borrowings (C) = (A+B)</b>	<b>-</b>	
<b>Total Equity</b>		
Equity share capital <sup>(2)(3)</sup> (D)	1,131.29	
Other equity <sup>(2)</sup> (E)	43,396.36	
<b>Total equity (F) = (D+E)</b>	<b>44,527.65</b>	
<b>Non-current borrowings/Total equity (G) = (A/F)</b>	<b>0.00%</b>	
<b>Total borrowings/Total equity (H) = (C/F)</b>	<b>0.00%</b>	

Refer notes below.

<sup>(1)</sup> There will be no change in capital structure post the Offer since it is an initial public offering by way of an Offer for Sale by the Selling Shareholder.

<sup>(2)</sup> These terms shall carry the meaning as per Schedule III of the Companies Act (as amended).

<sup>(3)</sup> Post June 30, 2024, i) pursuant to the board resolution dated October 17, 2024 and shareholder resolution dated October 18, 2024, our Company increased its authorized share capital from 1,150.00 million to 15,000.00 million and (ii) pursuant to a board resolution dated November 18, 2024, 565,643,660 equity shares of face value of ₹ 10 each, were allotted to LG Electronics Inc. by way of a bonus issue of Equity Shares in the ratio of five Equity Shares for every one Equity Share held. For further details, see, “*Capital Structure*” on page 97.

## FINANCIAL INDEBTEDNESS

Our Company has availed certain credit facilities in its ordinary course of business, for meeting its working capital requirements and other business requirements. Our Board is empowered to borrow monies as may be required for the purpose of the business of our Company, in accordance with applicable laws and our Articles of Association. For details regarding the borrowing powers of our Board, see “**Our Management – Borrowing Powers of our Board**” on page 212.

The details of our aggregate indebtedness as on October 31, 2024 are provided below:

Category of borrowing <sup>(1)</sup>	Sanctioned amount	Outstanding amount as on October 31, 2024* <small>(in ₹ million)</small>
<b>Unsecured</b>		
Working capital facilities <sup>(2)</sup>	5,171.59	886.44
Fund-based	<b>3,395.89</b>	-
- Overdraft Facilities/ Working capital facility	3,395.89	-
<b>Non-fund based</b>		
- Bank Guarantees /Letter of Credit	<b>1,775.70</b>	886.44
<b>Total indebtedness</b>	<b>5,171.59</b>	<b>886.44</b>

Note:

<sup>(1)</sup> There is no secured loan as on October 31, 2024.

<sup>(2)</sup> Includes ₹ 1,000.00 million of fund-based facilities which is sublimit of and interchangeable with non-fund based facilities. Also includes USD 10 million of fund based facilities converted using RBI reference rate of ₹84.0886 as on October 31, 2024 amounting to ₹ 840.89 million which is sublimit of and interchangeable with non-fund based facilities.

\*As certified by B.B. & Associates, by way of their certificate dated December 6, 2024.

### Key terms of the borrowings availed by our Company:

**Tenor:** The tenor of the facilities availed by our Company is one year.

**Interest:** The applicable rate of interest for the working capital facilities availed by our Company are typically linked to benchmark rates varying from 8.40% p.a. to 11.10% p.a., such as the marginal cost of lending rate (MCLR), and are generally as may be mutually agreed between the relevant lenders and our Company.

**Prepayment:** Facilities availed by our Company typically have pre-payment provisions which allow for pre-payment of the outstanding loan amount, by serving a prior written notice to the relevant lender or on receiving prior approval from the relevant lender, and in certain case, subject to such pre-payment penalties as may be decided mutually at the time of such prepayment, or as set out in the facility agreements.

**Repayment:** Our Company is required to repay the borrowings on the maturity date or on such dates and/ or in such instalments as stipulated in the relevant loan documents.

**Restrictive covenants:** Borrowing arrangements entered into by our Company typically contain various restrictive conditions and covenants mandating either the prior written consent and/or an intimation to our lenders in respect of certain corporate actions. An indicative list of such covenants is set forth below.

- (a) change in the capital structure of our Company;
- (b) change in the shareholding, structure, members, ownership and control of our Company;
- (c) amendments to the memorandum of association and articles of association of our Company; and
- (d) changes in the management/ operating structure or composition of the board of directors and the key managerial personnel of our Company.

**Events of Default:** In terms of the borrowing arrangements entered into by our Company, the occurrence of any of the following, *inter alia*, constitutes an event of default:

- (a) non-payment or default in payment of principal and/or interest due on the loan obligations;
- (b) occurrence or existence of such events or circumstances, which in the opinion of the lender, could have

- a material adverse effect;
- (c) change in control;
- (d) change in the purpose of utilization of credit facility other than sanctioned;
- (e) cross-default; and
- (f) cessation of business operations temporarily or permanently.

***Consequences of events of default:*** In terms of the borrowing arrangements of our Company, the following, inter alia, are the consequences of occurrence of events of default, including:

- (a) termination/ cancellation of the sanctioned facilities;
- (b) application of any amount re-paid to the lender towards settlement and discharge of liabilities; and
- (c) levy of an additional interest rate.

This is an indicative list and there may be additional terms that may require the consent of the relevant lender, the breach of which may amount to an event of default under various borrowing arrangements entered into by our Company with its respective lenders, and the same may lead to consequences other than those stated above.

We have obtained the necessary consents required under the relevant loan documentation for undertaking activities in relation to the Offer.



## SECTION VI: LEGAL AND OTHER INFORMATION

### OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

Except as stated below, as on the date of this Draft Red Herring Prospectus, there are no outstanding (i) criminal proceedings (including first information reports), (ii) actions taken by statutory or regulatory authorities, (iii) claims related to direct or indirect tax matters, and (iv) litigation proceedings that are otherwise material, in each case, involving our Company, our Promoter, and our Directors (“**Relevant Parties**”). There are no outstanding litigation proceedings involving our Group Companies that have a material impact on our Company. As on the date of this Draft Red Herring Prospectus, our Company does not have any subsidiary.

For the purpose of identification of material litigation in (iv) above, our Board has considered and adopted the following policy on materiality with regard to outstanding litigation involving the Relevant Parties to be disclosed by our Company in this Draft Red Herring Prospectus pursuant to resolution dated December 4, 2024 of our Board (“**Materiality Policy**”). Accordingly, disclosures of the following types of litigation involving the Relevant Parties have been included:

- a. as regards our Company and the Directors, the monetary amount of claim by or against the entity or person in any such pending proceeding is individually in excess of the lower of the following (A) 2.00% of the turnover of our Company as per the Restated Financial Information for the last Fiscal, i.e., ₹ 4,270.40 million; (B) 2.00% of the networth of our Company as per the Restated Financial Information for the last Fiscal, i.e., ₹ 754.45 million; or (C) 5.00% of the average of the absolute value of the profit/loss after tax of our Company as per the Restated Financial Information for the last three Fiscals, i.e., ₹ 671.79 million. Accordingly, as regards our Company and the Directors, the monetary amount of claim by or against the entity or person in any such pending proceeding is individually in excess of ₹ 671.79 million (“**Materiality Amount**”);
- b. as regards our Promoter, the following civil proceedings shall be considered material (“**Promoter Materiality**” and together with the Materiality Amount, the “**Materiality Threshold**”):
  - i. such lawsuits exceeding 2.50% or more of the equity capital of large size corporations as required to be disclosed under Article 7, Paragraph 3(c) of the KOSPI Market Disclosure Regulations formulated on January 21, 2005, as amended; and
  - ii. such proceedings as disclosed by the Promoter pursuant to Article 11-2-1 of the Standards for Corporate Disclosure Form enacted by the Financial Supervisory Service (Korea); or
- c. the decision in one case is likely to affect the decision in similar cases, even though the amount involved in an individual litigation may not exceed the Materiality Threshold; or
- d. the monetary liability is not quantifiable for any other outstanding litigation, or the amount does not exceed the Materiality Threshold in an individual litigation, the outcome of which may have a material bearing on the business, operations, performance, prospects, financial position or reputation of our Company.

For the above purposes, pre-litigation notices received by the Relevant Parties from third parties (excluding notices from statutory, regulatory or tax authorities or notices threatening criminal action) shall not be evaluated for materiality until such persons are impleaded as defendants or respondents in proceedings before any judicial/arbitral forum or is notified by any governmental, statutory, or regulatory authority of any such proceeding that may be commenced.

Except as stated in this section, there are no outstanding material dues to creditors of our Company. Further, pursuant to a Board resolution dated December 4, 2024, our Board has considered and adopted the following Materiality Policy for the purpose of disclosure of material creditors in this Draft Red Herring Prospectus according to which all creditors of our Company to whom the amount due from our Company exceeds 5% of the total trade payables of our Company as at June 30, 2024 as per the Restated Financial Information are material creditors (i.e., 5% of ₹ 30,286.34 million which is ₹ 1,514.32 million).

For outstanding dues to any micro, small or medium enterprise, the disclosure shall be based on information available with our Company regarding the status of the creditor as defined under the Micro, Small and Medium Enterprises Development Act, 2006 as amended, read with the rules and notification thereunder.

Unless otherwise specified, the terms defined in the description of a particular litigation matter pertain to such matter only.

## I. Litigation involving our Company

### (a) Criminal proceedings against our Company

1. India Household and Healthcare Limited (“**IHHL**”) filed a first information report against, *inter alia*, our Company, on January 23, 2014 under Sections 403, 409, 420, 468 of the Indian Penal Code, 1860 in relation to the termination of the license agreement, dated May 8, 2005 executed amongst LG Household and Healthcare Limited (“**LGHHL**”) and IHHL (“**IHHL License Agreement**”). It was claimed by IHHL that pursuant to the IHHL License Agreement, IHHL was appointed as the sole importer, representative, licensee and exclusive agent for import, promotion, sale and marketing of LGHHL’s products in India. On February 5, 2005, LGHHL issued a termination notice to IHHL to stop using LG trademarks and logos because the IHHL License Agreement was null and void and was entered into by the officers of LGHHL without necessary authorization from the management. It was alleged by IHHL that LGHHL, through our Company, started meddling with IHHL’s business and that IHHL was asked to pay increased amount to continue as the sole and exclusive distributor, which is not in accordance with the IHHL License Agreement. Our Company filed a criminal petition before the High Court of Karnataka at Bengaluru seeking quashing of the FIR and the criminal proceedings. The High Court of Karnataka at Bengaluru pursuant to its order dated August 21, 2019 dismissed the criminal petition filed by our Company (“**Impugned Order**”). Our Company has filed a special leave petition before the Supreme Court of India against the Impugned Order. The Supreme Court of India pursuant to its order dated February 14, 2020 has stayed the proceedings before the trial court. The matter is currently pending.
2. Khosmendir Singh Gahunia (“**Complainant**”) had filed a criminal complaint dated June 30, 2017 before the Chief Metropolitan Magistrate, Saket, New Delhi, India (“**Complaint**”) against our Company and its former directors (collectively, the “**Accused**”). The Complainant has alleged that the Accused intentionally sold a refrigerator model that was defunct, defective, and non-functional to the Complainant and the public, and has prayed for prosecution of the Accused under Sections 406 and 420 of the IPC. The Court of the Chief Metropolitan Magistrate, Saket, New Delhi, dismissed the Complaint on January 16, 2018, citing the absence of essential elements required under Section 420 of the IPC. Subsequently, the Complainant filed a revision petition before the District Court, Saket, New Delhi. On July 16, 2019, District Court, Saket, New Delhi, allowed the revision petition. Ki Wan Kim and Tae Wan Kim, the erstwhile directors of our Company (acting on behalf of our Company) have on December 9, 2019, filed a petition under Section 482 of CrPC before the High Court of Delhi to seek quashing of the criminal complaint filed by the Complainant, and claimed that the allegations made by the Complainant are false and that there have been no violations under Sections 406 and 420 of the IPC. The High Court of Delhi pursuant to its order dated August 16, 2023 disposed of the petition and found no infirmity in the order dated July 16, 2019 passed by the District Court, Saket, New Delhi. Our Company has not received any summon from the trial court in this matter. The matter is currently pending.
3. Our Company had filed a suit for recovery dated August 4, 2023 against Manish Saha, the sole proprietor of M/s MaaBipadnashini, one of our distributors, before the District Court Saket, New Delhi for balance amount of ₹ 6.22 million payable by Manish Saha to our Company under the distribution arrangements. Subsequently, our Company has received a notice to join inquiry dated June 1, 2024 from the Office of Station House Officer of Police Station Saket, Delhi to join inquiry in relation to a complaint filed by Manish Saha under sections 156(3) and 200 of the Code of Criminal Procedure, 1973 against our Company. It has been alleged that our Company forged a correspondence in relation to the balance amount payable by M/s MaaBipadnashini to our Company. Our Company has responded to the notice on July 5, 2024 denying the allegations. The matter is currently pending.

### (b) Criminal proceedings by our Company

1. Our Company has, between 2012 to 2018, initiated five criminal proceedings before various judicial fora for alleged violations of Section 138 of the Negotiable Instruments Act, 1881, against various parties, including our customers, in relation to dishonor of cheques tendered towards payments due

to our Company. The aggregate amount involved in all these matters is approximately ₹ 15.84 million. The matters are currently pending.

2. Our Company has filed a complaint dated June 13, 2018 before the Chief Metropolitan Magistrate (South), Saket District Courts, New Delhi, India ("**Complaint**") against Manish Yadav, Director of Garrison Tools Private Limited ("**Accused**"). Our Company and Garrison Tools Private Limited ("**Garrison**") entered into a general agreement dated July 12, 2003 ("**Agreement**"), whereby Garrison was to supply parts to our Company, manufactured through the means of tools such as moulds, dies, jigs, fixtures, art works, films, prototypes and plates, among others. However, due to Garrison's alleged inability to fulfil its obligations under the Agreement, our Company issued a termination letter on May 25, 2018, ending all business relations with Garrison. Subsequently, according to our Company, the Accused posted derogatory and defamatory content on his personal social media page, inciting a boycott of our Company's products. Our Company has filed the Complaint and prayed for (a) summoning of the Accused for offence under sections 500 and 504 of the IPC; and (b) order for payment of compensation out of the fine amount under Section 357 of the CrPC. The matter is currently pending.
3. Our Company has filed a complaint dated March 6, 2024 before the Judicial Magistrate First Class, Alandur, Chennai, India ("**Complaint**") against A. Wasim Raja, a former employee of our Company ("**Accused**"), alleging that the Accused knowingly engaged in embezzlement of our Company's funds by failing to prepare invoices for amounts owed by customers, totalling ₹0.77 million, which were handed over to him by the service engineers. Our Company filed a criminal complaint against the Accused for offences under Section 406, 408 and 420 of the IPC, with the Inspector of Police (Crime), S-8 Adambakkam Police Station, Chennai, India and subsequently filed a complaint against the Accused with the Deputy Commissioner of Police, St. Thomas Mount, Chennai, India, which was forwarded to the Assistant Commissioner of Police, Madipakkam Range, India, who in turn forwarded the complaint back to the Inspector of Police (Crime), S-8 Adambakkam Police Station, Chennai, India. Our Company has filed the Complaint, praying for direction to the Inspector of Police (Crime), S-8 Adambakkam Police Station, Chennai, India to register an FIR against the Accused. The matter is currently pending.

(c) *Actions by statutory and regulatory authorities involving our Company*

1. Our Company received a show cause notice dated June 22, 2024 from the Office of Inspector, Legal Metrology, Vijayawada, Andhra Pradesh, India ("**Show Cause Notice**") alleging that the dimensions and size of the water tank were not displayed on the package in violation of the Legal Metrology Act, 2009. Our Company submitted its reply on September 25, 2024. Subsequently, our Company filed an appeal dated October 25, 2024 before the Controller of Legal Metrology for quashing of the Show Cause Notice. The matter is currently pending.
2. Our Company received a show cause notice dated April 22, 2024 from the Office of Inspector, Legal Metrology, Thiruvalla, Kerala, India alleging that declaration in relation to the size of the television was not mentioned on the package of *LG smart TV LED TV 80 cm* in violation of the Kerala State Legal Metrology (Enforcement) Rules, 2012. Our Company replied to the notice on April 29, 2024. Subsequently, our Company, on June 20, 2024, has filed an appeal before the Controller of Legal Metrology, Government of Kerala, India against the show cause notice dated April 22, 2024. The matter is currently pending.
3. Our Company received a notice dated November 8, 2022 from the Office of Senior Inspector, Legal Metrology (Weights and Measures), Ghaziabad, Uttar Pradesh, India alleging that on the package of *Scalgo Descaling Powder* 'net quantity' and 'when packaged' were mentioned next to each in violation of the Legal Metrology Act, 2009. The matter is currently pending.
4. Our Company received a notice dated November 3, 2022 from the Office of Senior Inspector, Legal Metrology (Weights and Measures), Rampur, Uttar Pradesh, India alleging that the net quantity was not mentioned in an advertisement published by our Company in the newspaper, 'Amar Ujala' for *front load washing machine* in violation of the Legal Metrology Act, 2009. Our Company replied to the notice on December 18, 2022. Subsequently, our Company, on December 29, 2022, has filed an appeal before the Controller of Legal Metrology, Government of Uttar Pradesh, India against the notice dated November 3, 2022. The matter is currently pending.

5. Our Company received a show cause notice dated February 2, 2021 from the Inspector, Legal Metrology, Jayanagar Sub-division-I, Karnataka, India alleging that mandatory declarations were not mentioned on the package of *refrigerator basket, door, remote controller assembly, filter assembly and safety cover* in violation of the Legal Metrology Act, 2009 read with Legal Metrology (Packaged Commodity) Rules, 2011. Our Company replied to the notice on February 15, 2021. Subsequently, our Company, on February 15, 2021, has preferred an appeal before the Controller of Legal Metrology (Weights and Measures), Government of Uttar Karnataka, India against the show cause notice dated February 2, 2021. The matter is currently pending.
6. Our Company received a notice dated October 19, 2020 from the Senior Inspector, Legal Metrology, Bijnore, Uttar Pradesh alleging that, *inter alia*, the price in an advertisement published by our Company in the Meerut, Uttar Pradesh, India edition of newspaper, 'Times of India' in violation of the Legal Metrology (Numeration) Rules, 2011. Our Company replied to the notice on November 11, 2020. Subsequently, our Company, on February 5, 2021, has filed an appeal before the Controller of Legal Metrology (Weights and Measures), Government of Uttar Pradesh, India against notice dated October 19, 2020. The matter is currently pending.
7. Our Company has received a notice dated November 14, 2019 from the Inspector, Legal Metrology, Goa, India alleging that the name and address of the manufacturer/exporter, the retail sale price, contact number in case of consumer complaint and country of origin were not mentioned on the package of, *inter alia, LG PCB assembly main, LG power supply*, in violation of the Legal Metrology Act, 2009 read with Legal Metrology (Packaged Commodity) Rules, 2011. Our Company replied to the notice on November 28, 2019. Subsequently, our Company, on January 6, 2020, has filed an appeal before the Controller of Legal Metrology, Government of Goa, India against the notice dated November 14, 2019. The matter is currently pending.
8. Our Company received a notice dated May 25, 2017 from the Inspector, Legal Metrology, Chamarajanagar, Karnataka, India alleging that the retail sale price and month and year of manufacturing/packaging/importing were not mentioned on the package of *LG portable bluetooth speaker* in violation of the Legal Metrology Act, 2009 read with Legal Metrology (Packaged Commodity) Rules, 2011. Our Company replied to the notice on July 12, 2017. Subsequently, our Company, on November 17, 2017, has filed an appeal before the Controller of Legal Metrology, Bengaluru, Karnataka, India against the notice dated May 25, 2017. The matter is currently pending.
9. Our Company received a notice dated April 13, 2017 received by our Company from the Inspector, Legal Metrology, Khammam, Telangana, India alleging that mandatory declarations were not mentioned on the packages on certain products manufactured by our Company in violation of the Legal Metrology Act, 2009 read with Legal Metrology (Packaged Commodity) Rules, 2011. Our Company replied to the notice on May 12, 2017. Subsequently, our Company, on June 6, 2017, has filed an appeal before the Controller of Legal Metrology, Telangana, India against the notice dated April 13, 2017. The matter is currently pending.
10. Our Company received a notice dated May 10, 2016 received by our Company from the Office of Senior Inspector, Legal Metrology (Weights and Measures), Mathura, Uttar Pradesh alleging that mandatory declarations, such as, the name and address of the manufacturer, the maximum retail price and the packaging date were not mentioned on the package of *power cord* in violation of the Legal Metrology Act, 2009 read with Legal Metrology (Packaged Commodity) Rules, 2011. Our Company replied to the notice on June 2, 2016. Subsequently, our Company, on July 8, 2016, has filed an appeal before the Controller of Legal Metrology, Government of Uttar Pradesh against the notice dated May 10, 2016. The matter is currently pending.
11. Our Company received a notice dated February 23, 2015 from the Inspector, Legal Metrology, Jayanagar Sub-division, Bengaluru, Karnataka alleging that, *inter alia*, symbol N or U was not mentioned on the package of *I-Nexus 5X2 LGG4* in violation of the Legal Metrology Act, 2009 read with Legal Metrology (Packaged Commodity) Rules, 2011. Our Company replied to the notice on March 3, 2015. Subsequently, our Company, on May 31, 2016, filed an appeal before the Controller of Legal Metrology, Bengaluru, Karnataka against the notice dated February 23, 2015. The matter is currently pending.

12. Our Company received a notice dated October 3, 2015 from the Inspector, Legal Metrology, Thrissur, Kerala alleging that, *inter alia*, maximum retail price was not mentioned on the package of *DVD player* in violation of the Legal Metrology Act, 2009 read with Legal Metrology (Packaged Commodity) Rules, 2011. Our Company replied to the notice on October 21, 2015. Subsequently, our Company, on December 3, 2015, has filed an appeal before the Controller of Legal Metrology, Kerala against the notice dated October 3, 2015. The matter is currently pending.
13. Our Company received a notice dated December 20, 2013 from the Department of Legal Metrology, Government of Karnataka, Bengaluru, India alleging that the declaration on packages of *indoor and outdoor units of split air conditioner* were in violation of the Legal Metrology Act, 2009 since the indoor and outdoor were being sold as separate units instead as one product. Our Company filed an appeal dated February 17, 2014 before the Controller of Legal Metrology and Appellate Authority, Bengaluru, Karnataka, India against the notice dated December 20, 2013. The Controller of Legal Metrology and Appellate Authority, Bengaluru, Karnataka, India passed an order dated June 9, 2014 dismissing the appeal on the ground that the matter was sub-judice. Subsequently, the Department of Legal Metrology, Government of Karnataka passed an order dated March 9, 2015 correcting the date of the order passed by the Controller of Legal Metrology and Appellate Authority, Bengaluru, Karnataka, India from August 21, 2013 to February 17, 2014. Our Company has filed an appeal before the Central Government against the order dated March 9, 2015 and June 9, 2014. The matter is currently pending.
14. Our Company received a notice dated April 12, 2016 from the Inspector, Legal Metrology, Jayanagar Sub-division-I, Karnataka alleging that, *inter alia*, maximum retail price was not mentioned on the package of *mobile* in violation of the Legal Metrology Act, 2009 read with Legal Metrology (Packaged Commodity) Rules, 2011. Our Company replied to the notice on May 17, 2016. Subsequently, our Company, on July 31, 2015, has filed an appeal before the Controller of Legal Metrology, Bengaluru, Karnataka against the notice dated April 12, 2016. The matter is currently pending.
15. Our Company received a notice dated October 8, 2014 from the Office of Inspector, Legal Metrology Jalandhar, Punjab, which was received on December 5, 2014, alleging that certain digits mentioned in an advertisement published by our Company in a local newspaper, were in violation of the Legal Metrology Act, 2009. Our Company replied to the notice on December 15, 2014. Subsequently, our Company, on February 15, 2015, has filed an appeal before the Controller of Legal Metrology (Weights and Measures), Chandigarh, Punjab against the notice dated October 8, 2014. The matter is currently pending.
16. Our Company received a notice dated July 31, 2023 from the Senior Inspector, Legal Metrology, Haridwar, Uttarakhand alleging that the name and address of the manufacturer/packer/importer, the maximum retail price were not mentioned in an advertisement published by our Company on our website [www.lg.com](http://www.lg.com) in violation of the Legal Metrology Act, 2009 read with Legal Metrology (Packaged Commodity) Rules, 2011. The matter is currently pending.
17. Our Company received a notice dated September 30, 2015 from the Inspector, Legal Metrology, A and T Unit Flying Squad, Bengaluru, Karnataka alleging that mandatory declarations were not mentioned on the package of *LG PCB assembly display* in violation of the Legal Metrology Act, 2009 read with Legal Metrology (Packaged Commodity) Rules, 2011. The matter is currently pending.
18. Our Company received a notice dated July 18, 2018 from the Office of Senior Inspector, Legal Metrology, Chandauli, Uttar Pradesh alleging that non-standard units were mentioned in an advertisement for LGV 30+ published in the newspaper, '*Amar Ujala*', Varanasi in violation of the Legal Metrology Act, 2009. Our Company replied to the notice on July 30, 2018. The matter is currently pending.
19. Our Company received a notice dated July 17, 2018 from the Office of Senior Inspector, Legal Metrology, Chandauli, Uttar Pradesh alleging that non-standard units were mentioned in an advertisement for C-8 series and E-8 series published in the newspaper, '*Dainik Jagran*', Varanasi in violation of the Legal Metrology Act, 2009. Our Company replied to the notice on July 30, 2018. The matter is currently pending.

20. Our Company received a notice dated September 19, 2016 from the Office of the Senior Inspector, Legal Metrology, Kozhikode alleging that maximum retail price was not mentioned on the package of *LG K10 (Imei357715072401930)* in violation of the Legal Metrology Act, 2009 read with Legal Metrology (Packaged Commodity) Rules, 2011. Our Company has replied to the notice. The matter is currently pending.
21. Our Company has received a notice dated June 19, 2024 from New Okhla Industrial Development Authority for the payment of license fee amounting to ₹ 16.33 million for the use of LED signage on the top of the building of our Corporate Office situated at KP Tower, Sector 16B, Noida 201 301, Uttar Pradesh, India. Since our Company had paid the original license fee under the memorandum of understanding dated July 29, 2022, our Company has on December 2, 2024 requested for a waiver of the additional fee as no prior intimation or notification regarding the revised tariff for Fiscals 2023 and 2024 was provided to us. The matter is currently pending.
22. Pursuant to a notice dated August 6, 2015 received by our Company from Employee's Provident Fund Organization alleging that our Company had failed to remit the provident fund contributions in accordance with the Employee's Provident Funds and Miscellaneous Provisions Act, 1952 in relation to dues in respect of all eligible employees for the period during April 2005 to June 2015, proceedings under Section 7A of the Employee's Provident Funds and Miscellaneous Provisions Act, 1952 were initiated against our Company before Regional Provident Fund Commissioner -I, Employee's Provident Fund Organization. Our Company has filed a writ petition before the High Court of Delhi at New Delhi challenging section 7A of the Employee's Provident Funds and Miscellaneous Provisions Act, 1952 on the grounds that pursuant to the signing of the social security agreement entered into between Government of India and the Government of Republic of Korea ("**Social Security Agreement**"), the international workers employed in India are exempted from contribution towards provident fund. The High Court of Delhi at New Delhi has passed an interim order on August 27, 2021 directing that no coercive action shall be taken against our Company till the next date of hearing. The matter is currently pending.
23. Our Company has on November 25, 2024 received a show cause notice under section 5 of the Environment (Protection) Act, 1986 for non-compliance of Plastic Waste (Management) Rules, 2016 from the Central Pollution Control Board asking our Company to submit annual report for Fiscal 2024 by November 30, 2024 fulfilling the extended producer responsibility obligations for Fiscal 2024.

(d) *Material civil litigation against our Company*

1. As of the date of this Draft Red Herring Prospectus, 778 consumer proceedings are pending against our Company, *inter alia*, in relation to defects in our products, wrongful claims by our Company in relation non-payment of instalments by consumers, warranty claims, etc., at various judicial fora. The aggregate amount involved in such matters is ₹ 136.23 million.
2. As of the date of this Draft Red Herring Prospectus, 10 labour proceedings are pending against our Company, *inter alia*, in relation to transfer of services of workman, termination and reinstatement of services, etc., at various judicial fora.
3. Pursuant to an order dated July 28, 2023 the National Company Law Tribunal, New Delhi Bench at New Delhi dismissed an application filed by Deshwal Waste Management Private Limited ("**DWMPL**") under the Insolvency and Bankruptcy Code, 2016 against our Company. DWMPL has again filed a petition dated August 22, 2024 against our Company before the National Company Law Tribunal, New Delhi Bench at New Delhi on similar grounds, i.e., to initiate corporate insolvency resolution process against our Company under the Insolvency and Bankruptcy Code, 2016. It has been alleged that an amount of ₹ 125.89 million is due and payable by our Company for services, in relation to collection and recycling of e-waste, rendered by DWMPL under the agreement dated August 5, 2019 entered into amongst our Company and Deshwal Waste Management Private Limited. Our Company has not received any notice from the National Company Law Tribunal, New Delhi Bench at New Delhi in this matter.

4. Perfect Infraengineers Limited (“**PIL**”) filed an application before the National Company Law Tribunal, New Delhi Bench at New Delhi under the Insolvency and Bankruptcy Code, 2016 against our Company alleging that our Company had failed to pay PIL an amount of ₹ 0.74 million payable for services provided by PIL to our Company under an agreement dated December 23, 2017. Pursuant to an order dated September 30, 2024 the National Company Law Tribunal, New Delhi Bench at New Delhi dismissed the application. PIL has filed an application before the National Company Law Tribunal, New Delhi Bench at New Delhi for review of the order dated September 30, 2024. Our Company has not received any notice from the National Company Law Tribunal, New Delhi Bench at New Delhi in this matter.

(e) *Material civil litigation by our Company*

1. Our Company has filed a petition dated September 26, 2022 against S.I. Trading Co. and other parties (“**Defendants**”) before the High Court of Delhi at New Delhi for, *inter alia*, a permanent injunction restraining the infringement of trade mark and copyright of our Company as the Defendants are engaged in the sale of counterfeit LG water purifiers. The High Court of Delhi at New Delhi has pursuant to an order dated October 16, 2022 passed an *ex-parte ad-interim* order of injunction restraining the defendants from manufacturing, selling, exporting, importing, etc. water filter products or any other goods bearing the identical impugned trade marks of our Company. The matter is currently pending.

(f) *Tax claims involving our Company*

Details of outstanding tax claims involving our Company as of the date of this Draft Red Herring Prospectus are disclosed below:

<b>Nature of the claim<sup>#</sup></b>	<b>Number of claims<sup>§</sup></b>	<b>Amount involved (₹ million)*</b>
Direct tax (A)	48	31,357.73
Indirect tax (B)	149	10,243.25
<b>Total (A+B)</b>	<b>197</b>	<b>41,600.98</b>

\*To the extent quantifiable. Includes interest and penalty to the extent quantifiable.

<sup>§</sup>Including show cause notices

<sup>#</sup>Set out below are the details in relation to the tax claims involving our Company (included in the table above as well) which exceed the Materiality Amount

**Description of tax matters exceeding the Materiality Threshold**

Material Tax Litigation involving our Company

**Indirect Tax**

1. Our Company received a show cause notice dated September 27, 2023 from Additional Director, the Directorate General of Goods and Service Tax Intelligence, Delhi Zonal Unit, New Delhi, Delhi, India under section 73(1) of the Central Goods and Services Tax Act, 2017 pursuant to an investigation conducted in relation to reverse charge mechanism on secondment/deployment of employees by overseas group entity in the Indian group entity, alleging that our Company received ‘Manpower Supply Service’ from LG Electronics Inc. in respect of expatriate employees and accordingly proposed demand of Integrated Goods and Service Tax on reverse charge basis and interest and penalty. Our Company submitted a reply to the show cause notice on October 27, 2023 subsequent to which, the Additional Commissioner Central Goods and Services Tax and Central Excise passed an order-in-original dated December 28, 2023 imposing Integrated Goods and Services Tax and penalty aggregating to ₹ 1,410.19 million excluding interest, on our Company. Our Company has filed a writ petition on February 26, 2024 before the High Court of Judicature at Allahabad, Uttar Pradesh, India praying for stay of the order dated December 28, 2023.
2. Commissioner of Central Excise and Service Tax, Pune – IV passed an order-in-original dated November 26, 2014 dropping two demands under rule 6 of CENVAT Credit Rules, 2004 of (a) ₹ 850.17 million on the clearance of ‘GSM mobile handset phones’ between February 2006 and September 2009, and (b) ₹ 722.63 million for clearance between October 2009 and February 2011, levied by Commissioner of Central Excise and Service Tax, Pune – IV against our Company. Aggrieved by the order-in-original dated November 26, 2014, Commissioner of Central Excise and Service Tax, Pune – IV filed an appeal on January 21, 2016 before the Customs, Excise and Service

Tax Appellate Tribunal Mumbai, Maharashtra, India. The Customs, Excise and Service Tax Appellate Tribunal Mumbai, Maharashtra, India pursuant to its order dated August 29, 2019 set aside the order-in-original dated November 26, 2014 and remanded the matter to the original authority, i.e., Commissioner of Central Excise and Service Tax, Pune – IV to take a decision afresh.

3. Commissioner of Central Excise and Service Tax, Noida passed an order-in-original dated July 13, 2012 pursuant to an investigation conducted by the Anti Evasion Unit of Noida Commissionerate on November 18, 2010 in connection with service tax credit claimed by our Company on common services used for manufacturing and trading activities aggregating to ₹ 1,042.60 million (including penalty). Our company filed an appeal dated October 16, 2012 before the Customs, Central Excise and Service Tax Appellate Tribunal, Allahabad against the order-in-original. The Customs, Central Excise and Service Tax Appellate Tribunal, Allahabad pursuant to its order dated January 23, 2017 decided the appeal in the favour of our Company. The Commissioner, Central Excise and Service Tax, Noida, has on September 4, 2017 filed an appeal before the High Court of Judicature, Allahabad against the order dated January 23, 2017.

#### *Direct Tax*

1. The Office of the Deputy Commissioner of Income Tax, Income Tax Department, Ministry of Finance, Government of India passed an order dated January 16, 2024 computing our income for Assessment Year 2005-06 at ₹ 3,108.39 million against an income of ₹ 1,027.80 million declared by our Company for the year. Our Company has filed an appeal dated February 2, 2024 before the Income Tax Appellate Tribunal for a disputed tax amount (including interest) of ₹ 1,335.70 million.
2. The Office of the Deputy Commissioner of Income Tax, Income Tax Department, Ministry of Finance, Government of India passed an order dated January 21, 2024 computing our income for Assessment Year 2006-07 at ₹ 5,267.58 million against an income of ₹ 3,132.58 million declared by our Company for the year. Our Company has filed an appeal dated February 5, 2024 before the Income Tax Appellate Tribunal for a disputed tax amount (including interest) of ₹ 1,150.98 million.
3. The Office of Assistant Commissioner of Income Tax, Income Tax Department, Ministry of Finance, Government of India passed an order dated October 31, 2011, computing our income for Assessment Year 2007-08 at ₹ 5,839.12 million against an income of ₹ 2,052.60 million declared by our Company for the year. Our Company filed an appeal before the Income Tax Appellate Tribunal and the Income Tax Appellate Tribunal pursuant to an order dated December 8, 2014 partly allowed our appeal (“**Impugned Order**”). Pursuant to the Impugned Order, the Office of the Additional Commissioner of Income Tax, Income Tax Department, Ministry of Finance, Government of India passed an order dated December 15, 2017 revising our assessed income to ₹ 3,133.03 million. Our Company had filed an appeal before the High Court of Judicature at Allahabad, Uttar Pradesh on April 13, 2015 against the Impugned Order. Total disputed tax amount (including interest) is of ₹ 722.94 million.
4. The Office of Assistant Commissioner of Income Tax, Income Tax Department, Ministry of Finance, Government of India passed an order dated November 27, 2012 and rectification order dated January 24, 2013, computing our income for Assessment Year 2008-09 at ₹ 7,407.25 million against an income of ₹ 2,940.68 million declared by our Company for the year. Our Company filed an appeal before the Income Tax Appellate Tribunal and the Income Tax Appellate Tribunal pursuant to an order dated January 14, 2019 partly allowed our appeal (“**Impugned Order**”). Pursuant to the Impugned Order, the Office of the Additional Commissioner of Income Tax, Income Tax Department, Ministry of Finance, Government of India passed an order dated August 26, 2019 revising our assessed income to ₹ 3,620.86 million. Our Company had filed an appeal before the High Court of Judicature at Allahabad, Uttar Pradesh on January 13, 2023 against the Impugned Order. Total disputed tax amount (including interest) is of ₹ 1,569.78 million.
5. The Office of Assistant Commissioner of Income Tax, Income Tax Department, Ministry of Finance, Government of India passed an order dated February 6, 2014 computing our income for Assessment Year 2009-10 at ₹ 9,445.45 million against an income of ₹ 1,642.60 million declared by our Company for the year. Our Company filed an appeal before the Income Tax Appellate Tribunal and the Income Tax Appellate Tribunal pursuant to an order dated February 15, 2019 partly



allowed our appeal (“**Impugned Order**”). Pursuant to the Impugned Order, the Office of the Additional Commissioner of Income Tax, Income Tax Department, Ministry of Finance, Government of India passed an order dated August 26, 2019 revising our assessed income to ₹ 2,393.12 million. Our Company filed an appeal before the High Court of Judicature at Allahabad, Uttar Pradesh on January 13, 2023 against the Impugned Order. Total disputed tax amount (including interest) is of ₹ 2,612.26 million.

6. The Office of Assistant Commissioner of Income Tax, Income Tax Department, Ministry of Finance, Government of India passed an order dated January 12, 2015 computing our income for Assessment Year 2010-11 at ₹ 18,304.83 million against an income of ₹ 3,835.35 million declared by our Company for the year. Our Company filed an appeal before the Income Tax Appellate Tribunal and the Income Tax Appellate Tribunal pursuant to an order dated August 16, 2022 partly allowed our appeal (“**Impugned Order**”). Our Company filed an appeal before the High Court of Judicature at Allahabad, Uttar Pradesh on January 13, 2023 against the Impugned Order. Total disputed tax amount (including interest) is of ₹ 4,941.16 million.
7. The Office of the Deputy Commissioner of Income Tax, Income Tax Department, Ministry of Finance, Government of India passed an order dated February 12, 2016 computing our income for Assessment Year 2011-12 at ₹ 4,510.15 million against an income of ₹ 2,850.57 million declared by our Company for the year. Our Company has filed an appeal dated February 26, 2016 before the Income Tax Appellate Tribunal. Total disputed tax amount (including interest) is of ₹ 4,037.85 million.
8. The Office of the Additional Commissioner of Income Tax, Income Tax Department, Ministry of Finance, Government of India passed an order dated October 23, 2017 computing our income for Assessment Year 2012-13 at ₹ 6,881.89 million against an income of ₹ 3,987.52 million declared by our Company for the year. Our Company has filed an appeal dated November 13, 2017 before the Income Tax Appellate Tribunal for a disputed tax amount (including interest) of ₹ 1,624.09 million.
9. The Office of the Additional Commissioner of Income Tax, Income Tax Department, Ministry of Finance, Government of India passed an order dated October 29, 2018 computing our income for Assessment Year 2013-14 at ₹ 8,608.32 million against an income of ₹ 5,713.54 million declared by our Company for the year. Our Company has filed an appeal dated November 22, 2018 before the Income Tax Appellate Tribunal for a disputed tax amount (including interest) of ₹ 1,573.38 million.
10. The Office of the Deputy Commissioner of Income Tax, Income Tax Department, Ministry of Finance, Government of India passed an order dated October 31, 2019 computing our income for Assessment Year 2014-15 at ₹ 11,588.06 million against an income of ₹ 8,176.31 million declared by our Company for the year. Our Company has filed an appeal dated November 19, 2019 before the Income Tax Appellate Tribunal for a disputed tax amount (including interest) of ₹ 2,017.36 million.
11. The Assessment Unit, National Faceless Assessment Centre (NFAC), Income Tax Department, Ministry of Finance, Government of India passed an order dated April 4, 2021 computing our income for Assessment Year 2015-16 at ₹ 13,249.56 million against an income of ₹ 10,415.31 million declared by our Company for the year. Our Company has filed an appeal dated May 5, 2021 before the Income Tax Appellate Tribunal for a disputed tax amount (including interest) of ₹ 1,748.19 million.
12. The Income Tax Department, Ministry of Finance, Government of India pursuant to an order dated April 30, 2021 enhanced our income for Assessment Year 2016-17 by ₹ 2,676.68 million. Our Company has filed an appeal before the High Court of New Delhi at Delhi against the order dated April 30, 2021.
13. The Office of the Deputy Commissioner of Income Tax, Income Tax Department, Ministry of Finance, Government of India passed an order dated September 14, 2022 computing our income for Assessment Year 2017-18 at ₹ 20,611.93 million against an income of ₹ 18,184.38 million declared

by our Company for the year. Our Company has filed an appeal dated October 11, 2022 before the Income Tax Appellate Tribunal for a disputed tax amount (including interest) of ₹ 1,433.83 million.

14. The Assessment Unit, National Faceless Assessment Centre (NFAC), Income Tax Department, Ministry of Finance, Government of India passed an order dated August 26, 2024 computing our income for Assessment Year 2020-21 at ₹ 29,781.95 million against an income of ₹ 27,106.12 million declared by our Company for the year. Our Company has filed an appeal dated September 23, 2024 before the Income Tax Appellate Tribunal for a disputed tax amount (including interest) of ₹ 794.27 million.

## II. Litigation involving our Directors

- (a) *Criminal proceedings against our Directors*

Nil

- (b) *Criminal proceedings by our Directors*

Nil

- (c) *Actions by statutory/regulatory authorities involving our Directors*

Nil

- (d) *Material civil litigation against our Directors*

Nil

- (e) *Material civil litigation by our Directors*

Nil

- (f) *Tax claims involving our Directors*

Details of outstanding tax claims involving our Directors as of the date of this Draft Red Herring Prospectus are disclosed below:

Nature of the claim <sup>#</sup>	Number of claims	Amount involved (₹ million)*
Direct tax (A)	Nil	Nil
Indirect tax (B)	Nil	Nil
<b>Total (A+B)</b>	Nil	Nil

\*To the extent quantifiable

## III. Litigation involving our Promoter

- (a) *Criminal proceedings against our Promoter*

- On August 31, 2021, our Promoter received an administrative order (“**Notice**”) from the Korean Ministry of Environment to cease the sale and recall of a humidifier filter due to non-compliance with safety standards and labeling requirements under the Korean Chemical Products Safety Act, 2018. Our Promoter was also criminally charged for violating chemical product safety regulations. In response to the Notice, our Promoter filed an administrative lawsuit against the Korean Ministry of Environment to suspend the enforcement of the sales prohibition and recall order, stating that the humidifier filter is only a simple purification filter without silver content or antibacterial function, and therefore does not fall under the category of household chemical products requiring safety confirmation. The Seoul High Court decided in favor of our Promoter by its order dated September 13, 2024 stating that our Promoter’s products are not required to adhere the safety guidelines as they do not fall under the category of household chemical products. This conclusion is based on an assessment of the main functions of the humidifier filter produced by our Promoter. Subsequently,

on October 4, 2024, an appeal has been submitted by the Ministry of Environment, and the matter is currently pending before the Seoul High Court.

(b) *Actions by statutory/regulatory authorities involving our Promoter*

1. On November 23, 2023, the Korean Public Procurement Service imposed a three-month restriction on our Promoter’s bidding eligibility, followed by an additional four-month restriction on March 21, 2024. This results in a total disqualification period of seven months from participating in bids for government procurements in Korea. This action was taken in accordance with Article 76 of the Enforcement Rules of the National Contract Act, 1995 on account of “improper execution of the contract”, that was entered between our Promoter and the Chungbuk Board of Education. In response to this administrative decision, our Promoter contested the ruling of the Korean Public Procurement Service and filed for a suspension of its enforcement with the Seoul Administrative Court. On March 29, 2024 (“**Order**”), the Seoul Administrative Court ruled in favor of our Promoter and granted the suspension of enforcement. The Korean Public Procurement Service has subsequently submitted an objection against the Order, and the case is currently awaiting a decision from the Seoul Administrative Court.
2. On August 14, 2024, the Korean Public Procurement Service issued a prior notice of administrative sanctions to our Promoter based on “improper execution of the contract”, in accordance with Article 76 of the Enforcement Rules of the National Contract Act, 1995. The Promoter supplied a system air conditioner to the Gimhae Veterans Hospital, a subsidiary of the Korea Veterans Health Service, and requested the installation of the air conditioner by a professional technician agency called “Daehan”. During a regular audit, the Korea Veterans Health Service Corporation discovered that the air conditioning pipe had not been properly replaced with a new one and had been recycled, thereby violating the contract. As a result, the agency “Daehan” returned approximately 47 million KRW to the Korea Veterans Health Service for the incomplete piping work. On September 24, 2024, an additional report regarding the incomplete piping work at the Daejeon Veterans Hospital was submitted to the Korean Public Procurement Service. The matter is currently pending.

(c) *Tax proceedings involving our Promoter*

As of the date of this Draft Red Herring Prospectus, there are no outstanding tax claims initiated by our Promoter, other than as stated below:

Nature of the claim	Number of claims	Amount involved (KRW million) <sup>*^</sup>
Direct tax (A)	17	11,736
Indirect tax (B)	-	-
<b>Total (A+B)</b>	<b>17</b>	<b>11,736</b>

*\*To the extent quantifiable*

*^Equivalent to ₹782.46 million, as of June 30, 2024*

#### IV. Outstanding Dues to Creditors

In accordance with the SEBI ICDR Regulations, our Company, pursuant to the Materiality Policy, considers all creditors to whom the amount due by our Company exceeds 5% of the total trade payables as per the latest period of the Restated Financial Information (*i.e.*, 5% of ₹ 30,286.34 million which is ₹ 1,514.32 million as at three month ended June 30, 2024). Details of outstanding dues owed to material creditors, MSME creditors and other creditors of our Company based on such determination are disclosed below:

Types of Creditors	Number of Creditors	Amount (₹ million)
Material creditors	2	6,482.02
Other than material creditors	2,534	16,871.67
<b>Total</b>	<b>2,536</b>	<b>23,353.69</b>

As of June 30, 2024, there are no outstanding overdues to material creditors. The details pertaining to outstanding dues to the material creditors, along with names and amounts involved for each such material creditor are available on the website of our Company at [www.lg.com/in/investorrelations/details-of-outstanding-dues-to-material-creditors/](http://www.lg.com/in/investorrelations/details-of-outstanding-dues-to-material-creditors/).

**V. Material Developments since the Last Balance Sheet**

Other than as disclosed in “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” beginning on page 315, in the opinion of our Board, no circumstances have arisen since the date of our last balance sheet as disclosed in this Draft Red Herring Prospectus which materially and adversely affect, or are likely to affect, our operations or profitability, or the value of our assets, or our ability to pay our liabilities within the next 12 months.

## GOVERNMENT AND OTHER APPROVALS

*Our business requires various approvals, licenses, registrations, and permits issued by relevant regulatory authorities under various rules and regulations. Set out below is an indicative list of all consents, approvals, licenses, registrations, and permits obtained by our Company, which are considered material and necessary for undertaking the business and operations of our Company ("Material Approvals"). Additionally, unless otherwise stated, these Material Approvals are valid as on the date of this Draft Red Herring Prospectus. Further, certain of the Material Approvals may have lapsed or expired or may lapse or expire in the ordinary course of business, from time to time and our Company has either already made an application to the appropriate authorities for renewal of such Material Approvals or is in the process of making such renewal applications, in accordance with applicable requirements and procedures.*

*For details of risk associated with not obtaining or delay in obtaining the requisite approvals, see "**Risk Factors – We require certain approvals and licences in the ordinary course of business, and the failure to obtain or retain them in a timely manner may adversely affect our operations.**" on page 51. For further details in connection with the regulatory and legal framework within which we operate, see "**Key Regulations and Policies**" on page 191.*

### **I. Authorisation in relation to the Offer**

For details regarding the corporate authorisation obtained in relation to the Offer, see "**Other Regulatory and Statutory Disclosures – Authority for the Offer**" on page 366.

### **II. Incorporation details of our Company**

For details of the incorporation of our Company, see "**History and Certain Corporate Matters**" beginning on page 199.

### **III. Tax related approvals**

1. The permanent account number of our Company is AAACL1745Q.
2. The tax deduction account number of our Company is DELL07242E.
3. The Importer Exporter Code of our Company is 0596063211 dated February 25, 1997, issued by the Office of the Joint Director General of Foreign Trade at Delhi, Ministry of Commerce, Government of India.
4. Goods and services tax registrations under various central and state goods and services tax legislations.
5. Professional tax registrations under applicable state professional tax legislations.

### **IV. Labour and employee related approvals**

1. Registration under the Employees' Provident Fund and Miscellaneous Provisions Act, 1952, as amended.
2. Certificate of registration issued under the Employees' State Insurance Act, 1948.
3. Registrations under the Contract Labour (Regulation and Abolition) Act, 1970.

### **V. Material Approvals in relation to the business and operations of our Company**

#### **(i) Noida Manufacturing Unit**

- a) Registration and license to work in a factory under the Factories Act, 1948 issued by the Labour Department, Uttar Pradesh.

- b) Consent and Authorisation under the Air (Prevention and Control of Pollution) Act, 1981, as amended, Water (Prevention and Control of Pollution) Act, 1974, as amended, issued by the Uttar Pradesh Pollution Control Board.
- c) Authorisation for generation, collection, utilization, storage and disposal or any other use of hazardous or other wastes or both under the Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016, issued by the Uttar Pradesh Pollution Control Board.
- d) Authorisation for operating a facility for collection, reception, treatment, storage, transport and disposal of biomedical wastes under the Bio-Medical Waste Management Rules, 2016, issued by the Uttar Pradesh Pollution Control Board.
- e) Authorisation for generation or storage or treatment or refurbishing or disposal of e-waste under the E-waste (Management) Rules, 2022, as amended, issued by the Uttar Pradesh Pollution Control Board.
- f) Extended producer responsibility registration certificate of producer under the E-waste (Management) Rules, 2022, as amended, issued by the Central Pollution Control Board.
- g) Fire and life safety certificate under the Uttar Pradesh Fire and Safety Act, 2005, issued by the Uttar Pradesh Fire and Emergency Services, Government Of Uttar Pradesh.
- h) Registration certificate for producer under the Plastic Waste (Management) Rules, 2016, issued by the Uttar Pradesh Pollution Control Board.
- i) License to import and store petroleum in an installation under the Petroleum Act, 1934, issued by the Petroleum & Explosives Safety Organisation, Ministry of Commerce and Industry.
- j) Licence to store compressed gas in cylinders under the Explosives Act, 1884, issued by the Petroleum & Explosives Safety Organisation, Ministry of Commerce and Industry.

(ii) ***Pune Manufacturing Unit***

- a) Registration and license to work in a factory under the Factories Act, 1948 issued by the Labour Department, Maharashtra.
- b) Consent to Operate under the Air (Prevention and Control of Pollution) Act, 1981, as amended, Water (Prevention and Control of Pollution) Act, 1974, as amended, Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016, issued by the Maharashtra Pollution Control Board.
- c) Authorisation for generation or storage or treatment or refurbishing or disposal of e-waste under the E-waste (Management) Rules, 2022, as amended, issued by the Maharashtra Pollution Control Board.
- d) Extended producer responsibility registration certificate of producer under the E-waste (Management) Rules, 2022, as amended, issued by the Central Pollution Control Board.
- e) Fire no-objection certificate under the Maharashtra Fire Prevention and Life Safety Measures Act, 2006, issued by the Maharashtra Industrial Development Corporation.
- f) License to import and store petroleum in an installation under the Petroleum Act, 1934, issued by the Petroleum & Explosives Safety Organisation, Ministry of Commerce and Industry.
- g) Approval for storage of compressed gas under Gas Cylinder Rules, 2004, issued by the Petroleum & Explosives Safety Organisation, Ministry of Commerce and Industry.
- h) Registration certificate for brand owner the Plastic Waste (Management) Rules, 2016, issued by the Central Pollution Control Board.

## VI. Pending Material Approvals

### A. Material Approvals or renewals for which applications are currently pending

Nil

### B. Material Approvals which have expired and renewal is yet to be applied for

Nil

### C. Material Approvals required but not obtained or applied for

Nil

## VII. Intellectual Property


### *Patents*

As on the date of this Draft Red Herring Prospectus, we have filed 490 patent applications, of which 389 have been published, 159 have been granted/registered, and 101 are yet to be published in India. Additionally, we have filed two patent applications under the Patent Cooperation Treaty, both of which have been published.

### *Designs*

As on the date of this Draft Red Herring Prospectus, we have filed 89 design applications, of which 88 have been registered and one has been abandoned.

For further details, see “*Our Business – Intellectual Property*” on page 188.

Further, pursuant to the Royalty Agreement, our Promoter, LG Electronics Inc. has granted us an exclusive right to use the trademark owned by it, including “ LG”. For details, see “*History and Certain Corporate Matters - Key terms of other subsisting material agreements - Revised license agreement dated July 27, 2017, between our Company and our Promoter, LG Electronics Inc., (“Revised License Agreement”) read with the addendum to the Revised License Agreement dated March 9, 2018, addendum to the Revised License Agreement dated June 17, 2021, amendment to the Revised License Agreement dated June 20, 2023, addendum to the Revised License Agreement dated September 28, 2023 and addendum to the Revised License Agreement dated November 18, 2024 (together, the “License Agreement”)*” on page 204.

## GROUP COMPANIES

In accordance with SEBI ICDR Regulations, the term ‘group companies’, includes (i) such companies (other than promoter(s) and subsidiary(ies)) with which there were related party transactions during the period for which financial information is disclosed in the Offer Documents, as covered under applicable accounting standards, and also (ii) other companies considered material by the board of directors of the issuer.

Accordingly, for (i) above, all such companies (other than our Promoter and Subsidiaries) with which there were related party transactions in accordance with Indian Accounting Standard (Ind AS) 24, during the periods covered in the Restated Financial Information in the DRHP, shall be considered as Group Companies in terms of the SEBI ICDR Regulations.

In addition, for the purposes of (ii) above, pursuant to the Materiality Policy a company (other than subsidiaries and companies categorized under (i) above) shall be considered “material” and will be disclosed as a “group company” if such company forms part of members of the Promoter Group and with which there were related party transactions in the last completed full financial year and stub period (i.e., Fiscal 2024 and during the period ended June 30, 2024), which individually or in the aggregate, exceed 10% of the total revenue from operations of our Company, for the last completed full Fiscal (i.e., Fiscal 2024) as per the Restated Financial Information.

Accordingly, based on the parameters for (i) and (ii) as outlined above, the following companies have been identified as our group companies (“**Group Companies**”), as on the date of this Draft Red Herring Prospectus. The details are set forth below:

Sr. No.	Name of Group Company	Registered address
1)	Arcelic-LG Klima Sanayi ve Ticarta A.S	Organize Sanayi Bölgesi, İhsandede Caddesi, No:139, 41480 Gebze, Kocaeli, Turkey
2)	LG CNS Co. Ltd	71 Magokjungang 8-ro, Gangseo-gu, Seoul, Republic of Korea
3)	LG CNS India Private Limited	Office No. 1, 3 <sup>rd</sup> floor, Stellar OKAS 1425, Sector 142, Noida 201305, Uttar Pradesh, India
4)	LG Display Co., Ltd.	128, Yeoui-daero, Yeongdeungpo-gu, Seoul, Republic of Korea
5)	LG Electronics (Huizhou) Inc	No.13, Huifeng East 1 <sup>st</sup> Rd, Zhongkai Hi-Tech Industry Development Zone, Huizhou, Guangdong, People’s Republic of China
6)	LG Electronics (Levant) Jordan	Abdali Project, Rafik al Hariri Avenue, the Boulevard, the Central Square 5 <sup>th</sup> FL, P.O. Box 930254, Amman 11953, Jordan
7)	LG Electronics Africa Logistic FZE	Plot No. B34BS12 P. O. Box: 261893 Jebel Ali, Dubai, United Arab Emirates
8)	LG Electronics Air-Conditioning (Shandong) Co., Ltd.	Zhengyang Road South Side, Xiazhuang Subdistrict, Chengyang District, Qingdao Shandong, People’s Republic of China
9)	LG Electronics Alabama, Inc.	201 James Record Road SW, Huntsville, Alabama 35824, United States of America
10)	LG Electronics Almaty Kazakhstan Limited Liability Partnership	2/9 Kokorai Street, Samgau Microdistrict, Alatau District, Almaty City, 050061, Republic of Kazakhstan
11)	LG Electronics Argentina S.A.	Juramento 1775, 13 <sup>th</sup> Floor, City of Buenos Aires, Argentina
12)	LG Electronics Australia Pty Ltd	Level 44, 6-8 Parramatta Square, 10 Darcy Street, Parramatta, New South Wales 2150, Australia
13)	LG Electronics Canada, Inc.	20 Norelco Drive, North York, Ontario, Canada, M9L 2X6
14)	LG Electronics Dubai FZE	P.O. Box No. 263041, Jebel Ali, Dubai, United Arab Emirates
15)	LG Electronics Egypt S.A.E.	Plot N.2 Zezenya, Altajamoat Industrial Park, 10 <sup>th</sup> of Ramadan City, EL Sharqia, Governorate, Egypt
16)	LG Electronics European Shared Service Center B.V.	Krijgsman 1, 1186DM Amstelveen, the Netherlands
17)	LG Electronics France S.A.S	25 Quai du Président Paul Doumer - 92400 Courbevoie
18)	LG Electronics Gulf FZE	Plot No. B34BS12, P. O. Box 61445, Jebel Ali 61445, Dubai, United Arab Emirates
19)	LG Electronics Hellas Single Member S.A.	1 Ethnarchou Makariou Ave., Delta Paleo Faliro, P.O. Box 77331 GR 17501, Athens, Greece
20)	LG Electronics HK Limited	6/F., Manhattan Place, 23 Wang Tai Road, Kowloon Bay, Hong Kong
21)	LG Electronics Inc. Chile Limitada	Rosario Norte N°407, Piso 10, Las Condes, Santiago
22)	LG Electronics (M) Sdn. Bhd.	Upper Penthouse, Wisma RKT 2, Jalan Raja Abdullah Off Jalan Sultan Ismail, Kuala Lumpur Wilayah Persekutuan, Malaysia
23)	LG Electronics Mexico S.A. DEC.V.	Sor Juana Ines de la Cruz #555, San Lorenzo Industrial, Tlalnepantla, Estado de México, México, C.P. 54033



Sr. No.	Name of Group Company	Registered address
24)	LG Electronics Middle East Company FZCO.	9WA, 108 1st Floor Dubai Airport Free Zone (DAFZA)
25)	LG Electronics Mława Sp.zo.o.	LG Electronics Street 7, 06-500 Mława, Poland
26)	LG Electronics Morocco S.A.R.L	Harmony Business Cil Rue Ristinga Et Larache Cil Lot 10 11 Et 12 Im Mimouna Etg 1 Et 2, Casablanca
27)	LG Electronics Nanjing New Technology Co., Ltd	No. 346, Yaoxin Avenue, Nanjing Economic Development Zone Jiangsu Province, China
28)	LG Electronics Panama S.A.	Aquilino de la Guardia Street and 48 East Street, Marbella, Panama City, Republic of Panama
29)	LG Electronics Peru S.A.	AV Republica De Colombia 791, Floor 12, Lima 27
30)	LG Electronics Philippines, Inc.	15 <sup>th</sup> and 16 <sup>th</sup> Floors, One Paseo Building, Paseo de Arco Corner E. Rodriguez Jr. Avenue (C5), ArcoVia City, Barangay Ugong, Pasig City 1604
31)	LG Electronics Polska Sp.z.o.o.	ul.Wołoska 22, 02-675 Warszawa, Polska
32)	LG Electronics (Qinhuangdao) Co., Ltd.	5# North Tianshan Road, Economic and Technical Development Zone, Qinhuangdao, Hebei China (066004)
33)	LG Electronics RUS, LLC	143160, Russian Federation, Moscow Region, Ruza City District, Territory Of Minsk Highway, Kilometer 86, House 9
34)	LG Electronics South Africa (Pty) Ltd.	162 Tonetti St, Halfway House, Midrand, 1685
35)	LG Electronics Saudi Arabia LLC	Mohammed Bin Abdulaziz Street, Al Andalus Dist. Jameel Square Building 1st Floor Office No 113, Postal Code: 23326 Jeddah, Kingdom of Saudi Arabia
36)	LG Electronics Singapore Pte Ltd.	Suntec Tower 3, Temasek Blvd. Singapore 038988
37)	LG Electronics Taiwan Taipei Co., Ltd.	6F, No. 47, Lane 3, Jihu Road, NeiHu District, Taipei City, Taiwan, R.O.C.
38)	LG Electronics Thailand Co., Ltd.	No.195, One Bangkok Tower 4, Room No. 2301-2314, 23rd Floor, Witthayu Road, Lumpini Sub-district, Pathum Wan District, Bangkok 10330
39)	LG Electronics (Tianjin) Appliances Co. Ltd	No.9 Jin Wei Road, Bei Chen Dist, Tianjin, China
40)	LG Electronics Ticaret A.S.	İstanbul Şişli Okmeydanı Kaptanpaşa Mah. Piyalepaşa Bulvarı No. 73
41)	LG Electronics Vietnam Hai Phong Co., Ltd	Lot CN2, Trang Due Industrial Park, Le Loi Commune, An Duong District, Hai Phong City, Vietnam
42)	LG Electronics Wroclaw Sp. z o.o	LG Electronics 1-2, 55-040 Biskupice Podgórne, Poland
43)	PT. LG Innotek Indonesia	Bekasi International Industrial Estate Block C8 No.12-12 A, Desa Cibatu, Kecamatan Cikarang Selatan, Bekasi Regency, West Java 17550, Indonesia
44)	LG Innotek Yantai Co., Ltd.	36# Taibei North Road, Development zone, Yantai, Shan dong, 264006, People's Republic of China
45)	LG Soft India Private Limited	Embassy Tech Square, Marathahalli-Sarjapur Outer Ring Road, Bangalore 560103, India
46)	LG Shaker Co. Ltd.	Second Industrial City, Al Kharj Road, Riyadh, Saudi Arabia
47)	Nanjing LG Panda Appliances Co., Ltd.	28# Yongfeng Road, Qinhuai District, Nanjing, China
48)	PT LG Electronics Indonesia	Gandaria 8 Office Tower Lt.29 BC & 31 ABCD, Jl. Sultan Iskandar Muda Kebayoran Lama Utara, Jakarta Selatan - DKI Jakarta Raya 12240
49)	PT. LG Electronics Service Indonesia	Gandaria 8 Office Tower Lt.19-D1. Desa / Kelurahan Kebayoran Lama Utara, Kec Kebayoran Lama, Kota Adm. Jakarta Selatan, Provinsi DKI Jakarta, 12240 Indonesia
50)	Robostar Co., Ltd.	700, Suin-ro (Sasa-dong), Sangrok-gu, Ansan-si, Gyeonggi-do
51)	Taizhou LG Electronics Refrigeration Co., Ltd	NO.12 Ying Bin Road, Hai Ling District, Taizhou, Jiangsu, China

In accordance with the SEBI ICDR Regulations, certain financial information with respect to: (i) reserves (excluding revaluation reserve); (ii) sales; (iii) profit after tax; (iv) earnings per share; (v) diluted earnings per share; and (vi) net asset value, of the top five Group Companies (determined based on market capitalisation in case of listed Group Company and annual turnover in case of unlisted Group Companies) for the preceding three years, based on their respective audited financial statements, shall be hosted on the websites, as indicated below:

Sr. No.	Group Company	Website
1)	LG CNS Co. Ltd	<a href="http://www.lg.com/in/investorrelations/lgcns/">www.lg.com/in/investorrelations/lgcns/</a>

2)	LG Display Co., Ltd.	<a href="http://www.lgdisplay.com/eng/company/investment/finance">www.lgdisplay.com/eng/company/investment/finance</a>
3)	Robostar Co., Ltd.	<a href="http://www.lg.com/in/investorrelations/robostar/">www.lg.com/in/investorrelations/robostar/</a>
4)	LG Electronics Vietnam Haiphong Co., Ltd	<a href="http://www.lg.com/in/investorrelations/lgvietnam/">www.lg.com/in/investorrelations/lgvietnam/</a>
5)	LG Electronics Mlawa Sp.zo.o	<a href="http://www.lg.com/in/investorrelations/lgmlawa/">www.lg.com/in/investorrelations/lgmlawa/</a>

Our Company is providing links to such websites solely to comply with the requirements specified under the SEBI ICDR Regulations. Such financial information/ details of the Group Companies provided on the websites do not constitute a part of this Draft Red Herring Prospectus. Anyone placing reliance on any other source of information, would be doing so at their own risk.

#### **A. Litigation**

Our Group Companies are not party to any litigation which may have material impact on our Company.

#### **B. Common pursuits between our Group Companies and our Company**

None of our Group Companies operate similar businesses in India like our Company and there are no common pursuits between any of our Group Companies and our Company.

Our Company will adopt the necessary procedures and practices, as required under applicable law, to address any situations of conflict of interest, if and when they arise.

#### **Related business transactions within our Group Companies and significance on the financial performance of our Company**

Other than the transactions disclosed in “*Restated Financial Information – Note 28- Related Party Disclosures*” on page 281, there are no other related business transactions between our Group Companies and our Company.

#### **C. Business Interest**

Except as disclosed in “*Restated Financial Information – Note 28 - Related Party Disclosures*” on page 281, our Group Companies have no business interests in our Company.

#### **D. Nature and extent of interest of our Group Companies**

##### *In the promotion of our Company*

Our Group Companies do not have any interest in the promotion of our Company.

##### *In the properties acquired by us in the preceding three years before filing this Draft Red Herring Prospectus or proposed to be acquired by our Company*

None of our Group Companies are interested, directly or indirectly, in the properties acquired by our Company in the preceding three years or proposed to be acquired by our Company.

##### *In transactions for acquisition of land, construction of building and supply of machinery, etc.*

None of our Group Companies are interested, directly or indirectly, in any transactions for acquisition of land, construction of building, supply of machinery, with our Company.

#### **Other Confirmations**

As on the date of this Draft Red Herring Prospectus, except as disclosed in “*Other Regulatory and Statutory Disclosures - Particulars regarding capital issues by our Company, listed Group Companies or associates during the last three years*” on page 376, none of our Group Companies have their debt or equity securities listed on any stock exchange in India or abroad or have made any public, rights issue or composite issue (as defined under the SEBI ICDR Regulations) of securities in the three years preceding the date of this Draft Red Herring Prospectus.

## OTHER REGULATORY AND STATUTORY DISCLOSURES

### Authority for the Offer

The Offer has been authorised by our Board pursuant to a resolution passed at its meeting dated December 4, 2024. Our Board has taken on record the consent of the Selling Shareholder to participate in the Offer for Sale pursuant to a resolution passed at its meeting held on December 4, 2024. Further, our Board and IPO Committee has approved this Draft Red Herring Prospectus pursuant to a resolution passed at its meeting held on December 4, 2024 and December 6, 2024, respectively.

The Selling Shareholder has confirmed and approved its participation in the Offer for Sale in relation to its Offered Shares, as disclosed in “*The Offer*” beginning on page 81.

Our Company has received in-principle approvals from BSE and NSE for the listing of the Equity Shares pursuant to letters dated [●] and [●], respectively.

### Prohibition by SEBI, RBI or other Governmental Authorities

Our Company, Promoter, Selling Shareholder (including persons in control of our Selling Shareholder), members of our Promoter Group and Directors are not prohibited from accessing the capital market or debarred from buying, selling or dealing in securities under any order or direction passed by the SEBI or any securities market regulator in any other jurisdiction or any other authority/court.

Our Company, Promoter or Directors have neither been declared as Wilful Defaulters or Fraudulent Borrowers by any bank or financial institution or consortium thereof in accordance with the guidelines on wilful defaulters and fraudulent borrowers issued by the RBI.

Our Company or our Promoter, members of the Promoter Group or Directors are not declared as ‘Fraudulent Borrowers’ by the lending banks or financial institution or consortium, in terms of RBI master circular dated July 1, 2016 and the SEBI ICDR Regulations.

### Directors associated with securities market

Except for Santosh Kumar Mohanty who is associated with securities market as disclosed below, none of our Directors are, in any manner, associated with the securities market and there is no outstanding action initiated by the SEBI against the Directors of our Company in the past five years preceding the date of this Draft Red Herring Prospectus.

Particulars	Details
Name of the entity	Computer Age Management Services Limited*
SEBI Registration No.	INR000002813
Category of registration	Registrar to an Issue and Share Transfer Agent in Category I
Date of expiry of registration	Perpetual
If registration has expired, reasons for non-renewal	N.A.
Details of any enquiry/ investigation conducted by SEBI at any time (including but not limited to any deficiency or warning letter, adjudication proceedings, suspension/ cancellation/ prohibitory orders)	There are no enquiry or investigation conducted by SEBI. However, there are not regular audits carried out by SEBI on the operations and SEBI issues from time to time advisory/warning letters purely on operational matters. There are no adjudication proceedings, suspension/cancellation/prohibitory orders.
Penalty imposed by the SEBI, if any	N.A.
Outstanding fees payable to the SEBI, if any	N.A.

\*Santosh Kumar Mohanty is an independent director on the board of Computer Age Management Services Limited w.e.f. July 3, 2024.

Particulars	Details
Name of the entity	Bajaj Finserv Asset Management Limited (Investment manager to Bajaj Finserv Mutual Fund)*
SEBI Registration No.	MF/078/23/04 dated March 1, 2023, for Bajaj Finserv Mutual Fund

Category of registration	Mutual Fund
Date of expiry of registration	N.A.
If registration has expired, reasons for non-renewal	N.A.
Details of any enquiry/ investigation conducted by SEBI at any time (including but not limited to any deficiency or warning letter, adjudication proceedings, suspension/ cancellation/ prohibitory orders)	No enquiry or investigation has been conducted by SEBI till date. There have been few administrative warning letters issued by SEBI in normal course of business. There have been no adjudication proceedings initiated by SEBI till date. There have been no suspension/cancellation/prohibitory orders by SEBI till date.
Penalty imposed by the SEBI, if any	Nil
Outstanding fees payable to the SEBI, if any	Nil

\*Santosh Kumar Mohanty is an independent director on the board of Bajaj Finserv Asset Management Limited w.e.f. September 1, 2024.

Particulars	Details
Name of the entity	Corporate Debt Market Development Fund*
SEBI Registration No.	IN/AIFC/23-24/1317
Category of registration	A specified AIF (Alternative Investment Fund)
Date of expiry of registration	Perpetual
If registration has expired, reasons for non-renewal	Not applicable
Details of any enquiry/ investigation conducted by SEBI at any time (including but not limited to any deficiency or warning letter, adjudication proceedings, suspension/ cancellation/ prohibitory orders)	Nil
Penalty imposed by SEBI, if any	Nil
Outstanding fees payable to SEBI, if any	Nil

\*Mr. Santosh Kumar Mohanty is an Independent Director on the Board of the SBI CDMDF Trustee Private Limited which is acting as Trustee to Corporate Debt Market Development Fund w.e.f. September 25, 2023.

Particulars	Details
Name of the entity	Acuite Ratings & Research Limited*
SEBI Registration No.	IN/CRA/006/2011
Date of expiry of registration	Permanent registration
If registration has expired, reasons for non-renewal	NA
Details of any enquiry / investigation conducted by the SEBI at any time (including but not limited to any deficiency / warning letter, adjudication proceedings, suspension / cancellation / prohibitory orders)	No enquiry or investigation has been conducted by SEBI till date. There have been few administrative warning letters / deficiency letters issued by SEBI in normal course of business. There have been no suspension/cancellation/prohibitory orders issued by SEBI till date.  The Company has received an Adjudication Order dated November 29, 2024 in the matter of the Show Cause Notice dated April 22, 2024 alleging violation of Regulation 27(1) of the SEBI (Credit Rating Agencies) Regulations, 1999.
Penalty imposed by the SEBI, if any	₹ 500,000
Outstanding fees payable to the SEBI, if any	NIL

\*Mr. Santosh Kumar Mohanty is a non-executive director (additional director) on the board of Acuite Ratings & Research Limited with effect from November 28, 2024.

### Confirmation under Companies (Significant Beneficial Owners) Rules, 2018

Our Company, our Promoter, our Selling Shareholder, our Directors and members of Promoter Group, severally and not jointly, confirm that they are in compliance with the Companies (Significant Beneficial Owners) Rules, 2018, to the extent applicable, as on the date of this Draft Red Herring Prospectus.

### Eligibility for the Offer

Our Company is eligible to undertake the Offer in accordance with the eligibility criteria provided in Regulation

6(1) of the SEBI ICDR Regulations, and is in compliance with the conditions specified therein in the following manner:

- our Company has net tangible assets of at least ₹30.00 million, calculated on a restated basis, in each of the preceding three full years (of 12 months each);
- our Company has an average operating profit of at least ₹150.00 million, calculated on a restated basis, during the preceding three years (of 12 months each), with operating profit in each of these preceding three years;
- our Company has a net worth of at least ₹10.00 million in each of the three preceding full years (of 12 months each), calculated on a restated basis; and
- there has been no change of name of our Company at any time during the one year immediately preceding the date of filing of this Draft Red Herring Prospectus.

Set forth below are our Company's restated net tangible assets, restated operating profit and net worth, derived from our Restated Financial Information included in this Draft Red Herring Prospectus.

(₹ in million, unless otherwise stated)

Particulars	Financial year ended as on		
	March 31, 2024	March 31, 2023	March 31, 2022
Restated Net tangible assets <sup>(1)</sup>	36,348.26	42,410.36	53,828.38
Restated Monetary assets <sup>(2)</sup>	22,226.05	27,625.88	37,268.56
Monetary assets as a percentage of the net tangible assets (%), as restated	61.15%	65.14%	69.24%
Operating profit, as restated <sup>(3)</sup>	18,605.04	15,947.22	14,066.53
Net worth <sup>(4)</sup> as restated	37,358.21	43,198.20	54,643.20

Notes:

<sup>(1)</sup> "Net tangible assets" means the sum of all net assets of the Company as per the Restated Financial Information excluding intangible assets (as per Ind AS- 38), deferred tax assets (net) (as per Ind AS-12) and right of use assets (as per Ind AS- 116) reduced by total liabilities (excluding lease liabilities) of our Company, as defined under the Indian Accounting Standards prescribed under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015)

<sup>(2)</sup> "Monetary assets" are defined as amount of 'Cash and Cash equivalents' as per the Restated Financial Information, (excluding fixed deposits with banks not considered as cash and cash equivalent)

<sup>(3)</sup> "Operating Profit" means restated profit before tax excluding finance costs, other income and exceptional items.

<sup>(4)</sup> "Net worth" means the aggregate value of paid-up share capital and other equity created out of the profits, securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, derived from the Restated Financial Information, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation.

Since the proposed Offer is an offer for sale, the condition of holding monetary assets amounting to not greater than 50% of net tangible assets or firm commitments for anything in excess thereof does not apply as per Regulation 6(1)(a) of the SEBI ICDR Regulations. Accordingly, the same has not been computed.

The average of operating profit for Fiscal 2024, Fiscal 2023 and Fiscal 2022 of our Company was ₹ 16,206.26 million. For further details, see "**Other Financial Information**" on page 314.

Our Company confirms that it is in compliance with the conditions specified in Regulation 7(1) of the SEBI ICDR Regulations, to the extent applicable, and will ensure compliance with the conditions specified in Regulation 7(2) of the SEBI ICDR Regulations, to the extent applicable.

Further, in terms of Regulation 49(1) of the SEBI ICDR Regulations, our Company shall ensure that the number of Bidders to whom the Equity Shares will be Allotted will be not less than 1,000, failing which the entire application monies shall be refunded forthwith in accordance with the SEBI ICDR Regulations and other applicable laws.

Our Company is in compliance with the following conditions specified in Regulation 5 of the SEBI ICDR Regulations:

- none of our Company, the Selling Shareholder, Directors and members of our Promoter Group are debarred from accessing the capital markets by SEBI;
- neither our Selling Shareholder nor any of our Directors are promoters or directors of companies which are debarred from accessing the capital markets by SEBI;
- none of our Company, Selling Shareholder or Directors have been declared as Wilful Defaulters or

Fraudulent Borrowers by any bank or financial institution or consortium thereof in accordance with the guidelines on wilful defaulters and fraudulent borrowers issued by the RBI;

- none of our Directors has been declared a fugitive economic offender (in accordance with Section 12 of the Fugitive Economic Offenders Act, 2018); and
- as on the date of this Draft Red Herring Prospectus, there are no outstanding warrants, options or rights to convert debentures, loans or other instruments convertible into, or which would entitle any person any option to receive Equity Shares.
- the Equity Shares of our Company held by our Selling Shareholder are in dematerialised form;
- all the Equity Shares are fully paid-up and there are no partly paid-up Equity Shares as on the date of this Draft Red Herring Prospectus; and
- there is no requirement for us to make firm arrangements of finance under Regulation 7(1)(e) of the SEBI ICDR Regulations through verifiable means towards 75% of the stated means of finance.

The Selling Shareholder has confirmed that it has held the Offered Shares for a period of at least one year prior to the date of filing of this Draft Red Herring Prospectus and that it is in compliance with Regulation 8 of the SEBI ICDR Regulations and are eligible for being offered in the Offer for Sale.

#### **DISCLAIMER CLAUSE OF SEBI**

**IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THIS DRAFT RED HERRING PROSPECTUS TO SEBI SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE OFFER IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THIS DRAFT RED HERRING PROSPECTUS. THE BOOK RUNNING LEAD MANAGERS, MORGAN STANLEY INDIA COMPANY PRIVATE LIMITED, J.P. MORGAN INDIA PRIVATE LIMITED, AXIS CAPITAL LIMITED, BOFA SECURITIES INDIA LIMITED AND CITIGROUP GLOBAL MARKETS INDIA PRIVATE LIMITED HAVE CERTIFIED THAT THE DISCLOSURES MADE IN THIS DRAFT RED HERRING PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED OFFER.**

**IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS DRAFT RED HERRING PROSPECTUS AND THE SELLING SHAREHOLDER WILL BE RESPONSIBLE FOR THE STATEMENTS SPECIFICALLY CONFIRMED OR UNDERTAKEN BY IT IN THIS DRAFT RED HERRING PROSPECTUS IN RELATION TO ITSELF OR ITS OFFERED SHARES, THE BOOK RUNNING LEAD MANAGERS ARE EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY AND THE SELLING SHAREHOLDER DISCHARGE THEIR RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BOOK RUNNING LEAD MANAGERS HAVE FURNISHED TO THE SEBI, A DUE DILIGENCE CERTIFICATE DATED DECEMBER 6, 2024 IN THE FORMAT PRESCRIBED UNDER SCHEDULE V (FORM A) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018.**

**THE FILING OF THIS DRAFT RED HERRING PROSPECTUS DOES NOT, HOWEVER, ABSOLVE THE COMPANY FROM ANY LIABILITIES UNDER THE COMPANIES ACT OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY OR OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED OFFER. THE SEBI FURTHER RESERVES THE RIGHT TO TAKE UP, AT ANY POINT OF TIME, WITH THE BOOK RUNNING LEAD MANAGERS ANY IRREGULARITIES OR LAPSES IN THIS DRAFT RED HERRING PROSPECTUS.**

All legal requirements pertaining to this Offer will be complied with at the time of filing of the Red Herring

Prospectus with the RoC including in terms of Section 32 of the Companies Act. All legal requirements pertaining to this Offer will be complied with at the time of filing of the Prospectus with the RoC including in terms of Sections 26, 32, 33(1) and 33(2) of the Companies Act.

#### **Disclaimer from our Company, our Selling Shareholder, Directors and Book Running Lead Managers**

Our Company, our Selling Shareholder, Directors and the Book Running Lead Managers accept no responsibility for statements made otherwise than in this Draft Red Herring Prospectus or in the advertisements or any other material issued by or at our Company's instance and anyone placing reliance on any other source of information, including our Company's website [www.lg.com/in/](http://www.lg.com/in/), or the website of any affiliate of our Company, would be doing so at their own risk. The Selling Shareholder, their directors, affiliates, associates, and officers accept no responsibility for any statements made in this Draft Red Herring Prospectus, other than those specifically made or confirmed by the Selling Shareholder in relation to themselves as a Selling Shareholder and the Offered Shares.

The Book Running Lead Managers accept no responsibility, save to the limited extent as provided in the Offer Agreement and as will be provided for in the Underwriting Agreement to be entered into between the Underwriters, the Selling Shareholder and our Company.

All information shall be made available by our Company, and the Book Running Lead Managers to the Bidders and the public at large and no selective or additional information would be made available for a section of the investors in any manner whatsoever, including at road show presentations, in research or sales reports, at the Bidding Centres or elsewhere.

Bidders will be required to confirm and will be deemed to have represented to our Company, the Selling Shareholder and their directors, officers, agents, affiliates, and representatives, Underwriters, the Book Running Lead Managers and their respective directors, partners, designated partners, officers, agents, affiliates, and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares and will not sell, pledge, or transfer the Equity Shares to any person who is not eligible under any applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares. Our Company, the Underwriters, the Book Running Lead Managers and their respective directors, partners, designated partners, officers, agents, affiliates, and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the Equity Shares.

The Book Running Lead Managers and their respective associates and affiliates in their capacity as principals or agents may engage in transactions with, and perform services for, our Company, our Promoter, members of the Promoter Group and their directors and officers, group companies, affiliates or associates or third parties (as applicable) in the ordinary course of business and have engaged, or may in the future engage, in commercial banking and investment banking transactions with our Company, its Directors, our Promoter, officers, agents, group companies, affiliates, associates or third parties, (as applicable) for which they have received, and may in the future receive, compensation. As used herein, the term 'affiliate' means any person or entity that controls or is controlled by or is under common control with another person or entity.

#### **Disclaimer in respect of Jurisdiction**

Any dispute arising out of the Offer will be subject to the jurisdiction of appropriate court(s) in New Delhi, India only.

The Offer is being made in India to persons resident in India (including Indian nationals resident in India who are competent to contract under the Indian Contract Act, 1872, HUFs, companies, corporate bodies and societies registered under the applicable laws in India and authorised to invest in equity shares, domestic Mutual Funds registered with the SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), systemically important non-banking financial companies or trusts under applicable trust law and who are authorised under their constitution to hold and invest in shares, state industrial development corporations, permitted insurance companies registered with IRDAI, public financial institutions as specified in Section 2(72) of the Companies Act, permitted provident funds with a minimum corpus of ₹ 250 million (subject to applicable law) and pension funds (registered with the Pension Fund Regulatory and Development Authority established under Section 3(1) of the Pension Fund Regulatory and Development Authority Act, 2013, subject to applicable laws, with minimum corpus of ₹ 250 million), National Investment Fund, insurance funds set up and managed by the army and navy or air force of Union of India and insurance funds set up and managed by the Department of Posts, India registered with the Insurance Regulatory and Development Authority of India,

systemically important NBFCs registered with the RBI and permitted Non-Residents including FPIs and Eligible NRIs, AIFs and other eligible foreign investors, if any, provided that they are eligible under all applicable laws and regulations to purchase the Equity Shares. This Draft Red Herring Prospectus does not constitute an offer to sell or an invitation to subscribe to Equity Shares offered hereby, in any jurisdiction to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Draft Red Herring Prospectus comes is required to inform him or herself about, and to observe, any such restrictions.

Neither the delivery of this Draft Red Herring Prospectus nor the offer of the Offered Shares shall, under any circumstances, create any implication that there has been no change in the affairs of our Company since the date of this Draft Red Herring Prospectus or that the information contained herein is correct as of any time subsequent to this date.

Invitations to subscribe to or purchase the Equity Shares in the Offer will be made only pursuant to the Red Herring Prospectus if the recipient is in India or the preliminary offering memorandum for the Offer, which comprises the Red Herring Prospectus and the preliminary international wrap for the Offer, if the recipient is outside India.

**No person outside India is eligible to Bid for Equity Shares in the Offer unless that person has received the preliminary offering memorandum for the Offer, which contains the selling restrictions for the Offer outside India.**

No action has been, or will be, taken to permit a public offering in any jurisdiction where action would be required for that purpose, except that this Draft Red Herring Prospectus has been filed with the SEBI for its observations. Accordingly, the Equity Shares represented hereby may not be offered or sold, directly or indirectly, and this Draft Red Herring Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction.

#### **Eligibility and Transfer Restrictions**

The Equity Shares have not been recommended by any U.S. federal or state securities commission or regulatory authority. Furthermore, the foregoing authorities have not confirmed the accuracy or determined the adequacy of this Draft Red Herring Prospectus or approved or disapproved the Equity Shares. Any representation to the contrary is a criminal offence in the United States. In making an investment decision, investors must rely on their own examination of our Company and the terms of the Offer, including the merits and risks involved. The Equity Shares offered in the Offer have not been and will not be registered under the U.S. Securities Act or any other applicable law of the United States, and, unless so registered, may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. Accordingly, the Equity Shares are being offered and sold (a) in the United States only to persons reasonably believed to be “qualified institutional buyers” (as defined in Rule 144A) and referred to in this Draft Red Herring Prospectus as “U.S. QIBs”, for the avoidance of doubt, the term U.S. QIBs does not refer to a category of institutional investor defined under applicable Indian regulations and referred to in this Draft Red Herring Prospectus as “QIBs”) in transactions exempt from or not subject to the registration requirements of the U.S. Securities Act and in reliance on Rule 144A and (b) outside of the United States in offshore transactions as defined in and in compliance with Regulation S and the applicable laws of the jurisdiction where those offers and sales occur.

**The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.**

**Until the expiry of 40 days after the commencement of the Offer, an offer or sale of Equity Shares within the United States by a dealer (whether or not it is participating in the Offer) may violate the registration requirements of the U.S. Securities Act unless made pursuant to Rule 144A or another available exemption from the registration requirements of the U.S. Securities Act and in accordance with applicable state securities laws in the United States.**

#### **Eligible Investors**

The Equity Shares are being offered:



- (i) in the United States to investors that are U.S. QIBs in reliance on Rule 144A, in transactions exempt from or not subject to the registration requirements of the U.S. Securities Act; and
- (ii) outside the United States in “offshore transactions” as defined in, and in reliance on, Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sales occur.

***Equity Shares Offered Pursuant to the Offer Within the United States***

Each purchaser that is acquiring the Equity Shares offered pursuant to the Offer within the United States, by its acceptance of this Draft Red Herring Prospectus and of the Equity Shares, will be deemed to have acknowledged, represented and warranted to and agreed with our Company, the Selling Shareholder and the Book Running Lead Managers that it has received a copy of this Draft Red Herring Prospectus and such other information as it deems necessary to make an informed investment decision and that:

1. the purchaser is authorised to consummate the purchase of the Equity Shares offered pursuant to the Offer in compliance with all applicable laws and regulations;
2. the purchaser acknowledges that the Equity Shares offered pursuant to the Offer have not been and will not be registered under the U.S. Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States and accordingly, unless so registered, may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act;
3. the purchaser (i) is a U.S. QIB, (ii) is aware that the sale to it is being made in a transaction exempt from or not subject to the registration requirements of the U.S. Securities Act in reliance on Rule 144A, and (iii) is acquiring such Equity Shares for its own account or for the account of one or more U.S. QIBs with respect to which it exercises sole investment discretion;
4. the purchaser is not an affiliate of our Company or a person acting on behalf of an affiliate;
5. if, in the future, the purchaser decides to offer, resell, pledge or otherwise transfer such Equity Shares, or any economic interest therein, such Equity Shares or any economic interest therein may be offered, sold, pledged or otherwise transferred, only (A) (i) to a person whom the beneficial owner and/or any person acting on its behalf reasonably believes is a U.S. QIB in a transaction meeting the requirements of Rule 144A under the U.S. Securities Act, or (ii) in an “offshore transaction” complying with Rule 903 or Rule 904 of Regulation S under the U.S. Securities Act; and (B) in accordance with all applicable laws, including the state securities laws in the United States. The purchaser understands that the transfer restrictions will remain in effect until our Company determines, in its sole discretion, to remove them;
6. the Equity Shares are “restricted securities” within the meaning of Rule 144(a)(3) under the U.S. Securities Act and no representation is made as to the availability of the exemption provided by Rule 144 under the U.S. Securities Act for resales of any such Equity Shares;
7. the purchaser will not deposit or cause to be deposited such Equity Shares into any depositary receipt facility established or maintained by a depositary bank other than a Rule 144A restricted depositary receipt facility, so long as such Equity Shares are “restricted securities” within the meaning of Rule 144(a)(3) under the U.S. Securities Act;
8. the purchaser agrees that neither the purchaser, nor any of its affiliates (as defined in Rule 405 or Rule 501(b) of the U.S. Securities Act), nor any person acting on behalf of the purchaser or any of its affiliates (as defined in Rule 405 or Rule 501(b) of the U.S. Securities Act), will make any “directed selling efforts” (as that term is defined in Regulation S under the U.S. Securities Act) in the United States with respect to the Equity Shares or any form of “general solicitation” or “general advertising” (as defined in Regulation D under the U.S. Securities Act) in connection with any offer or sale of the Equity Shares;
9. the purchaser understands that such Equity Shares (to the extent they are in certificated form), unless our Company determines otherwise in accordance with applicable law, will bear a legend substantially to the following effect:

**“THE EQUITY SHARES REPRESENTED HEREBY HAVE NOT BEEN, AND WILL NOT BE, REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE “U.S. SECURITIES ACT”) OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY**

**STATE OR OTHER JURISDICTION OF THE UNITED STATES AND MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED WITHIN THE UNITED STATES, EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE U.S. SECURITIES ACT AND APPLICABLE STATE SECURITIES LAW. ACCORDINGLY, THE EQUITY SHARES MAY BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED (1) WITHIN THE UNITED STATES, SOLELY TO A PERSON WHOM THE SELLER OR ANY PERSON ACTING ON ITS BEHALF REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER WITHIN THE MEANING OF AND IN RELIANCE ON RULE 144A UNDER THE U.S. SECURITIES ACT IN A TRANSACTION MEETING THE REQUIREMENTS OF RULE 144A UNDER THE U.S. SECURITIES ACT OR ANOTHER EXEMPTION FROM, OR TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE U.S. SECURITIES ACT, OR (2) OUTSIDE THE UNITED STATES IN AN “OFFSHORE TRANSACTION” AS DEFINED IN AND IN RELIANCE ON REGULATIONS UNDER THE U.S. SECURITIES ACT, AND THE APPLICABLE LAWS OF THE JURISDICTIONS WHERE THOSE OFFERS AND SALES OCCUR.”**

10. our Company will not recognize any offer, sale, pledge or other transfer of such Equity Shares made other than in compliance with the above-stated restrictions; and
11. the purchaser acknowledges that our Company, the Selling Shareholder, the Book Running Lead Managers, their respective affiliates and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements and agrees that, if any of such acknowledgements, representations and agreements deemed to have been made by virtue of its purchase of such Equity Shares are no longer accurate, it will promptly notify our Company, the Selling Shareholder and the Book Running Lead Managers, and if it is acquiring any of such Equity Shares as a fiduciary or agent for one or more accounts, it represents that it has sole investment discretion with respect to each such account and that it has full power to make the foregoing acknowledgements, representations and agreements on behalf of such account.

*All Other Equity Shares Offered and Sold in the Offer*

Each purchaser that is acquiring the Equity Shares offered pursuant to the Offer outside the United States, by its acceptance of this Draft Red Herring Prospectus and of the Equity Shares offered pursuant to the Offer, will be deemed to have acknowledged, represented and warranted to and agreed with our Company, the Selling Shareholder and the Book Running Lead Managers that it has received a copy of this Draft Red Herring Prospectus and such other information as it deems necessary to make an informed investment decision and that:

1. the purchaser is authorized to consummate the purchase of the Equity Shares offered pursuant to the Offer in compliance with all applicable laws and regulations;
2. the purchaser acknowledges that the Equity Shares offered pursuant to the Offer have not been and will not be registered under the U.S. Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States and accordingly, may not be offered, resold, pledged or transferred within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act;
3. the purchaser is purchasing the Equity Shares offered pursuant to the Offer in an offshore transaction meeting the requirements of Rule 903 of Regulation S under the U.S. Securities Act;
4. the purchaser and the person, if any, for whose account or benefit the purchaser is acquiring the Equity Shares offered pursuant to the Offer, was located outside the United States at the time (i) the offer for such Equity Shares was made to it and (ii) when the buy order for such Equity Shares was originated and continues to be located outside the United States and has not purchased such Equity Shares for the account or benefit of any person in the United States or entered into any arrangement for the transfer of such Equity Shares or any economic interest therein to any person in the United States;
5. the purchaser is not an affiliate of our Company or a person acting on behalf of an affiliate;
6. if, in the future, the purchaser decides to offer, resell, pledge or otherwise transfer such Equity Shares, or any economic interest therein, such Equity Shares or any economic interest therein may be offered, sold, pledged or otherwise transferred only (A) (i) to a person whom the beneficial owner and/or any

person acting on its behalf reasonably believes is a U.S. QIB in a transaction meeting the requirements of Rule 144A, or (ii) in an offshore transaction complying with Rule 903 or Rule 904 of Regulation S under the U.S. Securities Act and (B) in accordance with all applicable laws, including the securities laws of the States of the United States. The purchaser understands that the transfer restrictions will remain in effect until our Company determines, in its sole discretion, to remove them;

7. neither the purchaser nor any of its affiliates (as defined in Rule 405 or Rule 501(b) of the U.S. Securities Act), nor any person acting on behalf of the purchaser or any of its affiliates (as defined in Rule 405 or Rule 501(b) of the U.S. Securities Act), is acquiring the Equity Shares as a result of any “directed selling efforts” as defined in Regulation S under the U.S. Securities Act in the United States with respect to the Equity Shares;
8. the purchaser understands that such Equity Shares (to the extent they are in certificated form), unless our Company determine otherwise in accordance with applicable law, will bear a legend substantially to the following effect:

**“THE EQUITY SHARES REPRESENTED HEREBY HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE “U.S. SECURITIES ACT”) OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES AND MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED EXCEPT (1) TO A PERSON WHOM THE SELLER OR ANY PERSON ACTING ON ITS BEHALF REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER WITHIN THE MEANING OF RULE 144A UNDER THE U.S. SECURITIES ACT IN A TRANSACTION MEETING THE REQUIREMENTS OF RULE 144A UNDER THE U.S. SECURITIES ACT, OR (2) IN AN OFFSHORE TRANSACTION COMPLYING WITH RULE 903 OR RULE 904 OF REGULATION S UNDER THE U.S. SECURITIES ACT, IN EACH CASE IN ACCORDANCE WITH ANY APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES.”**
9. our Company will not recognize any offer, sale, pledge or other transfer of such Equity Shares made other than in compliance with the above-stated restrictions; and
10. the purchaser acknowledges that our Company, the Selling Shareholder, the Book Running Lead Managers, their respective affiliates and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements and agrees that, if any of such acknowledgements, representations and agreements deemed to have been made by virtue of its purchase of such Equity Shares are no longer accurate, it will promptly notify our Company, the Selling Shareholder and the Book Running Lead Managers, and if it is acquiring any of such Equity Shares as a fiduciary or agent for one or more accounts, it represents that it has sole investment discretion with respect to each such account and that it has full power to make the foregoing acknowledgements, representations and agreements on behalf of such account.

**Bidders are advised to ensure that any Bid from them does not exceed investment limits or maximum number of Equity Shares that can be held by them under applicable law. Further, each Bidder where required must agree in the Allotment Advice that such Bidder will not sell or transfer any Equity Shares or any economic interest therein, including any offshore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than in accordance with applicable laws.**

#### **Disclaimer clause of BSE**

As required, a copy of this Draft Red Herring Prospectus shall be submitted to BSE. The disclaimer clause as intimated by BSE to our Company, post scrutiny of this Draft Red Herring Prospectus, shall be included in the Red Herring Prospectus and the Prospectus prior to the RoC filing.

#### **Disclaimer clause of NSE**

As required, a copy of this Draft Red Herring Prospectus shall be submitted to the NSE. The disclaimer clause as intimated by NSE to our Company, post scrutiny of this Draft Red Herring Prospectus, shall be included in the Red Herring Prospectus and the Prospectus prior to the RoC filing.

#### **Listing**

The Equity Shares offered through the Red Herring Prospectus are proposed to be listed on the Stock Exchanges. Application will be made to the Stock Exchanges for obtaining permission for listing and trading of the Equity Shares. National Stock Exchange of India Limited will be the Designated Stock Exchange with which the Basis of Allotment will be finalised.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading of the Equity Shares at the Stock Exchanges are taken within three Working Days from the Bid/ Offer Closing Date or within such other period as may be prescribed.

If our Company does not Allot the Equity Shares within two Working Days from the Bid/Offer Closing Date or within such timeline as prescribed by SEBI, all amounts received in the Public Offer Accounts will be transferred to the Refund Account and it shall be utilised to repay, without interest, all monies received from Bidders, failing which interest shall be due to be paid to the Bidders as prescribed under applicable law.

If the permission to deal in and for an official quotation of the Equity Shares is not granted by the Stock Exchanges, our Company shall forthwith repay, without interest, all monies received from the applicants in pursuance of the Red Herring Prospectus in accordance with applicable law. If such money is not repaid within the prescribed time, then our Company and every officer in default shall be liable to repay the money, with interest, as prescribed under applicable law. Any expense incurred by our Company on behalf of the Selling Shareholder with regard to interest on such refunds will be reimbursed by the Selling Shareholder. For the avoidance of doubt, subject to applicable law, a Selling Shareholder shall not be responsible to pay and/or reimburse any expenses towards refund or any interest thereon for any delay, unless such failure or default or delay, as the case may be, is by, and is directly attributable to, an act or omission, of the Selling Shareholder and such liability shall be limited to the extent of its Offered Shares.

### **Consents**

Consents in writing of: (a) our Directors, our Company Secretary and Compliance Officer, Selling Shareholder, Banker(s) to the Company, legal counsels appointed for the Offer, the Book Running Lead Managers, the Registrar to the Offer, the Statutory Auditor, the Independent Chartered Accountant, Redseer, Independent Chartered Engineer in their respective capacities, have been obtained; (b) consents of the Syndicate Members, the Banker(s) to the Offer/ Public Offer Account Bank(s)/ Escrow Collection Bank(s)/ Refund Bank(s), Sponsor Bank(s), to act in their respective capacities, will be obtained and filed along with a copy of the Red Herring Prospectus with the RoC as required under the Companies Act, and such consents, which have been obtained, have not been withdrawn up to the time of delivery of this Draft Red Herring Prospectus.

### **Experts to the Offer**

Except as stated below, our Company has not obtained any expert opinions:

- (i) Our Company has received written consent dated December 6, 2024 from Price Waterhouse Chartered Accountants LLP, to include their name as required under section 26(5) of the Companies Act read with the SEBI ICDR Regulations in this Draft Red Herring Prospectus, and as an “expert” as defined under section 2(38) of the Companies Act to the extent and in their capacity as independent statutory auditor, and in respect of their examination report dated December 4, 2024 on our Restated Financial Information included in this Draft Red Herring Prospectus and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus. However, the term “expert” shall not be construed to mean an “expert” as defined under the U.S. Securities Act.
- (ii) Our Company has received written consent December 6, 2024 from B.B. & Associates, Chartered Accountants, to include their name as required under section 26(5) of the Companies Act read with the SEBI ICDR Regulations in this Draft Red Herring Prospectus, and as an “expert” as defined under section 2(38) and section 26 of the Companies Act and in their capacity as the Independent Chartered Accountant, in respect of their certificates in connection with the Offer and details derived therefrom as included in this Draft Red Herring Prospectus and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus.
- (iii) Our Company has received a written consent dated December 6, 2024 from Crest Capital Group Private Limited, to include their name as an “expert” as defined under section 2(38) and 26(5) of the Companies Act to the extent and in their capacity as the Independent Chartered Engineer and in respect of the

certificate issued by them and included in this Draft Red Herring Prospectus and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus.

The above-mentioned consents have not been withdrawn as on the date of this Draft Red Herring Prospectus.

#### **Particulars regarding public or rights issues by our Company during the last five years**

Our Company has not made any public or rights issue during the last five years, preceding the date of this Draft Red Herring Prospectus.

#### **Commission and brokerage paid on previous issues of the Equity Shares in the last five years**

Since this is the initial public offering of the Equity Shares, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure public subscription for any of our Equity Shares in the five years preceding the date of this Draft Red Herring Prospectus.

#### **Particulars regarding capital issues by our Company, listed Group Companies, subsidiaries or associates during the last three years**

Our Company has not made any capital issues during the three years preceding the date of this Draft Red Herring Prospectus. Further, our Company does not have any subsidiaries or associates, as on the date of this Draft Red Herring Prospectus.

Except for LG Display Co., Ltd., LG CNS Co., Ltd. and Robostar Co., Ltd., our Company does not have any listed group companies, as on the date of this Draft Red Herring Prospectus.

Further, except as stated below, none of our Group Companies have undertaken any capital issues during the last three years:

<b>Particulars</b>	<b>Details of issue</b>
<b><i>LG Display Co., Ltd.</i></b>	
Year of issue	2024
Type of issue (public/ rights/ composite)	Rights Offering to Shareholders (common shares)
Amount of issue (KRW)	1,292 billion / 1,281 billion (net of issue costs)
Issue price (KRW)	9,090 per share
Date of closure of issue	March 15, 2024
Date of allotment and credit of securities to dematerialised account of investors	March 14, 2024
Date of completion of the project, where object of the issue was financing the project	N.A.
Rate of dividend paid	N.A.

#### **Performance vis-à-vis objects – Public/ rights issue of our Company**

Our Company has not undertaken a public or rights issue in the five years preceding the date of this Draft Red Herring Prospectus.

#### **Performance vis-à-vis objects – Public/ rights issue of the listed subsidiaries/listed Promoter of our Company**

Our Promoter, LG Electronics Inc., is listed on the Korea Exchange. Except as disclosed below, LG Electronics Inc. has not undertaken a public or a rights issue during the last five years:

<b>No.</b>	<b>Date of Issue</b>	<b>Date of Maturity</b>	<b>Nature of Issue</b>	<b>Face Value (KRW in Million)</b>	<b>Stated objects of the Issue</b>	<b>Status of compliance with stated objects</b>
1.	February 25, 2020	February 25, 2027	Bond (Public) – #95-1	120,000	Refinancing	Complied
2.	February 25, 2020	February 25, 2030	Bond (Public) – #95-2	30,000	Operating	Complied

No.	Date of Issue	Date of Maturity	Nature of Issue	Face Value (KRW in Million)	Stated objects of the Issue	Status of compliance with stated objects
3.	February 25, 2020	February 25, 2030	Bond (Public) – #95-2	100,000	Refinancing	Complied
4.	February 25, 2020	February 25, 2035	Bond (Public) – #95-3	50,000	Refinancing	Complied
5.	May 4, 2021	May 4, 2026	Bond (Public/Green) – #98-1	120,000	Capital expenditure	Complied
6.	May 4, 2021	May 4, 2028	Bond (Public/Green) – #98-2	70,000	Capital expenditure	Complied
7.	May 4, 2021	May 4, 2031	Bond (Public) – #98-3	30,000	Operating	Complied
8.	May 4, 2021	May 4, 2031	Bond (Public) – #98-3	200,000	Refinancing	Complied
9.	May 4, 2021	May 4, 2036	Bond (Public) – #98-4	90,000	Operating	Complied
10.	May 4, 2021	May 4, 2036	Bond (Public) – #98-4	20,000	Refinancing	Complied
11.	March 7, 2023	March 7, 2026	Bond (Public) – #100-1	30,000	Operating	Complied
12.	March 7, 2023	March 7, 2026	Bond (Public) – #100-1	110,000	Refinancing	Complied
13.	March 7, 2023	March 7, 2028	Bond (Public) – #100-2	90,000	Operating	Complied
14.	March 7, 2023	March 7, 2028	Bond (Public) – #100-2	200,000	Refinancing	Complied
15.	March 7, 2023	March 7, 2030	Bond (Public) – #100-3	110,000	Operating	Complied
16.	March 7, 2023	March 7, 2030	Bond (Public) – #100-3	40,000	Refinancing	Complied
17.	March 7, 2023	March 7, 2033	Bond (Public) – #100-4	70,000	Operating	Complied
18.	March 7, 2023	March 7, 2033	Bond (Public) – #100-4	50,000	Refinancing	Complied
19.	April 24, 2024	April 24, 2027	Bond (Public) – Rule 144A: US50186QAC78 Reg S: USY5S80VAA4 4	688,950	Operating Investment Refinancing	Complied
20.	April 24, 2024	April 24, 2029	Bond (Public / Sustainability) – Rule 144A: US50186QAD51 Reg S: USY5S80VAB2 7	413,370	Financing / Refinancing	Complied

As on the date of this Draft Red Herring Prospectus, our Company does not have any subsidiaries.

## Price information of past issues handled by the Book Running Lead Managers

### Morgan Stanley India Company Private Limited

- Price information of past issues (during the current Financial Year and two Financial Years preceding the current Financial Year) handled by Morgan Stanley India Company Private Limited.

S. No.	Issue name	Issue size (₹ million)	Issue price (₹)	Listing date	Opening price on listing date (in ₹)	+/- % change in closing price, [+/- % change in closing benchmark]- 30 <sup>th</sup> calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90 <sup>th</sup> calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180 <sup>th</sup> calendar days from listing
	Zinka Logistics Solutions Limited	11,147.00	273.00	November 22, 2024	280.90	NA	NA	NA
	Niva Bupa Health Insurance Company limited	22,000.00	74.00	November 14, 2024	78.14	NA	NA	NA
	Hyundai Motor India Limited	278,556.83	1,960.00	October 22, 2024	1,934.00	-6.6% [-5.1%]	NA	NA
	Brainbees Solutions Limited	41,937.28	465.00	August 13, 2024	651.00	+ 37.5% [+ 2.3%]	+21.4% [-0.8%]	NA
	Go Digit General Insurance Limited	26,146.46	272.00	May 23, 2024	286.00	+ 22.8% [+ 4.0%]	+ 30.8% [+ 9.3%]	+ 16.3% [+ 3.8%]
	Delhivery Limited	52,350.00	487.00	May 24, 2022	495.20	+ 3.5% [- 4.9%]	+17.0% [+ 9.5%]	-28.0% [+12.9%]

Source: www.nseindia.com; for price information and prospectus/ basis of allotment for issue details.

#### Notes:

- Issue Size is as per the prospectus filed with SEBI with the figures rounded off to the nearest decimal point
- Benchmark index considered is NIFTY50
- If the 30th/90th/180th day falls on a trading holiday then pricing information on the preceding trading day has been considered
- Pricing Performance for the company is calculated as per the final offer price
- Pricing Performance for the benchmark index is calculated as per the close on the day prior to the listing date

- Summary statement of price information of past issues (during the current Financial Year and two Financial Years preceding the current Financial Year) handled by Morgan Stanley India Company Private Limited.

Financial Year	Total no. of IPOs	Total amount of funds raised (₹ million)	No. of IPOs trading at discount - 30th calendar days from listing			No. of IPOs trading at premium - 30th calendar days from listing			No. of IPOs trading at discount - 180th calendar days from listing			No. of IPOs trading at premium - 180th calendar days from listing		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2024-25*	5*	101,230.74*	-	-	1*	-	1*	1*	-	-	-	-	-	1*
2023-24	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2022-23	1	52,350.00	-	-	-	-	-	1	-	1	-	-	-	-

#### Notes:

- (i) \*Total number of IPOs and total amounts of funds raised includes 5 Issues: Zinka Logistics Solutions Limited, Niva Bupa Health Insurance Company limited, Hyundai Motor India Limited, Brainbees Solutions Limited and Go Digit General Insurance Limited. Trading performance includes 3 issues: Hyundai Motor India Limited, Brainbees Solutions Limited and Go Digit General Insurance Limited.

Insurance Limited (as Zinka Logistics Solutions Limited and Niva Bupa Health Insurance Company Limited have not completed 30 trading days since listing)

### **J.P. Morgan India Private Limited**

1. Price information of past issues (during the current Financial Year and two Financial Years preceding the current Financial Year) handled by J.P. Morgan India Private Limited.

Sr. No.	Issue Name	Issue Size (₹ million)	Issue Price (₹)	Listing Date	Opening Price on listing date (in ₹)	+/- % change in closing price, [+/- % change in closing benchmark]-30 <sup>th</sup> calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]-90 <sup>th</sup> calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]-180 <sup>th</sup> calendar days from listing
1.	Swiggy Limited <sup>(b)</sup>	113,274.27	390 <sup>1</sup>	November 13, 2024	420.00	NA	NA	NA
2.	Sagility India Limited <sup>(b)</sup>	21,062.18	30 <sup>2</sup>	November 12, 2024	31.06	NA	NA	NA
3.	Hyundai Motor India Ltd. <sup>(b)</sup>	278,557.00	1,960 <sup>3</sup>	October 22, 2024	1,934.00	(6.6%), [-3.9%]	NA	NA
4.	Premier Energies Ltd. <sup>(a)</sup>	28,304.00	450 <sup>4</sup>	September 03, 2024	991.00	+146.9%, [+2.1%]	+172.4% [-3.3%]	NA
5.	Emcure Pharmaceuticals Ltd. <sup>(b)</sup>	19,520.27	1,008 <sup>5</sup>	July 10, 2024	1,325.05	+27.9%, [-0.9%]	+32.1%, [1.9%]	NA
6.	Indegene Ltd. <sup>(b)</sup>	18,417.59	452 <sup>6</sup>	May 13, 2024	655.00	+24.3%, [+5.3%]	+26.9%, [+10.2%]	+52.6%, [+9.2%]
7.	Honasa Consumer Ltd. <sup>(b)</sup>	17,014.40	324 <sup>7</sup>	November 07, 2023	330.00	+17.6%, [+7.9%]	+34.8%, [+12.6%]	+29.7%, [+15.8%]
8.	Blue Jet Healthcare Ltd. <sup>(b)</sup>	8,402.67	346	November 01, 2023	380.00	+4.1%, [+6.0%]	+10.1%, [+14.5%]	+11.2%, [+18.1%]
9.	TVS Supply Chain Solutions Ltd. <sup>(b)</sup>	8,800.00	197	August 23, 2023	207.05	+8.7%, [+1.5%]	+6.6%, [+1.3%]	(7.5%), [+13.4%]
10.	Mankind Pharma Ltd <sup>(b)</sup>	43,263.55	1,080	May 09, 2023	1,300.00	+37.6%, [+2.5%]	+74.1%, [+6.8%]	+64.4%, [+5.3%]
11.	KFin Technologies Ltd <sup>(b)</sup>	15,000.00	366	December 29, 2022	367.00	(13.6%), [-3.2%]	(24.6%), [-6.8%]	(4.5%), [+2.5%]
12.	Life Insurance Corporation of India <sup>(a)</sup>	205,572.31	949 <sup>8</sup>	May 17, 2022	867.20	(27.2%), [-3.3%]	(28.1%), [+9.5%]	(33.8%), [+13.8%]
13.	Rainbow Children's Medicare <sup>(b)</sup>	15,808.49	542 <sup>9</sup>	May 10, 2022	510.00	(13.8%), [+0.7%]	(12.8%), [+7.1%]	+49.2%, [+11.6%]

Source: SEBI, Source: www.nseindia.com

- Price on the designated stock exchange is considered for all of the above calculation for individual stocks.  
<sup>(a)</sup> BSE as the designated stock exchange; <sup>(b)</sup> NSE as the designated stock exchange
- In case 30<sup>th</sup> / 90<sup>th</sup> / 180<sup>th</sup> day is not a trading day, closing price on the stock exchange of the previous trading day has been considered.
- Closing price of 30th, 90th, 180th calendar day from listing day has been taken as listing day plus 29, 89 and 179 calendar days respectively
- Pricing performance is calculated based on the Issue price.
- Variation in the offer price for certain category of investors are:
  - Discount of ₹25.0 per equity share offered to eligible employee bidders. All calculation are based on Issue price of ₹390 per equity share
  - Discount of ₹2.0 per equity share offered to eligible employee bidders. All calculation are based on Issue price of ₹30 per equity share
  - Discount of ₹186.0 per equity share offered to eligible employee bidders. All calculation are based on Issue price of ₹1,960 per equity share
  - Discount of ₹22.0 per equity share offered to eligible employee bidders. All calculation are based on Issue price of ₹450 per equity share
  - Discount of ₹90.0 per equity share offered to eligible employee bidders. All calculation are based on Issue price of ₹1,008 per equity share
  - Discount of ₹30.0 per equity share offered to eligible employee bidders. All calculation are based on Issue price of ₹452 per equity share
  - Discount of ₹30.0 per equity share offered to eligible employee bidders. All calculation are based on Issue price of ₹324 per equity share
  - Discount of ₹45.0 per equity share offered to individual retail bidders and eligible employee(s); with discount of INR 60.0 per equity share offered to policyholder bidders respectively. All calculation are based on Issue price of ₹949 per equity share
  - Discount of ₹20.0 per equity share offered to eligible employee bidders. All calculation are based on Issue price of ₹542 per equity share



6. Pricing Performance for the benchmark index is calculated as per the close on the day of the listing date
7. Benchmark index considered is NIFTY 50 / S&P BSE Sensex basis designated stock exchange for each issue
8. Issue size as per the basis of allotment

2. Summary statement of price information of past issues (during the current Financial Year and two Financial Years preceding the current Financial Year) handled by J.P. Morgan India Private Limited.

Financial Year	Total no. of IPOs	Total amount of funds raised (₹mn.)	No. of IPOs trading at discount – 30th calendar days from listing			No. of IPOs trading at premium – 30th calendar days from listing			No. of IPOs trading at discount – 180th calendar days from listing			No. of IPOs trading at premium – 180th calendar days from listing		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2024-2025YTD	6	479,135	NA	NA	1	1	1	1	NA	NA	NA	1	NA	NA
2023-2024	4	77,481	NA	NA	NA	NA	1	3	NA	NA	1	1	1	1
2022-2023	3	2,36,381	NA	1	2	NA	NA	NA	NA	1	1	NA	1	NA

Note: In the event that any day falls on a holiday, the price/ index of the previous trading day has been considered. The information for each of the financial years is based on issues listed during such financial year.

### Axis Capital Limited

1. Price information of past issues (during the current Financial Year and two Financial Years preceding the current Financial Year) handled by Axis Capital Limited.

S. No.	Issue name	Issue size (₹ million)	Issue price (₹)	Listing date	Opening price on listing date (in ₹)	+/- % change in closing price, [+/- % change in closing benchmark]- 30 <sup>th</sup> calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90 <sup>th</sup> calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180 <sup>th</sup> calendar days from listing
1.	Zinka Logistics Solutions Limited <sup>(1)</sup>	11,147.22	273.00	22-Nov-24	280.90	-	-	-
2.	Niva Bupa Health Insurance Company Limited <sup>(2)</sup>	22,000.00	74.00	14-Nov-24	78.14	-	-	-
3.	Waaree Energies Limited <sup>(2)</sup>	43,214.40	1,503.00	28-Oct-24	2,500.00	+68.05%, [-0.59%]	-	-
4.	Northern Arc Capital Limited <sup>(2)</sup>	7,770.00	263.00	24-Sep-24	350.00	-7.15%, [-5.80%]	-	-
5.	Bajaj Housing Finance Limited <sup>(2)</sup>	65,600.00	70.00	16-Sep-24	150.00	+99.86%, [-1.29%]	-	-
6.	Bazaar Style Retail Limited <sup>(1)</sup>	8,346.75	389.00	6-Sep-24	389.00	-1.32%, [+0.62%]	-16.11%, [-0.28%]	-
7.	Interarch Building Products Limited <sup>(2)</sup>	6,002.87	900.00	26-Aug-24	1,299.00	+41.04%, [+3.72%]	+59.33%, [-4.41%]	-
8.	Ola Electric Mobility Limited <sup>(2)</sup>	61,455.59	76.00	9-Aug-24	91.20	+44.17%, [+1.99%]	-2.11%, [+0.48%]	-
9.	Akums Drugs and Pharmaceuticals Limited <sup>(2)</sup>	18,567.37	679.00	6-Aug-24	725.00	+32.10%, [+5.03%]	+23.99%, [+0.89%]	-
10.	Emcure Pharmaceuticals Limited <sup>(2)</sup>	19,520.27	1,008.00	10-Jul-24	1,325.05	+27.94%, [-0.85%]	+32.08%, [+1.94%]	-

Source: www.nseindia.com and www.bseindia.com

<sup>(1)</sup>BSE as Designated Stock Exchange

<sup>(2)</sup>NSE as Designated Stock Exchange

<sup>%</sup> Offer Price was ₹ 248.00 per equity share to Eligible Employees

<sup>&</sup> Offer Price was ₹ 239.00 per equity share to Eligible Employees

<sup>§</sup> Offer Price was ₹ 354.00 per equity share to Eligible Employees

<sup>!</sup> Offer Price was ₹ 815.00 per equity share to Eligible Employees

<sup>#</sup> Offer Price was ₹ 69.00 per equity share to Eligible Employees

<sup>@</sup> Offer Price was ₹ 615.00 per equity share to Eligible Employees

^ Offer Price was ₹918.00 per equity share to Eligible Employees

Notes:

1. Issue Size derived from Prospectus/final post issue reports, as available.
2. The CNX NIFTY or S&P BSE SENSEX is considered as the Benchmark Index as per the Designated Stock Exchange disclosed by the respective Issuer at the time of the issue, as applicable.
3. Price on NSE or BSE is considered for all of the above calculations as per the Designated Stock Exchange disclosed by the respective Issuer at the time of the issue, as applicable.
4. In case 30th/90th/180th day is not a trading day, closing price of the previous trading day has been considered.
5. Since 30 calendar days, 90 calendar days and 180 calendar days, as applicable, from listing date has not elapsed for few of the above issues, data for same is not available.

2. Summary statement of price information of past issues (during the current Financial Year and two Financial Years preceding the current Financial Year) handled by Axis Capital Limited.

Financial Year	Total no. of IPOs	Total amount of funds raised (₹ million)	No. of IPOs trading at discount - 30th calendar days from listing			No. of IPOs trading at premium - 30th calendar days from listing			No. of IPOs trading at discount - 180th calendar days from listing			No. of IPOs trading at premium - 180th calendar days from listing		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2024-2025*	16	366,789.53	-	-	2	6	5	1	-	-	-	3	-	1
2023-2024	18	218,638.22	-	-	4	2	6	6	-	-	3	7	4	4
2022-2023	11	279,285.39	-	1	6	-	2	2	-	2	5	-	3	1

\* The information is as on the date of the document

The information for each of the financial years is based on issues listed during such financial year.

Note: Since 30 calendar days and 180 calendar days, as applicable, from listing date has not elapsed for few of the above issues, data for same is not available.

**BofA Securities India Limited**

1. Price information of past issues (during the current Financial Year and two Financial Years preceding the current Financial Year) handled by BofA Securities India Limited.

S. No.	Issue Name	Issue Size (₹ million)	Issue price (₹)	Listing Date	Opening Price on listing date (in ₹)	+/- % change in closing price, [+/- % change in closing benchmark]- 30 <sup>th</sup> calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90 <sup>th</sup> calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180 <sup>th</sup> calendar days from listing
1	Swiggy Limited	113,274.27	390 <sup>13</sup>	November 13, 2024	420.00	-	-	-
2	Bajaj Housing Finance Limited	65,600.00	70	September 16, 2024	150.00	+99.86%, [-1.29%]	-	-
3	Brainbees Solutions Limited	41,937.28	465 <sup>12</sup>	August 13, 2024	651.00	+37.49%, [3.23%]	+21.39%, [+0.04%]	-
4	Ola Electric Mobility Limited	61,455.59	76 <sup>11</sup>	August 9, 2024	76.00	+44.17%, [+1.99%]	-2.11%, [+0.48%]	-
5	Tata Technologies Limited	30,425.14	500	November 30, 2023	1,199.95	+136.09%, [+7.84%]	+115.24%, [+9.12%]	+49.90%, [+11.63%]
6	Delhivery Limited	52,350.00	487 <sup>(8)</sup>	May 24, 2022	493.00	+3.49%, [-4.41%]	+17.00%, [+10.13%]	-27.99%, [+13.53%]
7	Life Insurance Corporation of India	205,572.31	949 <sup>(9)</sup>	May 17, 2022	867.20	-27.24%, [-3.27%]	-28.12%, [+9.47%]	+33.82%, [+13.76%]

S. No.	Issue Name	Issue Size (₹ million)	Issue price (₹)	Listing Date	Opening Price on listing date (in ₹)	+/- % change in closing price, [+/- % change in closing benchmark]- 30 <sup>th</sup> calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90 <sup>th</sup> calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180 <sup>th</sup> calendar days from listing
8	Campus Activewear Limited	13,996.00	292 <sup>(10)</sup>	May 9, 2022	360.00	+11.92%, [+0.70%]	+41.71%, [+6.72%]	+91.04%, [+11.14%]

Source: www.nseindia.com and www.bseindia.com; for price information and prospectus/ basis of allotment for issue details

Notes:

- Equity public issues in last 3 financial years considered.
- Opening price information as disclosed on the website of NSE. For issuers, change in closing price over the issue/offer price as disclosed on designated stock exchange.
- Designated Stock Exchange as disclosed by the respective issuer at the time of the issue considered as benchmark index and for disclosing the price information.
- In case 30<sup>th</sup> day, 90<sup>th</sup> day or 180<sup>th</sup> day is not a trading day, closing price on NSE of previous trading day is considered.
- 30<sup>th</sup> listing day has been taken as listing date plus 29 calendar days.
- 90<sup>th</sup> listing day has been taken as listing date plus 89 calendar days.
- 180<sup>th</sup> listing day has been taken as listing date plus 179 calendar days.
- In Delhivery Limited, the issue price to eligible employees was ₹ 462 after a discount of ₹ 25 per equity share.
- In Life Insurance Corporation of India, the issue price to retail investors and eligible employees was ₹ 904 after a discount of ₹ 45 per equity share and the issue price to eligible policyholders was ₹ 889 after a discount of ₹ 60 per equity share.
- In Campus Activewear Limited, the issue price to eligible employees was ₹ 265 after a discount of ₹ 27 per equity share.
- In Ola Electric Mobility Limited, the issue price to eligible employees was ₹ 72 after a discount of ₹ 4 per equity share.
- In Brainbees Solutions Limited, the issue price to eligible employees was ₹ 421 after a discount of ₹ 44 per equity share.
- In Swiggy Limited, the issue price to eligible employees was ₹ 365 after a discount of ₹ 25 per equity share.
- Above list is restricted to last 10 equity initial public issues.

## 2. Summary statement of price information of past issues (during the current Financial Year and two Financial Years preceding the current Financial Year) handled by BofA Securities India Limited.

Fiscal	Total no. of IPOs	Total amount of funds raised (₹ Mn.)	No. of IPOs trading at discount - 30 <sup>th</sup> calendar days from listing					No. of IPOs trading at premium - 30 <sup>th</sup> calendar days from listing					No. of IPOs trading at discount - 180 <sup>th</sup> calendar days from listing					No. of IPOs trading at premium - 180 <sup>th</sup> calendar days from listing				
			Over 50%	Between 50% and 25%	Less than 25%	Over 50%	Between 50% and 25%	Less than 25%	Over 50%	Between 50% and 25%	Less than 25%	Over 50%	Between 50% and 25%	Less than 25%	Over 50%	Between 50% and 25%	Less than 25%					
2024-25	4	282,267.14	1	2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
2023-24	1	30,425.14	-	-	-	1	-	-	-	-	-	-	-	-	-	-	-	1	-			
2022-23	3	271,918.31	-	1	-	-	-	-	2	-	-	1	-	-	1	-	1	1	-			

Source: www.nseindia.com

Notes:

- The information is as on the date of the document.
- Based on date of listing.
- Wherever 30<sup>th</sup> and 180<sup>th</sup> calendar day from listing day is a holiday, the closing data of the previous trading day has been considered.
- Designated Stock Exchange as disclosed by the respective Issuer at the time of the issue has been considered for disclosing the price information and benchmark index.

## **Citigroup Global Markets India Private Limited**

1. *Price information of past issues (during the current Financial Year and two Financial Years preceding the current Financial Year) handled by Citigroup Global Markets India Private Limited*

S. No.	Issue Name	Issue Size (₹ million)	Issue price (₹)	Listing Date	Opening Price on Listing Date (in ₹)	+/- % change in closing price, [+/- % change in closing benchmark]- 30 <sup>th</sup> calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90 <sup>th</sup> calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180 <sup>th</sup> calendar days from listing
1.	Swiggy Limited	113,274.27	390.00	November 13, 2024	420.00	NA	NA	NA
2.	Hyundai Motor India Limited	278,556.83	1,960.00	October 22, 2024	1,934.00	-6.64% [-3.90%]	NA	NA
3.	Northern Arc Capital Limited	7,770.00	263.00	September 24, 2024	350.00	-7.15% [-5.80%]	NA	NA
4.	Ola Electric Mobility Limited	61,455.59	76.00	August 09, 2024	76.00	+44.17% [+1.99%]	-2.11% [+0.48%]	NA
5.	Akums Drugs and Pharmaceuticals Ltd	18,567.37	679.00	August 06, 2024	725.00	+32.10% [+5.03%]	+26.02% [+1.30%]	NA
6.	Aadhar Housing Finance Limited	30,000.00	315.00	May 15, 2024	315.00	+25.56% [+5.40%]	+33.70% [+9.67%]	+45.98% [+8.77%]
7.	Indegene Limited	18,417.59	452.00	May 13, 2024	655.00	+24.28% [+5.25%]	+26.60% [+10.24%]	+52.57% [+9.25%]
8.	India Shelter Finance Corporation Limited	12,000.00	493.00	December 20, 2023	620.00	+17.64% [+1.48%]	+10.50% [+4.28%]	+41.91% [+10.95%]
9.	Tata Technologies Limited	30,425.14	500.00	November 30, 2023	1,200.00	+136.03% [+7.94%]	+115.15% [+10.26%]	+118.17% [+13.90%]
10.	Honasa Consumer Limited	17,014.40	324.00	November 7, 2023	330.00	+17.58% [+7.89%]	34.77% [+12.61%]	+29.68% [+15.81%]

Notes:

- i) *Benchmark index basis designated stock exchange.*
- ii) *% of change in closing price on 30th / 90th / 180th calendar day from listing day is calculated vs. Issue Price. % change in closing benchmark index is calculated based on closing index on listing day vs. closing index on 30th / 90th / 180th calendar day from listing day.*
- iii) *30th, 90th, 180th calendar day from listed day have been taken as listing day plus 29, 89 and 179 calendar days, except wherever 30th, 90th, 180<sup>th</sup> calendar day is a holiday, in which case closing price on designated stock exchange of a trading day immediately prior to the 30th / 90th / 180th day, is considered.*
- iv) *Restricted to last 10 issues.*

2. *Summary statement of price information of past issues (during the current Financial Year and two Financial Years preceding the current Financial Year) handled by Citigroup Global Markets India Private Limited.*

Fiscal Year*	Total no. of IPOs	Total amount of funds raised (₹ Mn.)	No. of IPOs trading at discount - 30 <sup>th</sup> calendar days from listing			No. of IPOs trading at premium - 30 <sup>th</sup> calendar days from listing			No. of IPOs trading at discount - 180 <sup>th</sup> calendar days from listing			No. of IPOs trading at premium - 180 <sup>th</sup> calendar days from listing		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2024-25	7	528,041.68	-	-	2	-	3	1	-	-	-	1	1	-
2023-24	5	94,584.85	-	-	-	1	2	2	-	-	-	2	3	-
2022-23	2	257,922.30	-	1	-	-	-	1	-	2	-	-	-	-

## Track record of past issues handled by the BRLMs

For details regarding the track record of the BRLMs, as specified in circular reference CIR/MIRSD/1/2012 dated January 10, 2012 issued by SEBI, please see the websites of the BRLMs, as set forth in the table below:

S. No	Name of the BRLM	Website
1.	Morgan Stanley India Company Private Limited	<a href="http://www.morganstanley.com">www.morganstanley.com</a>
2.	J.P. Morgan India Private Limited	<a href="http://www.jpmypl.com">www.jpmypl.com</a>
3.	Axis Capital Limited	<a href="http://www.axiscapital.co.in">www.axiscapital.co.in</a>
4.	BofA Securities India Limited	<a href="https://business.bofa.com/bofas-india">https://business.bofa.com/bofas-india</a>
5.	Citigroup Global Markets India Private Limited	<a href="http://www.online.citibank.co.in/rhtm/citigroupglobalscreen1.htm">www.online.citibank.co.in/rhtm/citigroupglobalscreen1.htm</a>

## Stock Market Data of Equity Shares

This being an initial public offer of our Company, the Equity Shares are not listed on any stock exchange as on the date of this Draft Red Herring Prospectus and accordingly, no stock market data is available for the Equity Shares.

## Mechanism for Redressal of Investor Grievances

The Registrar Agreement provides for the retention of records with the Registrar to the Offer for a period of at least eight years from the date of listing and commencement of trading of the Equity Shares on the Stock Exchanges, subject to agreement with our Company for storage of such records for a longer period, to enable the investors to approach the Registrar to the Offer for redressal of their grievances.

All grievances in relation to the Bidding process may be addressed to the Registrar to the Offer with a copy to the relevant Designated Intermediary to whom the Bid cum Application Form was submitted. The Bidder should give full details such as name of the sole or first Bidder, Bid cum Application Form number, Bidder DP ID, Client ID, PAN, UPI ID, date of the submission of Bid cum Application Form, address of the Bidder, number of the Equity Shares applied for and the name and address of the Designated Intermediary where the Bid cum Application Form was submitted by the Bidder. Further, the Bidder shall also enclose a copy of the Acknowledgment Slip duly received from the concerned Designated Intermediary in addition to the information mentioned hereinabove.

All grievances of the Anchor Investors may be addressed to the Registrar to the Offer, giving full details such as the name of the sole or First Bidder, Bid cum Application Form number, Bidders' DP ID, Client ID, PAN, date of the Bid cum Application Form, address of the Bidder, number of the Equity Shares applied for, Bid Amount paid on submission of the Bid cum Application Form and the name and address of the BRLMs where the Bid cum Application Form was submitted by the Anchor Investor.

The Registrar to the Offer shall obtain the required information from the SCSBs and Sponsor Bank(s) for addressing any clarifications or grievances of ASBA Bidders. Our Company, the Book Running Lead Managers and the Registrar to the Offer accept no responsibility for errors, omissions, commission or any acts of SCSBs including any defaults in complying with its obligations under applicable SEBI ICDR Regulations. Investors can contact our Company Secretary and Compliance Officer or the Registrar to the Offer in case of any pre-Offer or post-Offer related problems such as non-receipt of letters of Allotment, non-credit of allotted Equity Shares in the respective beneficiary account, non-receipt of refund intimations and non-receipt of funds by electronic mode.

In terms of SEBI ICDR Master Circular and subject to applicable law, any ASBA Bidder whose Bid has not been considered for Allotment, due to failure on the part of any SCSB, shall have the option to seek redressal of the same by the concerned SCSB within three months of the date of listing of the Equity Shares. SCSBs are required to resolve these complaints within 15 days, failing which the concerned SCSB would have to pay interest at the rate of 15% per annum of the Bid Amount. Further, the investors shall be compensated by the SCSBs in accordance with SEBI ICDR Master Circular in the events of delayed unblock for cancelled/withdrawn/deleted applications, blocking of multiple amounts for the same UPI application, blocking of more amount than the application amount, delayed unblocking of amounts for non-allotted/partially-allotted applications, for the stipulated period. In an event there is a delay in redressal of the investor grievance in relation to unblocking of amounts, the BRLMs shall compensate the investors at the rate higher of ₹100 per day or 15% per annum of the Bid amount. Further, in terms of the SEBI ICDR Master Circular, the payment of processing fees to the SCSBs shall be undertaken pursuant to an application made by the SCSBs to the BRLMs with a copy to the Registrar to

the Offer, no later than 30 days from the finalization of Basis of Allotment by the Registrar to the Offer, and such application shall be made only after (i) unblocking of application amounts for each application received by the SCSB has been fully completed, and (ii) applicable compensation relating to investor complaints has been paid by the SCSB.

The processing fees for applications made by UPI Bidders may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI Circular SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 02, 2021 read with SEBI Circular SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, SEBI Circular SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and the SEBI Master Circular.

#### **Disposal of Investor Grievances by our Company**

Our Company will submit the application to obtain authentication on the SEBI SCORES platform in compliance with the SEBI Circular SEBI/HO/OIAE/IGRD/CIR/P/2023/156 dated September 20, 2023, in relation to redressal of investor grievances through SCORES.

Our Company has not received any investor grievances in the last three Financial Years prior to the filing of this Draft Red Herring Prospectus. Further, no investor complaint in relation to our Company is pending as on the date of filing of this Draft Red Herring Prospectus. Our Company estimates that the average time required by our Company or the Registrar to the Offer or the relevant Designated Intermediary, for the redressal of routine investor grievances shall be 7-10 Working Days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

Our Company has appointed Anuj Goyal, as the Company Secretary and Compliance Officer for the Offer and he may be contacted in case of any pre-Offer or post-Offer related problems. For details, see “**General Information**” beginning on page 83.

Our Company has also constituted a Stakeholders’ Relationship Committee comprising of Daehyun Song, Hong Ju Jeon and Ramesh Ramachandran Nair as members, to review and redress shareholder and investor grievances. For details, see “**Our Management – Committees of the Board – Stakeholders’ Relationship Committee**” on page 216.

#### **Exemption from complying with any provisions of securities laws, if any, granted by the SEBI**

Our Company has not received any exemption from the SEBI from complying with any provisions of securities laws, as on the date of this Draft Red Herring Prospectus.

#### **Other confirmations**

No person connected with the Offer shall offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to any person for making an application in the Offer, except for fees or commission for services rendered in relation to the Offer.

## SECTION VII: OFFER INFORMATION

### TERMS OF THE OFFER

The Equity Shares being offered and Allotted and transferred pursuant to the Offer shall be subject to the provisions of the Companies Act, the SEBI ICDR Regulations, the SCRA, the SCRR, the MoA, the AoA, the SEBI Listing Regulations, the terms of the Red Herring Prospectus and the Prospectus, the Abridged Prospectus, Bid cum Application Form, the Revision Form, the CAN/Allotment Advice and other terms and conditions as may be incorporated in the Allotment Advice and other documents/certificates that may be executed in respect of the Offer. The Equity Shares shall also be subject to all applicable laws, guidelines, rules, notifications and regulations relating to the issue of capital, offer for sale and listing and trading of securities, issued from time to time by SEBI, the Government of India, the Stock Exchanges, the RoC, the RBI and/or other authorities, as in force on the date of the Offer and to the extent applicable or such other conditions as may be prescribed by the SEBI, the Government of India, the Stock Exchanges, the RoC, the RBI and/or any other governmental, statutory or regulatory authorities while granting approval for the Offer.

#### The Offer

The Offer comprises of an Offer for Sale by the Selling Shareholder. Expenses for the Offer shall be shared amongst our Company and the Selling Shareholder in the manner specified in “*Objects of the Offer – Offer Expenses*” on page 107.

#### Ranking of the Equity Shares

The Equity Shares being offered and transferred pursuant to the Offer shall be subject to the provisions of the Companies Act SEBI ICDR Regulations, SCRA, SCRR, MoA and AoA, and will rank *pari passu* in all respects with the existing Equity Shares of our Company, including in respect of rights to receive dividends and other corporate benefits, if any, declared by our Company after the date of Allotment in accordance with applicable laws. For further details, see “*Main Provisions of Articles of Association*” beginning on page 420.

#### Mode of payment of dividend

Our Company shall pay dividends, if declared, to the Shareholders, as per the provisions of the Companies Act, our MoA, AoA, the SEBI Listing Regulations and other applicable laws including guidelines or directives that may be issued by the GoI in this respect. All dividends, declared by our Company after the date of Allotment (including pursuant to the transfer of Equity Shares in the Offer for Sale) in this Offer, will be payable to the Allottees, who have been Allotted Equity Shares in the Offer, for the entire year, in accordance with applicable law. For further details in relation to dividends, see “*Dividend Policy*” and “*Main Provisions of Articles of Association*” beginning on pages 231 and 420, respectively.

#### Face Value, Offer Price, Floor Price and Price Band

The face value of each Equity Share is ₹10 and the Offer Price at the lower end of Price Band is ₹[●] per Equity Share and at the higher end of the Price Band is ₹[●] per Equity Share. The Anchor Investor Offer Price is ₹[●] per Equity Share.

The Price Band and the minimum Bid Lot size will be decided by our Company, in consultation with the BRLMs, and will be advertised, at least two Working Days prior to the Bid/ Offer Opening Date, in all editions of [●] (a widely circulated English national daily newspaper) and all editions of [●] (a widely circulated Hindi national daily newspaper, Hindi also being the regional language of New Delhi, where our Registered Office is located) and shall be made available to the Stock Exchanges for the purpose of uploading on their respective websites. The Price Band, along with the relevant financial ratios calculated at the Floor Price and at the Cap Price, shall be pre-filled in the Bid cum Application Forms available on the respective websites of the Stock Exchanges. The Offer Price shall be determined by our Company, in consultation with the BRLMs, after the Bid/ Offer Closing Date, on the basis of assessment of market demand for the Equity Shares offered by way of the Book Building Process.

At any given point in time, there will be only one denomination for the Equity Shares.

#### Compliance with disclosure and accounting norms

Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.



## **The Offer**

### **Rights of the Shareholders**

Subject to applicable laws, rules, regulations and guidelines and the AoA, our Shareholders shall have the following rights:

- Right to receive dividends, if declared;
- Right to attend general meetings and exercise voting rights, unless prohibited by law;
- Right to vote on a poll either in person or by proxy or e-voting, in accordance with the provisions of the Companies Act;
- Right to receive offers for rights shares and be allotted bonus shares, if announced;
- Right to receive any surplus on liquidation, subject to any statutory and preferential claim being satisfied;
- Right of free transferability of their Equity Shares, subject to applicable foreign exchange regulations and other applicable laws; and
- Such other rights, as may be available to a Shareholder of a listed public company under the Companies Act, the SEBI Listing Regulations, the MoA, the AoA and other applicable laws.

For a detailed description of the main provisions of the AoA of our Company relating to voting rights, dividend, forfeiture, lien, transfer, transmission, consolidation or sub-division, see “*Main Provisions of Articles of Association*” beginning on page 420.

### **Allotment only in dematerialised form**

Pursuant to Section 29 of the Companies Act and the SEBI ICDR Regulations, the Equity Shares shall be Allotted only in dematerialised form. As per the SEBI ICDR Regulations and the SEBI Listing Regulations, the trading of the Equity Shares shall only be in dematerialised form on the Stock Exchanges.

In this context, two agreements have been entered into amongst our Company, the respective Depositories and the Registrar to the Offer:

- Tripartite agreement dated September 27, 2024 amongst our Company, NSDL and the Registrar to the Offer; and
- Tripartite agreement dated December 4, 2024 amongst our Company, CDSL and the Registrar to the Offer.

### **Market lot and trading lot**

Since trading of the Equity Shares on the Stock Exchanges is in dematerialised form, the tradable lot is one Equity Share. Allotment in the Offer will be only in dematerialised form in multiples of one Equity Share subject to a minimum Allotment of [●] Equity Shares. For further details of the method of Basis of Allotment, see “*Offer Procedure*” beginning on page 398.

### **Jurisdiction**

Exclusive jurisdiction for the purpose of the Offer is with the competent courts/authorities in New Delhi, India.

**The Equity Shares offered in the Offer have not been and will not be registered under the U.S. Securities Act or any state securities laws of the United States and, unless so registered, may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. Accordingly, the Equity Shares are being offered and sold (a) in the United States only to persons reasonably believed to be “qualified institutional buyers” (as defined in Rule 144A) and referred to in this Draft Red Herring Prospectus as “U.S. QIBs”; for the avoidance of doubt, the term U.S. QIBs does not refer to a category of**

**institutional investor defined under applicable Indian regulations and referred to in this Draft Red Herring Prospectus as “QIBs” in transactions exempt from or not subject to the registration requirements of the U.S. Securities Act and in reliance on Rule 144A and (b) outside of the United States in offshore transactions as defined in and in compliance with Regulation S and the applicable laws of the jurisdiction where those offers and sales occur.**

**The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made, by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.**

**Joint holders**

Subject to the provisions of the Articles of Association, where two or more persons are registered as the holders of the Equity Shares, they will be deemed to hold such Equity Shares as joint holders with benefits of survivorship.

**Nomination facility to Bidders**

In accordance with Section 72 of the Companies Act, read with the Companies (Share Capital and Debentures) Rules, 2014, as amended, the sole Bidder, or the first Bidder along with other joint Bidders, may nominate any one person in whom, in the event of the death of sole Bidder or in case of joint Bidders, death of all the Bidders, as the case may be, the Equity Shares Allotted, if any, shall vest, to the exclusion of all other persons, unless the nomination is modified or cancelled in the prescribed manner. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale, transfer or alienation of Equity Share(s) by the holder of such Equity Share(s). A nomination may be cancelled or modified by nominating any other person in place of the present nominee, by the holder of the Equity Shares who has made the nomination, by giving a notice of such cancellation or variation to our Company in the prescribed form. Fresh nomination can be made only on the prescribed form available on request at our Registered and Corporate Office or at the registrar and transfer agents of our Company.

Any person who becomes a nominee by virtue of the provisions of Section 72 of the Companies Act shall upon the production of such evidence as may be required by the Board, elect either:

- a) to register himself or herself as the holder of the Equity Shares; or
- b) to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, our Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of 90 days, the Board may thereafter withhold payment of all dividends, interests, bonuses or other monies payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the Allotment of Equity Shares in the Offer will be made only in dematerialised form, there is no need to make a separate nomination with our Company. Nominations registered with the respective Depository Participant of the Bidder would prevail. If Bidders want to change their nomination, they are advised to inform their respective Depository Participant.

**Bid/ Offer Period**

<b>BID/ OFFER OPENS ON</b> <sup>(1)</sup>	[●]
<b>BID/ OFFER CLOSES ON</b> <sup>(2)(3)</sup>	[●]

- (1) Our Company in consultation with the BRLMs, may consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bid/Offer Opening Date will be one Working Day prior to the Bid/Offer Opening Date.
- (2) Our Company, in consultation with the BRLMs, may consider closing the Bid/Offer Period for QIBs one Working Day prior to the Bid/Offer Closing Date in accordance with the SEBI ICDR Regulations.
- (3) UPI mandate end time and date shall be at 5:00 pm on Bid/Offer Closing Date.

An indicative timetable in respect of the Offer is set out below:

Event	Indicative Date
Bid/ Offer Closing Date	[●]

Event	Indicative Date
Finalisation of Basis of Allotment with the Designated Stock Exchange	On or about [●]
Initiation of refunds (if any, for Anchor Investors)/unblocking of funds from ASBA Account*	On or about [●]
Credit of Equity Shares to depository accounts	On or about [●]
Commencement of trading of the Equity Shares on the Stock Exchanges	On or about [●]

*\*In case of (i) any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding two Working Days from the Bid/Offer Closing Date for cancelled / withdrawn / deleted ASBA Forms, the Bidder shall be compensated at a uniform rate of ₹100 per day or 15% per annum of the Bid Amount, whichever is higher from the date on which the request for cancellation/ withdrawal/ deletion is placed in the Stock Exchanges bidding platform until the date on which the amounts are unblocked (ii) any blocking of multiple amounts for the same ASBA Form (for amounts blocked through the UPI Mechanism), the Bidder shall be compensated at a uniform rate ₹100 per day or 15% per annum of the total cumulative blocked amount except the original application amount, whichever is higher from the date on which such multiple amounts were blocked till the date of actual unblock; (iii) any blocking of amounts more than the Bid Amount, the Bidder shall be compensated at a uniform rate of ₹100 per day or 15% per annum of the difference in amount, whichever is higher from the date on which such excess amounts were blocked till the date of actual unblock; (iv) any delay in unblocking of non-allotted/ partially allotted Bids, exceeding two Working Days from the Bid/Offer Closing Date till date of actual unblock, the Bidder shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the Bid Amount, whichever is higher from three Working Days from the Bid/Offer Closing Date by the intermediary responsible for causing such delay in unblocking. The BRLMs shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. Further, the Bidder shall be compensated in the manner specified in the SEBI ICDR Master Circular, which for the avoidance of doubt, shall be deemed to be incorporated in the deemed agreement of the Company with the SCSBs, to the extent applicable.*

**The above timetable, other than the Bid/Offer Closing Date, is indicative and does not constitute any obligation or liability on our Company, or the Selling Shareholder or the BRLMs.**

**Whilst our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchanges are taken within three Working days of Bid/ Offer Closing Date or such period as may be prescribed by SEBI, with reasonable support and co-operation of the Selling Shareholder, as may be required in respect of its Offered Shares, the timetable may be subject to change due to various factors, such as extension of the Bid/ Offer Period by our Company in consultation with the BRLMs, revision of the Price Band or any delay in receiving the final listing and trading approval from the Stock Exchanges and delay in respect of final certificates from SCSBs. The commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchanges and in accordance with the applicable laws. The Selling Shareholder confirms that it shall extend reasonable support and co-operation to the Company, as may be required in relation to their respective Offered Shares, in accordance with applicable law, to facilitate the completion of listing and commencement of trading of Equity Shares on the Stock Exchanges within three Working Days from the Bid/Offer Closing Date or such time as prescribed by SEBI.**

The Offer will be made under UPI Phase III on mandatory basis, subject to the timing of the Offer and any circulars, clarification or notification issued by the SEBI from time to time, including the SEBI ICDR Master Circular.

In terms of the UPI Circulars, in relation to the Offer, the BRLMs will be required to submit reports of compliance with timelines and activities prescribed by SEBI in connection with the allotment and listing procedure within three Working Days from the Bid/ Offer Closing Date, identifying non-adherence to timelines and processes and an analysis of entities responsible for the delay and the reasons associated with it.

**Any circulars or notifications from SEBI after the date of this Draft Red Herring Prospectus may result in changes to the abovementioned timelines. Further, the offer procedure is subject to change basis any revised SEBI circulars to this effect.**

**Submission of Bids (other than Bids from Anchor Investors):**

<b>Bid/Offer Period (except the Bid/Offer Closing Date)</b>	
Submission and Revision in Bids	Only between 10.00 a.m. and 5.00 p.m. IST
<b>Bid/Offer Closing Date</b>	
Submission of electronic applications (online ASBA through 3-in-1 accounts) for RIBs	Only between 10.00 a.m. and up to 5.00 p.m. IST
Submission of electronic application (bank ASBA through online channels like internet banking, mobile banking and syndicate ASBA applications through UPI as a payment mechanism where Bid Amount is up to ₹0.50 million)	Only between 10.00 a.m. and up to 4.00 p.m. IST

Submission of electronic applications (syndicate non-retail, non-individual applications of QIBs and NIIs)	Only between 10.00 a.m. and up to 3.00 p.m. IST
Submission of physical applications (syndicate non-retail, non-individual applications where Bid Amount is more than ₹0.50 million)	Only between 10.00 a.m. and up to 1.00 p.m. IST
<b>Revision/cancelled of Bids</b>	
Upward Revision of Bids by QIBs and Non-Institutional Bidders categories <sup>#</sup>	Only between 10.00 a.m. and up to 4.00 p.m. IST on Bid/ Offer Closing Date
Upward or downward Revision of Bids or cancellation of Bids by RIBs	Only between 10.00 a.m. and up to 5.00 p.m. IST

<sup>#</sup>UPI mandate end time shall be 5:00 p.m. on the Bid/ Offer Closing Date

<sup>#</sup>QIBs and Non-Institutional Bidders can neither revise their bids downwards nor cancel/withdraw their bids.

**On the Bid/ Offer Closing Date, the Bids shall be uploaded until:**

- (i) 4.00 p.m. IST in case of Bids by QIBs and Non-Institutional Bidders, and
- (ii) until 5.00 p.m. IST or such extended time as permitted by the Stock Exchanges, in case of Bids by RIBs.

On the Bid/ Offer Closing Date, extension of time will be granted by the Stock Exchanges only for uploading Bids received by RIBs, after taking into account the total number of Bids received up to closure of timings for acceptance of Bid cum Application Forms as stated herein and as reported by the BRLMs to the Stock Exchanges.

The Registrar to the Offer shall submit the details of cancelled/withdrawn/deleted applications to the SCSBs on a daily basis within 60 minutes of the Bid closure time from the Bid/ Offer Opening Date till the Bid/Offer Closing Date by obtaining such information from the Stock Exchanges. The SCSBs shall unblock such applications by the closing hours of the Working Day and submit the confirmation to the BRLMs and the registrar and share transfer agents on a daily basis, as per the format prescribed in the SEBI ICDR Master Circular.

To avoid duplication, the facility of re-initiation provided to Syndicate Members shall preferably be allowed only once per Bid/batch and as deemed fit by the Stock Exchanges, after closure of the time for uploading Bids.

**It is clarified that Bids shall be processed only after the application monies are blocked in the ASBA Account and Bids not uploaded on the electronic bidding system or in respect of which the full Bid Amount is not blocked by SCSBs or not blocked under the UPI Mechanism in the relevant ASBA Account, as the case may be, would be rejected.**

Due to limitation of time available for uploading the Bids on the Bid/ Offer Closing Date, Bidders are advised to submit their Bids one day prior to the Bid / Offer Closing Date and in any case no later than 1.00 p.m. IST on the Bid/Offer Closing Date. Any time mentioned in this Draft Red Herring Prospectus is IST. Bidders are cautioned that, in the event a large number of Bids are received on the Bid/ Offer Closing Date, some Bids may not get uploaded due to lack of sufficient time. Such Bids that cannot be uploaded will not be considered for allocation under this Offer. Bids will be accepted on the Stock Exchange platform only during Working Days, during the Bid/ Offer Period and revisions shall not be accepted on Saturdays and public holidays. The Designated Intermediaries shall modify select fields uploaded in the Stock Exchange Platform during the Bid/Offer Period till 5.00 pm on the Bid/Offer Closing Date after which the Stock Exchange(s) send the bid information to the Registrar to the Offer for further processing. Further, as per letter no. list/SMD/SM/2006 dated July 3, 2006 and letter no. NSE/IPO/25101- 6 dated July 6, 2006 issued by BSE and NSE, respectively, Bids and any revision in Bids shall not be accepted on Saturdays, Sundays and public/bank holidays as declared by the Stock Exchanges. Bids by ASBA Bidders shall be uploaded by the relevant Designated Intermediary in the electronic system to be provided by the Stock Exchanges.

Our Company, in consultation with the BRLMs, reserve the right to revise the Price Band during the Bid/ Offer Period, in accordance with the SEBI ICDR Regulations, provided that the Cap Price will be at least 105% of the Floor Price and less than or equal to 120% of the Floor Price and the Floor Price will not be less than the face value of the Equity Shares. Subject to compliance with the foregoing, the Floor Price may move up or down to the extent of 20% of the Floor Price and the Cap Price will be revised accordingly.

**In case of any revision to the Price Band, the Bid/ Offer Period will be extended by at least three additional Working Days following such revision of the Price Band, subject to the Bid/ Offer Period not exceeding 10 Working Days. In cases of force majeure, banking strike or similar unforeseen circumstances, our**

**Company, in consultation with the BRLMs, may for reasons to be recorded in writing, extend the Bid/ Offer Period for a minimum of one Working Day, subject to the Bid/ Offer Period not exceeding 10 Working Days. Any revision in the Price Band, and the revised Bid/ Offer Period, if applicable, will be widely disseminated by notification to the Stock Exchanges, by issuing a public notice, and also by indicating the change on the respective websites of the BRLMs and at the terminals of the Syndicate Members and by intimation to the Designated Intermediaries and the Sponsor Bank(s), as applicable. In case of revision of price band, the Bid lot shall remain the same.**

In case of discrepancy in data entered in the electronic book vis-à-vis data contained in the Bid cum Application Form for a particular Bidder, the details as per the Bid file received from the Stock Exchanges shall be taken as the final data for the purpose of Allotment. The Floor Price shall not be less than the face value of the Equity Shares.

#### **Minimum subscription**

The requirement of minimum subscription is not applicable to the Offer in accordance with the SEBI ICDR Regulations. In the event our Company does not receive the minimum subscription in the Offer as specified under Rule 19(2)(b) of the SCRR, including devolvement of Underwriters, our Company shall within four days from the closure of the Offer, refund the entire subscription amount received. If there is a delay beyond three Working Days from the Bid/Offer Closing Date, interest at the rate of 15% per annum of the application amount shall be paid by our Company and each of our Directors, in accordance with the SEBI ICDR Master Circular.

Further, in terms of Regulation 49(1) of the SEBI ICDR Regulations, our Company shall ensure that the number of Bidders to whom the Equity Shares will be Allotted will be not less than 1,000, failing which the entire application money shall be unblocked in the respective ASBA Accounts of the Bidders. In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) within such timeline as prescribed under applicable laws, our Company and the Selling Shareholder shall be liable to pay interest on the application money in accordance with applicable laws.

#### **New financial instruments**

Our Company is not issuing any new financial instruments through this Offer.

#### **Arrangements for disposal of odd lots**

There are no arrangements for disposal of odd lots since our Equity Shares will be traded in dematerialised form only, and the market lot for our Equity Shares will be one Equity Share.

#### **Restrictions, if any, on transfer and transmission of Equity Shares and on their consolidation or splitting**

Except for lock-in of the pre-Offer Equity Share capital of our Company, lock-in of the Promoter's contribution and the Anchor Investor lock-in as provided in "*Capital Structure*" beginning on page 97 and provided under the AoA detailed in "*Main Provisions of Articles of Association*" beginning on page 420, there are no restrictions on transfer and transmission of the Equity Shares, and on their consolidation or splitting.

#### **Withdrawal of the Offer**

Our Company in consultation with the BRLMs, reserve the right not to proceed with the entire or portion of the Offer for any reason at any time after the Bid/Offer Opening Date but before the Allotment. In such an event, our Company would issue a public notice in the newspapers in which the pre-Offer advertisements were published, within two days of the Bid/Offer Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Offer. The BRLMs, through the Registrar to the Offer, shall notify the SCSBs and the Sponsor Bank(s), in case of UPI Bidders using the UPI Mechanism, to unblock the bank accounts of the ASBA Bidders and the BRLMs shall notify the Escrow Collection Bank to release the Bid Amounts to the Anchor Investors, within one Working Day from the date of receipt of such notification. Our Company shall also inform the same to the Stock Exchanges on which Equity Shares are proposed to be listed simultaneously.

Notwithstanding the foregoing, the Offer is also subject to (i) filing of the Prospectus by our Company with the RoC; and (ii) obtaining the final listing and trading approvals of the Stock Exchanges, which our Company shall apply for after Allotment and within three Working Days of the Bid/Offer Closing Date or such other time period as prescribed under Applicable Law and also inform the Bankers to the Offer to process refunds to the Anchor Investors, as the case may be. If our Company withdraws the Offer at any stage, including after the Bid/Offer

Closing Date and thereafter determines that it will proceed with an issue or offer for sale of the Equity Shares, our Company shall file a fresh draft red herring prospectus with SEBI and the Stock Exchanges. The notice of withdrawal will be issued in the same newspapers where the pre-Offer advertisements have appeared, and the Stock Exchanges will also be informed promptly.

## OFFER STRUCTURE

The Offer is of up to [●] equity shares of face value of ₹10 each, for cash at a price of ₹ [●] per Equity Share aggregating up to ₹ [●] million comprising an Offer for Sale by the Selling Shareholder. The Offer shall constitute [●]% of the post Offer paid-up Equity Share capital of our Company.

In terms of Rule 19(2)(b) of the SCRR, the Offer is being made through the Book Building Process, in compliance with Regulation 6(1) and 31 of the SEBI ICDR Regulations.

Particulars	QIBs <sup>(1)</sup>	Non-Institutional Bidders <sup>(1)</sup>	Retail Individual Bidders
Number of Equity Shares available for Allotment/ allocation <sup>*(2)</sup>	Not more than [●] equity shares of face value of ₹ 10 each	Not less than [●] equity shares of face value of ₹ 10 each available for allocation or Offer less allocation to QIB Bidders and RIBs.	Not less than [●] equity shares of face value of ₹ 10 each available for allocation or Offer less allocation to QIB Bidders and NIBs.
Percentage of Offer size available for Allotment/ allocation	Not more than 50% of the Offer shall be available for allocation to QIBs. However, up to 5% of the Net QIB Portion shall be available for allocation proportionately to Mutual Funds only. Mutual Funds participating in the Mutual Fund Portion will also be eligible for allocation in the remaining Net QIB Portion. The unsubscribed portion in the Mutual Fund Portion will be available for allocation to the other QIBs.	Not less than 15% of the Offer or the Offer less allocation to QIBs and RIBs, subject to the following: (a) one-third of the portion available to NIBs shall be reserved for bidders with an application size of more than ₹0.20 million and up to ₹1.00 million; and (b) two-third of the portion available to NIBs shall be reserved for bidders with application size of more than ₹1.00 million. provided that the unsubscribed portion in either of the sub-categories specified above may be allocated to Bidders in the other sub-category of NIBs.	Not less than 35% of the Offer or Offer less allocation to QIBs and NIBs will be available for allocation.
Basis of Allotment/ allocation if respective category is oversubscribed*	Proportionate as follows (excluding the Anchor Investor Portion): (a) up to [●] equity shares of face value of ₹ 10 each shall be available for allocation on a proportionate basis to Mutual Funds only; and (b) up to [●] equity shares of face value of ₹ 10 each shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds receiving allocation as per (a) above. (c) up to 60% of the QIB Portion (of up to [●] equity shares of face value of ₹ 10 each) may be allocated on a	The Equity Shares available for allocation to Bidders in the Non-Institutional Portion shall be subject to the following: (a) One-third of the Non-Institutional Portion shall be available for allocation to Bidders with an application size more than ₹0.20 million upto ₹1.00 million; and (b) Two-thirds of the Non-Institutional Portion shall be available for allocation to Bidders with an application size of more than ₹1.00 million. Provided that the unsubscribed portion in either of these two sub-categories of Non-Institutional Portion may be allocated to the Bidders in the other sub-category of Non-Institutional Portion in accordance with SEBI ICDR Regulations. The allotment to each NIB shall not be less than the Minimum NIB	Allotment to each RIB shall not be less than the minimum Bid lot, subject to availability of Equity Shares in the Retail Portion and the remaining available Equity Shares if any, shall be allotted on a proportionate basis. For further details see, “Offer Procedure” on page 398.

Particulars	QIBs <sup>(1)</sup>	Non-Institutional Bidders <sup>(1)</sup>	Retail Individual Bidders
	discretionary basis to Anchor Investors of which one-third shall be available for allocation to domestic Mutual Funds only, subject to valid Bid received from Mutual Funds at or above the Anchor Investor Allocation Price.	Bid Size, subject to availability of Equity Shares in the Non-Institutional Portion and the remaining available Equity Shares, if any, shall be allotted on a proportionate basis, in accordance with SEBI ICDR Regulations.	
Minimum Bid	Such number of Equity Shares and in multiples of [●] Equity Shares so that the Bid Amount exceeds ₹0.20 million	Such number of Equity Shares and in multiples of [●] Equity Shares so that the Bid Amount exceeds ₹0.20 million	[●] Equity Shares
Maximum Bid	Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid does not exceed the size of the Offer, excluding the Anchor Portion, subject to applicable limits to each Bidder	Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid does not exceed the size of the Offer (excluding the QIB Portion), subject to applicable limits to each Bidder	Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid Amount does not exceed ₹0.20 million
Mode of Allotment	Compulsory in dematerialized form		
Bid Lot	[●] Equity Shares and in multiples of [●] Equity Shares thereafter		
Allotment Lot	A minimum of [●] Equity Shares and thereafter in multiples of one Equity Share for QIBs and RIBs. The Allotment to NIBs shall not be less than the minimum non-institutional application size (i.e., ₹0.20 million)		
Trading Lot	One Equity Share		
Who can apply <sup>(3)(5)(6)</sup>	Public financial institutions (as specified in Section 2(72) of the Companies Act), scheduled commercial banks, multilateral and bilateral development financial institutions, mutual funds registered with SEBI, FPIs (other than individuals, corporate bodies and family offices), VCFs, AIFs, state industrial development corporation, insurance company registered with IRDAI, provident fund with minimum corpus of ₹250.00 million, pension fund with minimum corpus of ₹250.00 million registered with the Pension Fund Regulatory and Development Authority established under subsection (1) of section 3 of the Pension Fund Regulatory and Development Authority	Resident Indian individuals, Eligible NRIs, HUFs (in the name of the Karta), companies, corporate bodies, scientific institutions, societies, trusts and FPIs who are individuals, corporate bodies, and family offices which are re-categorised as Category II FPIs (as defined in the SEBI FPI Regulations) and registered with SEBI	Resident Indian individuals, Eligible NRIs and HUFs (in the name of the Karta)



Particulars	QIBs <sup>(1)</sup>	Non-Institutional Bidders <sup>(1)</sup>	Retail Individual Bidders
	Act, 2013, National Investment Fund set up by the GoI, insurance funds set up and managed by army, navy or air force of the Union of India, insurance funds set up and managed by the Department of Posts, India and Systemically Important NBFCs		
Terms of Payment	<b>In case of Anchor Investors:</b> Full Bid Amount shall be payable by the Anchor Investors at the time of submission of their Bids <sup>(4)</sup>		
	<b>In case of all other Bidders:</b> Full Bid Amount shall be blocked in the bank account of the ASBA Bidder (other than Anchor Investors), or by the Sponsor Bank(s) through the UPI Mechanism, that is specified in the ASBA Form at the time of submission of the ASBA Form		
Mode of Bidding <sup>^</sup>	Through ASBA process only (excluding the UPI Mechanism) (except in case of Anchor Investors)	Through ASBA process only (including the UPI Mechanism) to ₹0.50 million	Through ASBA process only (including the UPI Mechanism)

\*Assuming full subscription in the Offer.

<sup>^</sup>Anchor Investors are not permitted to use the ASBA process. Further, pursuant to the SEBI Master Circular, SEBI has mandated that ASBA applications in the Offer will be processed only after the Bid Amounts are blocked in the bank accounts of the Anchor Investors. Accordingly, Stock Exchanges shall, for all categories of investors viz. QIBs, NIBs and RIBs and all modes through which the Bid cum Application Forms are processed, accept ASBA Forms in their electronic book building platform only with a mandatory confirmation on the Bid Amounts blocked.

- 1) Subject to valid Bids being received at or above the Offer Price. Our Company in consultation with the BRLMs, may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with SEBI ICDR Regulations. The QIB Portion will accordingly be reduced for the Equity Shares allocated to Anchor Investors. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription in the Anchor Investor Portion, the remaining Equity Shares shall be added to the Net QIB Portion. Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders (other than the Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer Price. In the event the aggregate demand from Mutual Funds is less than as specified above, the balance Equity Shares available for Allotment in the Mutual Fund Portion will be added to the Net QIB Portion and allocated proportionately to the QIB Bidders (other than the Anchor Investors) in proportion to their Bids. For further details, see "Offer Procedure" on page 398. Further, not less than 15% of the Offer shall be available for allocation to NIBs and not less than 35% of the Offer shall be available for allocation to RIBs in accordance with the SEBI ICDR Regulations, subject to valid Bids being received from them at or above the Offer Price. The Equity Shares available for allocation to NIBs under the Non-Institutional Portion, shall be subject to the following: (i) one-third of the portion available to NIBs shall be reserved for Bidders with an application size of more than ₹0.20 million and up to ₹1.00 million, and (ii) two-third of the portion available to NIBs shall be reserved for Bidders with application size of more than ₹1.00 million, provided that the unsubscribed portion in either of the aforementioned sub-categories may be allocated to Bidders in the other sub-category of NIBs.
- 2) Subject to valid Bids being received at or above the Offer Price. This Offer is being made in accordance with Rule 19(2)(b) of the SCRR and Regulation 6(1) of the SEBI ICDR Regulations.
- 3) In case of joint Bids, the Bid cum Application Form should contain only the name of the first Bidder whose name should also appear as the first holder of the beneficiary account held in joint names. The signature of only such first Bidder would be required in the Bid cum Application Form and such first Bidder would be deemed to have signed on behalf of the joint holders. Our Company reserves the right to reject, in its absolute discretion, all or any multiple Bids, except as otherwise permitted, in any or all categories.
- 4) Full Bid Amount shall be payable by the Anchor Investors at the time of submission of the Anchor Investor Application Forms provided that any difference between the Anchor Investor Allocation Price and the Anchor Investor Offer Price shall be payable by the Anchor Investor Pay-in Date as indicated in the CAN.
- 5) Bids by FPIs with certain structures as described under "Offer Procedure - Bids by Foreign Portfolio Investors" on page 405 and having same PAN may be collated and identified as a single Bid in the Bidding process. The Equity Shares allocated and Allotted to such successful Bidders (with same PAN) may be proportionately distributed.
- 6) Bidders will be required to confirm and will be deemed to have represented to our Company, the Selling Shareholder, the Underwriters, their respective directors, officers, agents, affiliates and representatives that they are eligible under applicable law, rules, regulations, guidelines and approvals to acquire the Equity Shares.

Bidders will be required to confirm and will be deemed to have represented to our Company, the Selling Shareholder, the members of the Syndicate, the Underwriters, their respective directors, officers, agents, affiliates and representatives that they are eligible under applicable law, rules, regulations, guidelines and approvals to acquire/ subscribe to our Equity Shares.

Subject to valid Bids being received at or above the Offer Price, under-subscription, if any, in any category except the QIB Portion, would be allowed to be met with spill- over from any other category or combination of categories, as applicable, on a proportionate basis at the discretion of our Company in consultation with the BRLMs, and the Designated Stock Exchange, subject to applicable law. Under-subscription, if any, in the QIB Portion would not be allowed to be met with spill-over from other categories or a combination of categories. For further details, see “*Terms of the Offer*” beginning on page 387.

## OFFER PROCEDURE

All Bidders should read the General Information Document which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, the SCRA, the SCRR and the SEBI ICDR Regulations which is part of the Abridged Prospectus accompanying the Bid cum Application Form. The General Information Document is available on the websites of the Stock Exchanges and the BRLMs. Please refer to the relevant provisions of the General Information Document which are applicable to the Offer, especially in relation to the process for Bids by UPI Bidders through the UPI Mechanism. The investors should note that the details and process provided in the General Information Document should be read along with this section.

Additionally, all Bidders may refer to the General Information Document for information in relation to (i) category of investors eligible to participate in the Offer; (ii) maximum and minimum Bid size; (iii) price discovery and allocation; (iv) payment instructions for ASBA Bidders; (v) issuance of CAN and Allotment in the Offer; (vi) general instructions (limited to instructions for completing the Bid cum Application Form); (vii) Designated Date; (viii) disposal of applications and electronic registration of Bids; (ix) submission of Bid cum Application Form; (x) other instructions (limited to joint bids in cases of individual, multiple bids and instances when an application would be rejected on technical grounds); (xi) applicable provisions of the Companies Act, relating to punishment for fictitious applications; (xii) mode of making refunds; and (xiii) interest in case of delay in Allotment or refund.

SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 read with its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, has introduced an alternate payment mechanism using Unified Payments Interface (“UPI”) and consequent reduction in timelines for listing in a phased manner. UPI has been introduced in a phased manner as a payment mechanism with the ASBA for applications by Retail Individual Bidders through intermediaries from January 1, 2019. The UPI Mechanism for RIBs applying through Designated Intermediaries was made effective along with the prior process and timeline of T+6 days (“UPI Phase I”). The UPI Phase I was effective until June 30, 2019.

With effect from July 1, 2019, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, read with circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 with respect to Bids by RIBs through Designated Intermediaries (other than SCSBs), the prior process of physical movement of forms from such Designated Intermediaries to SCSBs for blocking of funds was discontinued and only the UPI Mechanism for such Bids with a timeline of T+6 days was mandated for a period of three months or launch of five main board public issues, whichever was later (“UPI Phase II”). Furthermore, pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, SEBI has increased the UPI limit from ₹ 2,00,000 to ₹ 5,00,000 for all the individual investors applying in public issues. All individual Bidders in initial public offerings whose application sizes are up to ₹0.50 million shall use the UPI Mechanism. Subsequently, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 extended the timeline for implementation of UPI Phase II till further notice. Pursuant to SEBI circular SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 (“T+3 Circular”), the final reduced timeline of T+3 days using the UPI Mechanism for applications by UPI Bidders (“UPI Phase III”) was made voluntary for public issues opening on or after September 1, 2023, and has been made mandatory for public issues opening on or after December 1, 2023. This Offer will be undertaken pursuant to the processes and procedures under UPI Phase III on mandatory basis, subject to any circulars, clarification or notification issued by the SEBI from time to time. The SEBI ICDR Master Circular has consolidated and rescinded the aforementioned circulars, to the extent they relate to the SEBI ICDR Regulations. The SEBI ICDR Master Circular has prescribed certain additional measures for streamlining the process of initial public offers and redressing investor grievances. The provisions of the SEBI ICDR Master Circular are deemed to form part of this Draft Red Herring Prospectus.

SEBI vide its circular no. SEBI/HO/CFD/CFD-TPD-1/P/CIR/2024/5 dated May 24, 2024 (“AV Circular”) has introduced the disclosure of audiovisual presentation of disclosures made in Offer Documents. Pursuant to the AV Circular, investors are advised not to rely on any other document, content or information provided in respect to the public issue on the internet/online websites/social media platforms/micro-blogging platforms by influencers. Further, investors are advised to rely only on the information contained in the Offer document and Price Band Advertisement for making investment decision.

In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding two Working Days from the Bid/Offer Closing Date, the Bidder shall be compensated in accordance with applicable law. The BRLMs shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. Further, Bidders shall be entitled to compensation

*in the manner specified in the SEBI ICDR Master Circular, in case of delays in resolving investor grievances in relation to blocking/unblocking of funds.*

*Bidders are advised to make their independent investigations and ensure that their Bids are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of the Equity Shares that can be held by them under applicable law or as specified in this Draft Red Herring Prospectus, the Red Herring Prospectus and the Prospectus. The BRLMs shall be the nodal entity for any issues arising out of public issuance process.*

### **Book Building Procedure**

The Offer is being made in terms of Rule 19(2)(b) of the SCRR read with Regulation 31 of the SEBI ICDR Regulations, through the Book Building Process in accordance with Regulation 6(1) of the SEBI ICDR Regulations wherein not more than 50% of the Offer shall be available for allocation, on a proportionate basis, to QIBs, provided that our Company in consultation with the BRLMs, may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations, of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from such them at or above the Anchor Investor Allocation Price. In the event of under-subscription, or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the Net QIB Portion. Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis only to Mutual Funds, and spill over from the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIBs (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer Price. Further, not less than 15% of the Offer shall be available for allocation to Non-Institutional Bidders in accordance with the SEBI ICDR Regulations, out of which (a) one third of such portion shall be reserved for applicants with application size of more than ₹200,000 and up to ₹1,000,000; and (b) two-third of such portion shall be reserved for applicants with application size of more than ₹1,000,000, provided that the unsubscribed portion in either of such sub-categories may be allocated to applicants in the other sub-category of Non-Institutional Bidders; and not less than 35% of the Offer shall be available for allocation to RIBs in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price.

Subject to valid Bids being received at or above the Offer Price, under-subscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill over from any other category or combination of categories of Bidders at the discretion of our Company, in consultation with the BRLMs, and the Designated Stock Exchange subject to receipt of valid Bids received at or above the Offer Price. Under-subscription, if any, in the QIB Portion, would not be allowed to be met with spill-over from any other category or a combination of categories.

**Bidders must ensure that their PAN is linked with Aadhaar and are in compliance with Central Board of Direct Taxes (“CBDT”) notification dated February 13, 2020, read with press release dated June 25, 2021 and September 17, 2021, CBDT circular no.7 of 2022, dated March 30, 2022 and March 28, 2023, and any subsequent press releases in this regard.**

The Equity Shares, on Allotment, shall be traded only in the dematerialized segment of the Stock Exchanges.

**Bidders should note that the Equity Shares will be Allotted to all successful Bidders only in dematerialised form. The Bid cum Application Forms which do not have the details of the Bidders’ depository account, including DP ID, Client ID, PAN and UPI ID (for UPI Bidders), as applicable, shall be treated as incomplete and will be rejected. Bidders will not have the option of being Allotted Equity Shares in physical form. However, they may get the Equity Shares rematerialised subsequent to Allotment of the Equity Shares in the Offer, subject to applicable laws.**

### **Phased implementation of Unified Payments Interface (“UPI”)**

SEBI has issued the UPI Circulars in relation to streamlining the process of public issue of, *inter alia*, equity shares. Pursuant to the UPI Circulars, the UPI Mechanism has been introduced in a phased manner as a payment mechanism (in addition to mechanism of blocking funds in the account maintained with SCSBs under ASBA) for applications by UPI Bidders through Designated Intermediaries with the objective to reduce the time duration from public issue closure to listing from six Working Days to up to three Working Days. The SEBI in its circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023, has reduced the time period for listing of equity shares pursuant to a public issue from six Working Days to three Working Days. The timeline was applicable on a voluntary basis for public issues opening on or after September 1, 2023 and has been made applicable on a

mandatory basis for public issues opening on or after December 1, 2023. Considering the time required for making necessary changes to the systems and to ensure complete and smooth transition to the UPI payment mechanism, the UPI Circulars have introduced the UPI Mechanism in three phases in the following manner:

**Phase I:** This phase was applicable from January 1, 2019 until March 31, 2019 or floating of five main board public issues, whichever was later. Subsequently, the timeline for implementation of Phase I was extended till June 30, 2019. Under this phase, an RIB had the option to submit the ASBA Form with any of the Designated Intermediary and use his/ her UPI ID for the purpose of blocking of funds. The time duration from public issue closure to listing continued to be six Working Days.

**Phase II:** This phase became applicable from July 1, 2019 and was to initially continue for a period of three months or floating of five main board public issues, whichever was later. SEBI vide its circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019 had decided to extend the timeline for implementation of UPI Phase II until March 31, 2020. Subsequently, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 extended the timeline for implementation of UPI Phase II until further notice. Under this phase, submission of the ASBA Form by RIBs through Designated Intermediaries (other than SCSBs) to SCSBs for blocking of funds was discontinued and replaced by the UPI Mechanism. However, the time duration from public issue closure to listing continued to be six Working Days during this phase.

SEBI through its circular SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022, prescribed that all individual bidders applying in initial public offerings opening on or after May 1, 2022, where the application amount is up to ₹500,000, shall use UPI. Individual investors bidding under the Non-Institutional Portion bidding for more than ₹200,000 million and up to ₹500,000 million, using the UPI Mechanism, shall provide their UPI ID in the Bid cum-Application Form for Bidding through Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs, or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.

**Phase III:** This phase has become applicable on a voluntary basis for all issues opening on or after September 1, 2023 and on a mandatory basis for all issues opening on or after December 1, 2023, vide SEBI circular bearing number SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 ("**T+3 Notification**"). In this phase, the time duration from public issue closure to listing has been reduced to three Working Days. The SEBI ICDR Master Circular, has consolidated and rescinded the aforementioned circulars, including the T+3 Notification, to the extent they relate to the SEBI ICDR Regulations. The Offer shall be undertaken pursuant to the processes and procedures as notified in the SEBI ICDR Master Circular.

The processing fees for applications made by UPI Bidders may be released to the SCSBs only after such banks provide a written confirmation, in a format as prescribed by SEBI, from time to time, including in compliance with the SEBI RTA Master Circular and the SEBI ICDR Master Circular, and such payment of processing fees to the SCSBs shall be made in compliance with circulars prescribed by SEBI and applicable law.

All SCSBs offering facility of making application in public issues shall also provide facility to make application using UPI. Our Company will be required to appoint one of the SCSBs as the Sponsor Bank(s) to act as a conduit between the Stock Exchanges and NPCI in order to facilitate collection of requests and / or payment instructions of the UPI Bidders.

SEBI has set out specific requirements in the SEBI ICDR Master Circular for redressal of investor grievances for applications that have been made through the UPI Mechanism. The requirements of the SEBI ICDR Master Circular include, appointment of a nodal officer by the SCSB and submission of their details to SEBI, the requirement for SCSBs to send SMS alerts for the blocking and unblocking of UPI mandates, the requirement for the Registrar to submit details of cancelled, withdrawn or deleted applications, and the requirement for the bank accounts of unsuccessful Bidders to be unblocked no later than one Working Day from the date on which the Basis of Allotment is finalised. Failure to unblock the accounts within the timeline would result in the SCSBs being penalised under the relevant securities law. Further, in terms of the SEBI ICDR Master Circular, the payment of processing fees to the SCSBs shall be undertaken pursuant to an application made by the SCSBs to the BRLMs, and such application shall be made only after (i) unblocking of application amounts for each application received by the SCSB has been fully completed, and (ii) applicable compensation relating to investor complaints has been paid by the SCSB.

NPCI vide circular reference no. NPCI/UPI/OC No. 127/ 2021-22 dated December 09, 2021, inter alia, has enhanced the per transaction limit in UPI from more than ₹200,000 million to ₹500,000 million for UPI based ASBA in initial public offerings.

For further details, refer to the General Information Document available on the websites of the Stock Exchanges and the BRLMs. Additionally, if there is any delay in the redressal of investors' complaints, the relevant SCSB as well as the post – Offer BRLM will be required to compensate the concerned investor.

### **Electronic registration of Bids**

- a) The Designated Intermediary may register the Bids using the on-line facilities of the Stock Exchanges. The Designated Intermediaries can also set up facilities for off-line electronic registration of Bids, subject to the condition that they may subsequently upload the off-line data file into the on-line facilities for Book Building on a regular basis before the closure of the Offer, subject to applicable laws.
- b) On the Bid/Offer Closing Date, the Designated Intermediaries may upload the Bids until such time as may be permitted by the Stock Exchanges and as disclosed in the Red Herring Prospectus.
- c) Only Bids that are uploaded on the Stock Exchanges Platform are considered for allocation/Allotment. The Designated Intermediaries are given until 5:00 pm IST on the Bid/Offer Closing Date to modify select fields uploaded in the Stock Exchange Platform during the Bid/Offer Period after which the Stock Exchange(s) send the bid information to the Registrar to the Offer for further processing.
- d) QIBs and Non-Institutional Bidders can neither revise their bids downwards nor cancel/withdraw their bids.

### **Bid cum Application Form**

Copies of the Bid cum Application Form (other than for Anchor Investors) and the Abridged Prospectus will be available with the Designated Intermediaries at the Bidding Centres, and our Registered Office. An electronic copy of the Bid cum Application Form will also be available for download on the websites of the Stock Exchanges ([www.nseindia.com](http://www.nseindia.com) and [www.bseindia.com](http://www.bseindia.com)) at least one day prior to the Bid/ Offer Opening Date. UPI Bidders may also apply through the SCSBs and mobile applications using the UPI handles as provided on the website of the SEBI. Copies of the Anchor Investor Application Form will be available at the offices of the BRLMs.

All Bidders (other than Anchor Investors) shall mandatorily participate in the Offer only through the ASBA process, which shall include the UPI Mechanism in case of UPI Bidders. Anchor Investors are not permitted to participate in the Offer through the ASBA process.

UPI Bidders must provide the valid UPI ID in the relevant space provided in the Bid cum Application Form and the Bid cum Application Forms that do not contain the UPI ID are liable to be rejected.

ASBA Bidders must provide either (i) the bank account details and authorisation to block funds in their respective ASBA Accounts, or (ii) the UPI ID, as applicable in the relevant space provided in the ASBA Form. The ASBA Forms that do not contain such details are liable to be rejected. Applications made by the UPI Bidders using third party bank account or using third party linked bank account UPI ID are liable for rejection.

The ASBA Bidders, including UPI Bidders, shall ensure that they have sufficient balance in their bank accounts to be blocked through ASBA for their respective Bid as the application made by a Bidder shall only be processed after the Bid amount is blocked in the ASBA account of the Bidder pursuant to SEBI ICDR Master Circular.

ASBA Bidders shall ensure that the Bids are made on ASBA Forms bearing the stamp of the Designated Intermediary, submitted at the Bidding Centres only (except in case of electronic ASBA Forms) and the ASBA Forms not bearing such specified stamp are liable to be rejected. UPI Bidders, may submit their ASBA Forms, including details of their UPI IDs, with the Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs. RIBs authorising an SCSB to block the Bid Amount in the ASBA Account may submit their ASBA Forms with the SCSBs (except UPI Bidders).

Anchor Investors are not permitted to participate in the Offer through the ASBA process. ASBA Bidders shall ensure that the Bids are made on ASBA Forms bearing the stamp of the relevant Designated Intermediary, submitted at the relevant Bidding Centres only (except in case of electronic ASBA Forms) and the ASBA Forms not bearing such specified stamp are liable to be rejected. For all initial public offerings opening on or after September 1, 2022, as specified in SEBI vide its circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, the ASBA applications in public issues shall be processed only after the application monies are blocked in

the investor's bank accounts. Stock Exchanges shall accept the ASBA applications in their electronic book building platform only with a mandatory confirmation on the application monies blocked. This circular shall be applicable for all categories of investors, i.e. RIB, QIB, NIB and other reserved categories and also for all modes through which the applications are processed. Since the Offer is made under Phase III of the UPI Circulars, ASBA Bidders may submit the ASBA Form in the manner below:

- (i) RIBs and NIBs (other than NIBs using UPI Mechanism) may submit their ASBA Forms with SCSBs (physically or online, as applicable), or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.
- (ii) UPI Bidders may submit their ASBA Forms with the Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs, or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.
- (iii) QIBs and NIBs (not using the UPI Mechanism) may submit their ASBA Forms with SCSBs, Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs.
- (iv) ASBA Bidders are also required to ensure that the ASBA Account has sufficient credit balance as an amount equivalent to the full Bid Amount which can be blocked by the SCSB or the Sponsor Bank(s), as applicable, at the time of submitting the Bid. In order to ensure timely information to investors, SCSBs are required to send SMS alerts to investors intimating them about Bid Amounts blocked / unblocked including details as prescribed in the SEBI ICDR Master Circular.

For all IPOs opening on or after September 1, 2022, as specified in SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, all the ASBA applications in public issues shall be processed only after the application monies are blocked in the investor's bank accounts. Stock Exchanges shall accept the ASBA applications in their electronic book building platform only with a mandatory confirmation on the application monies blocked. The circular shall be applicable for all categories of investors viz. RIB, QIB and NIB and also for all modes through which the applications are processed.

For Anchor Investors, the Anchor Investor Application Form will be available at the offices of the BRLMs.

The prescribed colour of the Bid cum Application Form for the various categories is as follows:

Category	Colour of Bid cum Application Form*
Resident Indians, including resident QIBs, Non-Institutional Investors, Retail Individual Bidders, each resident in India and Eligible NRIs applying on a non-repatriation basis. <sup>(1)</sup>	[●]
Non-Residents including Eligible NRIs, their sub-accounts (other than sub-accounts which are foreign corporates or foreign individuals under the QIB Portion), FPIs or FVCIs registered multilateral and bilateral development financial institutions applying on a repatriation basis.	[●]
Anchor Investors <sup>(2)</sup>	[●]

\* Excluding electronic Bid cum Application Forms

Notes:

(1) Electronic Bid cum Application forms and the Abridged Prospectus will also be available for download on the websites of the Stock Exchanges ([www.nseindia.com](http://www.nseindia.com) and [www.bseindia.com](http://www.bseindia.com)).

(2) Bid cum Application Forms for Anchor Investors shall be available at the offices of the BRLMs.

In case of ASBA forms (except ASBA forms submitted by UPI Bidders), the relevant Designated Intermediaries (other than SCSBs) shall submit/deliver the Bid cum Application Form to the respective SCSB, where the Bidder has a bank account and shall not submit it to any non-SCSB bank or any Escrow Bank. Further, SCSBs shall upload the relevant Bid details (including UPI ID in case of ASBA Forms under the UPI Mechanism) in the electronic bidding system of the Stock Exchanges and the Stock Exchanges validate the electronic bids with the records of the CDP for DP ID/Client ID and PAN, on a real time basis and bring inconsistencies to the notice of the relevant Designated Intermediaries, for rectification and re-submission within the time specified by Stock Exchanges. The Stock Exchanges shall accept the ASBA applications in their electronic bidding system only with a mandatory confirmation on application monies blocked. For UPI Bidders, the Stock Exchanges shall allow modification of either DP ID/Client ID or PAN ID, bank code and location code in the Bid details already uploaded. The Stock Exchanges shall share the Bid details (including UPI ID) with the Sponsor Bank(s) on a continuous basis to enable the Sponsor Bank(s) to initiate UPI Mandate Request to UPI Bidders for blocking of funds.

For UPI Bidders, the Stock Exchanges shall share the Bid details (including UPI ID) with the Sponsor Bank(s) on a continuous basis through API integration to enable the Sponsor Bank(s) to initiate UPI Mandate Request to UPI Bidders for blocking of funds. The Sponsor Bank(s) shall initiate request for blocking of funds through NPCI to

UPI Bidders, who shall accept the UPI Mandate Request for blocking of funds on their respective mobile applications associated with UPI ID linked bank account. The NPCI shall maintain an audit trail for every Bid entered in the Stock Exchanges bidding platform, and the liability to compensate the UPI Bidders in case of failed transactions shall be with the concerned entity (*i.e.*, the Sponsor Bank(s), NPCI or the Bankers to the Offer) at whose end the lifecycle of the transaction has come to a halt. The NPCI shall share the audit trail of all disputed transactions/ investor complaints to the Sponsor Bank(s) and the issuer bank. The Sponsor Bank(s) and the Bankers to the Offer shall provide the audit trail to the Book Running Lead Managers for analysing the same and fixing liability.

The Sponsor Bank(s) will undertake a reconciliation of Bid responses received from Stock Exchanges and sent to NPCI and will also ensure that all the responses received from NPCI are sent to the Stock Exchanges platform with detailed error code and description, if any. Further, the Sponsor Bank(s) will undertake reconciliation of all Bid requests and responses throughout their lifecycle on daily basis and share reports with the Book Running Lead Managers in the format and within the timelines as specified under the SEBI UPI Circulars. Sponsor Bank(s) and issuer banks shall download UPI settlement files and raw data files from the NPCI portal after every settlement cycle and do a three-way reconciliation with Banks UPI switch data, CBS data and UPI raw data. NPCI is to coordinate with issuer banks and Sponsor Bank(s) on a continuous basis.

For ensuring timely information to investors, SCSBs shall send SMS alerts for mandate block and unblock including details specified in the SEBI ICDR Master Circular. For all pending UPI Mandate Requests, the Sponsor Bank(s) shall initiate requests for blocking of funds in the ASBA Accounts of relevant Bidders with a confirmation cut-off time of 5:00 pm IST on the Bid/Offer Closing Date (“**Cut-Off Time**”). Accordingly, UPI Bidders should accept UPI Mandate Requests for blocking off funds prior to the Cut-Off Time and all pending UPI Mandate Requests at the Cut-Off Time shall lapse. Further, modification/cancellation of Bids (if any) shall be allowed in parallel during the Bid/Offer Period until the Cut-Off Time.

The Sponsor Bank(s) shall host a web portal for intermediaries (closed user group) from the date of Bid/ Offer Opening Date until the date of listing of the Equity Shares with details of statistics of mandate blocks/unblocks, performance of apps and UPI handles, down-time/network latency (if any) across intermediaries and any such processes having an impact/bearing on the Offer Bidding process.

The processing fees for applications made by the UPI Bidders may be released to the SCSBs only after such SCSBs provide a written confirmation in compliance with the SEBI RTA Master Circular, in a format prescribed by SEBI or applicable law.

The Equity Shares offered in the Offer have not been and will not be registered under the U.S. Securities Act or any state securities laws of the United States and unless so registered, may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. Accordingly, the Equity Shares are being offered and sold (a) in the United States only to persons reasonably believed to be “qualified institutional buyers” (as defined in Rule 144A) and referred to in this Draft Red Herring Prospectus as “U.S. QIBs”; for the avoidance of doubt, the term U.S. QIBs does not refer to a category of institutional investor defined under applicable Indian regulations and referred to in this Draft Red Herring Prospectus as “QIBs”) in transactions exempt from or not subject to the registration requirements of the U.S. Securities Act and in reliance on Rule 144A and (b) outside of the United States in offshore transactions as defined in and in compliance with Regulation S and the applicable laws of the jurisdiction where those offers and sales occur.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

#### **Participation by Promoter and Promoter Group of the Company, the BRLMs and the Syndicate Members and persons related to Promoter/Promoter Group/the BRLMs**

The BRLMs and the Syndicate Members shall not be allowed to purchase Equity Shares in this Offer in any manner, except towards fulfilling their underwriting obligations. However, the associates and affiliates of the BRLMs and the Syndicate Members may Bid for Equity Shares in the Offer, either in the QIB Portion or in the Non-Institutional Portion as may be applicable to such Bidders, where the allocation is on a proportionate basis or in any other manner as introduced under applicable laws and such subscription may be on their own account or on behalf of their clients. All categories of investors, including associates or affiliates of the BRLMs and Syndicate Members, shall be treated equally for the purpose of allocation to be made on a proportionate basis.



Neither (i) the BRLMs or any associates of the BRLMs (except Mutual Funds sponsored by entities which are associates of the BRLMs or insurance companies promoted by entities which are associate of BRLMs or AIFs sponsored by the entities which are associate of the BRLMs or FPIs other than individuals, corporate bodies and family offices which are associates of the BRLMs) or pension fund sponsored by entities which are associate of the BRLMs nor; (ii) any person related to the Promoter or Promoter Group shall apply in the Offer under the Anchor Investor Portion.

For the purposes of this section, a QIB who has any of the following rights shall be deemed to be a “person related to the Promoter or Promoter Group”: (a) rights under a shareholders’ agreement or voting agreement entered into with the Promoter or Promoter Group; (b) veto rights; or (c) right to appoint any nominee director on our Board.

Further, an Anchor Investor shall be deemed to be an associate of the BRLMs, if: (a) either of them controls, directly or indirectly through its subsidiary or holding company, not less than 15% of the voting rights in the other; or (b) either of them, directly or indirectly, by itself or in combination with other persons, exercises control over the other; or (c) there is a common director, excluding a nominee director, amongst the Anchor Investor and the BRLMs.

The Selling Shareholder, except to the extent of its Offered Shares, and the other members of the Promoter Group will not participate in the Offer. Further, persons related to our Promoter and Promoter Group shall not apply in the Offer under the Anchor Investor Portion

### **Bids by Mutual Funds**

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Bid cum Application Form. Failing this, our Company, in consultation with the Book Running Lead Managers, reserves the right to reject any Bid without assigning any reason thereof, subject to applicable law.

Bids made by asset management companies or custodians of Mutual Funds shall specifically state names of the concerned schemes for which such Bids are made.

In case of a Mutual Fund, a separate Bid can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Bids in respect of more than one scheme of the Mutual Fund will not be treated as multiple Bids provided that the Bids clearly indicate the scheme concerned for which the Bid has been made.

No Mutual Fund scheme shall invest more than 10% of its NAV in equity shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in case of index funds or sector or industry specific schemes. No Mutual Fund under all its schemes should own more than 10% of any company’s paid-up share capital carrying voting rights.

### **Bids by Eligible Non-Resident Indians (“NRIs”)**

Eligible NRIs may obtain copies of Bid cum Application Form from the Designated Intermediaries. Only Bids accompanied by payment in Indian Rupees or freely convertible foreign exchange will be considered for Allotment. Eligible NRI Bidders bidding on a repatriation basis by using the Non-Resident forms should authorize their respective SCSB or confirm or accept the UPI Mandate Request (in case of RIBs Bidding through the UPI Mechanism) to block their Non- Resident External (“NRE”) accounts (including UPI ID, if activated), or FCNR Accounts, and eligible NRI Bidders bidding on a non-repatriation basis by using Resident Forms should authorize their respective SCSB to block their Non- Resident Ordinary (“NRO”) accounts or confirm or accept the UPI mandate request (in case of UPI Bidders) for the full Bid Amount, at the time of the submission of the Bid cum Application Form. NRIs applying in the Offer through the UPI Mechanism are advised to enquire with the relevant bank, whether their account is UPI linked, prior to submitting a Bid cum Application Form.

Eligible NRIs Bidding on non-repatriation basis are advised to use the Bid cum Application Form for residents ([●] in colour). Eligible NRIs Bidding on a repatriation basis are advised to use the Bid cum Application Form meant for Non-Residents ([●] in colour).

NRIs will be permitted to apply in the Offer through Channel I or Channel II (as specified in the UPI Circulars). Further, subject to applicable law, NRIs may use Channel IV (as specified in the UPI Circulars) to apply in the Offer, provided the UPI facility is enabled for their NRE/ NRO accounts.

For further details of restrictions on investment by NRIs, see “*Restrictions on Foreign Ownership of Indian Securities*” on page 418.

Participation of Eligible NRIs in the Offer shall be subject to the FEMA NDI Rules. Only Bids accompanied by payment in Indian rupees or fully converted foreign exchange will be considered for Allotment.

#### **Bids by Hindu Undivided Families ("HUFs")**

Bids by Hindu Undivided Families or HUFs should be made, in the individual name of the *Karta*. The Bidder/Applicant should specify that the Bid is being made in the name of the HUF in the Bid cum Application Form/Application Form as follows: "Name of sole or first Bidder/applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the *Karta*". Bids/Applications by HUFs may be considered at par with Bids/Applications from individuals.

#### **Bids by Foreign Portfolio Investors ("FPIs")**

In terms of the SEBI FPI Regulations, the investment in Equity Shares by a single FPI or an investor group (which means multiple entities registered as FPIs and directly or indirectly having common ownership of more than 50% or common control) must be below 10% of our total paid-up Equity Share capital on a fully diluted basis. Further, in terms of the FEMA NDI Rules, the total holding by each FPI (or a group) shall be less than 10% of the total paid-up Equity Share capital of our Company on a fully diluted basis and the aggregate limit for FPI investments shall be sectoral caps applicable to our Company, which is 100% of the total paid-up Equity Share capital of our Company on a fully diluted basis.

In case the total holding of an FPI or investor group increases beyond 10% of the total paid-up Equity Share capital, on a fully diluted basis the total investment made by the FPI will be re-classified as FDI subject to the conditions as specified by SEBI and the RBI in this regard and our Company and the investor will be required to comply with applicable reporting requirements. Further, the total holdings of all FPIs put together, with effect from April 1, 2020, can be up to the sectoral cap applicable to the sector in which our Company operates (i.e., up to 100%).

In terms of the FEMA NDI Rules, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included. Bids by FPIs which utilize the multi-investment manager structure, submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs may not be treated as multiple Bids. FPIs are permitted to participate in the Offer subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

In case of Bids made by FPIs, a certified copy of the certificate of registration issued under the SEBI FPI Regulations is required to be attached to the Bid cum Application Form, failing which our Company reserves the right to reject any Bid without assigning any reason. FPIs who wish to participate in the Offer are advised to use the Bid cum Application Form for Non-Residents ([●] in colour).

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 21 of the SEBI FPI Regulations, an FPI, may issue, subscribe to or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by a FPI against securities held by it in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only by persons registered as Category I FPIs; (ii) such offshore derivative instruments are issued only to persons eligible for registration as Category I FPIs; (iii) such offshore derivative instruments are issued after compliance with 'know your client' norms; and (iv) such other conditions as may be specified by SEBI from time to time.

An FPI issuing offshore derivative instruments is also required to ensure that any transfer of offshore derivative instruments issued by or on its behalf, is carried out subject to *inter alia* the following conditions:

- (a) such offshore derivative instruments are transferred only to persons in accordance with Regulation 21(1) of the SEBI FPI Regulations; and
- (b) prior consent of the FPI is obtained for such transfer, except when the persons to whom the offshore derivative instruments are to be transferred to are pre-approved by the FPI.

Participation of FPIs in the Offer shall be subject to the FEMA NDI Rules.

The FPIs who wish to participate in the Offer are advised to use the Bid cum Application Form for non-residents. Bids received from FPIs bearing the same PAN shall be treated as multiple Bids and are liable to be rejected, except for Bids from FPIs that utilize the multiple investment manager structure in accordance with the operational guidelines for FPIs and designated Depository Participants issued to facilitate implementation of SEBI FPI

Regulations (such structure referred to as “**MIM Structure**”), provided such Bids have been made with different beneficiary account numbers, Client IDs and DP IDs.

Accordingly, it should be noted that multiple Bids received from FPIs, who do not utilize the MIM Structure, and bear the same PAN, are liable to be rejected. In order to ensure valid Bids, FPIs making multiple Bids using the same PAN, and with different beneficiary account numbers, Client IDs and DP IDs, are required to provide a confirmation in the Bid cum Application Forms that the relevant FPIs making multiple Bids utilize the MIM Structure. In the absence of such confirmation from the relevant FPIs, such multiple Bids shall be rejected.

Further, in the following cases, Bids by FPIs shall not be treated as multiple Bids:

- FPIs which utilize the MIM structure, indicating the name of their respective investment managers in such confirmation;
- Offshore derivative instruments which have obtained separate FPI registration for ODI and proprietary derivative investments;
- Sub funds or separate class of investors with segregated portfolio who obtain separate FPI registration;
- FPI registrations granted at investment strategy level/sub fund level where a collective investment scheme or fund has multiple investment strategies/sub-funds with identifiable differences and managed by a single investment manager;
- Multiple branches in different jurisdictions of foreign bank registered as FPIs;
- Government and Government related investors registered as Category 1 FPIs; and
- Entities registered as collective investment scheme having multiple share classes.

The Bids belonging to any of the above mentioned seven structures and having same PAN may be collated and identified as a single Bid in the Bidding process. The Equity Shares allotted in the Bid may be proportionately distributed to the applicant FPIs (with same PAN). In order to ensure valid Bids, FPIs making multiple Bids using the same PAN, and with different beneficiary account numbers, Client IDs and DP IDs, are required to provide a confirmation along with each of their Bid cum Application Forms that the relevant FPIs making multiple Bids utilize any of the above-mentioned structures and indicate the name of their respective investment managers in such confirmation. In the absence of such compliance from the relevant FPIs with the operational guidelines for FPIs and designated Depository participants issued to facilitate implementation of SEBI FPI Regulations, such multiple Bids shall be rejected.

#### **Bids under Power of Attorney**

In case of Bids made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, eligible FPIs, AIFs, Mutual Funds, insurance companies, insurance funds set up by the army, navy or air force of India, insurance funds set up by the Department of Posts, India or the National Investment Fund and provident funds with a minimum corpus of ₹250 million and pension funds with a minimum corpus of ₹ 250 million, registered with the Pension Fund Regulatory and Development Authority established under sub-section (1) of section 3 of the Pension Fund Regulatory and Development Authority Act, 2013 (in each case, subject to applicable law and in accordance with their respective constitutional documents), a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws, as applicable must be lodged along with the Bid cum Application Form. Failing this, our Company reserves the right to accept or reject any Bid in whole or in part, in either case, without assigning any reasons thereof.

Our Company, in consultation with the BRLMs, in their absolute discretion, reserves the right to relax the above condition of simultaneous lodging of the power of attorney along with the Bid cum Application Form.

#### **Bids by SEBI registered Venture Capital Funds, Alternative Investment Funds and Foreign Venture Capital Investors**

The SEBI FVCI Regulations as amended, *inter alia*, prescribe the investment restrictions on VCFs, and FVCIs registered with SEBI. Further, the SEBI AIF Regulations prescribe, amongst others, the investment restrictions on AIFs. Accordingly, the holding in any company by any individual VCF or FVCI registered with SEBI should not exceed 25% of the corpus of the VCF or FVCI. Further, subject to FEMA NDI Rules, VCFs and FVCIs can invest only up to 33.33% of the investible funds in various prescribed instruments, including in public offerings.

Category I AIFs and Category II AIFs cannot invest more than 25% of the investible funds in an investee company directly or through investment in the units of other AIF. A Category III AIFs cannot invest more than 10% of the

investible funds in an investee company directly or through investment in the units of other AIF. A VCF registered as a Category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than one-third of its investible funds by way of subscription to an initial public offering of a venture capital undertaking. Pursuant to the repeal of the SEBI VCF Regulations, the VCFs which have not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the SEBI VCF Regulations until the existing fund or scheme managed by the fund is wound up and such fund shall not launch any new scheme after the notification of the SEBI AIF Regulations. Our Company, the Selling Shareholder, severally and not jointly, and the Book Running Lead Managers will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

Participation of VCFs, AIFs or FVCIs in the Offer shall be subject to the FEMA NDI Rules.

**All non-resident investors should note that refunds (in case of Anchor Investors), dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and commission.**

#### **Bids by limited liability partnerships**

In case of Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLMs, reserves the right to reject any Bid without assigning any reason thereof.

#### **Bids by banking companies**

In case of Bids made by banking companies registered with the RBI, certified copies of (i) the certificate of registration issued by the RBI, and (ii) the approval of such banking company's investment committee are required to be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLMs, reserves the right to reject any Bid without assigning any reason thereof, subject to applicable law. The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act and Master Direction – Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, as amended, is 10% of the paid-up share capital of the investee company or 10% of the bank's own paid-up share capital and reserves, whichever is lower. Further, the aggregate equity investments in subsidiaries and other entities engaged in financial and non-financial services, including overseas investments, cannot exceed 20% of the bank's paid-up share capital and reserves. However, a banking company may hold up to 30% of the paid-up share capital of the investee company with the prior approval of the RBI, provided that the investee company is engaged in non-financial activities in which banking companies are permitted to engage under the Banking Regulation Act or the additional acquisition is through restructuring of debt, or to protect the bank's interest on loans/investments made to a company. The bank is required to submit a time-bound action plan for disposal of such shares within a specified period to the RBI. A banking company would require a prior approval of the RBI to make (i) investment in a subsidiary and a financial services company that is not a subsidiary (with certain exceptions prescribed), and (iii) investment in a non-financial services company in excess of 10% of such investee company's paid-up share capital as stated in the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, as amended.

#### **Bids by SCSBs**

SCSBs participating in the Offer are required to comply with the terms of the circulars bearing numbers CIR/CFD/DIL/12/2012 and CIR/CFD/DIL/1/2013 dated September 13, 2012 and January 2, 2013, respectively, issued by SEBI. Such SCSBs are required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for such applications.

#### **Bids by Insurance Companies**

In case of Bids made by insurance companies registered with the IRDAI, a certified copy of certificate of registration issued by IRDAI must be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLMs reserves the right to reject any Bid without assigning any reason thereof, subject to applicable law.

The exposure norms for insurers are prescribed under the Insurance Regulatory and Development Authority of India (Investment) Regulations, 2016, as amended ("**IRDAI Investment Regulations**"), based on investments in

the equity shares of a company, the entire group of the investee company and the industry sector in which the investee company operates.

Insurance companies participating in the Offer are advised to refer to the IRDAI Investment Regulations for specific investment limits applicable to them and shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time.

#### **Bids by Provident Funds/Pension Funds**

In case of Bids made by provident funds/pension funds with minimum corpus of ₹250 million, registered with the Pension Fund Regulatory and Development Authority established under sub-section (1) of section 3 of the Pension Fund Regulatory and Development Authority Act, 2013, subject to applicable law, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLMs, reserves the right to reject any Bid, without assigning any reason thereof.

#### **Bids by Systemically Important Non-Banking Financial Companies**

In case of Bids made by Systemically Important Non-Banking Financial Companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, (ii) certified copy of its last audited financial statements on a standalone basis, (iii) a net worth certificate from its statutory auditor, and (iv) such other approval as may be required by the Systemically Important Non-Banking Financial Companies, are required to be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLMs, reserves the right to reject any Bid without assigning any reason thereof, subject to applicable law. Systemically Important NBFCs participating in the Offer shall comply with all applicable regulations, guidelines and circulars issued by RBI from time to time.

The investment limit for Systemically Important NBFCs (“NBFC-SI”) shall be as prescribed by RBI from time to time.

#### **Bids by Anchor Investors**

In accordance with the SEBI ICDR Regulations, in addition to details and conditions mentioned in this section, the key terms for participation by Anchor Investors are provided below.

1. Anchor Investor Application Forms will be made available for the Anchor Investor Portion at the offices of the Book Running Lead Managers.
2. The Bid must be for a minimum of such number of Equity Shares so that the Bid Amount exceeds ₹ 100 million. A Bid cannot be submitted for over 60% of the QIB Portion. In case of a Mutual Fund, separate Bids by individual schemes of a Mutual Fund will be aggregated to determine the minimum application size of ₹ 100 million.
3. One-third of the Anchor Investor Portion will be reserved for allocation to domestic Mutual Funds.
4. Bidding for Anchor Investors will open one Working Day before the Bid/Offer Opening Date, and will be completed on the same day.
5. Our Company, in consultation with the BRLMs, will finalize allocation to the Anchor Investors on a discretionary basis, provided that the minimum number of Allottees in the Anchor Investor Portion will not be less than: (a) maximum of two Anchor Investors, where allocation under the Anchor Investor Portion is up to ₹ 100 million; (b) minimum of two and maximum of 15 Anchor Investors, where the allocation under the Anchor Investor Portion is more than ₹ 100 million but up to ₹2,500 million, subject to a minimum Allotment of ₹ 50 million per Anchor Investor; and (c) in case of allocation above ₹2,500 million under the Anchor Investor Portion, a minimum of five such investors and a maximum of 15 Anchor Investors for allocation up to ₹ 2,500 million, and an additional 10 Anchor Investors for every additional ₹ 2,500 million, subject to minimum allotment of ₹ 50 million per Anchor Investor.
6. Allocation to Anchor Investors will be completed on the Anchor Investor Bidding Date. The number of Equity Shares allocated to Anchor Investors and the price at which the allocation is made, will be made available in the public domain by the Book Running Lead Managers before the Bid/Offer Opening Date, through intimation to the Stock Exchanges.
7. Anchor Investors cannot withdraw or lower the size of their Bids at any stage after submission of the Bid.
8. If the Offer Price is greater than the Anchor Investor Allocation Price, the additional amount being the difference between the Offer Price and the Anchor Investor Allocation Price will be payable by the

Anchor Investors on the Anchor Investor Pay-in Date specified in the CAN. If the Offer Price is lower than the Anchor Investor Allocation Price, Allotment to successful Anchor Investors will be at the higher price, *i.e.*, the Anchor Investor Offer Price.

9. 50% Equity Shares Allotted to Anchor Investors in the Anchor Investor Portion shall be locked-in for a period of 90 days from the date of Allotment and the remaining 50% shall be locked-in for a period of 30 days from the date of Allotment.
10. Neither the (a) Book Running Lead Managers (s) or any associate of the Book Running Lead Managers (other than mutual funds sponsored by entities which are associate of the Book Running Lead Managers or insurance companies promoted by entities which are associate of the Book Running Lead Managers or Alternate Investment Funds (AIFs) sponsored by the entities which are associates of the Book Running Lead Managers or FPIs, other than individuals, corporate bodies and family offices, sponsored by the entities which are associate of the Book Running Lead Managers) or pension fund sponsored by entities which are associate of the Book Running Lead Managers nor (b) the Promoter, Promoter Group or any person related to the Promoter or members of the Promoter Group shall apply under the Anchor Investors category.
11. Bids made by QIBs under both the Anchor Investor Portion and the QIB Portion will not be considered multiple Bids.

For more information, please read the General Information Document.

In accordance with existing regulations issued by the RBI, OCBs cannot participate in the Offer.

**The information set out above is given for the benefit of the Bidders. Our Company, the Selling Shareholder, severally and not jointly and the Book Running Lead Managers are not liable for any amendments or modification or changes to applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that any single Bid from them does not exceed the applicable investment limits or maximum number of the Equity Shares that can be held by them under applicable law or regulations, or as will be specified in the Red Herring Prospectus and the Prospectus.**

#### **Information for Bidders**

The relevant Designated Intermediary will enter a maximum of three Bids at different price levels opted in the Bid cum Application Form and such options are not considered as multiple Bids. It is the Bidder's responsibility to obtain the acknowledgment slip from the relevant Designated Intermediary. The registration of the Bid by the Designated Intermediary does not guarantee that the Equity Shares shall be allocated/Allotted. Such Acknowledgement Slip will be non-negotiable and by itself will not create any obligation of any kind. When a Bidder revises his or her Bid, he /she shall surrender the earlier Acknowledgement Slip and may request for a revised acknowledgment slip from the relevant Designated Intermediary as proof of his or her having revised the previous Bid.

In relation to electronic registration of Bids, the permission given by the Stock Exchanges to use their network and software of the electronic bidding system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company, the Selling Shareholder and/or the Book Running Lead Managers are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of compliance with the statutory and other requirements, nor does it take any responsibility for the financial or other soundness of our Company, the management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Draft Red Herring Prospectus or the Red Herring Prospectus; nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.

#### **General Instructions**

QIBs and Non-Institutional Bidders are not allowed to withdraw their Bid(s) or lower the size of their Bid(s) (in terms of quantity of Equity Shares or the Bid Amount) at any stage. Anchor Investors are not allowed to withdraw their Bids after the Anchor Investor Bidding Date. RIBs can revise their Bids during the Bid/ Offer Period and withdraw their Bids until Bid/ Offer Closing Date.

#### **Do's:**

1. Check if you are eligible to apply as per the terms of the Red Herring Prospectus and under applicable

- law, rules, regulations, guidelines and approvals. All Bidders (other than Anchor Investors) should submit their Bids through the ASBA process only;
2. Ensure that you have Bid within the Price Band;
  3. Read all the instructions carefully and complete the Bid cum Application Form in the prescribed form;
  4. Ensure that you (other than in the case of Anchor Investors) have mentioned the correct details of ASBA Account (*i.e.*, bank account number) in the Bid cum Application Form if you are not an UPI Bidder in the Bid cum Application Form and if you are an UPI Bidder ensure that you have mentioned the correct UPI ID (with maximum length of 45 characters including the handle), in the Bid cum Application Form;
  5. UPI Bidders through the SCSBs and mobile applications shall ensure that the name of the bank appears in the list of SCSBs which are live on UPI, as displayed on the SEBI website. UPI Bidders shall ensure that the name of the app and the UPI handle which is used for making the application appears in Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/COR/P/2019/85 dated July 26, 2019;
  6. Ensure that your Bid cum Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the relevant Bidding Centre (except in case of electronic Bids) within the prescribed time. Bidders (other than Anchor Investors) shall submit the Bid cum Application Form in the manner set out in the GID;
  7. Ensure that Anchor Investors submit their Bid cum Application Forms only to the BRLMs;
  8. Ensure that you mandatorily have funds equal to or higher than the Bid Amount in the ASBA Account maintained with the SCSB before submitting the ASBA Form to the relevant Designated Intermediaries;
  9. If the First Bidder is not the bank account holder, ensure that the Bid cum Application Form is signed by the account holder. Ensure that you have an account with an SCSB and have mentioned the correct bank account number in the Bid cum Application Form (for all ASBA Bidders other than UPI Bidders);
  10. Ensure that the signature of the First Bidder in case of joint Bids, is included in the Bid cum Application Forms;
  11. Ensure that you request for and receive a stamped acknowledgement counterfoil or acknowledgment specifying the application number as a proof of having accepted Bid cum Application Form for all your Bid options from the concerned Designated Intermediary;
  12. The ASBA bidders shall ensure that bids above ₹ 500,000, are uploaded only by the SCSBs;
  13. Ensure that the name(s) given in the Bid cum Application Form is/are exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case of joint Bids, the Bid cum Application Form should contain only the name of the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names. Ensure that the signature of the First Bidder is included in the Bid cum Application Forms;
  14. UPI Bidders Bidding in the Offer to ensure that they shall use only their own ASBA Account or only their own bank account linked UPI ID) to make an application in the Offer and not ASBA Account or bank account linked UPI ID of any third party;
  15. Bidders not using the UPI Mechanism, should submit their Bid cum Application Form directly with SCSBs and/or the designated branches of SCSBs or the relevant Designated Intermediary, as applicable;
  16. UPI Bidders in the Offer to ensure that they shall use only their own ASBA Account or only their own bank account linked UPI ID which is UPI 2.0 certified by NPCI to make an application in the Offer and not ASBA Account or bank account linked UPI ID of any third party;
  17. Ensure that you submit the revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment;
  18. Ensure that you have correctly signed the authorisation/undertaking box in the Bid cum Application Form, or have otherwise provided an authorisation to the SCSB or Sponsor Bank(s), as applicable, via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form, as the case may be, at the time of submission of the Bid. In case of UPI Bidders submitting their Bids and participating in the Offer, ensure that you authorise the UPI Mandate Request, including in case of any revision of Bids, raised by the Sponsor Bank(s) for blocking of funds equivalent to Bid Amount and subsequent debit of funds in case of Allotment;
  19. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of the SEBI circular no. MRD/Dop/Cir-20/2008 dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, (ii) submitted by investors who are exempt from the requirement of obtaining/specifying their PAN for transacting in the securities market, and (iii) Bids by persons resident in the state of Sikkim, who, in terms of a SEBI circular no. MRD/DoP/SE/Cir- 8 /2006 dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, all Bidders should mention their PAN allotted under the IT Act. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficial owner by a suitable description in the

- PAN field and the beneficiary account remaining in “active status”; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same. All other applications in which PAN is not mentioned will be rejected;
20. Ensure that the Demographic Details are updated, true and correct in all respects;
  21. Ensure that thumb impressions and signatures other than in the languages specified in the Eighth Schedule to the Constitution of India are attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal;
  22. Ensure that the category and the investor status is indicated in the Bid cum Application Form to ensure proper upload of your Bid in the electronic Bidding system of the Stock Exchanges;
  23. Ensure that in case of Bids under power of attorney or by limited companies, corporates, trust, etc., relevant documents including a copy of the power of attorney, if applicable, are submitted;
  24. Ensure that Bids submitted by any person resident outside India is in compliance with applicable foreign and Indian laws;
  25. UPI Bidders who wish to Bid should submit Bid with the Designated Intermediaries, pursuant to which the UPI Bidder should ensure acceptance of the UPI Mandate Request received from the Sponsor Bank(s) to authorise blocking of funds equivalent to the revised Bid Amount in the UPI Bidder’s ASBA Account;
  26. Since the Allotment will be in demat form only, ensure that the Bidder’s depository account is active, the correct DP ID, Client ID, the PAN, UPI ID, if applicable, are mentioned in their Bid cum Application Form and that the name of the Bidder, the DP ID, Client ID, the PAN and UPI ID, if applicable, entered into the online IPO system of the Stock Exchanges by the relevant Designated Intermediary, as applicable, matches with the name, DP ID, Client ID, PAN and UPI ID, if applicable, available in the Depository database;
  27. RIBs who wish to revise their Bids using the UPI Mechanism, should submit the revised Bid with the Designated Intermediaries, pursuant to which RIBs should ensure acceptance of the UPI Mandate Request received from the Sponsor Bank(s) to authorise blocking of funds equivalent to the revised Bid Amount in the RIB’s ASBA Account;
  28. Ensure that you have accepted the UPI Mandate Request received from the Sponsor Bank(s) prior to 5:00 p.m. IST on the Bid/ Offer Closing Date;
  29. Anchor Investors should submit the Anchor Investor Application Forms to the BRLMs;
  30. FPIs making MIM Bids using the same PAN, and different beneficiary account numbers, Client IDs and DP IDs, are required to submit a confirmation that their Bids are under the MIM structure and indicate the name of their investment managers in such confirmation which shall be submitted along with each of their Bid cum Application Forms. In the absence of such confirmation from the relevant FPIs, such MIM Bids shall be rejected;
  31. Bids by Eligible NRIs for a Bid Amount of less than ₹200,000 would be considered under the retail category for the purposes of allocation and Bids for a Bid Amount exceeding ₹200,000 would be considered under the non-institutional category for allocation in the Offer;
  32. UPI Bidders shall ensure that details of the Bid are reviewed and verified by opening the attachment in the UPI Mandate Request and then proceed to authorise the UPI Mandate Request using his/her UPI PIN. Upon the authorisation of the mandate using his/her UPI PIN, an UPI Bidder may be deemed to have verified the attachment containing the application details of the UPI Bidder in the UPI Mandate Request and have agreed to block the entire Bid Amount and authorised the Sponsor Bank(s) to block the Bid Amount mentioned in the Bid Cum Application Form;
  33. Ensure that while Bidding through a Designated Intermediary, the Bid cum Application Form (other than for Anchor Investors and UPI Bidders) is submitted to a Designated Intermediary in a Bidding Centre and that the SCSB where the ASBA Account, as specified in the ASBA Form, is maintained has named at least one branch at that location for the Designated Intermediary to deposit ASBA Forms (a list of such branches is available on the website of SEBI at [www.sebi.gov.in](http://www.sebi.gov.in));
  34. Bidders (except UPI Bidders) should instruct their respective banks to release the funds blocked in the ASBA account under the ASBA process. In case of RIBs, once the Sponsor Bank(s) issues the Mandate Request, the RIBs would be required to proceed to authorize the blocking of funds by confirming or accepting the UPI Mandate Request to authorize the blocking of funds equivalent to application amount and subsequent debit of funds in case of Allotment, in a timely manner; and
  35. UPI Bidders who have revised their Bids subsequent to making the initial Bid should also approve the revised UPI Mandate Request generated by the Sponsor Bank(s) to authorize blocking of funds equivalent to the revised Bid Amount and subsequent debit of funds in case of Allotment in a timely manner.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with. Application made using incorrect UPI handle or using a bank account of an SCSB or SCSBs which is not



mentioned in the Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 is liable to be rejected.

***Don'ts:***

1. Do not Bid for lower than the minimum Bid size;
2. Do not Bid on another Bid cum Application Form after you have submitted a Bid to a Designated Intermediary;
3. Do not Bid/revise Bid Amount to less than the Floor Price or higher than the Cap Price;
4. Do not submit the ASBA Forms to any non-SCSB bank or to our Company or at a location other than the Bidding Centres;
5. Do not submit the ASBA Forms to any Designated Intermediary that is not authorised to collect the relevant ASBA Forms;
6. Do not pay the Bid Amount in cheques, demand drafts or by cash, money order, postal order or by stock invest;
7. Do not send Bid cum Application Forms by post; instead submit the same to the Designated Intermediary only;
8. Do not Bid at Cut-off Price (for Bids by QIBs and Non-Institutional Bidders);
9. Do not instruct your respective banks to release the funds blocked in the ASBA Account under the ASBA process;
10. Do not submit the Bid for an amount more than funds available in your ASBA account;
11. Do not submit Bids on plain paper or on incomplete or illegible Bid cum Application Forms or on Bid cum Application Forms in a colour prescribed for another category of a Bidder;
12. In case of ASBA Bidders, do not submit more than one ASBA Form from an ASBA Account;
13. Do not submit the Bid without ensuring that funds equivalent to the entire Bid Amount are available for blocking in the relevant ASBA Account or in the case of UPI Bidders, in the UPI linked bank account where funds for making the Bid are available;
14. If you are an UPI Bidder, do not submit more than one Bid cum Application Form for each UPI ID;
15. Anchor Investors should not Bid through the ASBA process;
16. Do not submit the ASBA Forms to any Designated Intermediary that is not authorised to collect the relevant ASBA Forms or to our Company;
17. Do not Bid on a Bid cum Application Form that does not have the stamp of the relevant Designated Intermediary;
18. Do not submit the General Index Register (GIR) number instead of the PAN;
19. Do not submit incorrect details of the DP ID, Client ID, PAN and UPI ID, if applicable, or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Offer;
20. Do not submit a Bid in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise;
21. Do not Bid if you are not competent to contract under the Indian Contract Act, 1872 (other than minors having valid depository accounts as per Demographic Details provided by the depository);
22. Do not submit a Bid/revise a Bid Amount, with a price less than the Floor Price or higher than the Cap Price;
23. Do not submit a Bid using UPI ID, if you are not a UPI Bidder;
24. Do not Bid on another Bid cum Application Form or the Anchor Investor Application Form, as the case may be, after you have submitted a Bid to any of the Designated Intermediaries;
25. Do not Bid for Equity Shares more than what is specified for each category;
26. If you are a QIB, do not submit your Bid after 3 p.m. IST on the QIB Bid/Offer Closing Date (for online applications) and after 12:00 p.m. on the Bid/ Offer Closing Date (for physical applications);
27. Do not fill up the Bid cum Application Form such that the number of Equity Shares Bid for, exceeds the Offer size and/or investment limit or maximum number of the Equity Shares that can be held under applicable laws or regulations or maximum amount permissible under applicable laws or regulations, or under the terms of the Red Herring Prospectus;
28. Do not withdraw your Bid or lower the size of your Bid (in terms of quantity of the Equity Shares or the Bid Amount) at any stage, if you are a QIB or a Non-Institutional Bidder. RIBs can revise or withdraw their Bids on or before the Bid/ Offer Closing Date;
29. Do not submit Bids to a Designated Intermediary at a location other than the Bidding Centres. If you are UPI Bidder, do not submit the ASBA Form directly with SCSBs;
30. If you are an UPI Bidder which is submitting the ASBA Form with any of the Designated Intermediaries and using your UPI ID for the purpose of blocking of funds, do not use any third party bank account or

- third party linked bank account UPI ID;
31. Do not Bid if you are an OCB;
  32. UPI Bidders using the incorrect UPI handle or using a bank account of an SCSB and/ or mobile applications which is not mentioned in the list provided on the SEBI website is liable to be rejected;
  33. Do not submit the Bid cum Application Forms to any non-SCSB bank;
  34. Do not submit a Bid cum Application Form with third party ASBA Bank Account or UPI ID (in case of Bids submitted by UPI Bidder);
  35. Do not Bid for a Bid Amount exceeding ₹200,000 (for Bids by Retail Individual Bidders);
  36. Do not link the UPI ID with a bank account maintained with a bank that is not UPI 2.0 certified by the NPCI in case of Bids submitted by UPI Bidders; and
  37. In case of ASBA Bidders (other than 3 in 1 Bids) Syndicate Members shall ensure that they do not upload any bids above ₹500,000.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

For helpline details of the BRLMs pursuant to the SEBI ICDR Master Circular, see “**General Information – Book Running Lead Managers**” on page 89.

### **Grounds for technical rejection**

In addition to the grounds for rejection of Bids on technical grounds as provided in the GID, Bidders are requested to note that Bids maybe rejected on the following additional technical grounds:

- (a) Bids submitted without instruction to the SCSBs to block the entire Bid Amount;
- (b) Bids which do not contain details of the Bid Amount and the bank account details in the ASBA Form;
- (c) Bids submitted on a plain paper;
- (d) Bids submitted by UPI Bidders through an SCSBs and/or using a mobile application or UPI handle, not listed on the website of SEBI;
- (e) Bids under the UPI Mechanism submitted by UPI Bidders using third-party bank accounts or using a third-party linked bank account UPI ID (subject to availability of information regarding third-party account from Sponsor Bank(s));
- (f) Anchor Investors should submit Anchor Investor Application Form only to the Book Running Lead Managers;
- (g) Do not Bid on another Bid cum Application Form and the Anchor Investor Application Form, as the case may be, after you have submitted a Bid to any of the Designated Intermediary;
- (h) ASBA Form by the UPI Bidders using third party bank accounts or using third party linked bank account UPI IDs;
- (i) ASBA Form submitted to a Designated Intermediary does not bear the stamp of the Designated Intermediary;
- (j) Bids submitted without the signature of the First Bidder or Sole Bidder;
- (k) The ASBA Form not being signed by the account holders, if the account holder is different from the Bidder;
- (l) Bids by persons for whom PAN details have not been verified and whose beneficiary accounts are “suspended for credit” in terms of SEBI circular CIR/MRD/DP/ 22 /2010 dated July 29, 2010;
- (m) GIR number furnished instead of PAN;
- (n) Bids by RIBs with Bid Amount of a value of more than ₹200,000;
- (o) Bids by persons who are not eligible to acquire Equity Shares in terms of all applicable laws, rules, regulations, guidelines and approvals;
- (p) Bids accompanied by stock invest, money order, postal order, or cash; and
- (q) Bids uploaded by QIBs and by Non-Institutional Bidders after 4.00 pm on the Bid/Offer Closing Date and Bids by RIBs uploaded after 5.00 p.m. on the Bid/Offer Closing Date, unless extended by the Stock Exchanges. On Bid/Offer Closing Date, extension of time may be granted by Stock Exchanges only for uploading Bids received RIBs, after taking into account the total number of Bids received and as reported by the BRLMs to the Stock Exchanges.

Further, in case of any pre-Offer or post -Offer related issues regarding share certificates/ demat credit/refund orders/unblocking etc., investors can reach out to the Company Secretary and Compliance Officer. For further details of the Company Secretary and Compliance Officer, see “**General Information**” and “**Our Management**” on pages 88 and 207, respectively.

In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding two Working Days from the Bid/ Offer Closing Date, the Bidder shall be compensated at a uniform rate of ₹100 per day for the entire duration of delay exceeding two Working Days from the Bid/ Offer Closing Date by the intermediary responsible for causing such delay in unblocking. The Book Running Lead Managers shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. Further, Bidders shall be entitled to compensation in the manner specified in the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 as amended pursuant to SEBI circular SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, the SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 in case of delays in resolving investor grievances in relation to blocking/unblocking of funds.

For details of grounds for technical rejections of a Bid cum Application Form, please see the General Information Document.

### **Names of entities responsible for finalising the basis of allotment in a fair and proper manner**

The authorised employees of the Designated Stock Exchange, along with the Book Running Lead Managers and the Registrar, shall ensure that the Basis of Allotment is finalised in a fair and proper manner in accordance with the procedure specified in SEBI ICDR Regulations.

### **Method of allotment as may be prescribed by SEBI from time to time**

Our Company will not make any Allotment in excess of the Equity Shares offered through the Offer except in case of oversubscription for the purpose of rounding off to make Allotment, in consultation with the Designated Stock Exchange. Further, upon oversubscription, an Allotment of not more than 1% of the Offer to public may be made for the purpose of making Allotment in minimum lots.

The Allotment of Equity Shares to Bidders other than to the RIIs, NIIs and Anchor Investors shall be on a proportionate basis within the respective investor categories and the number of securities Allotted shall be rounded off to the nearest integer, subject to minimum Allotment being equal to the minimum application size as determined and disclosed. The Allotment of Equity Shares to Anchor Investors shall be on a discretionary basis.

The Allotment of Equity Shares to each Retail Individual Investor shall not be less than the minimum Bid Lot, subject to the availability of shares in Retail Category, and the remaining available shares, if any, shall be allotted on a proportionate basis. Not less than 15% of the Offer shall be available for allocation to Non-Institutional Investors. The Equity Shares available for allocation to Non-Institutional Investors under the Non-Institutional Category, shall be subject to the following: (i) one-third of the portion available to Non-Institutional Investors shall be reserved for applicants with an application size of more than ₹ 0.20 million and up to ₹ 1.00 million, and (ii) two-third of the portion available to Non-Institutional Investors shall be reserved for applicants with an application size of more than ₹ 1.00 million, provided that the unsubscribed portion in either of the aforementioned sub-categories may be allocated to applicants in the other sub-category of Non-Institutional Bidders. The allotment to each Non-Institutional Investors shall not be less than the Minimum NIB Application Size, subject to the availability of Equity Shares in the Non-Institutional Category, and the remaining Equity Shares.

The Allotment of Equity Shares to each RII shall not be less than the minimum Bid lot, subject to the availability of shares in RII category, and the remaining available shares, if any, shall be allotted on a proportionate basis.

### **Payment into Anchor Investor Escrow Accounts**

Our Company, in consultation with the BRLMs, will decide the list of Anchor Investors to whom the CAN will be sent, pursuant to which, the details of the Equity Shares allocated to them in their respective names will be notified to such Anchor Investors. Anchor Investors are not permitted to Bid in the Offer through the ASBA process. Instead, Anchor Investors should transfer the Bid Amount (through direct credit, RTGS, NACH or NEFT) to the Escrow Accounts. For Anchor Investors, the payment instruments for payment into the Anchor Investor Escrow Account should be drawn in favour of:

- (a) In case of resident Anchor Investors: “[●]”
- (b) In case of Non-Resident Anchor Investors: “[●]”

Anchor Investors should note that the escrow mechanism is not prescribed by SEBI and has been established as an arrangement between our Company, the Selling Shareholder, the Syndicate, the Escrow Banks and the Registrar to the Offer to facilitate collections of Bid amounts from Anchor Investors.

### **Pre-Offer Advertisement**

Subject to Section 30 of the Companies Act, our Company shall, after filing the Red Herring Prospectus with the RoC, publish a pre-Offer advertisement, in the form prescribed under the SEBI ICDR Regulations, in all editions of [●] (a widely circulated English national daily newspaper) and all editions of [●] (a widely circulated Hindi national daily newspaper, Hindi also being the regional language of New Delhi, where our Registered Office is located).

In the pre-Offer advertisement, we shall state the Bid/ Offer Opening Date and the Bid/ Offer Closing Date. This advertisement, subject to the provisions of Section 30 of the Companies Act, shall be in the format prescribed in Part A of Schedule X of the SEBI ICDR Regulations.

### **Allotment advertisement**

Our Company, the Book Running Lead Managers and the Registrar shall publish an allotment advertisement before commencement of trading, disclosing the date of commencement of trading in all editions of [●] (a widely circulated English national daily newspaper), and all editions of [●] (a widely circulated Hindi national daily newspaper, Hindi also being the regional language of New Delhi, where our Registered Office is located).

The allotment advertisement shall be uploaded on the websites of our Company, the BRLMs and the Registrar to the Offer, before 9:00 p.m. IST, on the date of receipt of the final listing and trading approval from all the Stock Exchanges where the Equity Shares are proposed to be listed, provided such final listing and trading approval from all the Stock Exchanges is received prior to 9:00 p.m. IST on that day. In an event, if final listing and trading approval from all the Stock Exchanges is received post 9:00 p.m. IST on the date of receipt of the final listing and trading approval from all the Stock Exchanges where the Equity Shares are proposed to be listed, then the allotment advertisement shall be uploaded on the websites of our Company, the BRLMs and the Registrar to the Offer, following the receipt of final listing and trading approval from all the Stock Exchanges.

**The information set out above is given for the benefit of the Bidders/applicants. Our Company, the Selling Shareholder, severally and not jointly and the Book Running Lead Managers are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders/applicants are advised to make their independent investigations and ensure that the number of Equity Shares Bid for do not exceed the prescribed limits under applicable laws or regulations.**

### **Signing of the Underwriting Agreement and Filing with the RoC**

- (a) Our Company, the Selling Shareholder and the Underwriters intend to enter into an Underwriting Agreement after the finalisation of the Offer Price, but prior to filing of the Prospectus.
- (b) After signing the Underwriting Agreement, a Prospectus will be filed with the RoC in accordance with applicable law. The Prospectus will contain details of the Offer Price, the Anchor Investor Offer Price, the Offer size, and underwriting arrangements and will be complete in all material respects.

### **Depository Arrangements**

The Allotment of the Equity Shares in the Offer shall be only in a dematerialised form, (*i.e.*, not in the form of physical certificates but be fungible and be represented by the statement issued through the electronic mode). For more information, see “*Terms of the Offer*” on page 387.

### **Undertakings by our Company**

Our Company undertakes the following:

- adequate arrangements shall be made to collect all Bid cum Application Forms submitted by Bidders;
- the complaints received in respect of the Offer shall be attended to by our Company expeditiously and satisfactorily;
- all steps for completion of the necessary formalities for listing and commencement of trading at the Stock

- Exchanges shall be taken within such time period as prescribed under applicable law ;
- the funds required for making refunds (to the extent applicable) as per the mode(s) disclosed in this Draft Red Herring Prospectus shall be made available to the Registrar to the Offer by our Company;
- where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the unsuccessful Bidder within time prescribed under applicable law, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;
- the Promoter's contribution shall be brought in advance before the Bid/ Offer Opening Date; and
- that if our Company does not proceed with the Offer after the Bid/ Offer Closing Date but prior to Allotment, the reason thereof shall be given as a public notice within two days of the Bid/ Offer Closing Date. The public notice shall be issued in the same newspapers where the pre-Offer advertisements were published. The Stock Exchanges shall be informed promptly;
- that if the Offer is withdrawn including after the Bid/ Offer Closing Date, our Company shall be required to file a fresh offer document with SEBI; and
- There shall be no further issue or offer of securities of our Company, whether by way of a bonus issue, preferential allotment, rights issue or in any other manner, during the period commencing from the date of filing this Draft Red Herring Prospectus with the SEBI until the Equity Shares proposed to be transferred pursuant to the Offer have been listed and have commenced trading or until the Bid monies are refunded on account of, *inter alia*, failure to obtain listing approvals in relation to the Offer.]]

### **Undertakings by the Selling Shareholder**

The Selling Shareholder undertakes that:

- its Offered Shares are eligible for being offered in the Offer for Sale in terms of Regulation 8 of the SEBI ICDR Regulations;
- it shall provide reasonable cooperation to our Company in relation to the Offered Shares, (a) for the completion of the necessary formalities for listing and commencement of trading at the Stock Exchanges, and/ or (b) refund orders (if applicable);
- that it shall provide such reasonable assistance to our Company and the BRLMs in redressal of such investor grievances that pertain to the Offered Shares;
- it shall deposit the Offered Shares in an escrow demat account in accordance with the Share Escrow Agreement;
- it is the legal and beneficial owner of the Offered Shares and such Offered Shares shall be transferred in the Offer free from lien, charge and encumbrance; and
- it shall not have recourse to the proceeds of the Offer, which shall be held in escrow in its favour, until the final approval for listing and trading of the Equity Shares from the Stock Exchanges where listing is sought has been received.

### **Utilisation of Offer Proceeds**

Our Company and the Selling Shareholder, severally and not jointly, specifically confirm that all monies received out of the Offer shall be credited/transferred to a separate bank account other than the bank account referred to in sub-section (3) of Section 40 of the Companies Act.

### **Impersonation**

Attention of the Bidders is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act which is reproduced below:

“Any person who –

- makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or*
- makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or*
- otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447.”*

The liability prescribed under Section 447 of the Companies Act for fraud involving an amount of at least ₹1 million or 1% of the turnover of the company, whichever is lower, includes imprisonment for a term which shall not be less than six months extending up to 10 years and fine of an amount not less than the amount involved in the fraud, extending up to three times such amount (provided that where the fraud involves public interest, such term shall not be less than three years.) Further, where the fraud involves an amount less than ₹1.00 million or 1% of the turnover of the company, whichever is lower, and does not involve public interest, any person guilty of such fraud shall be punishable with imprisonment for a term which may extend to five years or with fine which may extend to ₹5.00 million or with both.

## RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and FEMA. While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Foreign investment is permitted (except in the prohibited sectors) in Indian companies, either through the automatic route or the approval route, depending upon the sector in which foreign investment is sought to be made. The RBI and the concerned ministries/ departments are responsible for granting approval for foreign investment.

The Government of India makes policy announcements on FDI through press notes and press releases. The regulatory framework, over a period of time, thus, consists of acts, regulations, press notes, press releases, and clarifications among other amendments. The Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry (formerly Department of Industrial Policy and Promotion), Government of India (“DPIIT”) issued the Consolidated FDI Policy Circular dated October 15, 2020, with effect from October 15, 2020 (the “**FDI Policy**”), which consolidates and supersedes all previous press note, press releases and clarifications on FDI issued by the DPIIT that were in force and effect prior to October 15, 2020.

On October 17, 2019, the Ministry of Finance, Department of Economic Affairs, had notified the FEMA rules, which had replaced the Foreign Exchange Management (Transfer and Issue of Security by a Person Resident Outside India) Regulations 2017. Foreign investment in this Offer shall be on the basis of the FEMA rules. Further in terms of Press Note 3 of 2020, dated April 17, 2020 (“**Press Note**”), issued by the DPIIT, the FDI Policy and the FEMA NDI Rules has been amended to state that all investments under the foreign direct investment route by entities of a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country will require prior approval of the Government of India. Further, in the event of transfer of ownership of any existing or future foreign direct investment in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the aforesaid restriction/ purview, such subsequent change in the beneficial ownership will also require approval of the Government of India. Pursuant to the Foreign Exchange Management (Non-debt Instruments) (Fourth Amendment) Rules, 2020, a multilateral bank or fund, of which India is a member, shall not be treated as an entity of a particular country nor shall any country be treated as the beneficial owner of the investments of such bank of fund in India. Further, in accordance with the amendment to the Companies (Share Capital and Debentures) Rules, 2014 vide notification dated May 4, 2022 issued by Ministry of Corporate Affairs, a declaration shall be inserted in the share transfer form stipulating whether government approval shall be required to be obtained under Foreign Exchange Management (Non-debt Instruments) Rules, 2019 prior to transfer of shares, as applicable. Each Bidder should seek independent legal advice about its ability to participate in the Offer. In the event such prior approval of the Government of India is required, and such approval has been obtained, the Bidder shall intimate our Company and the Registrar to the Offer in writing about such approval along with a copy thereof within the Offer Period.

In accordance with the FEMA NDI Rules and FDI Policy read with Press Note, 100% foreign direct investment is permitted under the automatic route for companies in the “manufacturing” sector. Further, transfer of shares between an Indian resident and a non-resident does not require the prior approval of the RBI, provided that (i) the activities of the investee company are under the automatic route under the FDI Policy and transfer does not attract the provisions of the SEBI Takeover Regulations; (ii) the non-resident shareholding is within the sectoral limits under the FDI Policy; and (iii) the pricing is in accordance with the guidelines prescribed by the SEBI/RBI.

For details of the aggregate limit for investments by NRIs and FPIs in our Company, see “*Offer Procedure – Bids by Eligible Non-Resident Indians*” and “*Offer Procedure – Bids by Foreign Portfolio Investors*” on pages 404 and 405, respectively.

In accordance with the existing policy of the Government of India, OCBs cannot participate in this Offer.

**The Equity Shares have not been and will not be registered under the U.S. Securities Act or any state securities laws of the United States and, unless so registered, may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. Accordingly, the Equity Shares are being offered and sold (a) in the United States only to persons reasonably believed to be “qualified institutional buyers” (as defined in and in reliance on Rule 144A) and referred to in this Draft Red Herring Prospectus as “U.S. QIBs”; for the avoidance of doubt, the term U.S. QIBs does not refer to a category of institutional investor defined under applicable Indian regulations and referred to in this Draft Red Herring Prospectus as “QIBs” in transactions exempt from or not subject to the registration**

**requirements of the U.S. Securities Act and in reliance on Rule 144A and (b) outside of the United States in offshore transactions as defined in and in compliance with Regulation S and the applicable laws of the jurisdiction where those offers and sales occur.**

**The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction except in compliance with the applicable laws of such jurisdiction.**

**The above information is given for the benefit of the Bidders. Our Company and the BRLMs are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations, seek independent legal advice about its ability to participate in the Offer and ensure that the number of Equity Shares Bid for do not exceed the applicable limits under laws or regulations.**



## SECTION VIII: MAIN PROVISIONS OF ARTICLES OF ASSOCIATION

### THE COMPANIES ACT, 2013 COMPANY LIMITED BY SHARES ARTICLES OF ASSOCIATION OF LG ELECTRONICS INDIA LIMITED

**(Incorporated under the Companies Act, 1956)**

The Articles of Association of LG Electronics India Limited (“**Company**”), which have been adopted by our Board of Directors pursuant to a resolution dated November 8, 2024 and approved by the Shareholders pursuant to the provisions of Section 14 of the Companies Act, 2013 and by a special resolution dated November 11, 2024.

#### APPLICABILITY OF TABLE F

Subject as hereinafter provided and in so far as these presents do not modify or exclude them the regulations contained in Table ‘F’ of Schedule I of the Companies Act, 2013, as amended from time to time, shall apply to the Company only so far as they are not inconsistent with any of the provisions contained in these Articles or modification thereof or are not expressly or by implication excluded from these Articles.

#### Definition and interpretation

- (i) In these regulations-
- “**the Act**” means the Companies Act, 2013, including the rules and regulations framed thereunder, from time to time, and includes any statutory modification(s) or re-enactment thereof for the time being in force and the term shall be deemed to refer to the applicable section thereof which is relatable to the relevant Article in which the said term appears in these Articles and any previous company law, so far as may be applicable;
  - “**the seal**” means the common seal of the company.
  - “**Company**” means LG Electronics India Limited.
  - “**Debenture**” includes debenture stock, bonds or any other instrument of the Company evidencing a debt, whether constituting a charge on the assets of the Company or not.
  - “**Equity Share Capital**” means in relation to the Company, its equity share capital within the meaning of Section 43 of the Act, as amended from time to time.
  - “**Preference Share Capital**” means in relation to the Company, its preference share capital within the meaning of Section 43 of the Act, as amended from time to time.
  - “**Shares**” means the shares of the Company issued from time to time and carrying the rights as set out in these Articles including preference shares and the Equity Shares.
  - “**Share Capital**” means the Equity Share Capital and Preference Share Capital of any face value together with all rights, differential rights, obligations, title, interest and claim in such Shares and includes all subsequent issue of such Shares

of whatever face value or description, bonus Shares, conversion Shares and Shares issued pursuant to a stock split or the exercise of any warrant, option or other convertible security of the Company

- (ii) Unless the context otherwise requires, words or expressions contained in these regulations shall bear the same meaning as in the Act or any statutory modification thereof in force at the date at which these regulations become binding on the Company.

### **Public Company**

The Company is a public company within the meaning of the Act.

### **Share capital and variation of rights**

- (iii) The authorized Share Capital of the Company shall be as per Clause V of the Memorandum of Association with the power to increase or reduce or re-classify such capital from time to time in accordance with the Articles and the legislative provisions for the time being in force in this regard and with the power also to divide the Shares in the Share Capital for the time being into Equity Share Capital and Preference Share Capital and to attach thereto respectively any preferential, qualified or special rights, privileges or conditions, in accordance with the provisions of the Act and these Articles.
- (iv) Subject to the provisions of the Act and these Articles, the Shares in the capital of the Company shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time to time think fit and with the sanction of the Company in General Meeting give to any person the option or right to call for any shares either at par or at a premium during such time and for such consideration as the Board of Directors think fit and may issue and allot shares in the capital of the Company on payment in full or part of any property sold and transferred or for any services rendered to the Company in the conduct of its business and any shares which may be so allotted may be issued as fully paid up shares and if so issued, shall be deemed to be fully paid shares. Provided that option or right to call of shares shall not be given to any person or persons without the sanction of the Company in the General Meeting.
- (v) (i) Every person whose name is entered as a member in the register of members, subject to the Act and other applicable laws, shall be entitled to receive within two months after incorporation, in case of subscribers to the memorandum or after allotment or within one month after the application for the registration of transfer or transmission or within such other period as the conditions of issue shall be provided, -
- one or more certificates for all his Shares in marketable lots for all the Shares of each class or denomination registered in his name, without payment of any charges; or
  - several certificates, if the Board so approves (upon paying such fee as the Board so determines, subject to a maximum of twenty rupees), each for one (1) or more of such Shares, and the Company shall complete and have ready for delivery such certificates within 2 (two) months from the date of allotment, unless the conditions of issue thereof otherwise provide or within 1 (one) month of the receipt of application of registration of transfer, transmission, sub-division, consolidation or renewal of any of its Shares as the case may be.
- Provided that this shall be signed by two Directors or one Director and the company secretary and shall be in such form as prescribed under sub-section (3) of section 46 of the Act.
- (ii) In respect of any Share or Shares held jointly by several persons, the company shall not be bound to issue more than one certificate, and delivery of a certificate for a Share to one of several joint holders shall be sufficient delivery to all such holders.

- (vi) (i) If any Share certificate be worn out, defaced, mutilated or torn or if there be no further space on the back for endorsement of transfer, or in case of sub-division or consolidation of Shares, then upon production and surrender thereof to the Company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the Company and on the execution of such indemnity as the Company deems adequate, being given, a new certificate in lieu thereof shall be given to the party entitled to such lost or destroyed Certificate. Every certificate under this Article shall be issued on payment of twenty rupees for each certificate. Provided that no fee shall be charged for issue of new certificates in replacement of those which are old, defaced or worn out or where there is no further space on the back thereof for endorsement of transfer or in case of sub-division or consolidation of Shares.
- (ii) The provisions of this Article shall *mutatis mutandis* apply to debentures of the Company.
- (vii) Except as required by law, no person shall be recognised by the Company as holding any Share upon any trust, and the Company shall not be bound by, or be compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any Share, or any interest in any fractional part of a Share, or (except only as by these regulations or by law otherwise provided) any other rights in respect of any Share except an absolute right to the entirety thereof in the registered holder.
- (viii) (i) The company may exercise the powers of paying commissions conferred by sub-section (6) of section 40 of the Act, provided that the rate per cent or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by that section and rules made thereunder.
- (ix) (i) The rate or amount of the commission shall not exceed the rate or amount prescribed in the rules made under sub-section (6) of section 40 of the Act.
- (ii) The commission may be satisfied by the payment of cash or the allotment of fully or partly paid Shares or partly in one way and partly in the other.
- (x) (i) If at any time the Share capital is divided into different classes of Shares, the rights attached to any class (unless otherwise provided by the terms of issue of the Shares of that class) may, subject to the provisions of section 48 of the Act, and whether or not the Company is being wound up, be varied with the consent in writing of the holders of three-fourths of the issued Shares of that class, or with the sanction of a special resolution passed at a separate meeting of the holders of the Shares of that class.
- (ii) To every such separate meeting, the provisions of these regulations relating to general meetings shall *mutatis mutandis* apply, but so that the necessary quorum shall be as per the applicable provisions of the Act.
- (xi) The rights conferred upon the holders of the Shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the Shares of that class, be deemed to be varied by the creation or issue of further Shares ranking pari passu therewith.
- (xii) Subject to the provisions of section 55 of the Act and rule 9 of the Companies (Share Capital and Debentures) Rules, 2014, any preference Shares may be issued on the terms that they are to be redeemed on such terms and in such manner as the Company may determine before the issue of the Shares, by way of a special resolution.
- (xiii) Any debentures, debenture-stock or other securities may be issued at a discount, premium or otherwise, if permissible under the Act, and may be issued on the condition that they shall be convertible into Shares of any denomination and with any privileges and conditions as to redemption, surrender, drawings, allotment of Shares, attending (but not voting) at General Meetings, appointment of Directors and otherwise. Debentures with the rights to conversion into or allotment of Shares shall not be issued except with the sanction of the

Company in General Meeting by a special resolution and subject to the provisions of the Act.

### Further Issue of Shares

- (xiv) (1) Where at any time, it is proposed to increase the subscribed Share Capital of the Company by the issue of further Shares, such Shares shall be offered, subject to the provisions of section 62 of the Act, and the rules made thereunder -
- (i) to the persons who, on the date specified under applicable law, are holders of the equity Shares of the Company, in proportion, as nearly as circumstances admit, to the paid-up Share capital on those Shares by sending a letter of offer subject to the following conditions, namely:
    - a. the offer shall be made by notice specifying the number of Shares offered and limiting a time not less than fifteen (15) days or such lesser number of days as may be prescribed and not exceeding thirty (30) days from the date of the offer within which the offer, if not accepted, shall be deemed to have been declined;
    - b. the offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the Shares offered to him or any of them in favour of  
any other person; and the notice referred to in clause (i) hereof shall contain a statement of this right;
    - c. after the expiry of the time specified in the notice aforesaid, or on receipt of earlier intimation from the person to whom such notice is given that he declines to accept the Shares offered, the Board of Directors may dispose of them in such manner which is not disadvantageous to Shareholders and the Company.
  - (ii) to employees under a scheme of employees' stock option, subject to special resolution passed by the Shareholders of the Company and subject to such conditions as prescribed in the Act; or
  - (iii) A further issue of Shares may be made in any manner whatsoever as the Board may determine including by way of preferential offer or private placement, subject to and in accordance with Section 42 and Section 62 the Companies Act, 2013 and the Rules.
    - (i) The notice referred to in sub-clause (i) of clause (a) of sub-clause (1) shall be dispatched through registered post or speed post or through electronic mode or courier or any other mode having proof of delivery to all the existing Shareholders at least 3 (three) days before the opening of the issue or such other period prescribed under applicable law.
    - (ii) Nothing in this Article shall apply to the increase of the subscribed capital of a Company caused by the exercise of an option attached to the debentures issued or loan raised by the Company to convert such debentures or loans into Shares in the Company.

Provided that the terms of issue of such debentures or the terms of such loans containing such option have been approved before the issue of such debentures or the raising of loan by a special resolution passed by the Company in a general meeting.

- (iii) Notwithstanding anything contained in sub-clause (3) above, where any debentures have been issued or loan has been obtained from any Government by the Company, and if that Government considers it necessary in the public interest so to do, it may, by order, direct that such debentures or loans or any part thereof shall be converted into Shares in the Company on such terms and conditions as appear to the Government to be reasonable in the circumstances of the case even if terms of the issue of such debentures or the raising of such loans do not include a term for providing for an option for such conversion.

Provided that where the terms and conditions of such conversion are not acceptable to the Company, it may, within 60 (sixty) days from the date of communication of such order, appeal to the Tribunal which shall after hearing the Company and the Government pass such order as it deems fit.

- (iv) In determining the terms and conditions of conversion under sub-clause (4), the Government shall have due regard to the financial position of the Company, the terms of issue of debentures or loans, as the case may be, the rate of interest payable on such debentures or loans and such other matters as it may consider necessary.
- (v) Where the Government has, by an order made under sub-clause (4), directed that any debenture or loan or any part thereof shall be converted into Shares in the Company and where no appeal has been preferred to the Tribunal under sub-clause (4) or where such appeal has been dismissed, the Memorandum of Association of the Company shall, where such order has the effect of increasing the authorized Share Capital of the Company, be altered and the authorized Share capital of the Company shall stand increased by an amount equal to the amount of the value of Shares which such debentures or loans or part thereof has been converted into.

### **Dematerialization Of Shares**

- (xv) The Company shall be entitled to treat the person whose name appears on the register of members as the holder of any Share or whose name appears as the beneficial owner of Shares in the records of the Depository as the absolute owner thereof. The register and index of beneficial owners maintained by a Depository under the Depositories Act, 1996 shall be deemed to be a register and index of members for the purposes of the Act.  
Provided however that provisions of the Act or these Articles relating to distinctive numbering shall not apply to the Shares of our Company, which have been dematerialized.
- (xvi) Notwithstanding anything contained herein, our Company shall be entitled to dematerialize its Shares, Debentures and other Securities pursuant to the Depositories Act and offer its Shares, Debentures and other Securities for subscription in a dematerialized form. The Company shall be further entitled to maintain a register of members with the details of members holding Shares both in material and dematerialized form in any medium as permitted by Law including any form of electronic medium.
- (xvii) Every person subscribing to the Shares offered by the Company shall receive such Shares in dematerialized form. Such a person who is the beneficial owner of the Shares can at any time opt-out of a Depository, if permitted by the Law, in respect of any Shares in the manner provided by the Depositories Act and the regulations made thereunder and our Company shall in the manner and within the time prescribed, issue to the beneficial owner the required certificate of Shares.
- (xviii) If a person opts to hold his Shares with a depository, our Company shall intimate such Depository the details of allotment of the Shares, and on receipt of the information, the Depository shall enter in its record the name of the allottee as the beneficial owner of the Shares.
- (xix) All Shares held by a depository shall be dematerialized and shall be in a fungible form.
- (i) Notwithstanding anything to the contrary contained in the Act or the Articles, a depository shall be deemed to be the registered owner for the purposes of effecting any transfer of ownership of Shares on behalf of the beneficial owner.
- (ii) Save as otherwise provided in (a) above, the depository as the registered owner of the Shares shall not have any voting rights or any other rights in respect of Shares held by it.
  - (xx) Every person holding Shares of our Company and whose name is entered as the beneficial owner in the records of the Depository shall be deemed to be the owner of such Shares and shall also be deemed to be a Shareholder of our Company. The beneficial owner of the Shares shall be entitled to all the liabilities in respect of his Shares which are held by a Depository.
  - (xxi) Notwithstanding anything in the Act or the Articles to the contrary, where Shares are held in

a depository, the records of the beneficial ownership may be served by such depository on the Company by means of electronic mode or by delivery of disks, drives or any other mode as prescribed by law from time to time.

- (xxii) In the case of transfer of Shares or other marketable Securities where our Company has not issued any certificates and where such Shares or Securities are being held in an electronic and fungible form, the provisions of the Depositories Act shall apply.

## Lien

- (xxiii) (i) The Company shall have a first and paramount lien—

1. on every Share (not being a fully paid Share or debentures), registered in the name of each member or holder, respectively (whether solely or jointly with others) to the extent of monies called or payable in respect thereof, and upon the proceeds of sale thereof for all monies (whether presently payable or not) called, or payable at a fixed time, in respect of that Share or debenture; and
2. on all Shares or debentures (not being fully paid Shares) standing registered in the name of a single person, for all monies presently payable by him or his estate to the Company: and no equitable interest in any Share or debenture shall be created except upon the footing and condition that this Article will have full effect.

Provided that fully paid up Shares shall be free from all liens and in respect of any partly paid Shares/ debentures of the Company, the lien, if any, shall be restricted to moneys called or payable at a fixed time in respect of such Shares/ debentures.

Provided that the Board of Directors may at any time declare any Share to be wholly or in part exempt from the provisions of this Article.

- (ii) The Company's lien, if any, on a Share shall extend to all dividends payable and bonuses declared from time to time in respect of such Shares.
- (xxiv) Subject to provision of the Act, the Company may sell, in such manner as the Board thinks fit, any Shares on which the Company has a lien:

Provided that no sale shall be made—

- unless a sum in respect of which the lien exists is presently payable; or
  - until the expiration of fourteen (14) days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the Share or the person entitled thereto by reason of his death or insolvency or otherwise.
- (xxv) (i) To give effect to any such sale, the Board may authorise some person to transfer the Shares sold to the purchaser thereof.
1. The purchaser shall be registered as the holder of the Shares comprised in any such transfer.
  2. The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the Shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.
- (xxvi) (i) The proceeds of the sale shall be received by the Company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable.
- (ii) The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the Shares before the sale, be paid to the person entitled to the Shares at the date of

the sale.

- (xxvii) The provisions of these Articles relating to lien shall *mutatis mutandis* apply to any other securities, including debentures, of the Company.

### **Calls on Shares**

- (xxviii) (i) Subject to the provision of the Act, the Board may, from time to time, make calls as it thinks fit upon the members in respect of any monies unpaid on their Shares (whether on account of the nominal value of the Shares or byway of premium) and not by the conditions of allotment thereof made payable at fixed times.

Provided that no call shall exceed one-fourth of the nominal value of the Share or be payable at less than one month from the date fixed for the payment of the last preceding call.

- (i) Each member shall, subject to receiving at least fourteen days' notice specifying the time or times and place of payment, pay to the Company, at the time or times and place so specified, the amount called on his Shares.
- (ii) A call may be revoked or postponed at the discretion of the Board.
- (iii) The Board may, from time to time, at its discretion, extend the time fixed (in compliance with the Act) for the payment of any call in respect of one or more members as the Board may deem appropriate in any circumstances.

- (xxix) The Board of Directors may, when making a call by resolution, determine the date on which such call shall be deemed to have been made, not being earlier than the date of resolution making such call, and thereupon the call shall be deemed to have been made on the date so determined and if no such date is so determined a call shall be deemed to have been made at the time when the resolution of the Board authorizing the call was passed and may be required to be paid by installments.

- (xxx) The joint holders of a Share shall be jointly and severally liable to pay all calls in respect thereof.

- (xxxi) (i) If a sum called in respect of a Share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment at ten per cent per annum or at such lower rate, if any, as the Board may determine from time to time.
- (ii) The Board shall be at liberty to waive payment of any such interest wholly or in part.

- (xxxii) (i) Any sum which by the terms of issue of a Share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the Share or by way of premium, shall, for the purposes of these regulations, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.

- (ii) In case of non-payment of such sum, all the relevant provisions of these regulations as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.
- (xxxiii) The Board—
- may, subject to the provisions of section 50 of the Act, if it thinks fit, agree to and receive from any member willing to advance the same, all or any part of the monies uncalled and unpaid upon any Shares held by him; and

- upon all or any of the monies so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate not exceeding, unless the Company in general meeting shall otherwise direct, twelve per cent per annum, as may be agreed upon between the Board and the member paying the sum in advance.  
Provided that the amount paid in advance of calls on any Share may carry interest but shall not confer a right to dividend or to participate in profits.

The member shall not be entitled to any voting rights in respect of the monies so paid by him until the same would but for such payment, become presently payable.

The provisions of these Articles shall *mutatis mutandis* apply to the calls on debentures of the Company.

### Transfer of Shares

(xxxiv) (a) The instrument of transfer of any Share in the Company shall be executed by or on behalf of both the transferor and transferee.

(a) The transferor shall be deemed to remain a holder of the Share until the name of the transferee is entered in the register of members in respect thereof.

(b) The Company shall use a common form of transfer.

(c) The instrument of transfer shall be in writing and all the provisions of section 56 of the Act and of any statutory modification thereof for the time being shall be duly complied with in respect of all transfers of Shares and the registration thereof.

(d) The Board may, subject to the right of appeal conferred by section 58 of the Act decline to register—

- (i) the transfer of a Share, not being a fully paid Share, to a person of whom they do not approve; or
- (ii) any transfer of Shares on which the Company has a lien.

(xxxv) Subject to the provisions of the Act, these Articles and any other applicable Law for the time being in force, the Board may, at its own absolute and uncontrolled discretion and by giving reasons, decline to register or acknowledge any transfer of Shares, not being a fully paid Share, to a person of whom they do not approve, and the right of refusal, shall not be affected by the circumstances that the proposed transferee is already a member of the Company but in such cases, the Board shall within 30 (thirty) days from the date on which the instrument of transfer was lodged with the Company, send to the transferee and transferor notice of the refusal to register such transfer provided that registration or transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever except when the Company has a lien on the Shares. Transfer of Shares/debentures in whatever lot shall not be refused.

Subject to the provisions of the Act, these Articles and any other applicable Law for the time being in force, the Board may decline to recognize any instrument of transfer unless—

- the instrument of transfer is in the form as prescribed in rules made under sub-section (1) of section 56 of the Act;
- the instrument of transfer is accompanied by the certificate of the Shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and
- the instrument of transfer is in respect of only one class of Shares.

Provided that where the securities are dealt with in a depository, the Company shall intimate the details of allotment of securities to depository immediately on allotment of such securities.



(xxxvi) Where in the case of partly paid Shares, an application for registration is made by the transferor alone, the transfer shall not be registered, unless the Company gives the notice of the application to the transferee in accordance with the provisions of the Act and the transferee gives no objection to the transfer within the time period prescribed under the Act.

(xxxvii) On giving not less than seven days' prior notice in accordance with section 91 of the Act and rules made there under or such other period as required under applicable law, the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine:

Provided that such registration shall not be suspended for more than thirty days at any one time or for more than forty-five days in the aggregate in any year.

(xxxviii) No fee shall be charged for registration of transfer, transmission, probate, succession certificate and letters of administration, certificate of death or marriage, power of attorney or similar other document.

### **Transmission of Shares**

(xxxix) (i) On the death of a member, the survivor or survivors where the member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only persons recognized by the Company as having any title to his interest in the Shares.

(ii) Nothing in clause (i) shall release the estate of a deceased joint holder from any liability in respect of any Share which had been jointly held by him with other persons.

(xl) (i) Any person becoming entitled to a Share in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either –

- to be registered himself as holder of the Share; or
- to make such transfer of the Share as the deceased or insolvent member could have made.

(ii) The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the Share before his death or insolvency.

(xli) (i) If the person so becoming entitled shall elect to be registered as holder of the Share himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects.

(2) If the person aforesaid shall elect to transfer the Share, he shall testify his election by executing a transfer of the Share.

(3) All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of Shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member.

(xlii) A person becoming entitled to a Share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the Share, except that he shall not, before being registered as a member in respect of the Share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company:

Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the Share, and if the notice is not complied with within 90 (ninety) days, the Board may thereafter withhold payment of all dividends, bonuses or other monies

payable in respect of the Share, until the requirements of the notice have been complied with.

- (xliii) The provisions of these Articles, shall, *mutatis mutandis*, apply to the transfer of or the transmission by law of the right to any securities including, debentures of the Company.

#### **Forfeiture of Shares**

- (xliv) If a member fails to pay any call, or installment of a call or any money due in respect of any Share, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or installment remains unpaid, serve a notice on him requiring payment of so much of the call or installment as is unpaid, together with any interest which may have accrued and all the expenses that may have been incurred by the Company by reason of non-payment.
- (xlv) The notice aforesaid shall -
- name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made; and
  - state that, in the event of non-payment on or before the day so named, the Shares in respect of which the call was made shall be liable to be forfeited.
- (xlvi) If the requirements of any such notice as aforesaid are not complied with, any Share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect.
- (xlvii) (i) A forfeited Share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit.
- (ii) At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.
- (xlviii) (i) A person whose Shares have been forfeited shall cease to be a member in respect of the forfeited Shares, but shall, notwithstanding the forfeiture, remain liable to pay to the Company all monies which, at the date of forfeiture, were presently payable by him to the Company in respect of the Shares. All such monies payable shall be paid together with interest thereon at such rate as the Board may determine, from the time of forfeiture until payment of realization.
- (ii) The liability of such person shall cease if and when the Company shall have received payment in full of all such monies in respect of the Shares.
- (xlix) (i) A duly verified declaration in writing that the declarant is a director, the manager or the secretary, of the Company, and that a Share in the Company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the Share;
- (a) The Company may receive the consideration, if any, given for the Share on any sale or disposal thereof and may execute a transfer of the Share in favour of the person to whom the Share is sold or disposed of;
- (b) The transferee shall there upon be registered as the holder of the Share; and
- (c) The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the Share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the Share.
- (l) The provisions of these regulations as to forfeiture shall apply in the case of non-payment

of any sum which, by the terms of issue of a Share, becomes payable at a fixed time, whether on account of the nominal value of the Share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

- (li) The provisions of these Articles relating to forfeiture of Shares shall *mutatis mutandis* apply to any other securities, including debentures, of the Company.

#### **Alteration of capital**

- (lii) The Company may, from time to time, by ordinary resolution increase the Share capital by such sum, to be divided into Shares of such amount, as may be specified in the resolution.
- (liii) Subject to the provisions of section 61 of the Act, the Company may, by ordinary resolution, -

- (a) increase its authorized Share capital by such amount as it thinks expedient;

- (b) consolidate and divide all or any of its Share capital into Shares of larger amount than its existing Shares;
  - (c) convert all or any of its fully paid-up Shares into stock, and reconvert that stock into fully paid-up Shares of any denomination;
  - (d) sub-divide its existing Shares or any of them into Shares of smaller amount than is fixed by the memorandum;
  - (e) cancel any Shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person.

- (liv) Where Shares are converted into stock, -

- the holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same regulations under which, the Shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit:

Provided that the Board may, from time to time, fix the minimum amount of stock transferable, so, however, that such minimum shall not exceed the nominal amount of the Shares from which the stock arose.

- the holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the Company, and other matters, as if they held the Shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the Company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in Shares, have conferred that privilege or advantage.
- such of the regulations of the Company as are applicable to paid-up Shares shall apply to stock and the words "Share" and "Shareholder" in those regulations shall include "stock" and "stock-holder" respectively.

- (lv) The Company may, by special resolution, reduce in any manner and with, and subject to, any incident authorized and consent required by law, -

- its Share capital;
- any capital redemption reserve account; or
- any Share premium account.

## Capitalisation of profits

- (lvi) (i) The Company in general meeting may, upon the recommendation of the Board, resolve:
- that it is desirable to capitalize any part of the amount for the time being standing to the credit of any of the Company's reserve accounts, or to the credit of the profit and loss account, or otherwise available for distribution; and
  - that such sum be accordingly set free for distribution in the manner specified in clause (ii) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.
- (ii) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause (iii), either in or towards –
- paying up any amounts for the time being unpaid on any Shares held by such members respectively;
  - paying up in full, unissued Shares of the Company to be allotted and distributed, credited as fully paid-up, to and amongst such members in the proportions aforesaid;
  - partly in the way specified in sub-clause (A) and partly in the way specified in sub-clause (B);
  - a securities premium account and a capital redemption reserve account may, for the purposes of this regulation, be applied in the paying up of unissued Shares to be issued to members of the Company as fully paid bonus Shares;
  - the Board shall give effect to the resolution passed by the Company in pursuance of this regulation.
- (lvii) (i) Whenever such a resolution as aforesaid shall have been passed, the Board shall—
- make all appropriations and applications of the undivided profits resolved to be capitalized thereby, and all allotments and issues of fully paid Shares if any; and
  - generally do all acts and things required to give effect thereto.
- (ii) The Board shall have power—
- to make such provisions, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of Shares becoming distributable in fractions; and
  - to authorise any person to enter, on behalf of all the members entitled thereto, into an agreement with the Company providing for the allotment to them respectively, credited as fully paid-up, of any further Shares to which they may be entitled upon such capitalization, or as the case may require, for the payment by the Company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalized, of the amount or any part of the amounts remaining unpaid on their existing Shares;
- (iii) Any agreement made under such authority shall be effective and binding on such members.

## **Buy-back of Shares**

- (lviii) Notwithstanding anything contained in these articles but subject to the provisions of sections 68 to 70 of the Act and any other applicable provisions of the Act or any other law for the time being in force, the Company may purchase its own Shares or other specified securities.

## **Borrowing Powers**

- (lix) Subject to the provision of section 180 (1) (c) of the Act and these Articles and without prejudice to the other powers conferred by these Articles, the Directors shall have the power from time to time at their discretion, by a resolution passed at a meeting of the Board and not by circular resolution, to borrow monies provided that the total amount borrowed at any time together with the monies already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) shall not, without the consent of the Company in the General Meeting, exceed the aggregate of the paid-up capital of the Company and its free reserves and securities premium account, that is to say, reserves not set apart for any specific purpose. Such consent shall be obtained by a special resolution which shall provide for the total amount up to which monies may be borrowed by the Board. The expression "temporary loans" in this Article means loans repayable on demand or within six (6) months from the date of the loan such as short term loans, cash credit arrangements, the discounting of bills and the issue of other short-term loans of seasonable character but does not include loans raised for the purpose of financing expenditure of a capital nature.
- (lx) Subject to the provisions of the Act and these Articles, the Directors may by a resolution passed at a meeting of the Board and not by circular resolution, secure the payment of such sum or sums in such manner and upon such issue of bonds, perpetual or redeemable debentures or debenture stock, or any mortgage or charge or other security on the undertaking of the whole or any part of the property, undertaking of the Company (both present and future). Provided that consent of the members by way of special resolution would be necessary for security to be created on whole or substantially whole of the undertaking.
- (lxi) Any bonds, Debentures, debenture-stock or other Securities issued or to be issued by the Company, shall be under the control of the Directors, who may issue them upon such terms and conditions and in such manner and for such consideration as they shall consider to be for the benefit of the Company.
- (lxii) Debentures, debenture-stock, bonds or other Securities may be made assignable, free from any equities between the Company and the person to whom the same may be issued.
- (lxiii) Subject to the provisions of the Act and these Articles, any bond, Debentures, debenture - stock or other Securities, may be issued at par, premium or otherwise and with any special rights, privileges and conditions as to redemption, surrender, drawings, allotment of Shares, attending (but not voting) at a General Meeting, appointment of Directors or otherwise. Provided that the Debentures with the right to allotment of or conversion into Shares shall not be issued except with the sanction of the Company in a General meeting by a special resolution.
- (lxiv) The Board shall cause a proper Register to be kept in accordance with the provisions of the Act, of all mortgages, Debentures and charges specifically affecting the property of the Company including all floating charges on current assets of the Company and fixed charges on the undertaking or any property of the Company, and shall cause the requirements of the Act in relation to charges be duly complied with.

## **General meetings**

- (lxv) The Company shall in each year hold a general meeting as its annual general meeting in addition to any other meeting in that year, which shall be in accordance with the provisions of the Act. All general meetings other than annual general meeting shall be called extraordinary general meetings in accordance with the Act.

- (lxvi) (i) The Board may, whenever it thinks fit, call an extraordinary general meeting.
- (b) If at any time directors capable of acting who are sufficient in number to form a quorum are not within India, any director or any two members of the Company may call an extraordinary general meeting in the same manner, as nearly as possible, as that in which such a meeting may be called by the Board, subject to applicable law.
- (c) Subject to section 101 of the Act, a general meeting may be called by giving to the members a clear 21 (twenty-one) days' notice either in writing or through electronic mode to all members, directors and the auditor(s) of the Company, specifying the manner, place, date, day and the hour of the meeting, with a statement of the business to be transacted at the meeting.  
  
Provided that a General Meeting may be called after giving a shorter notice if consent, in writing or by electronic mode is accorded thereto in accordance with the Act and other applicable law.
- (d) The members of the Company may participate and vote in person or through telephone or video conference, other audio-visual means or any other means of contemporaneous communication, in the manner permitted under the Act and other applicable law (including any circulars and notifications issued by the applicable governmental authorities) from time to time. Participation in such meeting, to the extent permitted under the Act and other applicable law, shall constitute attendance and presence in person at the meeting of the member so participating to the extent permitted.

#### **Proceedings at general meetings**

- (lxvii) (i) No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business.
- (ii) Save as otherwise provided herein, the quorum for the general meetings shall be as provided in section 103 of the Act or other requirements under applicable law and the presence of members by video conference or by other audio visual means, to the extent permitted under the Act and other applicable laws, shall also be counted for the purpose of calculating quorum of general meeting.
- (iii) In the event a quorum as required herein is not present within 30 (thirty) minutes of the appointed time, then subject to the provisions of section 103 of the Act, the general meeting shall stand adjourned to the same day in the next week at the same time and place or to such other date and such other time and place as the Board may determine, provided that the agenda for such adjourned general meeting shall remain the same. The said general meeting if called by requisitionists under section 100 of the Act shall stand cancelled.
- (lxviii) The chairperson, if any, of the Board shall preside as Chairperson at every general meeting of the Company.
- (lxix) If there is no such Chairperson, or if he is not present within 15 (fifteen) minutes after the time appointed for holding the meeting, or is unwilling to act as chairperson of the meeting, the directors present shall elect one of their members to be Chairperson of the meeting.
- (lxx) If at any meeting no director is willing to act as Chairperson or if no director is present within 15 (fifteen) minutes after the time appointed for holding the meeting, the members present shall choose one of their members to be Chairperson of the meeting.

#### **Adjournment of meeting**

- (lxxi) (i) The Chairperson may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place

to place.

- (ii) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.
- (iii) When a meeting is adjourned for 30 (thirty) days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.
- (iv) Save as aforesaid, and as provided in section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

### **Voting rights**

- (lxxii) Subject to any rights or restrictions for the time being attached to any class or classes of Shares:
  - unless a poll is demanded or the voting is carried out electronically, on a show of hands, every member holding Equity Shares and present in person shall have one vote; and
  - on a poll, every Member holding Equity Shares therein shall have voting rights in proportion to his Share in the paid-up equity Share capital of the Company.
- (lxxiii) A member may exercise his vote at a meeting by electronic means in accordance with section 108 of the Act and shall vote only once.
- (lxxiv) (i) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders.  
(ii) For this purpose, seniority shall be determined by the order in which the names stand in the register of members.
- (lxxv) A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy.
- (lxxvi) Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.
- (lxxvii) No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of Shares in the Company have been paid.
- (lxxviii) (i) No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes.  
(iii) Any such objection made in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.

### **Proxy**

- (lxxix) The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarized copy of that power or authority, shall be deposited at the registered office of the Company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.
- (lxxx) An instrument appointing a proxy shall be in the form as prescribed in the rules made

under section 105 of the Act.

(lxxxix) A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the Shares in respect of which the proxy is given:

Provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the Company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used.

## **Board of Directors**

(lxxxii) Subject to the provisions of the Act, the number of Directors shall not be less than 3 (three) and more than 15 (fifteen). The Company may appoint more than 15 (fifteen) directors after passing a special resolution.

(lxxxiii) The following shall be the first directors of the Company:

(a) Vijay Iayer

(b) Sonu Soni

(lxxxiv)

- The remuneration of the directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day.
- In addition to the remuneration, fees and/or commission payable to them in pursuance of the Act, the directors may be paid all travelling, hotel and other expenses properly incurred by them-
  - in attending and returning from meetings of the Board of Directors or any committee thereof or General meetings of the Company; or
  - in connection with the business of the Company.
- The Board may pay all expenses incurred in setting up and registering the Company.

(lxxxv) The Directors shall not be required to hold any qualification Shares.

(lxxxvi) The Company may exercise the powers conferred on it by section 88 of the Act with regard to the keeping of a foreign register, and the Board may (subject to the provisions of that section) make and vary such regulations as it may think fit respecting the keeping of any such register.

(lxxxvii) All cheques, promissory notes, drafts, hundis, bills of exchange and other negotiable instruments, and all receipts for monies paid to the Company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, by such person and in such manner as the Board shall from time to time by resolution determine.

(lxxxviii) Every director present at any meeting of the Board or of a committee thereof shall sign his name in a book to be kept for that purpose.

(lxxxix)

- a. Subject to the provisions of section 149 of the Act, the Board shall have power at any time, and from time to time, to appoint a person as an additional director, provided the number of the directors and additional directors together shall not at any time exceed the maximum strength fixed for the Board by the articles.
- b. Such person shall hold office only up to the date of the next annual general meeting of the Company but shall be eligible for appointment by the Company as a director at that meeting



subject to the provisions of the Act.

### **Proceedings of the Board**

- (xc)
- (i) Subject to section 173 of the Act, the Board of Directors shall meet at least four (4) times a year, with a maximum gap of one hundred and twenty (120) days between two (2) meetings of the Board for the dispatch of business, adjourn and otherwise regulate its meetings and proceedings as it think fit in accordance with the Act. Place of meetings of the Board shall be at a location as specified in the notice convening the meeting.
  - (ii) A director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board.
  - (iii) Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes.
  - (iv) In case of an equality of votes, the Chairperson of the Board, if any, shall have a second or casting vote.

88A. Subject to the provisions of the Act and the rules made thereunder, Directors may participate in a meeting of the Board in person or telephonically, or through video conference, other audio visual means, or any other means of contemporaneous communication as may be prescribed under the Act and other applicable laws (including any circulars and notifications issued by the applicable governmental authorities) from time to time.

88B. The quorum for each Board Meeting shall be as provided in Section 174 of the Act, and the presence of Directors by video conference or by other audio visual means shall also be counted for the purposes of calculating quorum for a Board meeting, to the extent permitted under the Act and other applicable laws.

- (xci) The continuing directors may act notwithstanding any vacancy in the Board, but, if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing directors or director may act for the purpose of increasing the number of directors to that fixed for the quorum, or of summoning a general meeting of the Company, but for no other purpose.
- (xcii)
  - (i) The Board may elect a Chairperson of its meetings and determine the period for which he is to hold office. The managing director or chief executive officer (if the chief executive officer is also an executive director) of the Company may be the chairperson.
  - (ii) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the directors present may choose one of their member to be Chairperson of the meeting.
- (xciii)
  - The Board may, subject to the provisions of the Act, delegate any of its powers to committees consisting of such member or members of its body as it thinks fit.
  - Any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Board.

(xciv) (i) A committee may elect a Chairperson of its meetings.

(ii) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting.

- (xcv) (i) A committee may meet and adjourn as it thinks fit.
- (ii) Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present, and in case of an equality of votes, the Chairperson shall have a second or casting vote.
- (xcvi) All acts done in any meeting of the Board or of a committee thereof or by any person acting as a director, shall, notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such directors or of any person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such director or such person had been duly appointed and was qualified to be a director.
- (xcvii) Save as otherwise expressly provided in the Act, a resolution in writing, signed by all the members of the Board or of a committee thereof, for the time being entitled to receive notice of a meeting of the Board or committee, shall be valid and effective as if it had been passed at a meeting of the Board or committee, duly convened and held.

### **Chief Executive Officer, Manager, Company Secretary or Chief Financial Officer**

- (xcviii) Subject to the provisions of the Act:-
- (ii) A chief executive officer, manager, company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any chief executive officer, manager, company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board;
- (iii) A director may be appointed as chief executive officer, manager, company secretary or chief financial officer.
- (xcix) A provision of the Act or these regulations requiring or authorizing a thing to be done by or to a director and chief executive officer, manager, company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, chief executive officer, manager, company secretary or chief financial officer.

### **The Seal**

- (c)
- The Board shall provide for the safe custody of the seal, if any, and they shall have power from time to time to destroy the same and substitute a new seal in lieu thereof.
  - The seal of the Company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorised by it in that behalf, and except in the presence of at least two directors and of the secretary or such other person as the Board may appoint for the purpose; and those two directors and the secretary or other person aforesaid shall sign every instrument to which the seal of the Company is so affixed in their presence.

### **Dividends and Reserve**

- (ci) The Company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.
- (cii) Subject to the provisions of section 123 of the Act, the Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the Company.
- (ciii)
- (1) The Board may, before recommending any dividend, set aside out of the profits of the Company such sums

as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the Company may be properly applied, including provision for meeting contingencies or for equalizing dividends; and pending such application, may, at the like discretion, either be employed in the business of the Company or be invested in such investments (other than Shares of the Company) as the Board may, from time to time, think fit.

(2) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.

- (civ) Subject to the rights of persons, if any,
- (ii) No amount paid or credited as paid on a Share in advance of calls shall be treated for the purposes of this regulation as paid on the Share.
- (iii) All dividends shall be declared and paid according to the amounts paid or credited as paid or credited as paid on the Shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the Shares in the Company, dividends may be declared and paid according to the amounts of Shares.
- (iv) All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the Shares during any portion or portions of the period in respect of which the dividend is paid but if any Share is issued on terms providing that it shall rank for dividend as from a particular date such Share shall rank for dividend accordingly.
- (cv) The Board may deduct from any dividend payable to any member all sums of money, if any, presently payable by him to the Company on account of calls or otherwise in relation to the Shares of the Company.

(cvi)

(1) Any dividend, interest or other monies payable in cash in respect of Shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct or in any other mode permitted under applicable law.

(2) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.

- (cvii) Any one of two or more joint holders of a Share may give effective receipts for any dividends, bonuses or other monies payable in respect of such Share.
- (cviii) Notice of any dividend that may have been declared shall be given to the persons entitled to Share therein in the manner mentioned in the Act.
- (cix) No dividend shall bear interest against the Company.
- (cx) Where a dividend has been declared by the Company but has not been paid or claimed within thirty days from the date of the declaration to any Shareholder entitled to the payment of the dividend, the Company shall, within seven days from the date of expiry of the said period of 30 (thirty) days, transfer the total amount of dividend which remains unpaid or unclaimed to a special account to be opened by the Company in that behalf in any scheduled bank to be called the 'Unpaid Dividend Account'.
- (cxi) Any money transferred to the 'Unpaid Dividend Account' of the Company which remains unpaid or unclaimed for a period of 7 (seven) years from the date of such transfer, shall be transferred by the Company along with the interest accrued, if any, to the Fund known as Investor Education and Protection Fund established under section 125 of the Act. There shall be no forfeiture of unclaimed dividends before the claim becomes barred by law. All other provisions under the Act will be complied with in relation to the unpaid or unclaimed dividend.

## **Accounts**

- (1) The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts and books of the Company, or any of them, shall be open to the members not being directors.
- (2) No member (not being a director) shall have any right of inspecting any account or book or document of the Company except as conferred by law or authorized by the Board or by the Company in general meeting.

## **Winding up**

- (cxii) Subject to provisions of Chapter XX of the Act and rules made thereunder—
  - (ii) If the Company shall be wound up, the liquidator may, with the sanction of a special resolution of the Company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the Company, whether they shall consist of property of the same kind or not.
  - (iii) For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.
  - (iv) The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any Shares or other securities whereon there is any liability.
  - (v) Any person who is or has been a Director or manager, whose liability is unlimited under the Act, shall, in addition to his liability, if any, to contribute as an ordinary member, be liable to make a further contribution as if he were at the commencement of winding up, a member of an unlimited company, in accordance with the provisions of the Act.

## **Indemnity**

- (cxiii) Every officer of the Company shall be indemnified out of the assets of the Company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in which relief is granted to him by the court or the Tribunal.
- (cxiv) The Company may take and maintain any insurance as the Board may think fit on behalf of its present and/or former directors and key managerial personnel for indemnifying all or any of them against any liability for any acts in relation to the Company for which they may be liable but have acted honestly and reasonably.

## **Secrecy Clause**

- (cxv) No member shall be entitled to inspect the Company's works without the permission of the Managing Director/Directors or to require discovery of any information respectively and detail of the Company's trading or any matter which is or may be in the nature of a trade secret, history of trade or secret process which may be related to the conduct of the business of the Company and which in the opinion of the Managing Director/Directors will be inexpedient in the interest of the members of the Company to communicate to the public.

## **General Authority**

- (cxvi) Wherever in the Act, it has been provided that the Company shall have any right, privilege or authority or that the Company cannot carry out any transaction unless the Company is so authorized by its Articles then in that case, these Articles hereby authorize and empower the Company to have such rights, privilege or authority and to carry out such transaction as have been permitted by the Act, without there being any specific Article in that behalf herein provided.
  
- (cxvii) At any point of time from the date of adoption of these Articles, if the Articles are or become contrary to the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the “**Listing Regulations**”) and the Act, as amended, or any other applicable laws (“**Laws**”), the provisions of the Listing Regulations, the Act and the Laws shall prevail over the Articles to such extent and the Company shall discharge all of its obligations as prescribed under the Listing Regulations, the Act and the Laws, from time to time.

## SECTION IX: OTHER INFORMATION

### MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The copies of the following documents and subsisting contracts (not being contracts entered into in the ordinary course of business carried on by our Company and includes contracts entered into until the date of this Draft Red Herring Prospectus), which have been entered or are to be entered into by our Company which are, or may be, deemed material, will be attached to the copy of the Red Herring Prospectus and the Prospectus, as applicable, which will be delivered to the RoC for filing. Copies of the abovementioned documents (including the Red Herring Prospectus) and contracts, and also the documents for inspection referred to hereunder, may be inspected at the Registered Office between 10:00 a.m. and 5:00 p.m. on all Working Days from date of filing of the Red Herring Prospectus until the Bid/ Offer Closing Date and will be available on the website of our Company at [www.lg.com/in/investorrelations/material](http://www.lg.com/in/investorrelations/material).

Any of the contracts or documents mentioned in this Draft Red Herring Prospectus may be amended or modified at any time, if so required, in the interest of our Company, or if required by the other parties, without reference to the Shareholders, subject to compliance with the provisions of the Companies Act and other applicable law.

#### A. Material Contracts for the Offer

1. Offer Agreement dated December 6, 2024 among our Company, the Selling Shareholder and the BRLMs.
2. Registrar Agreement dated December 6, 2024 among our Company, the Selling Shareholder and the Registrar to the Offer.
3. Cash Escrow and Sponsor Bank(s) Agreement dated [●] by and among our Company, the Selling Shareholder, the Registrar to the Offer, the BRLMs, the Syndicate Members, the Escrow Collection Bank(s), Sponsor Bank(s), Public Offer Bank and the Refund Bank(s).
4. Share Escrow Agreement dated [●] among our Company, the Selling Shareholder and the Share Escrow Agent.
5. Syndicate Agreement dated [●] among our Company, the Selling Shareholder, the BRLMs and the Syndicate Members.
6. Underwriting Agreement dated [●] among our Company, the Selling Shareholder and the Underwriters.

#### B. Material Documents

1. Certified copies of our Memorandum of Association and Articles of Association, as amended from time to time.
2. Certificate of incorporation dated January 20, 1997 issued by the Registrar of Companies, National Capital Territory of Delhi and Haryana, New Delhi, India.
3. Endorsement on certificate of incorporation dated January 20, 1997, with effect from March 31, 2000, upon change in the name of Company to “LG Electronics India Limited, pursuant to our Company becoming a deemed public company, in accordance with Section 43A(1A) of the Companies Act, 1956.
4. Endorsement on certificate of incorporation dated January 20, 1997, with effect from March 28, 2002, upon change in the name of Company to “LG Electronics India Private Limited, pursuant to our Company converting from a deemed public company to a private limited company, in accordance with amendment to Section 43A of the Companies Act, 1956.
5. Fresh certificate of incorporation dated December 3, 2024 issued by the Registrar of Companies, Delhi and Haryana at New Delhi, India.
6. Resolution of the Board dated December 4, 2024, approving the Offer and other related matters.
7. Resolution of our Board dated December 4, 2024 approving this Draft Red Herring Prospectus.

8. Resolution of our IPO Committee dated December 6, 2024 approving this Draft Red Herring Prospectus.
9. Resolution of our Board dated December 4, 2024, taking on record the consent of the Selling Shareholder to participate in the Offer for Sale.
10. Consent letter dated December 4, 2024 from the Selling Shareholder authorising its participation in the Offer.
11. Copies of the annual reports of our Company for the Fiscals 2024, 2023 and 2022.
12. The examination report dated December 4, 2024 of the Statutory Auditor, on our Restated Financial Information, included in this Draft Red Herring Prospectus.
13. The statement on special tax benefits dated December 6, 2024 issued by B.B. & Associates, Chartered Accountants.
14. Written consent of the Directors, Company Secretary and Compliance Officer, the BRLMs, the Syndicate Members, legal counsel to our Company as to Indian law, international legal counsel to the Company, Registrar to the Offer, Independent Chartered Accountant, Independent Chartered Engineer, Escrow Collection Bank(s), Public Offer Bank(s), Refund Bank(s), Sponsor Bank(s), Bankers to our Company, as referred to in their specific capacities.
15. Certificate dated December 4, 2024 issued by B.B. & Associates, Chartered Accountants, certifying the KPIs of the Company.
16. Written consent dated December 6, 2024 from Price Waterhouse Chartered Accountants LLP to include its name as required under section 26 of the Companies Act read with SEBI ICDR Regulations, in this DRHP, and as an “expert” as defined under section 2(38) of the Companies Act to the extent and in their capacity as independent statutory auditor, and in respect of their examination report, dated December 4, 2024 on our Restated Financial Information in this Draft Red Herring Prospectus. However, the term “expert” shall not be construed to mean an “expert” as defined under the U.S. Securities Act." This specific request considering there is 144 A component in the offer.
17. Written consent dated December 6, 2024 from B.B. & Associates, Chartered Accountants, Independent Chartered Accountant, to include its name as an “expert” as defined under Section 2(38) of the Companies Act.
18. Written consent dated December 6, 2024 from Crest Capital Group Private Limited, Independent Chartered Engineer, to include its name as an “expert” as defined under Section 2(38) of the Companies Act.
19. Consent letter dated December 5, 2024 from Redseer, for the industry report titled “*Industry Report for Appliances and Electronics Market in India*”.
20. The report titled “*Industry Report for Appliances and Electronics Market in India*” dated December 5, 2024 prepared and issued by Redseer, commissioned by and paid for by our Company pursuant to an engagement letter with Redseer dated October 21, 2024, exclusively for the purposes of the Offer.
21. Revised license agreement dated July 27, 2017, between our Company and our Promoter, LG Electronics Inc., read with the addendum to the Revised License Agreement dated March 9, 2018, addendum to the Revised License Agreement dated June 17, 2021, amendment to the Revised License Agreement dated June 20, 2023, addendum to the Revised License Agreement dated September 28, 2023 and addendum to the Revised License Agreement dated November 18, 2024.
22. Framework agreement dated November 25, 2024, between our Company and our Promoter.
23. Due diligence certificate dated December 6, 2024, addressed to SEBI from the BRLMs.
24. Board resolution dated January 10, 2023, and an ordinary resolution of our Shareholders passed at their

meeting dated September 30, 2023 in relation to the appointment of Hong Ju Jeon.

25. Board resolution dated January 13, 2022, and an ordinary resolution of our Shareholders passed at their meeting dated September 30, 2022 in relation to the appointment of Dongmyung Seo.
26. In-principle approvals dated [●] and [●] issued by BSE and NSE, respectively.
27. Tripartite agreement dated September 27, 2024 between our Company, NSDL and the Registrar to the Company.
28. Tripartite agreement dated December 4, 2024 between our Company, CDSL and the Registrar to the Company.
29. SEBI observation letter bearing reference number [●] and dated [●].



## DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India or the rules, regulations and guidelines issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or the rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all the disclosures and statements made in this Draft Red Herring Prospectus are true and correct.

**SIGNED BY THE DIRECTOR OF OUR COMPANY**

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**Hong Ju Jeon**  
*Managing Director*

**Place:** Paris, France  
**Date:** December 6, 2024

## DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India or the rules, regulations and guidelines issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or the rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all the disclosures and statements made in this Draft Red Herring Prospectus are true and correct.

### SIGNED BY THE DIRECTOR OF OUR COMPANY

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**Dongmyung Seo**  
*Whole-time Director*

**Place:** Noida, Uttar Pradesh  
**Date:** December 6, 2024

## DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India or the rules, regulations and guidelines issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or the rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all the disclosures and statements made in this Draft Red Herring Prospectus are true and correct.

### SIGNED BY THE DIRECTOR OF OUR COMPANY

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**Daehyun Song**

*Chairman and Non-executive Director*

**Place:** Seoul, South Korea

**Date:** December 6, 2024

## DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India or the rules, regulations and guidelines issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or the rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all the disclosures and statements made in this Draft Red Herring Prospectus are true and correct.

### SIGNED BY THE DIRECTOR OF OUR COMPANY

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**Promila Bhardwaj**  
*Independent Director*

**Place:** Gurugram, Haryana  
**Date:** December 6, 2024

## DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India or the rules, regulations and guidelines issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or the rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all the disclosures and statements made in this Draft Red Herring Prospectus are true and correct.

### SIGNED BY THE DIRECTOR OF OUR COMPANY

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**Ramesh Ramachandran Nair**

*Independent Director*

**Place:** Delhi

**Date:** December 6, 2024

## DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India or the rules, regulations and guidelines issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or the rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all the disclosures and statements made in this Draft Red Herring Prospectus are true and correct.

### SIGNED BY THE DIRECTOR OF OUR COMPANY

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**Santosh Kumar Mohanty**  
*Independent Director*

**Place:** Mumbai, Maharashtra  
**Date:** December 6, 2024

## **DECLARATION**

I hereby certify and declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India or the rules, regulations and guidelines issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or the rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all the disclosures and statements made in this Draft Red Herring Prospectus are true and correct.

**SIGNED BY THE CHIEF FINANCIAL OFFICER OF OUR COMPANY**

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**Dongmyung Seo**

**Place:** Noida, Uttar Pradesh

**Date:** December 6, 2024

## DECLARATION

The undersigned Promoter Selling Shareholder hereby confirms that all statements and undertakings specifically made by it in this Draft Red Herring Prospectus about or in relation to itself and its Offered Shares, are true and correct. The Selling Shareholder assumes no responsibility for any other statements, disclosures or undertakings including, any of the statements, disclosures and undertakings made or confirmed by or relating to the Company or any other person(s) in this Draft Red Herring Prospectus.

**SIGNED FOR AND ON BEHALF OF LG ELECTRONICS INC.**

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### Authorised Signatory

**Name:** Chang Tae Kim

**Designation:** Chief Financial Officer

**Place:** Seoul, South Korea

**Date:** December 6, 2024