

DIRECTOR'S REPORT

To,

The Members,

Your Directors take pleasure in presenting the 27th Annual Report on the business operations of the Company and audited statement of accounts for the year ended March 31, 2024.

FINANCIAL RESULTS

INR IN MILLION

	Year ended March 31, 2024	Year ended March 31, 2023
<i>Profit & Loss</i>		
Total Income	215,571	201,122
Profit before interest and depreciation	24,300	21,391
Finance cost	285	226
Depreciation and amortization expense	3,644	3004
Profit before taxes	20,371	18161
Tax expense	5,260	4712
Profit after taxes	15,111	13,449
Other comprehensive income (Net of tax)	-22	-6
Total comprehensive income for the year	15,089	13,443
<i>Changes in Equity</i>		
Balance brought forward from the previous years	40,243	51,688
Add : Total comprehensive income for the year	15,089	13,443
Less Interim Dividend paid	20,929	24,888
Closing Balance	34,403	40,243

GENERAL MEETING HELD DURING THE PERIOD ARE AS FOLLOWS:

One Extra Ordinary General Meeting were held during the year under review on 13th January 2024

The Annual General Meeting of the Company for the financial year 2022~23 was held on 30th September 2023

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

During the period, there is no Loan, Guarantee or Investment by the Company as per the provision of Section 186 of Companies Act, 2013.

RELATED PARTY TRANSACTIONS

All Related Party Transactions that were entered into during the financial year were on an arm's length basis, in the ordinary course of business and were in compliance with the applicable provisions of the Companies Act, 2013 ('the Act'). The details of related party transaction are already provided in financial statement

RESERVES

During the period, the Company did not transfer any amount to the General Reserve.

DIVIDEND

Interim Dividend of 1850% was paid during the year 2023 ~24 on the Equity Capital of the Company. The payment of Interim Dividend was approved by the Board of Director at their meeting held on 16th October 2023

DIRECTORS

During the year under review there was one change in the Board of Directors of the Company.

- Mr. Hyunjin Lee resigned from position of Whole Time Director with effective from 28th December 2023 and Mr Yongchan Jung joined as Additional Director & appointed as Whole Time Director w.e.f 18th January 2024
- Mr. Hong ju Jeon was regularized as Director in the Annual General Meeting held on 30th September 2023

The Board of Directors of the Company Comprises of the following Directors as on 31st March 2024

- Mr. Hong Ju Jeon (Managing Director)
- Mr. Dongmyung Seo
- Mr. Jaeil Kim
- Mr. Yongchan Jung
- Mr. Hwayoung Seo

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the provision of section 134(3) (c) & (5) of the Companies Act 2013 the Directors confirm that:

1. In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
2. The directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;
3. The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
4. The directors had prepared the annual accounts on a going concern basis;
5. The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Other Law

The company has complied with provisions relating to the constitution of Internal Complaints Committee under Sexual harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

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

Information under Section 134 (3)(m) of the Companies Act, 2013 read with the Rule 8(3) of Companies (Accounts) Rules, 2014 is given in Annexure I and forms part of this report.

PARTICULARS OF EMPLOYEES

The information pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is not applicable to the Company.

AUDITORS AND THEIR OBSERVATIONS

M/s. Price Waterhouse Chartered Accountants LLP, Gurugram,, the Statutory Auditors of the Company were re-appointed for a period of five years as the Statutory auditors up to conclusion of AGM to be held in the year 2026. The Statutory Auditors in their Report have commented that the non-deposit of certain disputed Tax dues as mentioned at Para vii read with Annexure B of the Statutory Auditors Report is due to the reason that it is sub-judice and pending at various forums at different stages. However, Management is of the view that these demands will be withdrawn or substantially reduced.

COST AUDITOR

As per section 148 of the Companies Act 2013 read with the Companies (Cost record & Audit) Rules 2014, as amended the cost record is maintained by the Company for the specified products

In terms of the Companies (Cost Record & Audit) Rules the Board has appointed J K Kabra & Co , Cost Accountants Firm Registration No 000009 & Partner registration No 11827 allotted by The Institute of Cost Accountants of India as the Cost Auditor for conducting the cost Audit for the financial year 2023~24. Company has also received necessary certificate from him conveying his eligibility to act as cost auditor.

The Company has filed the Cost Audit report of Year 2022~23 in XBRL format.

MATERIAL CHANGES

There are no material changes and commitments affecting the financial position of the Company occurred between the end of the financial year on March 31, 2024 and the date of this report.

RISK MANAGEMENT POLICY

The Company manages, monitors and reports on the risks and uncertainties that can impact its ability to achieve its strategic objectives. The Company's management systems, organizational structures, processes, standards, code of conduct and behaviors together governs how the Company conducts the business of the Company and manages associated risks.

INTERNAL FINANCIAL CONTROL:

The Board affirms that adequate internal financial controls exist to ensure adherence to Company's policies and procedures including safeguarding of its assets, prevention and detection of frauds and errors, accuracy and completeness of accounting records and the timely preparation of reliable financial statements

CORPORATE SOCIAL RESPONSIBILITY

Annual report on Corporate Social Responsibility as required under section 135 of the Companies Act 2013 read with Rule 8 of Companies (Corporate Social Responsibility Policy) Rules 2014 is annexed as Annexure II and form part of this Board's Report.

NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS

During the year under review, 10 (Ten) board meetings were held.

SUBSIDIARY, JOINT VENTURE & ASSOCIATE COMPANY

During the year under review, the company didn't have any Subsidiary, Joint Venture or Associate Company.

DEPOSITS

During the year under review, your company didn't take or accept any deposit. There was no deposits accepted or taken in the past also.

DETAILS REGARDING FRAUDS REPORTED BY THE AUDITORS UNDER SECTION 143(12) OF THE COMPANIES ACT, 2013 OTHER THAN THOSE REPORTABLE TO THE CENTRAL GOVERNMENT

No fraud has been reported by the auditors under Section 143(12) of the Companies Act, 2013 during the year.

WEB ADDRESS

The web address of the company is <https://www.lg.com>

DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE

During the year under, there were no orders passed by the regulators or courts or tribunals which may impact the going concern status and company's operations in future.

DETAIL OF THE APPLICATION MADE OR PROCEEDING PENDING UNDER INSOLVENCY AND BANKRUPTCY CODE 2016

There is one case filed by Ex -System Air Conditioning Dealer namely M/s Perfect Infra engineers Ltd. against LGEIL under Insolvency & Bankruptcy Code which is pending at the stage of admission.

DETAIL OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE AT THE TIME OF TAKING LOAN FROM BANK OR FINANCIAL INSTITUTIONS.

This clause is not applicable to the company.

SHARE CAPITAL

The Company has neither raised any share capital nor made any provisions of money to purchase its own shares during the financial year 2023-24.

COMPLIANCE WITH SECRETARIAL STANDARDS

The Company has complied with the Secretarial Standards issued by the Institute of Company Secretaries of India.

ACKNOWLEDGEMENTS

Your Directors gratefully acknowledge the support given by the customers, vendors, employees, banks, shareholders and all other stake holders and look forward for their continued support and encouragement.

Note: The Company being a Private limited Company, the provisions of Independent Director, Composition of Committee viz. Audit/Nomination/Remuneration/Vigil Mechanism, Corporate Governance Certificate, Secretarial Audit, Annual Evaluation is not applicable. Hence disclosures on these are not required.

On behalf of the Board of Directors



HONG JU JEON
Managing Director
Chairman Board of Meeting
DIN No:-10041232

Place: New Delhi
Date: 31st August 2024

Annexure I

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

A) Conservation of energy

(i) The steps taken or impact on conservation of energy;

- 2 No's Gas Generator Load Shifted over UPS
- Plant Level Low Pressure Compressed Air Pressure reduction through dedicated Line for V/F 3 & W/M Press Machine
- One High Pressure Air Compressor Stop through PRV installation & Load balancing
- Compressed Air Leakage Identification through Sonic Camera & Arresting.
- AC ORT Testing Product Heating/Cooling used to make Testing Environment conditions
- Power Factor maintaining at 0.995 level at source end.
- Old LED Lights replacement with Energy Efficient LED Lights at Shop Floor & Office Area
- Standardize Utility area Cooling Tower Operations based on season(winter & Rainy) Electricity consumption Reduce
- Enhance UPS Load Factor & reduce No of Equipment (41→33 No's) Equipment (Self) Electricity Consumption reduce
- Increase Cooling Tower Load Factor (>80%) & reduced Cooling Tower 4 →2 No's power consumption (Merged VF&DF CT, DQA Chamber & PREMIX CT)
- Increase Usage of Energy Efficient pumps (AS IS <85% efficient Pumps are Operating > 16HRS)
- Lighting Automations – Common Gangway Light replace with Motion Sensor based (30 No's)
- Separation of Hot Water pipeline by adding valves for REF1 & REF 2 Line (Control hot water flow during alternate line OFF) Gas consumption Reduce

(ii) The steps taken by the company for utilizing alternate sources of energy;

Total 3533 kwp Solar Power plant installed at Factory building's roof top to promote Green energy usage & to reduce carbon foot prints.

Solar Modules Cleaning Frequency increased from 2 → 3 Times/Month to enhance Solar Generation.

Scheduled maintenance of DCDB/ACDB along with string monitoring is being done to avoid any solar generation loss due to breakdown.

(iii) The capital investment on energy conservation equipment's

- The total amount invested for Energy Efficient Air conditioning units, Gas Generator Load Shifting over UPS & Energy Efficient LED lights & other equipment's are INR 10.5 Million

(B) Technology absorption-

(i) The efforts made towards technology absorption;

TELEVISION:

- Gallery OLED: Performance Scale-up with 144Hz Display and State-of-the-art LG α11 Processor.
- Strengthen QNED Segment thru applying Dolby Vision and Atmos
- 32" Cinema Design Line-up in Premium Category.
- Improved Customer Experience with the launch of WebOS24

REFRIGERATOR

- 2 Door E-Micom refrigerator with Wi-fi models launched in India (246L~340L segment)
- Development of Smart AI integration in 2-Door refrigerator for customer usage pattern monitoring to enhance efficiency.
- Development of 2 Door refrigerator (240~340L Segment) with Smart Inverter compressor for better Energy efficiency.
- Gold Star (6*, >5*) model launched in 1-Door refrigerator category.
- Development of 201L 5 Star E-Micom model (upgrade from 4 Star)
- Development of Convertible Side by Side refrigerator category for all variants to enhance customer usage flexibility and storage needs.
- Development of 5-Star BEE category direct cool refrigerator models in 210L, 225L category with high-efficiency refrigeration cycle design.

ROOM AIR CONDITIONER

- **Development of HIM Clean Feature :**
Frost Clean quickly freezes the Heat Exchanger and then defrosts the ice, so it is washed in water, which washes away dirt and 90% of microorganisms. Finally, it dries up any moisture left. And it alerts you when it is time for a clean.
- **Development of KW Manager Feature :**
Electricity consumption management through Application, Customer can manage Air Conditioner electricity consumption for daily weekly/monthly.
- Introducing Diet Mode feature in Room Air Conditioners for Energy saving in Split AC category by reducing Compressor frequency to minimum.

SYSTEM AIR CONDITIONER

- New Inverter Big capacity Duct Model with R32 Refrigerant launched in Indian market for 5.5tr & 8.5Tr with better energy efficiency.
- New look 4 Way CST Panel for Round flow (Premium Look) launched in India by SKD production.

WASHING MACHINE

- Auto Tub clean feature developed in Top Loading Models (Sapience & V+ Category)
- Introduction of VBF model for Lower segment.

MICROWAVE OVEN

- Development of Wi-fi model with Scan to Cook feature.

WATER PURIFIER:

- BIS Certification (ISI Mark) for Complete Line up of Models.
- 45% RO Recovery Models launched (less water wastage)

COMPRESSOR:

- Development of Cost Effective & compact Recipro Compressor for Refrigerators to meet market requirement.
- Development of Cost Effective & Compact Twin Rotary compressor for Air Conditioners & Heat Pump.

(ii) The benefits derived like product improvement, cost reduction, product development or import substitution;

Television:

- In-house Module Assly. for 65" Slim Edge to improve material cost.
- Localization of 55" Panel (TCL CSOT India)
- Localization for Label & Tape Commodity.
- Localization of 65" Back-Cover and Base Stand Tool.
- Continuous Product Quality improvement thru Design / Process Optimize.

Refrigerator:

- New Compressor w/out capacitor applied across lower capacity 1-Door Refrigerator.
- Low Cost & Higher EER CSB Series Comp Development to Meet the Refrigerator Market Requirement for cost competitiveness
- BMH130 compressor local development for Side by Side model for cost reduction
- Converted Direct Cool models from external to concealed condenser with the same energy efficiency and cost reduction.

Room Air-conditioning:

- 17k 5 Star Split Air Conditioner development with GMCC localized Compressor for better ISEER value in 5 star range.

Washing Machine:

- New V+ Model Suspension Assembly Localization (Korea → Local)
- Localization of Pulsator Assembly Cap (Chrome Plated) (Thailand → India)
- localization of Cushion damper
- Simplified Owner's Manual launched

Microwave Oven:

- Door Glass Localization to meet BIS requirement.
- 32L Door Assy Localization for Cost reduction. (China → Local)

System Air-Conditioner

- New R32 Big Duct model Developed for Improvement in Efficiency by 7% with same Raw material cost along with Installation easiness due to single entity Refrigerant.

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

The details of Technology Imported	Year of Import	Whether the technology been fully absorbed	If not fully absorbed, areas where absorption has not taken place, and the reasons thereof
42" Entry Segment OLED Launched	2021~2022	Yes	---
In-house Module Assly for 42" OLED, 70/75" UHDs	2021~2022	Yes	---
Introduction of QNED	2021~2022	Yes	---

E-Micom application in both 1 Door & 2 Door segment (Selected models only)	2022~2023	No	E-Micom PCB localization u/progress
Direct drive technology applied in top load domestic model	2022~2023	Yes	---
Twin Rotary Compressor Technology developed for Room Air Conditioner	2022-2023	Yes	---
Development of HIM Clean & KW Manager Feature	2023~2024	Yes	---
Development of Integrated Neo Chef new door for 32L Premium models	2023~2024	Yes	---
Wi-fi (28/32L) with Scan to Cook feature	2023~2024	Yes	---
New RO filter with 45% recovery developed in NIRO- Refresh	2023~2024	Yes	---

C. Foreign exchange actuals earnings and actual Outgo-

During the Year under review Foreign Exchange earnings by way of Export was INR 10,861 Million. The Foreign Exchange outflow for Import of Goods & payment for services were INR 86,544 Million & the Outflow on account of Royalty was INR 3,755 Million.

“ANNEXURE -II

FORMAT FOR THE ANNUAL REPORT ON CSR ACTIVITIES TO BE INCLUDED IN THE BOARD’S REPORT FOR FINANCIAL YEAR COMMENCING ON OR AFTER THE 1ST DAY OF APRIL, 2020

1. Brief outline on CSR Policy of the Company:

With an objective of making Better Life for all, LG India is bringing meaningful interventions in people’s lives. The same is reflected in CSR policy as all the projects that LG India undertakes falls under permissible activities defined in Schedule VII. of the Companies Act 2013 . The CSR Policy comprises all the key elements like, CSR Focus Area, Roles & responsibilities of CSR committee & CSR Board, CSR committee composition etc.

2. Composition of CSR Committee:

	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Hong Ju Jeon	Managing Director	4	4
2	Dong Myung Seo	Whole Time Director	4	3
3	Hwayoung Seo	Whole Time Director	4	4

3. Provide the web-link(s) where Composition of CSR Committee, CSR Policy and CSR Projects approved by the board are disclosed on the website of the company.

<https://www.lg.com/in/lg-india-corporate-social-responsibility/corporate-social-responsibility-policy>

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

The executive summary of impact assessment of projects is attached Weblink:

<https://www.lg.com/in/lg-india-corporate-social-responsibility/corporate-social-responsibility-policy>

5. (a) Average net profit of the company as per sub-section (5) of section 135 : **18,256 Million**
- (b) Two percent of average net profit of the company as per sub-section (5) of section 135 : **365 Million.**
- (c) Surplus arising out of the CSR Projects or programmes or activities of the previous Financial years: **16 Million**
- (d) Amount required to be set-off for the financial year, if any : **NIL**
- (e) Total CSR obligation for the financial year [(b)+(c)-(d)] : **381 Million**
6. (a) Amount spent on CSR Projects (both Ongoing Project and otherthan Ongoing Project) : **22 Million .**
- (b) Amount spent in Administrative Overheads: **10 Million**
- (c) Amount spent on Impact Assessment, if applicable: **NIL**
- (d) Total amount spent for the Financial Year [(a)+(b)+(c)] : **32 Million**

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

Total Amount Spent for the Financial Year	Amount Unspent (in Rs. Million)				
	Total Amount transferred to Unspent CSR Account as per sub-section (6) of section 135		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
32	333	April 30, 2024	-	-	-

(f) Excess amount for set-off, if any: **NOT APPLICABLE**

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

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

1	2	3	4	5	6		7	8
Sl. No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under sub-section (6) of Section 135 (in Rs.)	Balance Amount in Unspent CSR Account under sub-section (6) of Section 135 (in Rs.)	Amount Spent in the Financial Year (in Rs)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to sub-section (5) of section 135, if any		Amount remaining to be spent in succeeding Financial Years (in Rs)	Deficiency, if any
					Amount (in Rs)	Date of Transfer		
1	2020-21	371,712,872	82,955,447	82,955,447	-	-	-	
2	2021-22	398,806,586	384,595,903	41,810,892	-	-	342,785,011 *	
3	2022-23	313,263,595	313,263,595	108,604,595	-	-	204,659,000 *	

* Not includes interest earned on CSR Fixed Deposits of Rs. 23,880,781 (net of tax)

7. Whether any capital assets have been created or acquired through Corporate Social Responsibility amounts spent in the Financial Year: **No**
8. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per sub- section (5) of section 135.

LGEIL objective is to make 'Better Life for All' through its CSR initiatives. The company has identified 2 core areas – Health & Nutrition and Education & Skilling under which various programs are designed and executed. To ensure the project viability and impact, the company initiate the project in a phase wise manner before making it one of its flagship project. Various factors like on ground requirement, right implementation partner, support and permissions from local authority, multilevel discussion with local Govt and Implementation partners also effects the pace and the longevity of the project. The Company endeavoured to meet the budgeted expenditure by contributing in various eligible CSR activities and has committed to incur expenditure for CSR initiatives in the coming years through structured programs and projects. The Company has taken steps in the right direction and going forward is committed to actively engage with the partners / NGOs to execute the said projects and programs and incur expenditure in accordance with the CSR law. As a socially responsible Company, the Company is in continuous process of exploring new opportunities which shall align to its CSR policy and is committed to create maximum impact on the society at large over the coming years.

On behalf of the Board of Directors



HONG JU JEON
Managing Director
Chairman of Board Meeting
DIN No:-10041232

Place: New Delhi
Date: 31st August 2024

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LG Electronics India Private Limited

Financial Statements for the Year Ended
March 31, 2024
and Independent Auditor's Report

Price Waterhouse Chartered Accountants LLP

Independent auditor's report

To the Members of LG Electronics India Private Limited

Report on the Audit of the Financial Statements

Opinion

1. We have audited the accompanying financial statements of LG Electronics India Private Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2024, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the financial statements, including material accounting policy information and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, and total comprehensive income (comprising profit and other comprehensive income), changes in equity and its cash flows for the year then ended.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

4. 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 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 Rs. 67,437 Million 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.



Price Waterhouse Chartered Accountants LLP, Building No. 8, 8th Floor, Tower - B, DLF Cyber City, Gurugram - 122 002
T: +91 (124) 4620000, F: +91 (124) 4620620

Registered office and Head office: 11-A, Vishnu Digamber Marg, Sucheta Bhawan, Gate No 2, New Delhi - 110002

Price Waterhouse (a Partnership Firm) converted into Price Waterhouse Chartered Accountants LLP (a Limited Liability Partnership with LLP identity no: LLPIN AAC-5001) with effect from July 25, 2014. Post its conversion to Price Waterhouse Chartered Accountants LLP, its ICAI registration number is 012754N/N500016 (ICAI registration number before conversion was 012754N)

Other Information

5. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's report, but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

6. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
7. In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

8. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
9. As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.



- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
 - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
 - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
10. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on Other Legal and Regulatory Requirements

11. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the "Annexure B", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
12. As required by Section 143(3) of the Act, we report that:
- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books, except 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).
 - (c) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act.
 - (e) On the basis of the written representations received from the directors as on March 31, 2024, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024, from being appointed as a director in terms of Section 164(2) of the Act.
 - (f) With respect to the maintenance of accounts and other matters connected therewith, reference is made to our remarks in paragraph 12(b) above on reporting under Section 143(3)(b) and paragraph 12(h)(vi) below on reporting under Rule 11(g) of the Rules.



- (g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 31(A) and Note 32 to the financial statements;
 - ii. The Company was not required to recognise a provision as at March 31, 2024 under the applicable law or accounting standards, as it does not have any material foreseeable losses on long-term contracts. The Company did not have any long-term derivative contracts as at March 31, 2024.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2024.
 - iv. (a) The management has represented that, to the best of its knowledge and belief, as disclosed in Note 42 (vii)(A) to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - (b) The management has represented that, to the best of its knowledge and belief, as disclosed in the Note 42 (vii)(B) to the financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
 - (c) Based on such audit procedures that we considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.
 - v. The dividend paid during the year by the Company is in compliance with Section 123 of the Act.
 - vi. 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.



Independent auditor's report

To the Members of LG Electronics India Private Limited
Report on Audit of the Financial Statements
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13. The provisions of Section 197 read with Schedule V to the Act are applicable only to public companies. Accordingly, reporting under Section 197(16) of the Act is not applicable to the Company.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number:012754N/N500016



Anurag Khandelwal
Partner
Membership Number: 078571

UDIN: 24078571BKFWVG5614
Place: Gurugram
Date: August 31, 2024

Annexure A to Independent auditor's report

Referred to in paragraph 12(g) of the Independent auditor's report of even date to the members of LG Electronics India Private Limited on the financial statements for the year ended March 31, 2024
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Report on the Internal Financial Controls with reference to Financial Statements under clause (i) of sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls with reference to financial statements of LG Electronics India Private Limited ("the Company") as of March 31, 2024 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

2. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing deemed to be prescribed under Section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to financial statements.



Annexure A to Independent auditor's report

Referred to in paragraph 12(g) of the Independent auditor's report of even date to the members of LG Electronics India Private Limited on the financial statements for the year ended March 31, 2024
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Meaning of Internal Financial Controls with reference to Financial Statements

6. A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to Financial Statements

7. Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by ICAI.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number:012754N/N500016



Anurag Khandelwal
Partner
Membership Number: 078571

UDIN: 24078571BKFWVG5614
Place: Gurugram
Date: August 31, 2024

Annexure B to Independent auditor's report

Referred to in paragraph 11 of the Independent auditor's report of even date to the members of LG Electronics India Private Limited on the financial statements as of and for the year ended March 31, 2024
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In terms of the information and explanations sought by us and furnished by the Company, and the books of account and records examined by us during the course of our audit, and to the best of our knowledge and belief, we report that:

- i. (a) (A) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of Property, plant and equipment.
(B) The Company is maintaining proper records showing full particulars of Intangible assets.
- (b) The Property, plant and equipment of the Company have been physically verified by the Management during the year. The discrepancies noticed on such verification were not material and have been properly dealt with in the books of account. In our opinion, the frequency of verification is reasonable.
- (c) The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), as disclosed in Note 3(a) to the financial statements, are held in the name of the Company.
- (d) The Company has chosen cost model for its Property, plant and equipment (including Right of use assets) and Intangible assets. Consequently, as stated in Note 42(x) to the financial statements, the question of our commenting on whether the revaluation is based on the valuation by a Registered Valuer, or specifying the amount of change, if the change is 10% or more in the aggregate of the net carrying value of each class of Property, plant and equipment (including Right of use assets) or Intangible assets does not arise.
- (e) Based on the information and explanations furnished to us and as stated in Note 42(i) to the financial statements, no proceedings have been initiated on or are pending against the Company for holding benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) (formerly the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)) and Rules made thereunder, and therefore the question of our commenting on whether the Company has appropriately disclosed the details in the financial statements does not arise.
- ii. (a) The physical verification of inventory excluding stocks with third parties has been conducted at reasonable intervals by the Management during the year and, in our opinion, the coverage and procedure of such verification by Management is appropriate. In respect of inventory lying with third parties, these have substantially been confirmed by them. The discrepancies noticed on physical verification of inventory as compared to book records were not 10% or more in aggregate for each class of inventory.
- (b) During the year, the Company has not been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate from banks and financial institutions on the basis of security of current assets and accordingly, the question of our commenting on whether the quarterly returns or statements are in agreement with the unaudited books of account of the Company does not arise. Also, refer Note 42(ii) to the financial statements.



Annexure B to Independent auditor's report

Referred to in paragraph 11 of the Independent auditor's report of even date to the members of LG Electronics India Private Limited on the financial statements as of and for the year ended March 31, 2024

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- iii. (a) The Company has granted unsecured loans to few employees. The aggregate amount during the year and balance outstanding at the balance sheet date with respect to such loans are as per the table given below:

Particulars	Loans (Amount in Rs. Million)
Aggregate amount granted/ provided during the year - Loans to employees	56
Balance outstanding as at balance sheet date in respect of the above case	73

(Also, refer Note 6 to the financial statements)

The Company does not have any subsidiary, associate or joint venture. The Company has not made any investments, granted any secured/unsecured loans or advances in nature of loans to companies, firms, LLPs or any other parties or stood guarantee or provided any security to companies, firms, LLPs or any other parties.

- (b) In respect of the aforesaid loans, the terms and conditions under which such loans were granted are not prejudicial to the Company's interest.
- (c) In respect of the loans, the schedule of repayment of principal has been stipulated and the parties are repaying the principal amounts, as stipulated. These loans given to employees are interest free and hence the question of payment of interest does not arise.
- (d) In respect of the loans, there is no amount which is overdue for more than ninety days.
- (e) There were no loans which have fallen due during the year and were renewed/extended. Further, no fresh loans were granted to same parties to settle the existing overdue loans. Also refer Note 6 to the financial statements.
- (f) There were no loans/advances in nature of loans which were granted during the year, including to promoters/related parties other than loans granted to few employees. In respect of the loans granted during the year to employees, the schedule of repayment of principal has been stipulated and the same were not repayable on demand.
- iv. The Company has not granted any loans or made any investments or provided any guarantees or security to the parties covered under Sections 185 and 186. Therefore, the reporting under clause 3(iv) of the Order is not applicable to the Company.
- v. The Company has not accepted any deposits or amounts which are deemed to be deposits referred in Sections 73, 74, 75 and 76 of the Act and the Rules framed there under.
- vi. Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as specified under Section 148(1) of the Act in respect of its certain products and services. We have broadly reviewed the same and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.
- vii. (a) 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.



Annexure B to Independent auditor's report

Referred to in paragraph 11 of the Independent auditor's report of even date to the members of LG Electronics India Private Limited on the financial statements as of and for the year ended March 31, 2024
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(b) 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 million)	Amount deposited (Rs. in million)	Amount not paid (Rs. in million)	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)
The Tamil Nadu Goods and Services Tax Act, 2017	Goods and Services Tax	113.03	10.28	102.75	2018-19	Joint Commissioner (Appeals)



Annexure B to Independent auditor's report

Referred to in paragraph 11 of the Independent auditor's report of even date to the members of LG Electronics India Private Limited on the financial statements as of and for the year ended March 31, 2024
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Name of the Statute	Nature of Dues	Amount (Rs. in million)	Amount deposited (Rs. in million)	Amount not paid (Rs. in million)	Period to which amount relates	Forum where dispute is pending
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)



Annexure B to Independent auditor's report

Referred to in paragraph 11 of the Independent auditor's report of even date to the members of LG Electronics India Private Limited on the financial statements as of and for the year ended March 31, 2024

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Name of the Statute	Nature of Dues	Amount (Rs. in million)	Amount deposited (Rs. in million)	Amount not paid (Rs. in million)	Period to which amount relates	Forum where dispute is pending
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
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



Annexure B to Independent auditor's report

Referred to in paragraph 11 of the Independent auditor's report of even date to the members of LG Electronics India Private Limited on the financial statements as of and for the year ended March 31, 2024
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Name of the Statute	Nature of Dues	Amount (Rs. in million)	Amount deposited (Rs. in million)	Amount not paid (Rs. in million)	Period to which amount relates	Forum where dispute is pending
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



Annexure B to Independent auditor's report

Referred to in paragraph 11 of the Independent auditor's report of even date to the members of LG Electronics India Private Limited on the financial statements as of and for the year ended March 31, 2024

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Name of the Statute	Nature of Dues	Amount (Rs. in million)	Amount deposited (Rs. in million)	Amount not paid (Rs. in million)	Period to which amount relates	Forum where dispute is pending
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
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



Annexure B to Independent auditor's report

Referred to in paragraph 11 of the Independent auditor's report of even date to the members of LG Electronics India Private Limited on the financial statements as of and for the year ended March 31, 2024

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Name of the Statute	Nature of Dues	Amount (Rs. in million)	Amount deposited (Rs. in million)	Amount not paid (Rs. in million)	Period to which amount relates	Forum where dispute is pending
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 Chhattisgarh 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)



Annexure B to Independent auditor's report

Referred to in paragraph 11 of the Independent auditor's report of even date to the members of LG Electronics India Private Limited on the financial statements as of and for the year ended March 31, 2024

Page 9 of 14

Name of the Statute	Nature of Dues	Amount (Rs. in million)	Amount deposited (Rs. in million)	Amount not paid (Rs. in million)	Period to which amount relates	Forum where dispute is pending
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)
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



Annexure B to Independent auditor's report

Referred to in paragraph 11 of the Independent auditor's report of even date to the members of LG Electronics India Private Limited on the financial statements as of and for the year ended March 31, 2024
Page 10 of 14

Name of the Statute	Nature of Dues	Amount (Rs. in million)	Amount deposited (Rs. in million)	Amount not paid (Rs. in million)	Period to which amount relates	Forum where dispute is pending
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



Annexure B to Independent auditor's report

Referred to in paragraph 11 of the Independent auditor's report of even date to the members of LG Electronics India Private Limited on the financial statements as of and for the year ended March 31, 2024
Page 11 of 14

Name of the Statute	Nature of Dues	Amount (Rs. in million)	Amount deposited (Rs. in million)	Amount not paid (Rs. in million)	Period to which amount relates	Forum where dispute is pending
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



Annexure B to Independent auditor's report

Referred to in paragraph 11 of the Independent auditor's report of even date to the members of LG Electronics India Private Limited on the financial statements as of and for the year ended March 31, 2024
Page 12 of 14

Name of the Statute	Nature of Dues	Amount (Rs. in million)	Amount deposited (Rs. in million)	Amount not paid (Rs. in million)	Period to which amount relates	Forum where dispute is pending
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)

- viii. There are no transactions previously unrecorded in the books of account that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961. Also, refer Note 42(viii) to the financial statements.
- ix. (a) As the Company did not have any loans or other borrowings from any lender during the year, the reporting under clause 3(ix)(a) of the Order is not applicable to the Company.
- (b) On the basis of our audit procedures, we report that the Company has not been declared Wilful Defaulter by any bank or financial institution or government or any government authority. Also, refer Note 42(iii) to the financial statements.
- (c) The Company has not obtained any term loans. Accordingly, reporting under clause 3(ix)(c) of the Order is not applicable to the Company.
- (d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, the Company has not raised funds on short-term basis. Accordingly, reporting under clause 3(ix)(d) of the Order is not applicable to the Company.
- (e) According to the information and explanations given to us and procedures performed by us, we report that the Company did not have any subsidiaries, joint ventures or associate companies during the year. Accordingly, reporting under clause 3(ix)(e) of the Order is not applicable to the Company.
- (f) According to the information and explanations given to us and procedures performed by us, we report that the Company did not have any subsidiaries, joint ventures or associate companies during the year. Accordingly, reporting under clause 3(ix)(f) of the Order is not applicable to the Company.
- x. (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the reporting under clause 3(x)(a) of the Order is not applicable to the Company.
- (b) The Company has not made any preferential allotment or private placement of shares or fully or partially or optionally convertible debentures during the year. Accordingly, the reporting under clause 3(x)(b) of the Order is not applicable to the Company.
- xi. (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, we have neither come across any instance of material fraud by the Company or on the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.



Annexure B to Independent auditor's report

Referred to in paragraph 11 of the Independent auditor's report of even date to the members of LG Electronics India Private Limited on the financial statements as of and for the year ended March 31, 2024
Page 13 of 14

- (b) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, a report under Section 143(12) of the Act, in Form ADT-4, as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 was not required to be filed with the Central Government. Accordingly, the reporting under clause 3(xi)(b) of the Order is not applicable to the Company.
- (c) During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India, and as represented to us by the management, no whistle-blower complaints have been received during the year by the Company. Accordingly, the reporting under clause 3(xi)(c) of the Order is not applicable to the Company.
- xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the reporting under clause 3(xii) of the Order is not applicable to the Company.
- xiii. The Company has entered into transactions with related parties in compliance with the provisions of Section 188 of the Act. The details of related party transactions have been disclosed in the financial statements as required under Indian Accounting Standard 24 "Related Party Disclosures" specified under Section 133 of the Act. Further, the Company is not required to constitute an Audit Committee under Section 177 of the Act and, accordingly, to this extent, the reporting under clause 3(xiii) of the Order is not applicable to the Company.
- xiv. (a) In our opinion the Company has an internal audit system commensurate with the size and nature of its business.
- (b) The reports of the Internal auditor for the period under audit have been considered by us.
- xv. In our opinion, the Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the reporting on compliance with the provisions of Section 192 of the Act under clause 3(xv) of the Order is not applicable to the Company.
- xvi. (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the reporting under clause 3(xvi)(a) of the Order is not applicable to the Company.
- (b) The Company has not conducted non-banking financial/housing finance activities during the year. Accordingly, the reporting under clause 3(xvi)(b) of the Order is not applicable to the Company.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting under clause 3(xvi)(c) of the Order is not applicable to the Company.
- (d) Based on the information and explanations provided by the management of the Company, the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) does not have any CICs, which are part of the Group. We have not, however, separately evaluated whether the information provided by the management is accurate and complete. Accordingly, the reporting under clause 3(xvi)(d) of the Order is not applicable to the Company.
- xvii. The Company has not incurred any cash losses in the financial year or in the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors during the year and accordingly the reporting under clause 3(xviii) of the Order is not applicable.



Annexure B to Independent auditor's report

Referred to in paragraph 11 of the Independent auditor's report of even date to the members of LG Electronics India Private Limited on the financial statements as of and for the year ended March 31, 2024
Page 14 of 14

- xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date will get discharged by the Company as and when they fall due. Also refer Note 41 to the financial statements.
- xx. (a) In respect of other than ongoing projects, as at balance sheet date, the Company does not have any amount remaining unspent under Section 135(5) of the Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable.
- (b) The Company has transferred the amount of Corporate Social Responsibility remaining unspent under sub-section (5) of Section 135 of the Act pursuant to ongoing projects to a special account in compliance with the provision of sub-section (6) of Section 135 of the Act. (Also, refer Note 33 to the financial statements).
- xxi. The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of Standalone Financial Statements. Accordingly, no comment in respect of the said clause has been included in this report.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Anurag Khandelwal

Anurag Khandelwal
Partner
Membership Number: 078571

UDIN: 24078571BKFWVG5614
Place: Gurugram
Date: August 31, 2024

LG ELECTRONICS INDIA PRIVATE LIMITED
BALANCE SHEET AS AT MARCH 31, 2024

(In Million)


	Note No.	As at	As at
		March 31, 2024	March 31, 2023
		₹	₹
ASSETS			
Non-current assets			
(a) Property, plant and equipment	3(a)	13,105	13,328
(b) Capital work-in-progress	3(b)	242	243
(c) Intangible assets	4(a)	83	99
(d) Intangible assets under development	4(b)	2	3
(e) Financial assets			
(i) Trade receivables	5	-	-
(ii) Loans	6	55	48
(iii) Other financial assets	7	1,141	1,193
(f) Deferred tax assets (Net)	26(b)	1,720	1,365
(g) Other non-current assets	8	2,052	2,001
Total non-current assets		18,400	18,280
Current assets			
(a) Inventories	9	23,974	26,410
(b) Financial assets			
(i) Trade receivables	5	17,970	14,995
(ii) Cash and cash equivalents	10	22,226	27,626
(iii) Loans	6	18	21
(iv) Other financial assets	7	930	613
(c) Other current assets	8	1,466	1,936
Total current assets		66,584	71,601
Assets held for sale	8(a)	-	40
Total current assets		66,584	71,641
Total assets		84,984	89,921
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	11	1,131	1,131
(b) Other equity	12	36,591	42,431
Total equity		37,722	43,562
LIABILITIES			
Non-current liabilities			
(a) Financial liabilities			
- Lease liabilities	17	2,847	2,495
(b) Provisions	13	875	705
(c) Other non-current liabilities	14(a)	1,673	1,160
Total non-current liabilities		5,395	4,360
Current liabilities			
(a) Financial liabilities			
(i) Lease liabilities	17	853	690
(ii) Trade payables	15		
- total outstanding dues of micro enterprises and small enterprises; and		3,094	3,751
- total outstanding dues of creditors other than micro enterprises and small enterprises		27,257	27,441
(iii) Other financial liabilities	16	2,881	3,236
(b) Other current liabilities	14(a)	5,906	5,092
(c) Provisions	13	1,532	1,354
(d) Current tax liabilities (Net)	14(b)	344	435
Total current liabilities		41,867	41,999
Total liabilities		47,262	46,359
Total equity and liabilities		84,984	89,921

See accompanying notes forming part of the financial statements.
This is the Balance Sheet referred to in our report of even date.

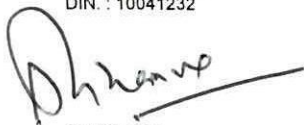
For Price Waterhouse Chartered Accountants LLP
Firm Registration No. : 012754N/N500016



Anurag Khandelwal
Partner
Membership No. : 078571

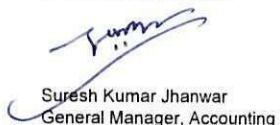
For and on behalf of the Board of Directors
of LG Electronics India Private Limited


Hong Ju Jeon
Managing Director
DIN : 10041232


Dong Myung Seo
Director and Chief
Financial Officer
DIN : 09481866


Atul Khanna
Vice President, Finance


Manish Kumar Surolia
Company Secretary
Membership No : A44350


Suresh Kumar Jhanwar
General Manager, Accounting

Place : Gurugram
Date : August 31, 2024

Place : Noida
Date : August 31, 2024

LG ELECTRONICS INDIA PRIVATE LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2024

(In Million)

	Note No.	Year ended	Year ended
		March 31, 2024	March 31, 2023
		₹	₹
A. Continuing operations			
Revenue from operations	18	213,520	198,646
Other income	19	2,051	2,440
Total income		215,571	201,086
Expenses			
Cost of materials consumed	20(a)	129,160	123,608
Purchases of stock-in-trade	20(b)	19,358	18,788
Changes in inventories of finished goods, stock-in-trade and work-in-progress	20(c)	784	(2,115)
Employee benefits expense	21	8,868	7,992
Finance costs	22	285	226
Depreciation and amortisation expense	23	3,644	3,004
Other expenses	24	33,101	31,380
Total expenses		195,200	182,883
Profit before tax from continuing operations		20,371	18,203
Tax expense			
- Current tax	26(a)	5,567	4,794
- Current tax expense relating to previous year	26(a)	40	14
- Deferred tax	26(b)	(347)	(85)
Total tax expense		5,260	4,723
Profit for the year from continuing operations		15,111	13,480
B. Discontinued operations			
Loss from discontinued operations before tax	35	-	(42)
Tax expense of discontinued operations	35	-	(11)
Loss after tax from discontinued operations		-	(31)
Profit for the year		15,111	13,449
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
- Remeasurement of post-employment benefit obligation	27	(30)	(8)
Income tax relating to these items	26(b)	8	2
Other Comprehensive Income for the year (Net of tax)		(22)	(6)
Total Comprehensive Income for the year		15,089	13,443
Earnings per equity share from continuing operations attributable to the equity holders of the Company			
Basic earnings per share (₹)	29	133.57	119.16
Diluted earnings per share (₹)	29	133.57	119.16
Earnings per equity share from discontinued operations attributable to the equity holders of the Company			
Basic earnings per share (₹)	29	-	(0.27)
Diluted earnings per share (₹)	29	-	(0.27)
Earnings per equity share from continuing and discontinued operations attributable to the equity holders of the Company			
Basic earnings per share (₹)	29	133.57	118.89
Diluted earnings per share (₹)	29	133.57	118.89

See accompanying notes forming part of the financial statements.

This is the Statement of Profit and Loss (including Other Comprehensive Income) 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

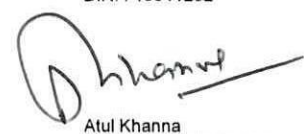
For and on behalf of the Board of Directors
of LG Electronics India Private Limited



Hong Ju Jeon
Managing Director
DIN. : 10041232



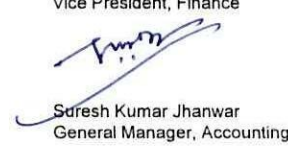
Dong Myung Seo
Director and Chief
Financial Officer
DIN. : 09481866



Atul Khanna
Vice President, Finance



Manish Kumar Surolia
Company Secretary
Membership No. : A44350



Suresh Kumar Jhanwar
General Manager, Accounting

Place : Gurugram
Date : August 31, 2024

Place : Noida
Date : August 31, 2024


LG ELECTRONICS INDIA PRIVATE LIMITED
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2024

(In Million)


	Reserves and surplus				Total
	Equity share capital	Amalgamation reserve	Retained earnings	General reserve	
	₹	₹	₹	₹	₹
Balance as at April 01, 2022	1,131	364	51,688	1,824	53,876
Profit for the year	-	-	13,449	-	13,449
Other Comprehensive Income	-	-	(6)	-	(6)
Total Comprehensive Income for the year	-	-	13,443	-	13,443
Transactions with owners in their capacity as owners :					
Less : Interim dividend paid ₹ 220.00 per share	-	-	24,888	-	24,888
Balance as at March 31, 2023	1,131	364	40,243	1,824	42,431
Balance as at April 01, 2023	1,131	364	40,243	1,824	42,431
Profit for the year	-	-	15,111	-	15,111
Other Comprehensive Income	-	-	(22)	-	(22)
Total Comprehensive Income for the year	-	-	15,089	-	15,089
Transactions with owners in their capacity as owners :					
Less : Interim dividend paid ₹ 185.00 per share	-	-	20,929	-	20,929
Balance as at March 31, 2024	1,131	364	34,403	1,824	36,591

See accompanying notes forming part of the financial statements.
This is the Statement of Changes in Equity referred to in our report of even date.


For Price Waterhouse Chartered Accountants LLP
Firm Registration No. : 012754N/N500016


Anurag Khandeiwal
Partner
Membership No. : 078571

For and on behalf of the Board of Directors
of LG Electronics India Private Limited



Hong Ju Jeon
Managing Director
DIN. : 10041232


Atul Khanna
Vice President, Finance


Dong Myung Seo
Director and Chief Financial Officer
DIN. : 09481866


Manish Kumar Suroolia
Company Secretary
Membership No. : A44350

Place : Gurugram
Date : August 31, 2024


Suresh Kumar Jhanwar
General Manager, Accounting

Place : Noida
Date : August 31, 2024

LG ELECTRONICS INDIA PRIVATE LIMITED
STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2024

(In Million)

	Year ended March 31, 2024		Year ended March 31, 2023	
	₹	₹	₹	₹
A. CASH FLOW FROM OPERATING ACTIVITIES				
Profit before tax from continuing operations	20,371		18,203	
Loss before tax from discontinued operations	-		(42)	
Profit before income tax including discontinued operations		20,371		18,161
<i>Adjustments for:</i>				
Depreciation and amortisation expense	3,644		3,004	
Profit on sale of property, plant and equipment (Net)	(8)		(7)	
Interest income on bank deposits	(1,989)		(2,202)	
Interest on lease liabilities	269		225	
Property, plant and equipment written-off	3		3	
Allowance for doubtful trade receivables, other assets and other financial assets	(16)		48	
Trade receivables written-off	14		19	
Provision for warranty expenses	137		87	
Unrealised (gain) / loss on foreign currency (Net)	61		(19)	
		2,115		1,158
Operating profit before change in operating assets and liabilities		22,486		19,319
<i>Changes in working capital:</i>				
Adjustment for (increase) / decrease in operating assets:				
Inventories	2,468		(2,262)	
Trade receivables	(2,947)		(1,207)	
Other assets	368		(269)	
Other financial assets	(257)		420	
Loans	(4)		10	
Adjustment for increase / (decrease) in operating liabilities:				
Trade payables	(913)		5,233	
Provisions	189		196	
Other liabilities	1,327		1,002	
Other financial liabilities	(356)		865	
		(125)		3,988
Cash generated from operations		22,361		23,307
Net income tax (paid) / refunds		(5,698)		(4,425)
Net cash inflow/(outflow) from operating activities (A)		16,663		18,882
B. CASH FLOWS FROM INVESTING ACTIVITIES				
Purchase of property, plant and equipment and intangible assets (including Capital work-in-progress and Intangible assets under development)		(2,421)		(5,171)
Proceeds from government grant		208		197
Proceeds from sale of property, plant and equipment		10		33
Interest income on bank deposits		1,989		2,202
Net cash (outflow)/inflow from investing activities (B)		(214)		(2,739)
C. CASH FLOWS FROM FINANCING ACTIVITIES				
Principal payment of lease liabilities		(654)		(494)
Interest paid on lease liabilities		(269)		(225)
Interim dividend		(20,929)		(24,888)
Net cash (outflow)/inflow from financing activities (C)		(21,852)		(25,607)



LG ELECTRONICS INDIA PRIVATE LIMITED
STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2024

(In Million)

	Year ended March 31, 2024		Year ended March 31, 2023	
	₹	₹	₹	₹
Net increase / (decrease) in cash and cash equivalents (A+B+C)		(5,403)		(9,464)
Cash and cash equivalents at the beginning of the year		27,626		37,094
Effect of exchange differences on restatement of foreign currency		3		(4)
Cash and cash equivalents at the end of the year		22,226		27,626
Non-cash investing activities				
Acquisition of right of use assets		1,169		788
Cash and cash equivalents at the end of the year comprises:				
(a) Balances with banks				
(i) In current accounts		696		246
(ii) Exchange Earner's Foreign Currency (EEFC) Accounts		458		345
(b) Cash on hand		8		5
(c) Bank deposits with maturity of less than three months		21,064		27,030
		22,226		27,626

Notes:

- (i) The above 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 Flow from Operating Activities includes amount of ₹ 265 million (March 31, 2023 : ₹ 188 million) spent towards Corporate social responsibility.
(iv) Balance with banks in current accounts and bank deposits with maturity of less than three months includes balance in separate CSR unspent account amounting to ₹ 28 million and ₹ 543 million respectively (March 31, 2023 : ₹ 56 million and ₹ 419 million respectively).

See accompanying notes forming part of the financial statements

This is the 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 Private Limited



Anurag Khandelwal
Partner

Membership No. : 078571



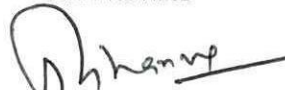
Hong Ju Jeon
Managing Director

DIN. : 10041232



Dong Myung Seo
Director and Chief Financial Officer

DIN. : 09481866



Atul Khanna
Vice President, Finance



Manish Kumar Surolia
Company Secretary
Membership No : A44350



Suresh Kumar Jhanwar
General Manager, Accounting

Place : Gurugram
Date : August 31, 2024

Place : Noida
Date : August 31, 2024

LG Electronics India Private Limited
Notes forming part of the financial statements for the year ended March 31, 2024

1. Company Information

LG Electronics India Private Limited (the Company) having corporate identification number (CIN) U32107DL1997PTC220109 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, Compressors, Vacuum Cleaners, Ceiling Fan, Optical Disk Drive, Monitor, Audio and Digital Video Display Systems, Water Purifiers, Air Purifiers, Personal Computer, Security Camera, Dishwasher and LED Lights.

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 is closely held with 113,128,726 Shares held by LG Electronics Inc., South Korea and balance 6 shares held by LG Soft India Private Limited as nominee.

The financial statements were approved by the Board of Directors and authorised for issue on August 31, 2024.

2. Basis of preparation, Critical estimates and judgments, Material and other Accounting Policies

2.1 Basis of preparation

A) Compliance with Ind AS

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act), Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act.

B) Historical cost convention

The financial statements have been prepared on the historical cost basis except for the following:

i) Certain financial assets and liabilities (including derivative instruments) and,

ii) Defined benefit plans - plan assets 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

The financial statements are presented in INR, which is also the Company's functional currency. All amounts disclosed in the financial statements and notes have been rounded off to the nearest ₹ Million as per the requirements of Schedule III to the Act, 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 had vide notification dated March 31, 2023 notified the Companies (Indian Accounting Standards) Amendment Rules, 2023, which amended certain accounting standards (see below), and are effective from April 01, 2023.

1. Disclosure of accounting policies- amendments to Ind AS 1,

2. Disclosure of accounting estimates- amendments to Ind AS 8,

3. Deferred tax assets related to assets and liabilities arising from a single transaction- amendments to Ind AS 12.

The other amendments to Ind AS notified by these rules are primarily in nature of clarifications.

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 significant effect on the amounts recognised in the financial statement.

(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.



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2.3 Material Accounting Policies

The material accounting policies applied by the Company in the preparation of its financial statements are listed below. Such accounting policies have been applied consistently to all the periods presented in these financial statements, 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 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, and either the customer has accepted the products in accordance with the sale contract, the acceptance provisions have lapsed, or the Company has objective evidence that all criteria for acceptance have been satisfied.

Revenue is recognised based on the consideration specified in a contract with a customer (Transaction price) and is net of promotional warranty, returns, trade 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 anticipated 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 in an arrangement must 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 carrying amount of the product.

The Company's obligation to repair or replace faulty products under the standard warranty and extended warranty terms is recognised as provision and disclosed in Note No 13 & Note No 14 respectively.

According to the rules and guidance on the terms and conditions of international trading (INCOTERMS 2010), the Company recognises the transportation services as a separate performance obligation apart from sale of goods for the transactions where seller is responsible for paying shipping cost.

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.

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) 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 event. Further, 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 has required 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 financial statements. 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 year in which the change occurs.



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LG Electronics India Private Limited

Notes forming part of the financial statements for the year ended March 31, 2024

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 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, manufacturers 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 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 Statement of Profit and Loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

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 Statement of Profit and Loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

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 product warranty is recorded when products are sold based on management's best estimate. The same is included under customer service 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.



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2.4 Other Accounting Policies

The other accounting policies applied by the Company in the preparation of its financial statements 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 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 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 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 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 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 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 Statement of Profit and Loss and presented net in the 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 financial assets with determinable receipts that are not quoted in an active market. These 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 with no significant financing component is measured at an amount equal to lifetime ECL. 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 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 transaction 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 Statement of Profit and Loss.



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LG Electronics India Private Limited
Notes forming part of the financial statements for the year ended March 31, 2024

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 Balance Sheet and transferred to the 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 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 year in which goods are exported at fair value of consideration received or receivable.
- iv) Export benefits arising from duty drawback scheme is 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 Statement of Profit and Loss.

Retirement benefit costs

The Company operates the following schemes:
Defined benefit plans such as gratuity, leave and long term service award
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 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.

- 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 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 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 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 financial statements 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 year

Current and deferred tax are recognised in the 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.



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LG Electronics India Private Limited
Notes forming part of the financial statements for the year ended March 31, 2024

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 less any lease incentive received
- Initial direct cost (if any)
- Restoration cost (if any)

Depreciation on right of use assets and finance costs on lease liabilities are recognised as an expense in the 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 year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share are calculated by dividing the net profit or loss for the 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 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 financial statements 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 Profit and Loss in the period in which they are incurred.



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LG Electronics India Private Limited

Notes forming part of the financial statements for the year ended March 31, 2024

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 Statement of Profit and Loss.

O) Subsequent events

Material adjusting events occurring after the Balance Sheet date are taken into cognizance. Adjusting events refers to those events that provides additional information about pre-existing conditions that existed on the Balance Sheet date.



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LG Electronics India Private Limited
Notes forming part of the financial statements for the year ended March 31, 2024

Note 3(a) : Property, plant and equipment

Particulars	(In Million)	
	As at March 31, 2024	As at March 31, 2023
I. Owned assets	₹ 9,837	₹ 10,458
II. Right of use assets	₹ 3,268	₹ 2,870
Total	₹ 13,105	₹ 13,328

Description of assets	(In Million)							Total
	Land - Freehold*	Buildings	Leasehold improvements	Plant and machineries [Refer Note No (i)]	Office equipment	Furniture and fixtures	Vehicles	
As at March 31, 2023								
Gross carrying amount	-	2,517	391	16,343	1,294	292	149	20,986
Opening gross carrying amount as at April 01, 2022	-	414	47	4,566	244	43	26	5,370
Additions during the year	-	8	-	188	1	-	-	197
Government grant received during the year	-	3	-	13	-	-	-	18
Classified as held for Sale	-	3	-	148	89	5	25	270
Disposals during the year	-	2,917	438	20,590	1,448	328	150	25,871
Closing gross carrying amount as at March 31, 2023								
Accumulated depreciation	-	1,336	67	10,859	795	176	81	13,314
Opening accumulated depreciation as at April 01, 2022	-	263	58	2,068	166	52	30	2,637
Depreciation charge during the year	-	5	-	281	1	-	-	287
Government grant amortised during the year	-	1	-	7	-	2	-	10
Classified as held for Sale	-	3	-	138	87	4	9	241
Disposals during the year	-	1,590	125	12,501	873	222	102	15,413
Closing accumulated depreciation as at March 31, 2023								
Net carrying amount								
	-	1,327	313	8,089	575	106	48	10,458
As at March 31, 2024								
Gross carrying amount	-	2,917	438	20,590	1,448	328	150	25,871
Opening gross carrying amount as at April 01, 2023	-	134	93	1,782	335	49	28	2,421
Additions during the year	-	41	-	162	1	2	1	207
Government grant received during the year	-	2	-	10	-	-	-	13
Classified as held for Sale	-	16	-	167	84	8	1	276
Disposals during the year*	-	2,992	531	22,033	1,698	367	175	27,796
Closing gross carrying amount as at March 31, 2024								
Accumulated depreciation	-	1,590	125	12,501	873	222	102	15,413
Opening accumulated depreciation as at April 01, 2023	-	255	74	2,339	209	56	28	2,961
Depreciation charge during the year	-	7	-	122	1	-	-	131
Government grant amortised during the year	-	2	-	10	-	-	-	13
Classified as held for Sale	-	15	-	164	83	2	1	271
Disposals during the year	-	1,821	199	14,544	998	270	127	17,959
Closing accumulated depreciation as at March 31, 2024								
Net carrying amount								
	-	1,171	332	7,489	700	97	48	9,837

* Amount is below rounding-off norm adopted by the Company. Further the land has been sold during the year ended March 31, 2024.

Note:

(i) Gross carrying amount and Net carrying amount includes assets aggregating to ₹ 11,350 Million and ₹ 1,790 Million respectively (March 31, 2023 ₹ 10,412 Million and ₹ 1,726 Million) lying with third parties

(ii) Refer Note No 31(B) for disclosure of contractual commitments for the acquisition of property, plant and equipment.



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LG Electronics India Private Limited
Notes forming part of the financial statements for the year ended March 31, 2024

II. Right of use assets

(In Million)

Description of assets	Land - leasehold		Buildings		Office equipment		Vehicles		Total	
	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹
As at March 31, 2023										
Gross carrying amount										
Opening gross carrying amount as at April 01, 2022	115	3,317			11		90		3,533	
Additions during the year	-	753			-		35		788	
Deletions/Termination during the year	-	392			2		22		416	
Closing gross carrying amount as at March 31, 2023	115	3,678			9		103		3,905	
Accumulated depreciation										
Opening accumulated depreciation as at April 01, 2022	5	758			4		41		818	
Depreciation charge during the year	2	581			3		30		616	
Deletions/Termination during the year	-	376			2		21		399	
Closing accumulated depreciation as at March 31, 2023	7	973			5		50		1,035	
Net carrying amount	108	2,705			4		53		2,870	
As at March 31, 2024										
Gross carrying amount										
Opening gross carrying amount as at April 01, 2023	115	3,678			9		103		3,905	
Additions during the year	-	1,110			-		59		1,169	
Deletions/Termination during the year	-	387			-		30		417	
Closing gross carrying amount as at March 31, 2024	115	4,401			9		132		4,657	
Accumulated depreciation										
Opening accumulated depreciation as at April 01, 2023	7	973			5		50		1,035	
Depreciation charge during the year	2	732			2		35		771	
Deletions/Termination during the year	-	387			-		30		417	
Closing accumulated depreciation as at March 31, 2024	9	1,318			7		55		1,389	
Net carrying amount	106	3,083			2		77		3,268	



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LG Electronics India Private Limited
Notes forming part of the financial statements for the year ended March 31, 2024

Note 3(b) : Capital work-in-progress

Description of assets	(In Million)	
	Total	₹
As at March 31, 2023		
Opening carrying amount as at April 01, 2022	1,024	
Additions during the year	4,589	
Capitalised during the year	5,370	
Closing carrying amount as at March 31, 2023	243	
As at March 31, 2024		
Opening carrying amount as at April 01, 2023	243	
Additions during the year	2,420	
Capitalised during the year	2,421	
Closing carrying amount as at March 31, 2024	242	

Ageing of capital work-in-progress	(In Million)				Total
	Amount in capital work-in-progress for a period of				
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Projects-in-progress					
As at March 31, 2024		12		-	242
As at March 31, 2023		-	8	-	243

Completion schedule for capital work in progress whose completion is overdue as compared to its original plan	(In Million)				Total
	To be completed in				
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Projects-in-progress					
As at March 31, 2024	12	-	-	-	12
As at March 31, 2023	91	-	-	-	91

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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LG Electronics India Private Limited
Notes forming part of the financial statements for the year ended March 31, 2024

Note 4(a) : Intangible assets

(In Million)

Description of assets	Computer software
	₹
As at March 31, 2023	
Gross carrying amount	
Opening gross carrying amount as at April 01, 2022	321
Additions during the year	49
Disposals during the year	-
Closing gross carrying amount as at March 31, 2023	370
Accumulated amortisation	
Opening accumulated amortisation as at April 01, 2022	233
Amortisation charge during the year	38
Disposals during the year	-
Closing accumulated amortisation as at March 31, 2023	271
Net carrying amount	99
As at March 31, 2024	
Gross carrying amount	
Opening gross carrying amount as at April 01, 2023	370
Additions during the year	28
Government grant received during the year	1
Disposals during the year	11
Closing gross carrying amount as at March 31, 2024	386
Accumulated amortisation	
Opening accumulated amortisation as at April 01, 2023	271
Amortisation charge during the year	44
Government grant amortised during the year	1
Disposals during the year	11
Closing accumulated amortisation as at March 31, 2024	303
Net carrying amount	83

Note 4(b) : Intangible assets under development

(In Million)

Description of assets	Total
	₹
As at March 31, 2023	
Opening carrying amount as at April 01, 2022	6
Additions during the year	46
Capitalised during the year	49
Closing carrying amount as at March 31, 2023	3
As at March 31, 2024	
Opening carrying amount as at April 01, 2023	3
Additions during the year	27
Capitalised during the year	28
Closing carrying amount as at March 31, 2024	2

Ageing for Intangible assets under development

(In Million)

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 March 31, 2024	-	2	-	-	2
As at March 31, 2023	3	-	-	-	3

Completion schedule for Intangible assets under development whose completion is overdue as compared to its original plan

(In Million)

Project in progress	To be completed in				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
	₹	₹	₹	₹	
As at March 31, 2024	2	-	-	-	2
As at March 31, 2023	-	-	-	-	-



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Note 5 : Trade receivables

(In Million)

Particulars	As at March 31, 2024		As at March 31, 2023	
	Current ₹	Non-Current ₹	Current ₹	Non-Current ₹
Trade receivables from contract with customers	16,459	72	12,749	72
Trade receivables from contract with customers – related parties [Refer Note No 28(b)]	1,823	-	2,592	-
Less: Loss allowance	312	72	346	72
	17,970	-	14,995	-
Break-up of security details				
- Secured, considered good	-	-	-	-
- Unsecured, considered good	18,282	-	15,341	72
- Which have significant increase in credit risk	-	72	-	-
- Credit impaired	-	-	-	-
Less: Loss allowance	312	72	346	72
Total trade receivables	17,970	-	14,995	-

Ageing of current trade receivables

As at March 31, 2024

(In Million)

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 ₹	
Undisputed trade receivables							
- Considered good	17,211	846	24	28	-	40	18,149
- Which have significant increase in credit risk	-	-	-	-	-	133	133
- Credit impaired	-	-	-	-	-	-	-
Less: Loss allowance	132	10	7	11	-	152	312
Disputed trade receivables							
- Considered good	-	-	-	-	-	-	-
- Which have significant increase in credit risk	-	-	-	-	-	-	-
- Credit impaired	-	-	-	-	-	-	-
Less: Loss allowance	-	-	-	-	-	-	-
Trade receivables-Unbilled	17,079	836	17	17	-	21	17,970

As at March 31, 2023

(In Million)

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 ₹	
Undisputed trade receivables							
- Considered good	14,363	744	20	30	12	172	15,341
- Which have significant increase in credit risk	-	-	-	-	-	-	-
- Credit impaired	-	-	-	-	-	-	-
Less: Loss allowance	152	14	7	14	8	151	346
Disputed trade receivables							
- Considered good	-	-	-	-	-	-	-
- Which have significant increase in credit risk	-	-	-	-	-	-	-
- Credit impaired	-	-	-	-	-	-	-
Less: Loss allowance	-	-	-	-	-	-	-
Trade receivables-Unbilled	14,211	730	13	16	4	21	14,995

Ageing of non current trade receivables

As at March 31, 2024

(In Million)

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 ₹	
Undisputed trade receivables							
- Considered good	-	-	-	-	-	-	-
- Which have significant increase in credit risk	-	-	-	-	-	72	72
- Credit impaired	-	-	-	-	-	-	-
Less: Loss allowance	-	-	-	-	-	72	72
Disputed trade receivables							
- Considered good	-	-	-	-	-	-	-
- Which have significant increase in credit risk	-	-	-	-	-	-	-
- Credit impaired	-	-	-	-	-	-	-
Less: Loss allowance	-	-	-	-	-	-	-
Trade receivables-Unbilled	-	-	-	-	-	-	-

As at March 31, 2023

(In Million)

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 ₹	
Undisputed trade receivables							
- Considered good	-	-	-	-	-	72	72
- Which have significant increase in credit risk	-	-	-	-	-	-	-
- Credit impaired	-	-	-	-	-	-	-
Less: Loss allowance	-	-	-	-	-	72	72
Disputed trade receivables							
- Considered good	-	-	-	-	-	-	-
- Which have significant increase in credit risk	-	-	-	-	-	-	-
- Credit impaired	-	-	-	-	-	-	-
Less: Loss allowance	-	-	-	-	-	-	-
Trade receivables-Unbilled	-	-	-	-	-	-	-



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LG Electronics India Private Limited
Notes forming part of the financial statements for the year ended March 31, 2024

Note 6 : Financial assets - Loans

(In Million)

Particulars	As at March 31, 2024		As at March 31, 2023	
	Current	Non-Current	Current	Non-Current
	₹	₹	₹	₹
Loans to employees				
- Secured, considered good	-	-	-	-
- Unsecured, considered good	18	55	21	48
Total loans	18	55	21	48

Note 7 : Other financial assets

(In Million)

Particulars	As at March 31, 2024		As at March 31, 2023	
	Current	Non-Current	Current	Non-Current
	₹	₹	₹	₹
(a) Recoverable from related parties [Refer Note No 28(b)]	85	-	57	-
(b) Government grant recoverable				
Unsecured, considered good	637	803	361	846
Considered doubtful	3	4	-	15
Less: Loss allowance	3	4	-	15
	637	803	361	846
(c) Security deposits #				
Unsecured, considered good	176	338	176	344
Considered doubtful	-	2	-	2
Less: Loss allowance	-	2	-	2
	176	338	176	344
(d) Derivative financial assets	5	-	-	-
(e) Other recoverables				
Unsecured, considered good	27	-	19	3
Considered doubtful	1	-	1	-
Less: Loss allowance	1	-	1	-
	27	-	19	3
Total other financial assets	930	1,141	613	1,193

Includes Current and Non-Current portion of deposits made for residential accommodation on behalf of directors amounting to ₹ 1 Million and ₹ 2 Million respectively (March 31, 2023 : ₹ 2 Million and ₹ 2 Million respectively).[Refer Note No 28(b)]



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LG Electronics India Private Limited
Notes forming part of the financial statements for the year ended March 31, 2024

Note 8 : Other assets

(In Million)

Particulars	As at March 31, 2024		As at March 31, 2023	
	Current	Non-Current	Current	Non-Current
	₹	₹	₹	₹
Capital advance				
(i) Capital advances				
Unsecured, considered good	2	-	27	-
	2	-	27	-
Advance other than capital advance				
(i) Advance to suppliers				
Unsecured, considered good	53	-	100	-
Unsecured, considered doubtful	2	-	1	-
Less: Allowance for doubtful assets	2	-	1	-
	53	-	100	-
(ii) Balances with government authorities (other than income taxes)				
Unsecured, considered good				
a) Excise and customs duty recoverable	2	50	2	44
b) Sales tax recoverable (Refer Note No (i) below)	-	154	-	155
c) GST recoverable	994	41	1,432	2
Unsecured, considered doubtful				
a) Excise and customs duty recoverable	-	307	-	282
b) Sales tax recoverable	-	24	-	24
c) GST recoverable	-	11	-	11
Less: Allowance for doubtful assets				
a) Excise and customs duty recoverable	-	307	-	282
b) Sales tax recoverable	-	24	-	24
c) GST recoverable	-	11	-	11
	996	245	1,434	201
(iii) Advance income tax [net of provision for income tax ₹ 60,126 million (March 31, 2023: ₹ 55,302 million) (Refer Note No 31(A) and Note No (ii) below)]	-	1,772	-	1,772
(iv) Prepayments	114	14	117	8
(v) Insurance advance				
Unsecured, considered good	123	-	64	-
Unsecured, considered doubtful	1	-	1	-
Less: Allowance for doubtful assets	1	-	1	-
	123	-	64	-
(vi) Right to recover returned goods	171	-	164	-
(vii) Contract assets (Unbilled revenue)	7	-	30	-
(viii) Others				
Unsecured, considered good	-	21	-	20
Unsecured considered doubtful	-	35	-	35
Less: Allowance for doubtful assets (Refer Note No (iii) below)	-	35	-	35
	-	21	-	20
Total other assets	1,466	2,052	1,936	2,001

Notes:

(i) Sales tax recoverable include amount paid under protest aggregating to ₹155 Million (March 31, 2023: ₹161 Million).

(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 ₹10 Million (March 31, 2023: ₹10 Million) and deposits paid under protest amounting to ₹ 46 Million (March 31, 2023: ₹ 45 Million)

Note 8(a) : Assets held for sale

(In Million)

Particulars	As at March 31, 2024		As at March 31, 2023	
	Current	Non-Current	Current	Non-Current
	₹	₹	₹	₹
(i) Buildings	-	-	2	-
(ii) Plant and machineries	-	-	6	-
(iii) Assets related to discontinued operations (Refer Note No 35)	-	-	32	-
Total other assets	-	-	40	-



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LG Electronics India Private Limited
Notes forming part of the financial statements for the year ended March 31, 2024

Note 9 : Inventories

(In Million)

Particulars	As at	As at
	March 31, 2024	March 31, 2023
	₹	₹
(a) Raw materials	11,643	13,424
(b) Work-in-progress	351	365
(c) Finished goods	8,099	9,218
(d) Stock-in-trade	2,031	1,682
(e) Stores and spares	1,830	1,731
(f) Packaging material	20	22
Inventories	23,974	26,442
Less: Inventories related to discontinued operation (Refer Note No 35)	-	32
Total inventories	23,974	26,410

Included above, goods-in-transit:		
(i) Raw materials	4,517	6,483
(ii) Stock-in-trade	604	458
(iii) Stores and spares	110	53
Total goods-in-transit	5,231	6,994

Note:

(i) Write-down of inventories to net realisable value recognised as an expense during the year amounts to ₹10 Million (March 31, 2023: ₹22 Million). These were included in changes in inventories of finished goods, stock-in-trade and work-in-progress in Statement of Profit and Loss [Refer Note No 20 (c)].

(ii) Details of inventories lying with third parties:

(In Million)

Particulars	As at	As at
	March 31, 2024	March 31, 2023
	₹	₹
Raw materials	1,062	1,331
Finished goods and stock-in-trade	8	13
Total	1,070	1,344

Note 10 : Cash and cash equivalents

(In Million)

Particulars	As at	As at
	March 31, 2024	March 31, 2023
	₹	₹
(a) Balance with banks		
(i) In current accounts#	696	246
(ii) In Exchange Earner's Foreign Currency Accounts	458	345
(b) Cash on hand	8	5
(c) Bank deposits with maturity of less than three months# *	21,064	27,030
Total cash and cash equivalents	22,226	27,626

Balance with banks in current accounts and Bank deposits with maturity of less than three months includes balance in separate CSR unspent account amounting to ₹ 28 Million and ₹543 Million respectively which are considered restricted (March 31, 2023 : ₹ 56 Million and ₹ 419 Million respectively) [Refer Note No 33].

* Includes interest accrued on Bank deposits of ₹ 53 Million (March 31, 2023: ₹ 111 Million).



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LG Electronics India Private Limited
Notes forming part of the financial statements for the year ended March 31, 2024

Note 11 : Equity share capital

Share capital

(In Million)

Particulars	As at	As at
	March 31, 2024	March 31, 2023
	₹	₹
(a) Authorised 115,000,000 Equity shares of ₹ 10 each with voting rights (115,000,000 Equity shares of ₹ 10 each with voting rights)	1,150	1,150
(b) Issued 113,128,732 Equity shares of ₹ 10 each with voting rights (113,128,732 Equity shares of ₹ 10 each with voting rights)	1,131	1,131
(c) Subscribed and fully paid up 113,128,732 Equity shares of ₹ 10 each with voting rights (113,128,732 Equity shares of ₹ 10 each with voting rights)	1,131	1,131

Figures in brackets relate to the previous year.

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	
	March 31, 2024		March 31, 2023	
	No. of	₹	No. of	₹
	shares held	(In Million)	shares held	(In Million)
Equity shares with voting rights				
Balance at the beginning of the year	113,128,732	1,131	113,128,732	1,131
Add: Shares issued during the year	-	-	-	-
Balance at the end of the year	113,128,732	1,131	113,128,732	1,131

The Company has only one class of equity shares having par value of ₹10 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	
	March 31, 2024		March 31, 2023	
	No. of	₹	No. of	₹
	shares held	(In Million)	shares held	(In Million)
<u>Equity shares with voting rights</u>				
LG Electronics Inc., South Korea, (The Holding company)	113,128,726	1,131	113,128,726	1,131
LG Soft India Private Limited (Subsidiary of the holding company)	6	*	6	*
Total	113,128,732	1,131	113,128,732	1,131

* 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	
	March 31, 2024		March 31, 2023	
	No. of	%	No. of	%
	shares held		shares held	
LG Electronics Inc., South Korea, (The Holding company)	113,128,726	100%	113,128,726	100%

(iv) Details of shareholding of promoters:

Name of the promoter	As at		As at	
	March 31, 2024		March 31, 2023	
	No. of	%	No. of	%
	shares held		shares held	
LG Electronics Inc., South Korea, (The Holding company)	113,128,726	100	113,128,726	100
LG Soft India Private Limited (Subsidiary of the holding company)	6	*	6	*

* Amount is below rounding-off norm adopted by the Company.

There has been no change during the year in shareholding of promoters.



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LG Electronics India Private Limited
Notes forming part of the financial statements for the year ended March 31, 2024

Note 12 : Other equity

Particulars	Reserves and surplus				Total
	Amalgamation reserve*	Retained earnings	General reserve	Total	
	₹	₹	₹	₹	
Balance as at April 01, 2022	364	51,688	1,824	53,876	
Profit for the year	-	13,449	-	13,449	
Other Comprehensive Income/(Loss) (net of tax)	-	(6)	-	(6)	
Total Comprehensive Income for the year	-	13,443	-	13,443	
Less : Interim dividend paid	-	24,888	-	24,888	
Balance as at March 31, 2023	364	40,243	1,824	42,431	
Balance as at April 01, 2023	364	40,243	1,824	42,431	
Profit for the year	-	15,111	-	15,111	
Other Comprehensive Income/(Loss) (net of tax)	-	(22)	-	(22)	
Total Comprehensive Income	-	15,089	-	15,089	
Less : Interim dividend paid	-	20,929	-	20,929	
Balance as at March 31, 2024	364	34,403	1,824	36,591	

*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.



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LG Electronics India Private Limited
Notes forming part of the financial statements for the year ended March 31, 2024

Note 13 : Provisions

Particulars	(In Million)			
	As at March 31, 2024		As at March 31, 2023	
	Current ₹	Non-Current ₹	Current ₹	Non-Current ₹
(a) Provision for employee benefits (Refer Note No 27)				
(i) Provision for compensated absences	413	-	385	-
(ii) Provision for long term service award	16	74	28	66
(iii) Provision for gratuity	162	664	148	570
	591	738	561	636
(b) Other provisions (Refer Note No 30)				
(i) Warranty	667	137	598	69
(ii) Provision for other contingencies	274	-	195	-
	941	137	793	69
Total provisions	1,532	875	1,354	705

Note 14(a) : Other liabilities

Particulars	(In Million)			
	As at March 31, 2024		As at March 31, 2023	
	Current ₹	Non-Current ₹	Current ₹	Non-Current ₹
(i) Advances received from customers (including ₹ 2 Million (March 31, 2023: ₹ Nil) from related party. Refer Note No 28 (b))	248	-	280	-
(ii) Statutory dues - Statutory remittances	2,648	-	2,403	-
(iii) Contract liability - Deferred revenue	1,852	1,673	1,386	1,160
(iv) Refund liability	254	-	235	-
(v) Liability towards Corporate social responsibility (Refer Note No 33)	904	-	788	-
Total other liabilities	5,906	1,673	5,092	1,160

Note 14 (b) : Current tax liability

Particulars	(In Million)			
	As at March 31, 2024		As at March 31, 2023	
	Current ₹	Non-Current ₹	Current ₹	Non-Current ₹
Income tax liabilities (Refer Note No 8) [net of Advance income tax ₹ 11,016 Million (March 31, 2023: ₹ 10,142 Million)]	344	-	435	-
Total current tax liability	344	-	435	-



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LG Electronics India Private Limited
Notes forming part of the financial statements for the year ended March 31, 2024

Note 15 : Trade payables

Particulars	As at March 31, 2024		As at March 31, 2023	
	Current ₹	Non-Current ₹	Current ₹	Non-Current ₹
Trade payables to micro enterprises and small enterprises [Refer Note No 36]	3,094	-	3,751	-
Trade payables to creditors other than micro enterprises and small enterprises	5,127	-	7,485	-
- Related parties [Refer Note No 28(b)]	80	-	137	-
- Acceptances	22,050	-	19,819	-
- Others	-	-	-	-
Total trade payables	30,351	-	31,192	-

Ageing of trade payables

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 ₹	
Undisputed Trade Payables							
Micro enterprises and small enterprises	469	2,605	2	-	-	3,076	
Others	4,855	19,374	2,784	22	66	27,163	
Disputed Trade Payables							
Micro enterprises and small enterprises	-	18	-	-	-	18	
Others	-	94	-	-	-	94	
Total	5,324	22,091	2,786	22	66	30,351	

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 ₹	
Undisputed Trade Payables							
Micro enterprises and small enterprises	441	3,290	1	-	-	3,732	
Others	4,171	19,433	3,499	123	52	27,325	
Disputed Trade Payables							
Micro enterprises and small enterprises	-	19	-	-	-	19	
Others	-	116	-	-	-	116	
Total	4,612	22,858	3,500	123	52	31,192	



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LG Electronics India Private Limited
Notes forming part of the financial statements for the year ended March 31, 2024

Note 16 : Other financial liabilities

Particulars	(In Million)			
	As at March 31, 2024		As at March 31, 2023	
	Current ₹	Non-Current ₹	Current ₹	Non-Current ₹
Capital creditors	139	-	156	-
Capital creditors-related parties (Refer Note No 28(b))	24	-	6	-
Expected promotional incentive for customers	2,718	-	3,050	-
Derivative financial liabilities	-	-	24	-
Total other financial liabilities	2,881	-	3,236	-

Note 17 : Lease liabilities

Particulars	(In Million)			
	As at March 31, 2024		As at March 31, 2023	
	Current ₹	Non-Current ₹	Current ₹	Non-Current ₹
Lease liabilities (Refer Notes below)	853	2,847	690	2,495
Total lease liabilities	853	2,847	690	2,495

Notes:

- Interest expense relating to lease liabilities are included in finance cost (Refer Note No 22).
- Depreciation charge of right of use asset are included in depreciation and amortisation expense (Refer Note No 23).
- Expense relating to short-term and low value leases are included in other expenses as rent (Refer Note No 24).
- The Company does not have any leases with variable lease payments.
- The total cash outflow for leases including interest and short term leases amounting to ₹ 1,702 Million (March 31, 2023: ₹ 1,566 Million).
- 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.
- Refer Note No 31(B) for contractual commitments on lease liabilities.








LG Electronics India Private Limited
Notes forming part of the financial statements for the year ended March 31, 2024

Note 18 : Revenue from operations

(In Million)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
	₹	₹
Revenue from contracts with customers		
- Sale of products (Refer Note No (i) below)	206,531	192,739
- Rendering of services (Refer Note No (ii) below)	5,769	4,846
	212,300	197,585
Other operating revenues (Refer Note No (iii) below)	1,220	1,061
Total revenue from operations	213,520	198,646

Notes :

(In Million)

(i) Sale of products		
Stock-in-trade	23,706	23,673
Less: Sale return	218	364
Total - sale of stock-in-trade	23,488	23,309
Manufactured goods	184,076	170,225
Less: Sale return	1,033	795
Total - sale of manufactured goods	183,043	169,430
Total - sale of products	206,531	192,739
(ii) Rendering of services		
Service charges	2,865	2,446
Installation and commissioning	2,904	2,400
Total - rendering of services	5,769	4,846
(iii) Other operating revenue		
Government grant related to revenue	524	443
Sale of scrap	431	362
Duty drawback and other export incentives	265	256
Total - other operating revenue	1,220	1,061

The following table shows timing of revenue recognition:

(In Million)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
	₹	₹
Satisfied at a point in time	209,396	195,185
Satisfied over time	2,904	2,400
Total revenue from contracts with customers	212,300	197,585

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:

(In Million)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
	₹	₹
Aggregate amount of the transaction price allocated to fixed price contracts that are partially or fully unsatisfied as at reporting date	3,525	2,546

The Company estimates that transaction price amount to ₹1,852 Million (March 31, 2023 : ₹1,386 Million) will be recognised as revenue during the next reporting period out of unsatisfied contracts and remaining amount will be recognised in subsequent financial years.

Reconciliation of revenue recognised with contract price :

(In Million)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
	₹	₹
Contract price	241,648	221,610
Variable considerations	28,128	22,964
Revenue from operations	213,520	198,646



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LG Electronics India Private Limited

Notes forming part of the financial statements for the year ended March 31, 2024

Note 19 : Other income

(In Million)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
	₹	₹
Interest Income		
Interest income on bank deposits	1,989	2,202
Other non-operating income (net of expenses directly attributable to such income)		
Profit on sale of property, plant and equipment (Net)	8	7
Gain on derivatives measured at fair value (Net)	20	164
Miscellaneous income	34	67
Total other income	2,051	2,440



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LG Electronics India Private Limited
Notes forming part of the financial statements for the year ended March 31, 2024

Note 20

(a) Cost of materials consumed

(In Million)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
	₹	₹
Opening inventories	13,446	13,412
Add: Purchases of raw materials	152,586	149,158
	166,032	162,570
Less: Sales of raw materials	29,732	29,274
Less: Closing inventories	11,663	13,446
Cost of raw materials consumed*	124,637	119,850
Cost of service spare parts sold	1,540	1,352
Installation and commissioning	4,785	3,422
Captive consumption of finished goods	(1,802)	(1,016)
Cost of materials consumed	129,160	123,608

*Cost of raw materials consumed includes packaging material

(b) Purchase of stock-in-trade

(In Million)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
	₹	₹
Purchase of stock-in-trade	19,756	19,403
Captive consumption of stock-in-trade	(398)	(615)
Purchase of stock-in-trade	19,358	18,788

(c) Changes in inventories of finished goods, stock-in-trade and work-in-progress

(In Million)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
	₹	₹
<u>Closing inventories:</u>		
Finished goods	8,099	9,218
Stock-in-trade	2,031	1,682
Work-in-progress	351	365
A) Total	10,481	11,265
<u>Opening inventories:</u>		
Finished goods	9,218	6,417
Stock-in-trade	1,682	2,372
Work-in-progress	365	361
B) Total	11,265	9,150
Net decrease / (increase) (B-A)	784	(2,115)



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LG Electronics India Private Limited
Notes forming part of the financial statements for the year ended March 31, 2024

Note 21 : Employee benefits expense

(In Million)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
	₹	₹
Salaries and wages, including bonus	7,290	6,507
Contribution to provident fund and employees' state insurance scheme	285	258
Contribution to defined benefit plan	149	136
Staff welfare expenses	1,144	1,091
Total employee benefits expense	8,868	7,992

Note 22 : Finance costs

(In Million)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
	₹	₹
Interest on lease liabilities	269	225
Interest on delayed payment of custom duty	16	-
Interest on delayed payment of income tax	-	1
Total finance costs	285	226



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LG Electronics India Private Limited
Notes forming part of the financial statements for the year ended March 31, 2024

Note 23 : Depreciation and amortisation expense

(In Million)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
	₹	₹
Depreciation of property, plant and equipment		
- Owned assets (net of government grant amortisation)	2,830	2,350
- Right of use assets	771	616
Amortisation of intangible assets (net of government grant amortisation)	43	38
Total depreciation and amortisation expense	3,644	3,004

Note 24 : Other expenses

(In Million)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
	₹	₹
Consumption of consumables and spares	427	391
Customer service expenses [Refer Note No (ii) below]	2,350	1,930
Sample and testing	8	5
Power and fuel	803	828
Royalty (Refer Note No 32)	4,032	3,232
Rent	779	847
Repairs and maintenance - buildings	91	97
Repairs and maintenance - plant and machineries	136	102
Repairs and maintenance - others	365	357
Insurance	416	349
Rates and taxes	47	14
Communication and information technology expenses	665	572
Travelling and conveyance	562	475
Research and development	827	737
Freight and forwarding	7,631	7,346
Advertisement	2,548	2,671
Sales promotion	6,860	6,228
Bank charges	39	20
Legal and professional	82	83
Payments to auditors [Refer Note No (i) below]	21	22
Trade receivables written-off	14	19
Loss on foreign currency transactions and translation (Net)	260	1,080
Property, plant and equipment written-off	3	3
Allowance for doubtful trade receivables, other financial assets and other assets	(16)	48
Provision for warranty expenses (Refer Note No 30)	137	87
Corporate social responsibility (Refer Note No 33)	381	420
Waste of electrical and electronic equipment	1,942	1,852
Miscellaneous expenses	1,691	1,565
Total other expenses	33,101	31,380

Notes:

(i) Payments to auditors comprises:

Audit fee	19	19
Tax audit fee	1	1
Reimbursement of expenses	1	2
Certification fee	-	*
Total	21	22

* Amount is below rounding-off norm adopted by the Company.

(ii) Customer service expenses include consumption of spares aggregating to ₹755 Million (March 31, 2023: ₹816 Million) and indirect expenses (including expenses related to service and call centres) aggregating to ₹ 445 Million (March 31, 2023: ₹505 Million).



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LG Electronics India Private Limited
Notes forming part of the financial statements for the year ended March 31, 2024

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.

	(In Million)			
	Level 1	Level 2	Level 3	Total
	₹	₹	₹	₹
Financial assets and liabilities as at March 31, 2024				
Financial assets				
Security deposits (measured at amortised cost for which fair value is disclosed)	-	-	514	514
Derivative assets not designated as hedge (measured at fair value-recurring fair value measurement)	-	5	-	5
Total	-	5	514	519

	(In Million)			
	Level 1	Level 2	Level 3	Total
	₹	₹	₹	₹
Financial assets and liabilities as at March 31, 2023				
Financial assets				
Security deposits (measured at amortised cost for which fair value is disclosed)	-	-	520	520
Financial liabilities				
Derivative liabilities not designated as hedge (measured at fair value-recurring fair value measurement)	-	24	-	24
Total	-	24	520	544

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 financial risk management ("FRM") policy supports each business division to achieve excellent performance soundly and consistently against market risk, credit risk and liquidity risk. In addition, FRM helps the Company to enhance cost competitiveness through cost efficient financing option by improving financial structure and effective cash management.

The finance team in the Company implements FRM considering view of respective business division. This involves setting-up risk management policies and recognising, evaluating and hedging risk from a global point of view. The Company mitigates the adverse effects from financial risk by monitoring the risk periodically and updating FRM policy each year.



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LG Electronics India Private Limited
Notes forming part of the financial statements for the year ended March 31, 2024

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 minimizing 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 minimizes 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 scrutinizes 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 and loss due to increase or decrease of foreign currency against INR (₹). Impact on other components of equity is nil.

(In Million)

	Impact on profit before tax	
	March 31, 2024	March 31, 2023
	₹	₹
Foreign currency sensitivity		
Trade receivables		
Increase by 10% (March 31, 2023-10%)*	211	267
Decrease by 10% (March 31, 2023-10%)*	(211)	(267)
Other receivables		
Increase by 10% (March 31, 2023-10%)*	9	5
Decrease by 10% (March 31, 2023-10%)*	(9)	(5)
EEFC		
Increase by 10% (March 31, 2023-10%)*	46	35
Decrease by 10% (March 31, 2023-10%)*	(46)	(35)
Trade payables		
Increase by 10% (March 31, 2023-10%)*	(1,385)	(1,472)
Decrease by 10% (March 31, 2023-10%)*	1,385	1,472
Net impact		
Increase by 10% (March 31, 2023-10%)*	(1,119)	(1,165)
Decrease by 10% (March 31, 2023-10%)*	1,119	1,165

*Keeping all other variables constant

Interest rate risk

The Company is not exposed to significant interest rate risk as at the respective reporting dates.



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LG Electronics India Private Limited

Notes forming part of the financial statements for the year ended March 31, 2024

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 :

(In Million)

Particulars	As at March 31, 2024	As at March 31, 2023
	₹	₹
Balance at the beginning	418	413
Impairment (gain) / loss recognised	(20)	24
Amount written off	14	19
Balance at the end	384	418

The Company's credit period generally ranges from 0-30 days. Considering the large number of customers to which the Company sale, 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 March 31, 2024 and March 31, 2023 is determined to be not material.



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 Balance Sheet)

(In Million)

Particulars	As at	As at
	March 31, 2024	March 31, 2023
	₹	₹
Equity share capital	1,131	1,131
Other equity	36,591	42,431
Total equity	37,722	43,562
Lease liabilities	3,700	3,185
Total debt	3,700	3,185
Less :		
Cash and cash equivalents	22,226	27,626
Net debt	-	-
Net debt to equity ratio	0.00%	0.00%



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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:

(In Million)

Particulars	As at	As at
	March 31, 2024	March 31, 2023
	₹	₹
Undrawn working capital facility* #	3,391	4,131

*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 Million (March 31, 2023: USD 10 Million).

Maturities of financial liabilities

The tables below analyse the entity's financial liabilities into relevant maturity groupings based on their contractual maturities for:

- All non-derivative financial liabilities, and
- Derivative financial liabilities

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

(In Million)

Contractual maturities of financial liabilities March 31, 2024	Less than 1 year	1 to 5 years	More than 5 years	Total
	₹	₹	₹	₹
Non-derivatives				
Trade payables	30,351	-	-	30,351
Other financial liabilities	2,881	-	-	2,881
Lease liabilities	853	2,089	2,022	4,964
Derivatives				
Derivative financial liabilities	-	-	-	-
Total	34,085	2,089	2,022	38,196

(In Million)

Contractual maturities of financial liabilities March 31, 2023	Less than 1 year	1 to 5 years	More than 5 years	Total
	₹	₹	₹	₹
Non-derivatives				
Trade payables	31,192	-	-	31,192
Other financial liabilities	3,212	-	-	3,212
Lease liabilities	690	1,545	2,259	4,494
Derivatives				
Derivative financial liabilities	24	-	-	24
Total	35,118	1,545	2,259	38,922



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Note 26 (a) : Income tax

Income tax expense in the Statement of Profit and Loss comprises: (In Million)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
	₹	₹
Current taxes (includes current tax on discontinued operations and Current tax expenses relating to previous year)	5,607	4,797
(Increase)/ decrease in deferred tax assets	(450)	(124)
Increase/ (decrease) in deferred tax liabilities	95	37
Total	5,252	4,710

Current tax expense for the year ended March 31, 2024 includes ₹40 Million (March 31, 2023: ₹14 Million) 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	Year ended March 31, 2024	Year ended March 31, 2023
	₹	₹
Profit before tax [includes loss on discontinued operations and remeasurement of post-employment benefit obligation]	20,341	18,153
Enacted tax rates in India	25.168%	25.168%
Computed expected tax expense	5,119	4,569
Current tax expenses relating to previous year	40	14
Permanent differences- Corporate social responsibility expense, tax on non-monetary perquisites, interest under Section 234C and others.	93	127
Total tax expense	5,252	4,710

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 March 31, 2024	As at March 31, 2023
	₹	₹
Deferred income tax assets		
Property, plant and equipment	745	615
Provision for employee benefits	338	304
Provision for cenvat credit on goods transport agency services	26	25
Disallowances u/s 40(a)	34	31
Allowance for doubtful assets	149	142
Provision for long term service award	23	24
Provision for waste of electrical and electronic equipment	235	123
Lease liabilities	931	801
Provision for stamp duty	35	-
Others	3	4
Total deferred income tax assets	2,519	2,069
Deferred income tax liabilities		
Right of use assets	778	681
Interest on Income tax refund	21	21
Provision for employee benefits recognised in Other Comprehensive Income	-	2
Total deferred income tax liabilities	799	704
Deferred Income tax assets (Net)	1,720	1,365

Reconciliation of deferred tax assets (Net) (In Million)

Particulars	As at March 31, 2024	As at March 31, 2023
	₹	₹
Opening balance	1,365	1,278
Tax income recognised during the year in Statement of Profit and Loss	347	85
Tax expense recognised during the year in Other Comprehensive Income	8	2
Closing balance	1,720	1,365



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Note 27 : Disclosure as required by Indian Accounting Standards(Ind AS) 19 Employee Benefits

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 ₹ 285 Million (March 31, 2023 : ₹ 258 Million) for Provident Fund contributions and Employees' State Insurance contributions in the 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.

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, other long-term employee benefit obligations and long term service award are accounted for on the basis of an actuarial valuation determined using projected unit credit method as at the Balance Sheet date.

The following table sets out the funded status of the defined benefit schemes (gratuity) and the amount recognised in the financial statements:

Particulars	(In Million)	
	Year ended March 31, 2024	Year ended March 31, 2023
	₹	₹
Components of employer expense		
Current service cost	109	102
Interest cost	90	79
Expected return on plan assets	(42)	(40)
Total amount recognised in the Statement of Profit and Loss	157	141
Remeasurements recognised directly in Other Comprehensive Income		
Return on plan assets (greater)/less than discount rate	1	1
Actuarial (gains) / losses		
- from changes in financial assumptions	18	(21)
- Experience adjustments	11	28
Total amount recognised in Other Comprehensive Income	30	8
Actual contribution and benefit payments for year		
Actual benefit payments	67	64
Actual contributions	80	40
Net liability/ (asset) as at year end		
Present value of defined benefit obligation	1,490	1,328
Fair value of plan assets	664	610
Funded status [(Surplus) / Deficit]	826	718
Net liability/ (asset) recognised in the Balance Sheet	826	718

The following table shows the defined benefit obligations (DBO) and Plan assets :

Particulars	(In Million)	
	Year ended March 31, 2024	Year ended March 31, 2023
	₹	₹
Changes in DBO during the year		
Present value of DBO at beginning of the year	1,328	1,203
i) Current service cost	109	102
ii) Interest cost	90	79
iii) Change due to Acquisition / Divesture	1	-
iv) Actuarial losses / (gains)	29	8
v) Benefits paid	(67)	(64)
vi) Present value of DBO at the end of the year	1,490	1,328
Change in fair value of assets during the year		
i) Plan assets at beginning of the year	610	593
ii) Expected return on plan assets	42	40
iii) Actual Company contributions	80	40
iv) Actuarial (losses) / gains	(1)	1
v) Benefits paid	(67)	(64)
vi) Fair Value of Plan assets at end of the year	664	610
Composition of the plan assets is as follows:		
Government of India securities	55.13%	67.00%
Debt instruments	28.19%	25.00%
Equity shares	4.60%	6.00%
Other deposits	12.08%	2.00%

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 taken 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.



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LG ELECTRONICS INDIA PRIVATE LIMITED
Notes forming part of the financial statements for the year ended March 31, 2024

Employee benefit plans (cont'd)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Actuarial assumptions		
Discount rate	6.95%	7.15%
Expected return on plan assets	7.00%	7.00%
Salary escalation	8.00%	8.00%
Mortality tables	IALM (2012-14)	IALM (2012-14)
Attrition	10%	10%
Retirement age	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.

(In Million)

Experience adjustments	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2021	Year ended March 31, 2020
	₹	₹	₹	₹	₹
Present value of DBO	1,490	1,328	1,203	1,113	963
Fair value of plan assets	664	610	593	528	452
Funded Status [Surplus / (Deficit)]	(826)	(718)	(610)	(585)	(511)
Experience (gain) / loss adjustments on Liabilities	29	8	(28)	25	8
Experience (loss) / gain adjustments on plan Asset	1	1	1	(1)	1

(In Million)

Present value of obligations at end of the year	As at March 31, 2024	As at March 31, 2023
	₹	₹
Current	162	148
Non-Current	664	570
Total	826	718

Expected contribution to defined benefit plan for the year ending March 31, 2025 is ₹ 120 Million (March 31, 2024 : ₹ 109 Million)

The expected maturity analysis of undiscounted gratuity is as follows:

(In Million)

Expected maturity analysis	As at March 31, 2024	As at March 31, 2023
	₹	₹
Less than a year	162	148
Between 1-2 years	167	148
3-5 years	485	420
6 years and above	1,676	1,564
Total	2,490	2,280

(In Million)

Sensitivity analysis	As at March 31, 2024	As at March 31, 2023
	₹	₹
Discount Rate		
Revised DBO due to 1% decrease in Discount Rate	1,588	1,418
Revised DBO due to 1% increase in Discount Rate	1,403	1,249
Salary Escalation Rate		
Revised DBO due to 1% decrease in Salary Escalation Rate	1,403	1,249
Revised DBO due to 1% increase in Salary Escalation Rate	1,586	1,416

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.



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LG Electronics India Private Limited
Notes forming part of the financial statements for the year ended March 31, 2024

Other long-term employee benefit obligations:

(In Million)

Compensated absences	As at March 31, 2024	As at March 31, 2023
	₹	₹
Current	413	385
Non-current	-	-
Total	413	385

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.

(In Million)

Long term service award obligation	As at March 31, 2024	As at March 31, 2023
	₹	₹
Current	16	28
Non-current	74	66
Total	90	94



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LG Electronics India Private Limited
Notes forming part of the financial statements for the year ended March 31, 2024

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.
Fellow subsidiaries (Controlled by the Holding company)	LG Soft India Pvt. Ltd. LG CNS Co. Ltd. LG CNS India Private Ltd. 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 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. 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 Malaysia 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 European Shared Service Center B.V. LG Electronics Monterrey Mexico
Key management personnel (KMP)	Mr. Hong Ju Jeon (Managing Director) Mr. Dong Myung Seo (Director and Chief financial officer) Mr. Hwayoung Seo (Director) Mr. Jaeil Kim (Director) Mr. Yongchan Jung (Director) (with effect from January 18, 2024) Mr. Hyunjin Lee (Director) (Till December 28, 2023) Mr. Younglak Kim (Managing Director) (till December 22, 2022)



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LG Electronics India Private Limited
Notes forming part of the financial statements for the year ended March 31, 2024

Related party transactions (cont'd)

(b) Details of related party transactions during the year:

(In Million)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
	₹	₹
Sale of raw materials, stores and spares and service components		
<i>Holding company</i>	23	49
<i>Fellow subsidiaries</i>		
PT. LG Electronics Indonesia	212	202
Others	66	49
Sale of manufactured goods		
<i>Holding company</i>	1,276	270
<i>Fellow subsidiaries</i>		
PT LG Electronics Indonesia	1,518	841
LG Electronics Africa Logistics FZE	1,402	2,048
LG Electronics Gulf FZE	1,219	2,544
LG Electronics Morocco S.A.R.L.	649	460
LG Electronics (Levant) - Jordan	314	290
Others	350	400
Sale of stock-in-trade		
<i>Holding company</i>	289	93
<i>Fellow subsidiaries</i>		
LG Electronics Africa Logistics FZE	85	83
LG Electronics Singapore Pte Ltd	12	15
Others	36	29
Reimbursement of expenses received		
<i>Holding company</i>	5	5
<i>Fellow subsidiaries</i>		
LG Electronics Africa Logistics FZE	1	-
LG Electronics Nanjing New Technology co.,LTD	1	-
LG Electronics Nanjing Display Co., Ltd	-	3
Service warranty claims received		
<i>Holding company</i>	237	284
<i>Fellow subsidiaries</i>		
Taizhou LG Electronics Refrigeration Co. Ltd.	1	-
Purchase of raw materials, stores and spares and service components		
<i>Holding company</i>	13,425	12,488
<i>Fellow subsidiaries</i>		
LG Display Co.Ltd	2,687	4,210
Nanjing LG Panda Appliances Co., Ltd	2,204	3,297
LG Electronics Tian Jin Appliances Co., Ltd	2,107	4,181
Others	3,821	3,941
Purchase of stock-in-trade		
<i>Holding company</i>	9,238	8,065
<i>Fellow subsidiaries</i>		
Taizhou LG Electronics Refrigeration Co. Ltd.	370	3,321
LG Electronics (Thailand) Co. Ltd.	-	848
Others	511	695



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LG Electronics India Private Limited
Notes forming part of the financial statements for the year ended March 31, 2024

Related Party Transactions (cont'd)

Details of related party transactions during the year:

(In Million)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
	₹	₹
Service warranty charges paid		
<i>Fellow subsidiaries</i>		
LG Electronics Middle East Co. Ltd	5	2
LG Electronics (Levant) - Jordan	3	3
Others	1	-
Royalty		
<i>Holding company (Also Refer Note No 32)</i>	4,032	3,232
Service charges paid		
<i>Fellow subsidiaries</i>		
LG Electronics Singapore Pte Ltd	15	14
Others	1	-
Other expenses paid		
<i>Holding company</i>	65	26
<i>Fellow subsidiaries</i>		
LG CNS India Private Limited	760	682
LG CNS Co. Ltd	43	5
Others	1	1
Interim dividend paid		
<i>Holding company</i>	20,929	24,888
Managerial remuneration		
<i>Key Management Personnel</i>		
Salaries and wages	200	182
Purchase of fixed assets		
<i>Holding company</i>	161	331
<i>Fellow subsidiaries</i>		
LG CNS India Private Limited	175	155
LG Electronics (Thailand) Co., Ltd.	98	-
LG Electronics Tian Jin Appliances Co. Limited	1	124
Others	2	-



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LG Electronics India Private Limited
Notes forming part of the financial statements for the year ended March 31, 2024

Related Party Transactions (cont'd)
Details of Related Party Outstanding Balances

(In Million)

Balances outstanding at the end of the year	As at	As at
	March 31, 2024	March 31, 2023
	₹	₹
Trade receivables		
<i>Holding company</i>	276	275
<i>Fellow subsidiaries</i>		
LG Electronics Africa Logistics FZE	389	611
LG Electronics Gulf FZE	379	1,185
LG Electronics Morocco - SARL	288	249
P.T. LG Electronics Indonesia	230	145
LG Electronics (Levant)- Jordan	83	54
Others	178	73
Other financial assets		
<i>Holding company</i>	82	52
<i>Fellow subsidiaries</i>		
LG Electronics Qinhuangdao Co. Ltd.	1	1
Others	2	4
Trade payables		
<i>Holding company</i>	3,445	4,034
<i>Fellow subsidiaries</i>		
LG Display Co.Ltd	262	576
LG Electronics Thailand Co. Ltd	260	753
Taizhou LG Electronics Refrigeration Co. Ltd.	142	195
LG Electronics Tianjin Appliances Co. Ltd.	137	489
Others	881	1,438
Capital creditors		
<i>Holding company</i>	19	4
<i>Fellow subsidiaries</i>		
LG CNS India Private Limited	5	2
Advance received from customers		
<i>Fellow subsidiaries</i>		
LG Display Co.Ltd	2	-
Security deposit for residential accommodation paid on behalf of directors		
<i>Key Management Personnel</i>		
Mr. Hong Ju Jeon	1	1
Mr. Hwayoung Seo	1	1
Mr. Yongchan Jung	1	-
Mr. Hyunjin Lee	-	1
Mr. Younglak Kim	-	1

(i) Also refer Note No 25(E) for letter of support from the Holding company.



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LG ELECTRONICS INDIA PRIVATE LIMITED

Notes forming part of the financial statements for the year ended March 31, 2024

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:

(In Million)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
	₹	₹
a) Profit/(loss) for the year		
(i) From continuing operations	15,111	13,480
(ii) From discontinued operations	-	(31)
Total profit for the year	15,111	13,449
b) Weighted average number of equity shares outstanding	113,128,732	113,128,732
c) Effect of dilutive potential equity share equivalents	-	-
d) Weighted average number of equity shares and potential equity share equivalents outstanding	113,128,732	113,128,732
e) Nominal Value of Equity Shares (₹)	10	10
f) Earnings per equity share from continuing operations attributable to the equity holders of the Company		
- Basic earnings per share	133.57	119.16
- Diluted earnings per share	133.57	119.16
g) Earnings per equity share from discontinued operations attributable to the equity holders of the Company		
- Basic earnings per share	-	(0.27)
- Diluted earnings per share	-	(0.27)
h) Earnings per equity share from continuing and discontinued operations attributable to the equity holders of the Company		
- Basic earnings per share	133.57	118.89
- Diluted earnings per share	133.57	118.89



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LG ELECTRONICS INDIA PRIVATE LIMITED

Notes forming part of the financial statements for the year ended March 31, 2024

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:

(In Million)

Particulars	As at	As at
	March 31, 2024	March 31, 2023
	₹	₹
Provision for warranty		
At the beginning of the year	667	580
Additions during the year	1,028	1,043
Utilised during the year	891	956
At the end of the year	804	667
Current	667	598
Non-current	137	69
	804	667
Provision for other contingencies*		
At the beginning of the year	195	119
Additions during the year	79	76
Reversed during the year	-	-
At the end of the year	274	195
Current	274	195
Non-current	-	-
	274	195

*represents provision for indirect tax and legal contingencies.



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LG ELECTRONICS INDIA PRIVATE LIMITED
Notes forming part of the financial statements for the year ended March 31, 2024

31. Contingent liabilities and commitments (to the extent not provided for)

A) Contingent liabilities

Particulars	(In Million)	
	As at March 31, 2024	As at March 31, 2023
	₹	₹
Claims against the Company not acknowledged as debt #		
(a) Demand notices from Central Excise/ Service Tax/ Customs Department:		
Total demand	2,251	2,243
Less: Provision	110	103
Total	2,141	2,140
(b) Demand notices from Sales Tax Department / GST Department:		
Total demand	3,125	1,160
Less: Provision	53	53
Total	3,072	1,107
(c) Demand from Income Tax Department:		
Total demand	22,500	22,198
Less: Provision	1,985	1,985
Total	20,515	20,213
(d) Other claims:		
Total demand	276	254
Less: Provision	75	73
Total	201	181
Total demands	28,152	25,855
Less: Provision	2,223	2,214
Grand total	25,929	23,641

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 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 (I) 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 financial statements.
- Amounts are as per demand order and include penalty and interest, wherever applicable.
- Refer Note No 32 for contingency on advance pricing agreement on royalty.

B) Commitments

Particulars	(In Million)	
	As at March 31, 2024	As at March 31, 2023
	₹	₹
Estimated amount of contracts remaining to be executed on capital account and not provided for		
Property, plant and equipment	359	102
Leases	4,964	4,494



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LG ELECTRONICS INDIA PRIVATE LIMITED

Notes forming part of the financial statements for the year ended March 31, 2024

32. Contingency on advance pricing agreement of royalty

The Company has 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 ₹ 4,032 Million has been accrued for the year ended March 31, 2024 (March 31, 2023 ₹ 3,232 Million) and remaining portion of royalty based on the aforesaid Revised License Agreement amounting to ₹ 67,437 Million for the period from April 01, 2016 to March 31, 2024 (₹ 59,867 Million for the period from April 01, 2016 to March 31, 2023) is contingent upon conclusion of the advance pricing agreement.

The aforementioned Advance Pricing Agreement expired on March 31, 2023. Accordingly, the Company has filed an application on March 31, 2023 for the extension of the said Advance Pricing Agreement for the financial years 2023-24 to 2027-28.

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:

(In Million)

Particulars	As at March 31, 2024	As at March 31, 2023
	₹	₹
(a) Gross amount required to be spent by the Company during the year	365	412
Additional amount required to be spent on account of interest earned on bank deposits made out of separate CSR unspent account (Net of tax)	16	8
(b) Amount spent		
1) Construction/acquisition of an asset	-	-
2) On purpose other than (1) above		
(i) Promoting healthcare and awareness	7	31
(ii) Promoting education	4	53
(iii) Benefit of armed forces veterans, war widows and their dependents	10	1
(iv) Ensuring environmental sustainability	1	3
(v) CSR compliance and administrative expenses	10	11
	32	99
(c) Accrual towards unspent obligation in relation to -Ongoing project	333	313

Details of ongoing CSR projects under Section 135(6) of the Act

(In Million)

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
₹	₹	₹	₹	₹	₹	₹	₹
313	475	365	16	32	233	333	571

(In Million)

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
₹	₹	₹	₹	₹	₹	₹	₹
399	157	412	8	99	89	313	475

Balance with the Company has been deposited in separate bank account within the stipulated time line



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LG ELECTRONICS INDIA PRIVATE LIMITED

Notes forming part of the financial statements for the year ended March 31, 2024

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 main products that each business segment manufactures and/or sells are as follows:

Business segments:

- **Home entertainment division:** Televisions, Audio systems, DVD, Monitors, Security Camera, Hotel televisions, Personal computers and Optical disk drive.

- **Home appliances and air solution division:** Refrigerator, Washing machine, Cooking and cleaning, Water purifier, Air purifier, Compressors and motors, Ceiling fan and air conditioners.

In accordance with the Indian Accounting Standard on Segment Reporting (Ind AS 108), information relating to segment is as under.

(In Million)

Particulars	For the year ended March 31, 2024		
	Continuing business segments		Total
	Home appliances and air solution division	Home entertainment division	
Reportable segments	₹	₹	₹
Revenue from operations -External	156,797 (150,307)	56,723 (48,375)	213,520 (198,682)
Other income	14 (16)	1 (5)	15 (21)
Total Revenue from operations	156,811 (150,323)	56,724 (48,380)	213,535 (198,703)
Expenses	140,068 (137,325)	49,844 (40,349)	189,912 (177,674)
Segment result	16,743 (12,998)	6,880 (8,031)	23,623 (21,029)
Unallocable income (Other income)			47 (217)
Unallocable expenses			5,003 (5,061)
Operating income			18,667 (16,185)
Interest expense			285 (226)
Interest income			1,989 (2,202)
Profit before tax			20,371 (18,161)
Tax expense			5,260 (4,712)
Profit for the year			15,111 (13,449)

Note: Figures in brackets relate to the previous year.



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LG ELECTRONICS INDIA PRIVATE LIMITED

Notes forming part of the financial statements for the year ended March 31, 2024

34 Segment reporting (cont'd)

(In Million)

Particulars	As at March 31, 2024		
	Continuing business segments		Total
	Home appliances and air solution division	Home entertainment division	
Reportable segments	₹	₹	₹
Segment assets	39,032 (39,269)	12,284 (11,319)	51,316 (50,588)
Unallocable assets			33,668 (39,333)
Total assets			84,984 (89,921)
Segment liabilities	23,405 (23,397)	9,166 (8,515)	32,571 (31,912)
Unallocable liabilities			14,691 (14,447)
Total liabilities			47,262 (46,359)
Other information			
Shareholders funds			37,722 (43,562)
Capital expenditure (unallocable)			3,616 (5,423)
Depreciation and amortisation (unallocable)			3,644 (3,004)

Note: Figures in brackets relate to the previous year.



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LG ELECTRONICS INDIA PRIVATE LIMITED
Notes forming part of the financial statements for the year ended March 31, 2024

34 Segment reporting (cont'd)

Additional information required by IND AS 108

The Company has identified Geographic segment as secondary segment and the information on revenue for the year ended March 31, 2024 is as follows:

Geographic segment	(In Million)
	Revenue
	For the year ended March 31, 2024
	₹
Domestic	203,635 (189,138)
Africa	1,693 (1,777)
Europe	1 (11)
Asia (excluding India)	8,163 (7,728)
Others	28 (28)
Total Revenue from operations	213,520 (198,682)

Notes:

- (a) Figures in brackets relate to the previous year.
- (b) 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.
- (c) Unallocable other income has not been measured and reported segment wise as these components are not realistically allocable and identifiable.
- (d) 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.
- (e) 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.
- (f) Capital expenditure pertains to additions made to property, plant and equipment during the year and movement in capital work in progress during the year.



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LG ELECTRONICS INDIA PRIVATE LIMITED

Notes forming part of the financial statements for the year ended March 31, 2024

35 Discontinued operation

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 deems fit.

Pursuant to the aforesaid decision, the management prepared a liquidation plan for the remaining inventories as on March 31, 2022 amounting to ₹ 86 Million (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 ₹ 40 Million. The Company has also impaired the entire property, plant and equipment (PP&E) pertaining to the mobile communications division amounting to ₹ 26 Million during the year ended March 31, 2022.

During the year ended March 31, 2023, the Company has liquidated inventories (comprising manufactured and finished goods) amounting ₹ 54 Million and closing inventory amounting to ₹ 32 Million pertains to service parts inventory. All additional cost provided on March 31, 2022 has been incurred by the Company during the year ended March 31, 2023.

The financial performance pertaining to the mobile communications division are as follows:

Particulars	(In Million)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
	₹	₹
Revenue from operations (include other income)	-	36
Expenses	-	78
Loss before tax	-	(42)
Income tax expense	-	(11)
Loss after tax	-	(31)

The carrying amounts of assets and liabilities pertaining to the mobile communications division are as follows:
(In Million)

Particulars	As at March 31, 2024	As at March 31, 2023
	₹	₹
Inventories	-	32
Total assets	-	32

The Net cash flows from mobile communications division are as follow:

Particulars	(In Million)	
	Year ended March 31, 2024	Year ended March 31, 2023
	₹	₹
Net cash (outflow)/ inflow from operating activities	-	(14)
Net cash inflow/(outflow) from investing activities	-	-
Net cash inflow/(outflow) from financing activities	-	-
Net cash (outflow)/ inflow from discontinued operations	-	(14)

Earnings per share (Refer Note No 29)

Basic earnings per share for discontinued operations	-	(0.27)
Diluted earnings per share for discontinued operations	-	(0.27)



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LG ELECTRONICS INDIA PRIVATE LIMITED

Notes forming part of the financial statements for the year ended March 31, 2024

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:

(In Million)

Particulars	As at March 31, 2024	As at March 31, 2023
	₹	₹
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year.	3,094	3,751
(ii) Principal amount (excluding interest) paid during the year to any supplier beyond the appointed date.	-	-
(iii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting 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 year.	-	-
(vi) The amount of interest accrued and remaining unpaid at the end of the accounting year.	-	-
(vii) The amount of further interest remaining due and payable even in the succeeding year, until such date when the interest dues as above are actually	-	-

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 March 31, 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 entered into by the Company as at March 31, 2024:

(In Million)

Currency	Amount	Buy / Sell	Cross Currency
USD	USD 24.47 equivalent to ₹2,041 (March 31, 2023 : USD 46.74 equivalent to ₹ 3,841)	Buy	INR

The year-end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are given below:

[₹ in Million, Foreign currency (FC) in '000]

Particulars	As at March 31, 2024		As at March 31, 2023	
	Receivable/ (Payable)	Receivable/ (Payable)	Receivable/ (Payable)	Receivable/ (Payable)
	₹	FC	₹	FC
i) Receivables in foreign currency				
- Trade receivables	2,106	US \$ 25,243 AED 0 € 0	2,672	US \$ 32,222 AED 931 € 41
- Other receivables	85	US \$ 1,023	53	US \$ 648
- EEFC A/c	458	US \$ 5,488	345	US \$ 4,206
ii) Payables in foreign currency				
- Trade payables	(13,846)	US \$ (164,551) ¥ (63,964) (€ 949)	(14,715)	US \$ (177,953) ¥ (35,348) (€ 784)
- Advances from customers	(62)	US \$ (742)	(23)	US \$ (283)



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LG ELECTRONICS INDIA PRIVATE LIMITED

Notes forming part of the financial statements for the year ended March 31, 2024

38. Amounts remitted in foreign currency during the year on account of interim dividend:

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
	₹	₹
Amount of interim dividend remitted in foreign currency (In Million)	20,929	24,888
Total number of non-resident shareholders	1	1
Total number of shares held by them on which dividend was due	113,128,726	113,128,726
Year to which the interim dividend relates	2023-24	2022-23

39 Government grants

- a) 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 ₹2,500 Million 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 ₹ 6 Million for the year ended March 31, 2024 (March 31, 2023: NIL Million). The outstanding balance of claims receivable as at March 31, 2024 aggregating to ₹NIL Million (March 31, 2023: ₹13 Million) 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 March 31, 2024 aggregating to ₹156 Million (March 31, 2023: ₹156 Million) has been 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 and is pending resolution.

- c) 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 investments of the Company is not less than ₹5,000 Million made over a period of five years commencing from April 1, 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 ₹ 457 Million for the year ended March 31, 2024 (March 31, 2023: ₹443 Million). The outstanding balance of claims receivable as at March 31, 2024 aggregating to ₹1,171 Million (March 31, 2023: ₹931 Million) has been included in government grant recoverable in Note No. 7.

- d) 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 investments 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 ₹208 Million for the year ended March 31, 2024 (March 31, 2023: ₹197 Million).

- 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 March 31, 2024 aggregating to ₹113 Million (March 31, 2023: ₹122 Million) has been 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, 2023. Since the law requires existence of such information and documentation to be contemporaneous in nature, the Company is in the process of updating the documentation for the international transactions entered into with the associated enterprises during the year ended March 31, 2024 and expects such records to be in existence latest by the due date as required under law. The management is of the opinion that its international transactions are at arms' length and the aforesaid legislation is not expected to have any material impact on the financial statements.



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LG ELECTRONICS INDIA PRIVATE LIMITED
Notes forming part of the financial statements for the year ended March 31, 2024

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%)
Current Ratio	Times	Total Current Assets	Total Current Liabilities	1.59	1.71	-7%	
Debt-Equity Ratio	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.
Debt Service Coverage Ratio	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%	
Inventory turnover ratio	Times	Revenue from operations	Average inventories	8.47	7.85	8%	
Trade Receivables turnover ratio	Times	Revenue from operations	Average trade receivables	12.95	13.79	-6%	
Trade payables turnover ratio	Times	Purchases	Average Trade payables	4.63	4.87	-5%	
Net capital turnover ratio	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.
Return on Equity Ratio	%	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.
Net profit ratio	%	Profit for the year	Revenue from operations	7.08	6.77	5%	
Return on Capital employed	%	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.
Return on investment	%	Earnings before finance costs and tax	Average total assets	23.62	19.97	18%	



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LG ELECTRONICS INDIA PRIVATE LIMITED
Notes forming part of the financial statements for the year ended March 31, 2024

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) Wilful defaulter

The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(iv) Relationship with struck off Companies (Amount in ₹)

Name of the struck off company	Nature of transactions with struck off company	Balance outstanding as at March 31, 2024 (₹)	Relationship with the struck off company, if any, to be disclosed	Balance outstanding as at March 31, 2023 (₹)	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	754	None
Super Tech Aircon Private Limited	Advance against sale of goods/ rendering of services	-	None	16,605	None
Mentor Graphics India Private Limited	Receivables against sale of goods/ rendering of services	-	None	1,742	None

(v) Compliance with number of layers of companies

The Company has not invested in any other company during the current year or previous year and does not have any investment in any other company as at March 31, 2024 and March 31, 2023. 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.



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LG ELECTRONICS INDIA PRIVATE LIMITED

Notes forming part of the financial statements for the year ended March 31, 2024

(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 or previous financial year.

(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:

- a. Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
- b. Provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

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:

- a. Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
- b. Provide any guarantee, security or the like on behalf of the ultimate beneficiaries.

(viii) Undisclosed income

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

(ix) Details of crypto currency or virtual currency

The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.

(x) Valuation of Property, plant and equipment and intangible asset

The Company has chosen cost model and not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.

For Price Waterhouse Chartered Accountants LLP
Firm Registration No. : 012754N/N500016

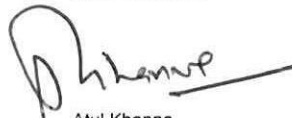


Anurag Khandelwal
Partner
Membership No. : 078571

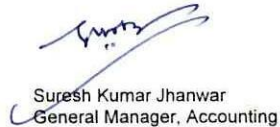
**For and on behalf of the Board of Directors
of LG Electronics India Private Limited**



Hong Ju Jeon
Managing Director
DIN. : 10041232



Atul Khanna
Vice President, Finance



Suresh Kumar Jhanwar
General Manager, Accounting



Dong Myung Seo
Director and Chief
Financial Officer
DIN. : 09461866



Manish Kumar Surolia
Company Secretary
Membership No : A44350

Place : Gurugram
Date : August 31, 2024

Place : Noida
Date : August 31, 2024