Signify Innovations India Limited

Annual Report 2025-26

Thoothukudi Airport, Tamil Nadu

We are Signify

Our purpose is to unlock the extraordinary potential of light for brighter lives and a better world.

We provide professional customers and consumers with high-quality products, systems, and services. Our connected lighting solutions bring both illumination and the data they gather to devices, spaces, and people, redefining the role of light and how it is used. Through our innovations, we contribute to a safer, smarter, and a more sustainable world.

Our values

Our values guide how we think, act, and grow together. They reflect what we stand for and how we work every day.

Customer first

We put our customers at the center of everything we do.

- Intensifying customer relationships
- Understanding deeply customers' business and related needs
- Giving a better solution than the competition

Game changer

Being a game changer means driving impactful transformation by:

- Embracing new ideas that come from others
- Anticipating trends to win
- Learning from success and failure

Greater together

Being greater together means achieving success together for the greater good of Signify by:

- Valuing and embracing diversity
- Promoting an environment of trust and psychological safety
- Prioritizing collective success

Passion for results

Having a passion for results means focusing our energy on what is most important to Signify by:

- Delivering on commitments
- Persisting in the face of challenges
- Role modeling a winning mindset

Chairman's Message

Dear Stakeholder,

I am honored to present the Annual Report of Signify Innovations India Limited for the financial year 2025-26. During this period, while India continued to show resilient performance, underpinned by expansion in manufacturing, robust infrastructure spending, and rising aspirations of our middle class, the global economic and geopolitical climate remained challenging.

Despite these headwinds, your company was able to deliver strong business results during this period, delivering growth in revenue, improved profitability, strengthening the quality of our financial performance, improvements in ROCE and ROE while achieving year-on-year growth, with a strong contribution from our connected offerings portfolio. This performance not only affirms our market leadership but also demonstrates, our vision of shaping the future of illumination in India.

Aligned with the spirit of 'Make in India,' we are proud to report the progress of our joint venture 'Lightanium Technologies' as it continues to establish herself as a leading Center of Excellence in lighting manufacturing in India, delivering world-class technology, competitive value, and an expansive product portfolio to our customers. Throughout the year, we remained steadfast in our commitment to innovation, sustainability, and the creation of long-term value for our customers and shareholders.

Sustainability remains central to how we create value. In 2025, we concluded five years of progress under our 'Brighter Lives, Better World' program, exceeding our targets for energy efficiency and emissions reduction, circularity, and impact beyond illumination. External recognition from organizations such as EcoVadis, the Dow Jones Sustainability Index, and CDP, as well as surpassing 10 million lives lit by the Signify Foundation, reflects the impact of our efforts.

We launched our renewed strategy designed to align with the distinct trajectories of each of our businesses and to address the diverse market dynamics across our portfolio.

- Expand in specialty lighting, capturing growth opportunities in the areas outside of general lighting through innovation and technical leadership.
- Maintain leadership in 'Connected Lighting', continuing to define the industry through digitalization and data-enabled solutions.
- Strengthen our competitive position in non-connected LED, driving efficiency, quality, and differentiation to reinforce our market position.
- Maximize value from the conventional lighting business, managing its natural decline while optimizing profitability and leveraging our long-standing expertise.

We continued to lead the LED transformation in India, launching new products, expanding our Philips Smart Light Hubs network and improving our supply chain model to meet customer demands.

Equally important has been how we conduct our operations.. We continued to evolve our culture to deliver the full value of our operating model, strengthening a market-led mindset across the organization. Our digitalization roadmap is aimed at creating future-ready processes, customer interfaces, and products. We will continue to leverage digital and AI capabilities and accelerate the modernization of our technology stack to support speed, simplicity, and better decision-making.

Building an inclusive culture where talent can flourish, and individuals grow personally and professionally is fundamental to us driven by our purpose, prioritizing authenticity and building a truly safe space for everyone to be fully engaged and to achieve their fullest potential. Complementing this approach, are our comprehensive leadership programs, designed to equip all leaders with the essential skills to lead inclusively, ensuring a supportive and equitable environment for everyone.

Our CSR strategy and initiatives resonate with our brand purpose which is to unlock the extraordinary potential of 'Light for brighter lives and a better world', aimed at ensuring access to sustainable lighting for underserved communities. This year we have positively impacted over 1.6 million lives with our holistic CSR programs across the country. Working hand in hand with our CSR partners, we have illuminated 297 schools, 560 villages, 171 healthcare centres, and 20 playgrounds under our initiatives in India.

Looking ahead to FY 2026–27, we remain optimistic about the opportunities ahead and expect continued momentum across our businesses. We will remain focused on driving innovation, strengthening our differentiated propositions and delivering high-quality, relevant solutions that create greater value for our customers. We see continued opportunities for growth in the 'Professional' business, supported by sustained government spending on infrastructure, increasing private capital expenditure and the broader development of India's built environment.

Our commitment to India's growth story remains strong. We extend our deepest gratitude to our customers for their continued trust, loyalty and invaluable feedback, which inspire us to raise the bar and strengthen our leadership in the market. We also recognize and commend our employees for their unwavering professionalism, passion and dedication, which have been instrumental in delivering another strong year and positioning us well for the opportunities ahead.

Lastly, and most importantly, we thank our shareholders for their continued confidence in our business, our strategy and our long-term vision.
We remain committed to creating sustainable value for all our stakeholders and to shaping the future of illumination in India.

Warm Regards,
Vinayak Deshpande
Chairman, Signify Innovations India Limited

MD & CEO's Message

Amid a dynamic global economic and geopolitical environment, 2025-26 was a year that once again demonstrated India's resilience and its strength as one of the world's fastest-growing major economies. For us, the year was defined by resilient performance, disciplined execution and continued progress towards creating sustainable, long-term value.

We delivered growth in both revenue and profitability, while further strengthening our position as a leader in the lighting market across professional and consumer segments. Overall, our business registered revenue growth of 5.6% and profitability growth of 14.7%. Importantly, the quality of our financial performance also strengthened, as ROCE and ROE improved to 79.5% and 20% respectively, alongside robust free cash flow generation. These outcomes reflect our disciplined approach to capital allocation and our continued focus on building a stronger, more sustainable business.

This performance was underpinned by progress across our businesses. Our consumer business delivered magnificent double-digit growth, supported by new product introductions, cost leadership, a strengthened EcoLink strategy and portfolio expansion in premium and connected lighting and BLDC fans. Our professional business delivered impressive single-digit growth, with our solutions contributing to prestigious projects across the nation.

Sustainability remains central to how we create this value. In 2025, we concluded five years of progress under our Brighter Lives, Better World program, exceeding our targets for energy efficiency and emissions reduction, circularity and impact beyond illumination. External recognition from organisations such as EcoVadis, the Dow Jones Sustainability Index and CDP, as well as surpassing 10 million lives lit by the Signify Foundation, reflects the impact of these efforts.

Alongside this and aligned with the spirit of 'Make in India,' we are also proud of the progress of our joint venture Lightanium Technologies, which continues to establish itself as a leading center of excellence in lighting manufacturing in India, bringing world-class technology, competitive value and an expansive product portfolio to our customers.

Warm Regards,

Sumit Joshi

Managing Director & CEO

Financial Highlights

Standalone FS:

Revenue
₹3,324 Cr.

Profit Before Tax
₹484 Cr.

Earning per Share
₹64.68

Consolidated FS:

Revenue
₹3,324 Cr.

Profit Before Tax
₹489 Cr.

Earning per Share
₹65.21

Board of Directors & Key Managerial Personnel

Mr. Vinayak K. Deshpande

Chairman and Non-Executive & Non-Independent Director, Chairman of Audit Committee & Stakeholders' Relationship Committee, Member of Nomination & Remuneration Committee*

Mr. Sumit Joshi

Vice-Chairman, Managing Director & CEO, Member of Nomination & Remuneration Committee, Stakeholders' Relationship Committee, CSR Committee & Chairman of Banking & Other Operations Committee

Mr. Chellur Arunkumar

Whole-time Director & Head - Consumer, Member of CSR Committee and Banking & Other Operations Committee^

Mr. Dibyendu Raychaudhury

Whole-time Director and Chief Financial Officer, Member of Banking & Other Operations Committee

Ms. Sangeeta Tanwani

Independent and Non-executive Director Chairperson of Nomination & Remuneration, CSR Committee & Member of Audit Committee

Mr. Dilip Jose

Independent & Non-Executive Director, Member of Audit Committee, Nomination & Remuneration Committee and Stakeholders' Relationship Committee

*Mr. Deshpande ceased to be an Independent Director of the Company w.e.f. 26th April, 2026 and he is appointed as a Non-Executive & Non-Independent Director w.e.f. 27th April, 2026, subject to the approval of the Shareholders.

^ Mr. Vikas Malhotra, Whole-time Director, ceased to be a Director of the Company w.e.f. 22nd July 2026 upon completion of his tenure and Mr. Arunkumar is appointed as a Whole-time Director w.e.f. 23rd July 2026, subject to the approval of the Shareholders.

Lighting the way to a better tomorrow

Har Gaon Roshan

Lighting up villages: Through solar-powered and energy-efficient lighting solutions, we improved safety, mobility, and livelihood opportunities after sunset across 560 villages in seven states. A landmark initiative in the Bastar region of Chhattisgarh illuminated 70 remote villages, with the project inaugurated by Hon'ble Home Minister Shri Amit Shah.

Swasthya Kiran

Lighting up healthcare centres: By providing reliable solar power and modern lighting infrastructure, we strengthened healthcare delivery in 171 health centres. The initiative supports uninterrupted medical services, enhances patient care, and improves healthcare accessibility in rural and underserved communities.

Khel Jyoti

Lighting up playgrounds: To promote grassroots sports development, we illuminated 20 rural playgrounds, enabling extended training hours and safer sporting environments. We also supported the illumination of 5 Sports Authority of India (SAI) training centres, contributing to the enhancement of sports infrastructure aligned with national sporting priorities.

Jagmag Pathshala

Lighting up schools: To create better learning environments, we illuminated 297 government schools across four states, improving access to education and student safety. Additionally, we established advanced computer labs in two blind schools, helping enhance digital learning opportunities for visually impaired students.

2025-26
A year of bold impact

Hosted India's biggest lighting festival (ILF'26), bringing together cutting-edge lighting innovations, immersive experiences, and industry leaders on one platform.

We illuminated the cultural heritage and timeless architectural legacy of the Samayapuram Temple through stunning façade lighting.

Ecolink powered the IPL season as the official partner of Rajasthan Royals and Sunrisers Hyderabad.

Launched SootheSpace, a next-generation lighting solution designed in line with WELL building standard and LEED Certification requirements.

CLEAN200

Signify recognized as a leader in sustainable business and ranked in the Clean 200™ list.

Expanded our presence to 350+ stores nationwide with 3 exclusive Philips Smart Lighting stores across India.

We brought Andhra Cricket Association Stadium to life with Philips lighting solutions.

signify
the meaning of light

SIGNIFY INNOVATIONS INDIA LIMITED

[CIN: U74900WB2015PLC206100]

CONTENTS

Annual General Meeting on Thursday, 17th September, 2026 at 11.30 a.m. through Video Conference (VC) / Other Audio Visual Means (OAVM)

For detailed procedure for joining the meeting through VC/OAVM and other relevant information, please refer to the AGM Notice that forms part of the Annual Report.

CORPORATE INFORMATION

Board of Directors

Chairman and Non-Executive & Non-Independent Director
Mr. Vinayak Kashinath Deshpande

Vice- Chairman, Managing Director & CEO
Mr. Sumit Padmakar Joshi

Whole-Time Directors
Mr. Chellur Arunkumar
Mr. Dibyendu Raychaudhury (CFO)

Independent & Non-Executive Directors
Ms. Sangeeta Tanwani
Mr. Dilip Jose Puthiyidathu

Head of Legal & Company Secretary
Mr. Nitin Mittal

Deputy Company Secretary
Mr. Harvinder Kumar

Committees of Board

Audit Committee
Mr. Vinayak K. Deshpande – Chairman
Mr. Dilip Jose Puthiyidathu – Member
Ms. Sangeeta Tanwani – Member

Nomination and Remuneration Committee
Ms. Sangeeta Tanwani – Chairperson
Mr. Dilip Jose Puthiyidathu – Member
Mr. Sumit Padmakar Joshi – Member
Mr. Vinayak K. Deshpande – Member

Corporate Social Responsibility Committee
Ms. Sangeeta Tanwani– Chairperson
Mr. Chellur Arunkumar – Member
Mr. Sumit Padmakar Joshi – Member

Stakeholders Relationship Committee
Mr. Vinayak K. Deshpande – Chairman
Mr. Dilip Jose Puthiyidathu – Member
Mr. Sumit Padmakar Joshi – Member

Banking and Other Operations Committee
Mr. Sumit Padmakar Joshi – Chairman
Mr. Dibyendu Raychaudhury – Member
Mr. Chellur Arunkumar – Member

Management Team

Managing Director and Chief Executive Officer
Sumit Padmakar Joshi

Whole-time Director & Head - Consumer
Chellur Arunkumar

Whole-time Director & Chief Financial Officer
Dibyendu Raychaudhury

Head of Legal and Company Secretary
Nitin Mittal

Head – Human Resource
Irani Srivastava Roy

Head – Professional Sales, S&S and I2M
Girish Chawla

Head – Transformation
Vikas Malhotra

Head- Supply Chain
Nitin Agarwal

Head – Digital
Anmol Jalota

Head - IMC, Strategy, Govt. Affairs & CSR
Nikhil Gupta

Head- Vadodara Plant
Neeraj Kumar Jindal

Other Information

STATUTORY AUDITORS
S.R. Batliboi & Co. LLP
Chartered Accountants

SECRETARIAL AUDITORS
PI & Associates
Companies Secretaries

COST AUDITORS
Kailash Sankhlecha & Associates
Cost Accountants

INTERNAL AUDITORS
Deloitte Touche Tohmatsu India LLP

BANKERS
Citibank N.A.
Bank of America
State Bank of India
Yes Bank Limited
Deutsche Bank AG
Standard Chartered Bank
BNP Paribas
HSBC

REGISTRAR AND SHARE TRANSFER AGENT
KFin Technologies Limited ('Kfintech')
Unit: Signify Innovations India limited
Selenium Tower-B, Plot no.31-32, Gachibowli,
Financial District, Nanakramguda, Hyderabad-500 032.
Toll Free number: 1800 309 4001,
Email: einward.ris@kfintech.com
Website: www.kfintech.com

REGISTERED OFFICE
Signify Innovations India Limited
PS ARCADIA CENTRAL, 3A, 3rd floor, 4A,
Abanindranath Thakur Sarani (Camac Street), Kolkata – 700 017
Registered Office Phone: +91 7303084237
Corporate Office Phone: +91 7303084234
Website: www.signify.com

General Investors' Queries: *corporate.info@signify.com*

SIGNIFY INNOVATIONS INDIA LIMITED

CIN: U74900WB2015PLC206100
Registered Office: PS ARCADIA CENTRAL,
3A, 3rd floor, 4A, Abanindranath Thakur Sarani (Camac Street),
Kolkata – 700 017, West Bengal
Phone: +91 7303084237, Email: *corporate.info@signify.com*, Website: *www.signify.com*

NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the 11th Annual General Meeting of **SIGNIFY INNOVATIONS INDIA LIMITED** will be held on Thursday, the 17th day of September, 2026 at 11:30 am through Video Conference / Other Audio Visual Means, to transact the following business. The venue of the meeting shall be deemed to be the Registered Office of the Company at PS ARCADIA CENTRAL, 3A, 3rd floor, 4A, Abanindranath Thakur Sarani (Camac Street), Kolkata – 700017.

ORDINARY BUSINESS:

1. To consider and, if thought fit, to pass, with or without modification(s), the following resolutions as an Ordinary Resolution to receive, consider and adopt the Standalone and Consolidated Financial Statements of the Company for the financial year ended 31st March, 2026, including the audited Balance Sheet as at 31st March, 2026, the Statement of Profit and Loss for the year ended on that date and the reports of the Auditors and Directors thereon:

   "RESOLVED THAT the Standalone and Consolidated Financial Statements of the Company for the financial year ended 31st March, 2026, including the audited Balance Sheet as at 31st March, 2026, the Statement of Profit and Loss for the year ended on that date and the reports of the Auditors and Directors thereon, be and are hereby received, considered and adopted.

   RESOLVED FURTHER THAT all the Directors, KMPs, the Company Secretary and Deputy Company Secretary, of the Company, be and are hereby severally authorized to do all such acts, things or deeds which may be necessary, proper or expedient to give effect to this resolution."

2. To consider and, if thought fit, to pass, with or without modification(s), the following resolutions as an Ordinary Resolution to confirm the payment of 1st interim dividend of ₹ 52.50/- per equity share, i.e. 525% on face value of ₹ 10/- each, of the financial year 2025-26:

   "RESOLVED THAT the 1st Interim Dividend of ₹ 52.50/- per equity share, i.e. 525% on face value of ₹10/- each, of the financial year 2025-26, duly approved by the Board of Directors of the Company and already paid, be and is hereby confirmed."

3. To consider and, if thought fit, to pass, with or without modification(s), the following resolutions as an Ordinary Resolution to appoint a director in place of Mr. Dibyendu Raychaudhury (DIN-09747317) who retires by rotation and being eligible offers himself for re-appointment:

   "RESOLVED THAT Mr. Dibyendu Raychaudhury (DIN-09747317), who retires by rotation and being eligible offers himself for re-appointment, be and is hereby re-appointed as a Director of the Company."

4. To consider and, if thought fit, to pass, with or without modification(s), the following resolutions as an Ordinary Resolution to appoint M/s Price Waterhouse Chartered Accountants LLP (Firm Registration Number 012754N/N500016), as Statutory Auditors of the Company and fix their remuneration:

   "RESOLVED THAT pursuant to provisions of section 139, 142 and other applicable provisions, if any, of the Companies Act 2013 (as amended or re-enacted from time to time) (hereinafter referred to as Act) read with Companies (Audit and Auditors) Rules, 2014 (as amended from time to time) (hereinafter referred to as Rules) and based on the recommendations of the Audit Committee and the Board of Directors of the Company, approval of the Members of the Company be and is hereby granted to appoint M/s Price Waterhouse Chartered Accountants LLP having FRN - 012754N/N500016, who have offered themselves for appointment and have confirmed their eligibility under the relevant provisions of Chapter X of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, as the Statutory Auditors of the Company for a period of five (5) years commencing from the conclusion of 11th AGM of the Company till the conclusion of 16th AGM, and that the Auditors be paid such remuneration as may be mutually agreed between the Board of Directors of the Company and the Auditors from time to time.

RESOLVED FURTHER THAT any of the Directors, KMPs, the Company Secretary, the Deputy Company Secretary, of the Company, be and are hereby severally authorized to file the required intimation with the Registrar of Companies within the timeline stipulated under the Act read with the relevant rules and to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

SPECIAL BUSINESS:

5. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution for Regularization of Additional Director, Mr. Vinayak Kashinath Deshpande (DIN: 00036827), as a Non-Executive and Non-Independent Director of the Company:

   "RESOLVED THAT pursuant to the provisions of Sections 152, 161 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Vinayak Kashinath Deshpande (DIN: 00036827), who was appointed as an Additional Director of the Company under Section 149 & 161 of the Companies Act, 2013, by the Board of Directors basis the recommendation made by the Nomination and Remuneration Committee, with effect from 27th April, 2026, who holds office upto the date of this Annual General Meeting, in terms of Section 161 of the Companies Act, 2013, the approval of the members of the Company be and is hereby granted to appoint Mr. Deshpande as a Non-Executive and Non-Independent Director of the Company with effect from 27th April 2026, liable to retire by rotation, for a term of five (5) consecutive years.

   RESOLVED FURTHER THAT any of the Directors, KMPs, the Company Secretary, the Deputy Company Secretary, of the Company, be and are hereby severally authorized to take all such steps as may be necessary, proper or expedient to give effect to this resolution."

6. To consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution for Regularization of Additional Director, Mr. Chellur Arunkumar (DIN: 11833054) as Director of the Company in capacity of Whole-time Director:

   "RESOLVED THAT pursuant to the provisions of Sections 152, 161 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Chellur Arunkumar (DIN: 11833054), who was appointed as an Additional Director of the Company under Section 161 of the Companies Act, 2013, by the Board of Directors, on the basis of recommendation made by the Nomination and Remuneration Committee, with effect from 23rd July, 2026, who holds office upto the date of this Annual General Meeting, in terms of Section 161 of the Companies Act, 2013, approval of the members of the Company be and is hereby granted to appoint Mr. Arunkumar as Director of the Company in Executive capacity.

   RESOLVED FURTHER THAT pursuant to the provisions of Sections 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, including any statutory modification(s) or re-enactment thereof for the time being in force, approval of the Members of the Company be and is hereby also accorded to appoint Mr. Chellur Arunkumar (DIN: 11833054) as Whole-time Director of the Company, being Key Managerial Personnel, to hold office for a term of 5 (five) consecutive years from 23rd July, 2026 to 22nd July, 2031, as well as the payment of salary, commission and perquisites (hereinafter referred to as "remuneration"), upon the terms and conditions as detailed in the Explanatory Statement attached hereto, which is hereby approved and sanctioned with authority to the Board of Directors to alter and vary the terms and conditions of the said appointment in such manner as may be agreed to between the Board of Directors and Mr. Arunkumar.

   RESOLVED FURTHER THAT Mr. Arunkumar shall be liable to retire by rotation.

   RESOLVED FURTHER THAT Mr. Arunkumar shall be entitled of increase in annual remuneration payable to him, being the Executive, as per the Policy of the Company, for the balance term of his appointment on the Board, but subject to the provisions of sections 196, 197 and other applicable provisions, if any, of the Act.

   RESOLVED FURTHER THAT in the event of loss or inadequacy of profits in the Company in any financial year during the term of Mr. Arunkumar as Director, the remuneration and perquisites as set out in the Explanatory Statement annexed to this notice, be paid or granted to Mr. Arunkumar as minimum remuneration, provided that the total remuneration by way of salary, perquisites and any other allowances shall not, unless approved by the Central Government, exceed the ceiling as provided in Schedule V to the Companies Act, 2013 or any equivalent statutory re-enactment(s) thereof.

RESOLVED FURTHER THAT any of the Directors, KMPs, the Company Secretary, the Deputy Company Secretary, of the Company, be and are hereby severally authorized to take all such steps as may be necessary, proper or expedient to give effect to this resolution."

7. To consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution for the revision in remuneration of Mr. Sumit Padmakar Joshi (DIN-07018906):

"RESOLVED THAT in partial modification of the resolution earlier passed by the Members of the Company at the Annual General Meeting of the Company held on 12th September, 2025, pursuant to the recommendation made by the Nomination and Remuneration Committee, duly approved by the Board of Directors of the Company and, the provisions of Sections 196, 197 and other applicable provisions, if any, of the Companies Act, 2013, and subject to such consents, approvals or permissions as may be necessary, if required, the approval of the Members of the Company be and is hereby accorded for the revision in remuneration payable to Mr. Sumit Padmakar Joshi (DIN-07018906) as Vice-Chairman, Managing Director, & Chief Executive Officer of the Company, to take effect from 1st April, 2026 for the balance term of his appointment on the Board, on the terms and conditions as detailed in the Explanatory Statement attached hereto, which is hereby approved and sanctioned with authority to the Board of Directors to alter and vary the terms and conditions of the said appointment in such manner as may be agreed to between the Board of Directors and Mr. Joshi.

RESOLVED FURTHER THAT in the event of loss or inadequacy of profits in the Company in any financial year during the term of Mr. Joshi's office as Managing Director, the remuneration and perquisites set out in the Explanatory Statement annexed hereto, be paid or granted to Mr. Joshi as minimum remuneration, provided that the total remuneration by way of salary, perquisites and any other allowances shall not, unless approved by the Central Government, exceed the ceiling as provided in Schedule V to the Companies Act, 2013 or any equivalent statutory re-enactment(s) thereof.

RESOLVED FURTHER THAT any of the Directors, KMPs, the Company Secretary, the Deputy Company Secretary, of the Company, be and are hereby severally authorized to take all such steps as may be necessary, proper or expedient to give effect to this resolution."

8. To consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution for the revision in remuneration of Mr. Vikas Malhotra (DIN: 09253036):

"RESOLVED THAT in partial modification of the resolution earlier passed by the Members of the Company at the Annual General Meeting of the Company held on 12th September, 2025, pursuant to the recommendation made by the Nomination and Remuneration Committee, duly approved by the Board of Directors of the Company and, the provisions of Sections 196, 197 and other applicable provisions, if any, of the Companies Act, 2013, subject to such consents, approvals or permissions as may be necessary, if required, the approval of the Members of the Company be and is hereby accorded for the revision in remuneration payable to Mr. Vikas Malhotra (DIN: 09253036), Whole-time Director, to take effect from 1st April, 2026, for the balance term of his appointment on the Board, on the terms and conditions as detailed in the Explanatory Statement attached hereto, which is hereby approved and sanctioned with authority to the Board of Directors to alter and vary the terms and conditions of the said appointment in such manner as may be agreed to between the Board of Directors and Mr. Malhotra.

RESOLVED FURTHER THAT in the event of loss or inadequacy of profits in the Company in any financial year during the term of Mr. Malhotra's office as Whole-time Director, the remuneration and perquisites set out in the Explanatory Statement annexed hereto, be paid or granted to Mr. Malhotra as minimum remuneration, provided that the total remuneration by way of salary, perquisites and any other allowances shall not, unless approved by the Central Government, exceed the ceiling as provided in Schedule V to the Companies Act, 2013 or any equivalent statutory re-enactment(s) thereof.

RESOLVED FURTHER THAT any of the Directors, KMPs, the Company Secretary, the Deputy Company Secretary, of the Company, be and are hereby severally authorized to take all such steps as may be necessary, proper or expedient to give effect to this resolution."

9. To consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution for the revision in remuneration of Mr. Dibyendu Raychaudhury (DIN-09747317):

"RESOLVED THAT in partial modification of the resolution earlier passed by the Members of the Company at the Annual General Meeting of the Company held on 12th September, 2025, pursuant to the recommendation made by the Nomination and Remuneration Committee, duly approved by the Board of Directors of the Company and, the provisions of Sections 196, 197 and other applicable provisions, if any, of the Companies Act, 2013, subject to such consents, approvals or permissions as may be necessary, if required, the approval of the Members of the Company be and is hereby accorded for the revision in remuneration payable to Mr. Dibyendu Raychaudhury (DIN-09747317), Whole-time Director and CFO, to take effect from 1st April, 2026, for the balance term of his appointment on the Board, on the terms and conditions as detailed in the Explanatory Statement attached hereto, which is hereby approved and sanctioned with authority to the Board of Directors to alter and vary the terms and conditions of the said appointment in such manner as may be agreed to between the Board of Directors and Mr. Raychaudhury.

RESOLVED FURTHER THAT in the event of loss or inadequacy of profits in the Company in any financial year during the term of Mr. Raychaudhury's office as Whole-time Director, the remuneration and perquisites set out in the Explanatory Statement annexed hereto, be paid or granted to Mr. Raychaudhury as minimum remuneration, provided that the total remuneration by way of salary, perquisites and any other allowances shall not, unless approved by the Central Government, exceed the ceiling as provided in Schedule V to the Companies Act, 2013 or any equivalent statutory re-enactment(s) thereof.

RESOLVED FURTHER THAT any of the Directors, KMPs, the Company Secretary, the Deputy Company Secretary, of the Company, be and are hereby severally authorized to take all such steps as may be necessary, proper or expedient to give effect to this resolution."

10. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution for Commission to the Non-Executive and Independent Directors of the Company:

"RESOLVED THAT pursuant to the provisions of Section 197 and other applicable sections of the Companies Act, 2013 (hereinafter known as 'the Act') (including any statutory modification or re-enactment thereof), duly recommended by the Board of Directors of the Company on the basis of the recommendation made by the Nomination and Remuneration of the Company, the approval of the Members of the Company be and is hereby accorded to pay and distribute an amount of ₹ 49,50,000/- (Rupees Forty-Nine Lakh Fifty Thousand only), which is within the limits of one percent as computed in the manner laid down in section 198 of the Act, as annual commission amongst the Non-Executive and Independent Directors for the financial year 2025-26, in the manner as detailed in the Explanatory Statement attached hereto.

RESOLVED FURTHER THAT any of the Directors, KMPs, the Company Secretary, the Deputy Company Secretary, of the Company, be and are hereby severally authorized to take all such steps as may be necessary, proper or expedient to give effect to this resolution."

11. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution for approval of Remuneration of Cost Auditors:

"RESOLVED THAT pursuant to Section 148 and other applicable provisions, if any, of the Companies Act, 2013 (''Act'') and the Companies (Audit and Auditors) Rules, 2014, as amended from time to time, the Company hereby approves the remuneration of ₹ 3,85,000/- (Rupees Three Lakh Eighty Five Thousand only) plus applicable tax and out of pocket expenses payable to M/s Kailash Sankhlecha & Associates, Cost Accountants, having FRN-100221, who are re-appointed by the Board of Directors as Cost Auditors of the Company, as recommended by the Audit Committee of the Company, to conduct cost audit relating to cost records of the Company for the year ending 31st March, 2027.

RESOLVED FURTHER THAT any of the Directors, KMPs, the Company Secretary, the Deputy Company Secretary, of the Company, be and are hereby severally authorized to take all such steps as may be necessary, proper or expedient to give effect to this resolution."

By Order of the Board of Directors
For **SIGNIFY INNOVATIONS INDIA LIMITED**

Nitin Mittal
Head of Legal & Company Secretary
FCS - 7044

Place : Gurugram
Date: 17th July, 2026

NOTES:

1. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, ('the Act') relating to the Special Business to be transacted at the Annual General Meeting ('AGM') is annexed hereto. The Board of Directors have considered and decided to include the Item Nos. 5, 6, 7, 8, 9, 10 & 11 given above as Special Business in the forthcoming AGM, as they are unavoidable in nature.

2. The Ministry of Corporate Affairs (MCA), vide its General Circular No. 03/2025 dated 22nd September, 2025 read with the General Circular No. 09/2024 dated 19th September, 2024, General Circular No. 09/2023 dated 25th September, 2023, General Circular No. 20/2020 dated 5th May, 2020, General Circular No. 02/ 2022 dated 5th May, 2022 and General Circular No. 10/2022 dated 28th December, 2022 and other applicable circulars, if any, (collectively referred to as 'MCA Circulars'), has allowed the Companies to conduct the AGM through Video Conferencing (VC) or Other Audio Visual Means (OAVM) till further notification. In accordance with, the said circulars, the 11th AGM of the Company shall be conducted through VC / OAVM. KFin Technologies Limited ('KFintech') will be providing facility for voting through remote e-voting, for participation in the AGM through VC / OAVM facility and e-voting during the AGM. The procedure for participating in the meeting through VC / OAVM is explained at Note No. 10 below and is also available on the website of the Company at www.signify.com.

3. As the AGM shall be conducted through VC / OAVM, the facility for appointment of Proxy by the Members is not available for this AGM and hence the Proxy Form and Attendance Slip including Route Map are not annexed to this Notice.

4. Institutional / Corporate Members are requested to send a scanned copy (PDF / JPEG format) of the certified Board Resolution authorising its representatives to attend and vote at the AGM, pursuant to Section 113 of the Act, to the Scrutinizer at asimsecy@gmail.com with mark to the Company at corporate.info@signify.com and the RTA at evoting@kfintech.com and read the other instruction given in point no. 10 (VIII)(2)(A).

5. The Share Transfer Books and the Register of Members of the Company will remain closed from 11th September, 2026 (9:00 am) to 17th September, 2026 (5:00 pm) (both days inclusive).

6. Subject to provisions of the Companies Act, 2013, 1st interim dividend of the financial year 2025-26, as declared by the Board of Director at its meeting held on 28th October, 2025, was duly paid within 30 days from the date of declaration, to those members whose names appear on the Company's Register of Members as on cut-off date i.e. 28th October, 2025. In respect of demat shares, the said interim dividend was paid on the basis of beneficial ownership as per the details furnished by the Depositories for this purpose.

7. Members are requested to contact the Registrar and Share Transfer Agent, M/s Kfin Technologies Ltd. for all matters connected with Company's shares at

   KfinTechnologies Ltd,
   Selenium, Tower-B, Plot no.31-32, Gachibowli,
   Financial District, Nanakramguda, Hyderabad-500 032.
   Toll Free no. 1800 3094001
   Telephone: +91 - 40 6716 2222/ 6716 1636
   Email id: einward.ris@kfintech.com

   Kfin Technologies Ltd,
   Apeejay House, Block "C", 3rd Floor,
   15, Park Street, Kolkata 700 016, West Bengal,
   Tel. +91 033 66285900

8. The Members desirous of appointing their nominees for the shares held by them may apply in the Nomination Form (Form SH-13).

9. ELECTRONIC DISPATCH OF ANNUAL REPORT AND PROCESS FOR REGISTRATION OF EMAIL ID FOR OBTAINING COPY OF ANNUAL REPORT:

   I. In accordance with the its General Circular No. 03/2025 dated 22nd September, 2025 read with the General Circular No. 09/2024 dated 19th September, 2024, Circular No. 09/2023 dated 25th September, 2023, General Circular No. 20/2020 dated 5th May, 2020, General Circular No. 02/ 2022 dated 5th May, 2022 and General Circular No. 10/2022 dated 28th December, 2022 and other applicable circulars, if any, (collectively referred to as 'MCA Circulars'), issued by MCA from time to time, the Annual Report consisting of Report of Board of Directors, Auditors' report & financial statements or other documents required to be attached therewith and Notice of AGM are being sent in electronic mode to Members whose e-mail addresses are registered with the Company or the Depository Participant(s).

   II. Members holding shares in physical mode and who have not updated their email addresses with the Company are requested to update their email addresses by writing to the Company at corporate.info@signify.com or KFintech at einward.ris@kfintech.com along with the copy of the signed request letter mentioning the name and address of the Member, self-attested copy of the PAN card, and self-attested copy of any document (eg.: Driving License, Election Identity Card, Passport) in support of the address of the Member.

   III. Members holding shares in dematerialised mode are requested to register / update their email addresses with the relevant Depository Participants with whom they maintain their demat accounts.

   IV. The Notice of AGM along with Annual Report for the financial year 2025-26, is available on the website of the Company at www.signify.com, and on the website of Fintech at https://evoting.kfintech.com or https://emeetings.kfintech.com

10. PROCEDURE FOR REMOTE E-VOTING AND E-VOTING AT THE AGM:

   I. In compliance with the provisions of Section 108 of the Act, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, the Members are provided with the facility to cast their vote electronically, through the e-Voting services provided by KFintech, on all the resolutions set forth in this Notice. The instructions for e-Voting are given herein below.

   II. However, in pursuant to SEBI Master circular dated 11th November, 2024, e-Voting process has been enabled to all the individual demat account holders, by way of single login credential, through their demat accounts / websites of Depositories / DPs in order to increase the efficiency of the voting process.

III. Individual demat account holders would be able to cast their vote without having to register again with the e-Voting service provider (ESP) thereby not only facilitating seamless authentication but also ease and convenience of participating in e-Voting process. Shareholders are advised to update their mobile number and e-mail ID with their DPs to access e-Voting facility.

IV. SEBI, vide its Circular dated 11th November, 2024 (as amended from time to time), has mandated registration of PAN, postal address, email address, mobile number, bank account details, specimen signature and nomination by holders of physical securities. Members holding shares in physical form are requested to submit the necessary details by sending a duly filled and signed Form ISR-1, ISR-2, ISR-3/SH-13 to the Company or KFinTech. Members, holding shares in physical form, may also note that as per the aforesaid Circular, the RTAs shall not process any service requests or complaints received from the holder(s) / claimant(s), till the aforesaid details are received.

V. The remote e-voting period commences at 9.00 a.m. on 13th September, 2026 and end at 5.00 p.m. on 16th September, 2026. The remote e-voting module will be disabled by KFintech for voting thereafter.

VI. The voting rights of Members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date.

VII. Any person holding shares in physical form and non-individual shareholders, who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date, may obtain the login ID and password by sending a request at evoting@Kfintech.com. However, if he / she is already registered with KFintech for remote e-Voting then he /she can use his / her existing User ID and password for casting the vote.

VIII. In case of Individual Shareholders holding securities in demat mode and who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date may follow steps mentioned below under "Login method for remote e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode."

IX. The details of the process and manner for remote e-Voting and e-AGM are explained herein below:

1. **Step 1:** Access to Depositories e-Voting system in case of individual shareholders holding shares in demat mode.
2. **Step 2:** Access to KFintech e-Voting system in case of shareholders holding shares in physical and non-individual shareholders in demat mode.
3. **Step 3:** Access to join virtual meetings(e-AGM) of the Company on KFin system to participate e-AGM and vote at the AGM.

1. Details on Step 1 are mentioned below:

Login method for remote e-Voting for Individual shareholders holding securities in demat mode.

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL	**Existing Internet-based Demat Account Statement ("IDeAS") facility Users:** 1. Visit the e-services website of NSDL https://eservices.nsdl.com either on a personal computer or on a mobile. 2. On the e-services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. Thereafter enter the existing user id and password. 3. After successful authentication, Members will be able to see e-voting services under 'Value Added Services'. Please click on "Access to e-voting" under e-voting services, after which the e-voting page will be displayed. 4. Click on company name i.e. 'Signify Innovations India Limited' or e-voting service provider i.e. KFin. 5. Members will be re-directed to KFin's website for casting their vote during the remote e-voting period and voting during the AGM. **Those not registered under IDeAS:** 1. Visit https://eservices.nsdl.comfor registering. 2. Select "Register Online for IDeAS Portal" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp. 3. Visit the e-voting website of NSDL https://www.evoting.nsdl.com/. 4. Once the home page of e-voting system is launched, click on the icon "Login" which is available under 'Shareholder / Member' section. A new screen will open. 5. Members will have to enter their User ID (i.e. the sixteen digit demat account number held with NSDL), password / OTP and a Verification Code as shown on the screen. 6. After successful authentication, Members will be redirected to NSDL Depository site wherein they can see e-voting page.

Type of shareholders	Login Method
	7. Click on company name i.eSignify Innovations India Limited or e-voting service provider name i.eKFin after which the Member will be redirected to e-voting service provider website for casting their vote during the remote e-voting period and voting during the AGM. 8. Members can also download the NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience. NSDL Mobile App is available on App Store Google Play
Individual Shareholders holding securities in demat mode with CDSL	**1. Existing user who have opted for Electronic Access To Securities Information ("Easi / Easiest") facility:** i. Visit https://web.cdslindia.com/myeasitoken/home/login ii. Click on New System Myeasi. iii. Login to MyEasi option under quick login. iv. Login with the registered user ID and password. v. Members will be able to view the e-voting Menu. vi. The Menu will have links of KFin e-voting portal and will be redirected to the e-voting page of KFin to cast their vote without any further authenciation. **2. User not registered for Easi / Easiest** i. Visit https://web.cdslindia.com/myeasitoken/Registration/EasiRegistration for registering. ii. Proceed to complete registration using the DP ID, Client ID (BO ID), etc. iii. After successful registration, please follow the steps given in point no. 1 above to cast your vote. **3. Alternatively, by directly accessing the e-voting website of CDSL** i. Visit www.cdslindia.com ii. Provide demat Account Number and PAN iii. System will authenticate user by sending OTP on registered mobile and email as recorded in the demat Account. iv. After successful authentication, please enter the e-voting module of CDSL. Click on the e-voting link available against the name of the Company, viz. 'Signify Innovations India Limited' or select KFin. v. Members will be re-directed to the e-voting page of KFin to cast their vote without any further authentication.
Individual Shareholder login through their demat accounts / Website of Depository Participant	I. Members can also login using the login credentials of their demat account through their DP registered with the Depositories for e-voting facility. II. Once logged-in, Members will be able to view e-voting option. III. Upon clicking on e-voting option, Members will be redirected to the NSDL / CDSL website after successful authentication, wherein they will be able to view the e-voting feature. IV. Click on options available against Signify Innovations India Limited or KFin. V. Members will be redirected to e-voting website of KFin for casting their vote during the remote e-voting period without any further authentication.

Important note: Members who are unable to retrieve User ID / Password are advised to use Forgot user ID and Forgot Password option available at respective websites.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Securities held with NSDL	Please contact NSDL helpdesk by sending a request at evoting@nsdl.co.inor call at toll free no.: 1800 1020 990 and 1800 22 44 30
Securities held with CDSL	Please contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.comor contact at 022- 23058738 or 022-23058542-43

2. **Details on Step 2 are mentioned below:**

Login method for e-Voting for shareholders other than Individual's shareholders holding securities in demat mode and shareholders holding securities in physical mode.

A. Members whose email IDs are registered with the Company/ Depository Participants (s), will receive an email from KFintech which will include details of E-Voting Event Number (EVEN), USER ID and password. They will have to follow the following process:

i. Launch internet browser by typing the URL: https://emeetings.kfintech.com/

ii. Enter the login credentials (i.e. User ID and password). In case of physical folio, User ID will be EVEN (E-Voting Event Number) xxxx, followed by folio number. In case of Demat account, User ID will be your DP ID and Client ID. However, if you are already registered with KFintech for e-voting, you can use your existing User ID and password for casting the vote.

iii. After entering these details appropriately, click on "LOGIN".

iv. You will now reach password change Menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A- Z), one lower case (a-z), one numeric value (0-9) and a special character (@,#,$, etc.,). The system will prompt you to change your password and update your contact details like mobile number, email ID etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.

v. You need to login again with the new credentials.

vi. On successful login, the system will prompt you to select the "EVEN" i.e., "Signify Innovations India Limited- AGM" and click on "Submit"

vii. On the voting page, enter the number of shares (which represents the number of votes) as on the Cut-off Date under "FOR/ AGAINST" or alternatively, you may partially enter any number in "FOR" and partially "AGAINST" but the total number in "FOR/ AGAINST" taken together shall not exceed your total shareholding as mentioned herein above. You may also choose the option ABSTAIN. If the Member does not indicate either "FOR" or "AGAINST" it will be treated as "ABSTAIN" and the shares held will not be counted under either head.

viii. Members holding multiple folios/demat accounts shall choose the voting process separately for each folio/ demat accounts.

ix. Voting has to be done for each item of the notice separately. In case you do not desire to cast your vote on any specific item, it will be treated as abstained.

x. You may then cast your vote by selecting an appropriate option and click on "Submit".

xi. A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you have voted on the resolution (s), you will not be allowed to modify your vote. During the voting period, Members can login any number of times till they have voted on the Resolution(s).

xii. Corporate/Institutional Members (i.e. other than Individuals, HUF, NRI etc.) are also required to send scanned certified true copy (PDF Format) of the Board Resolution/Authority Letter etc., authorizing its representative to attend the AGM through VC / OAVM on its behalf and to cast its vote through remote e-voting. together with attested specimen signature(s) of the duly authorised representative(s), to Scrutinizer at asimsecy@gmail.com with mark to the Company at corporate.info@signify.com and the RTA at evoting@kfintech.com . The scanned image of the above-mentioned documents should be in the naming format "Corporate Name_Even No."

B. Members whose email IDs are not registered with the Company/Depository Participants(s), and consequently the Annual Report, Notice of AGM and e-voting instructions cannot be serviced, will have to follow the following process:

i. The member may send an e-mail request at the email id einward.ris@kfintech.com along with scanned copy of the signed copy of the request letter providing the email address, mobile number, self-attested PAN copy and Client Master copy in case of electronic folio and copy of share certificate in case of physical folio for sending the Annual report, Notice of AGM and the e-voting instructions.

ii. After receiving the e-voting instructions, please follow all steps above to cast your vote by electronic means.

3. Details on Step 3 are mentioned below:

Instructions for all the shareholders, including Individual, other than Individual and Physical, for attending the AGM of the Company through VC/OAVM and e-Voting during the meeting.

i) Member will be provided with a facility to attend the AGM through VC / OAVM platform provided by KFintech. Members may access the same at https://emeetings.kfintech.com/ by using the e-voting login credentials provided in the email received from the Company/ KFintech.

ii) After logging in, click on the Video Conference tab and select the EVEN of the Company.

iii) Click on the video symbol and accept the meeting etiquettes to join the meeting. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned above.

11. OTHER INSTRUCTIONS

I. Speaker Registration: The Members who wish to speak during the meeting may register themselves as speakers for the AGM to express their views. They can visit https://emeetings.kfintech.com and login through the user id and password provided in the mail received from Kfintech. On successful login, select 'Speaker Registration' which will opened from 13th September, 2026 (9:00 a.m.) to 16th September, 2026 (5.00 p.m.). Members shall be provided a 'queue number' before the meeting. The Company reserves the right to restrict the speakers at the AGM to only those Members who have registered themselves, depending on the availability of time for the AGM.

II. Post your Question: The Members who wish to post their questions prior to the meeting can do the same by visiting https://emeetings.kfintech.com. Please login through the user id and password provided in the mail received from Kfintech. On successful login, select 'Post Your Question' option which will opened from 13th September, 2026 (9:00 a.m.) to 15th September, 2026 (5.00 p.m.).

III. The Company reserves the right to restrict the number of questions and number of speakers,

IV. Facility for joining AGM though VC/ OAVM shall open atleast thirty (30) minutes before the commencement of the Meeting.

V. Members are encouraged to join the Meeting through Laptops/ Desktops with Google Chrome (preferred browser), Safari, Internet Explorer, Microsoft Edge, Mozilla Firefox 22.

VI. Members will be required to grant access to the webcam to enable VC / OAVM. Further, Members connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

VII. As the AGM is being conducted through VC / OAVM, for the smooth conduct of proceedings of the AGM, Members are encouraged to express their views / send their queries in advance mentioning their name, demat account number / folio number, email id, mobile number at corporate.info@signify.com. Questions / queries received by the Company till 5.00 p.m. on Tuesday, 15th September, 2026, shall only be considered and responded during the AGM.

VIII. The Members who have not cast their vote through remote e-voting shall be eligible to cast their vote through e-voting system available during the AGM. E-voting during the AGM is integrated with the VC / OAVM platform. The Members may click on the voting icon displayed on the screen to cast their votes.

IX. A Member can opt for only single mode of voting i.e., through Remote e-voting or voting at the AGM. If a Member casts votes by both modes, then voting done through Remote e-voting shall prevail and vote at the AGM shall be treated as invalid.

X. Facility of joining the AGM through VC / OAVM shall be available for atleast 2000 members on first come first served basis.

However, the participation of large shareholders i.e. members holding 2% or more, promoters, Institutional Investors, Directors, Key Managerial Personnel, Chairpersons of Audit Committee, Stakeholders' Relationship Committee, Nomination and Remuneration Committee and Auditors are not restricted on first come first serve basis.

XI. Institutional Members are encouraged to attend and vote at the AGM through VC / OAVM.

XII. In case of any query and/or grievance, in respect of voting by electronic means, Members may refer to the Help & Frequently Asked Questions (FAQs) and E-voting user manual available at the download section of https://evoting.kfintech.com (KFintech Website) or contact at corporate.info@signify.com or evoting@kfintech.com or call KFintech's toll free No. 1-800-309-4001 for any further clarifications.

XIII. The Members, whose names appear in the Register of Members / list of Beneficial Owners as on Thursday, 10th September, 2026, being the cut-off date, are entitled to vote on the Resolutions set forth in this Notice. A person who is not a Member as on the cut-off date should treat this Notice for information purposes only. Once the vote on a resolution(s) is cast by the Member, the Member shall not be allowed to change it subsequently.

XIV. In case a person has become a Member of the Company after dispatch of AGM Notice but on or before the cut-off date for E-voting, he/she may obtain the User ID and Password in the manner as mentioned below:

i. If the mobile number of the member is registered against Folio No./ DP ID Client ID, the member may send SMS: MYEPWD <space> E-Voting Event Number+Folio No. or DP ID Client ID to 9212993399

1. Example for NSDL:
2. MYEPWD <SPACE> IN12345612345678
3. Example for CDSL:
4. MYEPWD <SPACE> 1402345612345678
5. Example for Physical:
6. MYEPWD <SPACE> XXXX1234567890

ii. If e-mail address or mobile number of the member is registered against Folio No. / DP ID Client ID, then on the home page of https://evoting.kfintech.com/ , the member may click "Forgot Password" and enter Folio No. or DP ID Client ID and PAN to generate a password.

iii. Members who may require any technical assistance or support before or during the AGM are requested to contact KFintech at toll free number 1-800-309-4001 or write to them at evoting@kfintech.com .

XV. The results along with the Scrutinizer's Report, shall also be placed on the website of the Company.

XVI. KPRISM- Mobile service application by KFin:

Members are requested to note that, our Registrar and Share Transfer Agents have launched a mobile application - KPRISM and a website https://kprism.kfintech.com/ for our investors. Now you can download the mobile app and see your portfolios serviced by KFINTECH. Check Dividend status , request for annual reports , change of address, change / update Bank mandate and download standard forms. The android mobile application can be downloaded from Play Store by searching for "KPRISM". Alternatively you can also scan the QR code given below and download the android application.

Website - https://kprism.kfintech.com/

Play Store - https://play.google.com/store/apps/details?id=com.kfintech.kprismv3 (Android mobile application)

12. In case of any query pertaining to e-voting, members may refer to the "Help" and "FAQs" sections / E-voting user manual available through a dropdown menu in the "Downloads" section of Kfintech's website for e-voting: https://evoting.kfintech.com or call Kfintech on 1800 309 4001 (toll free).

13. Members are requested to note the following contact details for addressing e-voting grievances:

Mr. Lokesh Erravelli (Manager)/ Mr. Sanapathi Prasad (Manager)
KFin Technologies Limited
Selenium Tower B, Plot 31 - 32, Gachibowli,
Financial District, Nanakramguda,
Hyderabad - 500 032
Telephone: +91 - 40 6716 2222/ 6716 1636
E-mail:einward.ris@kfintech.com.

14. PROCEDURE FOR INSPECTION OF DOCUMENTS:

I. All the documents referred to in the accompanying Notice and Explanatory Statements, shall be available for inspection through electronic mode, basis the request being sent on corporate.info@signify.com.

II. The Statutory registers of the Company maintained as per the provisions of the Companies Act 2013 and required to be kept open for inspection during AGM, will be available for for inspection by the Members electronically during the AGM.

15. DIVIDEND RELATED INFORMATION AND PROCEDURE FOR UPDATES IN SHAREHOLDERS RECORDS:

I. The Members, whose names appeared in the Register of Members / list of Beneficial Owners as 28th October, 2025, i.e. the cut-off date, has been paid ₹ 52.50/- (525%) per share as 1st Interim Dividend on the fully paid equity shares of the financial year 2025-26, within 30 days from the date of such declaration, duly approved by the Board of Directors on 28th October, 2025 and a pay-out of ₹ 3,019.66 million.

II. Members whose shareholding is in electronic mode are requested to direct change of address notification and updates of saving bank account details to their respective Depository Participant(s). Members are encouraged to utilize the Electronic Clearing System (ECS) for receiving future dividends.

III. Members holding shares in demat form are hereby informed that bank particulars registered with their respective Depository Participants, with whom they maintain their demat accounts, will be used by the Company for the payment of future dividend. The Company or its Registrar cannot act on any request received directly from the Members holding shares in demat form for any change of bank particulars. Such changes are to be intimated only to the Depository Participant(s) of the Members. Members holding shares in demat form are requested to intimate any change in their address and / or bank mandate immediately to their Depository Participants.

IV. Members holding shares in physical form who have not registered/updated their mandate for receiving future dividends directly in their bank accounts through Electronic Clearing Services or any other means ("Electronic Bank Mandate"), can register/update their electronic Bank Mandate to receive future dividends directly into their bank account electronically, by sending following details/documents in addition to the documents mentioned in the Note No. 9(II) above by sending email to the Company at corporate.info@signify.com or contact KFintech at einward.ris@kfintech.com:

a. Name and Branch of Bank in which dividend is to be received and Bank Account type;

b. Bank Account Number allotted by your bank after implementation of Core Banking Solutions;

c. 11 digit IFSC Code; and

d. Self attested scanned copy of cancelled cheque bearing the name of the Members or first holder, in case shares are held jointly.

V. Members may note that the Income Tax Act, 1961, as amended by the Finance Act, 2020, mandates that dividends paid or distributed by a Company after 1st April, 2020 shall be taxable in the hands of the Shareholders. The Company shall therefore be required to deduct Tax at Source (TDS) at the time of making the dividend. In order to enable us to determine the appropriate TDS rate as applicable, Members are requested to submit the documents in accordance with, the provisions of the Income Tax Act, 1961.

a. For Resident Shareholders, TDS shall be made under Section 194 of the Income Tax Act, 1961 at 10% on the amount of Dividend declared and paid by the Company during financial year 2025-26 provided PAN is registered by the Shareholder. In the absence of PAN or invalid PAN (as per database of income tax portal) or if section 206AB is applicable, TDS would be deducted @ 20% (plus applicable surcharge and cess) as per Section 206AA of the Income Tax Act, 1961.

However, no tax shall be deducted on the Dividend payable to a resident individual if the total dividend, if any, to be received by them during financial year 2025-26 does not exceed ₹ 10,000.

Separately, in cases where the individual shareholder provides Form 15G (applicable to individual, who is a resident in India) / Form 15H (applicable to an individual above the age of 60 years), provided that the eligibility conditions are being met, no TDS shall be deducted.

b. For Non-resident Shareholders, taxes are required to be withheld in accordance with, the provisions of Section 195 of the Income Tax Act, 1961 at the rates in force. As per the relevant provisions of the Income Tax Act, 1961, the withholding tax shall be at the rate of 20% (plus applicable surcharge and cess) on the amount of Dividend payable to them. However, as per Section 90(2) of the Income Tax Act, 1961, the non-resident shareholder has the option to be governed by the provisions of the Double Tax Avoidance Agreement (DTAA) between India and the country of tax residence of the shareholder, if they are more beneficial to them. For this purpose, i.e. to avail the Tax Treaty benefits, the non-resident shareholder will have to provide the following:

- Self-attested copy of Tax Residency Certificate (TRC) obtained from the tax authorities of the country of which the shareholder is resident.
- Self declaration in Form 10F if all the details required in this form are not mentioned in the TRC.
- Self-attested copy of the Permanent Account Number (PAN Card) allotted by the Indian Income Tax authorities.
- Self-declaration, certifying the following points:

i. Member is and will continue to remain a tax resident of the country of its residence during the financial year;

ii. Member is eligible to claim the beneficial DTAA rate for the purposes of tax withholding on dividend declared by the Company;

iii. Member has no reason to believe that its claim for the benefits of the DTAA is impaired in any manner;

iv. Member is the ultimate beneficial owner of its shareholding in the Company and Dividend receivable from the Company; and

v. Member does not have a taxable presence or a permanent establishment in India during the financial year.

VI. Please note that the Company is not obligated to apply the beneficial DTAA rates at the time of tax deduction / withholding on dividend amounts. Application of beneficial DTAA Rate shall depend upon the completeness and satisfactory review by the Company, of the documents submitted by Non-Resident shareholder.

VII. TDS is deductible at the rate mentioned in the valid lower/Nil rate deduction certificate issued by the Income Tax Department under section 197 of the Income Tax Act, 1961, if such a valid certificate is provided.

VIII. Accordingly, in order to enable us to determine the appropriate TDS / withholding tax rate applicable, we request you to provide these details.

IX. Kindly note that the aforementioned documents may be submitted to the Company at corporate.info@signify.com or to KFintech at einward.ris@kfintech.com.

X. Members are requested to ensure updating their correct PAN details (whether in demat or physical shares both) in order to get necessary tax certificate aligned with their PAN details for receiving dividend amount after applicable tax deduction/withholding in future.

XI. Members are requested to contact KFintech / Investor Service Department of the Company for encashing the unclaimed dividends, if any, standing to the credit of their account.

XII. Pursuant to Sections 124, 125 and any other relevant provisions of the Companies Act, 2013 read with Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016, dividends which are not encashed / claimed by the shareholder for a period of seven consecutive years shall be transferred to the Investor Education and Protection Fund (IEPF) Authority. The IEPF Rules mandate the Companies to transfer the shares of shareholders whose dividends remain unpaid / unclaimed for a period of seven consecutive years to the demat account of IEPF Authority.

Pursuant to Sections 123, 124 and 125 of the Companies Act 2013, the unpaid dividend that are due for transfer to the Investor Education and Protection Fund (IEPF) are as follows:

Dividend Number	Date of Declaration	For the year ended	Tentative date for transfer to IEPF
03	06.09.2019	31.03.2019	11.10.2026
04	14.09.2020	31.03.2020	19.10.2027
05	17.09.2021	31.03.2021	22.10.2028
Interim Dividend -2021-22	30.05.2022	31.03.2022	04.07.2029
Interim Dividend -2022-23	29.06.2023	31.03.2023	03.08.2030
06	06.09.2024	31.03.2024	11.10.2031
1st Interim Dividend -2024-25	22.10.2024	31.03.2025	27.11.2031
1st Interim Dividend -2025-26	28.10.2025	31.03.2026	03.12.2032

Unclaimed Dividend: Members are requested to claim the dividend due to them as per the prescribed procedure, as intimated to them from time to time, on or before 15th October, 2025. If Members fail to claim the dividend, the ordinary dividend for the financial year 2017-18 by 15th October, 2025 and the shares (whether held in physical or electronic form) in respect of which the dividend remains unpaid or unclaimed for a period of seven consecutive years will be transferred to the IEPF Authority during the current financial year 2025-26 on or before the due date 31st October, 2025.

16. Scrutinizer for AGM through VC/OAVM:

I. Dr. Asim Kumar Chattopadhyay, Practising Company Secretary (FCS- 2303 & CoP- 880) has been appointed as the Scrutinizer for providing facility to the Members of the Company to scrutinize the e-voting as well as remote e-voting process in a fair and transparent manner.

II. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company and on the website of Kfintech immediately after the declaration of result by the Chairman or a person authorized by him in writing.

17. GENERAL INFORMATION:

I. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

II. The voting rights shall be as per the number of equity shares held by the Member(s) as on Thursday, 10th September, 2026, being the cut-off date. Members are eligible to cast vote electronically only if they are holding shares as on that date.

EXPLANATORY STATEMENT

Under Section 102 of the Companies Act, 2013

ITEM NO. 5

Mr. Vinayak Kashinath Deshpande (DIN: 00036827) was appointed as an Independent Director of the Company for a period of five years with effect from 27th April, 2016 and was subsequently re-appointed for a second consecutive term of five years with effect from 27th April, 2021. Consequently, he completed his tenure and ceased to be an Independent Director on 26th April, 2026, which was noted by the Board of Directors.

Considering his extensive experience, significant contribution to the deliberations of the Board and its Committees (i.e. Nomination and Remuneration Committee, Audit Committee and the Stakeholder's Relationship Committee), and the need to continue benefiting from his guidance and expertise, the Board of Directors, based on the recommendation of the Nomination and Remuneration Committee, appointed Mr. Deshpande as an Additional Director in the capacity of Non-Executive and Non-Independent Director with effect from 27th April, 2026 pursuant to Section 161 of the Companies Act, 2013.

In terms of Section 161 of the Companies Act, 2013, Mr. Deshpande holds office up to the date of this Annual General Meeting. He is eligible for appointment as a Director and liable to retire by rotation. He continues to serve as the Chairman of the Board in accordance with the relevant provisions of the Articles of Association of the Company, and also continues as a member of the aforesaid Committees, as re-constituted by the Board, consequent upon his appointment as a Non-Executive and Non-Independent Director of the Company

Mr. Deshpande is a graduate in Chemical Engineering from IIT Kharagpur and possesses over four decades of rich experience across diverse industries. He has held leadership positions in reputed organizations including Tata Honeywell, Tata Tele, HCC and Tata Projects. He is presently associated with the boards of several leading companies, including Kirloskar Brothers Limited, Voltas Limited, Kennametal India Limited and Praj Industries Limited.

The Board is of the opinion that, having regard to his qualifications, skills, knowledge and vast experience, the continued association of Mr. Deshpande would be beneficial to the Company.

Except Mr. Vinayak K. Deshpande, being the appointee, none of the Directors or Key Managerial Personnel of the Company and their relatives, is concerned or interested, financially or otherwise, in the resolution set out at Item No. 5.

The Board recommends the Ordinary Resolution set forth in Item no. 5 for the approval of the members.

ITEM NO. 6

Pursuant to the provisions of Section 161 of the Companies Act, 2013, Mr. Chellur Arunkumar (DIN: 11833054), Head of Consumer Business of the Company, was appointed as an Additional Director of the Company with effect from 23rd July, 2026, as recommended by the Nomination and Remuneration Committee (hereinafter referred to as the "NRC") in its meeting held on 15th July, 2026. Thereafter, the Board of Directors at its meeting held on 23rd July, 2026, on the basis of the recommendation made by the NRC, appointed Mr. Arunkumar as a Whole-time Director, being a Key Managerial Personnel of the Company, pursuant to the provisions of Sections 196, 197, 203 and other applicable provisions of the Companies Act, 2013 (hereinafter referred to as "the Act") read with the relevant Rules made thereunder, for a period of five (5) years from 23rd July, 2026 to 22nd July, 2031, liable to retire by rotation, subject to the approval of the Members at the ensuing Annual General Meeting.

He was also appointed as a member of the Corporate Social Responsibility Committee and the Banking and Other Operations Committee of the Board of the Company.

Mr. Arunkumar serves as Head of Consumer Business at Signify in India and is also a member of the Board of Signify Sri Lanka entity.

Mr. Arunkumar joined Philips in 1995 and has over 31 years of experience in the lighting industry. Having spent his entire professional career with Philips and Signify, he has progressed through successive leadership roles spanning frontline sales, regional and national business management, product management and end-to-end business responsibility before taking on leadership of the Consumer Business.

As Head of Consumer Business, Mr. Arunkumar has led the turnaround of Signify India's Consumer Business through innovation, deeper channel engagement, scaling the EcoLink value brand and building adjacent growth businesses.

Under his leadership, the Consumer Business has become one of Signify India's strongest growth engines, delivering sustained profitable growth while accelerating digital transformation.

Mr. Arunkumar also serves as Vice President of the Electric Lamp and Component Manufacturers' Association of India (ELCOMA), where he works closely with industry stakeholders and government bodies to promote quality standards, product safety, energy efficiency and the sustainable growth of India's lighting industry.

Known for his collaborative leadership style, Mr. Arunkumar leads through trust, mentorship and empowerment, enabling teams to perform at their best.

Mr. Arunkumar holds a Diploma in Electrical Engineering and an MBA in Marketing. He has also completed an Executive Management Programme from the Indian Institute of Management, Calcutta, and a Global Advanced Management Programme from ISB-Kellogg.

Mr. Arunkumar is also eligible for appointment to the office of Director at the ensuing Annual General Meeting under the provisions of the Companies Act, 2013, duly recommended by the Nomination and Remuneration Committee and the Board of Directors in their respective meetings held on 15th July, 2026 and 23rd July, 2026, respectively.

The appointment of Mr. Arunkumar as Whole-time Director is appropriate and in the best interests of the Company.

The approval of the Members is being sought with respect to the terms and conditions of appointment of Mr. Arunkumar as Whole-time Director and the remuneration payable to him. The terms and conditions proposed for the appointment of Mr. Arunkumar, as fixed by the Board of Directors, are in line with the remuneration package necessary to encourage experienced professional managers with a distinguished career record to assume important positions in the Company, such as that of Whole-time Director.

An abstract of the terms & conditions of appointment of Mr. Arunkumar as Whole-time Director, is given hereunder:

1. Remuneration:

Salary	₹ 1,75,41,600.54/- per year or such higher amount as may be approved by the Board of Directors or any Committee thereof from time to time. The amount includes: 1. Basic Salary: ₹ 61,39,560.19/- 2. House Rent Allowance: ₹ 30,69,780.09/- 3. Conveyance Allowance: ₹ 45,43,274.54/- 4. Flexible Benefits Plan: ₹ 26,31,240.08/- (including superannuation) 5. Retiral Benefit: ₹ 11,57,745.63/- (as set out in Part B)
Annual Incentive (Performance Linked)	₹ 52,62,480.16 (on 100% target achievement) and maximum payable upto 200%.
Perquisites	Perquisites shall be payable as set out in Part A, as applicable.

Part- A

i) Mr. Arunkumar shall also be entitled to perquisites and allowances including but not restricted to medical reimbursement for self and family, club fees, medical insurance, personal accident insurance, Company stock (as per the global LTI plan) of value EUR 65,000.00 and maximum payable upto 200%, and other such allowances in accordance with the Rules of the Company as amended from time to time.

ii) The perquisites and allowances as mentioned above, shall be evaluated as per Income Tax Rules, wherever applicable. In the absence of any such Rules, perquisites shall be evaluated at actual cost. Provision for use of the telephone at residence shall not be included in the computation of perquisites.

Part-B

iii) Company's contribution towards Provident Fund and Pension Fund not exceeding 12% of the Basic Salary or such other percentage as may be permitted in law from time to time, to the extent these either singly or together are not taxable under the Income Tax Act, 1961.

iv) Gratuity and encashment of leave are payable as per the Rules of the Company at the end of the tenure and shall not be included in the computation of perquisites.

2. All the above perquisites and benefits would be subject to the applicable Company policy.
3. Mr. Arunkumar shall perform the duties which may be performed by a Whole-time Director under the Act, and any other duties assigned to him by the Board from time to time.

   In view of the provisions of Sections 149, 152, 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 read relevant rules made thereunder, the Board recommends the Special Resolution set out at item no. 6 of the accompanying Notice for the approval of the Members.

   Except Mr. Arunkumar, being the appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives, is concerned or interested, financially or otherwise, in the resolution set out at Item No. 6.

   The Board recommends the Special Resolution set forth in Item no. 6 for approval of the Members.

ITEM NO. 7

The Board of Directors of your Company re-appointed Mr. Sumit Padmakar Joshi (DIN-07018906) as Managing Director of the Company, in its meeting held on 29th June, 2022, pursuant to the provisions of Sections 196, 197, 203 and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, for a period of five (5) years from 14th September, 2022 to 13th September, 2027, not liable to retire by rotation, which was duly approved by the Members of the Company at their Annual General Meeting held on 23rd September, 2022.

Mr. Joshi is the Chief Executive Officer of the Company. He also serves as the Vice-Chairman of the Board, duly appointed by the Board of Directors of the Company pursuant to article 95 of the AOA of the Company. He is a member of the Nomination and Remuneration Committee, Corporate Social Responsibility Committee, Stakeholders' Relationship Committee and Chairman of the Banking and Other Operations Committee, of the Board of the Company.

Mr. Joshi has been Global Vice President, Head-Marketing Excellence, Philips Lighting, the Netherlands, before joining the Company as the CEO. He joined Philips Electronics ("Demerged Company") as Head of Marketing in September 2011 and then moved to global role in Philips Lighting as Global Vice President, Head-Marketing Excellence in October, 2015.

Prior to Philips, he had successful stints with Britannia, Marico, Boots Healthcare International and Whirlpool Corporation.

Mr. Joshi, in his 27 years of work experience, managed large and small businesses & teams, established global businesses with leadership position, turnaround businesses, established new businesses in challenging existing order. Mr. Joshi also led global multimillion dollar CAPEX projects with multicultural teams. He also led Sales Teams, Product Marketing, Product Development, Brand Marketing, Marcom, PR, Channel development at market level. He also has experience of managing businesses across B2C (Mass Distribution & Branded Retail), B2B & B2G domains. He also worked extensively with Manufacturing, Consumer Design and Consumer service teams.

Mr. Joshi is a Mechanical Engineer and a Post-Graduate in Management from Symbiosis Institute of Business management.

In view of the annual performance review process followed by the Company, based on the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors, the approval of the members of the Company is being sought with respect to revision in remuneration payable to Mr. Joshi for the balance term of his appointment on the Board with effect from 1st April, 2026.

The matter regarding revision in the remuneration of Mr. Joshi was discussed in the Nomination and Remuneration Committee of the Board and the meeting of the Board of Directors, held on 20th March, 2026. The revision in remuneration payable to Mr. Joshi is in line with the remuneration package that is necessary to encourage good professional managers with a sound career record to hold important positions in the Company, as that of the Managing Director and CEO.

The revised remuneration payable to him, are detailed hereunder:

1. Mr. Sumit Padmakar Joshi shall be entitled to receive remuneration for his services by way of Salary, Annual Incentive and Perquisites as mentioned hereunder:

Remuneration:

Salary	₹ 3,22,60,408/- per annum or such higher amount as may be approved by the Board of Directors or any Committee thereof from time to time. The amount includes: 1. Basic Salary: ₹ 1,12,91,143/- 2. House Rent Allowance: ₹ 56,45,571/- 3. Conveyance Allowance: ₹ 83,55,446/- 4. Flexible Benefits Plan: ₹ 48,39,061/- 5. Retiral Benefit: ₹ 21,29,187/- (as set out in Part B)
Annual Incentive (Performance Linked)	₹ 1,61,30,204/- payable annually at 100% of achievement of targets (and maximum payable upto 200%), as may be approved by the Board of Directors or any Committee thereof. .
Perquisites	Perquisites shall be payable as set out in Part A, as applicable.

Part- A

i. Mr. Joshi shall also be entitled to perquisites and allowances including but not restricted to medical reimbursement for self and family, club fees, medical insurance, personal accident insurance, Company stock (as per the global LTI plan) of value EUR 230,000 and maximum payable upto 200%, Company's car for official duties and such other perquisites and allowances in accordance with the Rules of the Company as amended from time to time.

ii. The perquisites and allowances as mentioned above, shall be evaluated as per Income Tax Rules, wherever applicable. In the absence of any such Rules, perquisites shall be evaluated at actual cost. Provision for use of the telephone at residence shall not be included in the computation of perquisites.

Part – B

iii. Company's contribution towards Provident Fund and Pension Fund not exceeding 12% of the Basic Salary or such other percentage as may be permitted in law from time to time, to the extent these either singly or together are not taxable under the Income Tax Act, 1961.

iv. Gratuity and encashment of leave are payable as per the Rules of the Company or such other percentage as may be permitted in law from time to time at the end of the tenure and shall not be included in the computation of perquisites.

2. All the above perquisites and benefits would be subject to the applicable Company policy.

3. All other terms and conditions of Mr. Joshi, as approved earlier by the Board and further approved by the Members of the Company, shall remain unchanged.

Except Mr. Joshi, none of the Directors and Key Managerial Personnel of the Company and their relatives, is concerned or interested, financially or otherwise, in the resolution set out at Item No. 7.

The Board recommends the Special Resolutions set forth in Item no. 7 for approval of the members of the Company.

ITEM NO. 8

Pursuant to the provisions of Section 196, 197, 203 and other applicable provisions of the Companies Act, 2013 (hereinafter known as "the Act") read with the relevant rules made thereunder, the Board of Directors, on the basis of recommendation made by the Nomination and Remuneration Committee, appointed Mr. Vikas Malhotra as Whole-time Director, being Key Managerial Personnel, of the Company for a period of five (5) years from 23rd July, 2021 to 22nd July, 2026, liable to retire by rotation, duly approved by the Members at their Annual General Meeting held on 17th September, 2021. He was also appointed as a member of the Corporate Social Responsibility Committee and the Banking and Other Operations Committee of the Board of the Company.

Mr. Malhotra is an accomplished Enterprise Business leader with over 35 years of experience of working with Market Leaders in Steel and Lighting Industry. He has been with Signify/ Philips from last 11 years holding leadership position in Marketing, B2B Sales and now System & Services. His last corporate assignment before joining Signify (and Philips Lighting) was as a Regional Sales leader.

Mr. Malhotra's core experience and competencies include managing P&L responsibility across different business segments, Enterprise (B2B/B2G) and Consumer (B2C) sales management, Product management, Brand Management and Marketing. Across his various assignments, Mr. Malhotra has been responsible for Business Transformation and turnaround, creating and executing strategic vision and plans while ensuring sustainable business processes. He has successfully groomed senior leadership talents who have gone on to manage important assignments in their respective careers.

Mr. Malhotra has worked with SAIL and Tata Steel in various senior management assignments in Sales and Marketing.

Mr. Malhotra has completed his Management (PGDCM) from IIM – Calcutta and his graduation in engineering (B. Tech) from IIT Kanpur.

In view of the annual performance review process followed by the Company, based on the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors, the approval of the members of the Company is being sought with respect to revision in remuneration payable to Mr. Malhotra for the balance term of his appointment on the Board with effect from 1st April, 2026.

The matter regarding revision in the remuneration of Mr. Malhotra was discussed in the Nomination and Remuneration Committee of the Board and the meeting of the Board of Directors held on 20th March, 2026. The revision in remuneration payable to Mr. Malhotra is in line with the remuneration package necessary to encourage experienced professional managers with a sound career record to hold important positions in the Company, such as that of a Whole-time Director, and shall be applicable only for the balance period of his tenure up to 22nd July, 2026 (close of business hours), being the date of completion of his term as Whole-time Director of the Company. He will also cease to be members of the Corporate Social Responsibility Committee and the Banking and Other Operations Committee of the Board of the Company.

The revised remuneration payable to him, are detailed hereunder:

4. Mr. Vikas Malhotra shall be entitled to receive remuneration for his services by way of Salary, Annual Incentive and Perquisites as mentioned hereunder:

Remuneration:

Salary	₹ 1,46,33,831/- per year or such higher amount as may be approved by the Board of Directors or any Committee thereof from time to time. The amount includes: 1. Basic Salary: ₹ 51,21,841/- 2. House Rent Allowance: ₹ 25,60,920/- 3. Conveyance Allowance: ₹ 37,90,162/- 4. Flexible Benefits Plan: 21,95,075/- 5. Retiral Benefit: ₹ 9,65,833/- (as set out in Part B)
Annual Incentive (Performance Linked)	₹ 36,58,458/- (on 100% target achievement) and maximum payable upto 200%.
Perquisites	Perquisites shall be payable as set out in Part A, as applicable.

Part- A

i) Mr. Malhotra shall also be entitled to perquisites and allowances including but not restricted to medical reimbursement for self and family, club fees, medical insurance, personal accident insurance, Company stock (as per the global LTI plan) of value EUR 30,000 and maximum payable upto 200%, and other such allowances in accordance with the Rules of the Company as amended from time to time.

ii) The perquisites and allowances as mentioned above, shall be evaluated as per Income Tax Rules, wherever applicable. In the absence of any such Rules, perquisites shall be evaluated at actual cost. Provision for use of the telephone at residence shall not be included in the computation of perquisites.

Part – B

iii) Company's contribution towards Provident Fund and Pension Fund not exceeding 12% of the Basic Salary or such other percentage as may be permitted in law from time to time, to the extent these either singly or together are not taxable under the Income Tax Act, 1961.

iv) Gratuity and encashment of leave are payable as per the Rules of the Company at the end of the tenure and shall not be included in the computation of perquisites.

2. All the above perquisites and benefits would be subject to the applicable Company policy.

3. All other terms and conditions of Mr. Malhotra, as approved earlier by the Board and further approved by the Members of the Company, shall remain unchanged.

Except Mr. Malhotra, none of the Directors and Key Managerial Personnel of the Company and their relatives, is concerned or interested, financially or otherwise, in the resolution set out at Item No. 8.

The Board recommends the Special Resolution set forth in Item no. 8 for approval of the members of the Company.

ITEM NO. 9

Pursuant to the provisions of Section 196, 197, 203 and other applicable provisions of the Companies Act, 2013 (hereinafter known as "the Act") read with relevant rules made thereunder, Mr. Dibyendu Raychaudhury (DIN-09747317), the Chief Financial Officer of the Company, was appointed as Whole-time Director, being Key Managerial Personnel, of the Company, by the Board of Directors, on the basis of recommendation made by the Nomination and Remuneration Committee, for a period of five (5) years from 23rd September, 2022 to 22nd September, 2027, liable to retire by rotation, which was duly approved by the Members of the Company at their Annual General Meeting held on 29th September, 2023. He is also a member of the Audit Committee and the Banking and Other Operations Committee of the Board of the Directors of the Company.

Mr. Raychaudhury joined Philips in 2001 and continued with Philips Lighting (now known as Signify) after the demerger of lighting division from Philips. He is also holding the position of the Chief financial Officer, being Key Management Personnel, of Signify India. Prior to joining Signify (formerly Philips Lighting), he has worked 12 years in the Domestic appliance, and Consumer lifestyle division within Philips. He is also serving as Director on the Board of one of the Signify group entities.

Prior to his current role he has worked in various other positions in India such as the Controller for Professional channel, Professional Business group and Commercial operations, Factory Controller (Vadodara Light Factory) amongst others.

He has extensive whole experience of 25 years, especially in partnering with business teams to strengthen the System and Service business, the commercial processes, improving working capital and supporting profitable growth through several initiatives. He has strong work experience in both B2C and B2B environment, working on Strategic and Financial Planning and Analysis, Business Internal Controls, Credit Management, Financial Reporting, Industrial expansion, Lean implementation in factories.

He is a member of the Institute of Cost Accountants of India and holds his bachelor degree in B.Com (Honours), Kolkata.

In view of the annual performance review process followed by the Company, based on the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors, the approval of the members of the Company is being sought with respect to revision in remuneration payable to Mr. Raychaudhury for the balance term of his appointment on the Board with effect from 1st April, 2026.

The matter regarding revision in the remuneration of Mr. Raychaudhury was discussed in the Nomination and Remuneration Committee of the Board and the meeting of the Board of Directors held on 20th March, 2026. The revision in remuneration payable to Mr. Raychaudhury is in line with the remuneration package that is necessary to encourage good professional managers with a sound career record to hold important positions in the Company, as that of the Whole-time Director.

The revised remuneration payable to him, are detailed hereunder:

1. Mr. Dibyendu Raychaudhury shall be entitled to receive remuneration for his services by way of Salary, Annual Incentive and Perquisites as mentioned hereunder:

   Remuneration:

Salary	₹ 1,52,58,682.72/- per year or such higher amount as may be approved by the Board of Directors or any Committee thereof from time to time. The amount includes: 1. Basic Salary: ₹ 53,40,538.95/- 2. House Rent Allowance: ₹ 26,70,269.48/- 3. Conveyance Allowance: ₹ 39,51,998.82/- 4. Flexible Benefits Plan: ₹22,88,802.41/- (including superannuation) 5. Retiral Benefit: ₹ 10,07,073.06/- (as set out in Part B)
Annual Incentive (Performance Linked)	₹ 45,77,604.82/- (on 100% target achievement) and maximum payable upto 200%.
Perquisites	Perquisites shall be payable as set out in Part A, as applicable.

   Part- A

   i) Mr. Dibyendu Raychaudhury shall also be entitled to perquisites and allowances including but not restricted to medical reimbursement for self and family, club fees, medical insurance, personal accident insurance, Company stock ((as per the global LTI plan) of value EUR 65,000.00 and maximum payable upto 200%, and other such allowances in accordance with the Rules of the Company as amended from time to time.

   ii) The perquisites and allowances as mentioned above, shall be evaluated as per Income Tax Rules, wherever applicable. In the absence of any such Rules, perquisites shall be evaluated at actual cost. Provision for use of the telephone at residence shall not be included in the computation of perquisites.

   Part – B

   iii) Company's contribution towards Provident Fund and Pension Fund not exceeding 12% of the Basic Salary or such other percentage as may be permitted in law from time to time, to the extent these either singly or together are not taxable under the Income Tax Act, 1961.

   iv) Gratuity and encashment of leave are payable as per the Rules of the Company or such other percentage as may be permitted in law from time to time at the end of the tenure and shall not be included in the computation of perquisites.

2. All the above perquisites and benefits would be subject to the applicable Company policy.

3. All other terms and conditions of Mr. Raychaudhury, as approved earlier by the Board and further approved by the Members of the Company, shall remain unchanged.

Except Mr. Raychaudhury, none of the Directors and Key Managerial Personnel of the Company and their relatives, is concerned or interested, financially or otherwise, in the resolution set out at Item No. 9.

The Board recommends the Special Resolution set forth in Item no. 9 for approval of the members of the Company.

ITEM NO. 10

The Board of Directors in its meeting held on 15th July, 2026, on the basis of the recommendation made by the Nomination and Remuneration Committee, further recommended to the members of the Company to approve payment and distribution of an amount of ₹ 49,50,000/- (Rupees Forty Nine Lakhs Fifty Thousand only) as profit related commission amongst i.e. Mr. Vinayak K. Deshpande, Ms. Sangeeta Tanwani, Mr. Dilip Jose Puthiyidathu, Non-Executive and Independent Directors, of the Company, who served during the Financial Year 2025-26, pursuant to the provisions of Section 197 of the Companies Act, 2013, in the following manner:

S. No.	Names	Amount (In INR)
1	Mr. Vinayak K. Deshpande	17,50,000/-
2	Ms. Sangeeta Tanwani	16,00,000/-
3	Mr. Dilip Jose Puthiyidathu	16,00,000/-
	Total	**49,50,000/-**

As per the evaluation carried out by the Nomination and Remuneration Committee for the previous financial year 2025-26, the above-mentioned Non-Executive and Independent Directors have actively participated in the Board meetings, contributing to the business strategies of the Company, improving Corporate governance in the area of financial and internal controls, advising on enterprise risk management and ultimately to the growth and profitability of the Company.

The abovementioned amount of commission is within the limits, as stipulated under section 197 of the Act, available for the payment to the Non-Executive Directors of the Company.

Accordingly, consent of the members is sought for passing the Ordinary Resolution as set out at item no. 10 of the notice for approval of the payment and distribution of the annual commission amongst the Non-Executive and Independent Directors of the Company for the financial year ended 31st March, 2026.

Except for Ms. Sangeeta Tanwani, Mr. Vinayak K. Deshpande, Mr. Dilip Jose Puthiyidathu, none of the Directors or Key Managerial Personnel (KMP) or relatives of Directors and KMPs is concerned or interested in the Resolution set out at item no. 10 of the accompanying notice.

The Board recommends the Ordinary Resolution set out at item no. 10 of the notice for the approval by the members of the Company.

ITEM NO. 11

The Company is required to conduct the audit of its cost records by a cost accountant in practice under Section 148 of the Act, read with the Companies (Cost Records and Audit) Rules, 2014 (“the Rules”). The Board, on the recommendation of the Audit Committee, has approved the re-appointment and remuneration of M/s Kailash Sankhlecha & Associates, Cost Accountants, having FRN-100221, as the Cost Auditors, to conduct the audit of the cost records of the Company for the financial year ending 31st March, 2027.

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors is required to be approved by the members of the Company.

Accordingly, consent of the members of the Company is sought for passing the Ordinary Resolution as set out at item no. 11 of the notice for approval of the remuneration of ₹ 3,85,000/- payable to the Cost Auditors for the financial year ending 31st March, 2027.

None of the Directors or Key Managerial Personnel (KMP) or relatives of Directors and KMPs is concerned or interested in the Resolution set out at item no. 11 of the accompanying notice.

The Board recommends the Ordinary Resolution set out at item no. 11 of the notice for the approval by the members of the Company.

By Order of the Board of Directors
For **SIGNIFY INNOVATIONS INDIA LIMITED**

Nitin Mittal
Head of Legal & Company Secretary
FCS - 7044

Place : Gurugram
Date: 17th July, 2026

SIGNIFY INNOVATIONS INDIA LIMITED

CIN: U74900WB2015PLC206100
Registered Office: PS ARCADIA CENTRAL,
3A, 3rd floor, 4A, Abanindranath Thakur Sarani (Camac Street),
Kolkata – 700 017, West Bengal
Phone: +91 7303084237, Email: corporate.info@signify.com, Website: *www.signify.com*

DIRECTORS' REPORT

For the financial year ended 31st March, 2026

Dear Members,

Your Company's Directors are pleased to present the 11th Annual Report of the Company, along with the Audited Annual Accounts for the financial year ended 31st March, 2026.

1. FINANCIAL PERFORMANCE:

I.I RESULTS

₹ in Millions

	2025-26	2024-25
Revenue from operations (a)	32,888	31,136
Other Income (b)	349	291
Gross Income	33,237	31,427
Profit before tax (PBT) and exceptional items	4,565	3,725
PBT and exceptional items (%)	13.7%	11.9%
Exceptional Items	278	(62)
Profit before tax	4,843	3,663
Provision for current tax	(1,207)	(971)
Deferred tax–Release/(Charge)	84	9
Profit after tax (PAT)	3,720	2,701
PAT(%)	11.3%	8.7%
Transfer to General Reserve	-	-

1.2 FINANCE & ACCOUNTS

This year your company has registered a growth of 5.6% (Previous year growth of 1.5%) which reflects our strong market position and continued focus on shaping the future of illumination in India. Your Company generated an EBIT of ₹ 4,952 Million (Previous year ₹ 3,779 Million) and a net cash inflow of ₹ 1,127 Million (Previous year Net Cash outflow of ₹ 955 Million). The Company has not made any major fund-based borrowings in this year and has managed working capital requirements from internal cash generation.

Capital expenditure during the year was ₹ 314 Million (Previous Year ₹ 465 Million) and this was incurred towards investment in new plant and machinery, leasehold improvements for new offices and IT equipment's etc.

2. ANNUAL RETURN:

The Annual Return of the Company as on 31st March, 2026 is available on the Company's website at https://www.signify.com/en-in/our-company/company-profile, pursuant to the provisions of Section 92 read with Rule 12 of the Companies (Management and Administration) Rules, 2014.

3. DIVIDEND:

Your Directors declared and paid ₹ 52.50/- (525%) per share as 1st Interim Dividend, on the fully paid equity shares, of the financial year 2025-26, duly approved by the Board of Directors on 28th October, 2025 to the shareholders of the Company as on 28th October, 2025, fixed as record date and it had a pay-out of ₹ 3,019.66 million. In view of the changes made under the Income-tax Act, 1961, by the Finance Act, 2020, dividend paid or distributed by the Company is taxable in the hands of the Shareholders.

Investor Education and Protection Fund (IEPF): During the year under review, the Company transferred the second unclaimed/unpaid dividend account of ₹ 1,68,42,900/- for the financial year 2017-18 to the IEPF. Further, 68,961 corresponding equity shares, on which dividends remained unclaimed for seven consecutive years, were transferred to IEPF Authority. The details of such transfers intimation are available on the Company's website.

Unclaimed Dividend: In terms of the requirements of Section 124 of the Companies Act, 2013 ("the Act") read with the Investor Education and Protection Fund (IEPF) Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("the Rules"), the Company is required to transfer the amount lying in the unclaimed dividend account, which remains unpaid or unclaimed for a period of seven years from the date of such transfer to the unclaimed dividend account, to the IEPF. The Company is also required to transfer the shares, in respect of which the dividend remains unpaid or unclaimed for a period of seven consecutive years, to the IEPF Account established by the Central Government. In view of the same, the Members are requested to claim the dividend due to them as per the prescribed procedure, as intimated to them from time to time, on or before 11st October, 2026. If Members fail to claim the dividend, the ordinary dividend for the financial year 2018-19 and the shares (whether held in physical or electronic form) in respect of which the dividend remains unpaid or unclaimed for a period of seven consecutive years will be transferred to the IEPF Authority during the current financial year.

4. TRANSFER TO RESERVES:

During the year under review no amount has been transferred to General Reserve.

5. DEPOSITS:

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

6. BUSINESS PERFORMANCE:

Amidst a challenging global economic and geopolitical climate, the year 2025–26 has been a testament to India's strength as one of the world's fastest-growing major economies. Despite a volatile global backdrop, India continued to show resilient performance, underpinned by expansion in manufacturing, robust infrastructure spending, and rising aspirations of our middle class.

Despite these headwinds, your company was able to deliver strong business results during this period, delivering a growth in revenue and improved profitability. We continue to lead the lighting market across all segments and could extend our market share in both professional and consumer segments. Overall, our business registered revenue growth of 5.6% and profitability of 14.7%. This performance not only affirms our market leadership but also demonstrates, our vision of shaping the future of illumination in India.

We also continued to strengthen the quality of our financial performance, with improvements in ROCE and ROE and strong free cash flow generation, reflecting our disciplined approach to capital allocation and our commitment to creating sustainable long-term value for our stakeholders.

Aligned with the spirit of 'Make in India,' we are proud of the progress of our joint venture Lightanium Technologies as it continues to establish itself as a leading center of excellence in lighting manufacturing in India, delivering world-class technology, competitive value, and an expansive product portfolio to our customers. Throughout the year, we remained steadfast in our commitment to innovation, sustainability, and the creation of long-term value for our customers and shareholders.

Consumer business posted magnificent double-digit growth over the last year as we focused on the introduction of new products, maintenance of cost leadership, strengthening of our EcoLink strategy, expansion of our portfolio in premium and connected lighting and BLDC fans, helping us drive growth in the business. Our decorative home lighting business also registered healthy growth, tapping into this ever-growing opportunity, we further expanded our Philips Smart Light Hubs network to 345+ stores.

Our professional business delivered an impressive single-digit growth over the last year, we illuminated multiple prestigious projects such as the Jodhpur, Udaipur, Guwahati airport, Malappuram municipal corporation, Varanasi stadium, Dadichi bridge and many fortune 500 companies, across the nation.

Our Global Finance Service Center in Noida, Global Digital Center in Bengaluru, engineering innovation labs in Noida and Bengaluru, and Cooper Lighting operations in Pune continued to grow in scale, accompanied by a significant increase in headcount across these locations.

With the growing adoption of LED lighting, our conventional lighting business witnessed de-growth on expected lines, but we continue to sell domestically and export them to other markets across the world.

Sustainability remains central to how we create value. In 2025, we concluded five years of progress under our Brighter Lives, Better World program, exceeding our targets for energy efficiency and emissions reduction, circularity, and impact beyond illumination. External recognition from organizations such as EcoVadis, the Dow Jones Sustainability Index, and CDP, as well as surpassing 10 million lives lit by the Signify Foundation, reflects the impact of our efforts.

Sale and Transfer of 'VLF LED Business Undertaking':
During the financial year under review, pursuant to the approval of the Members of the Company obtained under Section 180(1)(a) of the Companies Act, 2013, the Company completed the transfer of its VLF LED Business Undertaking situated at Vadodara, Gujarat, to Lightanium Technologies Private Limited, the Joint Venture of the Company and Dixon Technologies (India) Limited on 50:50 basis, by way of slump sale as a going concern. The transaction was undertaken in furtherance of the Company's strategy to strengthen its manufacturing capabilities through the Joint Venture. The details of the transaction form part of the notes to the financial statements, which form part of the Annual Report of the Company.

7. MATERIAL CHANGES AND COMMITMENT IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THIS FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT:

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which the financial statements relate and as on the date of this report.

8. 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 review, there has been no such significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.

9. DETAILS OF SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES:

During the financial year 2024-25, the Board of Directors of your Company approved entering into a binding term sheet for setting up a joint venture company with M/s Dixon Technologies (India) Limited ("Dixon") with equal equity participation of 50:50 in the proposed joint venture company, which was executed by the Company with Dixon on 27th March, 2025.

Accordingly, Lightanium Technologies Private Limited was incorporated on 26th June, 2025 as a Joint Venture of the Company. During the financial year under review, your Company subscribed to equity share capital aggregating ₹ 142.80 crore, comprising an initial investment of ₹ 2.50 crore at the time of incorporation and a subsequent investment of ₹ 140.30 crore. As on 31st March, 2026, the Company held 50% of the paid-up equity share capital of Lightanium Technologies Private Limited, with the remaining 50% held by Dixon Technologies (India) Limited. The Company has complied with the applicable requirements relating to downstream investment under the applicable laws and regulations during the period under review.

A statement containing the salient features of the financial statements of the Joint Venture and Associate Company in Form AOC-1, pursuant to Section 129(3) of the Companies Act, 2013 and the Rules made thereunder, is attached to the Financial Statements and forms integral part of the Annual Report as Annexure-I.

The Company does not have any subsidiary company as on 31st March, 2026.

10. CONSOLIDATED FINANCIAL STATEMENTS:

The Consolidated Financial Statements of the Company for the financial year ended 31st March 2026 have been prepared in accordance with the applicable provisions of the Companies Act, 2013, the Indian Accounting Standards and other applicable laws, after considering the financial statements of Lightanium Technologies Private Limited, Joint Venture of the Company. The audited Consolidated Financial Statements form part of the Annual Report of the Company for the year 2025-26.

11. DIRECTORS AND KEY MANAGERIAL PERSONNEL:

Mr. Dibyendu Raychaudhury retires by rotation and, being eligible, offers himself for re-appointment in accordance with the provisions of the Articles of Association of the Company. Mr. Raychaudhury was appointed as the Whole-time Director, being a Key Managerial Personnel (KMP), of the Company with effect from 23rd November, 2022 and was duly regularized at the subsequent Annual General Meeting of the Company. He also serves as the Chief Financial Officer of the Company and is designated as a KMP.

Mr. Vinayak Kashinath Deshpande, who was appointed as an Independent Director of the Company for a period of five years with effect from 27th April, 2016 and was subsequently re-appointed for a second consecutive term of five years with effect from 27th April, 2021, completed his second tenure and ceased to be an Independent Director on 26th April, 2026, which was noted by the Board of Directors. Considering his extensive experience and significant contribution, he was appointed as an Additional Director in the capacity of a Non-Executive and Non-Independent Director with effect from 27th April, 2026, and his regularization is proposed to the shareholders at the ensuing Annual General Meeting.

Mr. Vikas Malhotra, Whole-time Director, also ceased to be a Director of the Company consequent upon completion of his term of five years on 22nd July, 2026, which was duly noted by the Board of Directors.

Mr. Chellur Arunkumar, Head – Consumers of the Company, was appointed as an Additional Director in the capacity of Whole-time Director (being a KMP) of the Company with effect from the date of obtaining his Director Identification Number or 23rd July, 2026, whichever is later. His regularization is proposed to the shareholders at the ensuing Annual General Meeting.

Mr. Sumit Padmakar Joshi, Vice-Chairman, Managing Director & CEO, was initially appointed as Managing Director with effect from 14th September, 2017. He was re-appointed for a further term of five years commencing from 14th September, 2022, pursuant to the recommendation of the Nomination and Remuneration Committee and the approval of the Board of Directors, which was subsequently approved by the Members at the 7th Annual General Meeting, in accordance with the provisions of the Companies Act, 2013.

Ms. Sangeeta Tanwani, Independent Director, was appointed to the Board as an Independent Director with effect from 8th December, 2020 and was re-appointed as an Independent Director for a further period of five years commencing from 8th December, 2025 by the Shareholders at the 10th Annual General Meeting, basis the recommendation made by the Board and the Nomination and Remuneration Committee.

Mr. Dilip Jose Puthiyidathu was appointed as an Independent Director by the Board on 22nd December, 2022 for a term of five years. His appointment was subsequently regularized by the Members at the 8th Annual General Meeting held on 29th September, 2023.

All the Independent Directors have given declarations that they meet the criteria of independence as provided in Section 149(6) of the Companies Act, 2013 and are also registered with the Independent Directors' Data Bank maintained by the Indian Institute of Corporate Affairs (IICA). In the opinion of the Board, they fulfil the conditions of independence as specified in the Act and the Rules made thereunder and are independent of the management.

Mr. Nitin Mittal was appointed as the Company Secretary, being a KMP, at the Board Meeting held on 27th April, 2016 with immediate effect. The Board appointed Mr. Harvinder Kumar as Deputy Company Secretary of the Company on 1st March, 2023.

Structure of the Board of Directors:

- Mr. Vinayak K. Deshpande – Chairman & Non-Executive and Non-Independent Director
- Mr. Sumit Padmakar Joshi – Vice-Chairman & Managing Director
- Mr. Dibyendu Raychaudhury – Whole-time Director
- Mr. Dilip Jose Puthiyidathu – Independent Director
- Ms. Sangeeta Tanwani – Independent Director
- Mr. Vikas Malhotra – Whole-time Director (till 22nd July, 2026)
- Mr. Chellur Arunkumar – Whole-time Director (w.e.f 23rd July, 2026)

Structure of the Key Managerial Personnel:

- Mr. Sumit Padmakar Joshi – Chief Executive Officer
- Mr. Vikas Malhotra - Whole-time Director (till 22nd July, 2026)
- Mr. Chellur Arunkumar – Whole-time Director (w.e.f 23rd July, 2026)
- Mr. Dibyendu Raychaudhury – Whole-time Director & CFO
- Mr. Nitin Mittal – Company Secretary

Remuneration paid to the Executive Directors and KMPs, and sitting fees and annual commission paid to the Non-Executive and Independent Directors, form part of the notes to the financial statements, which form part of the Company's Annual Report.

12. DECLARATION BY INDEPENDENT DIRECTORS:

Your Company has received declarations from all the Independent Directors under Section 149(7) of the Companies Act, 2013, confirming that they meet the criteria of independence as laid down in Section 149(6) of the Companies Act, 2013 read with the Schedules and Rules issued thereunder and they are also registered with the Independent Directors' Data Bank, maintained by the Indian Institute of Corporate Affairs (IICA).

In the opinion of the Board, all the Independent Directors possess the requisite integrity, expertise, experience and proficiency required to effectively discharge their duties and responsibilities as Independent Directors of the Company.

13. NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS AND ITS COMMITTEES:

Meetings of the Board of Directors were held six (6) times during the financial year 2025-26. For further details of the number and dates of meetings of the Board and Committees thereof held during the financial year 2025-26 indicating the number of meetings attended by each Director, please refer to the Annexure II, which forms part of this Report.

14. BOARD EVALUATION:

In terms of the Nomination and Remuneration Committee Charter of the Company, duly approved by the Board, and pursuant to the provisions of the Companies Act, 2013, the Nomination and Remuneration Committee has prepared and approved a "Policy for Evaluation of the Performance of the Board of Directors", which was further adopted by the Board, to formally evaluate the effectiveness of the Board, its Committees along with performance evaluation of each Director to be carried out on an annual basis.

Accordingly, the annual performance evaluation of the Board, its Committees and each Director was carried out for the financial year 2025-26 based on a structured survey and personal discussion held between Chairperson of the Nomination and Remuneration Committee and each individual director separately.

The Nomination and Remuneration Committee also prepared structured questionnaires to evaluate the performance of the Board as a whole, individual performance of each Director and self – assessment carried out by the Directors.

The evaluation of the performance of the Directors was based on various aspects which, inter alia, included assessment of the level of participation, understanding of the role and responsibilities, understanding of the business and competitive environment, effectiveness of the contributions made during the Board meetings, understanding of the strategic issues and challenges for your Company etc. In assessing the overall performance of the Board, the parameters included the assessment of time devoted by the Board on the Company's long term goals and strategies, Board effectiveness, quality of discussions at the meetings of the Board, time spent and quality of discussions on key subjects like risk assessment and minimization, succession planning, discharging fiduciary and governance duties and performance of specific duties.

The performance of the Committees of the Board included aspects like understanding of the terms of reference by the Committee members, adequacy of the composition of the Committees, effectiveness of the discussions at the Committee meetings, performance of the Committee etc.

The Chairperson of the Nomination and Remuneration Committee plays a vital role in undertaking the evaluation of the Directors. The Chairperson also held separate discussion with each Director in person. Thereafter, the Nomination and Remuneration Committee discussed on the evaluation mechanism, outcome and the feedback received from the Directors. The Independent Directors at their separate meeting also discussed the performance of the Non-Independent Directors including the Chairman of the Board.

Your Board of Directors had discussed and analyzed its own performance, Board as whole, during the year, evaluated the Independent Directors pursuant provisions of Schedule IV of the Companies Act, 2013 and also reviewed the performance evaluation reports of various committees. Thereafter, the Board finally noted the overall feedback on the performance of the Directors and the Board as a whole and its Committees.

The overall outcome of this exercise to evaluate the effectiveness of the Board and its Committees was positive and members of the Board expressed their satisfaction.

15. COMMITTEES OF THE BOARD:

15.1. AUDIT COMMITTEE:

The Audit Committee was initially set up by the Board on 27th April, 2016 pursuant to section 177 of the Companies Act 2013 read with Rule 6 of the Companies (Meetings of Board and its Powers) Rules, 2014.

During the financial year under review, there was no change in composition of the Committee. Presently, the Committee consists of the following members:

1	Mr. Vinayak K. Deshpande*	Non-Executive and Non-Independent Director	Chairman
2	Mr. Dilip Jose Puthiyidathu^	Independent Director	Member
3	Ms. Sangeeta Tanwani	Independent Director	Member

*Due to the completion of the term of Mr. Vinayak K. Deshpande as an Independent Director and his re-appointment as a Non-Executive and Non-Independent Director w.e.f. 27th April 2026, the Board reconstituted the Committee on 24th April 2026.

^ The Board re-constituted the Committee on 24th April, 2026 by appointing Mr. Dilip Jose, Independent Director, in place of Mr. Dibyendu Raychaudhury, Whole-time Director to maintain the composition of the Committee under the requirements of the Companies Act, 2013.

The Company Secretary acts as Secretary to the Committee.

The Audit Committee of the Board has formulated an Audit Committee Charter of the Company, which was approved by the Board. As per the Charter, the Committee is responsible for monitoring and providing an effective supervision of the management`s financial reporting, to ensure accurate and timely disclosures, with highest levels of transparency, recommending the appointment, re-appointment, remuneration and terms of appointment of auditors and approval of payment for any other services rendered by statutory auditors; reviewing the annual financial statements before submission to the Board for approval.

The powers of Audit Committee include investigating any activity within its terms of reference as specified by the Board and seeking information from any employee, obtain professional advice from external sources and have full access to the information contained in the records of the Company, approval or any subsequent modification of any transactions of the Company with related parties; review and monitor the auditor's independence and performance and effectiveness of audit process; scrutiny of inter corporate loans and investments.

The Audit Committee also mandatorily reviews information such as internal audit reports related to internal control weakness and analysis of financial condition and results of operations.

The Vigil Mechanism Policy was also formulated by the Audit Committee, which details form part of this Report.

For the details of the number and dates of meetings of the Committee held during the financial year under review 2025-26, indicating the number of meetings attended by each member thereof, please refer to the Annexure II, which forms part of this Report.

15.2. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:

Your Company had constituted the CSR Committee pursuant to section 135 of the Companies Act 2013, with effect from 27th April, 2016. The composition of the CSR Committee is in alignment with provisions of Section 135 of the Companies Act, 2013.

During the financial year under review, there was no change in composition of the Committee. Presently, the Committee consists of the following members:

1	Ms. Sangeeta Tanwani	Independent Director	Chairperson
2	Mr. Vikas Malhotra*	Whole-time Director	Member
3	Mr. Sumit Padmakar Joshi	Managing Director	Member

* Mr. Chellur Arunkumar will replace him as new member with effect from his appointment on the Board.

The Company Secretary acts as Secretary to the Committee.

The Committee was setup to oversee the corporate social responsibility activities for the consideration and recommendation of the Committee. The Committee adopted a Corporate Social Responsibility (CSR) Policy and its Charter to discharge the role of Corporate Social Responsibility Committee as envisaged under Section 135 of the Companies Act, 2013 which includes formulating and recommending to the Board the activities to be undertaken by the Company as per Schedule VII to the Companies Act, 2013 and the amount of expenditure to be incurred on the same.

The CSR Policy along with its Charter is also available on your Company's website at https://www.signify.com/en-in/our-company/company-profile.

Your Company was engaged in Corporate Social Responsibility (CSR) initiatives in various fields, during the financial year 2025-26, the details of which are set out in Annual Corporate Social Responsibility report attached as Annexure III to the Board's report.

For the details of the number and dates of meetings of the Committee held during the financial year under review, indicating the number of meetings attended by each member thereof, please refer to the Annexure II, which forms part of this Report.

15.3. STAKEHOLDERS RELATIONSHIP COMMITTEE:

The Stakeholders Relationship Committee was set by the Board of Directors in its meeting held on 27th April, 2016 under the provisions of section 178 of the Companies Act 2013.

During the financial year under review, there was no change in composition of the Committee. Presently, the Committee consists of the following members:

1	Mr. Vinayak K. Deshpande	Non-Executive and Non-Independent Director	Chairman
2	Mr. Dilip Jose Puthiyidathu	Independent Director	Member
3	Mr. Sumit Padmakar Joshi	Managing Director	Member

The Company Secretary acts as Secretary to the Committee.

The Stakeholders Relationship Committee adopted a Stakeholders Relationship Charter. The Committee oversees, inter-alia, redressal of shareholder and investor grievances related matters.

For the details of the number and dates of meetings of the Committee held during the financial year 2025-26 indicating the number of meetings attended by each member thereof, please refer to the Annexure II, which forms part of this Report.

15.4. NOMINATION AND REMUNERATION COMMITTEE:

The Nomination and Remuneration Committee was initially constituted by the Board of Directors at its meeting held on 27th April, 2016 as per section 178 of the Companies Act, 2013, read with Rule 6 of the Companies (Meetings of Board and its Powers) Rules, 2014.

During the financial year under review, there was no change in composition of the Committee. Presently, the Committee comprises the following members:

1	Ms. Sangeeta Tanwani	Independent Director	Chairperson
2	Mr. Dilip Jose Puthiyidathu	Independent Director	Member
3	Mr. Sumit Padmakar Joshi	Managing Director	Member
4	Mr. Vinayak K. Deshpande	Non-Executive and Non-Independent Director	Member

The Company Secretary acts as Secretary to the Committee.

The Nomination and Remuneration Committee has adopted a Nomination and Remuneration Committee Policy, duly approved by the Board. The role of the Committee is governed by its Charter and its composition is in compliance with the provisions of Section 178 of the Companies Act, 2013.

The broad objectives of the Committee as per the Policy are as under:

- To guide the Board in relation to appointment and removal of Directors, Key Managerial Personnel and Senior Management.
- Formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration of Directors, key managerial personnel and other employees.
- Formulation of criteria for evaluation of Independent Director and the Board.
- To evaluate the performance of the members of the Board and provide necessary report to the Board for further evaluation of the Board.
- To recommend to the Board on Remuneration payable to the Directors, Key Managerial Personnel and Senior Management.
- To provide to Key Managerial Personnel and Senior Management reward linked directly to their effort, performance, dedication and achievement relating to the Company's operations.
- To assist the Board in fulfilling responsibilities.
- To implement and monitor policies and processes regarding principles of corporate governance.

The Nomination and Remuneration Policy for appointment and removal of Director, KMP and Senior Management provides that the Committee shall identify and ascertain the ethical standards of integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and accordingly recommend to the Board his / her appointment. It further provides the criteria for appointment and remuneration including determination of qualifications, positive attributes, independence of Directors and other matters as provided under sub-section (3) of Section 178 of the Companies Act, 2013.

A Policy for remunerating Directors/ KMPs/ Senior Management Personnel was also set up, which provides the level and composition of remuneration to be paid to the Managing Director, Whole-Time Director(s), Non-Executive Director(s), KMP's, Senior Management Personnel and other employees shall be reasonable and sufficient to attract, retain and motivate directors, KMP's, Senior Management and other employees of the quality required to run the Company successfully. The relationship of remuneration to performance should be clear and meet appropriate performance benchmarks. The remuneration should also involve a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

The Nomination and Remuneration Committee has also formulated a "Policy for Evaluation of the Performance of the Board of Directors", to formally evaluate the effectiveness of the Board, its committees along with performance evaluation of each Director to be carried out on an annual basis.

The Nomination and Remuneration Policy of the Company is also available on your Company's website at https://www.signify.com/en-in/our-company/company-profile.

For the details of the number and dates of meetings of the Committee held during the financial year 2025-26 indicating the number of meetings attended by each member thereof, please refer to the Annexure II, which forms part of this Report.

15.5. BANKING AND OTHER OPERATIONS COMMITTEE:

The Banking and Other Operations Committee was constituted on 27th April, 2016, for taking certain decisions on behalf of the Board during the intervening period between two Board Meetings on routine matters including those which have been delegated by Board under the provisions of the Companies Act, 2013 and also the matters on which decisions were required to be made urgently other than those which are specifically reserved to be approved by the Board under the Companies Act, 2013 or any other applicable law.

During the financial year under review, there was no change in composition of the Committee. Presently, the Committee consists of the following members:

1	Mr. Sumit Padmakar Joshi	Managing Director	Chairman
2	Mr. Dibyendu Raychaudhury	Whole-time Director	Member
3	Mr. Vikas Malhotra*	Whole-time Director	Member

* Mr. Chellur Arunkumar will replace him as new member with effect from his appointment on the Board.

The Company Secretary acts as Secretary to the Committee.

The broad terms of reference of the Banking and Other Operations Committee include opening and closure of bank account(s), issuance of instructions to the Bankers, granting and cancellation of the Power of Attorney, granting authorizations of execute any documents or appear or represent on behalf of the Company before any authority/court/tribunal under direct and indirect tax, civil, criminal laws and other applicable laws on the Company, granting authorization to execute documents pertaining to tenders, leave & license and other relevant agreements, approving the transfer, transmission of shares, dematerialization of shares, rematerialization of shares, issuance of duplicate share certificate(s), split, consolidation of share(s) and other matters related thereto and any other matter which the Committee deems fit and which is not reserved to be approved by the Board under the Companies Act, 2013 or any other applicable law.

For the details of the number and dates of meetings of the Committee held during the financial year under review 2025-26, indicating the number of meetings attended by each member thereof, please refer to the Annexure II, which forms part of this Report.

16. VIGIL MECHANISM:

Your Company is committed to highest standards of ethical, moral and legal business conduct. Accordingly, the Board of Directors has formulated a Vigil Mechanism/Whistle Blower Policy which is in compliance with the provisions of Section 177 of the Companies Act, 2013.

Your Company has established a proper mechanism, under the above Policy, for directors and employees to report any genuine concern. A disclosure should be made in writing or can log a complaint on Signify Ethic line, which provides an online tool and a phone line. Letters can be submitted by hand, courier, or by post, addressed or Email to the Compliance Officer. All reported violations whether actual or potential are reviewed by the Country Compliance Officer. He reports all violations to the Signify Fraud Investigation and Customer Screening (FICS) team and depending upon the severity of the allegation it may be decided to engage an investigator in investigating the complaint.

Any kind of complaint may also be submitted directly to the Chairperson of the Audit Committee of Signify Innovations India Limited at his email ID.

All whistleblowers complaints received along with the status are presented before the Audit Committee on quarterly basis.

The Vigil Mechanism/Whistle Blower Policy is also available on your Company's website at https://www.signify.com/en-in/our-company/company-profile.

17. CORPORATE SOCIAL RESPONSIBILITY (CSR):

Your Company's CSR Policy statement and annual report on the CSR activities undertaken during the financial year ended 31st March, 2026, in accordance with Section 135 of the Companies Act, 2013 and Companies (Corporate Social Responsibility Policy) Rules, 2014 is annexed to this report as Annexure III.

18. INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS:

Your Company is committed to ensure that its operations are carried out within a well-defined internal control framework, good governance, robust systems and processes, a vigilant finance function and an independent Internal Audit function are the foundations of the internal control systems. Your Company has the Audit Committee in place and the Audit Committee devises robust Internal Control System and Enterprise Risk Management for the Company.

Through our internal audit processes at all levels, both the adequacy and effectiveness of internal controls across various businesses and compliance with laid-down systems and policies are being regularly monitored. A trained internal audit team is periodically validating the major IT-enabled business applications for their integration, control and quality of functionality.

Your Company appointed M/s Deloitte Touche Tohmatsu India LLP as its Internal Auditors and their function, scope of service etc. for the financial year 2025-26, duly approved by the Board of Director based on recommendation made by the Audit committee. The Internal Auditors submit their report to the Audit Committee and the Board respectively as per the requirements of the Companies Act, 2013.

19. HUMAN RESOURCES AND INDUSTRIAL RELATIONS:

A great workplace is built on exceptional employee experience. We anchor this on three pillars: our Purpose, our core values and behaviors, and a culture of meritocracy, with Culture as the cornerstone that brings Purpose to life.

Our Employee Value Proposition (EVP), rooted in these core values, reflects our commitment to a high-performance, value-driven organization. By aligning EVP with company strategy, we attract and retain top talent while fostering a culture of sustained excellence.

The EVP is lived and felt through programs and initiatives that run across the year, responsive to the organization's evolving priorities. Underpinning all of this is a commitment that goes beyond attraction: we develop and nurture careers, creating an environment where people genuinely learn, grow, and thrive.

The following initiatives reflect this intent, designed to build pride, deepen belonging, and embed a high-performance culture across the organization:

Quarterly Townhalls These sessions serve as a direct communication bridge between senior leadership and employees, aligning the organization on purpose, values, strategic goals, and key initiatives while creating space to address challenges openly. At their core, townhalls are a platform for interactive dialogue that drives the company's vision forward.

HR and Leadership Connect Sessions Initiatives such as Brewing Success with Leadership and Coffee Corners with HR are designed to facilitate direct engagement between employees, HR, and the leadership team. The core intent is to listen, empathize, and surface both positive sentiments and areas of concern, translating these conversations into actionable plans that address real grievances. These sessions serve as a platform for collaborative, two-way dialogue that drives meaningful workplace improvement and workforce development:

- Diversity Mentoring: The diversity mentoring program aims to strengthen the diversity of our leadership pipeline and improve gender balance at management levels in Commercial organizations in line with Signify diversity commitments. Diversity mentoring program enriches participants by assigning them a mentor who in turn helps in broadening their perspectives, promoting knowledge exchange, fostering more inclusive and collaborative environment, and empowering them in their respective roles. This program runs for a span of 9-12 months of mentorship journey. An extension of this program is Global Mentoring, which fosters cross-geographical collaboration and enhances cross-cultural understanding, by aligning nominated employees with cluster-leaders and country-heads across different regions globally.
- DE&I Week: At Signify, we focus on leveraging 'DEI' as a competitive edge. While we include different categories of diversity across Signify geographies, in India, the current focus is on Gender Diversity, Generational Diversity as well as Persons with Disability.

As we prioritize diversity hiring, we demonstrate a commitment to inclusivity and fairness. This builds trust among our employees, as they see that Signify values different perspectives and backgrounds. Along with this, we organized a series of Nukkad Natak performances, NGO visits, and team-led interactions designed to spark meaningful dialogue and deepen collective understanding of inclusion across the organization.

- Employee Sensitization: We coach and sensitize our leaders, managers and employees by doing various trainings programs on topics like unconscious bias, enhancing workplace diversity, how to lead with inclusion and much more. The HR Team in India has conducted the series of "Leading with Inclusion" trainings – to help sensitize our workforce of various diversities – and the merits of having them at the workplace, The series also focuses on Business Case of DEI – where we show evidence how having Diverse perspectives at workplace help us grow as a company.

The training has been attended by all people managers and more than 80% of the individual contributors (ICs) in our workforce in India. In addition, we also run other trainings like Prevention of Sexual Harassment at Workplace, Security Essentials, Code of Conduct etc. to reiterate our focus on an Inclusive, Safe and Supportive work environment for all our employees.

People managers undergo special training modules like iEdge, iEdge+ which focuses on training them to better manage their teams and help us create a respectful and performance-based culture at individual team levels as well

Learning & Talent Development

Our learning and development program is dedicated to fostering a culture of continuous growth and skill enhancement. By providing diverse training opportunities, we empower our employees to achieve personal and professional excellence. This commitment to development equips our employees with knowledge and capabilities necessary to excel in their roles. We have curated certain initiatives to empower our employees with specific skills and help them grow in the workplace.

- **Learning Week:** In our pursuit towards continuous learning, we dedicate one hour on monthly basis to Learning and Career development, wherein we invite Signify SMEs internally to talk and engage with our employees on new-edge technologies, latest trends and paradigm shifts in economic environment and counseling sessions on professional development.

- **Saksham:** Saksham program is designed to groom key talent for **First-time people manager** roles. This 3-month comprehensive capability building journey is focused on three core pillars: Managing Self, Managing Business and Managing Others. It combines diverse array of learning methods including classroom training, live projects, mentoring, online learning and career coaching to ensure holistic development and readiness for managerial responsibilities.
- **Sales Masterclass** A 2-day capability-building program designed for Sales Specialists, Key Account Managers, and LiAS employees to strengthen sales competencies and master the techniques of consultative selling. Complementing this, the Sales Masterclass Learning Hub provides a continuous learning platform where employees can build and enhance their skills at their own pace.
- **Accelerated Leadership Program:** This program has been designed to nurture outstanding talent within our company at **mid-management** levels, who will help shape and drive our future. This tailor-made program is focused on developing key skills and competencies that are critical for an individual's career growth. It is a comprehensive 3-month long journey featuring several challenging and enriching development modules. The program features a rich blend of hands-on experiences, classroom training and cross functional learning.
- **SC Planners Masterclass** A 2-day masterclass curated specifically for SC Planners, designed to sharpen planning capabilities and elevate both the effectiveness and efficiency of supply chain planning across the organization.
- **iEdge-** iEDGE is a transformational gamified and simulation driven leadership development program for entire managerial talent in Signify India and Signify Globally driven by the team comprising our India HR Leadership, Business partnership and India Learning team as the key players. This focuses on building the ability to Manage Self, manage teams and Manage work in the VUCA world we are operating in today. This program is powered by Knolskape, a top 20 gamified learning company. The Signify India HR and Learning teams have partnered with Knolskape to cover 100% of the manager population in India in 2024.
- **Learning Academy –** An initiative in our innovation center at Bangalore, this program aims to build competencies for early career talents by using internal learning resources. For Campus hires, we have designed 36+ trainings for a duration of 3 months, which includes technical, functional trainings and soft skills. A talented batch of 44 interns completed the Learning Academy courses in 2024.
- **LaunchPad:** LaunchPad is a refresher induction program for **new joiners in Sales** channel. The objective of this program is to provide an overview of all our product categories and ways of working to the new joiners, who are 2-3 months old in the organization. This is an opportunity for the new joiners to witness our R&D facilities and connect with stakeholders from Head Office.
- **Ascent 2.0:** A refreshed, structured e-learning program designed for new joiners across Greater India, built to equip them with the business knowledge and skills needed to succeed in their roles. The program spans four modules - Introduction, Enabling Functions, Consumer, and Professional India Business - each featuring interactive, gamified content and quizzes to deliver an engaging and effective onboarding experience.
- **Bright Finance:** It is a talent program for Finance professionals focused on development and career growth. The aim of this initiative is to recruit and develop a spectrum of early career talented resources and provide them with an opportunity to develop the skills, not just in finance domain, but also with regards to their regional entities and business requirements. This program consists of 3 pillars: Monthly Masterclass, Hands-on projects, and Mentoring

All the above engagements coupled with our flexible and supportive culture, developmental and growth opportunities that we provide to our employees resulted in the company being recognized as a Great Place to Work by GPTW® Institute for the period 2026-27.

Talent Acquisition

In our journey to attract, engage, retain and grow the right talent for Signify, we actively work on building Signify's brand to make it an 'Employer of Choice'.

As part of our Brighter Lives, Better World sustainability program, we set an ambition in 2020 to double the number of women in leadership positions from 17% to 34% by the end of 2025. And in 2021, we signed the United Nations (UN) Women Empowerment Principles, which underpins this commitment.

In 2025, women represented 42% of Signify's employees and held 27.5% of leadership roles across the company. While we did not fully reach our ambition, we made overall progress since 2019 and remain committed to advancing gender diversity in leadership by continuing to build on our hiring and pipeline initiatives and applying lessons learned.

In line with our global strategic priority of leveraging DEI as a competitive edge, we amplified our efforts towards diversity hiring focusing on both gender and age diversity. We drove focused initiatives to ensure our woman employees are supported, engaged and developed thereby resulting in improved women employee footprint. We have diversity of more than 40% in our technology (R&D and Digital) teams, and over 40% in enabling functions (Finance, HR, Supply Chain, Procurement). Our campus programs – across Commercial and Technology teams contributed towards adding Gen Z talent to Signify.

In our Innovation Centre at Bangalore, we continued with "Campus Verve Program" to hire interns from engineering colleges. We hired 60 Engineer Trainee in 2025 and converted 78% in R&D. In our Cooper Lighting Solution's Innovation Centre at Pune, we hired 10 Engineer Trainees. In the non-technical domain, we had 5 joiners in Business Leadership Program and another 13 in Sales Trainee Program. We have hired 4 trainees for Supply Chain India function and converted 100% of them. We have also hired 16 summer trainees from top B-Schools across India, through campus placements, who underwent a 2-month internship with us in Summers of 2026.

We continuously encourage internal talent to take on diverse and bigger roles in both domestic and international markets through internal marketplace called "Opportunity Knocks". Employee Referrals continue to be one of the top sources of hiring the right talent externally (13.7% hiring through referrals in 2025). We introduced special referral campaigns for increasing diversity referrals across various roles.

To build high brand recall amongst critical talent segments, our company actively used the social media - Signify page on LinkedIn. Our company also actively engaged with Premiere/Non-Premium B-Schools/Engineering Colleges through Campus Sparks Internship Program, Business Leadership Program, Sales Trainee Program and Postgraduate/Graduate Engineer Trainee Program. We conducted leadership talks and alumni connect sessions across partner institutes.

For new members in the Signify Innovations family, we strengthened our 'First Impressions' program which enables to induct the new joiners in Lighting business environment as well as helps them transition to their new roles smoothly by providing the right tools to accelerate at our organization. Subject matter experts run various sessions during the induction program, followed by domain-specific functional trainings through online modules, and market visits / shadowing.

Total Rewards

Signify Innovations India focused on principles of Competitiveness, Fairness and Differentiation for employees' Total Rewards.

Equitable & Attractive Compensation:

- We strived to achieve Pay equity and bridge the gender pay gap. We have partnered with Syndio globally, an external provider for Pay equity analytics.
- We were able to achieve our fair pay targets set to drive equity across workforce segments.
- Our Pay ranges continued to attract the best talent from the external market and retain the top internal talent.
- We continued to differentiate pay for new skills and roles.
- Our Sales Incentive scheme was redesigned in India as per market benchmarks and variable pay-mix remained best in class.

Inclusive Benefits

- Our Medical Insurance coverage sponsored by Signify continues for Employees and their Spouses & Children. Optional voluntary Medical insurance coverage for Parents/ In-laws also available to employees.
- Coverage for LGBTQ employees and partners along with and enhanced benefits/ limits for Modern treatments, Fertility treatments etc.
- Our introduced tech enablement and online claim settlement journey continues through insurer. It has ensured seamless and hassle-free process for employees.
- Our Group Term Life insurance and Group Accident insurance coverage remains at par with market and ensure minimum INR 20L coverage for employees.
- We partnered with a Health service provider to ensure unlimited General physician tele consultation for all employees.
- We partnered with a creche & daycare vendor in 2025 to ensure seamless reimbursement process and near home/office access to daycares.
- We continue to provide Medical OPD Reimbursement and Fitness Support reimbursement to employees. These policies remain better than market.
- Care & Wellness Leaves were introduced in 2025 which enables employees to avail them in need to Sickness and wellbeing of self and dependants.
- We have partnered with Employee Assistance Program (EAP) vendor globally to ensure necessary mental well-being support to employees, including any assistance required for Financial and Legal guidance.

Industrial and Employee Relations

Our Vadodara Light Factory (VLF) has achieved substantial productivity enhancements through the adoption of Lean Philosophy. This progress was facilitated by the implementation of continuous improvement practices on the shop floor, supported by strategic interventions and the factory has consistently maintained healthy and cordial Industrial Relations, reflecting a long-standing tradition of peaceful interactions between management and workers. This history serves as a testament to the active participation of workers in management processes. Both Management and Union ensure that all decisions are made with careful consideration of the welfare and interests of the workers.

During the year under review, the Company managed the decline in Conventional Lamps demand and launched a Voluntary Retirement Scheme for restructuring the organization, where 210 employees opted for voluntarily retirement.

One of our employees received a prestigious “Shram Award” from the Labour Department of the Government of Gujarat, in recognition of outstanding contributions to Safety Kaizen and continuous improvement initiatives.

At VLF location, Joint Venture has been started with co-manufacturers to expand into new, growing, and competitive business opportunities. By combining resources, expertise, and innovation. The venture has strengthened our production capabilities and market presence.

VLF plant has implemented the Wages Code in compliance with updated law requirements by aligning payroll structures with regulatory standards. Further, Management and employees Union have signed a mutual MoU amicably for implementing wage code for all unionized workers in compliance with wage code.

Information under Section 197 of the Companies Act, 2013, read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personal) Rules, 2014, forms part of the Board’s Report and are available for inspection at the registered office of your Company during working hours and any member of the Company interested in obtaining such information may write to the Company Secretary.

20. CONSERVATION OF ENERGY, FOREIGN EXCHANGE OUTGO AND TECHNOLOGY ABSORPTION:

Information on Conservation of Energy, Technology Absorption and Foreign Exchange earnings ratio and outgo, required to be given pursuant to Section 134(3)(m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014, is provided in Annexure IV to this Report.

21. ENVIRONMENT, ENERGY, OCCUPATIONAL HEALTH & SAFETY:

The Company's Vadodara Light Factory (VLF) has been actively involved in implementing Signify Eco Vision program. 100% of waste generated is being recycled. Many energy saving projects were undertaken. Safety of employees is the foremost concern at VLF and working towards providing a safe and accident-free working environment is a culture here. We have Injury Prevention rate program where everyone is involved in Safety culture journey. Also monitoring of participation in the Injury Prevention Rate. Regular training and awareness sessions are carried out on Behavior Based Safety (BBS) and Machine Safety for the employees to achieve zero accidents in the factory. Also we are conducting safety training on special hazards like Chemical, Electrical Power tools and mobile equipment handling.

The Company has deployed of manufacturing standards for safety in VLF. Implementation of safety measures as per standard is done, which are assessed and audited by central team.

Firefighting and first aiders training with external expert and certifications are conducted as per local government legal requirement. Mock drills are conducted twice a year to check and verify emergency services available.

Regular two-way communication awareness programs on safety measures are conducted under the initiative 'SURAKSHA SAMVAD'.

The Company's Vadodara Light Factory (VLF), with its focus on the environment and safety issues, National Safety week, Global EHS week and World Environment Day are celebrated every year in the plant to spread awareness on EHS importance within the factory. Water consumption monitoring and conservation program is also conducted.

VLF had replaced the conventional lighting from the shop floor area with energy efficient LED lights- give us significant energy saving along with many energy saving programs. Also implemented many programs on waste reduction and Energy conservation to protect environment.

We are reviewing Safety at many platforms like Loop meetings, Monthly Safety Review with managers, Safety committee meeting etc.

VLF is also actively involved in implementing the Signify Eco-Vision program. During the year, a substantial part of the waste generated at VLF was recycled. E-waste also was disposed through Proper and authorized recyclers

In VLF, Zero TRC (total recordable cases) has been reported in the previous financial year, and there is Zero case of loss of work or fatality.

22. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

During the financial year under review, your Company invested equity share capital aggregating ₹ 142.80 crore, comprising an initial investment of ₹ 2.50 crore at the time of incorporation of Lightanium Technologies Private Limited (Joint Venture) on 26th June, 2025 and a subsequent investment of ₹ 140.30 crore on 1st August, 2025. As on 31st March, 2026. The Company held 50% of the paid-up equity share capital of Lightanium Technologies Private Limited, with the remaining 50% held by Dixon Technologies (India) Limited. The particulars of loans given, investments made, guarantees given and securities provided, if any, covered under section 186 of the Companies Act, 2013 form part of the relevant notes to the financial statements, which form part of this Report.

23. RELATED PARTY TRANSACTIONS:

Information on transactions with related parties pursuant to Section 134(3)(h) of the Act read with rule 8(2) of the Companies (Accounts) Rules, 2014 are given in Annexure V in Form – AOC-2 and the same forms part of this Report.

24. STATEMENT OF RISK MANAGEMENT:

Risk management forms an integral part of the business planning and review cycle. The Company's risk management initiatives are designed to overview the main risks known to your Company, which could hinder it in achieving its strategic and financial business objectives. The objectives are met by integrating management control into the daily operations, by ensuring compliance with legal requirements and by safeguarding the integrity of the Company's financial reporting and its related disclosures like businesses, objectives, revenues, income, assets, liquidity or capital resources. Your Company's risk management approach is embedded in the areas of corporate governance, Signify Business Control Framework, Signify Quality Management System and Signify's Integrity Code.

25. DIRECTORS RESPONSIBILITY STATEMENT:

As required under Section 134(5) of the Companies Act, 2013, your Directors, to the best of their knowledge confirm that:-

(i) In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;

(ii) The directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;

(iii) The directors have 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;

(iv) The directors have prepared the annual accounts on a going concern basis;

(v) The directors have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.

(vi) The directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

26. STATUTORY AUDITORS:

The Statutory Auditors, M/s S.R. Batliboi & Co. LLP, Chartered Accountants (Firm Registration No. 301003E/E300005), were re-appointed for the another term of five (5) years at the Sixth Annual General of the Company in the financial year 2021-22, pursuant to the provisions of Sections 139 and 141 of the Companies Act, 2013 and the Rules made thereunder, from the conclusion of the Sixth Annual General Meeting upto the conclusion of the Eleventh Annual General Meeting to be held after the Sixth Annual General Meeting.

The current term of the Statutory Auditors is due to expire at the ensuing Annual General Meeting. Accordingly, based on the recommendation of the Audit Committee, the Board of Directors recommends the re-appointment of M/s Price Waterhouse Chartered Accountants LLP having FRN - 012754N/N500016, as the Statutory Auditors of the Company for a term of five (5) consecutive years, commencing from the conclusion of 11th AGM of the Company till the conclusion of 16th AGM subject to the approval of the Members at the ensuing Annual General Meeting.

27. EXPLANATION OR COMMENTS BY THE BOARD ON AUDITORS' REMARKS:

The Company currently maintains a complete backup of books of account and papers (maintained in electronic mode) on daily basis in the backup server located outside India. The same is accessible at any time throughout the year. The Company is in the process of evaluating & implementing a system to have complete backup of books of accounts (on daily basis) in a server located in India for the period specified under section 128(5) of the Companies Act, 2013.

The Company has used accounting software (SAP) for maintaining its books of account which has a feature of recording audit trail facility and the same has operated throughout the year for all relevant transactions recorded in the software except the audit trail is not enabled for direct changes to database using certain access rights. Further no instance of audit trail feature being tampered with was noted in respect of accounting software where the audit trail has been enabled.

Additionally, the audit trail of relevant prior years has been preserved by the company as per the statutory requirements for record retention, to the extent it was enabled and recorded in those respective years.

28. FRAUDS REPORTED BY AUDITORS:

During the financial year under review, no fraud was reported by the Auditors under Section 143(12) of the Companies Act, 2013.

29. COST AUDITORS:

Pursuant to the provisions of Section 148 of the Companies Act, 2013, your Directors have approved the re-appointment of M/s Kailash Sankhlecha & Associates, Cost Accountants, having FRN-100221, to conduct the Cost Audit for the year ending 31st March, 2027, at a remuneration of ₹ 3,85,000/- (Rupees Three Lakh Eighty Five Thousand Only) plus applicable tax and out of pocket expenses, subject to the approval of such remuneration by the members of the Company at the ensuing Annual General Meeting. There has been no qualification, reservation or adverse remark or disclaimer in their Report for the period ended on 31st March, 2026. The cost accounts and records of the Company are duly prepared and maintained as required under Section 148(1) of Companies Act, 2013

30. SECRETARIAL AUDITORS:

The Secretarial Audit was carried out by M/s PI & Associates, Company Secretaries for the financial year ended on 31st March, 2026. The Report given by the Secretarial Auditors is annexed as Annexure VI and forms integral part of this Report. There has been no qualification, reservation or adverse remark or disclaimer in their Report. During the year under review, the Secretarial Auditors had not reported any matter under section 204(3) of the Act read with section 134(3)(f) of the Act and under Section 143 (12) of the Act, therefore no detail is required to be disclosed under Section 134 (3) of the Act.

31. COMPLIANCE WITH SECRETARIAL STANDARDS:

Your Company is in compliance with the applicable provisions of the Secretarial Standards (i.e. SS-1 & SS-2) specified by the Institute of Company Secretaries of India (ICSI) related to the Board and General Meetings.

32. OTHER DISCLOSURES:

a. The Company confirms that it has complied with the provisions of the Maternity Benefit Act, 1961, during the financial year under review.

b. There was no application made or proceeding pending against the Company under the Insolvency and Bankruptcy Code, 2016 during the year under review.

c. The Company has not made any one-time settlement for loans taken from the Banks or Financial Institutions, and hence the details of difference between amount of the valuation done at the time of one-time settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof is not applicable.

33. PREVENTION, PROHIBITION AND REDRESSAL AGAINST HARASSMENT OF WOMEN EMPLOYMENT:

In order to ensure a safe working environment for all women employees, your Company has a Prevention, Prohibition and Redressal against Sexual Harassment of Women Employees at Workplace Policy in place, adhering with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and its Rules. Consequently, the Company has set up an Internal Committee at all work places including Corporate Office at Gurgaon, branch offices and factory consisting of requisite members along with an external member, as applicable, and appointed as required under the law with experience in the field of sexual harassment at workplace.

The procedure followed by the Committee is as follows - If any incident of sexual harassment occurs, 6 copies of a written complaint is to be filed by the complainant with the respective Core/Internal Complaint Redressal Committee or with the Employer within 3 months from the date of incident, along with its supporting documents and details of the witnesses and evidences. The same will be reported to the Country Compliance Officer. A copy of the same is forwarded to the respondent within 7 days. The respondent is required to file his reply, along with supporting documents and details of witnesses in the next 10 days.

The Committee attempts to reconcile the written request of the victim or proceed with the inquiry, which is to be completed within 90 days. The inquiry report is issued within 10 days from completion of the inquiry and forwarded to the CEO, Head of Legal and Head of HR. If they are satisfied with the findings of the Committee, appropriate action is taken on the lines of issuing a warning or stern warning or even termination of service, within 60 days from the date of receipt of the inquiry report. Necessary face to face trainings and online courses are provided to all employees.

During the year under review, no sexual harassment complaint was reported to the Internal Committee during the financial year 2025-26 and necessary details pursuant to section 134 of the Companies Act, 2013 and rule 8 of Companies (Accounts) Rules, 2014 of read with the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH) as follows:

	2025-26	2024-25
Total number of complaints of sexual harassment received in the year	Nil	01
Total number of complaints disposed off during the year	01*	Nil*
Total number of cases pending for more than 90 days	Nil	Nil

* The complaint was reported on 6th March 2025, and the Internal Committee completed its investigation and submitted its report within the prescribed timeline. The management took appropriate action based on the report. However, since the 90-day resolution period extended beyond 31st March 2025, the complaint is not reflected as disposed of or pending as of the financial year end on 31st March, 2025. Accordingly, it is shown as 'Nil' during the year 2024-25 and 01 is reported as disposed off during the year 2025-26.

During the year, following activities are conducted under Prevention, Prohibition and Redressal against Sexual Harassment of Women Employees at Workplace Policy:

- Regular training sessions are held on Prevention of Sexual Harassment.
- Awareness messages sent to all employees.
- A clause added in the employee joining kit to adhere to Company's Prevention of Sexual Harassment Policy at workplace.

ACKNOWLEDGMENT:

Your Directors place on record their deep appreciation of the assistance and guidance provided by the Central Government and the State Governments, its suppliers, technology providers and all other stakeholders. Your Directors also appreciate the contribution made by the employees of your Company at all levels.

Your Directors thank the financial institutions and banks associated with your Company for their support as well. Your Directors also thank the Company's distributors and its customers for their unstinted commitment and valuable inputs.

Your Directors acknowledge the support received from you as shareholders of the Company.

For and on behalf of the Board of Directors of
SIGNIFY INNOVATIONS INDIA LIMITED

	SUMIT PADMAKAR JOSHI	**DIBYENDU RAYCHAUDHURY**
Place : Gurugram	Vice-Chairman, Managing Director & CEO	Whole-time Director & CFO
Date : 15th July, 2026	(DIN: 07018906)	(DIN: 09747317)

Annexure - I

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries or associate companies or joint ventures

Part A – Subsidiaries

The Company does not have any subsidiary company as at 31st March, 2026 and accordingly, Part A is not applicable.

Part B – Associates and Joint Ventures

Statement pursuant to Section 129(3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures:

Name of Associates or Joint Ventures	Lightanium Technologies Private Limited
1. Latest audited Balance Sheet Date	31st March, 2026
2. Date on which the Associate or Joint Venture was associated or acquired	26th June, 2025
3. Shares of Associate or Joint Ventures held by the company on the year end	-
(a) No. of Shares held	14,28,00,000
(b) Amount of Investment in Associate/Joint Venture	₹ 1,428 million
(c) Extent of holding %	50%
4. Description of how there is significant influence	The Company holds 50% equity share capital in the Joint Venture pursuant to the Joint Venture Agreement executed with Dixon Technologies (India) Limited.
5. Reason why the associate/joint venture is not consolidated	Accounted for in the Consolidated Financial Statements using the equity method in accordance with applicable accounting standards.
6. Net-worth attributable to shareholding as per latest audited Balance Sheet	₹ 2,968 million
7. Profit or Loss for the year	₹ 104 million
i. Considered in Consolidation	₹ 52 million
ii. Not Considered in Consolidation	₹ 52 million

For and on behalf of the Board of Directors of
SIGNIFY INNOVATIONS INDIA LIMITED

SUMIT PADMAKAR JOSHI
Vice-Chairman, Managing Director & CEO
(DIN: 07018906)

DIBYENDU RAYCHAUDHURY
Whole-time Director & CFO
(DIN: 09747317)

VIKAS MALHOTRA
Whole-time Director
(DIN: 09253036)

NITIN MITTAL
Company Secretary
FCS - 7044

Place : Gurugram
Date : 15th July, 2026

Annexure - II

Number and dates of Meetings of the Board and Committees held during the financial year indicating the number of Meetings attended by each Director.

Board of Directors:

During the financial year 2025-26, 6 (six) meetings of the Board of Directors were held on 18th June, 2025, 4th July, 2025, 11th September, 2025, 28th October, 2025, 5th December, 2025, and 20th March, 2026.

Name of the Directors	Attendance at the Board meetings		Attendance at last AGM
	No. of Meetings which Director was entitled to attend	No. of Meetings attended	
Mr. Vinayak K. Deshpande	6	6	Yes
Mr. Sumit Padmakar Joshi	6	6	Yes
Mr. Dibyendu Raychaudhury	6	6	Yes
Mr. Dilip Jose Puthiyidathu	6	5	Yes
Ms. Sangeeta Tanwani	6	6	Yes
Mr. Vikas Malhotra	6	6	Yes

Audit Committee:

During the financial year 2025-26, 5 (five) meetings of the Audit Committee were held on 18th June, 2025, 4th July, 2025, 11th September, 2025, 5th December, 2025, and 20th March, 2026.

Name of members	Nature of membership	Attendance at the Audit Committee meetings	
		No. of Meetings which Director was entitled to attend	No. of Meetings attended
Mr. Vinayak K. Deshpande	Chairperson	5	5
Mr. Dibyendu Raychaudhury	Member	5	5
Ms. Sangeeta Tanwani	Member	5	5

Nomination and Remuneration Committee:

During the financial year 2025-26, 3 (three) meetings of the Nomination and Remuneration Committee were held on 4th July, 2025, 5th December, 2025, and 20th March, 2026.

Name of members	Nature of membership	Attendance at the NRC meetings	
		No. of Meetings which Director was entitled to attend	No. of Meetings attended
Ms. Sangeeta Tanwani	Chairperson	3	3
Mr. Dilip Jose Puthiyidathu	Member	3	3
Mr. Sumit Padmakar Joshi	Member	3	3
Mr. Vinayak K. Deshpande	Member	3	3

Corporate Social Responsibility Committee:

During the financial year 2025-26, 4 (Four) meetings of the Corporate Social Responsibility Committee were held on 4th July, 2025, 11th September, 2025, 5th December, 2025, and 20th March, 2026.

Name of members	Nature of membership	Attendance at the CSR Committee meetings	
		No. of Meetings which Director was entitled to attend	No. of Meetings attended
Ms. Sangeeta Tanwani	Chairperson	4	4
Mr. Sumit Padmakar Joshi	Member	4	4
Mr. Vikas Malhotra	Member	4	4

Stakeholders Relationship Committee:

During the financial year 2025-26, 1 (one) meeting of the Stakeholders Relationship Committee was held on 5th December, 2025.

Name of members	Nature of membership	Attendance at the SRC meetings	
		No. of Meetings which Director was entitled to attend	No. of Meetings attended
Mr. Vinayak K. Deshpande	Chairman	1	1
Mr. Dilip Jose Puthiyidathu	Member	1	1
Mr. Sumit Padmakar Joshi	Member	1	1

Banking and Other Operations Committee:

During the financial year 2025-26, 3 (three) meetings of the Banking and Other Operations Committee were held on 15th October, 2025, 13th January, 2026 and 26th March, 2026.

Name of members	Nature of membership	Attendance at the Board meetings	
		No. of Meetings which Director was entitled to attend	No. of Meetings attended
Mr. Sumit Padmakar Joshi	Chairman	3	3
Mr. Dibyendu Raychaudhury	Member	3	3
Mr. Vikas Malhotra	Member	3	3

For and on behalf of the Board of Directors of
SIGNIFY INNOVATIONS INDIA LIMITED

Place : Gurugram
Date : 15th July, 2026

SUMIT PADMAKAR JOSHI
Vice-Chairman, Managing Director & CEO
(DIN: 07018906)

DIBYENDU RAYCHAUDHURY
Whole-time Director & CFO
(DIN: 09747317)

Annexure-III

ANNUAL REPORT ON CSR ACTIVITIES

[Pursuant to Section 135 of the Companies Act, 2015 read with Rule 8 of the Companies
(Corporate Social Responsibility) Rules, 2014]

1. A brief outline of CSR Policy of the Company:

The Board of Directors approved Corporate Social responsibility (CSR) Policy of the Company, pursuant to the provisions of Section 135 of the Companies Act, 2013. The CSR Policy of the Company is accessible on your Company's website at https://www.signify.com/en-in/our-company/company-profile

In terms of the mandate of the CSR Committee and being a Lighting Company, the focus of the CSR programs of the Company has been to unlock the extraordinary potential of light for creating brighter lives and a better world, by providing underprivileged sections of the society access to clean & renewable solar based lighting and enhancing the employability of rural youth through skill development programs. The key pillars of our CSR program are as follows:

Har Gaon Roshan (Lighting Up Villages)- As part of our commitment to inclusive and sustainable rural development, the Har Gaon Roshan program was launched with the objective of providing energy-efficient and solar-powered lighting solutions to underserved villages across India. This initiative is designed to enhance the safety and well-being of rural communities—particularly women and children—after sunset, while also enabling extended hours for educational, social, and economic activities. By addressing gaps in rural lighting infrastructure, the program contributes meaningfully to local development and aligns with national goals of rural electrification and sustainability.

A total of 560 villages across Madhya Pradesh, Jharkhand, Rajasthan, Uttar Pradesh, Chhattisgarh, and Bihar have been covered under the program. The initiative not only addresses basic lighting needs but also adapts to the unique geographical and social contexts of each region. Under its umbrella, several focused sub-initiatives have been rolled out, including Lighting Up Forest Villages, Lighting Up Border Villages, and Lighting Up Tribal Villages. These tailored interventions have delivered significant outcomes: forest villages have reported improved safety through better visibility and a reduction in human-wildlife conflict, border villages have benefited from enhanced visibility and a greater sense of security, while tribal villages have experienced improved access to public services and greater opportunities for economic participation.

The impact of the program has been multi-dimensional. Improved street lighting has increased safety and mobility, especially for women and children, encouraging greater participation in community life after dark. Economic activities such as evening markets, small-scale trade, and artisanal work have expanded, supporting rural livelihoods and fostering entrepreneurship. Educational outcomes have also improved, with better-lit environments enabling students to study during evening hours. Additionally, the program has strengthened village infrastructure, creating safer public spaces and contributing to overall rural development.

Jagmag Pathshala (Lighting Up Schools) - As part of our broader vision to foster equitable access to education, the Jagmag Pathshala initiative was launched to create brighter, safer, and more energy-efficient learning environments for students in rural India. The primary objective of the program is to support academic growth by improving classroom infrastructure through the installation of LED lighting and energy-efficient ceiling fans, thereby ensuring a conducive atmosphere for learning in government and low-income schools.

During the year, the initiative reached 297 schools across Jharkhand, Karnataka, Andhra Pradesh, and Maharashtra, significantly enhancing the day-to-day learning experience for thousands of students. Well-lit classrooms not only improve visibility and concentration but also contribute to students comfort, attentiveness, and academic performance. Teachers have also reported improved teaching conditions and greater classroom engagement due to better illumination and ventilation.

In addition to strengthening lighting infrastructure, Jagmag Pathshala reflects our commitment to inclusive education. During the year, we supported digital learning for students with visual impairments by establishing two state-of-the-art computer laboratories in schools for the blind in Karnataka. These laboratories are equipped with advanced assistive technologies, including screen readers and accessible software, enabling visually impaired students to actively engage with digital learning platforms and develop computer literacy—an essential skill in today's knowledge-driven world.

Khel Jyoti (Lighting up playgrounds) – As part of our commitment to nurturing grassroots talent and promoting inclusive development through sports, the Khel Jyoti initiative was launched to illuminate playgrounds and sports courts in rural and semi-urban areas. The primary objective of this program is to support the growth of rural sports by providing high-quality lighting infrastructure, thereby enabling young athletes to extend their training hours beyond daylight and unlock their full potential.

In the reporting year, the initiative illuminated 20 playgrounds across Poonch (Jammu & Kashmir), Haryana, and Rajasthan, including six Sports Authority of India (SAI) Sports Training Centres (STCs) located in Hazaribagh (Jharkhand), Sundargarh (Odisha), Eluru (Andhra Pradesh), Dharwad (Karnataka), and Bengaluru (Karnataka). These facilities support training in a range of sports, including Archery, Kabaddi, Basketball, Volleyball, and Kho Kho, enabling athletes to practice in improved conditions.

The initiative has enhanced access to quality sports infrastructure by extending training hours and creating safer spaces for athletes, particularly women and young sportspersons. Improved lighting has enabled uninterrupted coaching sessions, increased utilization of sports facilities during evening hours, and encouraged greater participation from local communities. The upgraded infrastructure has also supported skill development and regular practice, helping create an enabling environment for nurturing emerging sporting talent. Through Khel Jyoti, we continue to strengthen the grassroots sports ecosystem and inspire healthier, more active communities.

Swasthya Kiran (Lighting Up Healthcare Centers)- In alignment with our commitment to strengthening critical infrastructure in underserved regions, the Swasthya Kiran initiative was launched to enhance the functionality and reliability of healthcare facilities in rural India. The program aims to support primary healthcare delivery by equipping health centers with energy-efficient lighting, ceiling fans, upgraded electrical infrastructure, and solar power backup solutions, particularly in regions that experience frequent power outages.

The upgradation of lighting & electrical infrastructure has enhanced the operational capacity of healthcare facilities, enabling healthcare professionals to provide essential medical services in a safer and more efficient environment while improving patient comfort and overall service delivery.

In the reporting year, the initiative upgraded 171 healthcare facilities, including 30 riverine Primary Health Centres (PHCs) in Assam, 116 healthcare facilities comprising Sub Centres, PHCs, and Community Health Centres (CHCs) in Balotra, Rajasthan, and 25 PHCs in Ayodhya, Uttar Pradesh. The upgradation of lighting and electrical infrastructure of PHCs in Assam has strengthened healthcare delivery in flood-prone areas, while the upgraded facilities in Rajasthan and Uttar Pradesh have enhanced the reliability and quality of essential healthcare services for rural communities.

The impact of Swasthya Kiran extends beyond infrastructure by improving the resilience of rural health facilities, supporting uninterrupted healthcare delivery, and strengthening access to quality medical services. Through this initiative, we continue to contribute to healthier, safer, and more resilient communities by ensuring that reliable healthcare remains accessible where it is needed most.

2. Composition of CSR Committee:

Sl. no	Name of Director	Designation/Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Ms. Sangeeta Tanwani	Independent Director	4	4
2	Mr. Sumit Padmakar Joshi	Managing Director	4	4
3	Mr. Vikas Malhotra	Whole-time Director	4	4

3. **Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company:**

   https://www.signify.com/en-in/our-company/company

4. **Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable:** Not Applicable

5. **(a) Average net profit of the company as per sub-section (5) of section 135:** 4,035.72 Million

   (b) Two percent of average net profit of the company as per sub-section (5) of section 135: 80.71 Million

   (c) Surplus arising out of the CSR Projects or programmes or activities of the previous financial years: NIL

   (d) Amount required to be set-off for the financial year, if any: NIL

   (e) Total CSR obligation for the financial year [(b)+(c)-(d)]: 80.71 Million

6. **(a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project):** ₹ 77.65 Million

   (b) Amount spent in Administrative Overheads: ₹ 3.12 Million

   (c) Amount spent on Impact Assessment, if applicable: NIL

   (d) Total amount spent for the Financial Year [(a)+(b)+(c)]: ₹ 80.77 Million

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

Total Amount Spent for the Financial Year. (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per subsection (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.
80.77 Million	NIL	NA	NA	NA	NA

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

Sl. No.	Particular	Amount (in ₹)
(1)	(2)	(3)
(i)	Two percent of average net profit of the company as per sub-section (5) of section 135	80.71 Million
(ii)	Total amount spent for the Financial Year	80.77 Million
(iii)	Excess amount spent for the financial year [(ii)-(i)]	00.06 Million
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	NIL
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	NIL

7. Details of Unspent Corporate Social Responsibility amount for the preceding three financial years:

(1)	(2)	(3)	(4)	(5)	(6)		(7)	(8)
Sl. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under subsection (6) of section 135 (in ₹)	Balance Amount in Unspent CSR Account under subsection (6) of section 135 (in ₹)	Amount Spent in the Financial Year (in ₹)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to subsection (5) of section 135, if any		Amount remaining to be spent in succeeding Financial Years (in ₹)	Deficiency, if any
					Amount (in ₹)	Date of transfer		
1.	FY-2022-23	NIL	NIL	67.82 Million	NIL	NA	NIL	NIL
2.	FY-2023-24	NIL	NIL	71.11 Million	NIL	NA	NIL	NIL
3.	FY-2024-25	NIL	NIL	79.00 Million	NIL	NA	NIL	NIL
	Total			**217.93 Million**				

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

Yes ____X_____ No_____✓___

If Yes, enter the number of Capital assets created/ acquired - Not Applicable

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

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

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

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

For **SIGNIFY INNOVATIONS INDIA LIMITED**

SUMIT PADMAKAR JOSHI
Managing Director & CEO
Member- CSR Committee
(DIN: 07018906)

Place : Gurugram
Date : 15th July, 2026

SANGEETA TANWANI
Independent Director
Chairperson- CSR Committee
(DIN: 03321646)

Place : Mumbai
Date : 15th July, 2026

Annexure – VI

Information in accordance with Section 134(3) (m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 and forming part of the Board's Report for the year ended 31st March 2026.

A. ENERGY CONSERVATION

The following measures were implemented during the Financial Year ending on 31st March, 2026:

1. **Steps taken or impact on conservation of energy.**

   a) Installed VFD at VTL plant cooling tower fan for optimum usage of electricity based on cooling water temperature . approximate electricity saving ₹150,000 per annum.

   b) Admin building seating arrangements rearranged . resulting stoppage of two 8.5 TR ductable ACs resulting approx.. electricity saving of ₹ 250,000 per annum.

   c) Electricity saved of ₹300,000 per annum ly by optimizing life testing racks of VTL & GLS.

   d) Continuous efforts were made to reduce compressed air consumption at VTL, GLS Manufacturing lines.

   e) Compressed air dryer automation by VFD installation. resulting ₹ 250,000 annual saving of electricity

   f) The deployment of the "No Production No Energy" program was carried out across all production lines with a focus on creating awareness and implementing machine interlocking.

   g) ₹ 680,000 electricity saving by converting high pressure compressed air usage points to low pressure compressed air. Hence eliminated High pressure compressed air usage at production shopfloor.

   h) Energy conservation initiatives drove the Energy Hoshin Project in smart automation and low-cost automation, resulting in identified savings of approximately ₹ 1.7 million per annum.

2. **Steps taken by the Company for utilising alternate sources of energy:**

   The Company continues to evaluate and encourage the use of renewable and alternate sources of energy, wherever technically feasible and economically viable, as part of its ongoing commitment towards sustainability and energy conservation.

3. **The Capital Investment on energy conservation on equipment's**

   The Company has invested ₹ 4.8 million during this year on Capex for energy saving equipment's & energy efficient equipment.

B. RESEARCH & DEVELOPMENT (R & D)

Your Company continues to derive the sustainable benefits from the strong foundation and Long tradition of Research and development. During the year the Company continued to focus on the development of its products to preserve and strengthen its competitive position in various lighting related products. Your Company believes that process development and import substitution are of paramount importance and to put all its efforts to establish the same. The Company's R & D laboratories have been instrumental in providing the Company with a sustainable competitive advantage through application of Science and Technology.

1. **Specific areas in which R & D has been carried out**

   LED luminaires, solar powered LED luminaires, configurable luminaires, DC power packs for multiple application areas like street area, sports, Garden, office, retail outlets and Industry.

2. **Benefits derived as a result of above efforts**

   Energy efficient and environment friendly lighting solution with better design and superior to competition. Growth in LED market with enhanced affordability (lower cost) and reliability (enhanced useful life) imparted to the new products.

3. Future plan of action

Continue to engage in design & development of new generation Energy efficient and environment friendly lighting solution.

4. Expenditure incurred on R&D

Company has obtained approval of its in-house research and development facility ('R&D facility') located at Sector 57, Noida, UP from Ministry of Science and Technology, Department of Scientific and Industrial Research ('DSIR'). The objective of in-house scientific research undertaken by the Company is to improve people's life through meaningful innovations. During the financial year 2025-26 and 2024-25, the Company has incurred following expenditure on in-house research and development in the said R&D facility:

(₹ in Million)

Particulars	2025-26	2024-25
A Capital Expenditure	2	12
B Net Revenue Expenditure	281	245
TOTAL	**283**	**257**

C. TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION:

i) Efforts made towards technology absorption, adoption and innovation:

Imbibing a strong capability in connected lighting/system & services, adding features related to customer interface and connectivity.

ii) Benefits derived as a result of above efforts

Improvement in product quality, cost reduction, product development and import substitution.

Enhancing human comfort through improvements can lead to energy conservation and improved well-being.

D. FOREIGN EXCHANGE EARNINGS & OUTGO

During the year total inflow in foreign exchange was ₹ 6,801 million and total outflows in foreign exchange was ₹ 7,387 million.

For and on behalf of the Board of Directors of
SIGNIFY INNOVATIONS INDIA LIMITED

	SUMIT PADMAKAR JOSHI	**DIBYENDU RAYCHAUDHURY**
Place : Gurugram	Vice-Chairman, Managing Director & CEO	Whole-time Director & CFO
Date : 15th July, 2026	(DIN: 07018906)	(DIN: 09747317)

Annexure - V

Form No. AOC-2

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

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

1. **Details of contracts or arrangements or transactions not at arm's length basis:**

   There were no contracts or arrangements or transactions entered into during the year ended 31st March, 2026, which were not on an arm`s length basis.

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

S. no	Name(s) of the related party & Nature of Relationship	Nature of contracts/ arrangements/ transactions:	Duration of the contracts / arrangements/ transactions:	Salient terms of the contracts or arrangements or transactions including the value, if any:	Date(s) of approval by the Board:	Amount Paid as Advances, if Any	Value of Transactions during the Year Ended March 31, 2026 (₹ Million)
1	Signify Netherlands B.V. Fellow Subsidiary Company	Purchase of IT Services	Yearly	Based on Transfer Pricing Guidelines	Not Applicable since the contract was entered in the ordinary course of business and on arm's length basis	Not Applicable	435
2	Signify Netherlands B.V. Fellow Subsidiary Company	Purchase of Raw Material and Stock-in -trade	Yearly	Based on Transfer Pricing Guidelines	Not Applicable since the contract was entered in the ordinary course of business and on arm's length basis	Not Applicable	1,119
3	Signify Poland Sp. z.o.o. Fellow Subsidiary Company	Purchase of Raw Material and Stock-in -trade	Yearly	Based on Transfer Pricing Guidelines	Not Applicable since the contract was entered in the ordinary course of business and on arm's length basis	Not Applicable	123
4	Lightanium Technologies Private Limited Joint Venture	Purchase of Raw Material and Stock-in -trade	Yearly	Based on Transfer Pricing Guidelines	Not Applicable since the contract was entered in the ordinary course of business and on arm's length basis	Not Applicable	3,021
5	Dixon Technologies (India) Limited. Joint Venture Venturer	Purchase of Raw Material and Stock-in -trade	Yearly	Based on Transfer Pricing Guidelines	Not Applicable since the contract was entered in the ordinary course of business and on arm's length basis	Not Applicable	170
6	Signify Netherlands B.V. Fellow Subsidiary Company	Sale of Services	Yearly	Based on Transfer Pricing Guidelines	Not Applicable since the contract was entered in the ordinary course of business and on arm's length basis	Not Applicable	1,590
7	Signify Holding B.V. Holding Company	Sale of Services	Yearly	Based on Transfer Pricing Guidelines	Not Applicable since the contract was entered in the ordinary course of business and on arm's length basis	Not Applicable	1,009

S. no	Name(s) of the related party & Nature of Relationship	Nature of contracts/ arrangements/ transactions:	Duration of the contracts / arrangements/ transactions:	Salient terms of the contracts or arrangements or transactions including the value, if any:	Date(s) of approval by the Board:	Amount Paid as Advances, if Any	Value of Transactions during the Year Ended March 31, 2026 (₹ Million)
8	Signify Netherlands B.V. Fellow Subsidiary Company	Sale of Services	Yearly	Based on Transfer Pricing Guidelines	Not Applicable since the contract was entered in the ordinary course of business and on arm's length basis	Not Applicable	3,420
9	Signify Holding B.V. Holding Company	Management Support Services	Yearly	Based on Transfer Pricing Guidelines	Not Applicable since the contract was entered in the ordinary course of business and on arm's length basis	Not Applicable	219
10	Signify Netherlands B.V. Fellow Subsidiary Company	Technical Royalty	Yearly	Based on Transfer Pricing Guidelines	Not Applicable since the contract was entered in the ordinary course of business and on arm's length basis	Not Applicable	1,237
11	Cooper Lighting LLC	Sale of Services	Yearly	Based on Transfer Pricing Guidelines	Not Applicable since the contract was entered in the ordinary course of business and on arm's length basis	Not Applicable	711
12	Lightanium Technologies Private Limited Joint Venture	Reimbursement received	Yearly	Based on Transfer Pricing Guidelines	Not Applicable since the contract was entered in the ordinary course of business and on arm's length basis	Not Applicable	167
13	Lightanium Technologies Private Limited Joint Venture	Sale proceeds on account of slump sale	Event based	Based on Business Transfer Agreement for transfer of VLF LED Undertaking, approved by the shareholders on 25th July, 2025 on the transaction as referred herein.	Board approval date - 18th June, 2025.	Not Applicable	1,500
14	Lightanium Technologies Private Limited Joint Venture	Purchase of Investments	Event based	Based on Joint Venture and Share holders' Agreement on transaction as referred herein.	Board approval date - 18th June, 2025.	Not Applicable	1,428

*Please note that material transactions with related parties of value ₹ 100 Million or more have been taken into account while preparing this form. The complete list of related party transactions forms part of Notes to the financial statements, forming part of this Annual Report.

For and on behalf of the Board of Directors of
SIGNIFY INNOVATIONS INDIA LIMITED

Place : Gurugram
Date : 15th July, 2026

SUMIT PADMAKAR JOSHI
Vice-Chairman, Managing Director & CEO
(DIN: 07018906)

DIBYENDU RAYCHAUDHURY
Whole-time Director & CFO
(DIN: 09747317)

Annexure - VI

FORM MR - 3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2026

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule no.9 of the Companies (Appointment and Remuneration of Management Personnel) Rules, 2014]

To,
The Members,
SIGNIFY INNOVATIONS INDIA LIMITED
(U74900WB2015PLC206100)

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Signify Innovations India Limited (hereinafter called "the Company") for the financial year ended on March 31, 2026 ("Audit Period"). The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company, the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the Audit Period, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent and as applicable to the Company, in the manner and subject to the reporting made hereinafter:

Subject to the limitations given in this report, we have examined the books, papers, minute books, forms and returns filed, and other records maintained by the Company for the financial year ended on March 31, 2026, according to the provisions of:

i. The Companies Act, 2013 ('the Act') and the rules made thereunder;

ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder; ***(Not Applicable)***

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

iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment.

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

  a) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; ***(Not Applicable)***

  b) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; ***(Not Applicable)***

  c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; ***(Not Applicable)***

  d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and amendments from time to time; ***(Not Applicable)***

  e) The Securities and Exchange Board of India (Share Based Employees Benefits and Sweat Equity) Regulations, 2021; ***(Not Applicable)***

  f) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 ***(Not Applicable)***;

g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; ***(Not Applicable)*** and

h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; ***(Not Applicable)***

vi. We further report that with respect to the compliance of the below mentioned laws, we have relied on the representations made by the Company and its officers for system and mechanism framed by the Company for compliances under other the following Specific laws applicable as mentioned hereunder:

a) The Legal Metrology Act, 2009 and

b) The Competition Act, 2002

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

(i) Secretarial Standards issued by The Institute of Company Secretaries of India with respect to board and general meetings and the Company is generally in compliance with the standards.

(ii) The Listing Agreements entered into by the Company with the Stock Exchange(s) and The Securities Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015; ***(Not Applicable)***

We further report that:

i. The Board of Directors of the Company is duly constituted with a proper balance of Executive Directors, Non-Executive Directors and Independent Directors. During the Audit Period, there were the following changes in composition of the Board of Directors:

a. Re-appointment of Ms. Sangeeta Tanwani as an Independent & Non-Executive Director on the Board for a further period of 5 (Five) consecutive years with effect from December 08, 2025 till December 07, 2030 pursuant to the approval of the Shareholders vide Annual General Meeting held on September 12, 2025.

b. Mr. Vinayak Kashinath Deshpande, Independent Director, ceased to hold the office as such upon completion of his second consecutive term, which ended on April 26, 2026. Subsequently, the Board of Directors, in its meeting held on April 24, 2026, with the consent of Mr. Deshpande, approved to continue to act as Non-Executive Non-Independent Director with effect from April 27, 2026

ii. Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven (7) days in advance for meetings other than those held at shorter notice, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

iii. All decisions were carried through and there were Nil instances where any director expressed any dissenting views.

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

Matter of Emphasis

We have been informed that the books of accounts of the Company have been maintained in the electronic mode the server of which is maintained outside India and consequently, back-up of its books of accounts has not been carried out on daily basis due to absence of server physically located in India.

We further report that during the Audit Period, there were no material events except the matter below which had a bearing on the Company's affairs in pursuance of the above-referred laws, rules, regulations and guidelines.

i. In the Board Meeting held on June 18, 2025, the Board of Directors of the Company had approved entering into a Joint Venture with Dixon Technologies (India) Limited with equal ownership wherein both the parties agreed to contribute ₹ 285.60 crores towards paid-up capital of the JV Company. Besides, the Company had also agreed to sell its unit called as 'VLF Led Business' located at its factory in Vadodara, Gujarat by way of slump sale in terms of section of 188 read with section 180(1)(a) of the Act and simultaneously, the Company also agreed to lease its land where the said Unit is located in terms of section 188(1)(c) of the Act to carry out the business on 'As-is-Basis' by the JV Company.

Subsequently, the said Joint Venture has been incorporated as "Lightanium Technologies Private Limited," on June 26, 2025 having its registered office situated in Noida, Uttar Pradesh.

For PI & Associates,
Company Secretaries

Ankit Singhi
Partner
ACS No.: F11685
C P No.: 16274
Peer Review No.:1498/2021
UDIN: F011685H000834067

Date : 15th July, 2026
Place : New Delhi

Disclaimer: *Further, this report is to be read with our letter of even date which is annexed as "Annexure A" and forms an integral part of this report.*

"Annexure A"

To,
The Members,
SIGNIFY INNOVATIONS INDIA LIMITED
(Formerly Known as Philips Lighting India Limited)

Our Secretarial Audit Report of even date is to be read along with this letter.

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

For PI & Associates,
Company Secretaries

Ankit Singhi
Partner
ACS No.: F11685
C P No.: 16274
Peer Review No.:1498/2021
UDIN: F011685H000834067

Date : 15th July, 2026
Place : New Delhi

FINANCIAL STATEMENTS

INDEPENDENT AUDITOR'S REPORT

To the Members of Signify Innovations India Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of Signify Innovations India Limited ("the Company"), which comprise the Balance sheet as at March 31 2026, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the standalone financial statements, including a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2026, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

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

Other Information

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

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether such 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.

Responsibility of Management for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, 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 Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the 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 standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by Section 143(3) of the Act, we report, to the extent applicable, that:

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except that the Company does not have server physically located in India for the daily backup of the books of account and other books and papers maintained in electronic mode and for the matters stated in the paragraph 2(i)vi below on reporting under Rule 11(g);

   (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

   (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

   (e) On the basis of the written representations received from the directors as on March 31, 2026 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2026 from being appointed as a director in terms of Section 164 (2) of the Act;

   (f) With respect to the adequacy of the internal financial controls with reference to these financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;

   (g) In our opinion, the managerial remuneration for the year ended March 31, 2026 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;

   (h) The modification relating to the maintenance of accounts and other matters connected therewith are as stated in the sub-clause (b) above on reporting under Section 143(3)(b) and paragraph 2(i)vi below on reporting under Rule 11(g);

   (i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

      i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer note 3940 (a) to the financial statements;

      ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

      iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

      iv. a) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the note 4445(v) to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

b) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the note 4445(vi) to the standalone financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c) Based on such audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

v. The interim dividend declared and paid by the Company during the year and until the date of this audit report is in accordance with section 123 of the Act.

vi. Based on our examination which included test checks, the Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year except that the audit trail is not enabled for direct changes to database using certain access rights, as described in note 47 to the standalone financial statements. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with in respect of accounting software where audit trail has been enabled.

Additionally, the audit trail of relevant prior years has been preserved by the company as per the statutory requirements for record retention, to the extent it was enabled and recorded in those respective years, as stated in note 47 to the standalone financial statements.

For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per Amit Chugh
Partner
Membership Number: 505224
UDIN: 26505224ORHVDZ9128

Place of Signature: Gurugram
Date: July 15, 2026

ANNEXURE 1 REFERRED TO IN PARAGRAPH 1 UNDER "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" OF OUR REPORT OF EVEN DATE

Re: Signify Innovations India Limited ("the Company")

In terms of the information and explanations sought by us and given by the company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

(i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(i) (a) (B) The Company has maintained proper records showing full particulars of intangibles assets.

(i) (b) All Property, Plant and Equipment were physically verified by the management in the previous year in accordance with a planned programme of verifying them once in three years which is reasonable having regard to the size of the Company and the nature of assets.

(i) (c) The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the Company.

(i) (d) The Company has not revalued its Property, Plant and Equipment (including Right of use assets) or intangible assets during the year ended March 31, 2026.

(i) (e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii) (a) Physical verification of inventory has been conducted at reasonable intervals during the year by management. In our opinion, the coverage and procedure of such verification by the management is appropriate. There were no discrepancies of 10% or more noticed, in the aggregate for each class of inventory

(ii) (b) As disclosed in note 12 to the standalone financial statements, the Company has been sanctioned working capital limits in excess of ₹ five crores in aggregate from banks during the year on the basis of security of current assets of the Company. As represented to us by the Company, since there is no fund based working capital limits sanctioned, bank has exempted the Company to file the quarterly returns/ statements to them. Accordingly, the requirement to report on clause 3(ii)(b) of the Order is not applicable to the Company. Further the Company do not have sanctioned working capital limits in excess of ₹ five crores in aggregate from financial institutions during the year on the basis of security of current assets of the Company.

(iii) (a) During the year the Company has not provided loans, advances in the nature of loans, stood guarantee and provided security to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(a) of the Order is not applicable to the Company.

(iii) (b) During the year, the investments made by the Company are not prejudicial to the Company's interest. The Company has not provided guarantees, provided security and granted loans and advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties during the year.

(iii) (c) The Company has not granted loans and advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(c) of the Order is not applicable to the Company.

(iii) (d) The Company has not granted loans or advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(d) of the Order is not applicable to the Company.

(iii) (e) There were no loans or advance in the nature of loan granted to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(e) of the Order is not applicable to the Company.

(iii) (f) The Company has not granted any loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(f) of the Order is not applicable to the Company.

(iv) Investments in respect of which provisions of Section 186 of the Companies Act, 2013 is applicable have been complied with by the Company. There are no loans, guarantees, and security in respect of which provisions of Section 185 and 186 of the Companies Act, 2013 are applicable.

(v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.

(vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, related to the manufacture or service of electricals or electronic machinery, base metals and glass products, and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.

(vii) (a) Undisputed statutory dues including goods and services tax, provident fund, income-tax, duty of custom, cess and other statutory dues have generally been regularly deposited with the appropriate authorities. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of goods and services tax, provident fund, income-tax, duty of custom, goods and service tax, cess and other statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable. The provisions related to employees' state insurance, sales tax, service tax, duty of excise and value added taxes are not applicable to the Company.

(vii) (b) The dues of goods and services tax, income-tax, sales-tax, duty of custom, duty of excise, value added tax, and other statutory dues that have not been deposited on account of any dispute, are as follows:

Name of Statue	Forum where matter is pending	Nature of Matter	Period to which the amount relates	Amount in Millions	Amount paid under protest in Millions
The Central Excise Act, 1944*	High Court	Excise related matter	1991-1997, 2017	9.07	1.70
	CESTAT	Excise related matter	1990-1994, 1991-1997, 1996-1998, 1996-2001, 2000-2003, 2006-2012, 2009-2014, 2014-2015, 2015-2016	97.73	17.12
		Cenvat related matter	2005-2010, 2010-2011, 2016-17	20.29	1.26
	Additional Commissioner of Central Excise	Excise related matter	2005-2006	0.20	-
	Commissioner of Central Excise	GST Matter	2016-2017	5.47	-
Central Sales Tax Act / Value Added Tax Act	High Court	Sales Tax / Value added Tax (including interest)	2016-2017 & 2017-2018.	21.75	7.88

Name of Statue	Forum where matter is pending	Nature of Matter	Period to which the amount relates	Amount in Millions	Amount paid under protest in Millions
Central Sales Tax Act / Value Added Tax Act	Commissioner of Sales Tax	Sales Tax / Value added Tax (including interest)	2017-2018	26.84	-
Central Sales Tax Act / Value Added Tax Act	Appellate Authority	Sales Tax / Value added Tax (including interest)	2016-2017	2.21	0.22
Central Sales Tax Act / Value Added Tax Act	Assessing Officer	Sales Tax / Value added Tax (including interest)	2016-2017 & 2017-2018.	66.62	22.41
The CGST Act, 2017	GST Appellate Authority upto Commissioner (Appeals)	GST matter	2017-2018, 2018-2019, 2019-2020, 2020-2021, 2021-2022,2022-2023, 2024-2025, 2025-26	481.60	22.65
Income Tax Act, 1961	ITAT, New Delhi	Income tax matter	AY 2021-22, 2022-23	117.35	-
Customs Act, 1962	Commissioner of Customs	Custom related matter	2022-2023	6.83	6.83
Contract Labour (Regulation & Abolition) Act, 1970	Labour Court, Vadodara	Labour related cases	2014, 2020 and 2023	7.00	-

*As disclosed in note 40 of standalone financial statements, pursuant to Memorandum of Understanding (MOU) signed at the time of Demerger under Sections 391 to 394 of the Companies Act, 1956 and 2013 amongst Philips India Limited ("Demerged Company") and Signify Innovations India Limited (Formerly Philips Lighting India Limited) ("Resulting Company"), these cases will be contested by Philips India Limited and the amount of liability relating to Lighting Business, if any, upon conclusion of cases shall be payable by Signify Innovations India Limited (Formerly Philips Lighting India Limited) to Philips India Limited on the basis of agreed upon criteria mentioned under MOU.

There are no dues of provident fund and cess which have not been deposited on account of any dispute. The provisions relating to employees' state insurance and service tax are not applicable to the Company.

(viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.

(ix) (a) The Company did not have any outstanding loans or borrowings or interest thereon due to any lender during the year. Accordingly, the requirement to report on clause ix(a) of the Order is not applicable to the Company.

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

(ix) (c) The Company did not have any term loans outstanding during the year hence, the requirement to report on clause (ix)(c) of the Order is not applicable to the Company.

(ix) (d) The Company did not raise any funds during the year hence, the requirement to report on clause (ix)(d) of the Order is not applicable to the Company.

(ix) (e) On an overall examination of the standalone financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its joint venture. The Company does not have any subsidiary or associate.

(ix) (f) The Company has not raised loans during the year on the pledge of securities held in its joint venture. The Company does not have any subsidiaries or associate companies. Hence, the requirement to report on clause 3(ix)(f) of the Order is not applicable to the Company.

(x) (a) The Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.

(x) (b) The Company has not made any preferential allotment or private placement of shares /fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.

(xi) (a) No material fraud by the Company or no material fraud on the Company has been noticed or reported during the year.

(xi) (b) During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by cost auditor, secretarial auditor or by us in Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government Form ADT – 4 as prescribed under.

(xi) (c) We have taken into consideration the whistle blower complaints received by the Company during the year while determining the nature, timing and extent of audit procedures.

(xii) (a) The Company is not a nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(a) of the Order is not applicable to the Company.

(xii) (b) The Company is not a nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(b) of the Order is not applicable to the Company.

(xii) (c) The Company is not a nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(c) of the Order is not applicable to the Company.

(xiii) Transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the standalone financial statements, as required by the applicable accounting standards.

(xiv) (a) The Company has an internal audit system commensurate with the size and nature of its business.

(xiv) (b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.

(xv) The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.

(xvi) (a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company.

(xvi) (b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities. Accordingly, the requirement to report on clause (xvi)(b) of the Order is not applicable to the Company.

(xvi) (c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.

(xvi) (d) There are no Core Investment Company as a part of the Group, hence, the requirement to report on clause 3(xvi) (d) of the Order is not applicable to the Company.

(xvii) The Company has not incurred cash losses in the current financial year and in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.

(xix) On the basis of the financial ratios disclosed in note 421 to the standalone financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) (a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Companies Act (the Act), in compliance with second proviso to sub section 5 of section 135 of the Act. This matter has been disclosed in note 33(b) to the standalone financial statements.

(xx) (b) There are no unspent amounts in respect of ongoing projects, that are required to be transferred to a special account in compliance of provision of sub section (6) of section 135 of Companies Act. This matter has been disclosed in note 33(b) to the standalone 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 S.R. Batliboi & CO. LLP
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per Amit Chugh
Partner
Membership Number: 505224
UDIN: 26505224ORHVDZ9128

Place: Gurugram
Date: July 15, 2026

ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF SIGNIFY INNOVATIONS INDIA LIMITED ("THE COMPANY")

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to standalone financial statements of Signify Innovations India Limited ("the Company") as of March 31, 2026 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to these standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to these standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to these standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to these standalone financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to these standalone financial statements.

Meaning of Internal Financial Controls with Reference to these Standalone Financial Statements

A company's internal financial controls with reference to standalone 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 standalone 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 Standalone Financial Statements

Because of the inherent limitations of internal financial controls with reference to standalone 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 standalone financial statements to future periods are subject to the risk that the internal financial control with reference to standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2026, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For S.R. Batliboi & CO. LLP
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per Amit Chugh
Partner
Membership Number: 505224
UDIN: 26505224ORHVDZ9128

Place: Gurugram
Date: July 15, 2026

Standalone Balance sheet as at 31 March 2026

(₹ in million)

	Notes	As at 31 March 2026	As at 31 March 2025
ASSETS			
Non-current assets			
Property, plant and equipment	3	874	829
Capital work-in-progress	3A	113	8
Intangible assets	3	600	680
Right-of-use assets	4	1,275	1,106
Financial assets			
(i) Investments	5	1,456	-
(ii) Other financial assets	6	120	137
Deferred tax assets (net)	7	425	356
Other non-current assets	8	109	102
Total non-current assets		**4,972**	**3,218**
Current assets			
Inventories	9	2,738	2,917
Financial assets			
(i) Investments	10	10	10
(ii) Trade receivables	11	3,343	2,681
(iii) Cash and cash equivalent	12	4,756	3,629
(iv) Other bank balances	13	226	226
(v) Other financial assets	14	695	745
Current tax assets (net)	15	229	91
Other current assets	16	508	625
		12,505	**10,924**
Assets held for sale	48	-	1,064
Total current assets		**12,505**	**11,988**
Total assets		**17,477**	**15,206**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	17	575	575
Other equity	18	4,464	3,721
Total equity		**5,039**	**4,296**
Liabilities			
Non-current liabilities			
Financial liabilities			
(i) Lease Liabilities	19	935	734
Provisions	20	38	38
Other non-current liabilities	21	484	415
Total non-current liabilities		**1,457**	**1,187**
Current liabilities			
Financial liabilities			
(i) Lease Liabilities	19	461	508
(ii) Trade payables			
(a) Total outstanding dues of micro enterprises and small enterprises	22	85	80
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises		7,501	6,105
(iii) Other financial liabilities	23	549	479
Other current liabilities	24	1,112	1,132
Provisions	25	1,273	1,069
		10,981	**9,373**
Liabilities directly associated with assets classified as held for sale	48	-	350
Total current liabilities		**10,981**	**9,723**
Total liabilities		**12,438**	**10,910**
Total equity and liabilities		**17,477**	**15,206**
Summary of material accounting policies	2		

The accompanying notes forms an integral part of these standalone financial statements.

As per our report of even date
For S.R. Batliboi & Co. LLP

Chartered Accountants
ICAI Firm Registration No. 301003E/E300005

Per Amit Chugh
Partner
Membership No. 505224

Place : Gurugram
Date : July 15, 2026

For and on behalf of Signify Innovations India Limited
CIN: U74900WB2015PLC206100

Sumit Padmakar Joshi
Vice-Chairman, Managing Director & CEO
(DIN: 07018906)

Vikas Malhotra
Whole Time Director
(DIN: 09253036)

Dibyendu Raychaudhury
Whole time director & CFO
(DIN: 09747317)

Nitin Mittal
Company Secretary
(M. No. F - 7044)

Place : Gurugram
Date : July 15, 2026

Standalone Statement of profit and loss for the year ended 31 March 2026

(₹ in million)

	Notes	For the year ended 31 March 2026	For the year ended 31 March 2025
Income			
Revenue from operations	26	32,888	31,136
Other income	27	349	291
Total income		**33,237**	**31,427**
Expenses			
Cost of raw materials and components consumed	28	2,269	3,343
Purchase of traded goods		14,116	12,752
(Increase)/Decrease in inventories of finished goods and traded goods	29	160	(371)
Employee benefits expense	30	6,475	6,257
Finance costs	31	109	116
Depreciation and amortization expense	32	851	933
Other expenses	33	4,692	4,672
Total expenses		**28,672**	**27,702**
Profit before exceptional items and tax		**4,565**	**3,725**
Net Exceptional (gain)/loss	44	(278)	62
Profit before tax		**4,843**	**3,663**
Tax expense/(benefit):	7		
Other than exceptional items			
Net current tax expense		1,137	987
Net deferred tax (benefit)		(10)	(18)
Exceptional items			
Net current tax expense/(benefit)		70	(16)
Net deferred tax expense/(benefit)		(74)	9
Net tax expense		**1,123**	**962**
Profit for the year (A)		**3,720**	**2,701**
Other comprehensive income			
Items that will not be reclassified to profit or loss in subsequent years			
Remeasurement gain/(loss) on defined benefit plans		58	(17)
Income tax effect (Refer note 37)	7	(15)	4
Other comprehensive income/(loss) for the year, net of tax (B)		**43**	**(13)**
Total comprehensive income for the year, net of tax (A + B)		**3,763**	**2,688**
Earnings per equity share (face value of ₹ 10 each)			
Basic (in Rupees)		64.68	46.96
Diluted (in Rupees)		64.68	46.96
Summary of material accounting policies	2		

The accompanying notes forms an integral part of these standalone financial statements.

As per our report of even date
For S.R. Batliboi & Co. LLP

Chartered Accountants
ICAI Firm Registration No. 301003E/E300005

Per Amit Chugh
Partner
Membership No. 505224

Place : Gurugram
Date : July 15, 2026

For and on behalf of Signify Innovations India Limited
CIN: U74900WB2015PLC206100

Sumit Padmakar Joshi
Vice-Chairman, Managing Director & CEO
(DIN: 07018906)

Vikas Malhotra
Whole Time Director
(DIN: 09253036)

Dibyendu Raychaudhury
Whole time director & CFO
(DIN: 09747317)

Nitin Mittal
Company Secretary
(M. No. F - 7044)

Place : Gurugram
Date : July 15, 2026

Standalone Statement of cash flows for the year ended 31 March 2026

(₹ in million)

		Notes	For the year ended 31 March 2026	For the year ended 31 March 2025
A.	**Cash flow from operating activities**			
	Profit before tax		4,843	3,663
	Adjustments to reconcile profit before tax to net cash flows:			
	Depreciation and amortization expense	32	851	933
	Finance cost	31	109	116
	Interest income	27	(197)	(213)
	Unrealized forex exchange (gain)/loss		(43)	3
	Impairment loss on trade receivables	33	13	36
	Gain on sale of assets to joint venture	44(c)	(909)	-
	Gain on disposal of property, plant and equipments	27	(1)	(44)
	Net gain on lease modification	27	(4)	(11)
	Net gain on investments measured at fair value through profit & loss	27	-	(7)
	Operating profit before working capital changes		**4,662**	**4,476**
	Movements in working capital :			
	Increase in provisions		262	37
	Increase in trade payables		1,383	249
	Increase in other liabilities		49	87
	Increase in other financial liabilities	23	70	25
	Decrease/(Increase) in inventories	9	180	(595)
	Increase in trade receivables		(616)	(293)
	Decrease in other financial assets		63	518
	Decrease/(Increase) in other assets		234	(12)
	Cash generated from operations		**6,287**	**4,492**
	Less : Income tax paid (net of refunds)		(1,345)	(829)
	Net cash flows from operating activities		**4,942**	**3,663**
B.	**Cash flow from investing activities**			
	Purchase of property, plant and equipment and intangibles assets including capital work in progress		(420)	(456)
	Proceeds from sale of property, plant and equipment		31	66
	Proceeds from assets held for sale		1,500	-
	Purchase of investment in joint venture	5	(1,456)	-
	Interest income received		200	233
	Proceeds from disposal / redemption of investments	27	-	7
	Net cash flow (used in) investing activities		**(145)**	**(150)**
C.	**Cash flow from financing activities**			
	Interest paid on lease liabilities	31	(109)	(116)
	Dividends paid to equity shareholders	43	(3,020)	(3,882)
	Payment of principal portion of lease liabilities	19	(541)	(470)
	Net cash flow (used in) financing activities		**(3,670)**	**(4,468)**
	Net increase in Cash and Cash Equivalents (A+B+C)		**1,127**	**(955)**
	Cash and Cash Equivalents at the beginning of the year		3,629	4,584
	Cash and Cash Equivalents at the end of the year	12	**4,756**	**3,629**

(₹ in million)

	As at 31 March 2026	As at 31 March 2025
Reconciliation of cash and cash equivalents as per the cash flow statement		
Cash and cash equivalents as per above comprise of the following		
Balance with banks:		
- On current account	401	93
- Cheques on hand	29	507
- Deposits with original maturity of less than three months	4,326	3,029
Cash on hand	0	0
	4,756	**3,629**

'0' represents amount below ₹ 10,000.
The cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS) 7 statement of cash.
Refer Note 12A & 12B for Change in liabilities arising from financing activities and for non-cash financing and investing activities
The accompanying notes forms an integral part of these standalone financial statements.

As per our report of even date
For S.R. Batliboi & Co. LLP

Chartered Accountants
ICAI Firm Registration No. 301003E/E300005

Per Amit Chugh
Partner
Membership No. 505224
Place : Gurugram
Date : July 15, 2026

For and on behalf of Signify Innovations India Limited
CIN: U74900WB2015PLC206100

Sumit Padmakar Joshi
Vice-Chairman, Managing Director & CEO
(DIN: 07018906)

Vikas Malhotra
Whole Time Director
(DIN: 09253036)

Dibyendu Raychaudhury
Whole time director & CFO
(DIN: 09747317)

Nitin Mittal
Company Secretary
(M. No. F - 7044)

Place : Gurugram
Date : July 15, 2026

Standalone Statement of changes in equity for the year ended 31 March 2026

(a) Equity share capital

Equity shares of ₹ 10 each issued, subscribed and fully paid up	As at 31 March 2026		As at 31 March 2025	
	No. of Shares	Amount (₹ in million)	No. of Shares	Amount (₹ in million)
Balance at the beginning of the year	57,517,242	575	57,517,242	575
Changes in equity share capital during the year	-	-	-	-
Balance at the end of the reporting year	**57,517,242**	**575**	**57,517,242**	**575**

(b) Other equity

	Reserves and surplus		Total (₹ in million)
	Capital Reserve (₹ in million)	Retained earnings (₹ in million)	
As at 1 April 2024	**2,109**	**2,806**	**4,915**
Profit for the year	-	2,701	2,701
Other comprehensive income/(loss) for the year, net of tax (refer note 37)	-	(13)	(13)
Dividends paid	-	(3,882)	(3,882)
Total comprehensive income for the year	**-**	**(1,194)**	**(1,194)**
Balance at 31 March 2025	**2,109**	**1,612**	**3,721**
Profit for the year	-	3,720	3,720
Other comprehensive income/(loss) for the year, net of tax (refer note 37)	-	43	43
Dividends paid	-	(3,020)	(3,020)
Total comprehensive income for the year	**-**	**743**	**743**
Balance at 31 March 2026	**2,109**	**2,355**	**4,464**

The accompanying notes are an integral part of these standalone financial statements.

As per our report of even date
For S.R. Batliboi & Co. LLP

Chartered Accountants
ICAI Firm Registration No. 301003E/E300005

Per Amit Chugh
Partner
Membership No. 505224

Place : Gurugram
Date : July 15, 2026

For and on behalf of Signify Innovations India Limited
CIN: U74900WB2015PLC206100

Sumit Padmakar Joshi
Vice-Chairman, Managing Director & CEO
(DIN: 07018906)

Vikas Malhotra
Whole Time Director
(DIN: 09253036)

Dibyendu Raychaudhury
Whole time director & CFO
(DIN: 09747317)

Nitin Mittal
Company Secretary
(M. No. F - 7044)

Place : Gurugram
Date : July 15, 2026

Notes to the Standalone financial statements for the year ended 31 March 2026

1. Corporate information

The Standalone financial statements comprise financial statements of Signify Innovations India Limited (the Company) (CIN U74900WB2015PLC206100) for the year ended 31 March 2026. The Company is a public company domiciled in India and was incorporated on 22 April 2015 under the provisions of the Companies Act applicable in India. The registered office of the company is located at PS Arcadia Central, 3A, 3rd floor, 4A, Abanindranath Thakur Sarani (Camac Street), Kolkata, West Bengal - 700017.

The Company is principally engaged in the manufacturing, trading and distribution of all kinds of lighting and allied products and lighting system solution.

The standalone financial statements were approved for issue in accordance with a resolution passed by the Board of Directors of the Company on 15 July 2026.

The standalone financial statements once approved by the Board of directors needs to be adopted by the shareholders at the annual general meeting of the company. The Board of directors can withdraw and re-issue the financial statements so adopted only in specific cases such as non-compliance with the applicable accounting standards, with the approval of Tribunal, after following the appropriate procedure as per Companies Act 2013.

2. Material Accounting Policies

2.1 Basis of preparation

The standalone financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013 (as amended from time to time), (Ind AS compliant Schedule III), as applicable to the standalone financial statements.

The standalone financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value or at revalued amount:

- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments)
- Defined benefit plans

The accounting policies and related notes further describe the specific measurements applied for each of the assets and liabilities.

The standalone financial statements are presented in Rupees and all values are rounded to the nearest millions, except when otherwise indicated.

The Company has prepared the standalone financial statements on the basis that it will continue to operate as a going concern. The standalone financial statements provide comparative information in respect of the previous period.

2.2 Summary of material accounting policies

a. Current versus non-current classification

The Company segregates assets and liabilities into current and non-current categories for presentation in the balance sheet after considering its normal operating cycle and other criteria set out in Ind AS 1, "Presentation of Financial Statements". For this purpose, current assets and liabilities include the current portion of non-current assets and liabilities respectively. Deferred tax assets and liabilities are always classified as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Company has identified period up to twelve months as its operating cycle.

b. Foreign currencies

The Company's standalone financial statements are presented in Rupees, which is also the functional currency.

Transactions and balances

Transactions in foreign currencies are initially recorded at their respective functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

c. Fair value measurement

The Company measures financial instruments, such as, derivatives, at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the standalone financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the standalone financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

d. Property, plant and equipment

On transition to Ind AS (i.e. 1 April 2015), the Company has elected to continue with the carrying value of all Property, plant and equipment measured as per the previous GAAP and use that carrying value as the deemed cost of Property, plant and equipment.

Items of property, plant and equipment except items stated below are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Capital work in progress is stated at cost, net of accumulated impairment loss, if any.

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets as follows. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives.

- Building – 30/60 years
- Building (temporary structure) – 3 years
- Plant and equipment's - 15 years
- Plant and equipments (Tools and Dies) – 2 to 7.50 years*
- Furniture and fixtures - 10 years
- Office equipment's – 5 years
- End-user devices, such as, desktops, laptops, etc. (included under Computer) – 3 years
- Servers and networks (included under Computers) – 6 years

*For these class of assets, based on internal assessment, the management believes that the useful lives as given above best represent the year over which management expects to use these assets. Hence the useful lives for these assets is different from the useful lives as prescribed under Part C of Schedule II of the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the year over which the assets are likely to be used.

Leasehold improvements are amortised over the initial period of lease or the useful life whichever is shorter.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

e. Intangible assets

On transition to Ind AS (i.e. 1 April 2015), the Company has elected to continue with the carrying value of all Intangible assets measured as per the previous GAAP and use that carrying value as the deemed cost of Intangible assets.

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

An intangible asset is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss. when the asset is derecognised.

f. Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale (qualifying asset) are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

g. Leases

At the transition date, the Company applied Ind AS 116 "Leases" to all existing lease contracts, using the modified retrospective method.

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

(i) Right of use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of lease term and the estimated useful lives of the assets.

- Office/Buildings – 2 to 9 years
- Motor Vehicles – 3 to 5 years

The right-of-use assets are also subject to impairment.

(ii) Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

(iii) Short-term leases

The Company applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option).

Lease payments on short-term leases are recognised as expense on a straight-line basis over the lease term

Company as a lessor

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset is classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset, i.e., asset given on lease, and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

h. Impairment of non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or Company's of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the Company operates, or for the market in which the asset is used.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit and loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

Impairment is determined for goodwill by assessing the recoverable amount of each CGU (or group of CGUs) to which the goodwill relates. When the recoverable amount of the CGU is less than it's carrying amount, an impairment loss is recognised. Impairment losses relating to goodwill cannot be reversed in future periods.

The Company assesses whether climate risks, including physical risks and transition risks could have a significant impact. If so, these risks are included in the cash-flow forecasts in assessing value-in-use amounts.

i. Investment in joint venture

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The Company's investments in its joint venture is accounted at cost less impairment.

Impairment of investments

The Company reviews its carrying value of investments carried at cost annually, or more frequently when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is recorded in the Statement of Profit and Loss.

When an impairment loss subsequently reverses, the carrying amount of the Investment is increased to the revised estimate of its recoverable amount, so that the increased carrying amount does not exceed the cost of the Investment. A reversal of an impairment loss is recognised immediately in P&L.

j. Provisions, Contingent Liabilities and Contingent Assets

Provisions General

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

- **Replacement warranty:** The Company periodically assesses and provides for the estimated liability on warranty given on sale of its products based on past performance of such products. Initial recognition is based on historical experience. The initial estimate of warranty-related costs is revised annually.
- **Environmental restoration:** The Company periodically assess the liability for expenses to be incurred on restoration of environmental damage caused by carrying out of production activity in company manufacturing plants.

- **Extended warranty:** For certain products, customer has the option to purchase an extension of warranty. Accordingly, a provision for deferral of revenue is made at the time of sale of goods and recognition of revenue. Revenue recognition in future period occurs on straight-line basis over extended warranty contract period.
- **E-waste:** Provision for E-Waste is recognized when the liability in respect of products sold to customer is established in accordance with E-waste Management Rules, 2016 as notified by Government of India. Initial recognition is based on liability computed based on Extended Producer Responsibility as promulgated in said Rules including cost to comply the said regulation. The Company has assessed the liability to arise on year-to-year basis.

Contingent liability

Contingent liability is-

(a) a possible obligation arising from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity, or

(b) a present obligation that arises from past events but is not recognized because

- it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation, or
- the amount of the obligation cannot be measured with sufficient reliability.

The Company does not recognize a contingent liability but discloses its existence and other required disclosures in notes to the standalone financial statements, unless the possibility of any outflow in settlement is remote.

Contingent Asset

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by- the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. The Company does not recognize the contingent asset in its standalone financial statements since this may result in the recognition of income that may never be realised. Where an inflow of economic benefits is probable, the Company disclose a brief description of the nature of contingent assets at the end of the reporting period. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and the Company recognize such assets.

Provisions, contingent liabilities and contingent assets are reviewed at each reporting date.

k) Retirement and other employee benefits

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

The Company operates a defined benefit gratuity plan in India, which requires contributions to be made to a separately administered fund.

The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognised in profit or loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Company recognises related restructuring costs.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the Standalone statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income.

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date. The Company recognizes expected cost of short-term employee benefit as an expense, when an employee renders the related service.

The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the reporting date. Remeasurement gains/ losses are immediately taken to the statement of profit and loss and are not deferred. The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer the settlement for at least twelve months after the reporting date.

Termination benefits are payable when employment is terminated by the company before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits. These benefits are expensed at the earlier of when the Company can no longer withdraw the offer of those benefits and when the Company recognises costs for a restructuring. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. If benefits are not expected to be settled wholly within 12 months of the reporting date, then they are discounted.

Long term incentive plan

Signify Innovations India Limited group company (Signify N.V.) introduced the Long-term Incentive Plan (LTI Plan) during the financial year ended 31 March 2018. Under the Signify LTI Plan, which is equity settled, eligible employees are granted both conditional shares and performance shares. Vesting of performance shares is conditional on the achievement of performance conditions measured over a period of three years. Also, vesting is conditional to the grantee still being employed with Signify at the vesting date. In addition to shares awarded under the LTI Plan, Signify may in individual cases, such as in the hiring process of members of senior-management, also grant restricted shares.

During the vesting period, the costs of the LTI plan is calculated and accounted by the Company as an employee benefit expense with corresponding increase in payable to the holding company in accordance with the recognition and measurement principles as prescribed in Ind AS 102 Share Based Payments.

The total expense is recognized over the vesting period, which is the period over which all the specified vesting conditions are to be satisfied.

Employee stock purchase plan (ESPP)

ESPP is a company-run program in which company contributes an additional 15% on top of employee's voluntary share purchase contribution. Employees pay into the plan through payroll deductions, which are used to buy shares of the Group company (Signify N.V.), which is listed on the Euronext Amsterdam Stock Exchange. The Company uses the funds to purchase shares on behalf of the participating employees. The Company contribution is recognised as on expense in the month of contribution.

l. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, and subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient, the Company initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient are measured at the transaction price determined under Ind AS 115. Refer to the accounting policies in section (p) Revenue from contracts with customers.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows while financial assets classified and measured at fair value through OCI are held within a business model with the objective of both holding to collect contractual cash flows and selling.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortised cost (debt instruments)
- Financial assets at fair value through other comprehensive income (FVTOCI) with recycling of cumulative gains and losses (debt instruments)
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)

Financial assets at amortised cost (debt instruments)

A 'financial asset' is measured at the amortised cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method and are subject to impairment as per the accounting policy applicable to 'Impairment of financial assets.' Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in other income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. The Company's financial assets at amortised cost includes trade receivables.

Financial assets at fair value through OCI (FVTOCI) (debt instruments)

A 'financial asset' is classified as at the FVTOCI if both of the following criteria are met:

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

b) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. For debt instruments, at fair value through OCI, interest income, foreign exchange revaluation and impairment losses or reversals are recognised in the profit or loss and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in OCI. Upon derecognition, the cumulative fair value changes recognised in OCI is reclassified from the equity to profit or loss.

The Company's debt instruments at fair value through OCI includes investments in quoted debt instruments included under other non-current financial assets.

Financial assets designated at fair value through OCI (equity instruments)

Upon initial recognition, the Company can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under Ind AS 32 Financial Instruments: Presentation for the issuer and are not held for trading. The classification is determined on an instrument-by-instrument basis. Equity investment which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS 103 applies are classified as at FVTPL.

Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognised as other income in the P&L when the right of payment has been established, except when the Company benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

Financial assets at fair value through profit or loss

Financial assets in this category are those that are held for trading and have been either designated by management upon initial recognition or are mandatorily required to be measured at fair value under Ind AS 109 i.e. they do not meet the criteria for classification as measured at amortised cost or FVOCI. Management only designates an instrument at FVTPL upon initial recognition, if the designation eliminates, or significantly reduces, the inconsistent treatment that would otherwise arise from measuring the assets or liabilities or recognising gains or losses on them on a different basis. Such designation is determined on an instrument-by-instrument basis. For the Company, this category includes derivative instruments and listed equity investments which the

Company had not irrevocably elected to classify at fair value through OCI. The Company has not designated any financial assets at FVTPL.

Financial assets at fair value through profit or loss are carried in the balance sheet at fair value with net changes in fair value recognised in the P&L.

Interest earned on instruments designated at FVTPL is accrued in interest income, using the EIR, taking into account any discount/ premium and qualifying transaction costs being an integral part of instrument. Interest earned on assets mandatorily required to be measured at FVTPL is recorded using the contractual interest rate. Dividend income on listed equity investments are recognised in the P&L as other income when the right of payment has been established.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised (i.e. removed from the Company's Standalone balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

a) Financial assets that are debt instruments, and are measured at amortized cost e.g., deposits, trade receivables and bank balance

b) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 18 (referred to as 'contractual revenue receivables')

The Company follows 'simplified approach' for recognition of impairment loss allowance on Trade receivables.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. The credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk of customer has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, the Company considers:

All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

As a practical expedient, the Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analyzed.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss. This amount is reflected under the head ‘other expenses’ in the statement of profit and loss. The balance sheet presentation for various financial instruments is described below:

Financial assets measured as at amortized cost and contractual revenue receivables: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

The Company does not have any purchased or originated credit impaired (POCI) financial assets, i.e., financial assets which are credit impaired on purchase/ origination.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables.

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company’s financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial Liabilities measured at amortized cost

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.

De-recognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

Reclassification of financial assets

The company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The company's senior management determines change in the business model as a result of external or internal changes which are significant to the company's operations. Such changes are evident to external parties. A change in the business model occurs when the company either begins or ceases to perform an activity that is significant to its operations.

If the company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The company does not restate any previously recognized gains, losses (including impairment gains or losses) or interest.

Supplier finance arrangements

The Company has established supplier finance arrangements (Refer note 22). The Company evaluates whether financial liabilities covered such arrangements continue to be classified within trade payables, or they need to be classified as a borrowing or as part of other financial liabilities/ as a separate line item on the face of the balance sheet. Such evaluation requires exercise of judgment basis specific terms of the arrangement.

The Company has established supplier finance arrangements (Refer note 22). The Company evaluates whether financial liabilities covered such arrangements continue to be classified within trade payables, or they need to be classified as a borrowing or as part of other financial liabilities/ as a separate line item on the face of the balance sheet. Such evaluation requires exercise of judgment basis specific terms of the arrangement.

The Company classifies financial liabilities covered under supplier finance arrangement within trade payables in the balance sheet only if (i) the obligation represents a liability to pay for goods and services, (ii) is invoiced and formally agreed with the supplier, (iii) is part of the working capital used in its normal operating cycle, (iv) the company is not legally released from its original obligation to the supplier, and has not assumed a new obligation toward the bank, and another party (iv) there is no substantial modification to the terms of the liability.

If one or more of the above criteria are not met, the Company derecognises its original liability toward the supplier and recognise a new liability toward the bank which is classified as bank borrowing or other financial liability, depending on factors such as whether the Company (i) has obligation toward bank, (ii) is getting extended credit period such that obligation is no longer part of its working capital cycle, (iii) is paying interest directly or indirectly, (iv) has provided guarantee or security, and/ or (v) is recognized as borrower in the bank books.

Cash flows related to liabilities arising from supplier finance arrangements that continue to be classified in trade payables in the standalone balance sheet are included in operating activities in the standalone statement of cash flows, when the Company finally settles the liability.

In cases, where the Company has derecognised its original liability toward the supplier and recognise a new liability toward the bank, the Company has assessed that the bank is acting as its agent in making payment to the supplier. Accordingly, the Company presents operating cash outflow and financing cash inflow, when bank made payment to the supplier. The payment made by the Company to the bank toward interest, if any, as well as on settlement is presented as financing cash outflow.

m. Inventories

Raw materials (including packing material), stores and spares are valued at lower of cost and net realizable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

➢ Raw materials (including packing material) and stores and spares: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on First In First Out method basis

➢ Finished goods and work in progress: cost includes cost of direct materials and labor and a proportion of manufacturing overheads based on the normal operating capacity but excluding borrowing costs. Cost of finished goods includes excise duty. Cost is determined on First In First Out method basis.

➢ Traded goods: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on First In First Out method basis.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

n. Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, that are readily convertible to a known amount of cash and subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

o. Dividend

The Company recognises a liability to pay dividend to equity holders of the Company when the distribution is authorised, and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

p. Revenue from contract with customer

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company manufactures, trades and sells a range of lighting and allied products and lighting system solution.

Revenue from sale of these products is recognized at a point in time when control of the product is transferred to customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods.

Revenue Recognition principal adopted by Company for its contracts with customers are given below:

Sale of goods

Revenue from sale of goods is recognised at the point in time when control of the goods is transferred to the customer, generally on delivery of the goods.

The Company considers whether there are other promises in the contract those are separate performance obligations to which a portion of the transaction price needs to be allocated. In determining the transaction price for the sale of goods, the Company considers the effect of variable consideration, warranty obligation, significant financing components, schemes (if any):

i) Variable consideration

If the consideration in a contract includes a variable amount, the Company estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognized will not occur when the associated uncertainty with the variable consideration is subsequently resolved. Certain contracts with customers provide a right of return, trade discounts or volume rebates. Currently, the Company recognizes revenue from the sale of goods measured at the expected value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates. If revenue cannot be reliably measured, the Company defers revenue recognition until the uncertainty is resolved. Such provisions give rise to variable consideration and are estimated at contract inception and updated thereafter.

ii) Warranty obligations

The Company generally provides for warranties for general repairs that existed at the time of sale, as required by contract. These assurance-type warranties are accounted for under Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets. For certain products, customer has the option to purchase an extension of warranty. Accordingly, a deferral of revenue is made at the time of sale of goods and recognition of revenue.

Revenue recognition in future period occurs on straight-line basis over extended warranty contract period. Therefore, accounted for as separate performance obligations to which the Company allocates a portion of the transaction price.

iii) Significant Financing Components

In respect of short-term advances from its customers, using the practical expedient in Ind AS 115, the Company does not adjust the promised amount of consideration for the effects of a significant financing component if it expects, at contract inception, that the period between the transfer of the promised good or service to the customer and when the customer pays for that good or service will be within normal operating cycle.

In respect of long-term contracts, the transaction price for such contracts is discounted, using the rate that would be reflected in a separate financing transaction between the Company and its customers at contract inception, to take into consideration the significant financing component.

iv) Schemes

The Company operates several sales incentive programmes wherein the customers are eligible for several benefits on achievement of underlying conditions as prescribed in the scheme programme such as credit notes, tours, gifts etc. Revenue from contract with customer is presented net of scheme.

Sale of services

The Company recognizes revenue from sales of services over time, because the customer simultaneously receives and consumes the benefits provided by the Company. Revenue from services related activities is recognized as and when services are rendered and on the basis of contractual terms with the parties.

Contract balances

Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognized for the earned consideration that is conditional. A receivable represents the Company's right to an amount of consideration that is unconditional.

Trade receivables

Trade receivables represent the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognized when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognized as revenue when the Company performs under the contract.

Interest income

Interest income is recognized using the EIR method. The EIR is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial instrument or a shorter period, where appropriate to the net carrying amount of the financial asset. The EIR is computed basis the expected cash flows by considering all the contractual terms of the financial instrument. The calculation includes all fees, transaction costs, and all other premiums or discounts paid or received between parties to the contract that are an integral part of the effective interest rate.

q. Government grants

Government grants are recognized where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognized as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognized as income in equal amounts over the expected useful life of the related asset.

When the Company receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to profit or loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset i.e. by equal annual instalments.

r. Taxes

Current income tax

Tax expense comprises current tax expense and deferred tax.

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Company operates and generates taxable income.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Company reflects the effect of uncertainty for each uncertain tax treatment by using either most likely method or expected value method, depending on which method predicts better resolution of the treatment.

Deferred tax

Deferred tax is provided using the balance sheet approach on temporary differences between the tax base of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences;
- In respect of taxable temporary differences associated with investments in in joint venture, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences;
- In respect of deductible temporary differences associated with investments in joint venture, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised, or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

The Company offsets deferred tax assets and deferred tax liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity which intends either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

Goods and Services Tax (GST) / value added taxes paid on acquisition of assets or on incurring expenses

Expenses and assets are recognised net of the amount of GST/ value added taxes paid, except:

- When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable;
- When receivables and payables are stated with the amount of tax included

The net amount of tax recoverable from, or payable to, the taxation authority is included as part of other current/ non-current assets/ liabilities in the balance sheet.

s. Segment reporting

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Company's other components, and for which discrete financial information is available.

Results of the operating segments are reviewed regularly by the Company's Chief Executive Officer (CEO) who has been identified as the Chief Operating Decision Maker ('CODM'), to make decisions about resources to be allocated to the segment and assess its performance and for which discrete financial information is available. Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker ('CODM').

The Company is operating under only one segment i.e. Lighting Segment. Though the Company has various range of products, all of them have been considered into lighting segment based upon their final use by end consumer.

t. Exceptional item

Items of income or expense of non-routine are presented separately when their nature and amount of such significance and is relevant to an understanding of the entity's financial performance

u) Non-current assets held for sale

The Company classifies non-current assets and disposal Company's as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use.

Non-current assets and disposal Company's classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Costs to sell are the incremental costs directly attributable to the disposal of an asset (disposal Company), excluding finance costs and income tax expense.

The criteria for held for sale classification is regarded as met only when the sale is highly probable, and the asset or disposal Company is available for immediate sale in its present condition.

The criteria for held for sale classification is regarded met only when the assets or disposal Company is available for immediate sale in its present condition, subject only to terms that are usual and customary for sales of such assets (or disposal Company's), its sale is highly probable; and it will genuinely be sold, not abandoned. The Company treats sale of the asset or disposal Company to be highly probable when:

- The appropriate level of management is committed to a plan to sell the asset (or disposal Company)
- An active programme to locate a buyer and complete the plan has been initiated (if applicable),
- The asset (or disposal Company) is being actively marketed for sale at a price that is reasonable in relation to its current fair value
- The sale is expected to qualify for recognition as a completed sale within one year from the date of classification, and
- Actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

Property, plant and equipment and intangible are not depreciated, or amortised once classified as held for sale. Assets and liabilities classified as held for sale are presented separately from other items in the balance sheet.

Additional disclosures are provided in note 48. All other notes to the standalone financial statements mainly include amounts for continuing operations, unless otherwise mentioned.

v) Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss attributable to owners of parent company (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period.

The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders of the parent company and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

w) Events after the reporting period

If the Company receives information after the reporting period, but prior to the date of approved for issue, about conditions that existed at the end of the reporting period, it will assess whether the information affects the amounts that it recognises in its standalone financial statements. The Company will adjust the amounts recognised in its financial statements to reflect any adjusting events after the reporting period and update the disclosures that relate to those conditions in light of the new information. For non-adjusting events after the reporting period, the Company will not change the amounts recognised in its standalone financial statements, but will disclose the nature of the non-adjusting event and an estimate of its financial effect, or a statement that such an estimate cannot be made, if applicable.

Significant accounting judgements, estimates and assumptions

The preparation of the Company's standalone financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods

Other disclosures relating to the Company's exposure to risks and uncertainties includes:

- Capital management Note 38
- Financial risk management objectives and policies Note 38
- Sensitivity analyses disclosures Notes 37 and 38.

Judgements

In the process of applying the Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the standalone financial statements:

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the standalone financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a DCF model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Company is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. These estimates are most relevant to goodwill and other intangibles with indefinite useful lives recognised by the Company.

Defined benefit plans (gratuity benefits)

The cost of the defined benefit gratuity plan and other post-employment medical benefits and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate; future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The calculation is most sensitive to changes in the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds where remaining maturity of such bond correspond to expected term of defined benefit obligation.

The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.

Further details about gratuity obligations are given in note 37.

Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

Useful lives and residual values of property, plant and equipment

The Company reviews the estimated residual values and expected useful lives of property, plant and equipment at least annually. In particular, it considers the impact of health, safety and environmental legislation in its assessment of expected useful lives and estimated residual values. Furthermore, the Company considers climate-related matters, including physical and transition risks. Specifically, it determines whether climate-related legislation and regulations might impact either the useful life or residual values, e.g., by banning or restricting the use of the Company's fossil fuel-driven machinery and equipment or imposing additional energy efficiency requirements on its buildings.

Leases – Estimating the incremental borrowing rate

The Company cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Company would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Company 'would have to pay', which requires estimation when no observable rates are available (such as for subsidiaries that do not enter into financing transactions) or when they need to be adjusted to reflect the terms and conditions of the lease (for example, when leases are not in the subsidiary's functional currency). The Company estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates (such as the subsidiary's stand-alone credit rating).

New and amended standards

The Company applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after 1 April 2025. The Company has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

(i) Amendments to Ind AS 21 - Lack of exchangeability

The Ministry of Corporate Affairs (MCA) notified the Companies (Indian Accounting Standards) Amendment Rules, 2025, which amend Ind AS 21, The Effects of Changes in Foreign Exchange Rates to specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. The amendments also require disclosure of information that enables users of its financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the entity's financial performance, financial position and cash flows.

The amendments are effective for annual reporting periods beginning on or after 1 April 2025. When applying the amendments, an entity cannot restate comparative information.

The amendments do not have a material impact on the Company's standalone financial statements.

(ii) Amendments to Ind AS 1 - Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants

In August 2025, the MCA notified amendments to paragraphs 69 to 76 of Ind AS 1 to specify the requirements for classifying liabilities as current or non-current. The amendments clarify:

- What is meant by a right to defer settlement
- That a right to defer must exist at the end of the reporting period
- That classification is unaffected by the likelihood that an entity will exercise its deferral right
- That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification

In addition, a requirement has been introduced to require disclosure when a liability arising from a loan agreement is classified as non-current and the entity's right to defer settlement is contingent on compliance with future covenants within twelve months.

If there is a breach of a material covenant of a long term loan arrangement on or before the end of the reporting period, resulting in the liability becoming payable on demand as at the reporting date, and the lender agrees—after the reporting period but before the financial statements are approved for issue—not to demand repayment for at least 12 months as a consequence of the breach, this shall be treated as an adjusting event. Accordingly, the entity is not required to classify the liability as current.

The amendments are effective for annual reporting periods beginning on or after 1 April 2025 retrospectively in accordance with Ind AS 8.

(iii) Amendments to Ind AS 7 and Ind AS 107 - Supplier Finance Arrangements

In August 2025, the MCA notified amendments to Ind AS 7 Statement of Cash Flows and Ind AS 107 Financial Instruments: Disclosures to clarify the characteristics of supplier finance arrangements and require additional disclosure of such arrangements. The disclosure requirements in the amendments are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk.

As a result of implementing the amendments, the Company has provided additional disclosures about its supplier finance arrangement. Please refer to note 22.

(iv) International Tax Reform—Pillar Two Model Rules – Amendments to Ind AS 12

In August 2025, the MCA notified amendments to Ind AS 12 Income Taxes in response to the OECD's BEPS Pillar Two rules and include:

- A mandatory temporary exception to the recognition and disclosure of deferred taxes arising from the jurisdictional implementation of the Pillar Two model rules; and
- Disclosure requirements for affected entities to help users of the financial statements better understand an entity's exposure to Pillar Two income taxes arising from that legislation, particularly before its effective date.

The mandatory temporary exception – the use of which is required to be disclosed – applies immediately. The remaining disclosure requirements apply for annual reporting periods beginning on or after 1 April 2025, but not for any interim periods ending on or before 31 March 2026.

The amendments had no impact on the Company's standalone financial statements as the Company is not in scope of the Pillar Two model rules.

3 Property, plant and equipment

(₹ in million)

Particulars	Gross block				Depreciation				Net block	Net block
	As at 31 March 2025	Additions	Disposal	As at 31 March 2026	As at 31 March 2025	Charge for the year	Disposal	As at 31 March 2026	As at 31 March 2026	As at 31 March 2025
Tangible assets										
Freehold land*	4	2	-	6	-	-	-	-	6	4
Buildings	640	24	85	579	426	20	24	422	157	214
Plant and equipments	3,370	80	1,104	2,346	2,798	73	832	2,039	307	572
Office equipments	121	26	2	145	73	14	2	85	60	48
Furniture and fixtures	212	4	44	172	152	9	33	128	44	60
Leasehold improvements	332	23	1	354	194	40	0	234	120	138
Computers	465	155	39	581	356	83	38	401	180	109
Total	**5,144**	**314**	**1,275**	**4,183**	**3,999**	**239**	**929**	**3,309**	**874**	**1,145**
Intangible assets										
Intangible assets**	939	-	-	939	259	80	-	339	600	680
Total	**939**	**-**	**-**	**939**	**259**	**80**	**-**	**339**	**600**	**680**

(₹ in million)

Particulars	Gross block				Depreciation				Net block	Net block
	As at 31 March 2024	Additions	Disposal	As at 31 March 2025	As at 31 March 2024	Charge for the year	Disposal	As at 31 March 2025	As at 31 March 2025	As at 31 March 2024
Tangible assets										
Freehold land*	4	-	-	4	-	-	-	-	4	4
Buildings	651	16	27	640	428	25	27	426	214	223
Plant and equipments	4,076	192	898	3,370	3,502	187	891	2,798	572	574
Office equipments	89	44	12	121	69	13	9	73	48	20
Furniture and fixtures	225	18	31	212	159	13	20	152	60	66
Leasehold improvements	226	133	27	332	189	32	27	194	138	37
Computers	431	62	28	465	299	85	28	356	109	132
Total	**5,702**	**465**	**1,023**	**5,144**	**4,646**	**355**	**1,002**	**3,999**	**1,145**	**1,056**
Intangible assets										
Intangible assets**	939	-	-	939	180	79	-	259	680	759
Total	**939**	**-**	**-**	**939**	**180**	**79**	**-**	**259**	**680**	**759**

Note: This includes net block of assets classified as held for sale amounting to ₹ 316 million in previous financial year 2024-25. (Refer Note 48).

On transition to Ind AS (i.e. 1 April 2015), the Company has elected to continue with the carrying value of all Property, plant and equipment measured as per the previous GAAP and use that carrying value as the deemed cost of Property, plant and equipment.

*All title deeds of immovable properties are held in the name of the Company.

** During the year ended 31 March 2020, the Company had acquired business of Cooper India, a division of Eaton on slump sale basis at an aggregate consideration of ₹ 939 million against which net assets acquired was of ₹ Nil and accordingly excess of purchase consideration over net assets acquired on fair value had been recognized as 'Intangibles assets' in the financial statements. The said intangibles primarily relate to customer contract, customer relationships and others* and are not separately identifiable in terms of Ind AS 103. The company has considered Cooper India a cash generating unit for the purpose of evaluation of impairment testing on acquired intangible assets.The company performed its annual impairment test for years ended 31 March 2026 and 31 March 2025. The company considers the relationship between its head count of employees and markup agreed for the services, when reviewing for indicators of impairment. As at reporting date, there were no indicators for impairment of intangible assets considering the below set of key assumptions.

* Others refer to the technical know how, assembled workforce, business processess & business generating potential.

Key assumptions used in previous year for value in use calculations

The calculation of value in use is most sensitive to the following assumptions:

a) Employee head count

b) Discount rates

c) Growth rates used to extrapolate cash flows beyond the forecast period

a) Employee head count

Headcount additions for FY 2025-2026 has been considered as per the approved business plan by the management. Increase in head count from next year onwards has been considered based on future growth road map considering the current business scenarios. Decreased operations of the CGU can lead to a decline in the employee head count.

b) Discount rates

The estimated value in use of cash generating unit (CGU) is based on the future cash flows using annual growth rate of 5% for periods subsequent to the forecast period and weighted average cost of capital of 11%. Discount rates represent the current market assessment of the risks specific to CGU, taking into consideration the time value of money and risks of underlying assets that have not been incorporated in the cash flow estimates. The discount rate calculation is based on the specific circumstances of the company and its operating segments and is derived from its weighted average cost of capital (WACC). The WACC takes into account equity. The cost of equity is derived from the expected return on investment by the company's investors. CGU specific risk is incorporated by applying individual beta factors. The beta factors are evaluated annually based on publicly available market data. Adjustments to the discount rate are made to factor in the specific amount and timing of the future tax flows in order to reflect a pre-tax discount rate. The discount rate was estimated based on past experience and Company's average weighted average cost of capital. The values assigned to the key assumptions represent the management's assessment of future trends in the industry and based on both internal and external factors.

c) Growth rates used to extrapolate cash flows beyond the forecast period

The Growth rate at terminal value is considered as 5% basis management estimate of future cash flow considering businees outlook and agreement for services.

An analysis of the sensitivity of the computation to a change in key parameters (discount rate, revenue growth, long term average growth rate, terminal value and head count), based on reasonable probable assumptions, did not identify any probable scenario for impairment.

3A Capital Work In Progress

(₹ in million)

	As at 31 March 2026	As at 31 March 2025
At cost		
As at 1 April	9	18
Additions	418	456
Disposal	(314)	(465)
	113	**9**

Capital Work In Progress (CWIP) Ageing Schedule

As at 31 March 2026

(₹ in million)

	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3years	More than 3 years	Total
Capital work in progress	112	1	-	-	113

As at 31 March 2025

	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3years	More than 3 years	Total
Capital work in progress	7	2	-	-	9

There are no projects which are temporarily suspended as at reporting date.

There are no projects whose completion is overdue or has exceeded its cost compared to its original plan during the financial year 2025-26.

No borrowing costs are capitalised on plant & machinery under capital work in progress.

Note: This includes Capital Work In Progress classified as held for sale amounting to ₹ 1 million in previous financial year 2024-25. (Refer Note 48).

4 Right of Use Assets

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the period:

(₹ in million)

Particulars	As at 31 March 2025	Additions	Deletions /adjustment	Depreciation	As at 31 March 2026
Office/Buildings & Furniture	929	643	(19)	(445)	1,108
Vehicles	179	91	(16)	(87)	167
Total	**1,108**	**734**	**(35)**	**(532)**	**1,275**

Note: This includes Right of Use Assets classified as held for sale amounting to ₹ 2 million (Refer Note 47).

Particulars	As at 31 March 2024	Additions	Deletions /adjustment	Depreciation	As at 31 March 2025
Office/Buildings & Furniture	1,008	366	(20)	(425)	929
Vehicles	163	101	(11)	(74)	179
Total	**1,171**	**467**	**(31)**	**(499)**	**1,108**

Note: This includes Right of Use Assets classified as held for sale amounting to ₹ 2 million in previous financial year 2024-25. (Refer Note 48).

Notes to the Standalone financial statements for the year ended 31 March 2026

(₹ in million)

	As at 31 March 2026	As at 31 March 2025
5. Investments		
In equity shares of Joint Venture		
Unquoted, fully paid up	1,456	-
14,28,00,000 equity shares of ₹ 10/- each of Lightanium Technologies Private Limited*		
	1,456	**-**
*Above amount includes acquisition cost of ₹ 28 million.		
Aggregate value of unquoted investments	1,456	-

Investment in equity shares of joint venture is stated at cost as per Ind AS 27 "Separate Financial Statements".

The Company has made long term strategic investment in joint venture which is in its developing stage of operation and would generate growth and returns over the period of time.

(₹ in million)

	As at 31 March 2026	As at 31 March 2025
6. Other non-current financial assets		
(Unsecured considered good unless otherwise stated)		
Security deposits	96	134
Deposits with original maturity of more than 12 months	24	3
	120	**137**

7. Deferred tax assets (net)

A. Amounts recognized in standalone statement of profit and loss

(₹ in million)

	As at 31 March 2026	As at 31 March 2025
Current income tax:		
Current income tax charge	1,207	971
	1,207	**971**
Deferred tax:		
Relating to origination and reversal of temporary differences	(84)	(9)
	(84)	**(9)**
Income tax expense reported in the P&L	**1,123**	**962**
B. Other comprehensive income (OCI) section		
Deferred tax related to items recognized in OCI during the year		
Income tax effect (Refer note 37)	15	(4)
Income tax related to items recognized in OCI during the year	**15**	**(4)**
Total tax expense	**1,138**	**958**

Notes to the Standalone financial statements for the year ended 31 March 2026

C. Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for 31 March 2025 and 31 March 2026:

(₹ in million)

	As at 31 March 2026	As at 31 March 2025
Accounting profit before income tax	**4,843**	**3,663**
At India's statutory income tax rate of 25.168% (31 March 2025: 25.168%)	1,219	922
Tax effect of:		
Non-deductible expenses	21	20
Tax on items related to OCI	15	(4)
Adjustment of tax relating to earlier periods	(13)	17
Impact on account of change in tax rate	(96)	-
Others	(8)	3
	1,138	**958**

D. Movement in deferred tax balances

(₹ in million)

	As at 31 March 2025	Recognized in P&L	Recognized in OCI/Equity	As at 31 March 2026
Deferred tax assets				
Property, plant and equipment	90	3	-	93
Right to use asset	33	(2)	-	31
Employee benefit obligation	161	55	(15)	201
Provisions	165	(11)	-	154
Other assets	40	22	-	62
Sub- total (a)	**489**	**67**	(15)	**541**
Deferred tax liabilities				
Intangible assets	133	(17)	-	116
Sub- total (b)	**133**	**(17)**	-	**116**
Net deferred tax assets (a)-(b)	**356**	**84**	**(15)**	**425**

Notes to the Standalone financial statements for the year ended 31 March 2026

(₹ in million)

	As at 31 March 2024	Recognized in P&L	Recognized in OCI	As at 31 March 2025
Deferred tax assets				
Property, plant and equipment	82	8	-	90
Right to use asset	29	4	-	33
Employee benefit obligation	153	4	4	161
Provisions	158	7	-	165
Other assets	50	(10)	-	40
Sub- total (a)	**472**	**13**	**4**	**489**
Deferred tax liabilities				
Intangible assets	129	4	-	133
Sub- total (b)	**129**	**4**	**-**	**133**
Net deferred tax assets (a)-(b)	**343**	**9**	**4**	**356**

(₹ in million)

		As at 31 March 2026	As at 31 March 2025
8.	**Other non-current assets**		
	(Unsecured considered good unless otherwise stated)		
	Deposits with statutory authorities under protest (Refer note 40)	87	72
	Prepaid expenses	22	30
		109	**102**
9.	**Inventories**		
	(At lower of cost and net realizable value)		
	Raw materials*	357	968
	Finished goods**	171	165
	Traded Goods**	2,182	2,348
	Stores and spares	28	36
		2,738	**3,517**

* Raw materials includes goods-in-transit - ₹ 28 million (as at 31 March 2025 - ₹ 96 million)

**Traded & Finished Goods includes goods-in-transit - ₹ 451 million (as at 31 March 2025 - ₹ 230 million)

During FY 2025-26, an amount of ₹ 421 million (31st March, 2025: ₹ 472 million) was charged to the statement of profit and loss on account of damaged and slow moving inventory, which is included as part of cost of materials consumed.

Note: This includes Inventories classified as held for sale amounting to ₹ 600 million in previous financial year 2024-25. (Refer Note 48).

Notes to the Standalone financial statements for the year ended 31 March 2026

(₹ in million)

	As at 31 March 2026	As at 31 March 2025
10. Current investments		
Investment in Bonds (Measured at fair value through profit and loss)		
6.75% Piramal Capital & Housing Finance Limited	10	10
(14041 units (31 March: 14041 units) of fair value: ₹ 738 (31 March 2025: ₹ 747))		
	10	**10**
Aggregate carrying value of quoted investment	**10**	**10**
Aggregate market value of quoted investment	**10**	**10**

(₹ in million)

	As at 31 March 2026	As at 31 March 2025
11. Trade receivables		
From customers (unsecured)		
Trade receivables considered good	2,395	1,690
Trade receivables which have significant increase in credit risk	37	40
Trade receivables credit impaired	160	150
	2,592	**1,880**
Less: Impairment allowance	(197)	(190)
	2,395	**1,690**
From related parties (unsecured) (Refer note 34)		
Considered good	948	991
	3,343	**2,681**

Notes to the Standalone financial statements for the year ended 31 March 2026

Trade receivables ageing as on 31 March 2026 is as follows

(₹ in million)

Particulars	Unbilled	Current But Not Due	Outstanding for following periods from due date of payment					
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Grand Total
(i) Undisputed Trade receivables – considered good	16	2,519	767	17	14	10	-	3,343
(ii) Disputed Trade receivables – considered good	-	-					-	-
(iii) Undisputed Trade Receivables – which have significant increase in credit risk	-	0	25	4	6	2	-	37
(iv) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(v) Undisputed Trade Receivables - credit impaired	-	-						-
(vi) Disputed Trade Receivables -credit impaired	-	-	-	10	85	-	65	160
	16	**2,519**	**792**	**31**	**105**	**12**	**65**	**3,540**

Trade receivables ageing as on 31 March 2025 is as follows

(₹ in million)

Particulars	Unbilled	Current But Not Due	Outstanding for following periods from due date of payment					
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Grand Total
(i) Undisputed Trade receivables – considered good	143	1,835	699	4	1	13	-	2,695
(ii) Disputed Trade receivables – considered good	-	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – which have significant increase in credit risk	-	2	27	6	5	-	-	40
(iv) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(v) Undisputed Trade Receivables - credit impaired	-	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables -credit impaired	-	-	12	-	59	-	65	136
	143	**1,837**	**738**	**10**	**65**	**13**	**65**	**2,871**

No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person.

Trade receivables are non-interest bearing and are normally settled between 7 to 120 days

For terms and conditions relating to related party receivables. (Refer Note 34).

Notes to the Standalone financial statements for the year ended 31 March 2026

(₹ in million)

	As at 31 March 2026	As at 31 March 2025
12. Cash and cash equivalents		
Balance with banks:		
- On current accounts	401	93
- Deposits with original maturity of less than three months	4,326	3,029
Cheques on hand	29	507
Cash on hand*	0	0
	4,756	**3,629**

* Cash balances as at 31 March 2026 is ₹ 5,341 (as at 31 March 2025 ₹ 5,341)

Cash at banks earns interest at fixed rates based on bank deposit rates. Short-term deposits are made for period varying between seven days to three months, depending on the immediate cash requirements of the Company, and earn interest at the respective short-term deposit rates.

At 31 March 2026, the Company had available ₹ 4,874 million (31 March 2025: ₹ 5,984 million) of undrawn committed borrowing facilities.

The Company has been sanctioned working capital limits in excess of ₹ fifty million in aggregate from banks during the year on the basis of security of current assets of the Company. Since there is no fund based working capital limits sanctioned, bank has exempted the Company to file the quarterly returns/ statements to them. Hence there is no requirement to submit any quarterly returns/statement.

12A Changes in liabilities arising from financing activities and non-cash financing and investing activities

Particulars	1-Apr-25	Cash flows	Changes in fair values	New leases	Other	31-Mar-26
Lease liabilities (note 19)	1,244	(650)	-	734	68	1,396
Total liabilities from financing activities	**1,244**	**(650)**	**-**	**734**	**68**	**1,396**

Particulars	1-Apr-24	Cash flows	Changes in fair values	New leases	Other	31-Mar-25
Lease liabilities (note 19)	1,289	(585)	-	467	73	1,244
Total liabilities from financing activities	**1,289**	**(585)**	**-**	**467**	**73**	**1,244**

12B Non-cash financing and investing activities

(₹ in million)

	As at 31 March 2026	As at 31 March 2025
Acquisition of Right-of-use assets	734	467

Notes to the Standalone financial statements for the year ended 31 March 2026

(₹ in million)

	As at 31 March 2026	As at 31 March 2025
13. Other bank balances		
Unpaid dividend	225	226
Bank deposits with original maturity of less than 12 months	1	-
	226	**226**

(₹ in million)

	As at 31 March 2026	As at 31 March 2025
14. Other current financial assets		
Security deposits		
Considered good	160	83
Considered doubtful	34	34
Less: Impairment of doubtful deposits	(34)	(34)
	160	**83**
Fixed Deposits (with remaining maturity for less than 12 months)	3	72
Government grants	24	44
Interest accrued but not due	1	5
Unbilled revenue**	507	541
	695	**745**

** Classified as financial asset as right to consideration is unconditional and is due only after a passage of time.

(₹ in million)

	As at 31 March 2026	As at 31 March 2025
15. Net tax assets		
Current Tax assets	229	91
	229	**91**

Notes to the Standalone financial statements for the year ended 31 March 2026

(₹ in million)

	As at 31 March 2026	As at 31 March 2025
16. Other current assets		
(Unsecured considered good unless otherwise stated)		
Advance to suppliers	44	142
Prepaid expenses	180	144
Advances to employees	3	3
Balances with statutory/government authorities	281	481
	508	**770**

Note: This includes Other current assets classified as held for sale amounting to ₹ 145 million in previous financial year 2024-25. (Refer Note 48).

(₹ in million)

	As at 31 March 2026	As at 31 March 2025
17. Share capital		
Authorized:		
58,000,000 (Previous Year 58,000,000) equity shares of ₹10/- each	580	580
Issued, subscribed and fully paid up:		
57,517,242 (Previous Year 57,517,242) equity shares of ₹10/- each	575	575
	575	**575**

a. Terms/rights attached to equity shares

The Company has one class of equity shares having a par value of ₹ 10 per share. Each shareholder is entitled to one vote per equity share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuring Annual General Meeting, except in case of interim dividend. In the event of liquidation on the Company, the equity shareholders are eligible to receive remaining assets of the Company, after distribution of all preferential amounts, in proportion to their shareholding. The Company declares and pay dividend in Indian Rupee.

b. Reconciliation of number of shares outstanding at the beginning and end of the year :

(₹ in million)

Equity shares of ₹ 10 each issued, subscribed and fully paid	Number of Shares	Amount
At 1st April 2024	57,517,242	575
Changes during the period	-	-
At 31 March 2025	**57,517,242**	**575**
Changes during the period	-	-
At 31 March 2026	**57,517,242**	**575**

Notes to the Standalone financial statements for the year ended 31 March 2026

c. Shareholders holding more than 5% shares in the Company

	As at 31 March 2026		As at 31 March 2025	
	No. of Shares	Percentage	No. of Shares	Percentage
Signify Holding B.V. (formerly Philips Lighting Holding B.V.)	55,290,242	96.13%	55,290,242	96.13%

As per records of the company, including its register of shareholders/ members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

d. Details of shares held by promoters as at March 31, 2026

Promoter Name	No. of Shares at beginning of the year	Change during the year	No. of Shares at the year end	%of total shares	% Change during the year
Signify Holding B.V. (formerly Philips Lighting Holding B.V.)	55,290,242	-	55,290,242	96.13%	0.00%

Details of shares held by promoters as at March 31, 2026

Promoter Name	No. of Shares at beginning of the year	Change during the year	No. of Shares at the year end	%of total shares	% Change during the year
Signify Holding B.V. (formerly Philips Lighting Holding B.V.)	55,290,242	-	55,290,242	96.13%	0.00%

* There has been no change in the shareholding of the promoters in the current and previous year.

** Neither bonus shares issued nor shares issued for consideration other than cash during the period of five years immediately preceding the reporting date.

(₹ in million)

	As at 31 March 2026	As at 31 March 2025
18 Other equity		
a. Capital reserve		
Balance at the beginning of the year	2,109	2,109
At the end of the year	**2,109**	**2,109**
b Retained earnings		
Balance at the beginning of the year	**1,612**	**2,806**
Add: Profit for the year	3,720	2,701
Less: Interim dividend paid (Refer note 43)	(3,020)	(3,882)
Other comprehensive income - Re measurement gain/(loss) on defined benefit plans	43	(13)
Balance at the end of the year	**2,355**	**1,612**
	4,464	**3,721**

During the year, the Company has paid an interim dividend @ ₹ 52.5 per share for 57,517,242 shares amounting to ₹ 3,020 million. (31 March 2025 @ ₹ 67.5 per share for 57,517,242 shares amounting to ₹ 3,882 million).

Notes to the Standalone financial statements for the year ended 31 March 2026

Nature and purpose of Reserves

i Capital Reserve

Capital reserves represent the excess of assets of the demerged undertaking over the liabilities of the demerged undertaking over the face value of shares issued by the Company as per Memorandum of Understanding (MOU) signed at the time of Demerger under Sections 391 to 394 of the Companies Act, 1956 and 2013 amongst Philips India Limited ("Demerged Company" or "Philips India") & resultant company being "Signify Innovations India Limited (earlier known as Philips Lighting India Limited). All costs, charges and expenses related to the scheme is adjusted against the capital reserve as part of the scheme.

The said reserve is not available for distribution.

ii Other comprehensive income

Remeasurements of defined benefit plans represents the following as per Ind AS 19, Employee Benefits:

(a) actuarial gains and losses

(b) the return on plan assets, excluding amounts included in net interest on the net defined benefit liability (asset); and

(c) any change in the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability (asset).

iii. Retained earnings

Retained earnings are the profit/(loss) that the Company has earned/incurred till date, less any transfers to general reserve, dividends or other distributions paid to shareholders. Retained earnings include re-measurement gain / (loss) on defined benefit plans, net of taxes that will not be reclassified to Statement of Profit and Loss.

(₹ in million)

	As at 31 March 2026	As at 31 March 2025	As at 31 March 2026	As at 31 March 2025
	Non-Current		Current	
19. Lease Liabilities				
Lease Liabilities	935	736	461	508
	935	**736**	**461**	**508**

* The effective rate of interest ranges between 6% to 12% depending on tenure of the leases.

Company as a lessee

The company has lease contracts for various items of vehicles and properties taken on lease. The average lease term range from 3 years to 9 years. The company's obligations under its leases are secured by the lessor's title to the leased assets. Generally, the company is restricted from assigning and subleasing the leased assets.

The company also has certain leases of office equipment's/furniture & fixtures with lease terms of 12 months or less and with low value. The company applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

Note: This includes Lease Liabilities classified as held for sale amounting to ₹ 2 million in previous financial year 2024-25. (Refer Note 48).

Notes to the Standalone financial statements for the year ended 31 March 2026

Carrying amounts of lease liabilities and the movements during the year:

(₹ in million)

Particulars	As at 31 March 2026	As at 31 March 2025
Opening liability	1,244	1,289
Additions during the year	733	468
Termination/Decapitalization	(40)	(43)
Accretion of interest on lease liability	109	115
Lease Payments	(650)	(585)
Closing liability	**1,396**	**1,244**
Current lease liability	461	508
Non Current lease liability	935	736

The Maturity analysis of undiscounted lease liabilities is as shown below:-

(₹ in million)

Particulars	As at 31 March 2026	As at 31 March 2025
Upto 1 year	568	601
more than 1 years to 3 Years	524	678
more than 3 years to 5 years	194	78
more than 5 years	445	7

The following are the amounts recognized in statement of profit & loss:

(₹ in million)

Particulars	For the year ended March 31 2026	For the year ended March 31 2025
Depreciation expense of right-of-use assets (refer note 4)	532	499
Interest expense on lease liabilities (refer note 31)	109	115
Expenses relating to short-term leases and leases of low value items (included in other expenses)	89	114
Total amount recognized in statement of profit & Loss	**730**	**728**

Company as a lessor

The Company has entered into operating leases on its land with Lightanium Technologies Private Limited (see Note 27). These leases have terms of between 5 to 10 years. Rental income recognised by the Company during the year is ₹ 47 million (March 31, 2025: Nil).

Future undiscounted lease payments to be received under operating leases as at 31 March are as follows:

(₹ in million)

Particulars	For the year ended March 31 2026	For the year ended March 31 2025
Within one year	70	-
Between 1 and 2 years	70	-
Between 2 and 3 years	70	-
Between 3 and 4 years	70	-
Between 4 and 5 years	70	-
More than 5 years	349	-
	699	-

Notes to the Standalone financial statements for the year ended 31 March 2026

(₹ in million)

	As at 31 March 2026	As at 31 March 2025
20. Non-current provisions		
Provision for decommissioning liability (Refer Note 25.2)	38	34
	38	**34**
21. Other non-current liabilities		
Deferred revenue	484	415
	484	**415**
22. Trade payables		
Total outstanding dues of micro enterprises and small enterprises	85	80
Total outstanding dues of creditors other than micro enterprises and small enterprises*	7,501	6,376
	7,586	**6,456**

Trade payables are non-interest bearing and are normally settled upto 120 days

Trade payables includes acceptances due to others amounting to ₹ 1,848 million (Previous year - ₹ 3,015 million)

* Includes payables to related parties of ₹ 2,509 million (Previous year: ₹ 1,075 million). For terms & conditions relating to related parties payable (refer Note 34). Out of this, amount of ₹ 100 million (previous year ₹ 111 million) has been outstanding in the Company's books of accounts for over three years. This has been adjusted subsequently in the books.

Note: This includes Trade payables classified as held for sale amounting to ₹ 271 million in previous financial year 2024-25. (Refer Note 48).

The Company has established a supplier finance arrangement that is offered to some of the Company's key suppliers in India. Participation in the arrangement is at the suppliers' own discretion. Suppliers that participate in the supplier finance arrangement will receive early payment on invoices sent to the Company from the Company's external finance provider. If suppliers choose to receive early payment, they pay a fee to the finance provider, to which the Company is not party. In order for the finance provider to pay the invoices, the goods must have been received or supplied and the invoices approved by the Company. Payments to suppliers ahead of the invoice due date are processed by the finance provider and, in all cases, the Company settles the original invoice by paying the finance provider in line with the original invoice maturity date described above. Payment terms with suppliers have not been renegotiated in conjunction with the arrangement. The Company provides no security to the finance provider and there is no change in the Company's original obligation towards the supplier.

Accordingly, the trade payables subject to the supplier finance arrangement are included in trade payables in the balance sheet and within trade payables in the table above.

(₹ in million)

	As at 31 March 2026	As at 31 March 2025
Carrying amount of trade payables that are part of a supplier finance arrangement	3,932	2,829
Of which suppliers have received payment	3,813	2,646

There were no significant non-cash changes in the carrying amount of the trade payables included in the Company's supplier finance arrangement.

Trade payables included in the Company's supplier finance arrangement are non-interest bearing and are normally settled on 0-120 days terms.

Notes to the Standalone financial statements for the year ended 31 March 2026

Additional disclosure as per Micro, Small and Medium Enterprises Development (MSMED) Act, 2006

The Ministry of Micro, Small and Medium Enterprises has issued an Office Memorandum dated 26 August 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with their customers the Entrepreneurs Memorandum Number as allocated after filing of the said Memorandum. Accordingly, the disclosures below in respect of the amounts payable to such enterprises as at the reporting date had been made based on information received and available with the Company.

	As at 31 March 2026	As at 31 March 2025
- Principal amount due to micro and small enterprises	85	80
- interest due on the above amount	-	-
- The amount of interest paid by the buyer in terms of section 16 of the MSMED Act 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
- The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act 2006.	-	-
- The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
- The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006	-	-

Trade Payables ageing as on 31 March 2026 is as follows

(₹ in million)

Particulars	Unbilled	Not due	Outstanding for following periods from due date of payment				
			Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed dues of micro enterprises and small enterprises	-	72	13	-	-	-	85
Undisputed dues of creditors other than micro enterprises and small enterprises	1,158	5,928	301	14		100	7,501
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-	-
	1,158	**6,000**	**314**	**14**	**-**	**100**	**7,586**

Notes to the Standalone financial statements for the year ended 31 March 2026

Trade Payables ageing as on 31 March 2025 is as follows

(₹ in million)

Particulars	Unbilled	Not due	Outstanding for following periods from due date of payment				
			Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed dues of micro enterprises and small enterprises	-	66	13	1	-	-	80
Undisputed dues of creditors other than micro enterprises and small enterprises	1,057	4,413	760	20	15	111	6,376
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-	-
	1,057	**4,479**	**773**	**21**	**15**	**111**	**6,456**

(₹ in million)

	As at 31 March 2026	As at 31 March 2025
23. Other current financial liabilities		
Unpaid dividend	225	226
Employee related payables	324	293
	549	**519**

Note: This includes Other financial liabilities classified as held for sale amounting to ₹ 40 million in previous financial year 2024-25. (Refer Note 48).

24. Other current liabilities		
Deferred revenue	567	508
Advance received from customers	114	104
Statutory dues	417	454
Other advances	14	66
	1,112	**1,132**
25. Current provisions		
Provision for employee benefits (Refer note 37)		
Gratuity	229	88
Compensated absences	264	195

Since the Company does not have an unconditional right to defer settlement for any of the leave obligations, it disclosed the amount as current liabilities. However, the Company does not expect that all leave obligations will be settled in the next 12 months.

Others (Refer note 25.1)		
Provision for environmental liability	104	114
Replacement guarantee	153	146
Legal and regulatory	407	439
E- waste	101	109
Provision for decommissioning liability (Refer Note 25.2)	15	15
	1,273	**1,106**

Note: This includes Provisions classified as held for sale amounting to ₹ 37 million in previous financial year 2024-25. (Refer Note 48).

Notes to the Standalone financial statements for the year ended 31 March 2026

Additional disclosure relating to provisions:

25.1. Movement in provisions:

(₹ in million)

Particulars	Environmental	E waste	Decommissioning liability	Replacement guarantee	Legal and regulatory
As at 1 April 2024	**-**	**140**	**45**	**157**	**483**
Add: Accruals during the year	114	58	8	200	-
Less: Utilization during the year	-	(89)	-	(211)	(44)
As at 31 March 2025	**114**	**109**	**53**	**146**	**439**
Add: Accruals during the year	3	83	-	239	65
Less: Utilization during the year	(13)	(91)	-	(232)	(97)
As at 31 March 2026	**104**	**101**	**53**	**153**	**407**

25.2. Nature of provisions:

(a) Environmental restoration liability

The Environmental restoration liability relates to cost to be incurred for restoration of soil and water at Vadodara Factory location.

(b) Decommissioning liability

Decommission liability is the estimated amount of dismantling and restoration cost that the company expects to incur in the future years on the dismantling of assets and restoring the site to a specified state upon the termination of lease.

(c) Replacement guarantee

The Company provides for the estimated liability on guarantees given on sale of its products based on past performance of such products. The provision represents the expected cost of replacement and free of charge services and it is expected that the expenditure will be incurred over the guarantee period which usually ranges from 6 months to 24 months.

(d) Legal and regulatory

The Company has made provision for taxes and duties relating to cases that are pending assessments before Adjudicating Authorities where probable outflow of resources may arise in future which would depend on the ultimate outcome on conclusion of the cases.

(e) Employee related payables

The Company has made provisions in respect of amounts payable to employees on account of accumulated leaves (leave encashment) and defined benefits payable in respect of gratuity.

(f) E-waste Provisions

The Company has made provision for E-waste liability in accordance with E-waste Management Rules, 2016 as notified by Government of India.

Notes to the Standalone financial statements for the year ended 31 March 2026

(₹ in million)

	For the year ended 31 March 26	For the year ended 31 March 205
26. Revenue from contract with customers		
Sale of products	27,543	26,144
Sale of services	5,252	4,895
Other operating revenues		
- Export & other incentives	33	71
- Scrap sales	60	26
	32,888	**31,136**

Disaggregate revenue information

The table below presents disaggregated revenues from contracts with customers by geography, offerings and contract-type for each of our business segments.

(₹ in million)

Revenue by Market	For the year ended 31 March 2026	For the year ended 31 March 2025
Within India	25,956	24,362
Outside India	6,932	6,774
Total	**32,888**	**31,136**
Timing of Revenue recognition		
Goods transferred at a point in time	27,603	26,170
Services transferred over time	5,285	4,966
Total	**32,888**	**31,136**

Contract balances

The following table provides information about contract assets and contracts liabilities from contracts with customers in the current year:

(₹ in million)

Contract balances	As at 31 March 2026	As at 31 March 2025
Contract assets		
- Trade receivables	3,343	2,681
Contract liabilities		
Deferred revenue - Current	567	508
Deferred revenue - Non Current	484	415
Advances from customers	114	104

Notes to the Standalone financial statements for the year ended 31 March 2026

26. Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted price

(₹ in million)

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Revenue as per contracted price	34,741	33,135
Adjustments		
Extended Warranties	(367)	(277)
Sales Return	(284)	(410)
Discount	(1,202)	(1,312)
Revenue from contract with customers	**32,888**	**31,136**

Performance obligations

Sale of products:

Performance obligation in respect of sale of goods is satisfied at the point in time when control of the goods is transferred to the customer, generally on delivery of the goods.

Installation service:

The performance obligation in respect to of installation services is satisfied upon completion of installation and acceptance of customer.

Warranty obligation:

For certain products, customer has the option to purchase an extension of warranty. Accordingly, a provision for deferral of revenue is made at the time of sale of goods and recognition of revenue. Revenue recognition in future period occurs on straight-line basis over extended warranty contract period. Therefore, accounted for as separate performance obligations to which the Company allocates a portion of the transaction price.

Schemes:

The Company operates several sales incentive programmes wherein the customers are eligible for several benefits on achievement of underlying conditions as prescribed in the scheme programme such as credit notes. Revenue from contract with customer is presented net of scheme.

Significant judgments:

Significant judgment in determining the timing of satisfaction of performance obligation

The Company exercises judgement in determining whether the performance obligation is satisfied at a point in time or over a period of time.

Critical judgment in determining the transaction price

Judgement is also required to determine the transaction price for the contract. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is reassessed at the end of each reporting period.

For this, Judgment is required in determining the probability and level of discounts that will be granted. The estimate is updated throughout the term of the contract.

Notes to the Standalone financial statements for the year ended 31 March 2026

(₹ in million)

		For the year ended 31 March 2026	For the year ended 31 March 2025
27.	**Other Income**		
	Net gain on investments measured at fair value through profit & loss	-	7
	Interest income		
	- Bank and other deposits	177	195
	- Financial assets at amortized cost	20	18
	Rental Income (refer note 19)	47	-
	Provision no longer required written back	29	-
	Gain on sale of property, plant and equipment (net)	1	44
	Gain on foreign exchange (net)	65	-
	Net gain on lease modification	4	11
	Miscellaneous income	6	16
		349	**291**
28.	**Cost of raw materials and components consumed**		
	Opening Stock	968	768
	Add: Purchases	1,658	3,543
	Less: Closing stock	357	968
		2,269	**3,343**
	Purchases of traded goods	**14,116**	**12,752**
29.	**(Increase)/Decrease in inventories of finished goods and traded goods**		
	Opening inventory		
	- Finished goods	165	110
	- Traded Goods	2,348	2,032
		2,513	**2,142**
	Closing inventory		
	- Finished goods	171	165
	- Traded Goods	2,182	2,348
		2,353	**2,513**
	(Increase)/Decrease in inventories of finished goods and traded goods	**160**	**(371)**

Notes to the Standalone financial statements for the year ended 31 March 2026

(₹ in million)

	For the year ended 31 March 2026	For the year ended 31 March 2025
30. Employee benefits expense		
Salaries, wages and bonus	5,882	5,699
Gratuity expense (refer note 37)	98	68
Contribution to provident and other funds (refer note 37)	244	236
Expense on share based incentives (refer note 39)	47	107
Staff welfare expenses	204	147
	6,475	**6,257**
31. Finance cost		
Interest expense on lease liabilities	109	115
Others	0	1
	109	**116**
'0' represents amount below ₹ 1,00,000.		
32. Depreciation and amortization expense		
Depreciation on property, plant and equipment (refer note 3)	239	355
Amortization of intangible assets (refer note 3)	80	79
Depreciation on right of use assets (refer note 4)	532	499
	851	**933**
33. Other expenses		
Consumption of stores and spares	18	21
Power and fuel	132	195
Packing, freight and transport	622	654
Rent	89	114
Repairs to		
- buildings	27	19
- plant and machinery	31	40
- others	3	3
Insurance	89	80
Rates and taxes	5	-
Travelling and conveyance	324	322
Legal and professional	129	111
Payment to Auditors (Refer note "a" below)	7	7
Advertisement and Publicity	498	384

Notes to the Standalone financial statements for the year ended 31 March 2026

(₹ in million)

	For the year ended 31 March 2026	For the year ended 31 March 2025
Information technology and communication	600	580
Replacement guarantee	239	200
E-waste	83	58
Technical royalty	1,237	1,153
Management support services	219	157
Corporate Social Responsibility (CSR) expense (Refer note "b" below)	81	79
Foreign exchange loss (net)	-	36
Provision for expected credit losses	13	36
Environmental expense	3	114
Miscellaneous expense	243	309
	4,692	**4,672**
a) Payment to Auditors		
- Audit Fees	6	5
- Tax Audit Fees	1	1
- Other Services	0	1
	7	**7**
(b) Details of CSR expenditure:		
(I) Gross amount required to be spent by the Company during the year	81	79
(II) Amount approved by the Board to be spent during the year	81	79
(III) Amount spent during the year (in cash)		
i) Construction/acquisition of any asset	-	-
ii) On purposes other than (i) above	81	79
Total amount spent	**81**	**79**
d) Amount yet to be paid in cash		
i) Construction/acquisition of any asset	-	-
ii) On purposes other than (i) above	-	-

Notes to the Standalone financial statements for the year ended 31 March 2026

(₹ in million)

	For the year ended 31 March 2026	For the year ended 31 March 2025
e) Details related to spent / unspent obligations:		
i) Contribution to Public Trust	-	-
ii) Contribution to Charitable Trust	81	79
iii) Unspent amount in relation to:	-	-
- Ongoing project	-	-
- Other than ongoing project		

Details of ongoing project and other than ongoing projects

In case of S. 135(6) (Ongoing Project)						
Opening Balance		Amount required to be spent during the period	Amount spent during the year		Closing Balance	
With Company	In Separate CSR Unspent A/c		From Company's bank A/c	From Separate CSR Unspent A/c	With Company	In Separate CSR Unspent A/c
-	-	-	-	-	-	-

In case of S. 135(5) (Other than ongoing project)				
Opening Balance	Amount deposited in Specified Fund of Sch. VII within 6 months	Amount required to be spent during the year	Amount spent during the year	Closing Balance
-	-	81	81	-

34. Related party transactions

(a) Names of companies where control exists:

- **(i) Ultimate holding company** : Signify N.V.
- **(ii) Holding Company** : Signify Holding B.V.(earlier known as Philips Lighting Holding B.V.)

(b) Other related parties with whom transactions have taken place during the period:

(i) Fellow Subsidiary Companies
: Signify North America Corporation (earlier known as Philips Lighting North America Corporation)
: Signify Netherlands B.V. (earlier known as Philips Lighting B.V.)
: Signify Luminaires (Chengdu) Co., Ltd.(earlier known as Philips Luminaires (Chengdu) Co., Ltd.)
: Signify Luminaires (Shanghai) Co., Ltd.(earlier known as Philips Lighting Luminaires (Shanghai) Co., Ltd.)
: Signify Hong Kong Limited (earlier known as Philips Lighting Hong Kong Ltd)

Notes to the Standalone financial statements for the year ended 31 March 2026

: Signify Belgium N.V.(earlier known as Philips Lighting Belgium NV)

: Signify Poland Sp. z.o.o.(earlier known as Philips Lighting Poland Sp. z o.o.)

: Signify Singapore Pte. Ltd.(earlier known as Philips Lighting Singapore Pte Ltd)

: Signify Bangladesh Limited(earlier known as Philips Lighting Bangladesh Ltd)

: Signify Lanka (Private) Limited(earlier known as Philips Lighting Lanka P Ltd)

: Signify Malaysia Sdn Bhd(earlier known as Philips Lighting Commercial Malaysia Sdn. Bhd)

: Signify Japan GK(earlier known as Philips Lighting Japan Gk)

: Signify Commercial (Thailand) Ltd.(earlier known as Philips Electronics (Thailand) Ltd)

: PT. PMA Signify Commercial Indonesia (earlier known as PT. Philips Indonesia)

: Signify New Zealand Limited(earlier known as Philips New Zealand Ltd)

: Signify Industry (China) Co., Ltd.(earlier known as Philips Lighting Industry (China) Co., Ltd.)

: Signify Manufacturing Spain, S.L.U(earlier known as Philips Indal S.L.)

: Signify Australia Limited(earlier known as Philips Lighting Australia Limited)

: Signify Taiwan Limited(earlier known as Philips Lighting Taiwan Limited)

: Signify Vietnam Limited(earlier known as Philips Electronics Vietnam Limited)

: Cooper Lighting LLC

: Cooper Lighting Canada Limited

: Cooper Lighting Solutions UK Limited

: Vari-Lite LLC

: Genlyte Thomas Group LLC

: Signify Canada Ltd.

: Signify Iluminação Brasil Ltda.

: Signify Saudi Arabia LLC

: Signify ILC

: Signify Netherlands

: Signify Electronics (Xiamen) Co., Ltd.

: Cooper Lighting Netherlands B.V.

: Signify Hungary Kft.

Notes to the Standalone financial statements for the year ended 31 March 2026

	: Signify Maroc SARL
	: ILC Intelligent Lighting Controls Inc.
	: Signify Aydinlatma Ticaret A.S.
	: Signify Philippines, Inc.(earlier known as Philips Electronics & Lighting, Inc)
	: WMGD Pty Limited
	: Zhejiang Klite Lighting Holdings Co., Ltd.
(ii) Joint Venture	: Lightanium Technologies Private Limited (w.e.f 1st August, 2025)
	:
(iii) Others*	: Dixon Technologies (India) Limited (w.e.f 1st August, 2025)

* Includes a joint venturer possessing an interest in the joint venture.

(iv) Key Management Personnel

(1) Executive directors:

(i) Mr. Sumit Padmakar Joshi (Managing Director & Vice Chairman)

(ii) Mr. Dibyendu Raychaudhury (Whole-time Director & Chief Financial Officer)

(iii) Mr. Vikas Malhotra (Whole-time Director)

(iv) Mr. Nitin Mittal (Company Secretary)

(iii) Non- executive directors:

(i) Ms. Sangeeta Tanwani (Independent Director)

(ii) Mr. Vinayak Kashinath Deshpande (Chairman and Independent Director)

(iii) Mr. Dilip Jose Puthiyidathu (Independent Director)

Terms and conditions of transactions with related parties

i) Sales to related parties and concerned balances

For terms of transaction

Sales are made to related parties on the same terms as applicable to third parties in an arm's length transaction and in the ordinary course of business. The Company mutually negotiates and agrees sales price, discount and payment terms with the related parties by benchmarking such sales with those earned by broadly comparable companies engaged in similar manufacturing activities. Such sales generally include payment terms requiring related party to make payment within 7 to 120 days from the date of invoice (31 March 2025: within 7 to 120 days from the date of invoice)

For terms of balance

Trade receivables outstanding balances are unsecured, interest free and require settlement in cash. No guarantee or other security has been received against these receivables. The amounts are recoverable within 7 to 120 days from the reporting date (31 March 2025: 7 to 120 days from the reporting date). For the year ended 31 March 2026, the Company has not recorded any impairment on receivables due from related parties (31 March 2025: Nil).

Notes to the Standalone financial statements for the year ended 31 March 2026

ii) Purchases of goods and related balances

For terms of transaction

Purchases are made from related parties on the same terms as applicable to third parties in an arm's length transaction and in the ordinary course of business. The Company mutually negotiates and agrees purchase price and payment terms with the related parties by benchmarking the same to sale transactions with non-related parties entered into by the counter-party and similar purchase transactions entered into by the Company with the other non-related parties. Such purchases generally include payment terms requiring the Company to make payment within 0 to 120 days from the date of invoice (31 March 2025: within 0 to 120 days from the date of invoice).

For terms of balance

Trade payables outstanding balances are unsecured, interest free and require settlement in cash. No guarantee or other security has been given against these payables. The amounts are payable within 0 to 120 days from the reporting date (31 March 2025: 0 to 120 days from the reporting date).

iii) Investment made in Lightanium Technologies Private Limited (LTPL) – Joint venture Company

The Company has invested in equity shares of LTPL as a result of joint venture. The investment has been utilized by the joint venture for the purpose it was obtained. LTPL 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. LTPL declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of LTPL, the holders of equity shares will be entitled to receive its remaining assets, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders. Refer note 5 regarding details of Equity Shares of the LTPL held by the Company.

iv) Leasing arrangement

The Company has given a part of its factory premises situated at Vadodara to LTPL, an entity over which the promoters of the Company have joint control, for a period of 5 to 10 years. The lease entitles the Company to receive fixed lease rental on a monthly basis. At the end of initial lease term, the lease agreement is renewable based on mutual negotiation and agreement. During the financial year 2025-26, the Company received approximately ₹ 47 million in rental payments from LTPL (year ended 31 March 2025: NiL). For the year ended 31 March 2026, the Company has not recorded any impairment on lease payments due from the related party (31 March 2025: Nil). Refer note 19 regarding the detailed disclosures for lease.

v) Compensation of key management personnel of the Company

The amounts disclosed in the table are the amounts recognised as an expense during the financial year related to KMP. The amounts do not include expense, if any, recognised toward post-employment benefits and other long-term benefits of key managerial personnel. Such expenses are measured based on an actuarial valuation done for each Company in the Group as a whole. Hence, amounts attributable to KMPs are not separately determinable. Generally, the non-executive directors do not receive gratuity entitlements from the Company.

Notes to the Standalone financial statements for the year ended 31 March 2026

(c) Nature of transactions happened during the year

(₹ in million)

Description	Year ended 31 March 2026					Year ended 31 March 2025				
	Holding Company	Fellow Subsidiary Companies	Joint Venture/ Others	Key Managerial Personnel	Total	Holding Company	Fellow Subsidiary Companies	Joint Venture/ Others	Key Managerial Personnel	Total
Purchase of Raw Material and Stock-in -trade	-	1,324	3,190	-	**4,514**	-	1,647	-	-	**1,647**
Purchase of property, plant and equipment	-	-	-	-	**-**	-	0	-	-	**0**
Technical Royalty paid	-	1,237	-	-	**1,237**	-	1,153	-	-	**1,153**
Management support services charge	219	-	-	-	**219**	157	-	-	-	**157**
Purchase of IT & other services	-	435	-	-	**435**	-	361	-	-	**361**
Reimbursements paid	-	5	-	-	**5**	-	8	-	-	**8**
Expense on share based incentives #	47	-	-	-	**47**	107	-	-	-	**107**
Sale of property, plant and equipment	-	-	-	-	**-**	-	11	-	-	**11**
Sale of products	-	1,680	85	-	**1,765**	-	1,872	-	-	**1,872**
Sale of Services	1,009	4,243	-	-	**5,252**	1,007	3,888	-	-	**4,895**
Purchase / Subscription of Investments***	-	-	1,428	-	**1,428**	-	-	-	-	**-**
Sale proceeds on account of slump sale##	-	-	1,500	-	**1,500**					
Rental Income	-	-	47	-	**47**	-	-	-	-	**-**
Reimbursement received	-	5	167	-	**172**	-	12	-	-	**12**
Managerial Remuneration										
Mr. Sumit Padmakar Joshi	-	-	-	51	**51**	-	-		41	**41**
Mr. Dibyendu Raychaudhury	-	-	-	18	**18**	-	-		15	**15**
Mr. Nitin Mittal	-	-	-	9	**9**	-	-		9	**9**
Mr. Vikas Malhotra	-	-	-	15	**15**	-	-		14	**14**
Commission to Non-executive directors										
Mr. Vinayak Kashinath Deshpande	-	-	-	2	**2**	-	-		2	**2**
Ms. Sangeeta Tanwani	-	-	-	2	**2**	-	-		2	**2**
Mr. Dilip Jose Puthiyidathu	-	-	-	2	**2**	-	-		2	**2**
Sitting fees to Non-executive directors										
Mr. Vinayak Kashinath Deshpande	-	-	-	1	**1**	-	-		1	**1**
Ms. Sangeeta Tanwani	-	-	-	1	**1**	-	-		1	**1**
Mr. Dilip Jose Puthiyidathu	-	-	-	0	**0**	-	-		0	**0**

Notes to the Standalone financial statements for the year ended 31 March 2026

(₹ in million)

	Year ended 31 March 2026					Year ended 31 March 2025				
Description	Holding Company	Fellow Subsidiary Companies	Joint Venture/ Others	Key Managerial Personnel	Total	Holding Company	Fellow Subsidiary Companies	Joint Venture/ Others	Key Managerial Personnel	Total
Outstandings										
Payable**	-	960	1,549	-	**2,509**	40	1,035	-	-	**1,075**
Receivable	-	807	141	-	**948**	-	991	-	-	**991**
Key managerial personnel compensation *										
(a) short-term employee benefits	-	-	-	93	**93**	-	-	-	79	**79**
Other short term benefits										
- Commission to Non executive directors	-	-	-	5	**5**	-	-	-	5	**5**
- Sitting fees to Non executive directors	-	-	-	2	**2**	-	-	-	2	**2**

#This transaction is with Ultimate Holding Company.

*Note: As the liabilities for defined benefit plans and compensated absences are provided on actuarial basis for the Company as a whole, the amounts pertaining to Key Management Personnel are not included.

** Amount payable to holding company includes payable to Ultimate Holding Company of ₹ 83 million (31 March 2025: Nil).

The above mentioned transactions were made on normal commercial terms and conditions and at market rates.

***Above amount excludes acquisition cost of ₹ 28 million (Refer Note 5).

##This includes adjustment of net working capital of ₹ 96 million.

'0' represents amount below ₹ 5,00,000.

(d) Nature of transactions during the year (More than 10%)

Relationship / Name of the related party	Description of the nature of transaction	Value of the transactions*	
		Year ended 31 March 2026 (₹ in million)	Year ended 31 March 2025 (₹ in million)
(i) Ultimate holding company			
Signify N.V.	Expense on share based incentives	47	107
(ii) Holding Company			
Signify Holding B.V.(earlier known as Philips Lighting Holding B.V.)	Management support services charge	219	157
Signify Holding B.V.(earlier known as Philips Lighting Holding B.V.)	Sale of Services	1,009	1,007

Notes to the Standalone financial statements for the year ended 31 March 2026

Relationship / Name of the related party	Description of the nature of transaction	Value of the transactions*	
		Year ended 31 March 2026 (₹ in million)	Year ended 31 March 2025 (₹ in million)
(iii) Fellow Subsidiary Companies			
Signify Netherlands B.V. (earlier known as Philips Lighting B.V.)	Purchase of Raw Material and Stock-in -trade	1,119	1,382
Signify Netherlands B.V. (earlier known as Philips Lighting B.V.)	Purchase of IT Services	435	361
Signify Netherlands B.V. (earlier known as Philips Lighting B.V.)	Technical Royalty paid	1,237	1,153
Signify Netherlands B.V. earlier known as Philips Lighting B.V.)	Reimbursements paid	5	8
Signify Netherlands B.V. (earlier known as Philips Lighting B.V.)	Sale of products	1,590	1,745
Signify Netherlands B.V. (earlier known as Philips Lighting B.V.)	Sale of Services	3,420	3,094
Cooper Lighting LLC	Sale of Services	711	724
Signify Poland Sp. z.o.o.	Sale of fixed assets	-	11
Signify Poland Sp. z.o.o.	Purchase of property, plant and equipment	-	0
Cooper Lighting LLC	Reimbursement received	-	11
(iii) Joint Venture			
Lightanium Technologies Private Limited	Purchase of Raw Material and Stock-in -trade	3,021	-
Lightanium Technologies Private Limited	Reimbursement received	167	-
(iv) Parties in which the Key Managerial Personnel of the Company are interested:			
Manipal Health Enterprises Pvt. Ltd	Sale of products	7	7

* Transactions with parties which comprises more than 10% of aggregate value of related party transactions

Outstanding balances at year/period end**	Payable / Receivable	Year ended 31 March 2026 (₹ in million)	Year ended 31 March 2025 (₹ in million)
(i) Fellow Subsidiary Companies			
Signify Netherlands B.V.(earlier known as Philips Lighting B.V.)	Payable	787	870
Signify Netherlands B.V.(earlier known as Philips Lighting B.V.)	Receivable	758	873
(i) Joint Venture			
Lightanium Technologies Private Limited	Payable	1,503	-
Lightanium Technologies Private Limited	Receivable	141	-
(iii) Parties in which the Key Managerial Personnel of the Company are interested:			
Manipal Health Enterprises Pvt. Ltd	Receivable	5	9

** Balances with parties which comprises more than 10% of aggregate value of related party balances

Notes to the Standalone financial statements for the year ended 31 March 2026

35. Segment information

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

In accordance with Ind AS 108– Operating Segment, the operating segments used to present segment information are identified on the basis of information reviewed by the Company's management to allocate resources to the segments and assess their performance. An operating segment is a component of the Company that engages in business activities from which it earns revenues and incurs expenses, including revenues and expenses that relate to transactions with any of the Company's other components.

Results of the operating segments are reviewed regularly by the Company's Chief Executive Officer (CEO) who has been identified as the Chief Operating Decision Maker ('CODM'), to make decisions about resources to be allocated to the segment and assess its performance and for which discrete financial information is available.

The Company is primarily engaged in manufacturing, trading and distribution of all kinds of lighting and allied products and lighting system solution. Given that the economic environment in which the Company operates is significantly similar and not subject to materially different risks and rewards and all of the activities whether on a stand alone basis or in aggregate do not exceed the quantitative threshold mentioned in Ind AS 108 (Operating Segments), the Company has identified and operates as a single reportable operating segment.

Entity wide disclosures

(₹ in million)

Segment Revenue	Year ended 31 March 2026	Period ended 31 March 2025
Within India	25,956	24,362
Outside India	6,932	6,774

(₹ in million)

Segment Assets	Year ended 31 March 2026	Period ended 31 March 2025
Within India	16,163	14,215
Outside India	1,315	991

Information about major customers (from external customers)

During the current year and previous year, no customer constituted more than 10% of the entity's revenue.

36. Information of investments made in joint venture

These financial statements are separate financial statements.

Following is the key information of investee entities.

Name of investee	Relationship with the Company	Principal place of business	31 March 2026	31 March 2025
Lightanium Technologies Private Limited	Joint venture	India	50%	-

The Company has accounted for investments in the above entities at cost less impairment loss, if any.

Notes to the Standalone financial statements for the year ended 31 March 2026

37. Employee benefits

The Company contributes to the following post-employment defined benefit plans in India.

(i) Defined Contribution Plans:

The Company makes contributions towards provident fund to a defined contribution retirement benefit plan for qualifying employees. Under the plan, the Company is required to contribute a specified percentage of payroll cost to the retirement benefit plan to fund the benefits.

The Company's contributions towards contribution to Provident fund and other funds is charged to the statement of Profit & Loss comprises:

(₹ in million)

	For the year ended 31 March 2026	For the year ended 31 March 2025
Contribution to Statutory Provident Fund	234	226
Contribution to Other Funds	10	10
	244	**236**

(ii) Defined Benefit Plan:

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The gratuity plan of the company is funded for which the Company makes contributions to Group Gratuity cum Life Assurance Schemes administered by the LIC of India.

Location	Funding Status
Vadodara Light Factory	Funded
Corporate Employees	Funded
Signify Innovation Campus	Funded
Cooper Lighting Solutions	Funded

The most recent actuarial valuation of plan assets and the present value of the defined benefit obligation for gratuity were carried out as at 31 March 2026. The present value of the defined benefit obligations and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

A. Based on the actuarial valuation obtained in this respect, the following table sets out the status of the gratuity plan and the amounts recognized in the Company's financial statements as at balance sheet date:

(₹ in million)

	31 March 2026	31 March 2025
Present value of defined benefit obligation	735	567
Fair value of plan assets	506	479
Plan assets / (liability)	**(229)**	**(88)**

Notes to the Standalone financial statements for the year ended 31 March 2026

B. Amount recognised in the statement of profit and loss

(₹ in million)

	31 March 2026	31 March 2025
Current Service cost	93	64
Past Service cost*	188	-
Interest cost (income)	5	4
Defined Benefit Cost recognised in statement of Profit or Loss	**286**	**68**

*'Past service cost has been shown as exceptional item

C. Remeasurements- other comprehensive income (OCI)

(₹ in million)

	31 March 2026	31 March 2025
Return on plan assets (excluding amount included in net interest expense)	(2)	(2)
Actuarial (gains)/ losses arising from changes in demographic assumption	(15)	-
Actuarial (gains)/ losses arising from changes in financial assumptions	(72)	15
Actuarial (gains)/ losses arising from experience adjustments	31	4
Remeasurements of the net defined benefit liability (asset)	**(58)**	**17**

D. Movement in net defined benefit (asset) liability

The following table shows a reconciliation from the opening balances to the closing balances for net defined benefit (asset) liability and its components:

(₹ in million)

Particulars	Gratuity					
	31 March 2026			31 March 2025		
	Defined benefit obligation	Fair value of plan assets	Net defined benefit (asset)/ liability	Defined benefit obligation	Fair value of plan assets	Net defined benefit (asset)/ liability
Balance as at 1 April	567	479	88	502	412	90
Acquisition / Divestiture	(26)	-	(26)	-	-	-
Included in profit or loss						-
Current service cost	93	-	93	64	-	64
Past service credit	188	-	188	-	-	-
Interest cost (income)	36	31	5	32	28	4
	317	**31**	**286**	**96**	**28**	**68**
Included in OCI						
Remeasurements loss (gain)	-	-	-	-	-	-
– **Actuarial loss (gain) arising from:**						
- demographic assumptions	(15)	-	(15)	-	-	-
- financial assumptions	(72)	-	(72)	15	2	13
- experience adjustment	31	2	29	4	-	4
	(56)	**2**	**(58)**	**19**	**2**	**17**

Notes to the Standalone financial statements for the year ended 31 March 2026

(₹ in million)

Particulars	Gratuity					
	31 March 2026			31 March 2025		
	Defined benefit obligation	Fair value of plan assets	Net defined benefit (asset)/ liability	Defined benefit obligation	Fair value of plan assets	Net defined benefit (asset)/ liability
Other						
Contributions paid by the employer	-	61	(61)	-	87	(87)
Benefits paid	(67)	(67)	-	(50)	(50)	-
	(67)	(6)	(61)	(50)	37	(87)
Balance as at 31 March	**735**	**506**	**229**	**567**	**479**	**88**

E. Plan assets

	31 March 2026	31 March 2025
Funds Managed by Insurer (investment with insurer)	506	479

F. Actuarial assumptions

The following were the principal actuarial assumptions at the reporting date (expressed as weighted averages).

	31 March 2026	31 March 2025
Discount rate	6.86%	6.55%
Expected rate of future salary increase	7.00%	8.50%
Mortality	IALM (2012-14) Ultimate	IALM (2012-14) Ultimate
Withdrawal rate	Mgmt,PIC,VLF: CG,Cooper-20%, VLF : Non- CG-20%	Mgmt,PIC,VLF: CG,Cooper-17%, VLF : Non- CG-2%
Retirement age	EATON (Cooper business), Mgmt, PIC, VLF: CG - 60 years, VLF: Non-CG - 58 years	EATON (Cooper business), Mgmt, PIC, VLF: CG - 60 years, VLF: Non-CG - 58 years

Assumptions regarding future mortality have been based on published statistics and mortality tables.

G. Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

(₹ in million)

	31 March 2026		31 March 2025	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	707	765	533	604
Expected rate of future salary increase (1% movement)	763	708	601	535

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

Notes to the Standalone financial statements for the year ended 31 March 2026

H. The following payments are expected contributions to the defined benefit plan in future years:

(₹ in million)

	31 March 2026	31 March 2025
Within the next 12 months (next annual reporting period)	136	73
Between 2 and 5 years	359	268
Beyond 5 years	240	229
	735	**570**

38. Financial instruments – Fair values and risk management

I. Fair value measurements

A. The carrying amounts and fair values of financial instruments by class are as follows:

(₹ in million)

	As at 31 March 2026		As at 31 March 2025	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial assets at fair value through profit and loss				
Non-current Investments	10	10	10	10
Financial assets at amortised cost				
Other non-current financial assets	120	120	142	142
Trade receivables	3,343	3,343	2,681	2,681
Cash and Cash equivalents	4,756	4,756	3,623	3,623
Other bank balance	226	226	298	298
Other current financial assets	695	695	674	674
	9,150	**9,150**	**7,428**	**7,428**
Financial liabilities				
Lease Liabilities (current and non-current)	1,396	1,396	1,244	1,244
Trade Payables	7,586	7,586	6,456	6,456
Other current financial liabilities	549	549	519	519
	9,531	**9,531**	**8,219**	**8,219**

The carrying amounts of trade receivables, cash and cash equivalents, other current financial assets, trade payables, other current financial liabilities and other non-current financial liabilities are considered to be the same as their fair values

B. Fair value hierarchy

The fair value of financial instruments as referred to in note (A) above have been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and lowest priority to unobservable inputs (Level 3 measurements).

The categories used are as follows:

Level 1: Quoted prices for identical instruments in an active market;

Level 2: Directly or indirectly observable market inputs, other than Level 1 inputs; and

Level 3: Inputs which are not based on observable market data.

Notes to the Standalone financial statements for the year ended 31 March 2026

(i) For assets and liabilities which are measured at fair value as at Balance Sheet date, the classification of fair value calculations by category is summarised below:

(₹ in million)

	As at 31 March 2026			
	Level 1	Level 2	Level 3	Total
Assets at fair value				
Investments measured at fair value	10	-	1,456	1,466
	As at 31 March 2025			
Assets at fair value				
Investments measured at fair value	10	-	-	10

There are no transfers between level 1 and level 2 during the year ended 31 March 2026 and 31 March 2025.

(ii) Financial Instrument measured at amortised Cost

The carrying amount of financial assets and financial liabilities measured at amortised cost in the Financial Statements are a reasonable approximation of their fair values since the Company does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.

II. Financial risk management

The Company has exposure to the following risks arising from financial instruments:

- credit risk;
- liquidity risk; and
- market risk

i. Risk management framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The board of directors has established the Risk framework for developing and monitoring the Company's risk management policies.

The Company's risk management framework is established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management framework is reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Company's Audit Committee oversees how management monitors compliance with the Company's risk and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The Audit Committee is assisted in its oversight role by Internal Audit. Internal Audit undertakes periodic reviews of company processes and risks, the results of which are reported to the Audit Committee.

ii. Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and investments in debt securities.

The carrying amount of financial assets represents the maximum credit exposure.

Notes to the Standalone financial statements for the year ended 31 March 2026

Trade and other receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk of the industry and country in which customers operate.

An impairment analysis is performed on an individual basis for major customers. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets. The Company evaluates the concentration of risk with respect to trade receivables as low, the trade receivables are located in several jurisdictions and operate in largely independent markets.

The Company establishes an allowance for impairment that represents its estimate of incurred losses in respect of trade and other receivables. Basis the evaluation, the management has determined that there are credit impairment loss on the trade and other receivables.

(₹ in million)

Ageing	Unbilled/ Not due	0-30 days	30-60 days	60-90 days	90-120 days	120-180 days	More than 180 days	Total
As at 31 March 2026								
Gross carrying amount (A)	2,534	559	56	36	27	115	213	3,540
Expected credit losses (B)		2	4	7	7	5	172	197
Net Carrying amount (A-B)	**2,534**	**557**	**52**	**29**	**20**	**110**	**41**	**3,343**
As at 31 March 2025								
Gross carrying amount (A)	1,980	401	203	114	6	14	153	2,871
Expected credit losses (B)	0	11	17	4	2	6	150	190
Net Carrying amount (A-B)	**1,980**	**390**	**186**	**110**	**4**	**8**	**3**	**2,681**

Movement in expected credit loss allowance of financial assets:

(₹ in million)

	As at 31 March 2026	As at 31 March 2025
Balance at the beginning of the year	190	162
Provision/(Reversal) for impairment allowance including expected credit losses	13	36
Provision utilized	(6)	(8)
Balance at the end of the year	**197**	**190**

iii. Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. Due to the dynamic nature of the underlying businesses, Company treasury maintains flexibility in funding by maintaining availability under committed credit lines.

Notes to the Standalone financial statements for the year ended 31 March 2026

Management monitors rolling forecasts of the Company's liquidity position (comprising the undrawn borrowing facilities below) and cash and cash equivalents on the basis of expected cash flows. This is generally carried out at local level in the operating companies of the Company in accordance with practice and limits set by the Company. In addition, the Company's liquidity management policy involves projecting cash flows in major currencies and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

(a) Financing arrangements

The Company had access to the following borrowing facilities at the end of the reporting period:

(₹ in million)

	As at 31 March 2026	As at 31 March 2025
Floating rate		
Expiring within one year (bank overdraft and other facilities)		
Drawn	5,677	4,567
Undrawn	4,874	5,984
Total facilities	**10,551**	**10,551**

(b) Maturities of financial liabilities

The following are the remaining contractual maturities of financial liabilities as at the reporting date based on contractually agreed undiscounted cash flows along with its carrying value as at the Balance Sheet date.

(₹ in million)

	Carrying Amounts 31 March 2026	Contractual cash flows			
		0–6 months	6–12 months	1–5 years	More than 5 years
Non-derivative financial liabilities					
Lease Liabilities	1,396	301	267	718	445
Trade payables	7,586	7,586	-	-	-
Other current financial liabilities	549	549	-	-	-
Total non-derivative liabilities	**9,531**	**8,436**	**267**	**718**	**445**

(₹ in million)

	Carrying Amounts 31 March 2025	Contractual cash flows			
		0–6 months	6–12 months	1–5 years	More than 5 years
Non-derivative financial liabilities					
Lease Liabilities	1,244	306	296	756	7
Trade payables	6,456	6,456	-	-	-
Other current financial liabilities	519	519	-	-	-
Total non-derivative liabilities	**8,219**	**7,281**	**296**	**756**	**7**

Notes to the Standalone financial statements for the year ended 31 March 2026

Market risk

Market risk is the risk that changes in market prices such as foreign exchange rates and interest rates will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

The Company uses derivatives (forward contracts) to manage market risks. All such transactions are carried out within the guidelines set by the Risk Management Committee.

Currency risk

The Company is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the USD, and EUR. Foreign exchange risk arises from future commercial transactions and recognized assets and liabilities denominated in a currency that is not the company's functional currency (INR). The risk is measured through a forecast of highly probable foreign currency cash flows.

In respect of other monetary assets and liabilities denominated in foreign currencies, the Company's policy is to ensure that its net exposure is kept to an acceptable level by buying or selling foreign currencies at spot rates when necessary to address short-term imbalances.

Exposure to currency risk

The summary quantitative data about the Company's exposure to currency risk as reported to the management of the Company is as follows:

(₹ in million)

	As at 31 March 2026			As at 31 March 2025		
	USD	EUR	Others	USD	EUR	Others
Non derivative						
Trade / Unbilled receivables	891	460	-	246	1,305	-
Trade payables	554	88	80	680	44	10
Derivative forward contract						
Trade / Unbilled receivables	80	359	-	60	1,124	-
Trade payables	27	-	-	444	-	-
Net statement of financial position exposure	**284**	**13**	**(80)**	**(50)**	**137**	**(10)**

The following significant exchange rates have been applied

	Year end spot rates	
	31 March 2026	31 March 2025
USD 1	94.58	85.46
EUR 1	108.94	92.20

Sensitivity analysis

A reasonably possible strengthening (weakening) of the INR against all other currencies at 31 March would have affected the measurement of financial instruments denominated in a foreign currency and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant.

Notes to the Standalone financial statements for the year ended 31 March 2026

(₹ in million)

	Profit or loss	
	Strengthening	Weakening
31 March 2026		
USD (10% movement)	34	(34)
EUR (10% movement)	37	(37)
Others	(8)	8
31 March 2025		
USD (10% movement)	(43)	43
EUR (10% movement)	126	(126)
Others	(1)	1

Sensitivity analysis for fair value risk of forward contracts

(₹ in million)

	Profit or loss	
	Strengthening	Weakening
31 March 2026		
Derivative forward contract (10% movement in USD)	5	(5)
Derivative forward contract (10% movement in EUR)	36	(36)
31 March 2024		
Derivative forward contract (10% movement in USD)	(38)	38
Derivative forward contract (10% movement in EUR)	112	(112)

Capital management

Equity share capital, other equity and borrowings are considered for the purpose of Company's capital management.

The Company manages its capital so as to safeguard its ability to continue as a going concern and to optimise returns to its shareholders. The capital structure of the Company is based on management's judgement of the appropriate balance of key elements in order to meet its strategic and day-to-day needs. The management considers the amount of capital in proportion to risk and manage the capital structure in light of changes in economic conditions and the risk characteristics of the underlying assets.

The management and Board of Directors monitors the return on capital as well as the level of dividends to shareholders. The Company will take appropriate steps in order to maintain, or if necessary adjust, its capital structure. Refer Note 42 for information on ratios.

39. Employees' Share-based Payments:

Signify Long-term Incentive Plan

During the year 2017-18 Signify introduced the Long-term Incentive Plan (LTI Plan). Under the Signify LTI Plan, which is equity settled, eligible employees are granted both conditional shares and performance shares of the Group company (Signify N.V.). Conditional shares have a three-year cliff vesting period and will vest if a grantee is still employed with Signify at the vesting date.

Vesting of performance shares is conditional on the achievement of performance conditions measured over a period of three years. The performance condition measurement is based on four measures, Relative Total Shareholder Return (TSR) (25% of the shares), Free Cash Flow (FCF) (25% of the shares) , return on capital employed (25% of the

Notes to the Standalone financial statements for the year ended 31 March 2026

shares) Sustainability (25% of the shares). In addition, vesting is conditional to the grantee still being employed with Signify at the vesting date.

For the Board of Management and certain members of senior management, the LTI Plan consists of performance shares only. Shares are conditionally granted annually.

In addition to shares awarded under the Signify LTI Plan, Signify may in individual cases, such as in the hiring process of members of senior-management, also grant restricted shares. Restricted shares have either three-year cliff vesting period or vest gradually over the vesting period of one, two or three years.

Under the terms of the employee stock purchase plan (ESPP) established by Signify in the FY 2017-18 , employees are eligible to purchase a limited number of Signify shares at discounted prices through payroll withholdings.

Signify performance shares

TSR performance measurement is a market performance condition.

The fair value of shares granted under TSR is measured based on Monte Carlo simulation. The closing share price at grant date is adjusted for the present value of expected dividends during the vesting period, as participants are not compensated for Signify dividend payouts. Monte Carlo simulation takes into account market conditions expected to impact relative Total Shareholders' Return performance in relation to selected peers.

Assumptions used in Monte Carlo Simulation for valuation in %

	FY 2025-26
Risk-free interest rate	1.8%
Expected share price volatility	32.0%

The assumptions were used for these calculations only and do not necessarily represent an indication of Signify management's expectation of future developments for other purposes. Historic volatility was measured over the same timeframe as the simulation period (weighted average 2.6 years).

The amount calculated as an expense for TSR shares is not adjusted for actual performance.

FCF and Sustainability measurements are non-market performance conditions. Fair value of shares granted under FCF and Sustainability conditions equals the closing share price on the grant date, again adjusted for the present value of expected dividends during the vesting period.

The amount calculated as an expense for FCF and Sustainability shares is adjusted for actual performance.

A summary of Signify performance shares movements as of 31 March, 2026, is presented below:

Particulars	Performance Shares	Weighted average grant-date fair value
Balance as of 1 April 2025	**65,701**	**24.41**
Granted	26,700	15.96
Vested	(15,623)	31.53
Forfeited	(24,896)	21.16
Transfer in / (out)	-	21.03
Performance adjustment	5,016	18.77
Balance as of 31 March 2026	**56,898**	**19.42**

Signify conditional shares

Fair value of conditional shares is determined by subtracting the present value of expected dividends from the closing share price on the grant date as participants are not compensated for Signify dividend payouts.

Notes to the Standalone financial statements for the year ended 31 March 2026

A summary of Signify conditional shares movements as of 31 March, 2026, is presented below:

Particulars	Conditional Shares	Weighted average grant-date fair value
Balance as of 1 April 2025	**40,622**	**24.38**
Granted	25,242	15.11
Vested	(9,575)	31.39
Forfeited	(11,732)	19.98
Transfer in / (out)	-	21.70
Balance as of 31 March 2026	**44,557**	**18.78**

Signify restricted shares

The fair value of restricted shares is equal to the share price on the grant date, as participants are compensated for Signify dividend payouts during the vesting period.

A summary of Signify Restricted shares movements as of 31 March, 2026, is presented below:

Particulars	Restricted shares	Weighted average grant-date fair value
Balance as of 1 April 2025	**8,028**	**21.07**
Granted	10,930	15.08
Vested	-	-
Forfeited	(232)	19.87
Transfer in / (out)	(317)	17.62
Balance as of 31 March 2026	**18,409**	**17.58**

Expense recognized on account of "Employee Share-Based Payment" for the period ended 31 March 2026 is ₹ 47 million (31 March 2025 ₹ 107 million) and corresponding liability is ₹ 119 million (Previous year ₹ 120 million).

40. Contingent liabilities, claims, guarantees and commitments (to the extent not provided for)

(a) Contingent liabilities

(₹ in million)

	Particulars	As at 31 March 2026	As at 31 March 2025
(i)	**Income Tax Act 1961**		
	- Income Tax cases contested by Philips India Limited (refer note a)	-	273
	- Income Tax cases contested by Signify Innovations India Limited (refer note a)	117	76
(i)	**Indirect Taxes**		
	- Excise and sales tax related matters contested by Philips India Limited (refer note b)	515	564
	- Excise, Sales tax and Goods & Service tax related matters contested by Signify Innovations India Limited (refer note c)	487	204
	- Custom matters contested by Signify Innovations India Limited (refer note d)	7	-
(ii)	**Other cases**		
	- Labour law related matters	7	7

Note (a) The Contingent Liability on account of Income Tax cases relating to erstwhile Lighting Business of Philips India Limited (PIL) is estimated at ₹ Nil (Previous year – ₹ 273 million) based on department appeal dismissed by High Court.

As per the MOU (Memorandum of Understanding) dated 31 March 2016 signed between Philips India Limited and Signify Innovations India Limited (formally known as Philips Lighting India Limited) at the time of demerger

Notes to the Standalone financial statements for the year ended 31 March 2026

of lighting business, the Income Tax cases upto the effective date of demerger shall be contested by Philips India Limited and the amount of liability, if any, upon conclusion of case relating to lighting business shall be payable by Signify Innovations India Limited (formally known as Philips Lighting India Limited) to Philips India Limited on the basis of respective segment turnover (agreed as part of MOU) of relevant years.

The contingent liability relating to income tax matters of the Company is estimated at ₹ 117 million (previous year: ₹ 76 million). The Company has received assessment demand orders for Assessment Years 2021-22 and 2022-23 aggregating to ₹ 117 million, primarily on account of disallowances of various expenses, including transfer pricing adjustments. The Company has filed appeals against these orders before the Income Tax Appellate Tribunal (ITAT). Further, for Assessment Year 2023-24, the Company has received an order under Section 92CA(3) of the Income-tax Act, 1961, resulting in a transfer pricing adjustment. However since the corresponding final assessment order has not yet been received, it has not been disclosed as contingent liability.

Based on the facts of the cases, applicable tax laws and external legal advice obtained, management believes that it has strong grounds to contest the aforesaid matters and is confident of a favourable outcome. Accordingly, pending the final resolution of these proceedings, no provision has been recognized in the financial statements. Management does not expect the ultimate outcome of these matters to have a material adverse impact on the Company's financial position, results of operations, or cash flows.

Note (b) As per Memorandum of Understanding (MOU) signed at the time of Demerger under Sections 391 to 394 of the Companies Act, 1956 and 2013 amongst Philips India Limited ("Demerged Company" or "Philips India") and the Company wherein it was agreed that all current or potential litigations in relation to Sales Tax/ VAT and Service Tax matters pertaining to earlier years shall be contested by Philips India and based upon the outcome of such matters, the Company will be liable to pay Philips India all such liabilities once decided against the Company post conclusion of appellate proceedings, if any.

At the year end, Philips India Limited has intimated the Company about potential liabilities amounting to ₹ 515 million (previous year ₹ 564 million) in respect of such litigations majorly pertaining to Sales Tax, VAT and other matters which has been allocated to the Company upto the effective date of de-merger.

Based on the confirmation of Philips India Limited and advise of indirect tax experts, the Company is confident that the economic outflow of resources on account of outcome of these cases is 'possible' only and accordingly, no provision is considered in the financial statements.

Note (c) Excise Duty, Sales Tax and Goods and Services Tax (GST) matters primarily relate to demands raised by the Indian tax authorities for payment of additional taxes in connection with various tax matters, including alleged excess availment of input tax credit under GST. The Company is contesting these demands and, based on its assessment of the facts and circumstances of the cases, supported by the views of its tax advisors, management believes that its position is likely to be sustained through the appellate process. Accordingly, no provision has been recognized in the Ind AS financial statements in respect of these matters, except for certain demands relating to pending submission of C&F Forms, for which a provision has been recorded as management considers an outflow of resources to be probable in the near term.

The management believes that ultimate outcome of these proceedings will not have a material adverse effect on the Company's financial position and results of operations. Further, the Company does not foresee any liability to be paid in the near future.

Note (d) The Company has received a show cause notice in relation to imports of goods alleging misclassification of goods amounting to ₹ 7 million. The Company has deposited entire amount under protest. Further the Company has filed an appeal against the order before the Hon'ble Tribunal. The management is confident of favourable outcome for such appeal. Consequently, pending the results of these proceedings, management believes that no material adjustments to the financial statements are anticipated at this time.

The company has deposited the requisite amounts with the appropriate authorities wherever the litigation in respect to above cases.

Notes to the Standalone financial statements for the year ended 31 March 2026

(b) Contract Performance bank guarantees

The Company has given contract performance bank guarantees amounting to ₹ 1,864 million (31 March 2025 - ₹ 1,921 million). No contract performance bank guarantees has been invoked in the past three years.

(c) Commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advance) - ₹ 135 million (As at 31 March 2025 - ₹ 154 million).

(d) Contingent assets

There are no contingent assets of the Company as at the year ended 31 March 2026 (As at 31 March 2025 - Nil).

41. Earnings per share

Basic and Diluted EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the company by the weighted average number of Equity shares outstanding during the year.

Calculation of earnings per share	For the year ended 31 March 2026	For the year ended 31 March 2025
Number of shares at the beginning of the year	57,517,242	57,517,242
Total number of equity shares outstanding at the end of the year	57,517,242	57,517,242
Weighted average number of equity shares outstanding during the year	57,517,242	57,517,242
Profit after tax attributable to equity share holders (Rupees in million)	3,720	2,701
Basic and diluted earnings per share (in Rupees)	**64.68**	**46.96**

There have been no other transactions involving equity shares or potential equity shares between the reporting date and the date of approval of these financial statements.

Notes to the Standalone financial statements for the year ended 31 March 2026

42. Ratios

	Particulars	Numerator	Denominator	Current Year			Previous Year			Reason for variance**
				31 March 2026	31 March 2025	% Change	31 March 2025	31 March 2024	% Change	
(a)	Current Ratio (in times)	Current Assets	Current Liabilities	1.1	1.2	-8%	1.2	1.3	-2%	
(b)	Return on Equity Ratio (in %)	Net Profit after Taxes	Average Shareholder's Equity	79.7%	55.2%	44%	55.2%	45.2%	22%	There is an improvement in profitability due to increase in sales of product & profit on sale of asset to JV, along with lower average equity in current year as compared to previous year.
(c)	Inventory turnover ratio (in times)	Cost of Goods Sold	Average Inventory	5.9	5.4	9%	5.4	5.3	1%	
(d)	Trade Receivables turnover ratio (in times)	Net Sales	Closing Trade Receivable	9.8	11.6	-15%	11.6	12.7	-8%	
(e)	Trade payables turnover ratio (in times)	Net purchases	Closing Trade Payable	2.1	2.6	-21%	2.6	2.5	4%	
(f)	Net capital turnover ratio (in times)	Net Sales=Total Sales-Sales return	Current Assets-Current Liabilities	21.6	13.8	57%	13.8	12.6	9%	The increase is primarily attributable to higher sales during the current year. Also current assets increased compared to the previous year due to a lower dividend payout in current year, resulting in higher funds being retained within the business.
(g)	Net profit ratio (in %)	Net Profit	Net Sales	11.3%	8.7%	30%	8.7%	8.8%	-1%	Increase is primarily attributable to the profit recognized on the sale of assets to the joint venture.

Notes to the Standalone financial statements for the year ended 31 March 2026

Particulars	Numerator	Denominator	Current Year			Previous Year			Reason for variance**
			31 March 2026	31 March 2025	% Change	31 March 2025	31 March 2024	% Change	
(h) Return on Capital employed (in %)	Earnings before interest & taxes	Capital Employed*	79.5%	69.2%	15%	69.2%	54.9%	26%	
(i) Debt – Equity Ratio (in %)	Total Debt (consists lease liabilities)	Shareholder's Equity	27.7%	28.9%	-4%	28.9%	23.5%	23%	
(j) Return on Investment	Net return on investment	Investment	0.0%	70.0%	-100.0%	70.0%	79.3%	-12%	The decrease is primarily attributable to mark-to-market adjustments recognised on investments in the previous year. No such mark-to-market impact was recorded during the current year.
(k) Debt Service Coverage Ratio (in times)	Earnings available for debt service#	Debt service = Interest & Lease Payments	7.2	6.4	13%	6.4	6.6	-3%	

Net profit after taxes + Non-cash operating expenses like depreciation and other amortizations + Interest & other adjustments like gain on disposal of property, plant and equipment, etc

*Net Worth + Lease liabilities + Deferred Tax Liability (Deferred tax assets)

**Variance explanation has been included for cases where the ratio has changed by more than 25% in comparison to the prior year.

Notes to the Standalone financial statements for the year ended 31 March 2026

43. Dividend paid

(₹ in million)

	As at 31 March 2026	As at 31 March 2025
Dividends on equity shares declared and paid:		
Interim dividend for the year ended on 31 March 2026: ₹ 52.5 per share (for the year ended 31 March 2025: ₹ 67.5 per share)	3,020	3,882
	3,020	**3,882**

44. Exceptional Items:

Voluntary retirement scheme for early retirement of existing employees

(a) The company has made payment of ₹ 380 million (previous year ₹ 62 million) towards voluntary retirement scheme which has been presented as exceptional item in the statement of profit and loss.

New Labour code

(b) On 21 November 2025, the Central Government issued four separate notifications in the Official Gazette announcing implementation of four Labour Codes, viz., the Code on Wages, 2019, the Industrial Relations Code, 2020, the Code on Social Security, 2020 and the Occupational Safety, Health and Working Conditions Code, 2020. These four codes replace and consolidate 29 existing labour laws. Following the implementation of the four labour codes, the Central Government has pre-published the draft rules on 31 December 2025 under the respective Labour Codes, for public comment and the final rules are expected to be notified in due course. To ensure smooth implementation, the Ministry of Labour and Employment has also issued the Frequently Asked Questions (FAQs) on the four codes.

The four codes prescribe an inclusive definition of the term 'wages', which among other matters is relevant for determination of post-employment benefits including gratuity to all employees. In accordance with the definition, certain specified items forming part of remuneration are not included in the wages and these excluded items cannot exceed 50% of total remuneration. If there is an excess, then it is presumed that excess amount also forms part of wages. The four codes also introduce changes related to leave entitlement and encashment for workers. Going forward, workers' leave balance in excess of 30 days will be encashed at the end of each calendar year and workers will have a right to demand encashment for entire accumulated leave.

The Company has assessed the impact of these changes on the basis of legal view obtained by the management and best information available till authorisation of the financial statements for issue. The Company has determined that these changes result in an increase in gratuity obligation and leave obligation of ₹ 188 million and ₹ 63 million, respectively. Considering the materiality and regulatory-driven, non-recurring nature of this change, the Company has presented increase in obligation as an expense under the head "Exceptional Items" in the statement of profit and loss for the year ended 31 March 2026. Also, pursuant to the change, the entire obligation toward accumulated leave of workers has been classified as current liability in the balance sheet as at 31 March 2026. Considering that it is emerging topic and the finalisation of Central/ State Rules is still pending, the Company will continue monitoring changes and provide appropriate accounting effect as required based on future developments.

Gain on sale of joint venture

(c) In March 2025, Dixon Technologies (India) Limited ('Dixon') and Signify Innovations India Limited ('Signify') announced a proposed joint venture, which was finalized in August 2025 with a sales consideration of ₹ 1,500 million for the net assets of Signify Innovations India Limited. The company reported a profit of ₹ 909 million (as opposed to ₹ Nil in the previous year) from the asset sale to the joint venture, which has been classified as an exceptional item in the statement of profit and loss (Refer to note 48 for additional details).

Notes to the Standalone financial statements for the year ended 31 March 2026

45. Other Statutory Information

(i) The company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

(ii) The company does not have any transactions with companies struck off.

(iii) The company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

(iv) The company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

(v) The company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

(vi) The company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,

(vii) The company has not done any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

46. The Company currently maintains a complete backup of books of account and papers (maintained in electronic mode) on daily basis in the backup server located outside India. The same is accessible at any time throughout the year. The Company is in the process of evaluating & implementing a system to have complete backup of books of accounts (on daily basis) in a server located in India for the period specified under section 128(5) of the Companies Act, 2013.

47. The Company has used accounting software (SAP) for maintaining its books of account which has a feature of recording audit trail facility and the same has operated throughout the year for all relevant transactions recorded in the software except the audit trail is not enabled for direct changes to database using certain access rights. Further no instance of audit trail feature being tampered with was noted in respect of accounting software where the audit trail has been enabled.

Additionally, the audit trail of relevant prior years has been preserved by the company as per the statutory requirements for record retention, to the extent it was enabled and recorded in those respective years.

48. Assets classified as held for sale

In March 2025, Dixon Technologies (India) Limited ("Dixon") and Signify Innovations India Limited ("Signify") entered into an arrangement to establish a joint venture, under which each party would hold a 50% equity interest in the newly incorporated entity.

As part of the arrangement, Signify agreed to carve out and transfer the LED operations of its Vadodara Lighting Factory ("VLF"), while Dixon agreed to transfer its existing lighting business operations to the joint venture. Pursuant to the arrangement, the Company entered into a Business Transfer Agreement ("BTA") for the transfer of the LED operations pertaining to VLF. Accordingly, in the previous year ended March 31, 2025, the assets and liabilities relating to the VLF LED operations were classified as assets held for sale and liabilities directly associated with assets held for sale, and were measured at the lower of their carrying amount and fair value less costs to sell in accordance with Ind AS 105, Non-current Assets Held for Sale and Discontinued Operations.

Notes to the Standalone financial statements for the year ended 31 March 2026

The transaction was completed on August 1, 2025, upon incorporation of Lightanium Technologies Private Limited ("LTPL"), the joint venture entity. Pursuant to the completion of the transaction, the identified assets and liabilities were transferred to LTPL for a consideration of ₹ 1,500 million which were at an arm's length basis. In addition, the Company invested ₹ 1,456 million towards subscription of equity shares of LTPL, resulting in a 50% ownership interest in the joint venture.

Refer note 5 for details of the Company's investment in equity shares of LTPL.

The following assets and liabilities were reclassified as held for sale as at 31 March 2025 :

(₹ in million)

Particulars	As at 31 March 2026	As at 31 March 2025
Assets classified as held for sale		
Property, plant and equipment	-	316
Capital work-in-progress	-	1
Right-of-use assets	-	2
Inventories	-	600
Other current assets	-	145
Total assets of disposal group held for sale	**-**	**1,064**
Liabilities directly associated with assets classified as held for sale		
Trade payables	-	271
Lease Liabilities	-	2
Provisions	-	37
Other financial liabilities	-	40
Total liabilities of disposal group held for sale	**-**	**350**

As per our report of even date
For S.R. Batliboi & Co. LLP

Chartered Accountants
ICAI Firm Registration No. 301003E/E300005

Per Amit Chugh
Partner
Membership No. 505224

Place : Gurugram
Date : July 15, 2026

For and on behalf of Signify Innovations India Limited
CIN: U74900WB2015PLC206100

Sumit Padmakar Joshi
Vice-Chairman, Managing Director & CEO
(DIN: 07018906)

Vikas Malhotra
Whole Time Director
(DIN: 09253036)

Dibyendu Raychaudhury
Whole time director & CFO
(DIN: 09747317)

Nitin Mittal
Company Secretary
(M. No. F - 7044)

Place : Gurugram
Date : July 15, 2026

INDEPENDENT AUDITOR'S REPORT

To the Members of Signify Innovations India Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Signify Innovations India Limited ("hereinafter referred to as the "Holding Company") and its joint venture comprising of the Consolidated Balance sheet as at March 31 2026, the Consolidated Statement of Profit and Loss, including Other Comprehensive Income, the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated financial statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditor on separate financial statements and on the other financial information of the joint venture, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Group and its joint venture as at March 31, 2026, their consolidated profit including the including other comprehensive income, their consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Consolidated Financial Statements' section of our report. We are independent of the Group and its joint venture 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 consolidated financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Other Information

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

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, 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.

Responsibility of Management for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to preparation and preparation of these consolidated financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group including its joint venture in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Group and of its joint venture are responsible maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of their respective companies and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error. which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements the respective Board of Directors of the companies included in the Group and of its joint venture are responsible for assessing the ability of their respective companies 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 respective Board of Directors of the companies included in the Group are also responsible for overseeing the Company's financial reporting process of their respective companies.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding 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 ability of the Group and its joint venture to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its joint venture to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities

within the Group and its joint venture of which we are the independent auditors, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Other Matters

We did not audit the financial statement and other financial information, in respect of 1 joint venture, whose financial statement include total assets of ₹ 8,550 million as at March 31, 2026, and total revenues of ₹ 8,140 million and net cash outflows of ₹ 869 million for the year ended on that date. Those financial statement and other financial information have been audited by other auditor, whose financial statements, other financial information and auditor's report have been furnished to us by the management. Our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the joint venture and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid joint venture, is based solely on the report of such other auditor.

Our opinion above on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements and other financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies ("Auditor's Report) Order, 2020 ("the Order"), "), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, based on our audit and on the consideration of report of the other auditor on separate financial statements and the other financial information of the joint venture company, incorporated in India and to the extent applicable, as noted in the 'Other Matter' paragraph we give in the "Annexure 1" a statement on the matters specified in paragraph 3(xxi) of the Order.

2. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of joint venture, as noted in the 'other matter' paragraph we report, to the extent applicable, that:

   (a) We/the other auditor whose report we have relied upon have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;

   (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors except for the matters stated in the paragraph (j)(vi) below on reporting under Rule 11(g);

   (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements;

   (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

(e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2026 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors who are appointed under Section 139 of the Act, of its joint venture, none of the directors of the Group company and its joint venture, incorporated in India, is disqualified as on March 31, 2026 from being appointed as a director in terms of Section 164 (2) of the Act;

(f) The modification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2(b) above on reporting under Section 143(3)(b) and paragraph (j)vi below on reporting under Rule 11(g);

(g) With respect to the adequacy of the internal financial controls with reference to consolidated financial statements of the Holding Company and its joint venture, incorporated in India and the operating effectiveness of such controls, based on our audit and on the consideration of report of the other auditor on separate financial statements and the other financial information of such joint venture company, incorporated in India and to the extent applicable, as noted in the 'Other Matter' paragraph, refer to our separate Report in "Annexure 2" to this report;

(h) In our opinion and based on the consideration of reports of other statutory auditor of the joint venture incorporated in India, the managerial remuneration for the year ended March 31, 2026 has been paid / provided by the Holding Company and its joint venture incorporated in India to their directors in accordance with the provisions of section 197 read with Schedule V to the Act;;

(i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the joint venture, as noted in the 'Other matter' paragraph:

i. The consolidated financial statements disclose the impact of pending litigations on its consolidated financial position of the Group and its joint venture in its consolidated financial statements – Refer note 40(a) to the consolidated financial statements;

ii. The Group and its joint venture did not have any material foreseeable losses in long-term contracts including derivative contracts during the year ended March 31, 2026;

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its joint venture, incorporated in India during the year ended March 31, 2026.

iv. a) The respective managements of the Holding Company and its joint venture which is a company incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditor of such joint venture respectively that, to the best of its knowledge and belief, as disclosed in the note 45(v) to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such joint venture to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the respective Holding Company or any of such joint venture ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

b) The respective managements of the Holding Company and its joint venture which is a company incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditor of such joint venture respectively that, to the best of its knowledge and belief, as disclosed in the note 45(vi) to the consolidated financial statements, no funds have been received by the respective Holding Company or any of such joint venture from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such joint venture 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 the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditor of the joint venture which is a company incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor notice that has caused us or the other auditors to believe that the representations under sub-clause (a) and (b) Rule 11(e) contain any material mis-statement.

v. The interim dividend declared and paid during the year by the Holding Company and until the date of the respective audit report of such Holding Company is in accordance with section 123 of the Act. No dividend has been declared or paid during the year by the joint venture company, incorporated in India.

vi. Based on our examination which included test checks, the Holding Company and its joint venture which is a company incorporated in India has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated for all relevant transactions recorded in the software except that the audit trail is not enabled for direct changes to database using certain access rights, as described in note 47 to the consolidated financial statements. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with, in respect of accounting software where the audit trail has been enabled.

Additionally, the audit trail of relevant prior years has been preserved by the Holding Company and its joint venture as per the statutory requirements for record retention, to the extent it was enabled and recorded in those respective years, as stated in note 47 to the consolidated financial statements

For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per Amit Chugh
Partner
Membership Number: 505224
UDIN: 26505224DNPYQZ7572

Place of Signature: Gurugram
Date: July 15, 2026

ANNEXURE 1 REFERRED TO IN PARAGRAPH 1 UNDER "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" OF OUR REPORT OF EVEN DATE

Re: Signify Innovations India Limited ("the Company")

According to the information and explanations given to us and procedures performed by us, there are no qualifications or adverse remarks by the respective auditor in the Companies (Auditors Report) Order (CARO) report of the company included in the consolidated financial statement

For S.R. Batliboi & CO. LLP
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per Amit Chugh
Partner
Membership Number: 505224
UDIN: 26505224DNPYQZ7572

Place: Gurugram
Date: July 15, 2026

ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF SIGNIFY INNOVATIONS INDIA LIMITED

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated financial statements of Signify Innovations India Limited (hereinafter referred to as the "Holding Company") as of and for the year ended March 31, 2026, we have audited the internal financial controls with reference to consolidated financial statements of the Holding Company and its joint venture, which is a company incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Group and its joint venture, which is a company incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Holding Company's internal financial controls with reference to these consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to these consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to these consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to these consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements.

Meaning of Internal Financial Controls with Reference to these Consolidated Financial Statements

A company's internal financial controls with reference to consolidated 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 consolidated 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 Consolidated Financial Statements

Because of the inherent limitations of internal financial controls with reference to consolidated 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 consolidated financial statements to future periods are subject to the risk that the internal financial control with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Group and its joint venture, which is a company incorporated in India, have, maintained in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2026, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

Other Matters

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements of the Holding Company, in so far as it relates to 1 joint venture, which is a company incorporated in India, is based on the corresponding reports of the auditor of such joint venture incorporated in India.

For S.R. Batliboi & CO. LLP
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per Amit Chugh
Partner
Membership Number: 505224
UDIN: 26505224DNPYQZ7572

Place: Gurugram
Date: July 15, 2026

Consolidated Balance sheet as at 31 March 2026

(₹ in million)

	Notes	As at 31 March 2026	As at 31 March 2025
ASSETS			
Non-current assets			
Property, plant and equipment	3	874	829
Capital work-in-progress	3A	113	8
Intangible assets	3	600	680
Right-of-use assets	4	1,275	1,106
Investments accounted for using equity method	5	1,512	-
Financial assets			
(i) Other financial assets	6	120	137
Deferred tax assets (net)	7	412	356
Other non-current assets	8	109	102
Total non-current assets		**5,015**	**3,218**
Current assets			
Inventories	9	2,729	2,917
Financial assets			
(i) Investments	10	10	10
(ii) Trade receivables	11	3,343	2,681
(iii) Cash and cash equivalent	12	4,756	3,629
(iv) Other bank balances	13	226	226
(v) Other financial assets	14	695	745
Current tax assets (net)	15	229	91
Other current assets	16	508	625
		12,496	**10,924**
Assets held for sale	48	-	1,064
Total current assets		**12,496**	**11,988**
Total assets		**17,511**	**15,206**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	17	575	575
Other equity	18	4,498	3,721
Total equity		**5,073**	**4,296**
Liabilities			
Non-current liabilities			
Financial liabilities			
(i) Lease Liabilities	19	935	734
Provisions	20	38	38
Other non-current liabilities	21	484	415
Total non-current liabilities		**1,457**	**1,187**
Current liabilities			
Financial liabilities			
(i) Lease Liabilities	19	461	508
(ii) Trade payables			
(a) Total outstanding dues of micro enterprises and small enterprises	22	85	80
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises		7,501	6,105
(iii) Other financial liabilities	23	549	479
Other current liabilities	24	1,112	1,132
Provisions	25	1,273	1,069
		10,981	**9,373**
Liabilities directly associated with assets held for sale	48	-	350
Total current liabilities		**10,981**	**9,723**
Total liabilities		**12,438**	**10,910**
Total equity and liabilities		**17,511**	**15,206**
Summary of material accounting policies	2		

The accompanying notes forms an integral part of these consolidated financial statements.

As per our report of even date
For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration No. 301003E/E300005

Per Amit Chugh
Partner
Membership No. 505224

Place : Gurugram
Date : July 15, 2026

For and on behalf of Signify Innovations India Limited
CIN: U74900WB2015PLC206100

Sumit Padmakar Joshi
Vice-Chairman, Managing Director & CEO
(DIN: 07018906)

Vikas Malhotra
Whole Time Director
(DIN: 09253036)

Dibyendu Raychaudhury
Whole time director & CFO
(DIN: 09747317)

Nitin Mittal
Company Secretary
(M. No. F - 7044)

Place : Gurugram
Date : July 15, 2026

Consolidated Statement of Profit and Loss for the year ended 31 March 2026

(₹ in million)

	Notes	For the year ended 31 March 2026	For the year ended 31 March 2025
Income			
Revenue from operations	26	32,888	31,136
Other income	27	349	291
Total income		**33,237**	**31,427**
Expenses			
Cost of raw materials and components consumed	28	2,269	3,343
Purchase of traded goods		14,107	12,752
(Increase)/Decrease in inventories of finished goods and traded goods	29	169	(371)
Employee benefits expense	30	6,475	6,257
Finance costs	31	109	116
Depreciation and amortization expense	32	851	933
Other expenses	33	4,692	4,672
Total expenses		**28,672**	**27,702**
Profit before exceptional items, share of net profit of investments accounted for using equity method and tax		**4,565**	**3,725**
Share of net profit of joint venture accounted for using the equity method		42	-
Profit before exceptional items and tax		**4,607**	**3,725**
Net Exceptional (gain)/loss	44	(278)	62
Profit before tax		**4,885**	**3,663**
Tax expense/(benefit):	7		
Other than exceptional items			
Net current tax expense		1,137	987
Net deferred tax (benefit)		1	(18)
Exceptional items			
Net current tax expense/(benefit)		70	(16)
Net deferred tax expense/(benefit)		(74)	9
Net tax expense		**1,134**	**962**
Profit for the year (A)		**3,751**	**2,701**
Other comprehensive income			
Items that will not be reclassified to profit or loss in subsequent years			
Remeasurement gain/(loss) of defined benefit plans		58	(17)
Share of other comprehensive income of joint venture accounted for using the equity method	7	4	-
Income tax effect (Refer note 37)		**(16)**	**4**
Other comprehensive income/(loss) for the year, net of tax (B)		**46**	**(13)**
Total comprehensive income for the year, net of tax (A + B)		**3,797**	**2,688**
Earnings per equity share (face value of ₹ 10 each)			
Basic (in Rupees)		65.21	46.96
Diluted (in Rupees)		65.21	46.96
Summary of material accounting policies	2		

The accompanying notes forms an integral part of these consolidated financial statements.

As per our report of even date
For S.R. Batliboi & Co. LLP

Chartered Accountants
ICAI Firm Registration No. 301003E/E300005

Per Amit Chugh
Partner
Membership No. 505224

Place : Gurugram
Date : July 15, 2026

For and on behalf of Signify Innovations India Limited
CIN: U74900WB2015PLC206100

Sumit Padmakar Joshi
Vice-Chairman, Managing Director & CEO
(DIN: 07018906)

Vikas Malhotra
Whole Time Director
(DIN: 09253036)

Dibyendu Raychaudhury
Whole time director & CFO
(DIN: 09747317)

Nitin Mittal
Company Secretary
(M. No. F - 7044)

Place : Gurugram
Date : July 15, 2026

Consolidated Statement of cash flows for the year ended 31 March 2026

(₹ in million)

		Notes	For the year ended 31 March 2026	For the year ended 31 March 2025
A.	**Cash flow from operating activities**			
	Profit before tax		4,885	3,663
	Adjustments to reconcile profit before tax to net cash flows:			
	Depreciation and amortization expense	32	851	933
	Finance cost	31	109	116
	Interest income	27	(197)	(213)
	Unrealized forex exchange (gain)/loss		(43)	3
	Impairment loss on trade receivables	33	13	36
	Share of profit of joint venture	5	(56)	
	Gain on sale of assets to joint venture	44	(909)	-
	Gain on disposal of property, plant and equipments	27	(1)	(44)
	Net gain on lease modification	27	(4)	(11)
	Net gain on investments measured at fair value through profit & loss	27	-	(7)
	Operating profit before working capital changes		**4,648**	**4,476**
	Movements in working capital :			
	Increase in provisions		262	37
	Increase in trade payables		1,384	249
	Increase in other liabilities		49	87
	Increase in other financial liabilities		70	25
	Decrease/(Increase) in inventories		191	(595)
	Increase in trade receivables		(616)	(293)
	Decrease in other financial assets		62	518
	Decrease/(Increase) in other assets		236	(12)
	Cash generated from operations		**6,286**	**4,492**
	Less : Income tax paid (net of refunds)		(1,345)	(829)
	Net cash flows from operating activities		**4,941**	**3,663**
B.	**Cash flow from investing activities**			
	Purchase of property, plant and equipment and intangibles assets including capital work in progress		(420)	(456)
	Proceeds from sale of property, plant and equipment		31	66
	Proceeds from assets held for sale		1,500	-
	Purchase of investment in joint venture	5	(1,456)	-
	Interest income received		201	233
	Proceeds from disposal / redemption of investments		-	7
	Net cash flow (used in) investing activities		**(144)**	**(150)**
C.	**Cash flow from financing activities**			
	Interest paid on lease liabilities	31	(109)	(116)
	Dividends paid to equity shareholders	43	(3,020)	(3,882)
	Payment of principal portion of lease liabilities	19	(541)	(470)
	Net cash flow (used in) financing activities		**(3,670)**	**(4,468)**
	Net increase in Cash and Cash Equivalents (A+B+C)		**1,127**	**(955)**
	Cash and Cash Equivalents at the beginning of the year		3,629	4,584
	Cash and Cash Equivalents at the end of the year	12	**4,756**	**3,629**

(₹ in million)

	As at 31 March 2026	As at 31 March 2025
Reconciliation of cash and cash equivalents as per the cash flow statement		
Cash and cash equivalents as per above comprise of the following		
Balance with banks:		
- In current account	401	93
- Cheques in hand	29	507
- Deposits with original maturity of less than three months	4,326	3,029
Cash on hand	0	0
	4,756	**3,629**

The cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS) 7 statement of cash.
Refer Note 12A & 12B for Change in liabilities arising from financing activities and for non-cash financing and investing activities
The accompanying notes forms an integral part of these consolidated financial statements.

As per our report of even date
For S.R. Batliboi & Co. LLP

Chartered Accountants
ICAI Firm Registration No. 301003E/E300005

Per Amit Chugh
Partner
Membership No. 505224
Place : Gurugram
Date : July 15, 2026

For and on behalf of Signify Innovations India Limited
CIN: U74900WB2015PLC206100

Sumit Padmakar Joshi
Vice-Chairman, Managing Director & CEO
(DIN: 07018906)

Vikas Malhotra
Whole Time Director
(DIN: 09253036)

Dibyendu Raychaudhury
Whole time director & CFO
(DIN: 09747317)
Place : Gurugram
Date : July 15, 2026

Nitin Mittal
Company Secretary
(M. No. F - 7044)

Consolidated Statement of changes in equity for the year ended 31 March 2026

(a) Equity share capital

Equity shares of ₹ 10 each issued, subscribed and fully paid up	As at 31 March 2026		As at 31 March 2025	
	No. of Shares	Amount (₹ in million)	No. of Shares	Amount (₹ in million)
Balance at the beginning of the year	57,517,242	575	57,517,242	575
Changes in equity share capital during the year	-	-	-	-
Balance at the end of the reporting year	**57,517,242**	**575**	**57,517,242**	**575**

(b) Other equity

	Reserves and surplus		Total (₹ in million)
	Capital Reserve (₹ in million)	Retained earnings (₹ in million)	
As at 1 April 2024	**2,109**	**2,806**	**4,915**
Profit for the year	-	2,701	2,701
Other comprehensive income/(loss) for the year, net of tax (refer note 37)	-	(13)	(13)
Dividends paid	-	(3,882)	(3,882)
Total comprehensive income for the year	**-**	**(1,194)**	**(1,194)**
Balance at 31 March 2025	**2,109**	**1,612**	**3,721**
Profit for the year	-	3,751	3,751
Other comprehensive income/(loss) for the year, net of tax (refer note 37)	-	46	46
Dividends paid	-	(3,020)	(3,020)
Total comprehensive income for the year	**-**	**777**	**777**
Balance at 31 March 2026	**2,109**	**2,389**	**4,498**

The accompanying notes are an integral part of these consolidated financial statements.

As per our report of even date
For S.R. Batliboi & Co. LLP

Chartered Accountants
ICAI Firm Registration No. 301003E/E300005

Per Amit Chugh
Partner
Membership No. 505224

Place : Gurugram
Date : July 15, 2026

For and on behalf of Signify Innovations India Limited
CIN: U74900WB2015PLC206100

Sumit Padmakar Joshi
Vice-Chairman, Managing Director & CEO
(DIN: 07018906)

Vikas Malhotra
Whole Time Director
(DIN: 09253036)

Dibyendu Raychaudhury
Whole time director & CFO
(DIN: 09747317)

Nitin Mittal
Company Secretary
(M. No. F - 7044)

Place : Gurugram
Date : July 15, 2026

Notes to the Consolidated financial statements for the year ended 31 March 2026

1. Corporate information

The Consolidated financial statements comprise financial statements of Signify Innovations India Limited (the "Company" or "the Holding Company") (CIN U74900WB2015PLC206100) and its joint venture (collectively, the group) for the year ended 31 March 2026. The Company is a public Company domiciled in India and was incorporated on 22nd April, 2015 under the provisions of the Companies Act applicable in India. The registered office of the group is located at PS Arcadia Central, 3A, 3rd floor, 4A, Abanindranath Thakur Sarani (Camac Street), Kolkata, West Bengal-700017.

The Group is principally engaged in the manufacturing, trading and distribution of all kinds of lighting and allied products and lighting system solution.

The consolidated financial statements were approved for issue in accordance with a resolution passed by the Board of Directors on 15th July, 2026.

The consolidated financial statements once approved by the Board of directors needs to be adopted by the shareholders at the annual general meeting of the Holding Company. The Board of directors can withdraw and re-issue the consolidated financial statements so adopted only in specific cases such as non-compliance with the applicable accounting standards, with the approval of Tribunal, after following the appropriate procedure as per Companies Act 2013.

2. Material Accounting Policies

2.1 Basis of preparation

The consolidated financial statements of the Group have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013 (as amended from time to time), (Ind AS compliant Schedule III), as applicable to the CFS.

The consolidated financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value or at revalued amount:

- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments), and
- Defined benefit plans

The accounting policies and related notes further described the specific measurements applied for each of the assets and liabilities.

The consolidated financial statements are presented in Rupees and all values are rounded to the nearest million, except when otherwise indicated.

The Group has prepared the financial statements on the basis that it will continue to operate as a going concern.

The consolidated financial statements provide comparative information in respect of the previous period.

Investment in joint venture

The group holds an interest in a joint venture, Lightanium Technologies Private Limited.

The financial statements of Lightanium Technologies Private Limited is prepared for the period 26th June 2025 (date of incorporation) to 31st March 2026. The accounting policies of both companies are aligned with those of the Group. Therefore, no adjustments are made when measuring and recognising the Group's share of the profit or loss of the investees after the date of acquisition.

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The Group's investments in its joint venture are accounted for using the equity method. Under the equity method, the investment in a joint venture is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the joint venture since the acquisition date. Goodwill relating to the joint venture is included in the carrying amount of the investment and is not tested for impairment individually. Thus, reversals of impairments may effectively include reversal of goodwill impairments. Impairments and reversals are presented within 'Share of profit of a joint venture' in the P&L.

The P&L reflects the Group's share of the results of operations of the joint venture. Any change in OCI of those investees is presented as part of the Group's OCI. In addition, when there has been a change recognised directly in the equity of the joint venture, the Group recognises its share of any changes, when applicable, in the statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and the joint venture are eliminated to the extent of the interest in the joint venture.

If an entity's share of losses of a joint venture equals or exceeds its interest in the joint venture (which includes any long-term interest that, in substance, form part of the Group's net investment in the joint venture), the entity discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the joint venture. If the joint venture subsequently reports profits, the entity resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

The aggregate of the Group's share of profit or loss of a joint venture is shown separately on the face of the statement of profit and loss and represents profit or loss after tax and non-controlling interests in the subsidiaries of the joint venture.

The financial statements of the joint venture are prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in its joint venture. At each reporting date, the Group determines whether there is objective evidence that the investment in the joint venture is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the joint venture and its carrying value, and then recognises the loss as 'Share of profit of a joint venture' in the P&L.

Upon loss of significant influence over the joint control over the joint venture, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the joint venture upon loss of significant influence or joint control and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

2.2 Summary of material accounting policies

a. Current versus non-current classification

The Group segregates assets and liabilities into current and non-current categories for presentation in the balance sheet after considering its normal operating cycle and other criteria set out in Ind AS 1, "Presentation of Financial Statements". For this purpose, current assets and liabilities include the current portion of non-current assets and liabilities respectively. Deferred tax assets and liabilities are always classified as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Group has identified period up to twelve months as its operating cycle.

b. Foreign currencies

The Group's consolidated financial statements are presented in Rupees, which is also the functional currency.

Transactions and balances

Transactions in foreign currencies are initially recorded at their respective functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

c. Fair value measurement

The Group measures financial instruments, such as, derivatives, at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the consolidated financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

d. Property, plant and equipment

On transition to Ind AS, the Group has elected to continue with the carrying value of all its property, plant and equipment as recognised in its Indian GAAP financial statements as deemed cost at the transition date, viz., April 01, 2015.

Items of property, plant and equipment except items stated below are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Capital work in progress is stated at cost, net of accumulated impairment loss, if any.

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets as follows. When significant parts of plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives.

- Building – 30/60 years
- Building (temporary structure) – 3 years
- Plant and equipment's - 15 years
- Plant and equipment (Tools and Dies) – 2 to 7.50 years*
- Furniture and fixtures - 10 years
- Office equipment's – 5 years
- End-user devices, such as, desktops, laptops, etc. (included under Computer) – 3 years
- Servers and networks (included under Computers) – 6 years

*For these class of assets, based on internal assessment, the management believes that the useful lives as given above best represent the year over which management expects to use these assets. Hence the useful lives for these assets is different from the useful lives as prescribed under Part C of Schedule II of the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the year over which the assets are likely to be used.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

e. Intangible assets

On transition to Ind AS, the Group has elected to continue with the carrying value of all its intangible assets as recognised in its Indian GAAP financial statements as deemed cost at the transition date, viz., April 01, 2015.

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

An intangible asset is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss. when the asset is derecognised.

f. Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale (qualifying asset) are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

g. Leases

At the transition date, the Group applied Ind AS 116 "Leases" to all existing lease contracts, using the modified retrospective method.

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

(i) Right of use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of lease term and the estimated useful lives of the assets.

- Office/Buildings – 2 to 9 years
- Motor Vehicles – 3 to 5 years

The right-of-use assets are also subject to impairment.

(ii) Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

(iii) Short-term leases

The Group applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option).

Lease payments on short-term leases are recognised as expense on a straight-line basis over the lease term

Group as a lessor

Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset is classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset, i.e., asset given on lease, and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Group to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Group's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

h) Impairment of non-financial assets

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or Group's of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Group bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Group's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Group extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the Group operates, or for the market in which the asset is used.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit and loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

Impairment is determined for goodwill by assessing the recoverable amount of each CGU (or group of CGUs) to which the goodwill relates. When the recoverable amount of the CGU is less than it's carrying amount, an impairment loss is recognised. Impairment losses relating to goodwill cannot be reversed in future periods.

The Group assesses whether climate risks, including physical risks and transition risks could have a significant impact. If so, these risks are included in the cash-flow forecasts in assessing value-in-use amounts.

i) Investment in joint venture

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The Group's investments in its joint venture is accounted at cost less impairment.

Impairment of investments

The Group reviews its carrying value of investments carried at cost annually, or more frequently when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is recorded in the Statement of Profit and Loss.

When an impairment loss subsequently reverses, the carrying amount of the Investment is increased to the revised estimate of its recoverable amount, so that the increased carrying amount does not exceed the cost of the Investment. A reversal of an impairment loss is recognised immediately in P&L.

j) Provisions, Contingent Liabilities and Contingent Assets

Provisions General

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

- **Replacement warranty:** The Group periodically assesses and provides for the estimated liability on warranty given on sale of its products based on past performance of such products. Initial recognition is based on historical experience. The initial estimate of warranty-related costs is revised annually.
- **Environmental restoration:** The Group periodically assess the liability for expenses to be incurred on restoration of environmental damage caused by carrying out of production activity in group manufacturing plants.
- **Extended warranty:** For certain products, customer has the option to purchase an extension of warranty. Accordingly, a provision for deferral of revenue is made at the time of sale of goods and recognition of revenue. Revenue recognition in future period occurs on straight-line basis over extended warranty contract period.
- **E-waste:** Provision for E-Waste is recognized when the liability in respect of products sold to customer is established in accordance with E-waste Management Rules, 2016 as notified by Government of India. Initial recognition is based on liability computed based on Extended Producer Responsibility as promulgated in said Rules including cost to comply the said regulation. The Group has assessed the liability to arise on year-to-year basis.

Contingent liability

Contingent liability is-

(a) a possible obligation arising from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity, or

(b) a present obligation that arises from past events but is not recognized because

- it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation, or
- the amount of the obligation cannot be measured with sufficient reliability.

The Group does not recognize a contingent liability but discloses its existence and other required disclosures in notes to the consolidated financial statements, unless the possibility of any outflow in settlement is remote.

Contingent Asset

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by- the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. The Group does not recognize the contingent asset in its consolidated financial statements since this may result in the recognition of income that may never be realised. Where an inflow of economic benefits is probable, the Group disclose a brief description of the nature of contingent assets at the end of the reporting period. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and the Group recognize such assets.

Provisions, contingent liabilities and contingent assets are reviewed at each reporting date.

k) Retirement and other employee benefits

Retirement benefit in the form of provident fund is a defined contribution scheme. The Group has no obligation, other than the contribution payable to the provident fund. The Group recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

The Group operates a defined benefit gratuity plan in India, which requires contributions to be made to a separately administered fund.

The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognised in profit or loss on the earlier of:

➢ The date of the plan amendment or curtailment, and

➢ The date that the Group recognises related restructuring costs.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Group recognises the following changes in the net defined benefit obligation as an expense in the Consolidated statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income.

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The Group measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date. The Group recognizes expected cost of short-term employee benefit as an expense, when an employee renders the related service.

The Group treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the reporting date. Remeasurement gains/losses are immediately taken to the statement of profit and loss and are not deferred. The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer the settlement for at least twelve months after the reporting date.

Termination benefits are payable when employment is terminated by the group before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits. These benefits are expensed at the earlier of when the Group can no longer withdraw the offer of those benefits and when the Group recognises costs for a restructuring. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. If benefits are not expected to be settled wholly within 12 months of the reporting date, then they are discounted.

Long term incentive plan

Signify Innovations India Limited group (Signify N.V.) introduced the Long-term Incentive Plan (LTI Plan) during the financial year ended 31 March 2018. Under the Signify LTI Plan, which is equity settled, eligible employees are granted both conditional shares and performance shares. Vesting of performance shares is conditional on the achievement of performance conditions measured over a period of three years. Also, vesting is conditional to the grantee still being employed with Signify at the vesting date. In addition to shares awarded under the LTI Plan, Signify may in individual cases, such as in the hiring process of members of senior- management, also grant restricted shares.

During the vesting period, the costs of the LTI plan is calculated and accounted by the Group as an employee benefit expense with corresponding increase in payable to the holding group in accordance with the recognition and measurement principles as prescribed in Ind AS 102 Share Based Payments.

The total expense is recognized over the vesting period, which is the period over which all the specified vesting conditions are to be satisfied.

Employee stock purchase plan (ESPP)

ESPP is a group-run program in which group contributes an additional 15% on top of employee's voluntary share purchase contribution. Employees pay into the plan through payroll deductions, which are used to buy shares of the group (Signify N.V.), which is listed on the Euronext Amsterdam Stock Exchange. The Group uses the funds to purchase shares on behalf of the participating employees. The Group contribution is recognised as on expense in the month of contribution.

l) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, and subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under Ind AS 115. Refer to the accounting policies in section (p) Revenue from contracts with customers.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows while financial assets classified and measured at fair value through OCI are held within a business model with the objective of both holding to collect contractual cash flows and selling.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortised cost (debt instruments)
- Financial assets at fair value through other comprehensive income (FVTOCI) with recycling of cumulative gains and losses (debt instruments)
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)

Financial assets at fair value through profit or loss

Financial assets at amortised cost (debt instruments)

A 'financial asset' is measured at the amortised cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Group. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method and are subject to impairment as per the accounting policy applicable to 'Impairment of financial assets.' Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in other income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. The Group's financial assets at amortised cost includes trade receivables.

Financial assets at fair value through OCI (FVTOCI) (debt instruments)

A 'financial asset' is classified as at the FVTOCI if both of the following criteria are met:

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

b) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. For debt instruments, at fair value through OCI, interest income, foreign exchange revaluation and impairment losses or reversals are recognised in the profit or loss and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in OCI. Upon derecognition, the cumulative fair value changes recognised in OCI is reclassified from the equity to profit or loss.

The Group's debt instruments at fair value through OCI includes investments in quoted debt instruments included under other non-current financial assets.

Financial assets designated at fair value through OCI (equity instruments)

Upon initial recognition, the Group can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under Ind AS 32 Financial Instruments: Presentation for the issuer and are not held for trading. The classification is determined on an instrument-by-instrument basis. Equity investment which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS 103 applies are classified as at FVTPL.

Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognised as other income in the P&L when the right of payment has been established, except when the Group benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

Financial assets at fair value through profit or loss

Financial assets in this category are those that are held for trading and have been either designated by management upon initial recognition or are mandatorily required to be measured at fair value under Ind AS 109 i.e. they do not meet the criteria for classification as measured at amortised cost or FVOCI. Management only designates an instrument at FVTPL upon initial recognition, if the designation eliminates, or significantly reduces, the inconsistent treatment that would otherwise arise from measuring the assets or liabilities or recognising gains or losses on them on a different basis. Such designation is determined on an instrument-by-instrument basis. For the Group, this category includes derivative instruments and listed equity investments which the Group had not irrevocably elected to classify at fair value through OCI. The Group has not designated any financial assets at FVTPL.

Financial assets at fair value through profit or loss are carried in the balance sheet at fair value with net changes in fair value recognised in the P&L.

Interest earned on instruments designated at FVTPL is accrued in interest income, using the EIR, taking into account any discount/ premium and qualifying transaction costs being an integral part of instrument. Interest earned on assets mandatorily required to be measured at FVTPL is recorded using the contractual interest rate. Dividend income on listed equity investments are recognised in the P&L as other income when the right of payment has been established.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Group of similar financial assets) is primarily derecognised (i.e. removed from the Group's Consolidated balance sheet) when:

➢ The rights to receive cash flows from the asset have expired, or

➢ The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Impairment of financial assets

In accordance with Ind AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

a) Financial assets that are debt instruments, and are measured at amortized cost e.g., deposits, trade receivables and bank balance

b) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 18 (referred to as 'contractual revenue receivables')

The Group follows 'simplified approach' for recognition of impairment loss allowance on Trade receivables.

The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Group determines that whether there has been a significant increase in the credit risk since initial recognition. The credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk of customer has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, the Group considers:

All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

As a practical expedient, the Group uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analyzed.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss. This amount is reflected under the head 'other expenses' in the statement of profit and loss. The balance sheet presentation for various financial instruments is described below:

Financial assets measured as at amortized cost and contractual revenue receivables: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Group does not reduce impairment allowance from the gross carrying amount.

For assessing increase in credit risk and impairment loss, the Group combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

The Group does not have any purchased or originated credit impaired (POCI) financial assets, i.e., financial assets which are credit impaired on purchase/ origination.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables.

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial Liabilities measured at amortized cost

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.

De-recognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

Reclassification of financial assets

The group determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The group's senior management determines change in the business model as a result of external or internal changes which are significant to the group's operations. Such changes are evident to external parties. A change in the business model occurs when the group either begins or ceases to perform an activity that is significant to its operations.

If the group reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The group does not restate any previously recognized gains, losses (including impairment gains or losses) or interest.

Supplier finance arrangements

The Group has established supplier finance arrangements (Refer note 22). The Group evaluates whether financial liabilities covered such arrangements continue to be classified within trade payables, or they need to be classified as a borrowing or as part of other financial liabilities/ as a separate line item on the face of the balance sheet. Such evaluation requires exercise of judgment basis specific terms of the arrangement.

The Group has established supplier finance arrangements (Refer note 22). The Group evaluates whether financial liabilities covered such arrangements continue to be classified within trade payables, or they need to be classified as a borrowing or as part of other financial liabilities/ as a separate line item on the face of the balance sheet. Such evaluation requires exercise of judgment basis specific terms of the arrangement.

The Group classifies financial liabilities covered under supplier finance arrangement within trade payables in the balance sheet only if (i) the obligation represents a liability to pay for goods and services, (ii) is invoiced and formally agreed with the supplier, (iii) is part of the working capital used in its normal operating cycle, (iv) the group is not legally released from its original obligation to the supplier, and has not assumed a new obligation toward the bank, and another party (iv) there is no substantial modification to the terms of the liability.

If one or more of the above criteria are not met, the Group derecognises its original liability toward the supplier and recognise a new liability toward the bank which is classified as bank borrowing or other financial liability, depending on factors such as whether the Group (i) has obligation toward bank, (ii) is getting extended credit period such that obligation is no longer part of its working capital cycle, (iii) is paying interest directly or indirectly, (iv) has provided guarantee or security, and/ or (v) is recognized as borrower in the bank books.

Cash flows related to liabilities arising from supplier finance arrangements that continue to be classified in trade payables in the consolidated balance sheet are included in operating activities in the consolidated statement of cash flows, when the Group finally settles the liability.

In cases, where the Group has derecognised its original liability toward the supplier and recognise a new liability toward the bank, the Group has assessed that the bank is acting as its agent in making payment to the supplier. Accordingly, the Group presents operating cash outflow and financing cash inflow, when bank made payment to the supplier. The payment made by the Group to the bank toward interest, if any, as well as on settlement is presented as financing cash outflow.

m) Inventories

Raw materials (including packing material), stores and spares are valued at lower of cost and net realizable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

- Raw materials (including packing material) and stores and spares: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on First In First Out method basis
- Finished goods and work in progress: cost includes cost of direct materials and labor and a proportion of manufacturing overheads based on the normal operating capacity but excluding borrowing costs. Cost of finished goods includes excise duty. Cost is determined on First In First Out method basis.
- Traded goods: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on First In First Out method basis.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

n) Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, that are readily convertible to a known amount of cash and subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management.

o) Dividend

The Group recognises a liability to pay dividend to equity holders of the Group when the distribution is authorised, and the distribution is no longer at the discretion of the Group. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

p) Revenue from contract with customer

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. The Group manufactures, trades and sells a range of lighting and allied products and lighting system solution.

Revenue from sale of these products is recognized at a point in time when control of the product is transferred to customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods.

Revenue Recognition principal adopted by Group for its contracts with customers are given below:

Sale of goods

Revenue from sale of goods is recognised at the point in time when control of the goods is transferred to the customer, generally on delivery of the goods.

The Group considers whether there are other promises in the contract those are separate performance obligations to which a portion of the transaction price needs to be allocated. In determining the transaction price for the sale of goods, the Group considers the effect of variable consideration, warranty obligation, significant financing components, schemes (if any):

i) Variable consideration

If the consideration in a contract includes a variable amount, the Group estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognized will not occur when the associated uncertainty with the variable consideration is subsequently resolved. Certain contracts with customers provide a right of return, trade discounts or volume rebates. Currently, the Group recognizes revenue from the sale of goods measured at the expected value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates. If revenue cannot be reliably measured, the Group defers revenue recognition until the uncertainty is resolved. Such provisions give rise to variable consideration and are estimated at contract inception and updated thereafter.

ii) Warranty obligations

The Group generally provides for warranties for general repairs that existed at the time of sale, as required by contract. These assurance-type warranties are accounted for under Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets. For certain products, customer has the option to purchase an extension of warranty.

Accordingly, a deferral of revenue is made at the time of sale of goods and recognition of revenue.

Revenue recognition in future period occurs on straight-line basis over extended warranty contract period. Therefore, accounted for as separate performance obligations to which the Group allocates a portion of the transaction price.

iii) Significant Financing Components

In respect of short-term advances from its customers, using the practical expedient in Ind AS 115, the Group does not adjust the promised amount of consideration for the effects of a significant financing component if it expects, at contract inception, that the period between the transfer of the promised good or service to the customer and when the customer pays for that good or service will be within normal operating cycle.

In respect of long-term contracts, the transaction price for such contracts is discounted, using the rate that would be reflected in a separate financing transaction between the Group and its customers at contract inception, to take into consideration the significant financing component.

iv) Schemes

The Group operates several sales incentive programmes wherein the customers are eligible for several benefits on achievement of underlying conditions as prescribed in the scheme programme such as credit notes, tours, gifts etc. Revenue from contract with customer is presented net of scheme.

Sale of services

The Group recognizes revenue from sales of services over time, because the customer simultaneously receives and consumes the benefits provided by the Group. Revenue from services related activities is recognized as and when services are rendered and on the basis of contractual terms with the parties.

Contract balances

Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Group performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognized for the earned consideration that is conditional. A receivable represents the Group's right to an amount of consideration that is unconditional.

Trade receivables

Trade receivables represent the Group's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognized when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognized as revenue when the Group performs under the contract.

Interest income

Interest income is recognized using the EIR method. The EIR is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial instrument or a shorter period, where appropriate to the net carrying amount of the financial asset. The EIR is computed basis the expected cash flows by considering all the contractual terms of the financial instrument. The calculation includes all fees, transaction costs, and all other premiums or discounts paid or received between parties to the contract that are an integral part of the effective interest rate.

q) Government grants

Government grants are recognized where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognized as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognized as income in equal amounts over the expected useful life of the related asset.

When the Group receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to profit or loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset i.e. by equal annual instalments.

r) Taxes

Current income tax

Tax expense comprises current tax expense and deferred tax.

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Group operates and generates taxable income.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Group reflects the effect of uncertainty for each uncertain tax treatment by using either most likely method or expected value method, depending on which method predicts better resolution of the treatment.

Deferred tax

Deferred tax is provided using the balance sheet approach on temporary differences between the tax base of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences;

- In respect of taxable temporary differences associated with investments in in joint venture, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences;

- In respect of deductible temporary differences associated with investments in joint venture, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised, or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

The Group offsets deferred tax assets and deferred tax liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity which intends either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

Goods and Services Tax (GST) / value added taxes paid on acquisition of assets or on incurring expenses

Expenses and assets are recognised net of the amount of GST/ value added taxes paid, except:

- When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable;
- When receivables and payables are stated with the amount of tax included

The net amount of tax recoverable from, or payable to, the taxation authority is included as part of other current/ non-current assets/ liabilities in the balance sheet.

s) Segment reporting

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group’s other components, and for which discrete financial information is available.

Results of the operating segments are reviewed regularly by the Group's Chief Executive Officer (CEO) who has been identified as the Chief Operating Decision Maker ('CODM'), to make decisions about resources to be allocated to the segment and assess its performance and for which discrete financial information is available. Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker ('CODM').

The Group is operating under only one segment i.e. Lighting Segment. Though the Group has various range of products, all of them have been considered into lighting segment based upon their final use by end consumer.

t) Exceptional item

Items of income or expense of non-routine are presented separately when their nature and amount of such significance and is relevant to an understanding of the entity’s financial performance

u) Non-current assets held for sale

The Group classifies non-current assets and disposal Group’s as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use.

Non-current assets and disposal Group’s classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Costs to sell are the incremental costs directly attributable to the disposal of an asset (disposal Group), excluding finance costs and income tax expense.

The criteria for held for sale classification is regarded as met only when the sale is highly probable, and the asset or disposal Group is available for immediate sale in its present condition.

The criteria for held for sale classification is regarded met only when the assets or disposal Group is available for immediate sale in its present condition, subject only to terms that are usual and customary for sales of such assets (or disposal Group's), its sale is highly probable; and it will genuinely be sold, not abandoned. The Group treats sale of the asset or disposal Group to be highly probable when:

; The appropriate level of management is committed to a plan to sell the asset (or disposal Group)

; An active programme to locate a buyer and complete the plan has been initiated (if applicable),

; The asset (or disposal Group) is being actively marketed for sale at a price that is reasonable in relation to its current fair value

; The sale is expected to qualify for recognition as a completed sale within one year from the date of classification, and

; Actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

Property, plant and equipment and intangible are not depreciated, or amortised once classified as held for sale. Assets and liabilities classified as held for sale are presented separately from other items in the balance sheet.

Additional disclosures are provided in note 48. All other notes to the consolidated financial statements mainly include amounts for continuing operations, unless otherwise mentioned.

v) Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss attributable to owners of parent group (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period.

The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders of the parent group and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

w) Events after the reporting period

If the Group receives information after the reporting period, but prior to the date of approved for issue, about conditions that existed at the end of the reporting period, it will assess whether the information affects the amounts that it recognises in its consolidated financial statements. The Group will adjust the amounts recognised in its financial statements to reflect any adjusting events after the reporting period and update the disclosures that relate to those conditions in light of the new information. For non-adjusting events after the reporting period, the Group will not change the amounts recognised in its consolidated financial statements, but will disclose the nature of the non-adjusting event and an estimate of its financial effect, or a statement that such an estimate cannot be made, if applicable.

Significant accounting judgements, estimates and assumptions

The preparation of the Group's consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the acgrouping disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods

Other disclosures relating to the Group's exposure to risks and uncertainties includes:

- Capital management Note 38
- Financial risk management objectives and policies Note 38
- Sensitivity analyses disclosures Notes 37 and 38.

Judgements

In the process of applying the Group's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the consolidated financial statements:

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a DCF model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. These estimates are most relevant to goodwill and other intangibles with indefinite useful lives recognised by the Group.

Defined benefit plans (gratuity benefits)

The cost of the defined benefit gratuity plan and other post-employment medical benefits and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate; future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The calculation is most sensitive to changes in the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds where remaining maturity of such bond correspond to expected term of defined benefit obligation.

The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.

Further details about gratuity obligations are given in note 37.

Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

Useful lives and residual values of property, plant and equipment

The Group reviews the estimated residual values and expected useful lives of property, plant and equipment at least annually. In particular, it considers the impact of health, safety and environmental legislation in its assessment of expected useful lives and estimated residual values. Furthermore, the Group considers climate-related matters, including physical and transition risks. Specifically, it determines whether climate-related legislation and regulations might impact either the useful life or residual values, e.g., by banning or restricting the use of the Group's fossil fuel-driven machinery and equipment or imposing additional energy efficiency requirements on its buildings.

Leases – Estimating the incremental borrowing rate

The Group cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Group 'would have to pay', which requires estimation when no observable rates are available (such as for subsidiaries that do not enter into financing transactions) or when they need to be adjusted to reflect the terms and conditions of the lease (for example, when leases are not in the subsidiary's functional currency). The Group estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates (such as the subsidiary's stand-alone credit rating).

New and amended standards

The Group applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after 1 April 2025. The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

(i) Amendments to Ind AS 21 – Lack of exchangeability

The Ministry of Corporate Affairs (MCA) notified the Companies (Indian Accounting Standards) Amendment Rules, 2025, which amend Ind AS 21, The Effects of Changes in Foreign Exchange Rates to specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. The amendments also require disclosure of information that enables users of its financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the entity's financial performance, financial position and cash flows.

The amendments are effective for annual reporting periods beginning on or after 1 April 2025. When applying the amendments, an entity cannot restate comparative information.

The amendments do not have a material impact on the Group's consolidated financial statements.

(ii) Amendments to Ind AS 1 – Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants

In August 2025, the MCA notified amendments to paragraphs 69 to 76 of Ind AS 1 to specify the requirements for classifying liabilities as current or non-current. The amendments clarify:

- What is meant by a right to defer settlement
- That a right to defer must exist at the end of the reporting period
- That classification is unaffected by the likelihood that an entity will exercise its deferral right
- That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification

In addition, a requirement has been introduced to require disclosure when a liability arising from a loan agreement is classified as non-current and the entity's right to defer settlement is contingent on compliance with future covenants within twelve months.

If there is a breach of a material covenant of a long term loan arrangement on or before the end of the reporting period, resulting in the liability becoming payable on demand as at the reporting date, and the lender agrees—after the reporting period but before the financial statements are approved for issue—not to demand repayment for at least 12 months as a consequence of the breach, this shall be treated as an adjusting event. Accordingly, the entity is not required to classify the liability as current.

The amendments are effective for annual reporting periods beginning on or after 1 April 2025 retrospectively in accordance with Ind AS 8.

(iii) Amendments to Ind AS 7 and Ind AS 107 - Supplier Finance Arrangements

In August 2025, the MCA notified amendments to Ind AS 7 Statement of Cash Flows and Ind AS 107 Financial Instruments: Disclosures to clarify the characteristics of supplier finance arrangements and require additional disclosure of such arrangements. The disclosure requirements in the amendments are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk.

As a result of implementing the amendments, the Group has provided additional disclosures about its supplier finance arrangement. Please refer to note 22.

(iv) International Tax Reform—Pillar Two Model Rules – Amendments to Ind AS 12

In August 2025, the MCA notified amendments to Ind AS 12 Income Taxes in response to the OECD's BEPS Pillar Two rules and include:

- A mandatory temporary exception to the recognition and disclosure of deferred taxes arising from the jurisdictional implementation of the Pillar Two model rules; and
- Disclosure requirements for affected entities to help users of the financial statements better understand an entity's exposure to Pillar Two income taxes arising from that legislation, particularly before its effective date.

The mandatory temporary exception – the use of which is required to be disclosed – applies immediately. The remaining disclosure requirements apply for annual reporting periods beginning on or after 1 April 2025, but not for any interim periods ending on or before 31 March 2026.

The amendments had no impact on the Group's consolidated financial statements as the Group is not in scope of the Pillar Two model rules.

3 Property, plant and equipment

(₹ in million)

Particulars	Gross block				Depreciation				Net block	Net block
	As at 31 March 2025	Additions	Disposal	As at 31 March 2026	As at 31 March 2025	Charge for the year	Disposal	As at 31 March 2026	As at 31 March 2026	As at 31 March 2025
Tangible assets										
Freehold land*	4	2	-	6	-	-	-	-	6	4
Buildings	640	24	85	579	426	20	24	422	157	214
Plant and equipments	3,370	80	1,104	2,346	2,798	73	832	2,039	307	572
Office equipments	121	26	2	145	73	14	2	85	60	48
Furniture and fixtures	212	4	44	172	152	9	33	128	44	60
Leasehold improvements	332	23	1	354	194	40	0	234	120	138
Computers	465	155	39	581	356	83	38	401	180	109
Total	**5,144**	**314**	**1,275**	**4,183**	**3,999**	**239**	**929**	**3,309**	**874**	**1,145**
Intangible assets										
Intangible assets**	939	-	-	939	259	80	-	339	600	680
Total	**939**	**-**	**-**	**939**	**259**	**80**	**-**	**339**	**600**	**680**

(₹ in million)

Particulars	Gross block				Depreciation				Net block	Net block
	As at 31 March 2024	Additions	Disposal	As at 31 March 2025	As at 31 March 2024	Charge for the year	Disposal	As at 31 March 2025	As at 31 March 2025	As at 31 March 2024
Tangible assets										
Freehold land*	4	-	-	4	-	-	-	-	4	4
Buildings	651	16	27	640	428	25	27	426	214	223
Plant and equipments	4,076	192	898	3,370	3,502	187	891	2,798	572	574
Office equipments	89	44	12	121	69	13	9	73	48	20
Furniture and fixtures	225	18	31	212	159	13	20	152	60	66
Leasehold improvements	226	133	27	332	189	32	27	194	138	37
Computers	431	62	28	465	299	85	28	356	109	132
Total	**5,702**	**465**	**1,023**	**5,144**	**4,646**	**355**	**1,002**	**3,999**	**1,145**	**1,056**
Intangible assets										
Intangible assets**	939	-	-	939	180	79	-	259	680	759
Total	**939**	**-**	**-**	**939**	**180**	**79**	**-**	**259**	**680**	**759**

Note: This includes net block of assets classified as held for sale amounting to ₹ 316 million in previous financial year 2024-25. (Refer Note 48).

On transition to Ind AS (i.e. 1 April 2015), the Group has elected to continue with the carrying value of all Property, plant and equipment measured as per the previous GAAP and use that carrying value as the deemed cost of Property, plant and equipment.

*All title deeds of immovable properties are held in the name of the Group.

** During the year ended 31 March 2020, the Group had acquired business of Cooper India, a division of Eaton on slump sale basis at an aggregate consideration of ₹ 939 million against which net assets acquired was of ₹ Nil and accordingly excess of purchase consideration over net assets acquired on fair value had been recognized as 'Intangibles assets' in the financial statements. The said intangibles primarily relate to customer contract, customer relationships and others* and are not separately identifiable in terms of Ind AS 103. The Group has considered Cooper India a cash generating unit for the purpose of evaluation of impairment testing on acquired intangible assets.The Group performed its annual impairment test for years ended 31 March 2026 and 31 March 2025. The Group considers the relationship between its head count of employees and markup agreed for the services, when reviewing for indicators of impairment. As at reporting date, there were no indicators for impairment of intangible assets considering the below set of key assumptions.

* Others refer to the technical know how, assembled workforce, business processess & business generating potential.

Key assumptions used in previous year for value in use calculations

The calculation of value in use is most sensitive to the following assumptions:

a) Employee head count

b) Discount rates

c) Growth rates used to extrapolate cash flows beyond the forecast period

a) Employee head count

Headcount additions for FY 2025-2026 has been considered as per the approved business plan by the management. Increase in head count from next year onwards has been considered based on future growth road map considering the current business scenarios. Decreased operations of the CGU can lead to a decline in the employee head count.

b) Discount rates

The estimated value in use of cash generating unit (CGU) is based on the future cash flows using annual growth rate of 5% for periods subsequent to the forecast period and weighted average cost of capital of 11%. Discount rates represent the current market assessment of the risks specific to CGU, taking into consideration the time value of money and risks of underlying assets that have not been incorporated in the cash flow estimates. The discount rate calculation is based on the specific circumstances of the Group and its operating segments and is derived from its weighted average cost of capital (WACC). The WACC takes into account equity. The cost of equity is derived from the expected return on investment by the Group's investors. CGU specific risk is incorporated by applying individual beta factors. The beta factors are evaluated annually based on publicly available market data. Adjustments to the discount rate are made to factor in the specific amount and timing of the future tax flows in order to reflect a pre-tax discount rate. The discount rate was estimated based on past experience and Group's average weighted average cost of capital. The values assigned to the key assumptions represent the management's assessment of future trends in the industry and based on both internal and external factors.

c) Growth rates used to extrapolate cash flows beyond the forecast period

The Growth rate at terminal value is considered as 5% basis management estimate of future cash flow considering businees outlook and agreement for services.

An analysis of the sensitivity of the computation to a change in key parameters (discount rate, revenue growth, long term average growth rate, terminal value and head count), based on reasonable probable assumptions, did not identify any probable scenario for impairment.

3A Capital Work In Progress

(₹ in million)

	As at 31 March 2026	As at 31 March 2025
Opening cost	9	18
Additions during the year	418	456
Deduction and adjustment during the year	(314)	(465)
	113	**9**

Capital Work In Progress (CWIP) Ageing Schedule

As at 31 March 2026

(₹ in million)

	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3years	More than 3 years	Total
Capital work in progress	112	1	-	-	113

As at 31 March 2025

	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3years	More than 3 years	Total
Capital work in progress	7	2	-	-	9

There are no projects which are temporarily suspended as at reporting date.

There are no projects whose completion is overdue or has exceeded its cost compared to its original plan during the financial year 2025-26.

No borrowing costs are capitalised on plant & machinery under capital work in progress.

Note: This includes Capital Work In Progress classified as held for sale amounting to ₹ 1 million in previous financial year 2024-25. (Refer Note 48).

4 Right of Use Assets

(₹ in million)

Particulars	As at 31 March 2025	Additions	Deletions /adjustment	Depreciation	As at 31 March 2026
Office/Buildings & Furniture	929	643	(19)	(445)	1,108
Vehicles	179	91	(16)	(87)	167
Total	**1,108**	**734**	**(35)**	**(532)**	**1,275**

Note: This includes Right of Use Assets classified as held for sale amounting to ₹ 2 million in previous year (Refer Note 48).

Particulars	As at 31 March 2024	Additions	Deletions /adjustment	Depreciation	As at 31 March 2025
Office/Buildings & Furniture	1,008	366	(20)	(425)	929
Vehicles	163	101	(11)	(74)	179
Total	**1,171**	**467**	**(31)**	**(499)**	**1,108**

Notes to the Consolidated financial statements for the year ended 31 March 2026

(₹ in million)

	As at 31 March 2026	As at 31 March 2025
5. Investments		
Investments measured using the equity method		
In equity shares of Joint Ventures		
Unquoted, fully paid up	1,512	-
14,28,00,000 Equity shares of ₹ 10/- each of Lightanium Technologies Private Limited*		
	1,512	**-**
*Above amount includes acquisition cost of ₹ 28 million and group's share of profit amounting to ₹ 56 million.		
Aggregate value of unquoted investments	1,512	-

Interest in joint venture:

The Group has a 50% interest in Lightanium Technologies Private Limited (LTPL), a joint venture involved in the manufacture of some of the Group's main product lines in lighting in India. The Group's interest in LTPL is accounted for using the equity method in the consolidated financial statements. Summarised financial information of the joint venture, based on its Ind AS financial statements and reconciliation with the carrying amount of the investment in consolidated financial statements are set out below:

Summarised balance sheet as at 31 March 2026:

(₹ in million)

	As at 31 March 2026	As at 31 March 2025
Current assets	4,595	-
Non current assets	3,954	-
Current liabilities	(4,554)	-
Non current liabilities	(1,028)	-
Net Assets	**2,967**	**-**
Initial Investment in LTPL	1,456	-
Group's share of profit (50%) for the year	56	-
Group's carrying amount of the Investment	**1,512**	**-**

Summarised Statement of Profit and Loss in respect of the joint venture is given below

	31 March, 2026	31 March, 2025
Revenue from operations	8,140	-
Other income	2	-
Cost of materials consumed	(6,875)	-
Changes in inventories of finished goods, stock-in-trade and work-in-progress	679	-
Employee benefits expense	(427)	-
Finance costs	(120)	-
Depreciation and amortisation expense	(184)	-
Other expenses	(1,088)	-
Profit before tax	**127**	**-**

Notes to the Consolidated financial statements for the year ended 31 March 2026

	31 March, 2026	31 March, 2025
Income tax expense	(22)	-
Profit for the year	**105**	**-**
Other Comprehensive Income for the year (net of tax)	8	-
Total Comprehensive Income for the year	**113**	**-**

The joint venture has contingent liabilities in respect of disputed indirect tax matters comprising Goods and Services Tax (GST) demands amounting to ₹ 3 million and Excise Duty, Customs Duty and Service Tax matters amounting to ₹ 19 million. Further, the joint venture has deposited ₹ 3 million under protest in relation to certain GST matters.

There are bank guarantees outstanding amounting to ₹ 35 million and letters of credit amounting to ₹ 592 million issued by the joint venture's bankers in the ordinary course of business. In addition, the joint venture has furnished a bond of ₹ 44 million to the Customs Department in connection with its business operations. The joint venture does not have any capital commitments as at March 31, 2026, other than capital expenditure commitments in respect of contracts remaining to be executed on capital account and not provided for, amounting to ₹ 2 million. LTPL cannot distribute its profits until it obtains the consent from the venture partner.

The financial statements of joint venture has been prepared for the period 26th June 2025 (date of incorporation) to 31st March 2026.

(₹ in million)

	As at 31 March 2026	As at 31 March 2025
6. Other non-current financial assets		
(Unsecured considered good unless otherwise stated)		
Security deposits	96	134
Deposits with original maturity of more than 12 months	24	3
	120	**137**

7. Deferred tax assets (net)

A. Amounts recognized in standalone statement of profit and loss

(₹ in million)

	As at 31 March 2026	As at 31 March 2025
Current income tax:		
Current income tax charge	1,207	971
	1,207	**971**
Deferred tax:		
Relating to origination and reversal of temporary differences	(73)	(9)
Income tax expense reported in the P&L	**(73)**	**(9)**
Tax expense	**1,134**	**962**

Notes to the Consolidated financial statements for the year ended 31 March 2026

(₹ in million)

		As at 31 March 2026	As at 31 March 2025
B.	**Other comprehensive income (OCI) section**		
	Deferred tax related to items recognized in OCI during the year		
	Income tax effect (Refer note 37)	16	(4)
	Income tax related to items recognized in OCI during the year	**16**	**(4)**
	Total tax expense	**1,150**	**958**

C. Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for 31 March 2025 and 31 March 2026:

(₹ in million)

	As at 31 March 2026	As at 31 March 2025
Accounting profit before income tax	**4,843**	**3,663**
At India's statutory income tax rate of 25.168% (31 March 2025: 25.168%)	1,219	922
Tax effect of:		
Non-deductible expenses	21	20
Tax on items related to OCI	16	(4)
Adjustment of tax relating to earlier periods	(13)	17
Impact on account of change in Tax Rate	(96)	-
Effect of share of profit in joint venture	11	-
Others	(8)	3
	1,150	**958**

D. Movement in deferred tax balances

(₹ in million)

	As at 31 March 2025	Recognized in P&L	Recognized in OCI/Equity	As at 31 March 2026
Deferred tax assets				
Property, plant and equipment	90	3	-	93
Right to use asset	33	(2)	-	31
Employee benefits	161	55	(16)	200
Provisions	165	(11)	-	154
Other assets	40	24	-	64
Sub- total (a)	**489**	**69**	(16)	**542**
Deferred tax liabilities				
Intangible assets	133	(17)	-	116
Effect of share of profit in joint venture	-	11	1	12
Sub- total (b)	**133**	**(6)**	1	**128**
Net deferred tax assets (a)-(b)	**356**	**76**	**(17)**	**412**

Notes to the Consolidated financial statements for the year ended 31 March 2026

(₹ in million)

	As at 31 March 2024	Recognized in P&L	Recognized in OCI	As at 31 March 2025
Deferred tax assets				
Property, plant and equipment	82	8	-	90
Right to use asset	29	4	-	33
Employee benefit obligation	153	4	4	161
Provisions	158	7	-	165
Other assets	50	(10)	-	40
Sub- total (a)	**472**	**13**	**4**	**489**
Deferred tax liabilities				
Intangible assets	129	4	-	133
Sub- total (b)	**129**	**4**	-	**133**
Net deferred tax assets (a)-(b)	**343**	**9**	**4**	**356**

(₹ in million)

	As at 31 March 2026	As at 31 March 2025
8. Other non-current assets		
(Unsecured considered good unless otherwise stated)		
Deposits with statutory authorities under protest (Refer note 40)	87	72
Prepaid expenses	22	30
	109	**102**
9. Inventories		
(At lower of cost and net realizable value)		
Raw materials*	357	968
Finished goods**	171	165
Traded Goods**	2,182	2,348
Stores and spares	28	36
	2,729	**3,517**

* Raw materials includes goods-in-transit - ₹ 28 million (as at 31 March 2025 - ₹ 96 million)

**Traded & Finished Goods includes goods-in-transit - ₹ 451 million (as at 31 March 2025 - ₹ 230 million)

During FY 2025-26, an amount of ₹ 421 million (31st March, 2025: ₹ 472 million) was charged to the statement of profit and loss on account of damaged and slow moving inventory, which is included as part of cost of materials consumed.

Note: This includes Inventories classified as held for sale amounting to ₹ 600 million in previous financial year 2024-25 (Refer Note 48).

Notes to the Consolidated financial statements for the year ended 31 March 2026

(₹ in million)

	As at 31 March 2026	As at 31 March 2025
10. Current investments		
Investment in Bonds (Measured at fair value through profit and loss)		
6.75% Piramal Capital & Housing Finance Limited	10	10
(14041 units (31 March: 14041 units) of fair value: ₹ 738 (31 March 2025: ₹ 747))		
	10	**10**
Aggregate carrying value of quoted investment	**10**	**10**
Aggregate market value of quoted investment	**10**	**10**

(₹ in million)

	As at 31 March 2026	As at 31 March 2025
11. Trade receivables		
From customers (unsecured)		
Trade receivables considered good		
Trade receivables which have significant increase in credit risk	2,395	1,690
Trade receivables credit impaired	37	40
Trade receivables credit impaired	160	150
	2,592	**1,880**
Less: Impairment allowance	(197)	(190)
	2,395	**1,690**
From related parties (unsecured) (Refer note 34)		
Considered good	948	991
	3,343	**2,681**

Trade receivables ageing as on 31 March 2026 is as follows

(₹ in million)

Particulars	Unbilled	Current But Not Due	Outstanding for following periods from due date of payment					
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Grand Total
(i) Undisputed Trade receivables – considered good	16	2,519	767	17	14	10		3,343
(ii) Disputed Trade receivables – considered good	-	-						-
(iii) Undisputed Trade Receivables – which have significant increase in credit risk	-	0	25	4	6	2		37
(v) Undisputed Trade Receivables - credit impaired	-	-						-
(vi) Disputed Trade Receivables - credit impaired	-	-	-	10	85	-	65	160
	16	**2,519**	**792**	**31**	**105**	**12**	**65**	**3,540**

Notes to the Consolidated financial statements for the year ended 31 March 2026

Trade receivables ageing as on 31 March 2025 is as follows

(₹ in million)

Particulars	Unbilled	Current But Not Due	Outstanding for following periods from due date of payment					
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Grand Total
(i) Undisputed Trade receivables – considered good	143	1,835	699	4	1	13	-	2,695
(ii) Disputed Trade receivables – considered good	-	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – which have significant increase in credit risk	-	2	27	6	5	-	-	40
(iv) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(v) Undisputed Trade Receivables - credit impaired	-	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables -credit impaired	-	-	12	-	59	-	65	136
	143	1,837	738	10	65	13	65	2,871
	143	**1,837**	**738**	**10**	**65**	**13**	**65**	**2,871**

No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person.

Trade receivables are non-interest bearing and are normally settled between 7 to 120 days

For terms and conditions relating to related party receivables. (Refer Note 34).

(₹ in million)

	As at 31 March 2026	As at 31 March 2025
12. Cash and cash equivalents		
Balance with banks:		
- On current accounts	401	93
- Deposits with original maturity of less than three months	4,326	3,029
Cheques on hand	29	507
Cash on hand*	0	0
	4,756	**3,629**

* Cash balances as at 31 March 2026 is ₹ 5,341 (as at 31 March 2025 ₹ 5,341)

Cash at banks earns interest at fixed rates based on bank deposit rates. Short-term deposits are made for period varying between seven days to three months, depending on the immediate cash requirements of the Group, and earn interest at the respective short-term deposit rates.

At 31 March 2026, the Group had available ₹ 4,874 million (31 March 2025: ₹ 5,984 million) of undrawn committed borrowing facilities.

The Holding Company has been sanctioned working capital limits in excess of ₹ fifty million in aggregate from banks during the year on the basis of security of current assets of the Group. Since there is no fund based working capital limits sanctioned, bank has exempted the Group to file the quarterly returns/ statements to them. Hence there is no requirement to submit any quarterly returns/statement.

Notes to the Consolidated financial statements for the year ended 31 March 2026

12A Changes in liabilities arising from financing activities and non-cash financing and investing activities

Particulars	1-Apr-25	Cash flows	Changes in fair values	New leases	Other	31-Mar-26
Lease liabilities (note 19)	**1,244**	(650)	-	734	68	1,396
Total liabilities from financing activities	**1,244**	**(650)**	**-**	**734**	**68**	**1,396**

Particulars	1-Apr-24	Cash flows	Changes in fair values	New leases	Other	31-Mar-25
Lease liabilities (note 19)	**1,289**	(585)	-	467	73	1,244
Total liabilities from financing activities	**1,289**	**(585)**	**-**	**467**	**73**	**1,244**

12B Non-cash financing and investing activities

(₹ in million)

	As at 31 March 2026	As at 31 March 2025
Acquisition of Right-of-use assets	734	467

(₹ in million)

	As at 31 March 2026	As at 31 March 2025
13. Other bank balances		
Unpaid dividend	225	226
Bank deposits with original maturity of less than 12 months	1	-
	226	**226**

Bank balance is earmarked against the unpaid dividend

(₹ in million)

	As at 31 March 2026	As at 31 March 2025
14. Other current financial assets		
Security deposits		
Considered good	160	83
Considered doubtful	34	34
Less: Impairment of doubtful deposits	(34)	(34)
	160	**83**
Fixed Deposits (with remaining maturity for less than 12 months)	3	72
Government grants	24	44
Interest accrued but not due	1	5
Unbilled revenue**	507	541
	695	**745**

** Classified as financial asset as right to consideration is unconditional and is due only after a passage of time.

Notes to the Consolidated financial statements for the year ended 31 March 2026

(₹ in million)

	As at 31 March 2026	As at 31 March 2025
15. Net tax assets		
Current Tax assets	229	91
	229	**91**

(₹ in million)

	As at 31 March 2026	As at 31 March 2025
16. Other current assets		
(Unsecured considered good unless otherwise stated)		
Advance to suppliers	44	142
Prepaid expenses	180	144
Advances to employees	3	3
Balances with statutory/government authorities	281	481
	508	**770**

Note: This includes Other current assets classified as held for sale amounting to ₹ 145 million in previous financial year 2024-25. (Refer Note 48).

(₹ in million)

	As at 31 March 2026	As at 31 March 2025
17. Share capital		
Authorized:		
58,000,000 (Previous Year 58,000,000) equity shares of ₹10/- each	580	580
Issued, subscribed and fully paid up:		
57,517,242 (Previous Year 57,517,242) equity shares of ₹10/- each	575	575
	575	**575**

a. Terms/rights attached to equity shares

The Group has one class of equity shares having a par value of ₹ 10 per share. Each shareholder is entitled to one vote per equity share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuring Annual General Meeting, except in case of interim dividend. In the event of liquidation on the Group, the equity shareholders are eligible to receive remaining assets of the Group, after distribution of all preferential amounts, in proportion to their shareholding. The Group declares and pay dividend in Indian Rupee.

Notes to the Consolidated financial statements for the year ended 31 March 2026

b. Reconciliation of number of shares outstanding at the beginning and end of the year :

(₹ in million)

Equity shares of ₹ 10 each issued, subscribed and fully paid	Number of Shares	Amount
At 1st April 2024	57,517,242	575
Changes during the period	-	-
At 31 March 2025	**57,517,242**	**575**
Changes during the period	-	-
At 31 March 2026	**57,517,242**	**575**

c. Shareholders holding more than 5% shares in the Group

	As at 31 March 2026		As at 31 March 2025	
	No. of Shares	Percentage	No. of Shares	Percentage
Signify Holding B.V.(formerly Philips Lighting Holding B.V.)	55,290,242	96.13%	55,290,242	96.13%

As per records of the Group, including its register of shareholders/ members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

d. Details of shares held by promoters as at March 31, 2026

Promoter Name	No. of Shares at beginning of the year	Change during the year	No. of Shares at the year end	%of total shares	% Change during the year
Signify Holding B.V. (formerly Philips Lighting Holding B.V.)	55,290,242	-	55,290,242	96.13%	0.00%

Details of shares held by promoters as at March 31, 2026

(₹ in million)

	As at 31 March 2026	As at 31 March 2025	As at 31 March 2026	As at 31 March 2025
	Non-Current		Current	
Holding Group				
Signify Holding B.V. (formerly Philips Lighting Holding B.V.)	55,290,242	96.13%	55,290,242	96.13%

* There has been no change in the shareholding of the promoters in the current and previous year.

** Neither bonus shares issued nor shares issued for consideration other than cash during the period of five years immediately preceding the reporting date.

Notes to the Consolidated financial statements for the year ended 31 March 2026

(₹ in million)

	As at 31 March 2026	As at 31 March 2025
18 Other equity		
a. Capital reserve		
Balance at the beginning of the year	2,109	2,109
At the end of the year	**2,109**	**2,109**
b Retained earnings		
Balance at the beginning of the year	**1,612**	**2,806**
Add: Profit for the year	3,751	2,701
Less: Dividends paid (Refer note 42)	(3,020)	(3,882)
Other comprehensive income - Re-measurement gain/(loss) on defined benefit plans	43	(13)
Share of OCI of joint venture, net of tax	3	1,612
	2,389	**1,612**
	4,498	**3,721**

*During the year, the Company has paid an interim dividend @ ₹ 52.5 per share for 57,517,242 shares amounting to ₹ 3,020 million. (31 March 2025 @ ₹ 67.5 per share for 57,517,242 shares amounting to ₹ 3,882 million).

Nature and purpose of Reserves

i Capital Reserve

Capital reserves represent the excess of assets of the demerged undertaking over the liabilities of the demerged undertaking over the face value of shares issued by the Group as per Memorandum of Understanding (MOU) signed at the time of Demerger under Sections 391 to 394 of the Companies Act, 1956 and 2013 amongst Philips India Limited ("Demerged Group" or "Philips India") & resultant Group being "Signify Innovations India Limited (earlier known as Philips Lighting India Limited)). All costs, charges and expenses related to the scheme is adjusted against the capital reserve as part of the scheme.

The said reserve is not available for distribution.

ii Other comprehensive income

Remeasurements of defined benefit plans represents the following as per Ind AS 19, Employee Benefits:

(a) actuarial gains and losses

(b) the return on plan assets, excluding amounts included in net interest on the net defined benefit liability (asset); and

(c) any change in the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability (asset).

iii. Retained earnings

Retained earnings are the profit/(loss) that the Group has earned/incurred till date, less any transfers to general reserve, dividends or other distributions paid to shareholders. Retained earnings include re-measurement gain / (loss) on defined benefit plans, net of taxes that will not be reclassified to Statement of Profit and Loss.

Notes to the Consolidated financial statements for the year ended 31 March 2026

(₹ in million)

	As at 31 March 2026	As at 31 March 2025	As at 31 March 2026	As at 31 March 2025
	Non-Current		Current	
19. Lease Liabilities				
Lease Liabilities	935	736	461	508
	935	**736**	**461**	**508**

* The effective rate of interest ranges between 6% to 12% depending on tenure of the leases.

Group as a lessee

The Group has lease contracts for various items of vehicles and properties taken on lease. The average lease term range from 3 years to 9 years. The Group's obligations under its leases are secured by the lessor's title to the leased assets. Generally, the Group is restricted from assigning and subleasing the leased assets.

The Group also has certain leases of office equipment's/furniture & fixtures with lease terms of 12 months or less and with low value. The Group applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

Note: This includes Lease Liabilities classified as held for sale amounting to ₹ 2 million in previous financial year 2024-25. (Refer Note 48).

Carrying amounts of lease liabilities and the movements during the year:

(₹ in million)

Particulars	As at 31 March 2026	As at 31 March 2025
Opening liability	1,244	1,289
Additions during the year	733	468
Termination/Decapitalization	(40)	(43)
Accretion of interest on lease liability	109	115
Lease Payments	(650)	(585)
Closing liability	**1,396**	**1,244**
Current lease liability	461	508
Non Current lease liability	935	736

The Maturity analysis of undiscounted lease liabilities is as shown below:-

(₹ in million)

Particulars	As at 31 March 2026	As at 31 March 2025
Upto 1 year	568	601
more than 1 years to 3 Years	524	678
more than 3 years to 5 years	194	78
more than 5 years	445	7

Notes to the Consolidated financial statements for the year ended 31 March 2026

The following are the amounts recognized in statement of profit & loss:

(₹ in million)

Particulars	For the year ended March 31 2026	For the year ended March 31 2025
Depreciation expense of right-of-use assets (refer note 4)	532	499
Interest expense on lease liabilities (refer note 31)	109	115
Expenses relating to short-term leases and leases of low value items (included in other expenses)	89	114
Total amount recognized in statement of profit & Loss	**730**	**728**

Group as a lessor

The Group has entered into operating leases on its land with Lightanium Technologies Private Limited (see Note 27). These leases have terms of between five and 10 years. Rental income recognised by the Group during the year is ₹ 47 million (2025: Nil).

Future undiscounted lease payments to be received under operating leases as at 31 March are as follows:

(₹ in million)

Particulars	For the year ended March 31 2026	For the year ended March 31 2025
Within one year	70	-
Between 1 and 2 years	70	-
Between 2 and 3 years	70	-
Between 3 and 4 years	70	-
Between 4 and 5 years	70	-
More than 5 years	349	-
	699	**-**

(₹ in million)

	As at 31 March 2026	As at 31 March 2025
20. Non-current provisions		
Provision for decommissioning liability (Refer Note 25.2)	38	38
	38	**38**
21. Other non-current liabilities		
Deferred revenue	484	415
	484	**415**
22. Trade payables		
Total outstanding dues of micro enterprises and small enterprises	85	80
Total outstanding dues of creditors other than micro enterprises and small enterprises*	7,501	6,376
	7,586	**6,456**

Trade payables are non-interest bearing and are normally settled upto 120 days

Trade payables includes acceptances due to others amounting to ₹ 1,848 million (Previous year - ₹ 3,015 million)

* Includes payables to related parties of ₹ 2,509 million (Previous year: ₹ 1,075 million). For terms & conditions relating to related parties payable (refer Note 34). Out of this, amount of ₹ 100 million (previous year ₹ 111 million) has been outstanding in the Company's books of accounts for over three years. This has been adjusted subsequently in the books.

Notes to the Consolidated financial statements for the year ended 31 March 2026

Note: This includes Trade payables classified as held for sale amounting to ₹ 271 million in previous financial year 2024-25. (Refer Note 48).

The Group has established a supplier finance arrangement that is offered to some of the Group's key suppliers in India. Participation in the arrangement is at the suppliers' own discretion. Suppliers that participate in the supplier finance arrangement will receive early payment on invoices sent to the Group from the Group's external finance provider. If suppliers choose to receive early payment, they pay a fee to the finance provider, to which the Group is not party. In order for the finance provider to pay the invoices, the goods must have been received or supplied and the invoices approved by the Group. Payments to suppliers ahead of the invoice due date are processed by the finance provider and, in all cases, the Group settles the original invoice by paying the finance provider in line with the original invoice maturity date described above. Payment terms with suppliers have not been renegotiated in conjunction with the arrangement. The Group provides no security to the finance provider and there is no change in the Group's original obligation towards the supplier.

Accordingly, the trade payables subject to the supplier finance arrangement are included in trade payables in the balance sheet and within trade payables in the table above.

(₹ in million)

	As at 31 March 2026	As at 31 March 2025
Carrying amount of trade payables that are part of a supplier finance arrangement	3,932	2,829
Of which suppliers have received payment	3,813	2,646

There were no significant non-cash changes in the carrying amount of the trade payables included in the Group's supplier finance arrangement.

Trade payables included in the Group's supplier finance arrangement are non-interest bearing and are normally settled on 0-120 days terms.

Additional disclosure as per Micro, Small and Medium Enterprises Development (MSMED) Act, 2006

The Ministry of Micro, Small and Medium Enterprises has issued an Office Memorandum dated 26 August 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with their customers the Entrepreneurs Memorandum Number as allocated after filing of the said Memorandum. Accordingly, the disclosures below in respect of the amounts payable to such enterprises as at the reporting date had been made based on information received and available with the Group.

	As at 31 March 2026	As at 31 March 2025
- Principal amount due to micro and small enterprises	85	80
- interest due on the above amount	-	-
- The amount of interest paid by the buyer in terms of section 16 of the MSMED Act 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
- The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act 2006.	-	-
- The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
- The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006	-	-

Notes to the Consolidated financial statements for the year ended 31 March 2026

Trade Payables ageing as on 31 March 2026 is as follows

(₹ in million)

Particulars	Unbilled	Not due	Outstanding for following periods from due date of payment				
			Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed dues of micro enterprises and small enterprises	-	72	13	-	-	-	85
Undisputed dues of creditors other than micro enterprises and small enterprises	1,158	5,928	301	14		100	7,501
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-	-
	1,158	**6,000**	**314**	**14**	**-**	**100**	**7,586**

Trade Payables ageing as on 31 March 2025 is as follows

(₹ in million)

Particulars	Unbilled	Not due	Outstanding for following periods from due date of payment				
			Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed dues of micro enterprises and small enterprises	-	66	13	1	-	-	80
Undisputed dues of creditors other than micro enterprises and small enterprises	1,057	4,413	760	20	15	111	6,376
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-	-
	1,057	**4,479**	**773**	**21**	**15**	**111**	**6,456**

(₹ in million)

	As at 31 March 2026	As at 31 March 2025
23. Other current financial liabilities		
Unpaid dividend	225	226
Employee related payables	324	293
	549	**519**

Note: This includes Other financial liabilities classified as held for sale amounting to ₹ 40 million in previous financial year 2024-25. (Refer Note 48).

	As at 31 March 2026	As at 31 March 2025
24. Other current liabilities		
Deferred revenue	567	508
Advance received from customers	114	104
Statutory dues	417	454
Other advances	14	66
	1,112	**1,132**

Notes to the Consolidated financial statements for the year ended 31 March 2026

(₹ in million)

	As at 31 March 2026	As at 31 March 2025
25. Current provisions		
Provision for employee benefits (Refer note 37)		
Gratuity	229	88
Compensated absences	264	195
Since the Company does not have an unconditional right to defer settlement for any of the leave obligations, it disclosed the amount as current liabilities. However, the Company does not expect that all leave obligations will be settled in the next 12 months.		
Others (Refer note 25.1)		
Provision for environmental liability	104	114
Replacement guarantee	153	146
Legal and regulatory	407	439
E- waste	101	109
Provision for decommissioning liability (Refer Note 25.2)	15	15
	1,273	**1,106**

Note: This includes Provisions classified as held for sale amounting to ₹ 37 million in previous financial year 2024-25. (Refer Note 48).

Additional disclosure relating to provisions:

25.1. Movement in provisions:

(₹ in million)

Particulars	Environmental	E waste	Decommissioning liability	Replacement guarantee	Legal and regulatory
As at 1 April 2024	-	140	45	157	483
Add: Accruals during the year	**114**	58	8	200	-
Less: Utilization during the year	-	(89)	-	(211)	(44)
As at 31 March 2025	**114**	**109**	**53**	**146**	**439**
Add: Accruals during the year	**3**	83	0	239	65
Less: Utilization during the year	**(13)**	(91)	-	(232)	(97)
As at 31 March 2026	**104**	**101**	**53**	**153**	**407**

25.2. Nature of provisions:

(a) Environmental restoration liability

The Environmental restoration liability relates to cost to be incurred for restoration of soil and water at Vadodara Factory locations.

(b) Decommissioning liability

Decommission liability is the estimated amount of dismantling and restoration cost that the Group expects to incur in the future years on the dismantling of assets and restoring the site to a specified state upon the termination of lease.

(c) Replacement guarantee

The Group provides for the estimated liability on guarantees given on sale of its products based on past performance of such products. The provision represents the expected cost of replacement and free of charge services and it is expected that the expenditure will be incurred over the guarantee period which usually ranges from 6 months to 24 months.

Notes to the Consolidated financial statements for the year ended 31 March 2026

(d) Legal and regulatory

The Group has made provision for taxes and duties relating to cases that are pending assessments before Adjudicating Authorities where probable outflow of resources may arise in future which would depend on the ultimate outcome on conclusion of the cases.

(e) Employee related payables

The Group has made provisions in respect of amounts payable to employees on account of accumulated leaves (leave encashment) and defined benefits payable in respect of gratuity.

(f) E-waste Provisions

The Group has made provision for E-waste liability in accordance with E-waste Management Rules, 2016 as notified by Government of India.

(₹ in million)

	For the year ended 31 March 26	For the year ended 31 March 205
26. Revenue from contract with customers		
Sale of products	27,543	26,144
Sale of services	5,252	4,895
Other operating revenues		
- Export & other incentives	33	71
- Scrap sales	60	26
	32,888	**31,136**

Disaggregate revenue information

The table below presents disaggregated revenues from contracts with customers by geography, offerings and contract-type for each of our business segments.

(₹ in million)

Revenue by Market	For the year ended 31 March 2026	For the year ended 31 March 2025
Within India	25,956	24,362
Outside India	6,932	6,774
Total	**32,888**	**31,136**
Timing of Revenue recognition		
Goods transferred at a point in time	27,603	26,170
Services transferred over time	5,285	4,966
Total	**32,888**	**31,136**

Contract balances

The following table provides information about contract assets and contracts liabilities from contracts with customers in the current year:

(₹ in million)

Contract balances	As at 31 March 2026	As at 31 March 2025
Contract assets		
- Trade receivables	3,343	2,681

Notes to the Consolidated financial statements for the year ended 31 March 2026

(₹ in million)

Contract balances	As at 31 March 2026	As at 31 March 2025
Contract liabilities		
Deferred revenue - Current	567	508
Deferred revenue - Non Current	484	415
Advances from customers	114	104

Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted price

(₹ in million)

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Revenue as per contracted price	34,741	33,135
Adjustments		
Extended Warranties	(367)	(277)
Sales Return	(284)	(410)
Discount	(1,202)	(1,312)
Revenue from contract with customers	**32,888**	**31,136**

Performance obligations

Sale of products:

Performance obligation in respect of sale of goods is satisfied at the point in time when control of the goods is transferred to the customer, generally on delivery of the goods.

Installation service:

The performance obligation in respect to of installation services is satisfied upon completion of installation and acceptance of customer.

Warranty obligation:

For certain products, customer has the option to purchase an extension of warranty. Accordingly, a provision for deferral of revenue is made at the time of sale of goods and recognition of revenue. Revenue recognition in future period occurs on straight-line basis over extended warranty contract period. Therefore, accounted for as separate performance obligations to which the Group allocates a portion of the transaction price.

Schemes:

The Group operates several sales incentive programmes wherein the customers are eligible for several benefits on achievement of underlying conditions as prescribed in the scheme programme such as credit notes. Revenue from contract with customer is presented net of scheme.

Significant financing component:

In respect of long-term contracts, the transaction price for such contracts is discounted, using the rate that would be reflected in a separate financing transaction between the Group and its customers at contract inception, to take into consideration the significant financing component.

Significant judgments

Significant judgment in determining the timing of satisfaction of performance obligation

The Group exercises judgement in determining whether the performance obligation is satisfied at a point in time or over a period of time.

Notes to the Consolidated financial statements for the year ended 31 March 2026

Critical judgment in determining the transaction price

Judgement is also required to determine the transaction price for the contract. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is reassessed at the end of each reporting period. For this, Judgment is required in determining the probability and level of discounts that will be granted. The estimate is updated throughout the term of the contract.

(₹ in million)

	For the year ended 31 March 2026	For the year ended 31 March 2025
27. Other Income		
Net gain on investments measured at fair value through profit & loss	-	7
Interest income		
- Bank and other deposits	177	195
- Financial assets at amortized cost	20	18
Rental Income (refer note 19)	47	-
Provision no longer required written back	29	-
Gain on sale of property, plant and equipment (net)	1	44
Gain on foreign exchange (net)	65	-
Net gain on lease modification	4	11
Miscellaneous income	6	16
	349	**291**
28. Cost of raw materials and components consumed		
Opening Stock	968	768
Add: Purchases	1,658	3,543
Less: Closing stock	357	968
	2,269	**3,343**
Purchases of traded goods	**14,107**	**12,752**
29. (Increase)/Decrease in inventories of finished goods and traded goods		
Opening inventory		
- Finished goods	165	110
- Traded Goods	2,348	2,032
	2,513	**2,142**
Closing inventory		
- Finished goods	162	165
- Traded Goods	2,182	2,348
	2,344	**2,513**
(Increase)/Decrease in inventories of finished goods and traded goods	**169**	**(371)**

Notes to the Consolidated financial statements for the year ended 31 March 2026

(₹ in million)

	For the year ended 31 March 2026	For the year ended 31 March 2025
30. Employee benefits expense		
Salaries, wages and bonus	5,882	5,699
Gratuity expense (refer note 37)	98	68
Contribution to provident and other funds (refer note 37)	244	236
Expense on share based incentives (refer note 39)	47	107
Staff welfare expenses	204	147
	6,475	**6,257**
31. Finance cost		
Interest expense on lease liabilities	109	115
Others	0	1
	109	**116**
'0' represents amount below ₹ 1,00,000.		
32. Depreciation and amortization expense		
Depreciation on property, plant and equipment (refer note 3)	239	355
Amortization of intangible assets (refer note 3)	80	79
Depreciation on right of use assets (refer note 4)	532	499
	851	**933**
33. Other expenses		
Consumption of stores and spares	18	21
Power and fuel	132	195
Packing, freight and transport	622	654
Rent	89	114
Repairs to		
- buildings	27	19
- plant and machinery	31	40
- others	3	3
Insurance	89	80
Rates and taxes	5	-
Travelling and conveyance	324	322
Legal and professional	129	111
Payment to Auditors (Refer note "a" below)	7	7
Advertisement and Publicity	498	384
Information technology and communication	600	580
Replacement guarantee	239	200

Notes to the Consolidated financial statements for the year ended 31 March 2026

(₹ in million)

	For the year ended 31 March 2026	For the year ended 31 March 2025
E-waste	83	58
Technical royalty	1,237	1,153
Management support services	219	157
Corporate Social Responsibility (CSR) expense (Refer note "b" below)	81	79
Foreign exchange loss (net)	-	36
Provision for expected credit losses	13	36
Environmental expense	3	114
Miscellaneous expense	243	309
	4,692	**4,672**
a) Payment to Auditors		
- Audit Fees	6	5
- Tax Audit Fees	1	1
- Other Services	0	1
	7	**7**
(b) Details of CSR expenditure:		
(a) Gross amount required to be spent during the year	81	79
(b) Amount approved by the Board to be spent during the year	81	79
(c) Amount spent during the year (in cash)		
i) Construction/acquisition of any asset	-	-
ii) On purposes other than (i) above	81	79
Total amount spent	**81**	**79**
d) Amount yet to be paid in cash		
i) Construction/acquisition of any asset	-	-
ii) On purposes other than (i) above	-	-

(₹ in million)

	For the year ended 31 March 2026	For the year ended 31 March 2025
e) Details related to spent / unspent obligations:		
i) Contribution to Public Trust	-	-
ii) Contribution to Charitable Trust	81	79
iii) Unspent amount in relation to:	-	-
- Ongoing project	-	-
- Other than ongoing project		

Notes to the Consolidated financial statements for the year ended 31 March 2026

Details of ongoing project and other than ongoing projects

In case of S. 135(6) (Ongoing Project)						
Opening Balance		Amount required to be spent during the period	Amount spent during the year		Closing Balance	
With Group	In Separate CSR Unspent A/c		From Group's bank A/c	From Separate CSR Unspent A/c	With Group	In Separate CSR Unspent A/c
-	-	-	-	-	-	-

In case of S. 135(5) (Other than ongoing project)				
Opening Balance	Amount deposited in Specified Fund of Sch. VII within 6 months	Amount required to be spent during the year	Amount spent during the year	Closing Balance
-	-	81	81	-

34. Related party transactions

(a) Names of companies where control exists:

(i) Ultimate holding company : Signify N.V.

(ii) Holding Company : Signify Holding B.V.(earlier known as Philips Lighting Holding B.V.)

(b) Other related parties with whom transactions have taken place during the period:

(i) Fellow Subsidiary Companies

: Signify North America Corporation (earlier known as Philips Lighting North America Corporation)

: Signify Netherlands B.V. (earlier known as Philips Lighting B.V.)

: Signify Luminaires (Chengdu) Co., Ltd.(earlier known as Philips Luminaires (Chengdu) Co., Ltd.)

: Signify Luminaires (Shanghai) Co., Ltd.(earlier known as Philips Lighting Luminaires (Shanghai) Co., Ltd.)

: Signify Hong Kong Limited(earlier known as Philips Lighting Hong Kong Ltd)

: Signify Belgium N.V.(earlier known as Philips Lighting Belgium NV)

: Signify Poland Sp. z.o.o.(earlier known as Philips Lighting Poland Sp. z o.o.)

: Signify Singapore Pte. Ltd.(earlier known as Philips Lighting Singapore Pte Ltd)

: Signify Bangladesh Limited(earlier known as Philips Lighting Bangladesh Ltd)

: Signify Lanka (Private) Limited(earlier known as Philips Lighting Lanka P Ltd)

: Signify Malaysia Sdn Bhd(earlier known as Philips Lighting Commercial Malaysia Sdn. Bhd)

Notes to the Consolidated financial statements for the year ended 31 March 2026

: Signify Japan GK(earlier known as Philips Lighting Japan Gk)

: Signify Commercial (Thailand) Ltd.(earlier known as Philips Electronics (Thailand) Ltd)

: PT. PMA Signify Commercial Indonesia (earlier known as PT. Philips Indonesia)

: Signify New Zealand Limited(earlier known as Philips New Zealand Ltd)

: Signify Industry (China) Co., Ltd.(earlier known as Philips Lighting Industry (China) Co., Ltd.)

: Signify Manufacturing Spain, S.L.U(earlier known as Philips Indal S.L.)

: Signify Australia Limited(earlier known as Philips Lighting Australia Limited)

: Signify Taiwan Limited(earlier known as Philips Lighting Taiwan Limited)

: Signify Vietnam Limited(earlier known as Philips Electronics Vietnam Limited)

: Cooper Lighting LLC

: Cooper Lighting Canada Limited

: Cooper Lighting Solutions UK Limited

: Vari-Lite LLC

: Genlyte Thomas Group LLC

: Signify Canada Ltd.

: Signify Iluminação Brasil Ltda.

: Signify Saudi Arabia LLC

: Signify ILC

: Signify Netherlands

: Signify Electronics (Xiamen) Co., Ltd.

: Cooper Lighting Netherlands B.V.

: Signify Hungary Kft.

: Signify Maroc SARL

: ILC Intelligent Lighting Controls Inc.

: Signify Aydinlatma Ticaret A.S.

: Signify Philippines, Inc.(earlier known as Philips Electronics & Lighting, Inc)

: WMGD Pty Limited

: Zhejiang Klite Lighting Holdings Co., Ltd.

(ii) Joint Venture : Lightanium Technologies Private Limited (w.e.f 1st August, 2025)

Notes to the Consolidated financial statements for the year ended 31 March 2026

(iii) Others* : Dixon Technologies (India) Limited (w.e.f 1st August, 2025)

* Includes a joint venturer possessing an interest in the joint venture.

(iv) Key Management Personnel

(1) Executive directors:

(i) Mr. Sumit Padmakar Joshi (Managing Director & Vice Chairman)

(ii) Mr. Dibyendu Raychaudhury (Whole-time Director & Chief Financial Officer)

(iii) Mr. Vikas Malhotra (Whole-time Director)

(iv) Mr. Nitin Mittal (Company Secretary)

(2) Non- executive directors:

(i) Ms. Sangeeta Tanwani (Independent Director)

(ii) Mr. Vinayak Kashinath Deshpande (Chairman and Independent Director)

(iii) Mr. Dilip Jose Puthiyidathu (Independent Director)

Terms and conditions of transactions with related parties

i) Sales to related parties and concerned balances

For terms of transaction

Sales are made to related parties on the same terms as applicable to third parties in an arm's length transaction and in the ordinary course of business. The Group mutually negotiates and agrees sales price, discount and payment terms with the related parties by benchmarking such sales with those earned by broadly comparable companies engaged in similar manufacturing activities. Such sales generally include payment terms requiring related party to make payment within 7 to 120 days from the date of invoice (31 March 2025: within 7 to 120 days from the date of invoice)

For terms of balance

Trade receivables outstanding balances are unsecured, interest free and require settlement in cash. No guarantee or other security has been received against these receivables. The amounts are recoverable within 7 to 120 days from the reporting date (31 March 2025: 7 to 120 days from the reporting date). For the year ended 31 March 2026, the Group has not recorded any impairment on receivables due from related parties (31 March 2025: Nil).

ii) Purchases of goods and related balances

For terms of transaction

Purchases are made from related parties on the same terms as applicable to third parties in an arm's length transaction and in the ordinary course of business. The Group mutually negotiates and agrees purchase price and payment terms with the related parties by benchmarking the same to sale transactions with non-related parties entered into by the counter-party and similar purchase transactions entered into by the Group with the other non-related parties. Such purchases generally include payment terms requiring the Group to make payment within 0 to 120 days from the date of invoice (31 March 2025: within 0 to 120 days from the date of invoice).

For terms of balance

Trade payables outstanding balances are unsecured, interest free and require settlement in cash. No guarantee or other security has been given against these payables. The amounts are payable within 0 to 120 days from the reporting date (31 March 2025: 0 to 120 days from the reporting date).

Notes to the Consolidated financial statements for the year ended 31 March 2026

iii) Investment made in Lightanium Technologies Private Limited (LTPL) – Joint venture Company

The Group has invested in equity shares of LTPL as a result of joint venture. The investment has been utilized by the joint venture for the purpose it was obtained. LTPL 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. LTPL declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of LTPL, the holders of equity shares will be entitled to receive its remaining assets, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders. Refer note 5 regarding details of Equity Shares of the LTPL held by the Group.

iv) Leasing arrangement

The Group has given a part of its factory office situated at Vadodara to LTPL, an entity over which the promoters of the Group have joint control, for a period of 5 to 10 years. The lease entitles the Group to receive fixed lease rental on a monthly basis. At the end of initial lease term, the lease agreement is renewable based on mutual negotiation and agreement. During the financial year 2025-26, the Group received approximately ₹ 47 million in rental payments from LTPL (year ended 31 March 2025: NIL). For the year ended 31 March 2026, the Group has not recorded any impairment on lease payments due from the related party (31 March 2025: Nil). Refer note 19 regarding the detailed disclosures for lease.

v) Compensation of key management personnel of the Company

The amounts disclosed in the table are the amounts recognised as an expense during the financial year related to KMP. The amounts do not include expense, if any, recognised toward post-employment benefits and other long-term benefits of key managerial personnel. Such expenses are measured based on an actuarial valuation done for each Group in the Group as a whole. Hence, amounts attributable to KMPs are not separately determinable.

Generally, the non-executive directors do not receive gratuity entitlements from the Group.

(c) Nature of transactions happened during the year

(₹ in million)

	Year ended 31 March 2026					Year ended 31 March 2025				
Description	**Holding Company**	**Fellow Subsidiary Companies**	**Joint Venture/ Others**	**Key Managerial Personnel**	**Total**	**Holding Company**	**Fellow Subsidiary Companies**	**Joint Venture/ Others**	**Key Managerial Personnel**	**Total**
Purchase of Raw Material and Stock-in -trade	-	1,324	3,190	-	**4,514**	-	1,647	-	-	**1,647**
Purchase of property, plant and equipment	-	-	-	-	**-**	-	0	-	-	**0**
Technical Royalty paid	-	1,237	-	-	**1,237**	-	1,153	-	-	**1,153**
Management support services charge	219	-	-	-	**219**	157	-	-	-	**157**
Purchase of IT & other services	-	435	-	-	**435**	-	361	-	-	**361**
Reimbursements paid	-	5	-	-	**5**	-	8.1	-	-	**8**
Expense on share based incentives #	47	-	-	-	**47**	107	-	-	-	**107**
Sale of property, plant and equipment	-	-	-	-	**-**	-	11	-	-	**11**
Sale of products	-	1,680	85	-	**1,765**	-	1,872	-	-	**1,872**
Sale of Services	1,009	4,243	-	-	**5,252**	1,007	3,888	-	-	**4,895**

Notes to the Consolidated financial statements for the year ended 31 March 2026

(₹ in million)

Description	Year ended 31 March 2026					Year ended 31 March 2025				
	Holding Company	Fellow Subsidiary Companies	Joint Venture/ Others	Key Managerial Personnel	Total	Holding Company	Fellow Subsidiary Companies	Joint Venture/ Others	Key Managerial Personnel	Total
Purchase / Subscription of Investments***	-	-	1,428	-	**1,428**	-	-	-	-	**-**
Sale proceeds on account of slump sale##	-	-	1,500	-	**1,500**					
Rental Income	-	-	47	-	**47**	-	-	-	-	**-**
Reimbursement received	-	5	167	-	**172**	-	12	-	-	**12**
Managerial Remuneration										
Mr. Sumit Padmakar Joshi	-	-	-	51	**51**	-	-		41	**41**
Mr. Dibyendu Raychaudhury	-	-	-	18	**18**	-	-		15	**15**
Mr. Nitin Mittal	-	-	-	9	**9**	-	-		9	**9**
Mr. Vikas Malhotra	-	-	-	15	**15**	-	-		14	**14**
Commission to Non-executive directors										
Mr. Vinayak Kashinath Deshpande	-	-	-	2	**2**	-	-		2	**2**
Ms. Sangeeta Tanwani	-	-	-	2	**2**	-	-		2	**2**
Mr. Dilip Jose Puthiyidathu	-	-	-	2	**2**	-	-		2	**2**
Sitting fees to Non-executive directors										
Mr. Vinayak Kashinath Deshpande	-	-	-	1	**1**	-	-		1	**1**
Ms. Sangeeta Tanwani	-	-	-	1	**1**	-	-		1	**1**
Mr. Dilip Jose Puthiyidathu	-	-	-	0	**0**	-	-		0	**0**
Outstandings										
Payable**	-	960	1,549	-	**2,509**	40	1,035	-	-	**1,075**
Receivable	-	807	141	-	**948**	-	991	-	-	**991**
Key managerial personnel compensation *										
(a) short-term employee benefits	-	-	-	93	93	-	-	-	79	79
(b) other long-term benefits	-	-	-	-	**-**	-	-	-	-	**-**
Other short term benefits										
- Commission to Non executive directors	-	-	-	5	**5**	-	-	-	5	**5**
- Sitting fees to Non executive directors	-	-	-	2	**2**	-	-	-	2	**2**

Notes to the Consolidated financial statements for the year ended 31 March 2026

#This transaction is with Ultimate Holding Company.

*Note: As the liabilities for defined benefit plans and compensated absences are provided on actuarial basis for the Company as a whole, the amounts pertaining to Key Management Personnel are not included.

** Amount payable to holding company includes payable to Ultimate Holding Company of ₹ 83 million (31 March 2025: Nil million).

The above mentioned transactions were made on normal commercial terms and conditions and at market rates.

***Above amount excludes acquisition cost of ₹ 28 million (Refer Note 5).

##This includes adjustment of net working capital of ₹ 96 million.

'0' represents amount below ₹ 5,00,000.

(d) Nature of transactions during the year (More than 10%)

Relationship / Name of the related party	Description of the nature of transaction	Value of the transactions*	
		Year ended 31 March 2026 (₹ in million)	Year ended 31 March 2025 (₹ in million)
(i) Ultimate holding company			
Signify N.V.	Expense on share based incentives	47	107
(ii) Holding Company			
Signify Holding B.V.(earlier known as Philips Lighting Holding B.V.)	Management support services charge	219	157
Signify Holding B.V.(earlier known as Philips Lighting Holding B.V.)	Sale of Services	1,009	1,007
(iii) Fellow Subsidiary Companies			
Signify Netherlands B.V.(earlier known as Philips Lighting B.V.)	Purchase of Raw Material and Stock-in -trade	1,119	1,382
Signify Netherlands B.V.(earlier known as Philips Lighting B.V.)	Purchase of IT Services	435	361
Signify Netherlands B.V.(earlier known as Philips Lighting B.V.)	Technical Royalty paid	1,237	1,153
Signify Netherlands B.V.(earlier known as Philips Lighting B.V.)	Reimbursements paid	5	8
Signify Netherlands B.V.(earlier known as Philips Lighting B.V.)	Sale of products	1,590	1,745
Signify Netherlands B.V.(earlier known as Philips Lighting B.V.)	Sale of Services	3,420	3,094
Cooper Lighting LLC	Sale of Services	711	724
Signify Poland Sp. z.o.o.	Sale of fixed assets	-	11
Signify Poland Sp. z.o.o.	Purchase of property, plant and equipment	-	0
Cooper Lighting LLC	Reimbursement received	-	11
(iii) Joint Venture			
Lightanium Technologies Private Limited	Purchase of Raw Material and Stock-in -trade	3,021	-
Lightanium Technologies Private Limited	Reimbursement received	167	-

Notes to the Consolidated financial statements for the year ended 31 March 2026

Relationship / Name of the related party	Description of the nature of transaction	Value of the transactions*	
		Year ended 31 March 2026 (₹ in million)	Year ended 31 March 2025 (₹ in million)
(iv) Parties in which the Key Managerial Personnel of the Company are interested:			
Manipal Health Enterprises Pvt. Ltd	Sale of products	7	7

* Transactions with parties which comprises more than 10% of aggregate value of related party transactions

Outstanding balances at year/period end**	Payable / Receivable	Year ended 31 March 2026 (₹ in million)	Year ended 31 March 2025 (₹ in million)
(i) Fellow Subsidiary Companies			
Signify Netherlands B.V. (earlier known as Philips Lighting B.V.)	Payable	787	870
Signify Netherlands B.V. (earlier known as Philips Lighting B.V.)	Receivable	758	873
(i) Joint Venture			
Lightanium Technologies Private Limited	Payable	1,503	-
Lightanium Technologies Private Limited	Receivable	141	-
(iii) Parties in which the Key Managerial Personnel of the Company are interested:			
Manipal Health Enterprises Pvt. Ltd	Receivable	5	9

** Balances with parties which comprises more than 10% of aggregate value of related party balances

35. Segment information

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

In accordance with Ind AS 108– Operating Segment, the operating segments used to present segment information are identified on the basis of information reviewed by the Group's management to allocate resources to the segments and assess their performance. An operating segment is a component of the Group that engages in business activities from which it earns revenues and incurs expenses, including revenues and expenses that relate to transactions with any of the Group's other components.

Results of the operating segments are reviewed regularly by the Company's Chief Executive Officer (CEO) who has been identified as the Chief Operating Decision Maker ('CODM'), to make decisions about resources to be allocated to the segment and assess its performance and for which discrete financial information is available.

The Group is primarily engaged in manufacturing, trading and distribution of all kinds of lighting and allied products and lighting system solution. Given that the economic environment in which the Group operates is significantly similar and not subject to materially different risks and rewards and all of the activities whether on a stand alone basis or in aggregate do not exceed the quantitative threshold mentioned in Ind AS 108 (Operating Segments), the Group has identified and operates as a single reportable operating segment.

Notes to the Consolidated financial statements for the year ended 31 March 2026

Entity wide disclosures

(₹ in million)

Segment Revenue	Year ended 31 March 2026	Period ended 31 March 2025
Within India	25,956	24,362
Outside India	6,932	6,774

(₹ in million)

Segment Assets	Year ended 31 March 2026	Period ended 31 March 2025
Within India	16,036	14,215
Outside India	1,315	991

Information about major customers (from external customers)

During the current year and previous year, no customer constituted more than 10% of the entity's revenue.

36. Group Information

Information of investments made in joint venture

The consolidated financial statements of the Group include joint venture listed in the table below:

Name	Principal Activities	Place of business/Country of incorporation	% equity interest	
			31 March 2026	31 March 2025
Lightanium Technologies Private Limited	Manufacturing of electronic goods and parts, primarily lighting products and related accessories	India	50%	-

For more details, refer to Note 5 (Interest in joint venture).

Joint arrangement in which the Group is a joint venturer

The Group has a 50% interest in Lightanium Technologies Private Limited Limited (31 March 2025: NIL). For more details, refer to Note 5.

37. Employee benefits

The Group contributes to the following post-employment defined benefit plans in India.

(i) Defined Contribution Plans:

The Group makes contributions towards provident fund to a defined contribution retirement benefit plan for qualifying employees. Under the plan, the Group is required to contribute a specified percentage of payroll cost to the retirement benefit plan to fund the benefits.

Notes to the Consolidated financial statements for the year ended 31 March 2026

The Group's contributions towards contribution to Provident fund and other funds is charged to the statement of Profit & Loss comprises:

(₹ in million)

	For the year ended 31 March 2026	For the year ended 31 March 2025
Contribution to Statutory Provident Fund	234	226
Contribution to Other Funds	10	10
	244	**236**

(ii) Defined Benefit Plan:

The Group provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The gratuity plan of the Group is funded for which the Group makes contributions to Group Gratuity cum Life Assurance Schemes administered by the LIC of India.

Location	Funding Status
Vadodara Light Factory	Funded
Corporate Employees	Funded
Signify Innovation Campus	Funded
Cooper Lighting Solutions	Funded

The most recent actuarial valuation of plan assets and the present value of the defined benefit obligation for gratuity were carried out as at 31 March 2026. The present value of the defined benefit obligations and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

A. Based on the actuarial valuation obtained in this respect, the following table sets out the status of the gratuity plan and the amounts recognized in the Group's financial statements as at balance sheet date:

(₹ in million)

	31 March 2026	31 March 2025
Present value of defined benefit obligation	735	567
Fair value of plan assets	506	479
Plan assets / (liability)	**(229)**	**(88)**

B. Amount recognised in the statement of profit and loss

(₹ in million)

	31 March 2026	31 March 2025
Current Service cost	93	64
Past Service cost*	188	-
Interest cost (income)	5	4
Defined Benefit Cost recognised in statement of Profit or Loss	**286**	**68**

*'Past service cost has been shown as exceptional item

Notes to the Consolidated financial statements for the year ended 31 March 2026

C. Remeasurements- other comprehensive income (OCI)

(₹ in million)

	31 March 2026	31 March 2025
Return on plan assets (excluding amount included in net interest expense)	(2)	(2)
Actuarial (gains)/ losses arising from changes in demographic assumption	(15)	-
Actuarial (gains)/ losses arising from changes in financial assumptions	**(72)**	**15**
Actuarial (gains)/ losses arising from experience adjustments	31	4
Remeasurements of the net defined benefit liability (asset)	**(58)**	**17**

D. Movement in net defined benefit (asset) liability

The following table shows a reconciliation from the opening balances to the closing balances for net defined benefit (asset) liability and its components:

(₹ in million)

Particulars	Gratuity					
	31 March 2026			31 March 2025		
	Defined benefit obligation	Fair value of plan assets	Net defined benefit (asset)/ liability	Defined benefit obligation	Fair value of plan assets	Net defined benefit (asset)/ liability
Balance as at 1 April	567	479	88	502	412	90
Acquisition / Divestiture	(26)	-	(26)	-	-	-
Included in profit or loss						-
Current service cost	93	-	93	64	-	64
Past service credit	188	-	188	-	-	-
Interest cost (income)	36	31	5	32	28	4
	317	**31**	**286**	**96**	**28**	**68**
Included in OCI						
Remeasurements loss (gain)	-	-	-	-	-	-
– **Actuarial loss (gain) arising from:**						
- demographic assumptions	(15)	-	(15)	-	-	-
- financial assumptions	(72)	-	(72)	15	2	13
- experience adjustment	31	2	29	4	-	4
	(56)	**2**	**(58)**	**19**	**2**	**17**
Other						
Contributions paid by the employer	-	61	(61)	-	87	(87)
Benefits paid	(67)	(67)	-	(50)	(50)	-
	(67)	(6)	(61)	(50)	37	(87)
Balance as at 31 March	**735**	**506**	**229**	**567**	**479**	**88**

E. Plan assets

	31 March 2026	31 March 2025
Funds Managed by Insurer (investment with insurer)	506	479

Notes to the Consolidated financial statements for the year ended 31 March 2026

F. Actuarial assumptions

The following were the principal actuarial assumptions at the reporting date (expressed as weighted averages).

	31 March 2026	31 March 2025
Discount rate	6.86%	6.55%
Expected rate of future salary increase	7.00%	8.50%
Mortality	IALM (2012-14) Ultimate	IALM (2012-14) Ultimate
Withdrawal rate	Mgmt,PIC,VLF: CG,Cooper-20%, VLF : Non- CG-20%	Mgmt,PIC,VLF: CG,Cooper-17%, VLF : Non- CG-2%
Retirement age	EATON (Cooper business), Mgmt, PIC, VLF: CG - 60 years, VLF: Non-CG - 58 years	EATON (Cooper business), Mgmt, PIC, VLF: CG - 60 years, VLF: Non-CG - 58 years

Assumptions regarding future mortality have been based on published statistics and mortality tables.

G. Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

(₹ in million)

	31 March 2026		31 March 2025	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	707	765	533	604
Expected rate of future salary increase (1% movement)	763	708	601	535

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

H. The following payments are expected contributions to the defined benefit plan in future years:

(₹ in million)

	31 March 2026	31 March 2025
Within the next 12 months (next annual reporting period)	136	73
Between 2 and 5 years	359	268
Beyond 5 years	240	229
	735	**570**

Notes to the Consolidated financial statements for the year ended 31 March 2026

38. Financial instruments – Fair values and risk management

I. Fair value measurements

A. The carrying amounts and fair values of financial instruments by class are as follows:

(₹ in million)

	As at 31 March 2026		As at 31 March 2025	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial assets at fair value through profit and loss				
Non-current Investments	10	10	10	10
Financial assets at amortised cost				
Other non-current financial assets	120	120	142	142
Trade receivables	3,343	3,343	2,681	2,681
Cash and Cash equivalents	4,756	4,756	3,623	3,623
Other bank balance	226	226	298	298
Other current financial assets	695	695	674	674
	9,150	**9,150**	**7,428**	**7,428**
Financial liabilities				
Lease Liabilities (current and non-current)	1,396	1,396	1,244	1,244
Trade Payables	7,586	7,586	6,456	6,456
Other current financial liabilities	549	549	519	519
	9,531	**9,531**	**8,219**	**8,219**

The carrying amounts of trade receivables, cash and cash equivalents, other current financial assets, trade payables, other current financial liabilities and other non-current financial liabilities are considered to be the same as their fair values

B. Fair value hierarchy

The fair value of financial instruments as referred to in note (A) above have been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and lowest priority to unobservable inputs (Level 3 measurements).

The categories used are as follows:

Level 1: Quoted prices for identical instruments in an active market;

Level 2: Directly or indirectly observable market inputs, other than Level 1 inputs; and

Level 3: Inputs which are not based on observable market data.

(i) For assets and liabilities which are measured at fair value as at Balance Sheet date, the classification of fair value calculations by category is summarised below:

(₹ in million)

	As at 31 March 2026			
	Level 1	Level 2	Level 3	Total
Assets at fair value				
Investments measured at fair value	10	-	1,512	1,522
	As at 31 March 2025			
Assets at fair value				
Investments measured at fair value	10	-	-	10

There are no transfers between level 1 and level 2 during the year ended 31 March 2026 and 31 March 2025.

Notes to the Consolidated financial statements for the year ended 31 March 2026

(ii) Financial Instrument measured at amortised Cost

The carrying amount of financial assets and financial liabilities measured at amortised cost in the Financial Statements are a reasonable approximation of their fair values since the Group does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.

II. Financial risk management

The Group has exposure to the following risks arising from financial instruments:

- credit risk;
- liquidity risk; and
- market risk

i. Risk management framework

The Group's board of directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The board of directors has established the Risk framework for developing and monitoring the Group's risk management policies.

The Group's risk management framework is established to identify and analyze the risks faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management framework is reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Group's Audit Committee oversees how management monitors compliance with the Group's risk and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. The Audit Committee is assisted in its oversight role by Internal Audit. Internal Audit undertakes periodic reviews of Group processes and risks, the results of which are reported to the Audit Committee.

ii. Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers and investments in debt securities.

The carrying amount of financial assets represents the maximum credit exposure.

Trade and other receivables

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk of the industry and country in which customers operate.

An impairment analysis is performed on an individual basis for major customers. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets. The Group evaluates the concentration of risk with respect to trade receivables as low, the trade receivables are located in several jurisdictions and operate in largely independent markets.

The Group establishes an allowance for impairment that represents its estimate of incurred losses in respect of trade and other receivables. Basis the evaluation, the management has determined that there are credit impairment loss on the trade and other receivables.

Notes to the Consolidated financial statements for the year ended 31 March 2026

(₹ in million)

Ageing	Unbilled/ Not due	0-30 days	30-60 days	60-90 days	90-120 days	120-180 days	More than 180 days	Total
As at 31 March 2026								
Gross carrying amount (A)	2,534	559	56	36	27	115	213	3,540
Expected credit losses (B)		2	4	7	7	5	172	197
Net Carrying amount (A-B)	**2,534**	**557**	**52**	**29**	**20**	**110**	**41**	**3,343**
As at 31 March 2025								
Gross carrying amount (A)	1,980	401	203	114	6	14	153	2,871
Expected credit losses (B)	0	11	17	4	2	6	150	190
Net Carrying amount (A-B)	**1,980**	**390**	**186**	**110**	**4**	**8**	**3**	**2,681**

Movement in expected credit loss allowance of financial assets:

(₹ in million)

	As at 31 March 2026	As at 31 March 2025
Balance at the beginning of the year	190	162
Provision/(Reversal) for impairment allowance including expected credit losses	13	36
Provision utilized	(6)	(8)
Balance at the end of the year	**197**	**190**

iii. Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. Due to the dynamic nature of the underlying businesses, Group treasury maintains flexibility in funding by maintaining availability under committed credit lines.

Management monitors rolling forecasts of the Group's liquidity position (comprising the undrawn borrowing facilities below) and cash and cash equivalents on the basis of expected cash flows. This is generally carried out at local level in the operating companies of the Group in accordance with practice and limits set by the Group. In addition, the Group's liquidity management policy involves projecting cash flows in major currencies and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

Notes to the Consolidated financial statements for the year ended 31 March 2026

(a) Financing arrangements

The Company had access to the following borrowing facilities at the end of the reporting period:

(₹ in million)

	As at 31 March 2026	As at 31 March 2025
Floating rate		
Expiring within one year (bank overdraft and other facilities)		
Drawn	5,677	4,567
Undrawn	4,874	5,984
Total facilities	**10,551**	**10,551**

(b) Maturities of financial liabilities

The following are the remaining contractual maturities of financial liabilities as at the reporting date based on contractually agreed undiscounted cash flows along with its carrying value as at the Balance Sheet date.

(₹ in million)

	Carrying Amounts 31 March 2026	Contractual cash flows			
		0–6 months	6–12 months	1–5 years	More than 5 years
Non-derivative financial liabilities					
Lease Liabilities	1,396	301	267	718	445
Trade payables	7,586	7,586	-	-	-
Other current financial liabilities	549	549	-	-	-
Total non-derivative liabilities	**9,531**	**8,436**	**267**	**718**	**445**

(₹ in million)

	Carrying Amounts 31 March 2025	Contractual cash flows			
		0–6 months	6–12 months	1–5 years	More than 5 years
Non-derivative financial liabilities					
Lease Liabilities	1,244	306	296	756	7
Trade payables	6,456	6,456	-	-	-
Other current financial liabilities	519	519	-	-	-
Total non-derivative liabilities	**8,219**	**7,281**	**296**	**756**	**7**

Market risk

Market risk is the risk that changes in market prices such as foreign exchange rates and interest rates will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

The Group uses derivatives (forward contracts) to manage market risks. All such transactions are carried out within the guidelines set by the Risk Management Committee.

Notes to the Consolidated financial statements for the year ended 31 March 2026

Currency risk

The Group is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the USD, and EUR. Foreign exchange risk arises from future commercial transactions and recognized assets and liabilities denominated in a currency that is not the Group's functional currency (INR). The risk is measured through a forecast of highly probable foreign currency cash flows.

In respect of other monetary assets and liabilities denominated in foreign currencies, the Group's policy is to ensure that its net exposure is kept to an acceptable level by buying or selling foreign currencies at spot rates when necessary to address short-term imbalances.

Exposure to currency risk

The summary quantitative data about the Group's exposure to currency risk as reported to the management of the Group is as follows:

(₹ in million)

	As at 31 March 2026			As at 31 March 2025		
	USD	EUR	Others	USD	EUR	Others
Non derivative						
Trade / Unbilled receivables	891	460	-	246	1,305	-
Trade payables	554	88	80	680	44	10
Derivative forward contract						
Trade / Unbilled receivables	80	359	-	60	1,124	-
Trade payables	27	-	-	444	-	-
Net statement of financial position exposure	**284**	**13**	**(80)**	**(50)**	**137**	**(10)**

The following significant exchange rates have been applied

	Year end spot rates	
	31 March 2026	31 March 2025
USD 1	94.58	85.46
EUR 1	108.94	92.20

Sensitivity analysis

A reasonably possible strengthening (weakening) of the INR against all other currencies at 31 March would have affected the measurement of financial instruments denominated in a foreign currency and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant.

(₹ in million)

	Profit or loss	
	Strengthening	Weakening
31 March 2026		
USD (10% movement)	34	(34)
EUR (10% movement)	37	(37)
Others	(8)	8
31 March 2025		
USD (10% movement)	(43)	43
EUR (10% movement)	126	(126)
Others	(1)	1

Notes to the Consolidated financial statements for the year ended 31 March 2026

Sensitivity analysis for fair value risk of forward contracts

(₹ in million)

	Profit or loss	
	Strengthening	Weakening
31 March 2026		
Derivative forward contract (10% movement in USD)	5	(5)
Derivative forward contract (10% movement in EUR)	36	(36)
31 March 2025		
Derivative forward contract (10% movement in USD)	(38)	38
Derivative forward contract (10% movement in EUR)	112	(112)

Capital management

Equity share capital, other equity and borrowings are considered for the purpose of Company's capital management.

The Company manages its capital so as to safeguard its ability to continue as a going concern and to optimise returns to its shareholders. The capital structure of the Company is based on management's judgement of the appropriate balance of key elements in order to meet its strategic and day-to-day needs. The management considers the amount of capital in proportion to risk and manage the capital structure in light of changes in economic conditions and the risk characteristics of the underlying assets.

The management and Board of Directors monitors the return on capital as well as the level of dividends to shareholders. The Company will take appropriate steps in order to maintain, or if necessary adjust, its capital structure. Refer Note 42 for information on ratios.

39. Employees' Share-based Payments:

Signify Long-term Incentive Plan

During the year 2017-18 Signify introduced the Long-term Incentive Plan (LTI Plan). Under the Signify LTI Plan, which is equity settled, eligible employees are granted both conditional shares and performance shares of the Group Group (Signify N.V.). Conditional shares have a three-year cliff vesting period and will vest if a grantee is still employed with Signify at the vesting date.

Vesting of performance shares is conditional on the achievement of performance conditions measured over a period of three years. The performance condition measurement is based on four measures, Relative Total Shareholder Return (TSR) (25% of the shares), Free Cash Flow (FCF) (25% of the shares) , return on capital employed (25% of the shares) Sustainability (25% of the shares). In addition, vesting is conditional to the grantee still being employed with Signify at the vesting date.

For the Board of Management and certain members of senior management, the LTI Plan consists of performance shares only. Shares are conditionally granted annually.

In addition to shares awarded under the Signify LTI Plan, Signify may in individual cases, such as in the hiring process of members of senior-management, also grant restricted shares. Restricted shares have either three-year cliff vesting period or vest gradually over the vesting period of one, two or three years.

Under the terms of the employee stock purchase plan (ESPP) established by Signify in the FY 2017-18 , employees are eligible to purchase a limited number of Signify shares at discounted prices through payroll withholdings.

Notes to the Consolidated financial statements for the year ended 31 March 2026

Signify performance shares

TSR performance measurement is a market performance condition.

The fair value of shares granted under TSR is measured based on Monte Carlo simulation. The closing share price at grant date is adjusted for the present value of expected dividends during the vesting period, as participants are not compensated for Signify dividend payouts. Monte Carlo simulation takes into account market conditions expected to impact relative Total Shareholders' Return performance in relation to selected peers.

Assumptions used in Monte Carlo Simulation for valuation in %

	FY 2025-26
Risk-free interest rate	1.8%
Expected share price volatility	32.0%

The assumptions were used for these calculations only and do not necessarily represent an indication of Signify management's expectation of future developments for other purposes. Historic volatility was measured over the same timeframe as the simulation period (weighted average 2.6 years).

The amount calculated as an expense for TSR shares is not adjusted for actual performance.

FCF and Sustainability measurements are non-market performance conditions. Fair value of shares granted under FCF and Sustainability conditions equals the closing share price on the grant date, again adjusted for the present value of expected dividends during the vesting period.

The amount calculated as an expense for FCF and Sustainability shares is adjusted for actual performance.

A summary of Signify performance shares movements as of 31 March, 2026, is presented below:

Particulars	Performance Shares	Weighted average grant-date fair value
Balance as of 1 April 2025	**65,701**	**24.41**
Granted	26,700	15.96
Vested	(15,623)	31.53
Forfeited	(24,896)	21.16
Transfer in / (out)	-	21.03
Performance adjustment	5,016	18.77
Balance as of 31 March 2026	**56,898**	**19.42**

Signify conditional shares

Fair value of conditional shares is determined by subtracting the present value of expected dividends from the closing share price on the grant date as participants are not compensated for Signify dividend payouts.

A summary of Signify conditional shares movements as of 31 March, 2026, is presented below:

Particulars	Conditional Shares	Weighted average grant-date fair value
Balance as of 1 April 2025	**40,622**	**24.38**
Granted	25,242	15.11
Vested	(9,575)	31.39
Forfeited	(11,732)	19.98
Transfer in / (out)	-	21.70
Balance as of 31 March 2026	**44,557**	**18.78**

Notes to the Consolidated financial statements for the year ended 31 March 2026

Signify restricted shares

The fair value of restricted shares is equal to the share price on the grant date, as participants are compensated for Signify dividend payouts during the vesting period.

A summary of Signify Restricted shares movements as of 31 March, 2026, is presented below:

Particulars	Restricted shares	Weighted average grant-date fair value
Balance as of 1 April 2025	**8,028**	**21.07**
Granted	10,930	15.08
Vested	-	-
Forfeited	(232)	19.87
Transfer in / (out)	(317)	17.62
Balance as of 31 March 2026	**18,409**	**17.58**

Expense recognized on account of "Employee Share-Based Payment" for the period ended 31 March 2026 is ₹ 47 million (31 March 2025 ₹ 107 million) and corresponding liability is ₹ 119 million (Previous year ₹ 120 million).

40. Contingent liabilities, claims, guarantees and commitments (to the extent not provided for)

(a) Contingent liabilities

(₹ in million)

	Particulars	As at 31 March 2026	As at 31 March 2025
(i)	**Income Tax Act 1961**		
	- Income Tax cases contested by Philips India Limited (refer note a)	-	273
	- Income Tax cases contested by Signify Innovations India Limited (refer note a)	117	76
(i)	**Indirect Taxes**		
	- Excise and sales tax related matters contested by Philips India Limited (refer note b)	515	564
	- Excise, Sales tax and Goods & Service tax related matters contested by Signify Innovations India Limited (refer note c)	487	204
	- Custom matters contested by Signify Innovations India Limited (refer note d)	7	-
(ii)	**Other cases**		
	- Labour law related matters	7	7

Note (a) The Contingent Liability on account of Income Tax cases relating to erstwhile Lighting Business of Philips India Limited (PIL) is estimated at ₹ Nil (Previous year – ₹ 273 million) based on department appeal dismissed by High Court.

As per the MOU (Memorandum of Understanding) dated 31 March 2016 signed between Philips India Limited and Signify Innovations India Limited (formally known as Philips Lighting India Limited) at the time of demerger of lighting business, the Income Tax cases upto the effective date of demerger shall be contested by Philips India Limited and the amount of liability, if any, upon conclusion of case relating to lighting business shall be payable by Signify Innovations India Limited (formally known as Philips Lighting India Limited) to Philips India Limited on the basis of respective segment turnover (agreed as part of MOU) of relevant years."

The contingent liability relating to income tax matters of the Group is estimated at ₹ 117 million (previous year: ₹ 76 million). The Company has received assessment demand orders for Assessment Years 2021-22 and 2022-23 aggregating to ₹ 117 million, primarily on account of disallowances of various expenses, including transfer pricing adjustments. The Company has filed appeals against these orders before the Income Tax Appellate Tribunal (ITAT). Further, for Assessment Year 2023-24, the Company has received an order under Section 92CA(3) of the Income-tax Act, 1961, resulting in a transfer pricing adjustment. However since the corresponding final assessment order has not yet been received, it has not been disclosed as contingent liability.

Notes to the Consolidated financial statements for the year ended 31 March 2026

Based on the facts of the cases, applicable tax laws and external legal advice obtained, management believes that it has strong grounds to contest the aforesaid matters and is confident of a favourable outcome. Accordingly, pending the final resolution of these proceedings, no provision has been recognized in the financial statements. Management does not expect the ultimate outcome of these matters to have a material adverse impact on the Group's financial position, results of operations, or cash flows."

Note (b) As per Memorandum of Understanding (MOU) signed at the time of Demerger under Sections 391 to 394 of the Companies Act, 1956 and 2013 amongst Philips India Limited ("Demerged Group" or "Philips India") and the Group wherein it was agreed that all current or potential litigations in relation to Sales Tax/VAT and Service Tax matters pertaining to earlier years shall be contested by Philips India and based upon the outcome of such matters, the Group will be liable to pay Philips India all such liabilities once decided against the Group post conclusion of appellate proceedings, if any.

At the year end, Philips India Limited has intimated the Group about potential liabilities amounting to ₹ 515 million (previous year ₹ 564 million) in respect of such litigations majorly pertaining to Sales Tax, VAT and other matters which has been allocated to the Group upto the effective date of de-merger.

Based on the confirmation of Philips India Limited and advise of indirect tax experts, the Group is confident that the economic outflow of resources on account of outcome of these cases is 'possible' only and accordingly, no provision is considered in the financial statements.

Note (c) Excise Duty, Sales Tax and Goods and Services Tax (GST) matters primarily relate to demands raised by the Indian tax authorities for payment of additional taxes in connection with various tax matters, including alleged excess availment of input tax credit under GST. The Group is contesting these demands and, based on its assessment of the facts and circumstances of the cases, supported by the views of its tax advisors, management believes that its position is likely to be sustained through the appellate process. Accordingly, no provision has been recognized in the Ind AS financial statements in respect of these matters, except for certain demands relating to pending submission of C&F Forms, for which a provision has been recorded as management considers an outflow of resources to be probable in the near term.

The management believes that ultimate outcome of these proceedings will not have a material adverse effect on the Group's financial position and results of operations. Further, the Group does not foresee any liability to be paid in the near future.

Note (d) The Group has received a show cause notice in relation to imports of goods alleging misclassification of goods amounting to ₹ 7 million. The Group has deposited entire amount under protest. Further the Group has filed an appeal against the order before the Hon'ble Tribunal. The management is confident of favourable outcome for such appeal. Consequently, pending the results of these proceedings, management believes that no material adjustments to the financial statements are anticipated at this time.

The Group has deposited the requisite amounts with the appropriate authorities wherever the litigation in respect to above cases.

(b) Contract Performance bank guarantees

The Group has given contract performance bank guarantees amounting to ₹ 1,864 million (31 March 2025 - ₹ 1,921 million). No contract performance bank guarantees has been invoked in the past three years.

(c) Commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advance) - ₹ 135 million (As at 31 March 2025 - ₹ 154 million).

(d) Contingent assets

There are no contingent assets of the Group as at the year ended 31 March 2026 (As at 31 March 2025 - Nil)..

Notes to the Consolidated financial statements for the year ended 31 March 2026

41. Earnings per share

Basic and Diluted EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the Group by the weighted average number of Equity shares outstanding during the year.

Calculation of earnings per share	For the year ended 31 March 2026	For the year ended 31 March 2025
Number of shares at the beginning of the year	57,517,242	57,517,242
Total number of equity shares outstanding at the end of the year	57,517,242	57,517,242
Weighted average number of equity shares outstanding during the year	57,517,242	57,517,242
Profit after tax attributable to equity share holders (Rupees in million)	3,751	2,701
Basic and diluted earnings per share (in Rupees)	**65.21**	**46.96**

There have been no other transactions involving equity shares or potential equity shares between the reporting date and the date of approval of these financial statements.

Notes to the Consolidated financial statements for the year ended 31 March 2026

42. Ratios

Particulars	Numerator	Denominator	Current Year			Previous Year			Reason for variance**
			31 March 2026	31 March 2025	% Change	31 March 2025	31 March 2024	% Change	
(a) Current Ratio (in times)	Current Assets	Current Liabilities	1.1	1.2	-8%	1.2	1.3	-2%	
(b) Return on Equity Ratio (in %)	Net Profit after Taxes	Average Shareholder's Equity	80.1%	55.2%	45%	55.2%	45.2%	22%	There is an improvement in profitability due to increase in sales of product & profit on sale of asset to JV, along with lower average equity in current year as compared to previous year.
(c) Inventory turnover ratio (in times)	Cost of Goods Sold	Average Inventory	5.9	5.4	9%	5.4	5.3	1%	
(d) Trade Receivables turnover ratio (in times)	Net Sales	Closing Trade Receivable	9.8	11.6	-15%	11.6	12.7	-8%	
(e) Trade payables turnover ratio (in times)	Net purchases	Closing Trade Payable	2.1	2.6	-21%	2.6	2.5	4%	
(f) Net capital turnover ratio (in times)	Net Sales=Total Sales-Sales return	Current Assets-Current Liabilities	24.3	13.8	58%	13.8	12.6	9%	The increase is primarily attributable to higher sales during the current year. Also current assets increased compared to the previous year due to a lower dividend payout in current year, resulting in higher funds being retained within the business.
(g) Net profit ratio (in %)	Net Profit	Net Sales	11.4%	8.7%	31%	8.7%	8.8%	-1%	Increase is primarily attributable to the profit recognized on the sale of assets to the joint venture.

Notes to the Consolidated financial statements for the year ended 31 March 2026

Particulars	Numerator	Denominator	Current Year			Previous Year			Reason for variance**
			31 March 2026	31 March 2025	% Change	31 March 2025	31 March 2024	% Change	
(h) Return on Capital employed |(in %)	Earnings before interest & taxes	Capital Employed*	79.5%	69.2%	15%	69.2%	54.9%	26%	
(i) Debt – Equity Ratio (in %)	Total Debt (consists lease liabilities)	Shareholder's Equity	27.5%	28.9%	-5%	28.9%	23.5%	23%	
(j) Return on Investment	Net return on investment	Investment	2.8%	70.0%	-96%	70.0%	79.3%	-12%	The decrease is primarily attributable to mark-to-market adjustments recognised on investments in the previous year. No such mark-to-market impact was recorded during the current year.
(k) Debt Service Coverage Ratio (in times)	Earnings available for debt service#	Debt service = Interest & Lease Payments	7.2	6.4	13%	6.4	6.6	-3%	

Net profit after taxes + Non-cash operating expenses like depreciation and other amortizations + Interest & other adjustments like gain on disposal of property, plant and equipment, etc

*Net Worth + Lease liabilities + Deferred Tax Liability (Deferred tax assets)

**Variance explanation has been included for cases where the ratio has changed by more than 25% in comparison to the prior year.

Notes to the Consolidated financial statements for the year ended 31 March 2026

43. Dividend paid

(₹ in million)

	As at 31 March 2026	As at 31 March 2025
Dividends on equity shares declared and paid:		
Interim dividend for the year ended on 31 March 2026: ₹ 52.5 per share (for the year ended 31 March 2025: ₹ 67.5 per share)	3,020	3,882
	3,020	**3,882**

44. Exceptional Items:

Voluntary retirement scheme for early retirement of existing employees

(a) The Group has made payment of ₹ 380 million (previous year ₹ 62 million) towards voluntary retirement scheme which has been presented as exceptional item in the statement of profit and loss.

New Labour code

(b) On 21 November 2025, the Central Government issued four separate notifications in the Official Gazette announcing implementation of four Labour Codes, viz., the Code on Wages, 2019, the Industrial Relations Code, 2020, the Code on Social Security, 2020 and the Occupational Safety, Health and Working Conditions Code, 2020. These four codes replace and consolidate 29 existing labour laws. Following the implementation of the four labour codes, the Central Government has pre-published the draft rules on 31 December 2025 under the respective Labour Codes, for public comment and the final rules are expected to be notified in due course. To ensure smooth implementation, the Ministry of Labour and Employment has also issued the Frequently Asked Questions (FAQs) on the four codes.

The four codes prescribe an inclusive definition of the term ‘wages’, which among other matters is relevant for determination of post-employment benefits including gratuity to all employees. In accordance with the definition, certain specified items forming part of remuneration are not included in the wages and these excluded items cannot exceed 50% of total remuneration. If there is an excess, then it is presumed that excess amount also forms part of wages. The four codes also introduce changes related to leave entitlement and encashment for workers. Going forward, workers’ leave balance in excess of 30 days will be encashed at the end of each calendar year and workers will have a right to demand encashment for entire accumulated leave.

The Group has assessed the impact of these changes on the basis of legal view obtained by the management and best information available till authorisation of the financial statements for issue. The Group has determined that these changes result in an increase in gratuity obligation and leave obligation of ₹ 188 million and ₹ 63 million, respectively. Considering the materiality and regulatory-driven, non-recurring nature of this change, the Group has presented increase in obligation as an expense under the head “Exceptional Items” in the statement of profit and loss for the year ended 31 March 2026. Also, pursuant to the change, the entire obligation toward accumulated leave of workers has been classified as current liability in the balance sheet as at 31 March 2026. Considering that it is emerging topic and the finalisation of Central/ State Rules is still pending, the Group will continue monitoring changes and provide appropriate accounting effect as required based on future developments.

Gain on sale of joint venture

(c) In March 2025, Dixon Technologies (India) Limited ('Dixon') and Signify Innovations India Limited ('Signify') announced a proposed joint venture, which was finalized in August 2025 with a sales consideration of ₹ 1,500 million for the net assets of Signify Innovations India Limited. The Group reported a profit of ₹ 909 million (as opposed to Nil in the previous year) from the asset sale to the joint venture, which has been classified as an exceptional item in the statement of profit and loss (Refer to Note 48 for additional details).

Notes to the Consolidated financial statements for the year ended 31 March 2026

45. Other Statutory Information

(i) The Group does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.

(ii) The Group does not have any transactions with companies struck off.

(iii) The Group does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

(iv) The Group has not traded or invested in Crypto currency or Virtual Currency during the financial year.

(v) The Group 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 Group (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

(vi) The Group 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 Group shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,

(vii) The Group has not done any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

46. The Holding Company currently maintains a complete backup of books of account and papers (maintained in electronic mode) on daily basis in the backup server located outside India. The same is accessible at any time throughout the year. The holding Company is in the process of evaluating & implementing a system to have complete backup of books of accounts (on daily basis) in a server located in India for the period specified under section 128(5) of the Companies Act, 2013.

47. The Holding Company and joint venture which is company incorporated in India and whose financial statements have been audited under the Act have complied with the requirements of audit trail except for the following:

The Holding Company has used accounting software (SAP) for maintaining its books of account which has a feature of recording audit trail facility and the same has operated throughout the year for all relevant transactions recorded in the software except the audit trail is not enabled for direct changes to database using certain access rights. Further no instance of audit trail feature being tampered with was noted in respect of accounting software where the audit trail has been enabled.

Additionally, the audit trail of relevant prior years has been preserved by the Group as per the statutory requirements for record retention, to the extent it was enabled and recorded in those respective years.

48. Assets classified as held for sale

In March 2025, Dixon Technologies (India) Limited (""Dixon"") and Signify Innovations India Limited (""Signify"") entered into an arrangement to establish a joint venture, under which each party would hold a 50% equity interest in the newly incorporated entity.

As part of the arrangement, Signify agreed to carve out and transfer the LED operations of its Vadodara Lighting Factory ("VLF"), while Dixon agreed to transfer its existing lighting business operations to the joint venture. Pursuant to the arrangement, the Group entered into a Business Transfer Agreement ("BTA") for the transfer of the LED operations pertaining to VLF. Accordingly, in the previous year ended March 31, 2025, the assets and liabilities relating to the

Notes to the Consolidated financial statements for the year ended 31 March 2026

VLF LED operations were classified as assets held for sale and liabilities directly associated with assets held for sale, and were measured at the lower of their carrying amount and fair value less costs to sell in accordance with Ind AS 105, Non-current Assets Held for Sale and Discontinued Operations.

The transaction was completed on August 1, 2025, upon incorporation of Lightanium Technologies Private Limited ("LTPL"), the joint venture entity. Pursuant to the completion of the transaction, the identified assets and liabilities were transferred to LTPL for a consideration of ₹ 1,500 million. In addition, the Group invested ₹ 1,456 million towards subscription of equity shares of LTPL, resulting in a 50% ownership interest in the joint venture.

Refer note 5 for details of the Group's investment in equity shares of LTPL.

The following assets and liabilities were reclassified as held for sale as at 31 March 2025 :

(₹ in million)

Particulars	As at 31 March 2026	As at 31 March 2025
Assets classified as held for sale		
Property, plant and equipment	-	316
Capital work-in-progress	-	1
Right-of-use assets	-	2
Inventories	-	600
Other current assets	-	145
Total assets of disposal group held for sale	**-**	**1,064**
Liabilities directly associated with assets classified as held for sale		
Trade payables	-	271
Lease Liabilities	-	2
Provisions	-	37
Other financial liabilities	-	40
Total liabilities of disposal group held for sale	**-**	**350**

As per our report of even date
For S.R. Batliboi & Co. LLP

Chartered Accountants
ICAI Firm Registration No. 301003E/E300005

Per Amit Chugh
Partner
Membership No. 505224

Place : Gurugram
Date : July 15, 2026

For and on behalf of Signify Innovations India Limited
CIN: U74900WB2015PLC206100

Sumit Padmakar Joshi
Vice-Chairman, Managing Director & CEO
(DIN: 07018906)

Vikas Malhotra
Whole Time Director
(DIN: 09253036)

Dibyendu Raychaudhury
Whole time director & CFO
(DIN: 09747317)

Nitin Mittal
Company Secretary
(M. No. F - 7044)

Place : Gurugram
Date : July 15, 2026

Registered Office
Signify Innovations India Limited
PS ARCADIA CENTRAL, 3A, 3rd floor, 4A,
Abanindranath Thakur Sarani (Camac Street),
Kolkata – 700 017, India
Tel: +91 7303084237

Corporate Office
Signify Innovations India Limited
9th Floor, DLF – 9B, DLF Cyber City,
DLF Phase – 3, Gurugram 122002
Tel: +91 7303084234

Northern Region
Signify Innovations India Limited
9th Floor, DLF – 9B, DLF Cyber City,
DLF Phase – 3, Gurugram 122002

Eastern Region
Signify Innovations India Limited
PS ARCADIA CENTRAL, 3A, 3rd floor, 4A,
Abanindranath Thakur Sarani (Camac Street),
Kolkata – 700 017, India

Western Region
Signify Innovations India Limited
Boomerang, B2 Wing, 5th Floor, Unit No. 506,
Chandivali Farm Road, Near Chandivali Studio,
Andheri (East) Mumbai-400 072.

Southern Region
Signify Innovations India Ltd
Sunny Side, 3rd Floor, Block C,
Shafee Mohammed Rd, Off Greams Road,
Chennai, Tamil Nadu 600008, India

Factory:
Vadodara:
Signify Innovations India Limited
Kural Village, Padra-Jambusar Road
Taluka Padra, Vadodara - 391403
Gujarat

Other Centers & Offices:
Bangalore:
Signify Innovations India Limited
Signify Innovations Lab
Wing B, 2nd Floor & 3rd Floor(Portion)
North Gate Phase 1, Modern Asset,
Survey No. 2/1 & 2/2, Venkatala Village,
Yelahanka Hobli, Bengaluru – 560064
Karnataka

Bangalore:
Signify Innovations India Limited
17th floor Block 3—Tower B of
Bhartiya Centre of Information
Technology (BCIT') Thanisandra
main road Kannuru. Bangaluru - 560045

Noida:
Signify Innovations India Limited
C-47, Sector-57, Noida- 201301, UP

Noida:
Signify Innovations India Ltd
Logix Cyber Park,
Tower D, C-28 & 29, C Block, Phase 2,
Industrial Area, Sector 62, Noida, UP - 201301

Pune:
Signify Innovations India Limited
Division - "Cooper Lighting Solution"
AP-81, 15th Floor, Wing B,
Koregaon Park Annex.
Mundawa, Pune, 411036
Maharashtra


ECOLINK
Energy Saving BLDC Fans
AiroQuad
BLDC Fans.
Smartly Redesigned.
WITH 5 YEAR WARRANTY*
Ceiling adjustable mounting
2 way rotation for summers and winters
Turbo mode
BLDC technology
Point Anywhere RF Remote
MORE STARS MORE SAVINGS
Signify DIGI SHIELD
For more information visit: ecolinklighting.in
*T&C apply.


PHILIPS
Lighting
Light up everyday with Philips
Explore 500+ designs at
PHILIPS
Smart light hub
Store locator

Our global brands: