LG

Annual Report
2025-26

Leading INDIA.

Building for the World.

Life's Good.

WHAT'S **INSIDE**

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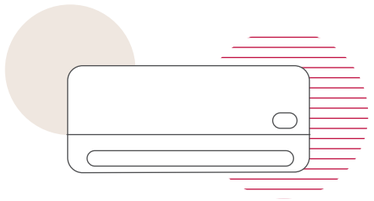
"As we embark on the next phase of our trajectory, we remain deeply committed to creating sustainable value for all our stakeholders while upholding the highest standards of governance, transparency and accountability. We remain focused on powering ahead on our strategic roadmap, which is closely aligned with the India opportunity.

Chairman's Message - Page 12

Leading INDIA.

India's moment of opportunity

India today is one of the world's most compelling consumer markets. Rising income levels and aspirations, rapid premiumisation, and increasing demand for smart, AI-enabled, and energy-efficient technologies are all creating unprecedented opportunities for consumer appliances and electronics industry. As consumer expectations continue evolving, companies that understand India deeply and have capabilities to compete globally will be positioned to succeed.



LG Electronics leading in India

For nearly three decades, LG Electronics India Limited (LGE India) has been at the forefront of this transformation. Combining global technology with a deep understanding of local consumer needs and preferences, the Company has consistently delivered products designed around Indian lifestyles. At the same time, it has expanded across categories, established an extensive manufacturing footprint, and built a nationwide distribution and service network to better serve India.

The result: The Company is trusted by millions of households and has established leadership across major home appliance and consumer electronics categories.

Leadership shaping the next phase

As LGE India enters its next chapter as a listed company, this leadership is shaping its next phase of journey. Guided by its long-term strategic direction "Make-in-India, Make-for-India and Make-India-Global," the Company is now strengthening every aspect of its business.

From developing products tailored to the evolving needs of Indian consumers to advancing premiumisation

From widening access through the new LG Essentials range to deepening engagement through B2B and service-led offerings

From penetrating emerging markets to expanding capacity through its upcoming third facility in Sri city, Andhra Pradesh

Together, these initiatives embody the Company's vision of **Leading INDIA. Building for the World.**

They reinforce the Company's position as a trusted market leader while strengthening India's role as a globally competitive manufacturing and innovation hub. These initiatives position the Company to unlock new opportunities for growth and value creation, while making life's good for millions.

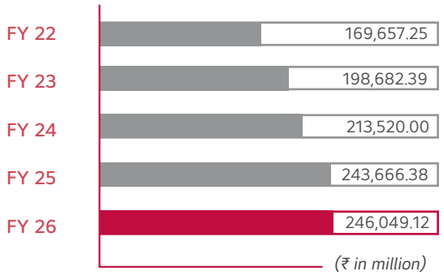
RINGING THE BELL

FINANCIAL HIGHLIGHTS

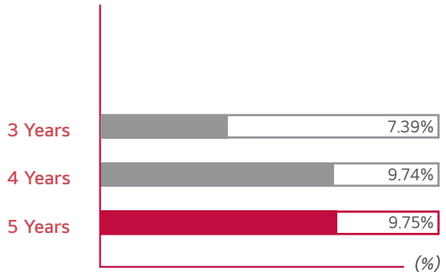
08 Consistent Performance Across Years

CONSISTENT PERFORMANCE **ACROSS YEARS**

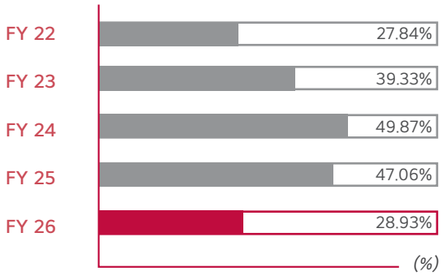
Revenue from Operations



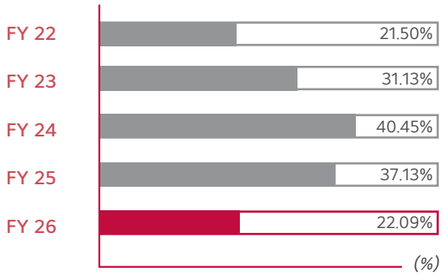
Revenue (CAGR)



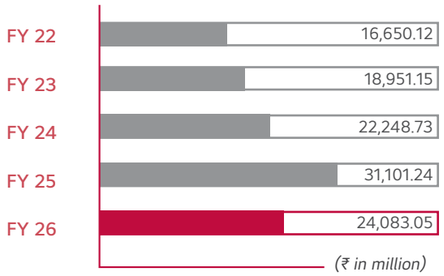
Return on Capital Employed



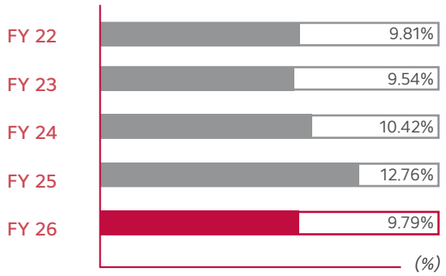
Return on Net Worth



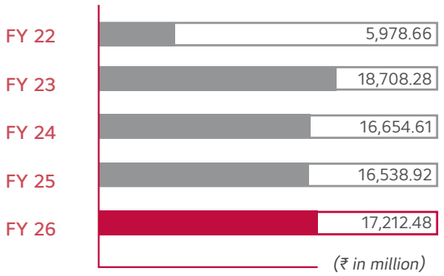
EBITDA



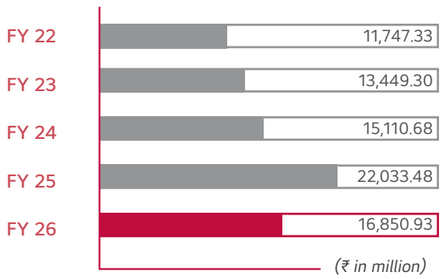
EBITDA Margin



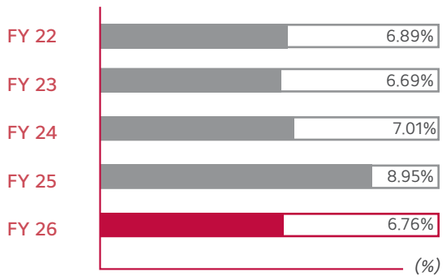
Cash Inflow from Operating Activities

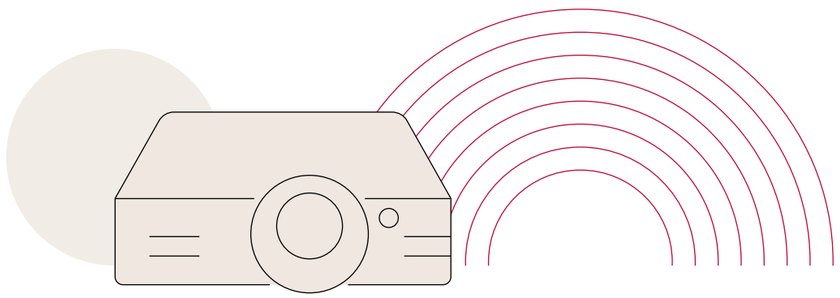


Profit After Tax (PAT)



Net Profit Ratio





MANAGEMENT COMMUNIQUÉ

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14 Letter from the Managing Director

LETTER FROM THE CHAIRMAN

Dear Shareholders,

I am pleased to present to you the first annual report of LGE India post our successful listing on the Indian stock exchanges. The listing marked a defining moment in our journey of sustained leadership and continued progress.

The overwhelming response to our Initial Public Offering (IPO) was a strong endorsement of our business fundamentals, brand strength, market leadership, and long-term growth potential. More importantly, it reflected confidence in India's consumption story and in our ability to effectively harness the growth opportunity. On behalf of the Board and the management team, I extend my sincere gratitude to all investors for the trust and confidence they have placed in us.

As we embark on the next phase of our trajectory, we remain deeply committed to creating sustainable value for all our stakeholders while upholding the highest standards of governance, transparency and accountability. We remain focused on powering ahead on our strategic roadmap, which is closely aligned with the India opportunity.

India today is in the midst of a transformational journey. Rising disposable incomes, increasing digital adoption and a growing aspirational middle class are reshaping consumption patterns across the country. Beyond transactional functionality, consumers are seeking convenience, energy efficiency, smart connectivity and enhanced experience from products across Home Appliances & Air Solution (H&A) and Home Entertainment segments. Low penetration across key appliance categories has created a substantial runway for growth across categories.

Empowered by our strong innovation edge, execution excellence and consumer trust, LGE India is favourably positioned to maximise the growing opportunity for products suited to Indian conditions. As a partner to the country's growth story over the past nearly three decades, and driven by the strength of our global parentage, we are competitively placed to build on business scale and drive enhanced growth and value creation. The global LG ecosystem provides us strong leverage in terms of innovation, research excellence, and technological leadership. Supported by our deep understanding of the needs of Indian consumers, manufacturing footprint, robust distribution network, deep service reach and strong brand equity, we are well positioned to sustain our market leadership across major product categories.

These core strengths have enabled us to navigate challenging market conditions while staying on track with our long-term ambitions. This was demonstrated most sharply in FY 2026, when we delivered steady performance despite strong headwinds. The year saw the Company build significant scale across product, service, manufacturing and distribution capabilities. We further strengthened our leadership as 'India's Most Trusted Brand' through deep product localisation and expansion of our B2B portfolio.

Our continued distribution expansion into Tier 2 and Tier 3 cities, coupled with our two-track strategy of promoting both premium and mass-value product segments, emerged as an important growth lever. The launch of the value-driven Essential Series range has brought localised, accessible solutions to middle-class households, opening a new growth vista for the Company. I am pleased to share that expansion of our manufacturing capacity through the upcoming facility at Sri City, Andhra Pradesh, remains on track, and promises to give a fillip to our growth plans.

These investments will drive stronger momentum for LGE India's efforts to leverage India's consumption story across both premium and volume-driven segments.

As we look ahead, our priorities remain clear. We will continue investing in innovation, manufacturing excellence, customer experience, talent development and digital capabilities. We will deepen our localisation efforts, strengthen our supply chain resilience, and enhance our ability to serve consumers across every part of the country. We will concurrently pursue growth responsibly, balancing profitability with long-term sustainability and stakeholder value creation, aligned with the ESG focus of LG Global. And we will continue to share the 'Life's Good' spirit with our growing universe of customers through consumer-centric, AI-driven innovation, rooted in globally benchmarked quality standards.

We recognise that with our public listing comes a heightened responsibility to deliver consistent performance, maintain strong governance practices, and communicate transparently. I would like to reaffirm to our shareholders that we will continue to pursue a disciplined approach to capital allocation, while staying focused on execution and rooted in our ambition to build a stronger and more resilient organisation for tomorrow.

India is poised to become one of the world's most significant consumer markets, and LGE India is uniquely positioned to participate in this opportunity. Supported by the technological strength of our global parent, the dedication of our employees, the trust of our consumers, and the confidence of our shareholders, we are optimistic about sustained, profitable, and technology-driven growth in the long term.

Thank you for your continued trust and support. We remain committed to growing alongside India and creating enduring value for all.

Warm regards,
Daehyun Song
Chairman

As we look ahead, our priorities remain clear. We will continue investing in innovation, manufacturing excellence, customer experience, talent development and digital capabilities.

LETTER FROM THE **MANAGING DIRECTOR**

Dear Shareholders,

LGE India began its journey in 1997. In the decades since, the business has grown alongside India's own transformation where premium products and multi-appliance homes are now common. It has helped shape how we think about this business more than any single year's performance has. Since our listing in 2025, we have used a simple framework to describe this journey: "Make-in-India, Make-for-India and Make-India-Global".

The operating environment

The consumer durables industry grew steadily through FY 2026. Indian government's Production Linked Incentive scheme continued to support the industry's shift towards local manufacturing, helping companies build scale in domestic component sourcing and reducing reliance on imports over time. However, the industry contended with currency depreciation and a cool summer that affected seasonal categories such as air conditioners in parts of the year. Competitive intensity remained high across most segments. Despite the macroeconomic challenges, FY 2026 was a year of moderate industry growth, with performance varying meaningfully by quarter and category. GST rationalization improved affordability across several categories, particularly in the second half of the year.

Performance overview

Against this backdrop, LGE India recorded revenue of ₹ 2,46,050 million, up 1.0% year-on-year. Home Appliances and Air Solutions remained our largest revenue contributor, while Home Entertainment grew steadily throughout the year. Profitability came under pressure from input costs and currency movements, though our premiumisation channel and pricing strategy helped us offset some of this impact.

B2B has grown into a meaningful part of our business. Order inflows from government infrastructure projects, recovery in hospitality demand, and continued momentum in advanced commercial air-conditioning contributed to this. Among these, our HVAC (Heating, Ventilation, and Air Conditioning) systems were deployed at Seva Teerth, the Prime Minister's Office building — a reflection of the trust institutional customers place in our commercial capabilities. We were also among the first brands in the industry to introduce 2026 BEE-compliant air conditioners in India. Over the years, we have consistently introduced best-in-class technologies, from inverter-based cooling, OLED display technology to higher-specification appliances.

FY 2026 also saw a steady stream of new product introductions across refrigeration, air conditioning, and home entertainment, each aligned with our localisation and premiumisation priorities. Our non-hardware businesses, including annual maintenance contracts and after-sales service, continued to grow and contributed positively to profitability, reinforcing service as a durable part of our value proposition. Our French-door refrigerator portfolio performed well, and the dishwasher segment continued to grow off a small base as awareness of the category slowly builds among Indian consumers. The Essential Series, an affordable premium range, allowed us to reach new customer segments.

Strategic growth drivers

Exports are becoming a significant lever for growth, and this is where the third part of our framework, Make India Global, is starting to take clearer shape. During the year, we expanded exports of large-capacity refrigerators to advanced markets and extended the Essential Series range to neighbouring countries, with plans to reach 22 countries across Asia, the Middle East and Africa by the end of calendar year 2026. The Sri City facility will be central to positioning LGE India as a manufacturing and export hub within the LG Global network, with planned capacity investments over the next few years funded through internal accruals, aimed at improving cost competitiveness and reducing exposure to import dependence.

We aim to strengthen our localization rate as well. Our current localization level stands at around 55.2%, and we expect this to rise over the coming years as component sourcing and manufacturing investments deepen, in line with the broader PLI-led push towards domestic value addition.

Through our two-track approach of covering both the premium segment and the Essential Series, we are confident of maintaining our market leadership across all major categories in India.

Outlook

We expect premiumisation to remain a significant growth driver for us, as consumers continue trading up across categories. Exports will be the other, and increasingly important lever — the expansion into new geographies, the scale-up at Sri City, and the widening reach of the Essential Series are early steps in a longer transition. Progress on both fronts will be gradual rather than immediate, and we intend to stay focused on them. Moreover, India's low home appliance penetration and robust consumer demand present a compelling long-term growth opportunity.

FY 2026 was a year of steady positioning — in distribution, in exports, and in the categories, we chose to build. As the industry itself moves towards more efficient, more localised manufacturing, we expect LGE India's role to continue to actively shape how that market is built in the years ahead. I thank our customers, employees, business partners, and shareholders for their part in this year's progress.

Warm regards,
Hong Ju Jeon
Managing Director

The fundamentals of our business remain strong, our strategy is clear, and our future opportunities are compelling. With your continued trust and confidence, LGE India is well positioned for scaling the next phase of growth.

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About LGE India

BUILT FOR THE FUTURE

A market-leading organisation built on strong fundamentals and designed for sustainable growth, LG Electronics India Limited ('LGE India'/'the Company') has been a market leader in India's consumer electronics and home appliances market. Rooted in a rich legacy and powered by a future-forward vision, the Company has reshaped India's consumer durables landscape through product localisation and a strategic focus on premiumisation. A subsidiary of LG Electronics Inc., South Korea, it has emerged as India's most trusted brand, addressing the everyday realities of life in India with its pioneering offerings, robust manufacturing capabilities, and strong service network.

A leading consumer electronics, home appliances and consumer durables manufacturer and distributor, LGE India holds a #1* market share across multiple categories.

**As per Syndicate Agency*

Headquartered in Noida (Uttar Pradesh), LGE India operates across two business segments

Home Appliances and Air Solution (H&A)

Products Offered

B2C: Refrigerators, Washing Machines, Air Conditioners, Water Purifiers, Air Purifiers, Dishwashers, Microwave Ovens, Compressors & Motors

B2B: System Air Conditioners

Services Offered

- Repairs & Maintenance / AMC
- Extended Warranty
- Installation

Home Entertainment

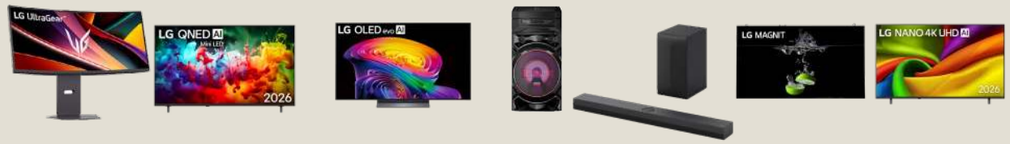
Products Offered

B2C: Televisions and Audio Devices

B2B: Information Technologies (Monitor & Projector) & Information Display, signages

Services Offered

- Repairs & Maintenance / AMC
- Extended Warranty
- Installation



LGE India's manufacturing and trading footprint spans a wide range of high-quality products across these two segments. The Company sells products to B2C and B2B consumers in India and outside India. It also offers installation services, and repairs and maintenance services for all its products.

LGE India's extensive diversified portfolio, sharp technological and innovation edge, wide distribution network, and strong premium positioning give the Company a competitive advantage, driving its sustained growth.

Corporate Structure

LG Corporation

35.3%

LG Electronics Inc.

85%

LG Electronics India Limited

(As on March 31, 2026)

₹ 246,049 million
Revenue in FY 2026

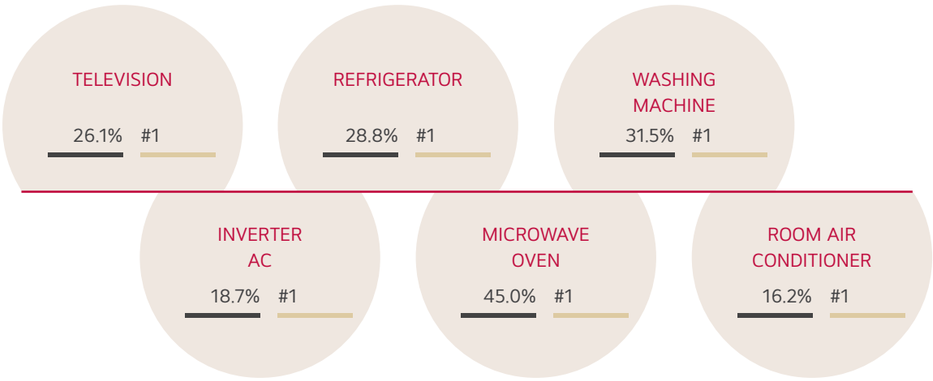
73.8%
Revenue share of Home Appliances & Air Solution (H&A) division

26.2%
Revenue share of Home Entertainment division

Leading the market

LGE India has been the #1 player in major home appliances and consumer electronics (excluding mobile phones) in India for the period April 2025 to March 2026, as per the market share (in terms of value) in the offline channel.

Market Share by Product Category



Period April 2025 to March 2026 — Ranking (Source - Syndicate Report)

Triple-Pillar Strategy

LGE India's strategy is anchored strategy around the three pillars of:

Make-in-India

Make-for-India

Make-India-Global

This strategy centres on scaling domestic production, manufacturing appliances specially designed for Indian consumers, and strengthening India's role as a global manufacturing and export hub. Together, this approach drives sustainable growth across the Company's expanding consumer electronics and B2B business portfolios, while enhancing its global competitiveness.

MANUFACTURING
EXCELLENCE AT SCALE

LGE India operates one of the largest in-house production capacities among home appliances and consumer electronics players in India. The Company has two world-class manufacturing units in Noida and Pune. These integrated facilities combine scale, automation, and in-house component manufacturing to deliver superior quality, operational efficiency, and dependable supply.

Manufacturing Ecosystem

	Greater Noida Manufacturing Unit	Ranjangaon, Pune Manufacturing Unit
Location	Greater Noida, Gautam Buddha Nagar, UP	MIDC Ranjangaon, Pune, Maharashtra
Area	190,000 sq. m.	214,000 sq. m.
Operationalisation	1997	2004
Production Lines	10*	10*
Key Products	Refrigerators, washing machines, room ACs, microwave ovens, compressors, water purifiers	Refrigerators, washing machines, room ACs, commercial air conditioner systems, televisions, signages, monitors

2
World-class manufacturing units

14.51 million
Units of installed annual capacity

20
Production lines across both units

** As of March 31, 2026*

Manufacturing designed for speed, flexibility and quality

Integrated manufacturing

Manufacturing critical components such as compressors and motors, which gives greater control over product development, quality, costs and supply chain reliability.

Flexible operations

Multi-product assembly lines allow different products to be efficiently manufactured on a single line, enabling faster market response based on projected demand.

Digitalisation and automation at scale

Advanced manufacturing technologies that ensure operating efficiency and increase production capacity, including:

- SMART real-time, AI-backed production monitoring and optimization system
- Smart monitoring systems for quality control, machinery health, and safety measures
- Digital SPQC for predictive quality monitoring and proactive defect prevention
- Robotic manufacturing systems
- Automated guided vehicles for part feeding and logistics
- Automated material handling systems (overhead conveyors and tow carts)
- ANDON real-time production alert system for immediate quality intervention

Sustainable manufacturing

Reducing carbon footprint through investments in renewable energy, including solar power, and introducing eco-friendly production efficiencies.

Quality built in

Rigorous quality assurance, IoT-enabled monitoring and globally aligned manufacturing standards ensure consistent product performance, safety and reliability across every stage of production. Quality Control System complies with ISO 9001:2015, ISO 45001:2018 and ISO 14001:2015 standards.

Scaling manufacturing footprint

The Company is further strengthening its manufacturing footprint with a third unit under development. Supporting future growth, the unit also reflects the Company's commitment to local manufacturing and serving India's growing aspirations.

Upcoming Andhra Pradesh Manufacturing Unit

Expected Investment	₹ 50.01 billion
Location	Sri City, Tirupati, Andhra Pradesh
Area	999,472 sq. m.
Target Operationalisation	FY 2027
Initial focus	Air conditioners and air conditioner compressors
Step 2	Washing machines and refrigerators

Corporate Timeline

A JOURNEY OF MANY MILESTONES

LGE India's transformative journey is marked by many significant milestones of success. The Company holds a leading market share across various product categories, including TVs, washing machines, refrigerators, air conditioners and microwave ovens. It has a reputation for many industry-first product and technology launches in India.

1997

- Incorporated in India on January 20, 1997, as a private limited company and a wholly-owned subsidiary of South Korea's LG Electronics Inc.
- Set up the 1st manufacturing facility at Greater Noida (Uttar Pradesh)

1998

- Commenced production of colour television, washing machine and air conditioners

1999

- Commenced production of microwave ovens

2001

- Commenced production of refrigerators and colour monitors

2002

- LG Electronics Systems India Limited (formerly known as Escorts Communication Limited), amalgamated with the Company

2004

- Set up the 2nd manufacturing facility at Ranjangaon, Pune, Maharashtra

2013

- Launched India's first charcoal lighting heater microwaves
- Launched power cut ever cool technology for refrigerators

2014

- Enabled smart diagnosis technology for refrigerators
- Launched LG webOS platform

2015

- Launched India's first 4k OLED television

2016

- Commenced production of water purifiers

2017

- Introduced smart inverter technology in air conditioner

2019

- Built in feature 401 auto cook menu for microwaves
- Amongst the first to launch smart connectivity air conditioners integrated with LG ThinQ app

2020

- Launched world's first 8k OLED television

2022

- Launched India's first rollable OLED television

2023

- Commenced production of air conditioner compressor
- First to introduce wash tower range of washing machines in India
- Launched India's first scan-to-cook Wi-Fi enabled microwave

2024

- Amongst the first to launch Energy Manager feature in air conditioners

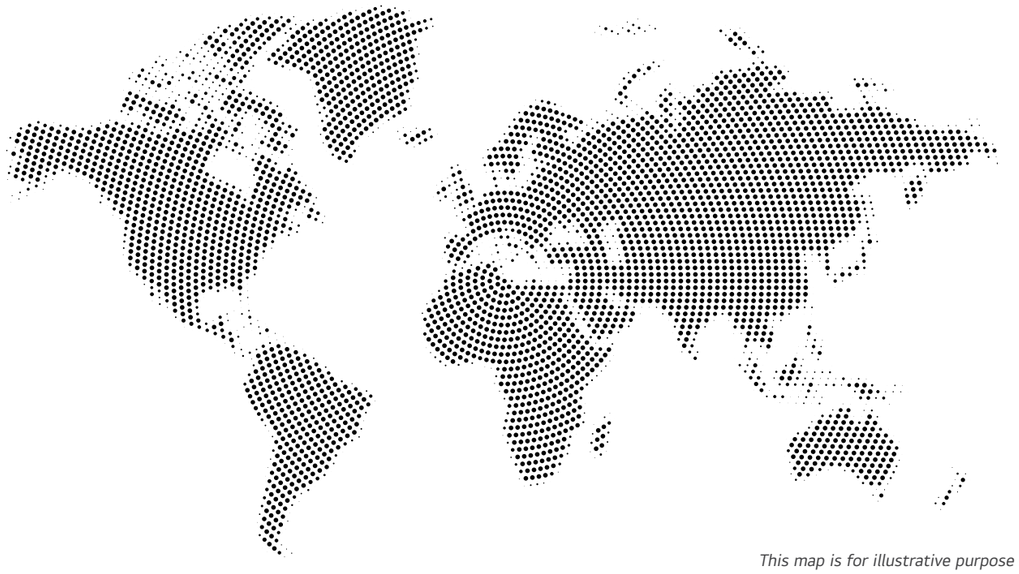
2025

- Record-breaking Initial Public Offering (IPO) through Offer for Sale (OFS), recording a 54x over subscription, and got listed on NSE and BSE

A Rich Legacy

GLOBAL ROOTS

LG Electronics Inc., the parent company of LGE India, is a leading single-brand global home appliances player in terms of market share by revenue (CY 2025). Committed to providing quality products and consumer experiences, it is engaged in the business of manufacturing home appliances and electronic products. Headquartered in Seoul, Republic of Korea, the company is listed on the Korea Exchange.



This map is for illustrative purpose only.

89,201 billion KRW
Revenue in CY25 (Consolidated)

The LG Edge

As part of the LG Electronics ecosystem, LGE India leverages their product innovations to design and introduce new variants of products within a short period of time. Through its parent company, the Company has access to global manufacturing expertise, automation best practices and operational insights, which it leverages to strengthen its own operational processes and systems. Guided by the parent company's brand philosophy and sustainability principles, it manufactures and markets products that champion carbon neutrality, circularity, and clean technology.

In accordance with the Revised Licence Agreement signed with LG Electronics Inc in July 2017, LGE India is liable to pay royalty to them for the use of technology and brand name. The Company has leveraged the brand image and associated consumer loyalty to maintain its market leadership in India.

Nationwide Presence

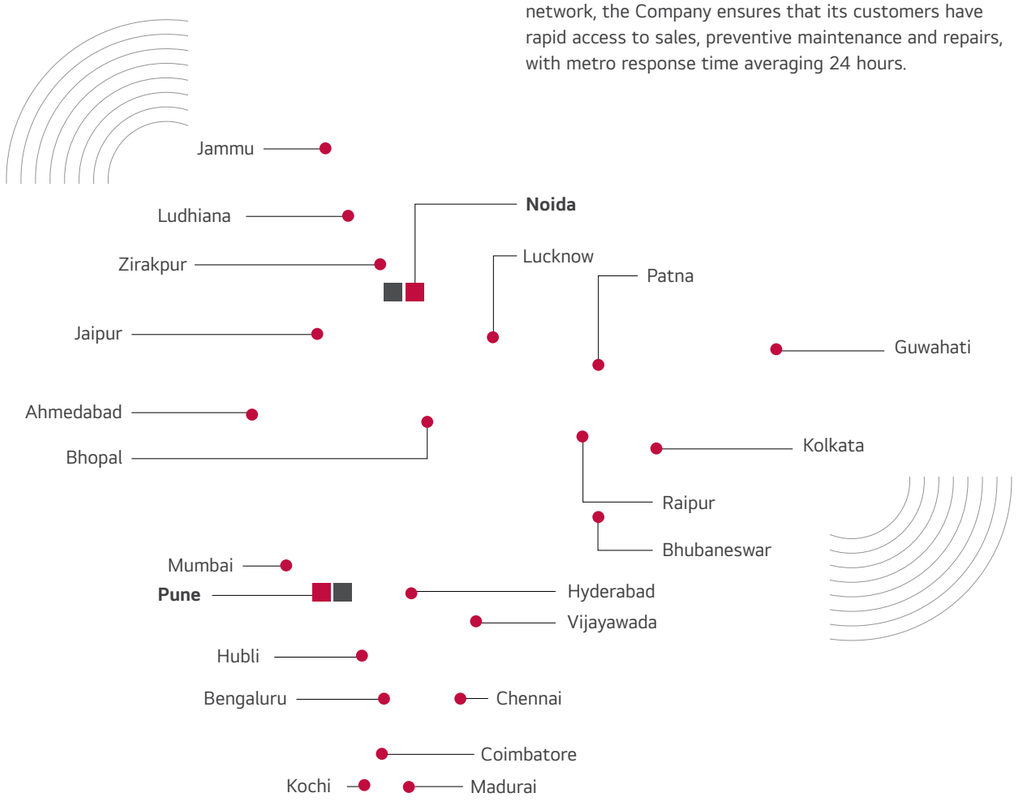
BUILDING ON PAN INDIA ASSET STRENGTH

LGE India's growth strategy centres on expanding its domestic manufacturing, distribution, and supply chain assets to build market leadership and expand global exports. While localising manufacturing, this network enables closer customer reach and tailoring of appliances to specific regional needs.

The Company operates state-of-the-art manufacturing facilities in Greater Noida (Uttar Pradesh) and Pune (Maharashtra), with a new facility set to operationalise in Sri City, Andhra Pradesh in CY 2026. These are backed by a vast national distribution, regional and branch offices, and dealer network. Combined with a robust e-commerce presence, this ensures that LG products and services are always within easy reach of its rapidly growing expanse of customers.

The Company's pan-India supply chain network of 25 product warehouses, comprising two central distribution centres ("CDCs") and 23 regional distribution centres ("RDCs"), as of March 31, 2026, facilitates seamless storage and movement of products to and from its manufacturing units. This shortens delivery times to its trade partners and consumers.

With 788 BrandShops and a 1,059 strong service centre network, the Company ensures that its customers have rapid access to sales, preventive maintenance and repairs, with metro response time averaging 24 hours.



- 2 Manufacturing Units
- 2 Central Distribution Centres
- 23 Regional Distribution Centres

This map is for illustrative purpose only.

50 Branch Offices; 16 Regional Offices

Data as of March 31, 2026.

Distribution Network

SCALING CUSTOMER REACH ACROSS INDIA

Consumers' tastes are evolving, their aspirations are getting bigger. Across India, consumers are seeking smarter and more premium home appliances, electronics and consumer durables. Adapting quickly to this transformation, LGE India is innovating and manufacturing to meet local needs. Driven by an enhanced focus on tapping opportunities for both new buyers and upgrades, the Company is continually expanding its presence and reach across the length and breadth of the country. The Company also exports its products to 50+ countries across Middle East, Asia, Africa and South America, serving consumer demand globally.

Having transformed into a modern tech powerhouse, LGE India operates one of the country's most extensive consumer electronics and appliance distribution networks. The Company's omnichannel approach helps to maximise market penetration, improve customer accessibility, and promote brand engagement across urban and rural regions. The Company coordinates sales across India through a network of regional, branch and remote area offices, enabling seamless engagement with trade partners to procure purchase orders and arrange for delivery of products.

36,847
Touchpoints

Growing phygital footprint

Our extensive offline presence, combined with our growing digital footprint, offers our consumers the twin opportunity to explore and purchase our products online, and also to interact with our products in-person and receive personalised consumer services in stores. This infrastructure further enables us to cater to regional consumer preferences and tailor our sales approach to a diverse audience, including the premium and volume segments, while maintaining a consistent brand experience throughout the consumer shopping journey.

Offline distribution channels

With over 36,847 B2C touchpoints including 788 exclusive brand stores, LGE India dominates the Indian consumer electronics and home appliance markets. This robust physical footprint is supported by an extensive after-sales service infrastructure. For its online D2C distribution channel, the Company engages with delivery companies to ensure last-mile connectivity and fast shipping.

B2C touchpoints

Offline distribution channels

- **LG BrandShops:** These outlets exclusively sell LG products and are operated by third parties under a franchise model. As per brand guidelines, the Company maintains uniformity in the design and visual identity of these exclusive outlets to ensure standardised experiences. The Company also participates in various consumer facing and co-op promotions with LG BrandShops to strengthen product visibility and drive sales. They also have the right to use the "LG" trademark and logos to promote its products
- **Modern trade:** We work with modern trade partners to sell products B2C consumers through modern trade outlets with dedicated floor space. These outlets include supermarkets, hypermarkets and large-format stores, typically located in Tier 1 and Tier 2 cities, and more recently in smaller towns and cities in India. The Company's primary modern trade partners are Reliance Retail and Croma (Infiniti Retail)

Online distribution channels

The Company markets and sell products through its own website, as well as through e-commerce marketplaces like Amazon and Flipkart.

Traditional channels

The Company serves mass-market consumers through an extensive network of distribution channel spanning major cities, smaller towns and rural India.

- The Company engages with distributors, who resell its products through a network of sub-dealers that ultimately serve consumers
- Regional Specialty Store (RSS) are traditional stores or brand shops that operate in a specific region, and do not have a pan-India presence

LGE India enters into agreements with its B2C trade partners, which provide them the right to sell and market its products. The Company's offline sale partners have the right to market products within the scope of their dealership/distributorship agreements, including usage of signs, stationery and other materials.

B2B Touchpoints

The Company enters into stock and sale agreements or distribution agreements with its B2B trade partners. These contracts grant them non-exclusive rights to distribute, market, sell and provide installation services, as applicable for the Company's products. The trade partners are required to stock adequate quantity and variety of the Company's products basis market demand.

Robust after-sales service

LGE India operates one of the largest after-sales service networks (in terms of number of service centres) among leading home appliances and consumer electronics players in India. The Company provides installation and repairs/ maintenance services through 1,059 service centres across urban and rural India, supported by 14,912 engineers and four call centres, as on March 31, 2026. It also offers same-day installations.

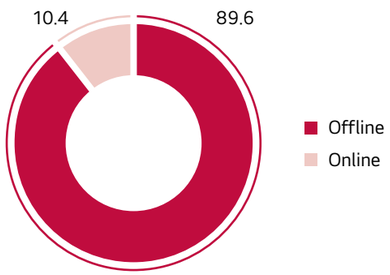
Long-standing relationships with trade partners

The Company's distribution strategy is based on building strong relationships with its trade partners who purchase its products and sell to end consumers. The Company has established long-standing relationships with its trade partners, with nearly 49.05% associated with it for over a decade as of March 31, 2026. The Company operates a large network of 96 sales offices that are strategically situated in semi-urban and rural areas, to coordinate sales and effectively meet the requirements of its trade partners.

Distribution Footprint with Balanced Mix of Physical and Digital Channels

	LG Brand Shops	Modern Trade Outlets	Multi-Brand Outlets	Regional Specialty Stores	Distributors & Sub-dealers	B2B	Online
Overview	Offline stores which sell LG products exclusively	Organised stores including supermarkets, hypermarkets and large-format stores	Traditional outlet stores that offer products from various brands	Traditional offline stores that focus on a narrow product line	Wholesale distributors who purchase products in bulk and resell in smaller quantities to sub-dealers	Dedicated distributors and dealers (B2B)	LG website and e-commerce marketplaces
No. of B2C Touchpoints / B2B Trade Partners	788	1,434	1,193	1,621	31,808	693	3

Channel contribution to sales in volume terms (%)



Awards & Recognitions

ENDORSEMENT OF **GROWING REACH AND PRESENCE**

The scale of LGE India's business growth is manifest in the various awards and accolades it wins year on year. In FY 2026, the Company received honours and recognitions from leading industry bodies, recognising the strength of its brand strategy, ESG focus, manufacturing excellence, product quality, innovation, and customer trust.

"Most Trusted Brand – Electronics segment" for 2025-26 by Brand Empower Pvt Ltd

"India's No.1 Inverter Air Conditioner Brand" for 2025-26 by Market Excel Data Matrix Pvt Ltd in April 2026

"India's No. 1 Washing Machine Brand for 10 Years in a row" by Euromonitor International in April 2026

"Most Trusted Brand in Refrigerator, Washing Machine & Microwave for 2026" by Trust Research Advisory in March 2026

"India's No.1 Refrigerator Brand" and "India's Most Trusted Home Appliances Brand" for 2025-26 by Intage India Pvt Ltd

National Energy Conservation Award. Appliance of the Year in the category of Washing Machine from Government of India

BUSINESS SEGMENT OVERVIEW

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Large Product Portfolio

DIFFERENTIATED OFFERINGS FOR DIVERSE CONSUMER CHOICES

Consumers across India are moving up the product value chain, with buyers increasingly preferring premium, high-value appliances over entry-level models. Modern consumers seek smart functionality with aesthetics, backed by deeper personalisation and proactive product care services. Driven by its deep insights into consumers preferences in India, and leveraging the global leadership of LG Electronics group, the Company has developed an extensive range of innovative products suited to their needs and desires. It offers one of the widest product portfolios amongst leading home appliances and consumer electronics players (excluding mobile phones) in India as of March 31, 2026. It also provides a comprehensive service and care proposition, driving enhanced consumer trust and loyalty.

Pioneering Innovations for Indian Homes

Driven by deep consumer insights and global innovation, the Company has introduced category-defining technologies that have transformed India's Home Appliances, Air Solutions and Home Entertainment markets.

Innovations

- Refrigerators: Intelligent Smart Mode auto-optimises cooling, improving user experience while maintain efficient performance. Convertible with Dairy Mode provides flexible storage by converting the freezer into additional fridge space, including a dedicated Dairy Mode (1° C) for optimal freshness
- Washing Machines: TwinWash™, AI DD™ (Artificial Intelligence Direct Drive)
- Air Solutions: Dual Inverter Air Conditioners
- Home Entertainment: Hyper Radiant Color Tech, a next-gen OLED technology. QNED MiniLED TV with certified 100% color volume
- Water Purifiers: PuriCare Water Purifiers Solutions purpose-built for Indian Homes
- Customised microwave ovens with pre-built cook menus for popular Indian dishes
- Integrated rat-mats in washing machines to prevent rodent-related damage
- Floral-pattern single-door refrigerators and regal finishes designed for Indian preferences

Scaling product proposition

In FY 2026, the Company expanded its major Home Appliances and Air Solution (H&A) lineup with advanced features tailored for the Indian market, including multi-door French Door refrigerators.

The Company's Essential Series range, launched in October 2025, has also proved to be a major early success. Starting at ₹ 18,000, it targets first-time buyers in Tier 2 and Tier 3 cities. This "Made-for-India" line is now driving domestic market growth in under penetrated rural and Tier 2 & Tier 3 markets, while expanding exports.

Major launches in Essential Series range:

- VIRAAT model of air conditioner – stabiliser-free operation, and Energy Manager for tracking/ limiting electricity bills
- Top-Load Washing Machines - engineered with low pressure fill technology to handle low water pressure and dust-proof ProShield motors
- Double-Door Refrigerators - Smart Mode feature automatic seasonal cooling adjustments and 20% larger vegetable storage compartments to accommodate bulk groceries
- Convertible Ovens - Pre-programmed with local auto cook menus for Indian dishes like dal, paneer, and ghee etc.

Catering to distinctive consumer needs

LGE India is committed to delivering consumer-centric innovations across product categories and price points. The Company caters to the needs of both volume market purchasers, who value affordability, durability and quality, as well as the premium purchasers who seek aesthetics, multiple features and luxurious appliances. Its balanced two-track product strategy is crafted around innovating technologically advanced features in the premium segment and introducing product variants catering to the needs of the volume segments in the mass market.

Home Appliances and Air Solution (H&A)

REFRESHING HOMES TO **REJUVENATE LIVES**

Homes today are transforming into intelligent, rejuvenating living spaces. As homeowners increasingly prioritise convenience, sustainability and elegance, their homes are evolving into premium sanctuaries anchored in smart, connected living. AI and automation are simplifying daily routines, while energy-efficient designs are lowering power costs and reducing ecological footprint. LGE India has responded to this shift by integrating deep learning and affectionate intelligence into its product ecosystem, bringing a refreshing transformation to Indian homes to deliver smarter, more intuitive and connected experiences.

Home Appliances and Air Solution (H&A) business

H&A business is closely aligned with the evolving needs and aspirations of Indian consumers. Under this business, the Company manufactures and sells a range of appliances — including refrigerators, washing machines, water purifiers, dishwashers, microwave ovens and air conditioners — curated and customised for Indian conditions.

Category overview

Refrigerators

Since the launch of its first single-door refrigerator, LGE India's portfolio has expanded to include double-door and side-by-side refrigerators, each available across multiple designs and variants.

FY 2026 saw the launch of a new lineup of French door refrigerators, significantly expanding its premium product portfolio, aligned with Indian households' shift towards larger capacities, premium aesthetics, and smart cooling technologies.

Under the Company's two-track strategy, premium French door refrigerators are gaining significant traction. It has also begun production of large double-door 674-litre and 790-litre side-by-side refrigerators at its Pune plant — a size no other brand currently produces in India. These initiatives strengthen the Company's Make-in-India commitment while boosting its market growth and leadership.

The Company's entire refrigerator range sold in India is certified by the Bureau of Indian Standards ("BIS"), Bureau of Energy Efficiency ("BEE") and Wireless Planning & Coordination ("WPC"). LGE India also exports Made-in-India refrigerators to markets across the Middle East, Asia, Africa and South America, supporting the third pivot of its India strategy: Make-India-Global.

Washing Machines & Dryers

The Company has expanded its portfolio of washing machines and dryers, which now spans wash towers, dryers, washer-dryers, front-load and top-load machines, and semi-automatic machines. These categories span multiple designs and variants, catering to both residential and commercial consumers.

The machines are equipped with advanced, smart technology features, and are BEE, BIS and WPC certified. LGE India also exports Made-in-India washing machines and dryers to the Middle East and Africa, with the category remaining on track with its growth and expansion plans.

Dishwashers

The dishwasher category has been a success story for LGE India. Sales have grown significantly year-on-year, moving LG to the number two position in this category. The Company's new, higher-capacity models such as the 14-place-setting and true steam wash dishwashers are emerging as key growth drivers, and it aims to become market leader in this sub-segment. Rapid changing consumer usage pattern to advanced technological super convenient products ease their life style.

Microwave ovens

LGE India was among the first leading home appliances and consumer electronics players in India to introduce microwaves in 1999. Over the years, the Company has built a strong and trusted market presence in India's microwave oven segment, with the brand positioning as complete cooking solutions rather than merely reheating appliances.

LGE India is the largest "Make-in-India" microwave oven brand with a state-of-the-art manufacturing and testing facility. The Company also exports microwave ovens to Nepal, Sri Lanka, Bangladesh, and Korea. Its portfolio is strategically segmented into main categories: Solo/Grill, Convection, Charcoal Convection, and Convertible Microwave Ovens, catering to diverse consumer needs and cooking preferences. The range offers several differentiated features focused on convenience, health, and hygiene, including a Wi-Fi-enabled Convertible Microwave Oven.

In FY 2026, the Company strengthened its innovation-led portfolio with the launch of the Convertible Microwave Oven with Air Fry, combining the functionalities of a microwave oven and an air fryer in a single appliance. This versatile solution enables consumers to enjoy healthier cooking experiences while maximising convenience and kitchen efficiency.

Water Purifiers

LGE India entered the water purifier category in 2013, introducing several new features such as reverse osmosis (RO) technology with mineral booster filters to enhance the taste and health benefits of water dispensed.

In FY 2026, the Company launched a 100% BIS-compliant range of water purifiers featuring RO water recovery of up to 60%, along with innovations such as an 8L Stainless Steel Tank with a 10-year warranty, in the 100% range, advanced RO filtration, In-Tank UV LED technology, and a Mineral Booster Filter. Aligned with BIS guidelines, all the Company's RO water purifiers maintain a minimum water recovery rate of 40%.

To further strengthen its presence in the premium segment, LGE India introduced a new Dual-Tone Glass Finish Model equipped with RO, UV, and mineral booster technologies. Additionally, an Alkaline Balance Filter was launched in the premium range to enhance the consumer drinking water experience.

Air Solution Business

The Air Solution sub-segment of the H&A division leads the Indian market. Driven by the "Make-in-India" initiative, LGE India's solutions focus on inverter-driven performance and localised compressor manufacturing across its air conditioner, air purifier and compressor categories.

Category overview

LGE India also manufactures and sells a wide range of residential and commercial air conditioners and air purifiers.

Air Conditioners

All LG air conditioners sold in India are BEE, BIS and WPC certified. In FY 2026, the Company was among the first brands to launch the new 2026 BEE star-rated air conditioners in the market. LG's range of air conditioners spans split and window models, each available across multiple variants and designs. Depending on the model, they come equipped with features such as:

- AI Convertible mode — helps the AC understand usage patterns and environmental conditions through machine learning, offering customised cooling
- ThinQ Wi-Fi smart platform — enables remote monitoring and control of air conditioners
- Plasmaster Ionizer — helps purify the air

Driven by a relentless focus on energy efficiency and green technology, LGE India was the first manufacturer to transition its entire air conditioner portfolio to inverter technology in 2017. Today, new models come equipped with 'Energy Manager', enabling users to fix and monitor their electricity bill through the ThinQ app, along with regular notifications on excess usage and maintenance updates.

LG's residential split AC lineup emphasises smart technology, energy efficiency, and reliable cooling suited to India's extreme temperatures. The AI Convertible 6-in-1 model allows users to adjust cooling capacity on the fly, saving energy without compromising on comfort. Today, Made-in-India air conditioners are primarily exported to neighbouring countries.

Transforming the market

LGE India's newly launched affordable premium residential air conditioners, features a Smart Inverter Compressor with variable tonnage and Gold Fin+ anti-corrosion technology built to withstand Indian climates. Its VIRAAT Mode delivers a cooling boost of up to 116% to counter extreme heat quickly. The Essential Series range carries the "eco badge" icon, reflecting full compliance with Bureau of Energy Efficiency (BEE) Star Rating norms along with integration of the Energy Manager+ system, reinforcing LGE India's commitment to energy efficiency and environmental sustainability.

Air Purifiers

LG's powerful, silent and beautifully designed air purifiers reduce allergens in homes, enabling residents to breathe cleaner air.

These air purifiers are equipped with advanced features, including:

- 360° Purification (select models): Draws in air from all sides and processes it through multiple filters, delivering purification for improved indoor air quality
- Multi-Filtration System: Uses multiple filters to remove particles and pollutants, eliminating 99.9% of bacteria and viruses and 99.999% of dust, allergens and harmful gases such as odours and smog
- PM 1.0 Smart Sensor & Indicator: Detects ultra-fine particles and displays air quality at a glance through a colour-coded indicator
- LG ThinQ™: Connects the purifier to a smartphone, letting users' control and monitor air quality from anywhere

Together, these features position LG's air purifiers as the optimal choice for every consumer need.

In FY 2026, LGE India expanded its air-care portfolio with new launches and premium releases. Key additions included the LG PuriCare 360 Hit and the LG PuriCare AeroHit, both featuring 360-degree purification, NanoFiber True HEPA filters and LG ThinQ Wi-Fi capabilities.

B2B proposition

For B2B customers, LGE India provides specialised commercial air-conditioning systems engineered for optimal energy efficiency, space management, sustainability and performance across India's diverse and challenging conditions. The Company offers sustainable, highly efficient commercial and light-commercial systems spanning heating, ventilation and air conditioning (HVAC). The range encompasses large infrastructure and commercial equipment — including Multi V (VRF) systems, chillers and large indoor building units — designed for hotels, offices, airports, educational institutions, shopping malls and factories, among others. In the System Air Conditioner category, the Company is preparing to launch a new 5-star model — a critical enabler for government project bidding and institutional business growth.

LGE India's advanced HVAC solutions are now operational at the prestigious Seva Teerth, the Prime Minister's office building. The Company successfully deployed Variable Refrigerant Flow (VRF) air-conditioning systems, supplied from its Pune manufacturing facility, further supporting the government's Make-in-India and Atmanirbhar Bharat initiatives.

FY 2026 Performance

FY 2026 was marked by continued market leadership and premiumisation-led growth, even as demand was impacted by a cool summer, geopolitical issues, and cost headwinds. LGE India gained market share across key categories, supported by strong brand equity and premium product offerings. Strategic launches, including French Door Refrigerators, AI-enabled Washing Machines, and BEE-compliant appliances, helped consolidate market leadership and improved product mix.

Performance was further supported by the successful rollout of the LG Essential Series, enabling expansion into volume-driven and underpenetrated markets while maintaining a strong premium positioning. A significant milestone was achieved as quarterly room air conditioner (RAC) sales surpassed 1 million units for the first time, while premium categories such as Fully Automatic Washing Machines, French Door Refrigerators, 5-Star RACs, and Dishwashers delivered strong growth and higher average selling prices (ASPs).

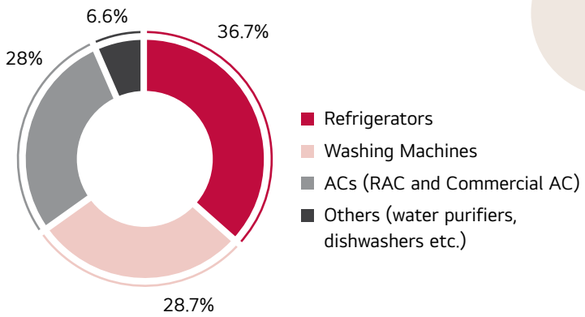
Margins remained under pressure due to rising commodity prices, foreign exchange volatility, compliance-related costs, and strategic channel investments for festive campaigns and new product introductions. However, these investments strengthened distribution reach and long-term market competitiveness.

Looking ahead, favourable demand drivers, including premiumisation, energy-efficient appliance adoption, summer demand, and export opportunities, are expected to support continued growth. With a balanced premium- and volume-zone strategy, strong product portfolio, and leadership across key categories, the Company remains well positioned to sustain market leadership and drive profitable growth in FY 2027.

₹ 181,605 million
Revenue from Operations

73.8%
of Total Revenue

Revenue contribution by product category for FY 2026



Home Entertainment

CREATING PERSONALISED ENTERTAINMENT HUBS

Modern home entertainment is no longer just about a single, static television set placed in the living room to deliver limited programme choices. It has evolved into an immersive ecosystem, blending digital media and viewing systems and displays with spatial audio and AI-driven recommendations to deliver highly personalised viewing and listening experiences. LGE India has expanded on this evolution by building a seamless ecosystem of AI-driven televisions, spatial audio systems, and media displays.

Home Entertainment Business

LGE India's Home Entertainment business resonates with localised consumer preferences. Driven by cutting-edge technology and innovation, the division continuously pioneers new products, focused on premium display technology. The Company's product ecosystems enhance user experiences through premium cinema-like viewing and immersive audio solutions designed for smart homes, and tailored to the evolving viewing and gaming habits of the Indian market.

The Company manufactures a range of media display and audio-visual products, including televisions, monitors, interactive displays and information systems, along with soundbars, audio systems, projectors and wireless speakers for sale in the domestic markets.

AI integration, smart home connectivity and gaming compatibility have strengthened LGE India's leadership in Home Entertainment, with larger screen sizes and premium offerings set to drive the next phase of growth.

Category overview

Television

The Company's vision is to create experiences that are uniquely designed to match customer lifestyles, providing personalised moments that are within reach for everyone - a seamless integration of screen and daily life. LGE India's TVs sync to customers everyday needs for a more comfortable viewing experience. The Company's television lineup is a blend of AI-powered performance and lifestyle integration. Available in various sizes, they are BEE, BIS and WPC certified. Some of the Company's higher-end televisions are equipped with more advanced technologies like best-in-class processors, Dolby Vision & Atmos, NVidia G-Sync & AMD FreeSync compatibility. In addition to conventional television products, the Company offers lifestyle television screen products for residential users. Our core offerings in the TV category include:

- OLED & OLED evo - Widely considered the gold standard for cinematic experience & gaming; features top-tier processors (like the α11 AI Processor) and infinite contract with perfect black and perfect colors
- QNED/Mini LED - Provides vibrant, high-colour gamut pictures as a flagship 4K LED alternative
- Nano 4KUHD – Provides sharp 4K resolution and intelligent, AI-powered processing; advanced features like HDR10 Pro, 4K upscaling, and responsive Game Optimizer settings; webOS - Smart TV dashboard, serves as a personalised AI hub; integrates control for streaming, gaming, and other IoT devices

Home Audio Products

The Company's home audio products include sound bars, wireless and party speakers.

Key offerings include:

- Soundbars - Ranging from compact 2.1 systems to massive 9.1.5 channel Dolby Atmos setups; custom-designed for fitting under or mounting alongside flat-panel TVs
- WOW Orchestra & WOW Interface - Proprietary technologies enabling LG TV speakers and LG soundbar to play in perfect sync; controlled by a single remote
- XBOOM & Hi-Fi - Line of powerful wireless party speakers and high-fidelity systems; designed for robust audio performance

B2B proposition

LG Information Display

Building on LG's trusted brand legacy and technology leadership, the Company continue to strengthen its presence in the B2B business by offering a comprehensive portfolio of Monitor Signage, LED Signage, Commercial TVs, and LG Software Solutions. The Company's products and solutions are designed to enable digital transformation, enhance collaboration, and deliver engaging visual experiences across industries. With innovative technologies such as LG MAGNIT (Micro LED) for premium visualisation, Transparent OLED for immersive and futuristic customer experiences, and LG CreateBoard (Interactive Digital Board) for interactive collaboration, the Company is redefining the possibilities of professional display solutions.

LG Information Displays cater to a wide range of sectors, including corporate, retail , QSR, government, education, infrastructure, transportation and hospitality, among others. From modern workplaces and smart classrooms to retail stores, airports, railway stations, hotels, control rooms, and public infrastructure, LG's display ecosystem helps organisations communicate effectively, improve operational efficiency, and create immersive customer experiences.

Complementing its hardware portfolio, LG's software solutions provide centralised content management, remote monitoring, device control, and seamless system integration, enabling businesses to efficiently manage display networks at scale while maximising uptime and operational productivity.

Under the 'Make-in-India' initiative, the Company manufactures CreateBoard (Interactive Digital Boards), Commercial TVs, and Monitor Signage in India, supporting the country's vision of self-reliance while meeting the growing demand for digital learning and collaborative workspaces.

Driven by accelerating digitalisation, smart infrastructure development, hybrid workplaces, and the increasing adoption of intelligent display technologies, the B2B Commercial Display market presents significant long-term growth opportunities. Backed by a strong product portfolio, industry-specific solutions, and a robust business pipeline, LG's Information Display segment is well-positioned to capitalise on this expanding market and further strengthen its leadership in the B2B space.

FY 2026 Performance

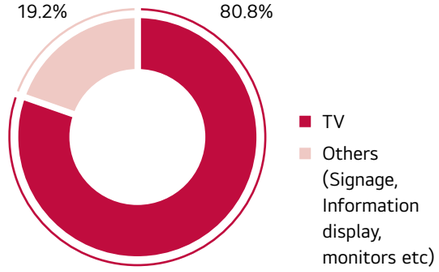
FY 2026 revenue growth was driven by large-screen TV adoption and premium TV demand, supported by festive season sales, the GST rate cut and multiple sporting events. The Company strengthened its market leadership by increasing offline TV share and maintaining OLED leadership with over 60% market share throughout the year.

The Information Display (B2B) business faced headwinds in H1 FY 2026 due to tariff and geopolitical uncertainties but recovered strongly in H2 FY 2026, supported by government infrastructure spending and commercial display orders.

EBIT margins were impacted by higher commodity costs, increased marketing and Go-to-Market investments, lower B2B profitability for most of the year, and rupee depreciation. However, these pressures were partially offset by cost-efficiency initiatives.

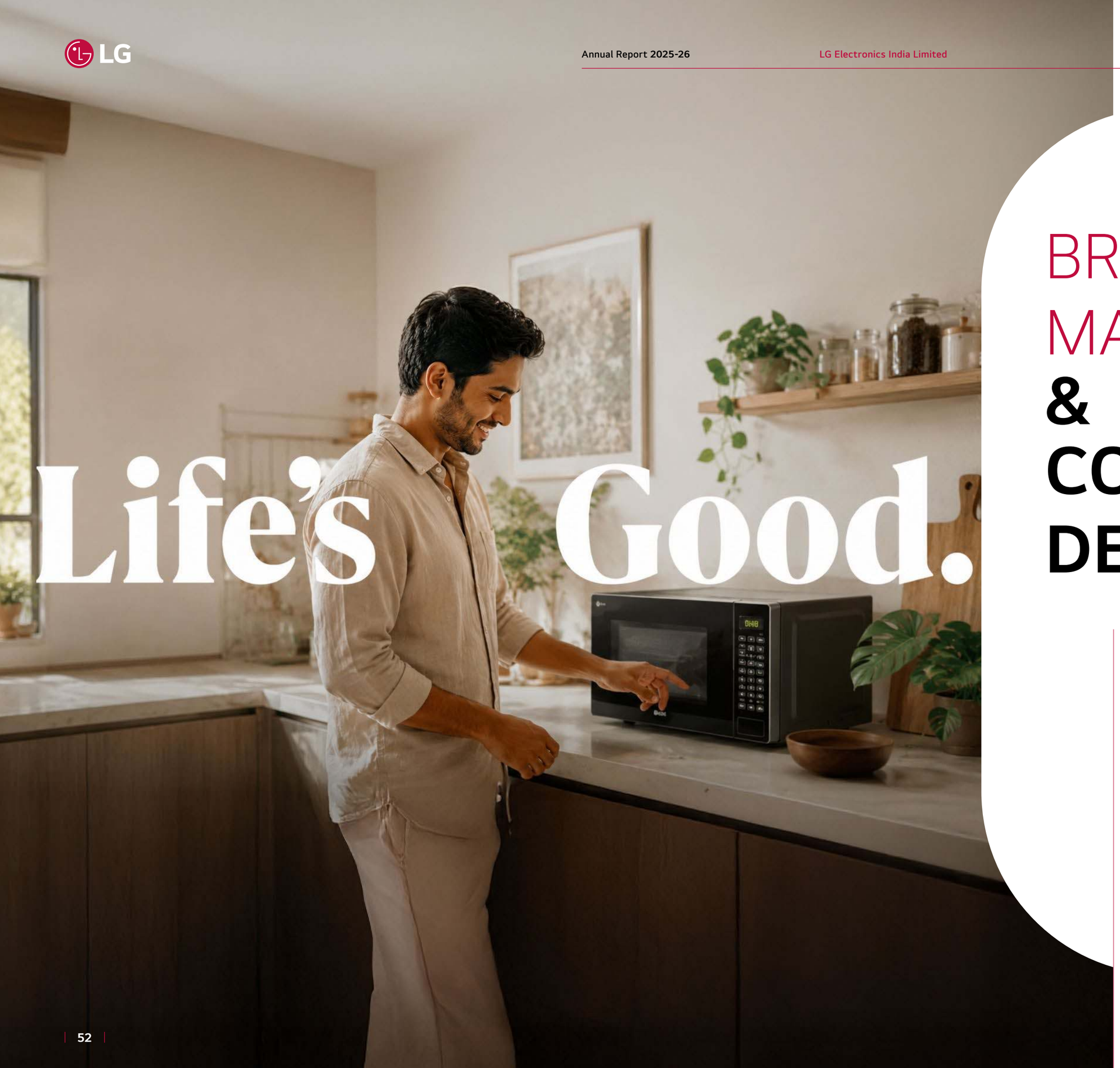
Looking ahead, the Company expects continued growth driven by premiumisation, larger-screen adoption, expansion of OLED/QNED portfolios, a strong B2B order pipeline, and new Make-in-India product launches. This will support both market leadership and margin recovery.

Revenue contribution by product category (%)



₹ 64,444 million
Revenue from Operations

26.2%
of Total Revenue



BRAND, MARKETING & CONSUMER DELIGHT

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Branding and Marketing

THE LG BRAND IN INDIA
MORE THAN A LOGO

The LGE India brand epitomises all that's good. It is all about touching the lives of people, as well as communities and the environment, positively. The iconic global LG Group tagline 'Life's Good' encapsulates the Company's positioning as a premium, human-centric, and tech-forward brand. It underlines the Company's sustained focus on driving optimism and empowering customers with innovative smart life solutions to make daily routines smoother, more sustainable, and the Company's happier.

LGE India brand promise

LGE India's philosophy revolves around people, sincerity, and sticking to fundamentals. It is crafted to understand customers and to offer optimum solutions and new experiences through ceaseless innovation, thus helping them lead better lives.

The Company continually engages discerning consumers who seek new experiences and aspire to enrich their lives. Guided by its 'Life's Good' brand philosophy, the Company consistently builds a contemporary and authentic brand that continues to evolve with changing consumer aspirations while remaining true to its fundamental philosophies.

The LG logo

The LG logo symbolises humanity, technology, and customer commitment. The letters "L" and "G" inside a red circle form a stylised human face, representing the Company's desire to remain approachable, maintain a close relationship with its consumers, and ensure customer satisfaction.

It was designed to appeal to younger audiences. While the iconic "L" and "G" emblem remained the same, the redesign transformed the logo into an interactive character capable of nodding, winking, and spinning across digital platforms. It introduced a dynamic, animated 2D logo and a brighter "LG Active Red", lending it a digitally active aesthetic.

Focused brand strategy

LGE India's sustained market leadership across all major product categories such as, washing machines, refrigerators, air conditioners, and television, is powered by strong brand positioning. Consumer trust has strengthened LGE India's brand equity, reinforcing its leadership in the Indian consumer durables market.

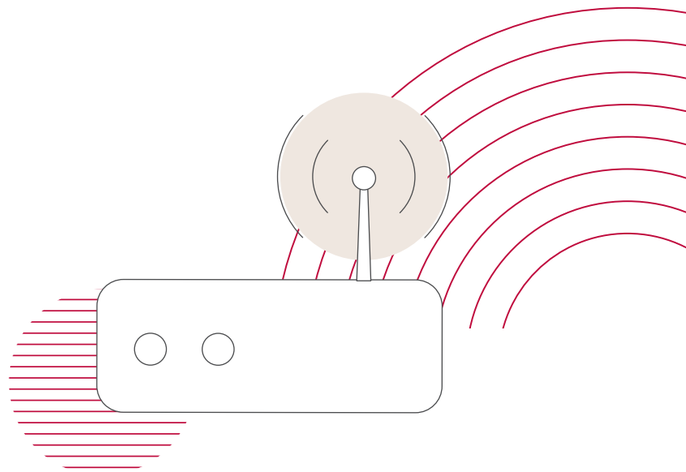
The Company's brand strategy pivots from a "Mass to Class" model, focusing on premiumisation, intelligent "Affectionate Intelligence" (AI) features, and product localisation. It targets rising middle-class families, tech enthusiasts and urban "aspirers" willing to pay for smart, connected living and design aesthetics. It emphasises technology, lifestyle design, and sustainability.

The strategy features AI-integrated appliances (e.g., ThinQ ecosystem, Multi Vi -AI integrated VRF Systems) and premium display lines like OLED evo, which elevate the brand's premium status. It is driven by product differentiation, which is steered by energy efficiency (e.g., 5-star BEE ratings), health-centric features (e.g., Air purification kits in Cassette ACs, hygiene steam in washing machines, UV sterilisation in ACs), and modern home automation. The Company's hyper-localisation strategy is rooted in a deep understanding of Indian consumer preferences.

Promoting experiential retail

Experiential retail is a cornerstone of LGE India's brand strategy, transforming conventional consumer electronics shopping into immersive, hands-on journeys. The Company leverages experiential offline marketing through its exclusive LG BrandShops across India as well as LG ThinQ experience zones to enable consumers to interact with connected smart home ecosystems and AI-enabled products before making purchase decisions

The Company continues to aggressively expand its exclusive brand shops and premium experience zones in key metros as well as Tier 1 and Tier 2 cities to showcase its integrated product ecosystems.



LGE India's 3-layered marketing approach

01 Brand and Corporate Marketing

- Brand and corporate marketing team develops centralised campaigns
- It creates narratives for integrated marketing communications, and ensures brand compliances for all marketing initiatives, including product and on-ground marketing
- Corporate digital marketing team for marketing on social media platforms

02 Product Marketing

- This involves communicating information about products, including new product launches and features, across distribution channels
- This is enabled through integrated marketing campaigns, such as in-store ads, digital campaigns, social media influencer engagement and sponsorships

03 Field Marketing

- This focuses on marketing across most the Company's various distribution channels, including conducting and deploying signages/banners/hoardings. The offline sale partners are provided with a right to market products within the scope of their dealership/distributorship agreements
- Engaging with social media platforms and influencers in each region to promote products
- Deploying company-trained sales promoters across select trade partner stores to promote products and communicate their technical features to consumers. As of March 31, 2026, the Company engaged 11,031 promoters. The Company also has product-specific sales teams, such as 'Health Hygiene Experts' providing cooking classes and 'X-Boom Ambassadors' who are musicians helping promote its audio products at new store inaugurations

Targeted marketing campaigns

The Company invests in targeted marketing campaigns to strengthen the "LG" brand in India. Its marketing strategy includes a diversified blend of media (including televisions, print and digital), in-store experiences and on-the-ground activations that appeal to strategically selected the local target consumer segment.

The Company rolls out marketing campaigns timed to important Indian festivals. While offline marketing is an important part of the strategy, it has increased spending on digital marketing campaigns, ensuring connecting to larger audience through multiple platforms.

Social Media Marketing

Creation of engaging content that resonates with followers is a key facet of the Company's social media marketing strategy. A blend of product-centric, lifestyle and content is used to showcase the quality of the Company's products while strengthening audience engagement. The Company uses social media to engage with customers, and to respond to their queries and concerns in real time.

Influencer Partnerships

The Company partners with influencers aligned to its brand values and target audience to expand reach, strengthen consumer trust and drive product awareness.

Celebrity endorsements

To promote festive and occasion-led sales and target-specific demographics, the Company collaborates with renowned personalities and influential figures. These collaborations extend from regional promotions to global partnerships, playing an important role in driving brand and product visibility.

Essential Series range campaign

In October 2025, the Company expanded its affordable-premium range of home appliances with the launch of Essential Series, which included products like refrigerators and washing machines. The range expansion introduced more designs, capacities and price points across home appliances, catering to the needs of a larger consumer segment, aimed at fulfilling LGE India's mission of "Har Ghar Appliances, Har Ghar Happiness".

The Company launched a surround campaign, including ads ondigital, print, and radio, supported by on-ground activations and store promotions to create greater visibility. This helped drive volumes for the new range of affordable-premium appliances.

'Thank You India' campaign

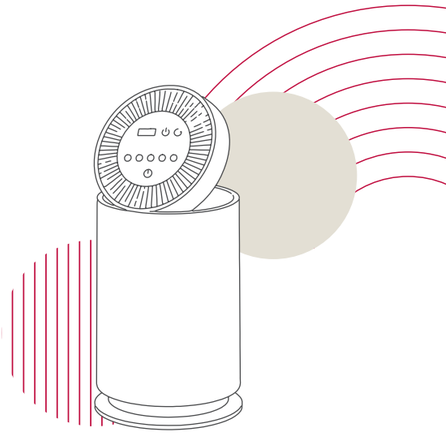
The Company launched this nationwide campaign in January 2026 to celebrate its Initial Public Offering (IPO), rewarding customers across national trade, modern trade, and online brand stores.

LG HVAC Solutions Showcase

At ACREX 2026 in Mumbai, LGE India showcased its comprehensive HVAC portfolio, featuring the advanced AI-enabled VRF system - Multi Vi. The showcase reinforced LG's commitment to delivering energy-efficient, intelligent, and sustainable air conditioning solutions tailored to India's diverse climate conditions and regulatory standards, while enabling enhanced comfort and centralised control across residential and commercial spaces.

Cloud Gaming Scale-up

The Company expanded its display portfolio beyond home entertainment by introducing advanced cloud gaming capabilities directly to its webOS TV ecosystem in India. This makes user enjoy games streaming without the need of a gaming console.



Customer Experience & Services

NURTURING TRUST, FOSTERING LOYALTY

Business success is inextricably linked with customer trust and loyalty, alongside sustained profitability. It requires exceptional levels of customer service and enhanced scale of customer experience. This translates into repeat business while reducing customer acquisition costs. It enables conversion of buyers into brand advocates. LGE India prioritises customer centricity across business touchpoints to deliver seamless, personalised experiences to build lifelong customer relationships.

Engineering services on demand

LGE India's pan-India service network is structured to offer engineering services such as installation services, and repairs and maintenance to consumers on demand, both within and outside the warranty period.

LGE India service framework

LG Centres ("LGCs") - exclusive service centres directly operated by company

Exclusive Service Centres ("ESCs") - third-party operated service centres operated exclusively for LGE India consumers

Operating a nation-wide network of warehouses to supply spare parts and other materials to the LGCs and ESCs to service consumers. Some LGCs also operate as spare warehouses.

Every LGC and ESC is supported by trained service engineers, ensuring prompt and high-quality after-sales support. Engineers at LGCs are deployed through third-party manpower agencies, while those at ESCs are engaged by the respective centre operators.

Customer care & grievance redressal

LGE India goes beyond selling products to building lasting relationships. Introducing the **LG Best Care Program**, a comprehensive, end-to-end customer care experience that supports customers at every step of the journey. From the day of purchase of LG product, through offering extended warranty solutions, cleaning service solutions to enhance performance and lifespan of products to responsible end-of-life solutions.

A World-Class Service Network You Can Trust

Backed by one of the largest and most skilled service networks in the industry, the Company's trained technicians are equipped with the latest tools and knowledge to deliver exceptional service.

Real-Time Visibility, Maximum Efficiency

The Company leverages GPS tracking to monitor the movement of its service engineers in real time. This enhances productivity and accountability.

The Company's proprietary "Engineer App" empowers technicians to:

- Call and schedule appointments directly with customers
- Access service history and product details
- Update job status in real time
- Deliver measurable, high-quality and guaranteed customer service

At LGE India, every service interaction is focused on ensuring customer happiness. After every service visit:

- A "Happiness Code" is collected from the customer to confirm job completion and satisfaction
- A confirmation text message is also sent immediately, closing the loop
- A detailed feedback survey is delivered via link, allowing customers to share their experience

Grievance addressal system (VOC Management)

The Company has a structured VOC (Voice of Customer) management system, where every concern is logged, analysed and resolved. These insights directly inform improvements in its service policies, training and processes, creating a continuous cycle of enhancement.

Beyond complaint resolution, it helps analyse customer feedback to identify trends, anticipate needs and refine service offerings. This data-driven approach ensures that LGE India remains at the forefront of customer-centric innovation.

1.32 Crore

Service claims received in FY 2026

1.30 Crore

Service claims resolved within FY 2026

82.8%

Net Promoter Score (NPS) FY 2026

LG SmartCare

The "LG SmartCare" feature operates within the LG ThinQ app, which is managing the customer's smart home appliances. It provides proactive care alerts, energy monitoring, usage tips, and automated convenience features tailored to the customer's specific LG appliances. The app also uses the Smart Diagnosis feature, enabling the customer's smartphone to transmit appliance data over an audio signal or Wi-Fi to LG support, bypassing the need for an in-house technician for minor troubleshooting.

ENVIRONMENTAL, SOCIAL & GOVERNANCE (ESG)

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Environmental

INVESTING IN GREEN GROWTH

LGE India has set a well-defined ecological conservation agenda across its business network, aligned with the Group's global commitment to operate in an environmentally and socially responsible manner. The Company's environmental strategy is guided by the 'Better Life Plan 2030' roadmap. This includes achieving carbon neutrality in operations by 2030 and sourcing 100% renewable energy (RE) across all production sites by 2050 under the RE100 initiative (interim target: 62% by 2030).

LGE India has undertaken various sustainability initiatives focused on water conservation, waste reduction, pollution control, and biodiversity enhancement. Some of the key actions include:

Tree plantation using the Miyawaki method, pond adoption and rejuvenation for groundwater recharge, rainwater harvesting, Zero Liquid Discharge practices, and reuse of treated wastewater.

Working toward Zero Waste to Landfill through waste segregation, recycling, co-processing, and responsible disposal through authorised agencies.

Using Online Continuous Effluent and Emission Monitoring Systems to strengthen environmental compliance and real-time monitoring of wastewater and air emissions.

Pioneering energy-saving technologies

The Company is pioneering energy-saving technologies through innovative, BEE Star-rated appliances tailored for Indian households.

These include:

- Integrating Smart Inverter Compressors and AI Convertible 6-in-1 modes in Essential Series range ACs and Frost-Free Refrigerators to deliver exceptional cooling and food freshness while significantly lowering electricity consumption and carbon footprints
- AI dual inverter technology that reduces power consumption and noise by adjusting compression speed to match cooling loads
- Proprietary energy management AC systems to allow users to actively monitor and control daily power usage, driving maximum savings
- Smart inverter refrigerators that use high-efficiency BLDC compressors and multi-air flow cooling to optimise energy consumption

Select refrigerator and AC models are engineered to integrate with home solar setups, further promoting sustainability.

Accelerating transition to RE with Solar PPAs

In March 2026, LGE India scaled its commitment to expand clean energy operations across its manufacturing operations by signing long-term solar Power Purchase Agreements (PPAs) with Hinduja Renewables Energy Private Limited (HREPL) and Sunsure Energy Private Limited.

The framework includes a 9.80 megawatt peak (MWp) solar PPA with HREPL for the Pune manufacturing facility and an 11 MWp solar PPA with Sunsure Energy for the Greater Noida facility. The Company will source approximately 3.21 crore units of renewable energy annually for both facilities, collectively offsetting around 0.61 million metric tonnes of CO_2e over the project lifetime. Further, our Greater Noida manufacturing facility has installed capacity of 3.5 MWP solar roof top power system. The system generates 4.2 million KWH of renewable electricity yearly contributing to the factory power requirement and reducing its carbon footprints.

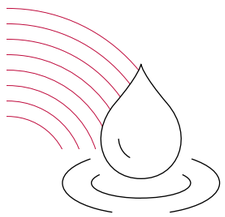
Both the agreements are for a period of 25 years, starting Q3 CY 2026.

The PPAs strongly align with LG's sustainability commitments. These collaborations also strengthen contribution to meeting India's net-zero ambitions for 2070 , while accelerating the Company's journey towards responsible low-carbon footprint manufacturing and enhancing the global competitiveness of its products.

Given the environmental impacts of air conditioners, which contribute approximately 4% to global GHG emissions, and with cooling demand making up approximately 20% of energy consumption requirements for buildings, LGE India has invested in developing energy-saving technologies. The Company was the first and only player in India to move 100% to inverter technology in 2017.

Other environment protection initiatives

- Developed a green space near the Noida manufacturing unit through planting shrubs, flowers, and trees, and installing slogan boards to inspire green practices



Water management

Water conservation in manufacturing operations

LGE India has focused on reducing water consumption at its manufacturing facilities through process optimisation, monitoring, and reuse practices. Such efforts typically include improving water-use efficiency in production, utilities, and facility maintenance. Major water management initiatives were taken at the washing machine production process, bubble test tank, RO plant, gardening, flushing, solar panel cleaning, etc.

Wastewater treatment and reuse

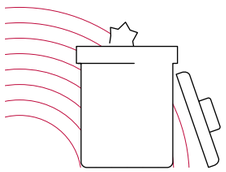
The Company has established domestic and effluent wastewater treatment systems at its plants to treat water before discharge or reuse. Treated water are reused for activities such as gardening, flushing, cleaning of solar panels or other non-potable applications, helping reduce freshwater dependency.

Rainwater harvesting

LGE India has installed rainwater harvesting facilities inside factory premises as a part of its broader resource conservation efforts. In addition, two ponds have been adopted near Surajpur and Shakipur villages to enable ground-water recharge.

Awareness and employee participation

Water-saving awareness campaigns and employee engagement activities are commonly undertaken to encourage responsible water usage across offices and plants.



Waste management

Extended Producer Responsibility compliance

As an ecologically conscious electronics manufacturer, LGE India follows Extended Producer Responsibility obligations for collection, channelisation, and recycling of electronic waste through authorised recyclers in line with India's E-Waste Management Rules. This supports safe disposal of products, such as TVs, refrigerators, washing machines, air conditioners, microwave and water purifier related electronics, where applicable.

Reduction of manufacturing waste

LGE India has taken steps to reduce waste generated during manufacturing by improving material efficiency, reusing packaging materials where feasible, and segregating recyclable and non-recyclable waste.

Recycling and responsible disposal

Waste generated at facilities is typically segregated into categories such as plastic, metal, paper, packaging waste, hazardous waste, and e-waste. Recyclable materials are sent to authorised recyclers, while hazardous waste is handled through approved hazardous waste handlers.

Plastic and packaging waste reduction

LG has made efforts globally and locally to reduce packaging waste by improving packaging design, using recyclable materials, and optimising logistics packaging. In India, these efforts align with plastic waste management and sustainability requirements.

Social - Employees

FOSTERING A PEOPLE-FIRST CULTURE

At LGE India, the growth strategy is powered by people who actively support its efforts to drive innovation and customer value. The Company's human resource (HR) philosophy is focused on fostering a collaborative, employee-centric, and purpose-driven work culture. It incentivises performance and promotes continuous learning and development among employees. Comprehensive welfare programmes reflect the Company's commitment to employee care, safety, and dignity, while creating a supportive workplace that encourages both personal and professional growth.

In alignment with LG's core 'Life's Good' philosophy, the Company prioritises holistic employee growth, family-engagement programmes, continuous skill development, and work-life harmony. Certified by Great Place to Work Institute, India, as a "Great Place to Work" for the period from October 2024 to October 2025, the Company encourage the active involvement and engagement of its employees.

Employee Welfare & wellbeing

The Company believes that a healthy, engaged, and motivated workforce drives sustainable growth and long-term success. Employee well-being is therefore at the core of its people philosophy and culture, reinforcing its commitment to building a happy, engaged, and future-ready organisation, Through structured HR initiatives, the Company promotes an environment where employees feel cared for, respected, and empowered, supporting their physical, mental, emotional, and social well-being across all levels.

Health and Insurance Benefits: LGE India provides comprehensive health and insurance coverage, ensuring employees have access to medical care and financial protection during unforeseen circumstances. These benefits support both physical and mental well-being.

Employee Assistance and Support: LGE India offers counselling services, mental health resources, and confidential support programmes to help employees manage personal and professional challenges. These mechanisms create a supportive environment where employees can seek help with confidence.

Focus on Quality of Life: LGE India undertakes preventive health programmes, wellness awareness sessions, stress management initiatives, work-life balance sessions, and wellness campaigns to promote overall well-being. These efforts encourage healthier lifestyles and informed well-being choices among employees.

Preventive Health and Awareness: Regular health screenings, workshops, and awareness campaigns help employees manage their health proactively. By providing the right knowledge and resources, LGE India supports a healthy and productive workforce.

Celebration and Events: Cultural celebrations, sports activities, engagement events, and team-building exercises help foster work-life balance across LGE India. These initiatives help employees relax, connect, and build a positive, inclusive workplace.

Learning & development

Learning and development is a strategic driver of business growth, organisational excellence, and long-term sustainability at LGE India. Our learning strategy is designed to build the capabilities required to meet current business challenges while preparing employees for future opportunities. We promote employee growth through workshops, training sessions, and learning resources that help them build skills and advance their careers. This strengthens individual capability while supporting innovation and organisational competitiveness.

Training Need Analysis (TNA): A comprehensive TNA forms the foundation of our learning ecosystem. Conducted in collaboration with department leaders, team leaders and key stakeholders, the process identifies capability gaps, business challenges, functional requirements, and future skill needs. The insights derived help shape targeted learning interventions that drive both individual development and business performance through a structured learning strategy focused on Functional Expertise, Technical Capability, Leadership Effectiveness, Essential Skills, and Future-focused technological competencies like AI (Artificial Intelligence) and Digital Transformation (DX) capabilities, enabling employees to thrive in an increasingly technology-driven business environment.

- **Key Intervention Areas:** Learning interventions at LGE India focus on critical business areas, such as operational excellence, business communication, channel development, profitable growth, market share leadership, product knowledge, retail management, finance management, and business acumen. Dedicated learning journeys support employees transitioning into new leadership roles, while leadership programmes are offered for first-time managers and position holders. Competency-based development learning further strengthens role effectiveness and leadership-readiness for critical positions across the organisation
- **Development Programmes:** Recognising the importance of building the future leadership pipeline, LGE India invests in development programmes, providing accelerated learning opportunities, coaching, mentoring, business exposure, and strategic project assignments. These initiatives help create a robust succession pipeline and strengthen long-term organisational resilience
- **Learning Effectiveness:** The Company measures learning effectiveness through participant feedback and structured post-training evaluations for every learning intervention. It has built a dynamic learning ecosystem through strong governance, business partnership, technology-enabled learning, and a deep commitment to employee growth, supporting business transformation and future-readiness.

One Team LG Culture

The focus, at LGE India, is on nurturing a sense of belonging among employees, families, and communities, building an inclusive and unified One Team LG culture. This culture is built on connection, consistency, and shared values. It is anchored around people-centric and experience-driven pillars, designed to make employees feel engaged, supported, and proud to be part of LG. Each pillar reflects both intent and practice.

LGE India Culture Pillars

Employee Connect

Employee connect strengthens belonging, engagement, and emotional connection across all LGE India locations by creating shared experiences beyond daily work.

- **Festivities and Celebrations –** The Company celebrates different cultural as well as personal milestones together at LGE India. Inclusivity is demonstrated through celebration of festivals like Diwali, Holi, Seollal, Chuseok, along with India and Korean Independence Day and Republic Day at a pan India level through themed dress codes, competitions, and cultural activities. Team celebrations and leadership acknowledgements ensure employees feel valued for personal and professional milestones
- **Feel Good Fridays, Sports & Wellness and Quizzes –** Theme-based dress days, contests, and quizzes conducted nationwide create a rhythm of fun and shared participation. Interdepartmental carrom, chess, table tennis, cricket, walkathons, Yoga Day, and fitness challenges promote energy, bonding, and well-being

Familyship

Familyship at LGE India extends workplace culture to employees' families, fostering care, respect, and togetherness. By involving spouses, children, and parents in celebrations and recognition, this helps strengthen emotional bonds and a shared sense of belonging.

- **Family-centric Initiatives:** Events like Harvest Festival, Kids' Contests, Summer Camps, and Environment Day exhibitions engage families and build connection beyond work
- **Celebrating Togetherness:** Children's Day, Parents' Day, and regional festivals bring employees and families together, promoting inclusivity and cultural bonding
- **Recognition & Inclusion:** Gifts and appreciation for families of promoted employees recognise their support and strengthen emotional connections

Communication

Regular and transparent communication with employees ensures mutual trust, and aligns the team with the organisational goals while empowering them to make informed decisions.

- **MD Communication:** MD and senior leader interactions through townhalls, lunches, letters and gifts build trust, recognition, and employee care
- **Leader-Member Connect:** Informal leader-employee interactions promote openness, real-time feedback, and stronger workplace relationships
- **Culture Newsletter:** A monthly internal newsletter shares engagement updates, employee stories, and key organisational news across branches

Employer Branding on Social Media

LGE India employees serve as authentic ambassadors of its culture and values. By sharing real stories, achievements, and experiences on platforms like LinkedIn and internal newsletters, the Company nurtures employee pride, strengthen external visibility, and empower individuals to represent the LG brand.

- **LinkedIn Advocacy:** Monthly posts on employee stories, volunteering, and workplace culture showcase "People First," "Culture in Action," and "Proud to Belong," with employees amplifying reach through their networks
- **Life's Good Stories:** Employees share personal journeys, milestones, and cultural experiences, bringing LG's values to life and strengthening brand connection
- **Authentic Advocacy:** Employees promote organisational content as genuine culture ambassadors, building credibility and strengthening LGE India's employer brand

LGE India promotes collaboration, growth, diversity, recognition and well-being through cross-cultural programmes, LG Citizenship, Great People Awards, flexible work practices, and discourage late sitting culture. The Company enhances employee experience through Human Resource Business Partner (HRBP) interactions, grievance support, employee feedback, and leadership connect initiatives that build trust, transparency, and alignment.

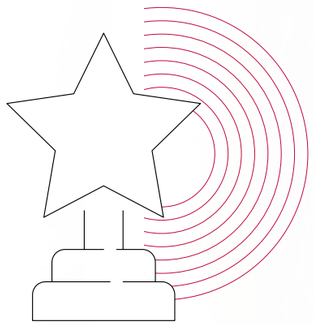
Technology-Driven HR Innovation

As part of HR transformation journey, the Company has introduced key digital initiatives to improve efficiency, decision-making, and employee experience. Tools such as the HR Dashboard, Successor Management System, Recruitment System, Digital Onboarding, and To-Do Platform have streamlined processes, reduced turnaround time, improved data accuracy, and strengthened productivity. These initiatives promote agility, transparency, and data-driven people practices, reinforcing LGE India's culture of innovation.

HR Excellence Awards

As the employer brand of excellence, LGE India continues to win awards and recognitions validating its robust HR culture and policies. Some of the major awards won during FY 2026 were:

- Silver Award for Excellence in Employer Branding, received at the prestigious Business World People HR Excellence Awards 2025 - one of India's most respected platforms recognising organisations that excel in people practices, leadership, workplace innovation, and business impact
- "National Best Employer Brand" by World HRD Congress; Chief HR Officer (CHO) also conferred with "Top HR Iconic Leader Award"
- "Most Innovative L&D Programme 2026", received during HR Distinction Diamond Award by HR Association of India, reflecting LGE India's belief that people are central to sustainable success and underscoring our people-centric culture, combined with digital transformation, leading to engaging, scalable, measurable, and future-ready employee experiences



Social - CSR & Community Impact

FOSTERING SOCIETAL DEVELOPMENT

LGE India's responsibility ethos extends beyond the organisation to promote the welfare and progress of the communities around which it operates. In line with the brand philosophy of "Life's Good When We Do Good," the Company's Corporate Social Responsibility (CSR) programme focuses on eradicating hunger, providing better access to healthcare, and education initiatives in India.

We conduct street plays to raise awareness about safe driving and traffic rules, and have installed reflectors at road junctions near our manufacturing units to prevent accidents.

LG Life's Good Nutrition Programme

This CSR initiative of LGE India is dedicated to improving the health, nutrition, and overall well-being of young children studying in government schools across India while supporting the broader goals of community development and nation-building. It provides nutritious mid-day meals and dietary support to children from economically disadvantaged backgrounds, to ensure they receive the daily nourishment necessary for healthy growth, learning, and overall physical and emotional development.

The programme is implemented in partnership with reputed national NGOs and local stakeholders to ensure effective delivery and sustainable impact.

Program Status

18
locations coverage across India

118,857
government school students beneficiaries

Nutritious mid-day meals & dietary support

FY 2026 Impact

- Supported 1,18,857 children with nutritional assistance
- Improved access to balanced and nutritious meals in government schools
- Contributed to better health, attendance, and classroom engagement
- Promoted holistic development and educational participation among children
- Strengthened LG's commitment to creating sustainable social impact in underserved communities

LG Life's Good Retail Skills Training Programme

This skill development initiative has been designed to improve the employability of disadvantaged youth by providing them with in-store retail sales skills, thereby strengthening the talent pipeline for India's rapidly growing consumer electronics industry. It focuses on empowering youth, particularly from Tier 2 and Tier 3 cities, with industry-relevant skills, practical exposure, and employment opportunities in the organised consumer electronics sector by bridging the gap between education and employment. It has helped create a pathway for young aspirants to enter the formal workforce while also supporting the industry with trained, customer-ready professionals.

Unlike conventional training programmes that focus mainly on course completion, this programme emphasises employment outcomes. Every aspect of the programme, including curriculum design, practical learning, On-the-Job Training (OJT), industry exposure, and assessment, is structured to prepare candidates for real-world, in-store responsibilities from their very first day at work. Classroom learning is combined with practical in-store exposure, enabling candidates to gain first-hand experience in customer engagement, product demonstration, sales operations, and workplace management.

Program Status

800
Total Ongoing Trainees

2,400
Total Trained

LG Life's Good Hope Technical Skill Academy

This skill developing initiative seeks to empower underprivileged youth with technical and industry-relevant skills that enhance their employability, thereby creating sustainable livelihood opportunities. It addresses the growing demand for skilled technicians in the consumer electronics and home appliance service industry, thereby contributing to India's skill development ecosystem.

Designed in alignment with the Skill India Mission, the programme currently has four skill academies across Delhi, Chennai, Hyderabad and Ahmedabad, delivering comprehensive training in appliances installation, repair, maintenance, troubleshooting, workplace safety, customer service and professional development. Through a blend of classroom instruction, hands-on practical learning and industry exposure, young participants acquire the technical expertise and behavioural competencies required to succeed in a competitive job market.

Implemented in partnership with Electronics Sector Skill Council of India (ESSCI) and a government polytechnic, the programme operates under the aegis of India's National Small Industries Corporation (NSIC). It offers industry-standard curricula and certification frameworks to ensure quality, relevance, and employability to its young trainees. Successful graduates are supported with placement opportunities across the industry.

Program Status

3,240
Youth Trained

2,292
Youth Placed in Industry

228
Youth Undergoing Training

4
Training Centres

Focus Area

Technical Skill Development & Employability

Location	Youth Trained	Training Ongoing	Youth Placed
Delhi	1,621	-	1,232
Hyderabad	673	61	376
Chennai	802	69	623
Ahmedabad	144	98	61
Total	**3,240**	**228**	**2,292**

Governance

BOARD OF DIRECTORS

Mr. Daehyun Song

Chairman, Non-executive Director

Daehyun Song is the Chairman and Non-executive Director of the Company. He has been associated with the Company since November 18, 2024. He holds a bachelor's degree in science (mechanical design) from Pusan National University, Busan, Korea. He has been associated with the LG Electronics Group since November 28, 1983.

Mr. Hong Ju Jeon

Managing Director

Hong Ju Jeon is the Managing Director of the Company. He has been associated with the Company since December 22, 2022. He holds a master's degree in business administration (global management) from Thunderbird School of Global Management, Glendale, Arizona, United States. He is responsible for directing sales strategies, operational planning, and initiatives to support overall business objectives and strengthen the dealer network at the Company. He has been associated with the LG Electronics Group since October 4, 1994.

Mr. Dongmyung Seo

Whole-time Director & CFO

Dongmyung Seo is the Whole-time Director and Chief Financial Officer of the Company. He has been associated with the Company since December 31, 2021. He holds a master's degree in business administration from Seoul School of Integrated Sciences & Technologies, Seoul, Korea. He is responsible for managing all financial activities and accounting operations and overseeing every aspect of the Company's finances, including financial reports. He has been associated with the LG Electronics Group since December 19, 1994.

Ms. Promila Bhardwaj

Independent Director

Promila Bhardwaj has been associated with the Company since November 19, 2024. She holds a Bachelor's degree in Arts with Honours in English, a Master's degree in Arts (English), and a Master's degree in Philosophy (Social Sciences) from Punjab University, Chandigarh, Punjab, India. She also holds a Post Graduate Diploma in Public Administration from the Indian Institute of Public Administration, New Delhi, India. Besides she holds a Certificate in Global Leadership and Governance from Wharton School of Business, University of Pennsylvania and Indian Institute of Management (IIM), Bangalore.

She joined Indian Revenue Service in 1979 as topper of her batch and retired on December 31, 2014 as the Director General of Income Tax, Department of Revenue, Ministry of Finance, Government of India.

Post retirement, since 2015, she joined as an Independent Directors in many listed and unlisted Companies in India.

Mr. Ramesh Ramachandran Nair

Independent Director

Ramesh Ramachandran Nair has been associated with the Company since November 19, 2024. He holds a B. Tech (Hons) in Electrical Engineering from NIT Kurukshetra, Haryana, India and a post graduate diploma in financial management from IGNOU, New Delhi, India. Prior to LG Electronics India Limited, he was associated as CEO and on the board of various companies - Avaada Electro Private Limited, Adani Solar (Mundra Solar PV Limited), Bharat Aluminium Company Limited, Jindal Stainless Limited, MALCO and Sterlite Copper.

Mr. Santosh Kumar Mohanty

Independent Director

Santosh Kumar Mohanty has been associated with the Company since November 19, 2024. Mr. Mohanty is an Indian Revenue Officer and has to his credit, more than three decades of dedicated service in the financial services and regulatory field. He holds a Bachelor's degree in Arts (Honours) in political science from Utkal University Bhubaneswar, Odisha, India, a Master's degree in Arts in political science (international studies) from Jawaharlal Nehru University, Delhi, India, a Bachelor's degree in Law from Siddharth College of Law, University of Mumbai, Maharashtra, India; and a Post Graduate Diploma in Securities Law course from Government Law College, Mumbai, Maharashtra, India.

Prior to his superannuation, he was associated with SEBI for almost eight years, first as an Executive Director and later as a Whole Time Member and before joining SEBI, Mr. Mohanty served over two years as a Director in the Forward Markets Commission (Government of India), the erstwhile regulator of commodities derivatives market. As an Indian Revenue Service officer, Mr. Mohanty has held various positions of tax administrator up to the rank of Commissioner of Income Tax in different jurisdictions of India .

STRATEGY & OUTLOOK

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Strategy & Outlook

STRATEGIC PRIORITIES FOR FY 2027

LGE India's strategic priorities for driving sustainable and profitable growth in FY 2027 are pillared around premiumisation, supported by increased exports, strengthening of the LG Essential line-up, innovation-driven new product launches across categories, scaling up of B2B business and capacity expansion. The Company aims to achieve mid-teen revenue growth and early double-digit EBITDA margin to drive long-term growth and value creation.

LGE India has established a clear roadmap to steer this strategy, termed as **'EXCEL'**, defined by:

EX → **Export expansion**

C → **Capability of new factory production**

E → **Expansion of market leadership, brand and new business**

L → **Localisation**

EX- Export Expansion

Export expansion remains the most important strategic pillar for FY 2027, with focus on expanding export destinations and distributors, broadening export product portfolio, and strengthening export capabilities and infrastructure. While providing a natural hedge against Rupee depreciation, export growth is expected to significantly contribute to improving the Company's profitability by enhancing cost competitiveness. The operationalisation of Sri City facility is expected reduce logistic cost and present a growing export opportunity, in the targeted range of ~6% to ~10%+ in the next couple of years.

C- Capability of new factory production

In terms of expansion of production capability, the Company's third manufacturing facility in Sri City is on track to start operations with production of compressors in the third quarter of FY 2027, followed by room air conditioners in the fourth quarter. With a total planned investment of ₹ 50,000 million, Sri City will be established as a key manufacturing and export hub for the future. It will empower LGE India to effectively meet future domestic and overseas demand and create new employment.

E- Expansion of market leadership, brand and new business

LGE India's product strategy is aligned with a two-track approach, spanning both the premium segment and the Essential Series range covering the mass premium segment. The Company expects its market leadership getting strengthened across all major product categories in India, going forward. At the same time, it will continue to launch differentiated products and expand investments in new business areas.

L- Localisation

Localisation has remained a powerful driver of the Company's business growth in India, with our localisation rate touching 55.2% in FY 2026 - an improvement of about 1.4 percentage points year-on-year. Going forward, the Company targets an annual increase of more than 1% to 2% points to drive stronger cost competitiveness and more stable management of foreign exchange volatility.

Outlook

LGE India enters FY 2027 with strong momentum, supported by healthy consumer demand. As premiumisation accelerates and demand for consumer durables strengthens, the Company remains well-positioned to capitalise on the opportunities across its product portfolio.

With focused long-term growth strategies and sharp execution, it expects to improve demand and margins across segments. Driving profitable growth will remain a priority. While currency depreciation, commodity cost volatility and geopolitical uncertainties may continue to exert pressure on costs, the Company remains committed to disciplined execution through cost optimisation, localisation and enhanced operational efficiency.

Strategy & Outlook

HARNESSING THE INDIA OPPORTUNITY

The growth opportunity for LGE India is enormous. India remains a bright spot in the home appliances and electronics industry landscape, with a rising middle class, supported by urbanisation and premiumisation, pushing growth for these sectors.

Home Appliances Market

India's appliances penetration rates are low but are steadily advancing towards global benchmarks, driven by macroeconomic growth and improved affordability. Rising disposable income and technology adoption, along with favourable policies, are opening up opportunities in both the traditional and smart appliances sectors.

- Improved product efficiencies and a decline in manufacturing costs have enhanced affordability for good-quality, smart and energy-efficient appliances, not just in the top-tier cities but also in tier 2 & tier 3 cities
- Lifestyle shifts, propelled by rising nuclear families and rapid urbanisation, are driving demand for automation and time-saving appliances to simplify daily routines and enhance the quality of life
- Government initiatives such as 'Make-in-India' as well as Production-Linked Incentives (PLIs) are further boosting market growth, which continues to benefit from the rising discretionary spending among the middle class as well as tech-savvy millennials and Generation Z
- Increased e-commerce penetration is spreading modern appliances across both rural and urban households
- Technological innovations in sustainable and refurbished products, compact designs, and localisation to Indian contexts are further accelerating adoption and increasing product lifespans

LGE India stands to benefit considerably from this growing opportunity matrix at the back of its manufacturing and quality excellence, innovation-centric product premiumisation and localisation, smart and AI-driven ecosystem, and unmatched market dominance.

Home Entertainment market

- GST cut continues to promote premiumisation and large-screen adoption, driving structural growth in the television category
- Rapid adoption of ultra-large, cinema-style screens is pushing demand for premium AI and OLED TVs
- Demand for home theatre soundbars and portable Bluetooth speakers is surging as consumers upgrade their living rooms for cinematic immersion
- B2B opportunity continues to scale up, with institutional demand witnessing a marked growth

LGE India's market leadership in this industry positions it in a sweet spot to capitalise on the growth opportunity. Deep localisation, advanced OLED technology, expansion of local manufacturing, and massive distribution network will continue to drive its market growth.

CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Daehyun Song
Non-Executive Chairman

Mr. Hong Ju Jeon
Managing Director

Mr. Dongmyung Seo
Whole-time Director & Chief Financial Officer

Mr. Santosh Kumar Mohanty
Non-Executive Independent Director

Ms. Promila Bhardwaj
Non-Executive Independent Director

Mr. Ramesh Ramachandran Nair
Non-Executive Independent Director

CHIEF FINANCIAL OFFICER

Mr. Dongmyung Seo

COMPANY SECRETARY AND COMPLIANCE OFFICER

Mr. Anuj Goyal

REGISTERED OFFICE

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Mathura Road, New Delhi - 110044
www.lg.com/in

CORPORATE OFFICE

16th to 20th Floor, C-001, Tower D, KK Project,
Sector 16B, Noida, Uttar Pradesh - 201301
Tel: 91-120-651-6700

INTERNAL AUDITOR

M/s S S Kothari Mehta & Co. LLP (SSKM)

STATUTORY AUDITORS

M/s. Price Waterhouse Chartered Accountants LLP
Building No. 8, 8th Floor, Tower-B, DLF Cyber City,
Gurugram (Haryana), India – 122 002

SECRETARIAL AUDITORS

M/s. Dhananjay Shukla & Associates
House No.-23, Basement, Sector-30,
Gurugram (Haryana), India – 122 001

COST AUDITORS

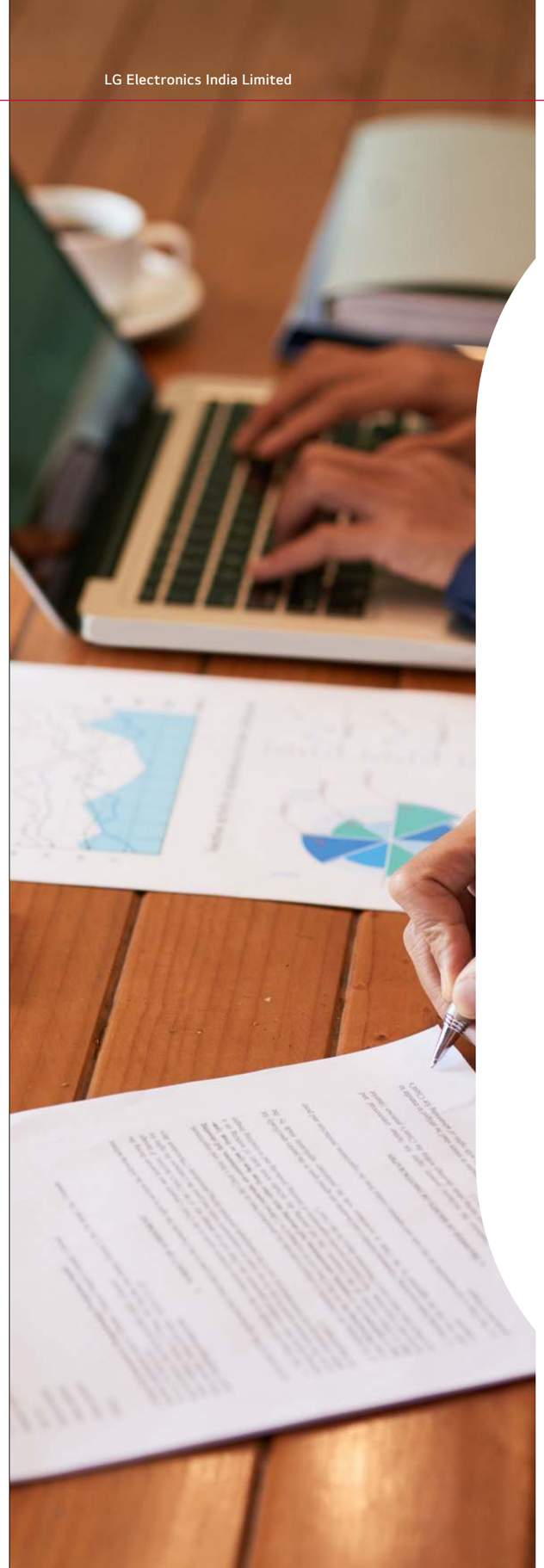
M/s. J K Kabra & Co.,
552/1B, Arjun Street, Vishwas Nagar,
Delhi - 110 032

BANKERS

Citibank N.A.
Bank of America
ICICI Bank Limited
HDFC Bank Limited
Shinhan Bank
Standard Chartered Bank
DBS Bank India Limited
Emirates NBD Bank PJSC
The Hongkong and Shanghai Banking Corporation Limited
JP Morgan Chase Bank, N.A.

REGISTRAR AND SHARE TRANSFER AGENT

KFin Technologies Limited
The Centrium (Phoenix Market City),
3rd Floor, Lal Bahadur Shastri Road,
Nav Pada Kurla (West),
Mumbai 400 070
Tel: +91 40 6716 2222



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Management Discussion and Analysis

GLOBAL ECONOMY

The global economy exhibited sustained buoyancy throughout 2025, despite an increasing complex operating environment. Economic growth was supported by resilient consumer spending, continued investment in technology and digital infrastructure, easing inflationary pressures and relatively stable labour market conditions across major economies. At the same time, geopolitical tensions, evolving tariff measures and trade policy uncertainties continued to influence global economic activity and business sentiment.

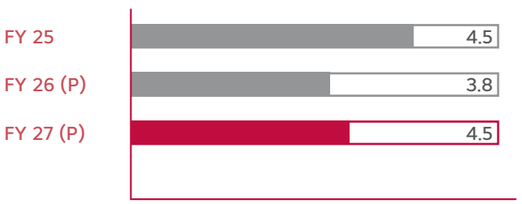
World GDP expanded by 3.5%, with advanced economies growing by 1.9%, while emerging market and developing economies outperformed with growth of 4.5%, led by India and China.

Real GDP Growth

WORLD OUTPUT (%)

ADVANCED ECONOMIES (%)

EMERGING MARKET AND DEVELOPING ECONOMIES (%)



P = Projections
(Source: World Economic Outlook (IMF) – July 2026)

Global inflation eased to 4.1%, reflecting the impact of restrictive monetary policies and improving supply conditions. World trade volumes grew by 5.0% during the year, supported by steady demand, technology-led exports and improving trade activity across key markets. Monetary policy across major economies remained cautious and data-dependent as central banks sought to balance growth objectives with lingering inflationary pressures.

Global geopolitical conditions remained uncertain during the year, with escalating tensions in West Asia and the prolonged Russia-Ukraine conflict continuing to influence economic activity, trade flows and energy markets. Disruptions across key shipping routes, volatility in crude oil and commodity prices, and evolving geopolitical developments contributed to heightened uncertainty across global markets. These developments affected supply chains, sourcing strategies and logistics networks across industries, resulting in higher procurement and freight costs, periodic disruptions in material availability and longer lead times in certain markets. Consequently, businesses remained cautious in their investment and operational planning amid concerns surrounding inflation, energy costs and the broader economic outlook.

Trade policy uncertainty also persisted during the year, with evolving tariff measures and geopolitical considerations continuing to influence investment activity, supply-chain strategies and cross-border trade flows. These factors reinforced a cautious global operating environment and remain important risks to global growth and trade prospects.

(Source: World Economic Outlook (IMF)- July 2026)

Outlook

The global economy is expected to remain broadly stable over the medium term, with growth projected at 3.0% in 2026 and 3.4% in 2027. Continued investment in technology, digital infrastructure and productivity-enhancing innovations, including artificial intelligence, is expected to support economic activity despite ongoing geopolitical tensions, trade policy uncertainties and evolving political developments across major markets.

Growth in advanced economies is projected at 1.7% in 2026. The United States is expected to expand by 2.3%, supported by resilient consumer spending and investment activity, while the Euro zone and Japan are projected to grow by 0.6% and 0.7%, respectively. Emerging market and developing economies are expected to grow by 3.8%, with China projected to expand by 4.5% on the back of domestic policy support and improving trade conditions. India is expected to remain among the fastest-growing major economies, supported by strong domestic demand, ongoing infrastructure investments and continued progress in manufacturing and digital transformation.

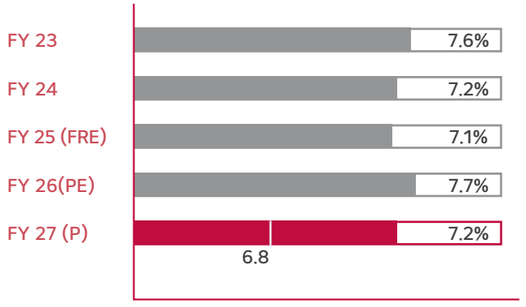
Global headline inflation is projected to moderate from 4.7% in 2026 to 3.9% in 2027 as supply conditions improve and inflationary pressures gradually ease across major economies. In response, central banks are expected to continue adopting measured monetary policy actions, balancing inflation management with growth objectives. Global trade growth is projected to moderate to 3.5% in 2026 amid tariff-related adjustments and geopolitical uncertainties, although sustained demand for technology products, digital infrastructure and advanced manufacturing solutions is expected to provide continued support to global economic activity.

(Source: World Economic Outlook (IMF) – July 2026)

INDIAN ECONOMY

The Indian economy demonstrated resilience during 2025-26 despite ongoing global trade uncertainties and market volatility. According to the Ministry of Statistics and Programme Implementation (MoSPI's) Provisional Estimates (PE), real GDP and Gross Value Added (GVA) are projected to grow by 7.7% and 7.9%, respectively, reflecting the strength of the country's domestic demand-driven growth model.

(Source: PIB)



FRE = First Revised Estimate; PE = Provisional Estimates; P = Projections

(Source: PIB (PE, FRE), MoSPI - June 2026)

Economic activity was supported by healthy agricultural output, which strengthened rural incomes and consumption, while urban demand remained resilient on the back of stable employment conditions and easing inflationary pressures. Strong domestic consumption, sustained investment activity and continued policy support helped maintain growth momentum across key sectors of the economy.

India continued to remain among the world's fastest-growing major economies during FY 2026, supported by resilient domestic demand, robust investment activity and ongoing structural reforms. With a nominal GDP of approximately USD 4.15 trillion in 2026, the country remains one of the largest developing economies globally. While recent estimates indicate a moderation in its global ranking from 4th to 6th position, India's strong economic fundamentals, expanding domestic market, and sustained growth trajectory continue to reinforce its significance within the global economy.

Private consumption remained a key driver of growth, supported by moderating inflation and improving real incomes. Public capital expenditure of ₹ 12.2 lakh crore under the Union Budget 2026-27 continued to support infrastructure development and stimulate activity across manufacturing, construction and allied sectors. Government initiatives such as Viksit Bharat 2047 further reinforced the focus on long-term economic development, self-reliance and capacity creation.

Inflation remained relatively benign during the year, supporting household purchasing power and consumer spending. Average headline Consumer Price Index (CPI) inflation stood at 1.7% during the first nine months of FY 2026, while the Ministry of Statistics and Programme Implementation (MoSPI) estimated inflation at 3.4% as of March 2026. Fiscal discipline, stable domestic demand and continued expansion in bank credit contributed to the overall macroeconomic stability.

(Source: PIB, MoSPI)

Outlook

The outlook for the Indian economy remains favourable, with real GDP growth projected between 6.8% and 7.2% in FY 2026-27. Growth is expected to be supported by continued infrastructure spending, rising private investment, expanding manufacturing activity and sustained strength in the services sector.

Supported by a stable macroeconomic environment, improving consumer sentiment and ongoing structural reforms, India remains well-positioned to navigate external uncertainties while sustaining long-term economic growth. Continued progress in infrastructure development, industrial expansion and domestic consumption is expected to support broad-based economic activity across sectors.

Rising disposable incomes, increasing urbanisation and continued premiumisation trends are expected to support consumer demand across discretionary spending categories.

(Source: PIB - January 2026)

INDUSTRY OVERVIEW

Indian Consumer Durable market

The Indian consumer durables and electronics industry continued to strengthen its position during FY 2026, supported by resilient consumer demand, rising disposable incomes, urbanisation and increasing adoption of technology-enabled products. The sector demonstrated its ability to navigate evolving macroeconomic conditions, changing consumer preferences and global supply chain challenges, reflecting a more mature and structurally resilient industry landscape. Consumer purchasing behaviour continued to evolve beyond price-led decision-making towards value-driven consumption. Increasingly, consumers are prioritising product quality, energy efficiency, performance, design and long-term reliability while making purchase decisions. This shift has accelerated premiumisation across several product categories, resulting in growing demand for technologically advanced and feature-rich products that enhance convenience, sustainability and overall user experience.

Technology remained a key catalyst for industry transformation during the year. The increasing integration of artificial intelligence (AI), Internet of Things (IoT) capabilities and smart connectivity features contributed to the growing adoption of intelligent and energy-efficient consumer products. Beyond products, digital technologies are increasingly being deployed across business operations through AI-enabled demand forecasting, predictive analytics, digitally integrated after-sales services and innovative financing solutions, enabling companies to improve operational efficiency and strengthen customer engagement.

Looking ahead, India's consumer durables market is expected to reach approximately ₹ 5.39 lakh crore by FY 2029-30, growing at a CAGR of around 14%. Rising demand for smart, connected and energy-efficient appliances, coupled with increasing urbanisation, higher disposable incomes and changing consumer preferences, is expected to support sustained growth across the sector.

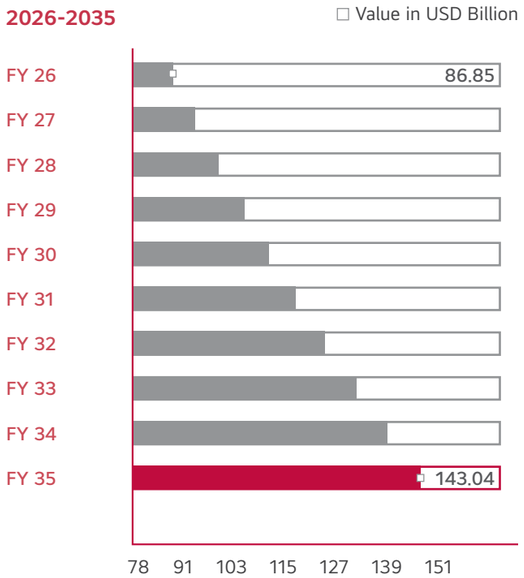
The industry is also expected to benefit from evolving regulatory and sustainability frameworks. Enhanced energy-efficiency standards introduced by the Bureau of Energy Efficiency (BEE) are expected to encourage product innovation and adoption of more sustainable technologies across categories. In parallel, the implementation of Extended Producer Responsibility (EPR) regulations continues to strengthen recycling and reverse logistics ecosystems, supporting the transition towards circular economy practices. Additionally, ongoing global supply chain diversification is expected to create opportunities for India to further strengthen its position as a manufacturing and export hub for consumer durables and electronics products.

(Source: Economic Times - May 2026)

Indian Home Appliances and Electronics Market

India's home appliances and electronics market continued to expand during 2025, supported by rising disposable incomes, urbanisation, improving living standards and growing consumer preference for convenience-oriented products. The market reached approximately USD 82.17 billion in 2025 and is projected to reach from USD 86.85 billion in 2026 to USD 143.04 billion by 2035, registering a CAGR of 5.7% during the forecast period.

COMPOUND ANNUAL GROWTH RATE 5.7%
2026-2035



Industry estimates indicate that approximately 4% of Indian households own a microwave oven, while around 33% own a refrigerator, highlighting significant opportunities for further market expansion as appliance penetration continues to improve across urban and semi-urban markets. The market continues to benefit from favourable demographic and economic fundamentals, including a growing middle-income population, rising household formation and increasing consumer aspirations. Demand is expanding beyond metropolitan centres, with Tier-2 and Tier-3 cities emerging as important growth markets for home appliances and consumer electronics due to increasing rural electrification. Improved retail penetration, wider product availability, consumer financing options and the rapid expansion of e-commerce platforms are enhancing accessibility across regions and income segments.

Energy efficiency and sustainability have emerged as important purchase considerations across appliance categories. Consumers are increasingly opting for products that offer lower energy consumption and reduced operating costs, while regulatory initiatives and energy-efficiency standards continue to encourage the adoption of environmentally responsible appliances. These trends are driving product innovation and supporting replacement demand for newer, technologically advanced models.

Major appliances, including refrigerators, air conditioners and washing machines, continue to account for a significant share of the market, supported by increasing household penetration and replacement demand. Demand for cooling appliances is also being supported by rising temperatures and changing climatic conditions, while growing consumer awareness regarding health, hygiene and convenience is driving adoption across several appliance categories. Industry estimates indicate that sales of refrigerators and air conditioners are expected to witness healthy growth, supported by favourable weather conditions and increasing consumer demand for comfort-oriented products.

The market is also witnessing an increasing focus on environmental responsibility and circular economy practices. As per the E-waste EPR portal developed under e-waste management rules, India generated ~13.7 lakhs metric tonnes of e-waste during FY 2025, prompting greater regulatory attention towards recycling, waste management and extended producer responsibility. Evolving regulatory requirements, including minimum recycling obligations and sustainability-focused compliance frameworks, are encouraging manufacturers to adopt eco-friendly product designs, improve product durability, increase the use of recyclable components and strengthen recycling and recovery partnerships across the value chain.

The distribution landscape is undergoing a structural transformation, with e-commerce emerging as an increasingly important sales channel alongside traditional retail formats. Consumers are increasingly adopting omnichannel purchasing behaviour, supported by wider product selection, competitive pricing, improved delivery networks and enhanced after-sales service capabilities. This evolving retail ecosystem is enabling manufacturers to strengthen consumer engagement and expand market reach across both urban and semi-urban markets.

Looking ahead, the Indian home appliances and electronics market is expected to be supported by rising consumer spending, increasing adoption of smart and connected products, continued premiumisation and growing emphasis on energy-efficient technologies. Expanding digital infrastructure, favourable demographic trends and ongoing investments in manufacturing and supply chain capabilities are expected to further strengthen the long-term growth prospects of the sector.

(Source: Expert Market Research - June 2026,
MoEF&CC - March 2026)

Key Industry Developments

The Indian consumer durables industry witnessed a transformative year in FY 2026, characterised by a significant shift from "need-based" to "lifestyle-based" purchasing. The market for core appliance categories, including air conditioners, refrigerators and washing machines, demonstrated steady consumer behaviour despite significant macroeconomic headwinds.

- **Air Conditioners:** The air conditioner segment witnessed increasing consumer preference for energy-efficient 5-star inverter models. The industry also continued to advance towards AI-enabled cooling solutions capable of optimising performance based on ambient conditions and room occupancy.
- **Refrigerators and Washing Machines:** Consumer demand increasingly shifted towards premium product categories. Side-by-side and French-door refrigerators recorded strong growth, while fully automatic top-load and front-load washing machines equipped with advanced AI-enabled features continued to gain share over traditional semi-automatic models.
- **Regulatory and Manufacturing Developments:** The industry successfully transitioned to the revised Bureau of Energy Efficiency (BEE) energy-labelling norms during the year. In addition, increasing localisation of key components such as compressors and motors, supported by the Production Linked Incentive (PLI) scheme, continued to strengthen domestic manufacturing capabilities, improve supply chain resilience and enhance export competitiveness.

Opportunities and Threats

Opportunities

- **Growing Premiumisation Across Appliance Categories:** Rising consumer preference for premium and feature-rich products, including side-by-side refrigerators, French-door refrigerators, inverter air conditioners and fully automatic washing machines, is creating opportunities for higher-value sales and improved product mix.
- **Increasing Adoption of Smart and Connected Appliances:** Growing consumer demand for AI-enabled, IoT-connected and energy-efficient appliances is supporting the adoption of intelligent home solutions, creating opportunities for technology-led product differentiation and customer engagement.
- **Expanding Demand Beyond Metropolitan Markets:** Increasing disposable incomes, urbanisation and improving retail penetration across Tier-2 and Tier-3 cities are broadening the addressable market for feature enabled consumer durables and home appliances.
- **Strengthening Domestic Manufacturing Ecosystem:** Government initiatives promoting local manufacturing and component localisation, supported by the Production Linked Incentive (PLI) scheme, are enhancing supply chain resilience and creating opportunities for export-oriented growth.
- **Energy Efficiency and Sustainability-Led Replacement Demand:** Evolving energy-efficiency standards and increasing consumer awareness regarding sustainability are encouraging replacement demand for newer and more efficient appliances across key product categories.

Threats

- **Intense Competitive Environment:** The consumer durables market remains highly competitive, with manufacturers competing across pricing, product innovation, technology features, distribution reach and customer service, which may exert pressure on margins.
- **Regulatory and Compliance Requirements:** Evolving energy-efficiency standards, environmental regulations, recycling obligations and e-waste management requirements may increase compliance costs and necessitate ongoing investments in product development and operational processes.
- **Supply Chain and Input Cost Volatility:** Fluctuations in commodity prices, component availability, logistics costs and global supply chain disruptions may impact manufacturing costs, procurement planning and profitability.
- **Changing Consumer Preferences and Technology Cycles:** Rapid technological advancements and evolving consumer expectations require continuous innovation and product upgrades, increasing the risk of product obsolescence and shorter replacement cycles.
- **Macroeconomic and Demand Uncertainties:** Inflationary pressures, changes in consumer spending patterns and broader economic uncertainties may affect discretionary spending on consumer durables and influence market demand.

COMPANY OVERVIEW

Established in 1997

LG Electronics India Limited ('LGE India' or 'the Company') is one of India's leading consumer durables and home appliance companies. Backed by over 28 years of operations in the country, the Company has built a strong market position through continuous product innovation, manufacturing excellence, an extensive distribution network and a customer-centric approach guided by its "Life's Good" philosophy.

LGE India offers a diversified portfolio spanning air conditioners, refrigerators, washing machines, microwave ovens, televisions, air purifiers, commercial air-conditioning systems, Display signage, dishwasher and other consumer electronics products. The Company continues to maintain leadership

positions across several product categories, including washing machines (approximately 31.5%), refrigerators (approximately 28.8%) and microwave ovens (approximately 45%*), while further strengthening its presence in the residential air conditioning segment.

The Company's operations are supported by its integrated manufacturing ecosystem, comprising production facilities in Greater Noida and Ranjangaon, Pune, along with a new manufacturing facility being developed at Sri City, Andhra Pradesh. These facilities strengthen the Company's ability to cater to domestic demand, enhance localisation levels and support export opportunities across international markets.

LGE India continues to focus on technology-led innovation through the integration of artificial intelligence, connectivity and energy-efficient solutions across its product portfolio. The Company's "Affectionate Intelligence" approach seeks to deliver more intuitive, personalised and efficient consumer experiences by combining advanced technologies with evolving consumer needs.

The Company has established one of the largest consumer durables distribution and service networks in the country, supported by 36,847 customer touchpoints and an extensive after-sales service infrastructure. This network enables LGE India to maintain strong customer engagement and service capabilities across urban, semi-urban and rural markets.

** For the period April 2025 to March 2026 as per Syndicate Report*

Segment-wise Overview

The Company operates through two principal business divisions, namely the Home Appliances and Air Solution Division and the Home Entertainment Division. Both divisions are supported by rising consumer aspirations, increasing premiumisation, expanding digital adoption and the growing preference for technologically advanced and connected lifestyle solutions.

Home Appliances and Air Solution Segment	Home Entertainment Segment
This segment comprises: • Refrigerators • Washing Machines • Air Conditioners (Residential and Commercial) • Microwave Ovens • Water Purifiers • Air Purifier • Dishwasher • Compressors • Other home appliance products and solutions	This segment comprises: • Televisions (including OLED, QNED and Smart TVs) • Audio Systems • Monitors • Projectors • Information Displays / Commercial Displays • Related connected entertainment products

Home Appliances and Air Solution Segment

The Home Appliances and Air Solution Segment constitutes a significant part of the Company's operations and is aligned with evolving consumer preferences towards convenience, energy efficiency and connected living. The division continues to benefit from rising urbanisation, increasing household incomes, growing penetration of premium appliances and increasing consumer preference for technologically advanced products.

The Indian consumer durable market is witnessing a gradual shift towards premium and smart appliances, supported by increasing adoption of connected devices and growing awareness regarding energy efficiency and sustainability. Demand is also being driven by replacement purchases, expansion of organised retail channels and increasing penetration across Tier-2 and Tier-3 markets due to continued rural electrification, which is expanding access to modern home appliances in underserved regions.

Further, favourable demographic trends, rising aspirations, increasing electrification and improvement in residential infrastructure continue to support long-term demand for home appliances. The growing adoption of AI-enabled and Internet of Things (IoT)-enabled appliances is expected to further strengthen the transition towards integrated smart home ecosystems and create opportunities for value-added offerings across product categories.

Home Entertainment Segment

The Home Entertainment Segment continues to benefit from increasing digital consumption, evolving content consumption patterns and rising demand for immersive viewing experiences. Growing internet penetration, increasing adoption of connected devices and the rapid expansion of streaming platforms are driving consumer preference towards technologically advanced entertainment solutions.

The industry is witnessing increasing premiumisation, with consumers increasingly preferring larger screen sizes, enhanced display technologies and smart ecosystem integration. Rising disposable incomes, changing lifestyles and increasing demand for integrated digital experiences continue to support demand across the Home Entertainment segment.

In addition, increasing adoption of digital display solutions across commercial establishments, corporate environments and institutional applications is creating new opportunities for advanced display technologies. Continued technological advancements, including artificial intelligence-enabled functionalities and enhanced connectivity solutions, are expected to further support the long-term growth prospects of the segment.

Competitive Strength

- **Market Leadership Across Key Product Categories:** The Company has established a leading position in India's home appliances and consumer electronics market, holding the No. 1 market share across several key product categories. Its leadership spans washing machines, refrigerators, panel televisions, inverter air conditioners and microwave ovens, reflecting its strong brand equity and sustained consumer preference.

- **Balanced Presence Across Consumer Segments:** The Company has built a well-diversified portfolio that caters to both premium and value-conscious consumers. Its ability to address evolving customer preferences across multiple price points has supported sustained market leadership across key product categories.

- **Deep Understanding of Indian Consumers:** A strong understanding of local consumer preferences enables the Company to develop products tailored to the needs of Indian households. This customer-centric approach continues to support product innovation, premiumisation and long-term brand loyalty.

- **Integrated Manufacturing and Localisation Strategy:** The Company continues to strengthen its manufacturing capabilities in India through increased localisation and capacity expansion. Its growing domestic manufacturing footprint supports operational efficiency, supply chain agility and its ability to serve both domestic and export markets.

- **Extensive Distribution and Service Network:** A well-established distribution ecosystem, supported by a wide retail presence and comprehensive after-sales service network, enables the Company to reach customers across urban and emerging markets while enhancing the overall ownership experience.

- **Innovation-Led Product Portfolio:** Continuous investment in technology, product innovation and smart home solutions enables the Company to address changing consumer expectations while strengthening its competitive position across multiple appliance and consumer electronics categories.

Outlook

LGE India remains focused on strengthening its leadership position in the Indian consumer durables market while expanding its role as a manufacturing and export hub within the global LG ecosystem. The Company continues to pursue its "Make India Global" vision through investments in manufacturing capacity, product innovation, localisation and premium product development.

Supported by growing consumer demand for smart, connected and energy-efficient appliances, increasing premiumisation trends and expanding manufacturing capabilities, the Company is well positioned to capture emerging opportunities across domestic and international markets. LGE India also aims to further expand exports of India-manufactured products, leveraging its manufacturing footprint, technology capabilities and strong brand equity to drive sustainable long-term growth.

BUSINESS PERFORMANCE

Financial Performance

The Company's financial performance in FY 2026 reflects a resilient growth amidst a complex macroeconomic environment. While the first half of the year faced headwinds, including a cooler-than-expected summer affecting seasonal sales and rising global commodity costs, the Company's focus on premiumisation and operational efficiency ensured a stable bottom line.

Key Financial Highlights

The following table summarises the financial trajectory of the Company (based on trailing performance and projections):

Particulars	FY 2026	FY 2025	YoY %
Profit & Loss			
Revenue from operations	246,049.12	243,666.38	0.98%
Other Income	3,278.97	2,639.90	24.21%
Total Income	**249,328.09**	**246,306.28**	**1.23%**
Profits before interest and depreciation	27,362.02	33,741.14	-18.91%
Less: Finance cost	405.84	306.46	32.43%
Less: Depreciation and amortisation expense	3,961.07	3,803.57	4.14%
Profit before taxes	22,995.11	29,631.11	-22.40%
Tax expense	6,144.18	7,597.63	-19.13%
Profit after taxes	16,850.93	22,033.48	-23.52%
Other comprehensive income (Net of tax)	102.93	-54.24	-289.77%
Total comprehensive income for the year	**16,953.86**	**21,979.24**	**-22.86%**

Revenue and Market Expansion

Revenue grew by an estimated 0.98%, largely driven by the Premium Appliance Segment. Our "Life's Good" campaign and a successful transition to the new BEE energy norms in early 2026 allowed us to maintain a dominant market share.

- FY 2026 saw a revenue of ₹ 246,049 million, a consistent performance despite a challenging demand environment.
- Volume Growth was particularly strong in Tier-2 and Tier-3 cities, where digital penetration and easy consumer financing (EMI schemes) acted as catalysts.

Profitability and Margins

The EBITDA margin faced temporary pressure due to:

- **Commodity Inflation:** Rising prices of raw materials (steel, plastic, and semiconductors) in the global market.
- **Festive Investments:** Strategic incremental spending on "Go-to-Market" initiatives to support our distribution network during the high-volume festive and wedding seasons.
- **Exchange Rate Volatility:** Fluctuations in the INR vs. USD impacted the cost of imported high-tech components.

Working Capital and Cash Flow

The Company maintained a healthy liquidity position with a cash balance exceeding ₹ 44.76 billion as of March 31, 2026.

- **Working Capital:** There was a planned increase in inventory during Q3 FY 2026 to prepare for the expected surge in summer demand (Q1 FY 2026-27), ensuring we meet the new energy rating requirements without supply chain gaps.

Capital Expenditure (CapEx)

Investment remains a priority. We continued to ramp-up our "Make-in-India" capacity, specifically focusing on the localisation of Inverter Compressors and Motors. Our industry-leading ROCE (Return on Capital Employed) continues to be among the highest in the consumer electronics sector, reflecting our high capital efficiency.

Outlook on Future Earnings

With the GST rate rationalisations on select energy-efficient appliances and a predicted strong summer of 2026, the Company expects a strong recovery in margins. We are strategically accelerating our B2B footprint in the hospitality and medical infrastructure sectors, which offer higher-margin opportunities compared to the traditional retail consumer market.

Other Financial Disclosures

No material changes and commitments were affecting the financial position of the Company which occurred between the end of the financial year (FY) to which this financial statement relates and as on the date of this Annual Report. During FY 2026, there was no amount proposed to be transferred to the Reserves.

Key Financial Ratios

Particulars	FY 2026	FY 2025	Explanations
Current Ratio	2.08	1.95	-
Debt-Equity Ratio	0.06	0.07	-
Inventory Turnover Ratio	8.21	8.98	-
Interest Coverage Ratio	57.66	97.69	There is a decrease in the interest coverage ratio by 40.98%, which is on account of a decrease in profit earned and an increase in interest payments on account of lease liability during the year.
Debtors' turnover ratio	9.49	11.72	-
Operating Profit Margin	8.18%	11.20%	There is a decrease in Operating Profit Margin by 26.96%, which is on account of Forex and commodity head winds.
Net Profit Margin	6.76%	8.95%	-

Strategic Growth Roadmap (Outlook)

The Company's strategic priorities continue to be anchored around three key pillars – Make-in-India, Make-for-India, Make-India-Global – with a focus on strengthening domestic manufacturing capabilities, expanding export opportunities and broadening its presence across customer segments.

Under its "Make-in-India" strategy, the Company is scaling manufacturing operations at its Sri City facility to cater to both domestic and export demand. It also intends to deepen component localisation to reduce import dependency, strengthen supply chain resilience and support margin improvement over the long term.

Through its Make India Global initiative, the Company aims to position India as a key manufacturing and export base within LG's global network. Leveraging India's cost competitiveness and manufacturing scale, the Company is pursuing export opportunities across key international markets and neighbouring countries to support future growth.

The Make for India strategy remains focused on addressing evolving domestic consumer needs. The Company is expanding the reach of its Essential Series to improve accessibility to its products among first-time buyers, particularly across underpenetrated Tier-2 and Tier-3 markets. At the same time, it is scaling its B2B and Non-Hardware (AMC) businesses to diversify its revenue mix while increasing the contribution from higher-margin business segments.

HUMAN RESOURCES

The Company's people remain central to its long-term growth strategy. During FY 2026, LGE India continued to strengthen its human resource practices through a more personalised employee development approach aligned with its "Affectionate Intelligence" philosophy. Its people strategy was centred on three key pillars – Organisation & Capability, High-Potential Leadership and Future-Ready Culture – with a focus on building organisational capability, developing future leaders and enhancing employee experience.

Key HR Initiatives for FY 2026

- **Talent Acquisition and Workforce Development:** To support the development of its new ₹ 5,000 crore manufacturing facility at Sri City, the Company initiated talent acquisition activities aimed at building a skilled workforce for advanced manufacturing and automation-enabled operations. The project is also expected to generate direct and indirect employment opportunities.
- **Learning and Capability Development:** The Company continued to strengthen employee capabilities through structured leadership development and digital learning initiatives. During the year, specialised AI-focused technical training modules were introduced to equip factory teams with the skills required to support AI-enabled manufacturing operations.
- **Diversity and Inclusion:** The Company remained committed to fostering an inclusive workplace through its "Growing Together" mentorship programme for women in mid-management roles, supporting leadership development and career progression across the organisation.
- **Employee Well-being and Experience:** Employee well-being continued to remain a key focus, with initiatives aimed at promoting physical health, mental well-being and work-life balance. During the year, the Company further enhanced the employee experience through flexible working arrangements and expanded medical benefits for employees and their families.

Read more on page 65.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG)

As part of the LGE India's ecosystem, the Company remains committed to conducting its business responsibly while creating long-term value for stakeholders. Its ESG approach is guided by environmentally responsible operations, meaningful social engagement and sound corporate governance, reflecting LGE India's global sustainability principles.

Environmental

The Company continues to strengthen its environmental stewardship through initiatives focused on energy efficiency, sustainable manufacturing and responsible resource utilisation. As an early adopter of inverter technology in India, the Company has consistently focused on developing energy-efficient products that help reduce energy consumption. It is also increasing the adoption of renewable energy across its manufacturing operations, including the installation of rooftop solar panels at its Greater Noida manufacturing facility.

Environmental conservation efforts extend beyond manufacturing operations through the development and maintenance of green spaces around production facilities and initiatives aimed at promoting environmental awareness and safer communities.

Social

The Company's social initiatives are guided by its "Life's Good When We Do Good" philosophy and focus on improving community well-being through healthcare, nutrition, education and skill development.

Key initiatives include:

- **Healthcare:** Facilitating free cataract surgeries through the "Karein Roshni" initiative, operating community health centres and supporting local healthcare infrastructure.
- **Nutrition:** Supporting Government school children through the "Life's Good Nutrition" programme by providing nutritious meals to underprivileged school to improve health, attendance and learning outcomes.
- **Education:** Providing financial assistance to deserving students through the "Life's Good Scholarship" programme, with a special focus on supporting female students pursuing higher education.
- **Skill Development:** Expanding technical skill development through the "LG Hope Technical Skill Academy" initiative, which provides industry-relevant vocational training to enhance employability.
- **Community Development:** Supporting community infrastructure and sanitation initiatives through collaborations with development partners.

The Company also promotes inclusivity through product innovations designed to improve accessibility, including Braille-enabled remote controls for visually impaired consumers.

Governance

The Company follows the corporate governance framework established by LGE India and remains committed to high standards of transparency, accountability and ethical business conduct. Its Board-centred governance structure is supported by an experienced and diverse Board, with independent directors contributing expertise across areas including public administration, finance, accounting and securities law. This governance framework supports effective oversight, responsible decision-making and long-term value creation for stakeholders.

Read more on page 111.

RISKS AND CONCERNS

The Company operates in a dynamic business environment where evolving market conditions, technological advancements and regulatory developments continue to shape the consumer electronics industry. The principal risks that could influence business performance are outlined below.

Risk Area	Potential Impact
Macroeconomic Conditions and Demand Volatility	Economic slowdown, inflationary pressures and weaker consumer sentiment may affect discretionary spending on consumer durables. Demand for seasonal products may also be influenced by festive cycles and weather conditions.
Competitive Intensity and Changing Consumer Preferences	Intense competition, rapid product innovation, and the growing preference for premium, energy-efficient and smart appliances require continuous product development to sustain market position.
Commodity Price and Foreign Exchange Volatility	Fluctuations in raw material prices and foreign exchange rates may increase input costs and affect profitability.
Supply Chain and Geopolitical Risks	Global supply chain disruptions, logistics challenges and geopolitical developments may affect the availability, cost and timely procurement of components and raw materials.
Technology and Innovation	Rapid technological advancements require continuous investment in research, product development and innovation to meet evolving consumer expectations and maintain competitiveness.
Regulatory and Compliance Changes	Changes in government policies, taxation, import duties, environmental regulations and product compliance requirements may influence operating costs and business operations.
Environmental and Sustainability Requirements	Increasing expectations around sustainability, resource efficiency and e-waste management may require additional investments in compliance and operational practices.
Investment and Margin Management	Continued investments in manufacturing, brand building, product innovation and distribution capabilities may place short-term pressure on margins while supporting long-term growth.

INFORMATION TECHNOLOGY AND DATA SECURITY

The Company continues to strengthen its digital capabilities through a secure and scalable information technology infrastructure that supports business operations across its manufacturing facilities, offices and sales network. Its technology ecosystem is designed to enable operational efficiency, safeguard business-critical information and support business continuity while aligning with evolving business and regulatory requirements.

Key Focus Areas

Digital Infrastructure

The Company leverages enterprise business software, office automation systems and cloud-based virtual desktop infrastructure to support seamless business operations across its offices and manufacturing facilities. Technology platforms are regularly upgraded to enhance system performance, scalability and data processing capabilities in line with evolving business requirements.

Cybersecurity

The Company has implemented multiple layers of security controls to protect its information systems and digital assets from unauthorised access and cyber threats. These include multi-level authentication, controlled system access, regular software patching, vulnerability assessments, malware protection and security reviews prior to system deployment.

Data Protection and Privacy

The Company operates its own data centre supported by physical and logical security measures to safeguard business information. Comprehensive policies govern data collection, processing, storage and disposal, while access controls and user activity monitoring help maintain data confidentiality and integrity. These policies are reviewed periodically to remain aligned with evolving regulatory requirements.

Business Continuity and Resilience

The Company's IT framework incorporates robust backup and recovery mechanisms together with defined fallback procedures for critical systems to support operational continuity and minimise disruption in the event of unforeseen incidents.

INTERNAL CONTROL SYSTEM AND ITS ADEQUACY

LGE India maintains a robust internal control framework commensurate with the size and complexity of its operations. The system is designed to ensure that all assets are safeguarded, transactions are authorised, and financial records are reliable for preparing the consolidated financial statements.

Components of Internal Control

- **Financial Integrity:** The Company's internal financial controls (IFC) are regularly tested by statutory auditors. For the period ending March 31, 2026, the systems were found to be effective, ensuring that the financial results are free from material misstatements.
- **Audit Mechanism:** The Audit Committee of the Board reviews the adequacy of internal control systems and monitors the implementation of audit recommendations.
- **Digitalisation of Compliance:** During FY 2026, the Company strengthened its compliance monitoring framework through the use of a compliance management tool to track statutory and regulatory compliance across its operations. The tool facilitates timely monitoring of compliance requirements, including regulatory updates such as GST and the 2026 BEE Energy Labelling norms, while improving compliance oversight and reducing the risk of manual lapses.
- **Ethical Conduct:** We maintain a strict "Zero Tolerance" policy toward unethical practices, supported by a robust Whistleblower Policy and regular training on the LG Code of Conduct.

CAUTIONARY STATEMENT

Statements in this Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations or predictions may constitute "forward-looking statements" within the meaning of applicable securities laws and regulations.

Actual results may differ materially from those expressed or implied in these forward-looking statements due to various factors, including, but not limited to:

- **Economic Conditions:** Changes in domestic or global economic conditions, including variations in economic growth, inflation, interest rates and consumer demand.
- **Regulatory Environment:** Changes in applicable laws, regulations, taxation, government policies, trade measures, environmental requirements or industry standards.
- **Market Conditions:** Competitive pressures, foreign exchange fluctuations, changes in raw material and component prices, technological developments and shifts in consumer preferences.
- **Operational Risks:** Supply chain disruptions, geopolitical developments, logistics challenges, availability of critical inputs and other operational factors that may affect the Company's business and financial performance.

The Company undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. Readers are cautioned not to place undue reliance on these statements.

Director's Report

To the Members of
LG Electronics India Limited

Your Board of Directors are pleased to present the 29th Annual Report on the business and operations of the Company and the Audited Financial Statements for the financial year ended March 31, 2026.

This being the first report after the Initial Public Offer ("IPO") and listing of the equity shares on BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE") (BSE and NSE hereinafter collectively referred as "Stock Exchanges"), the Board welcomes all the shareholders.

FINANCIAL RESULTS

The Board's Report is prepared based on the financial statements of the Company. The Company's financial performance for the year under review along with previous year's figures are given hereunder –

Amount in ₹ Million

Particulars	Year Ended March 31, 2026	Year Ended March 31, 2025
Profit & Loss		
Revenue from Operations	246,049.12	243,666.38
Other Income	3,278.97	2,639.90
Total Income	249,328.09	246,306.28
Profits before interest and depreciation	27,362.02	33,741.14
Less: Finance cost	405.84	306.46
Less: Depreciation and amortization expense	3,961.07	3,803.57
Profit before taxes	22,995.11	29,631.11
Tax expense	6,144.18	7,597.63
Profit after taxes	16,850.93	22,033.48
Other comprehensive income (Net of tax)	102.93	-54.24
Total comprehensive income for the year	**16,953.86**	**21,979.24**
Changes in Equity		
Balance brought forward from the previous years	52,913.98	36,591.17
Add: Total comprehensive income for the year	16,953.86	21,979.24
Less Issue of Bonus share during the year	-	5,656.43
Closing Balance	**69,867.84**	**52,913.98**

FINANCIAL PERFORMANCE AND OPERATIONAL HIGHLIGHTS

During the year, the Company recorded Revenue from Operations of ₹246,049.12 million and Total Income of ₹249,328.09 million. The Company reported EBITDA of ₹24,083.05 million with an EBITDA Margin of 9.79%, while Profit Before Tax and Profit After Tax stood at ₹22,995.11 million and ₹16,850.93 million, respectively. Cash inflow from operating activities remained healthy at ₹17,212.48 million.

The Company maintained strong financial fundamentals with ROCE of 28.93% and Return on Net Worth of 22.09%. During the year, the Company continued to focus on operational excellence, product innovation, manufacturing efficiency and customer-centric initiatives, thereby strengthening its market position and creating long-term value for stakeholders.

SHARE CAPITAL

a. Authorised Share Capital

The Authorised Share Capital of the Company as on March 31, 2026 is ₹ 15,00,00,00,000 divided into 150,00,00,000 equity shares of ₹ 10/- each. There was no change in the authorised share capital of the Company, during the FY 2025-26.

b. Issued, Subscribed and Paid-up Share capital

The issued, subscribed, and paid-up share capital of the Company as on March 31, 2026 is ₹6,78,77,23,920 comprising 67,87,72,392 Equity Shares of ₹10/- each. There was no change in the share capital of the Company, during the FY 2025-26.

RESERVES

Your directors do not propose to transfer any amount to general reserve out of the amount available for appropriation.

DIVIDEND

The Board of Directors do not recommend any dividend for the financial year ended March 31, 2026.

The Company has formulated and adopted a Dividend Distribution Policy in the board meeting held on November 28, 2024 to establish the parameters to be considered before declaring or recommending dividend by the Board of Directors of the Company and lay down a broad framework for decisions to be made with regard to (i) Distribution of Dividend and (ii) Retaining profits so as to maintain a consistent approach of returning cash to shareholders and for further development of business. The Dividend Distribution Policy is available on the Company's website at https://www.lg.com/in/investorrelations/code-and-policy/ .

SUBSIDIARY, JOINT VENTURE & ASSOCIATE COMPANY

As on March 31, 2026, the Company does not have any subsidiary/ material subsidiary, associate, or Joint Venture Company within the meaning of the Companies Act, 2013.

The Policy for determining the Material subsidiary is available on the website of the Company at https://www.lg.com/in/investorrelations/code-and-policy/

MATERIAL CHANGES & COMMITMENTS AFFECTING THE FINANCIAL POSITION

The equity shares of the Company were listed on the Stock Exchanges - National Stock Exchange of India Limited and BSE Limited on 14th October, 2025 through a successful Initial Public Offer of 10,18,15,859 Equity Shares of face value of ₹10 each aggregating to ₹ 1,01,81,58,590 comprising entirely of an offer for sale (OFS / the Offer) by LG Electronics Inc. ("Promoter Selling Shareholder"). The Company had completed its IPO successfully with participation of several leading domestic and global institutional investors as well as NRIs, HNIs and retail investors. The Board is gratified and humbled by the faith shown in the Company by its shareholders.

The Board also places on record its gratitude for the support provided by various Authorities, Book Running Lead Managers, Stock Exchanges, Investors, Registrar and Transfer Agent, Depositories, Counsels, Consultants, Auditors, other intermediaries and employees of the Company for making the IPO of the Company a grand success.

In addition to the above, there were no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year of the Company and the date of this Report.

UTILIZATION OF PROCEEDS OF INITIAL PUBLIC OFFER (IPO)

During the year under review, the Company successfully completed its Initial Public Offering (IPO), comprising entirely an Offer for Sale (OFS) by the existing shareholder, LG Electronics Inc. As the IPO did not involve any fresh issue of shares by the Company, the disclosure relating to the utilization of IPO proceeds is not applicable.

RELATED PARTY TRANSACTIONS

The Company has formulated a Policy on Related Party Transactions in accordance with the provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"). The Policy is available on the Company's website at https://www.lg.com/in/investorrelations/code-and-policy/

All related party transactions are placed before the Audit Committee for its review and approval. Omnibus approval is also obtained from the Audit Committee for repetitive transactions, in accordance with the aforesaid policy and the applicable provisions of law.

During the year under review, the Company entered into one material Related Party Transaction with LG Electronics Inc., the Promoter of the Company, in accordance with the applicable provisions of the law. The said transaction for FY 2025-2026 was approved by the shareholders of the Company at the Annual General Meeting held on September 5, 2025.

Further, the shareholders of the Company have approved the material Related Party Transaction for FY 2026-2027 through Postal Ballot, approved by Members on March 31, 2026, pursuant to Regulation 23 of the SEBI Listing Regulations, for an aggregate amount of ₹ 72,500 million.

The particulars of Related Party Transactions, as required under the Indian Accounting Standards (Ind AS), are disclosed in the Notes forming part of the Financial Statements.

The disclosure of Related Party Transactions, as required under Section 134(3)(h) of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014, in Form AOC-2, forms part of this Report as **Annexure I.**

REVISION OF FINANCIAL STATEMENTS

There was no revision of the financial statements for the year under review. However, for the purpose of IPO, the Company has re-stated the financial statements of preceding three financial years pursuant to the provisions of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("SEBI ICDR Regulations").

CREDIT RATINGS

The Company continued to maintain the highest credit rating of Crisil A1+ for its short-term borrowings and Long-Term credit rating of AAA/stable from CRISIL. The rating emphasizes the financial strength of the Company in terms

of the highest safety with regard to timely fulfillment of its financial obligations.

INTERNAL FINANCIAL CONTROL

The Company has laid down adequate internal financial controls commensurate with the scale, size and nature of the business of the Company. The Company has adopted the policies and procedures for ensuring orderly and efficient conduct of its business, including adherence to the Company's policies, safeguarding of its assets, prevention and detection of frauds and errors, accuracy and completeness of the accounting records and timely preparation of reliable financial disclosures. Effectiveness of internal financial controls is ensured through management reviews and controlled self-assessment.

DEPOSITS

During the year under review, the Company did not accept or renew any deposits within the meaning of provisions of Chapter V-Acceptance of Deposits as per the Companies Act, 2013 ("Act") read with the Companies (Acceptance of Deposits) Rules, 2014.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

As on March 31, 2026, the Company has not provided any loan / guarantee/ security in connection with such loan to any person or any other body corporate, nor acquired Security of any other body corporate as per Section 186 of the Act.

DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMPS)

- **Board of Directors**

  The composition of Board of Directors of the Company is duly constituted. As on March 31, 2026, the Board comprised 6 Directors, including the Chairman, Executive Directors and Independent Directors.

- **Chairman**

  Mr. Daehyun Song (DIN: 10835809), serve as the Non-Executive Director and Chairman of the Board.

- **Independent Directors**

  During the year, there were 3 (three) Independent Directors:

  - Ms. Promila Bhardwaj, (DIN: 06428534)
  - Mr. Ramesh Ramachandran Nair, (DIN: 02528707)
  - Mr. Santosh Kumar Mohanty, (DIN: 06690879)

- **Executive Directors**

  During the year, there were 2 (two) Executive Directors:

  - Mr. Hong Ju Jeon, Managing Director, (DIN: 10041232)
  - Mr. Dongmyung Seo, Whole Time Director and Chief Financial Officer, (DIN: 09481866)

- **Key Managerial Personnel (KMP):**

  During the year, there were 3 (three) KMPs of the Company:

  - Mr. Hong Ju Jeon, Managing Director
  - Mr. Dongmyung Seo, Whole Time Director and Chief Financial Officer
  - Mr. Anuj Goyal, Company Secretary & Compliance Officer

- **Re-appointment of Director:**

  During the year under review, the tenure of Mr. Dongmyung Seo as Whole Time Director expired on January 26, 2026. Based on the recommendation of Nomination and Remuneration Committee (NRC) and Board of Directors, he was re-appointed for a further period of four years effective from January 27, 2026, which was subsequently approved by the shareholders through Postal Ballot on March 31, 2026.

  In the opinion of the Board, all the directors, as well as the directors appointed / re-appointed during the year and proposed to be appointed/ re-appointed possess the requisite qualifications, skills, experience and expertise and hold high standards of integrity.

- **Resignation and retirement of Directors and KMPs:**

  During the Financial Year 2025-26, no director have retired and/ or resigned.

- **Retirement by rotation and subsequent re-appointment:**

  Pursuant to provision of section 152 of the Act, Mr. Hong Ju Jeon, being the longest serving Director, is liable to retire by rotation at the ensuing Annual General Meeting and being eligible, offer himself for re-appointment.

  The Board recommends his re-appointment.

BOARD & COMMITTEES

As on the date of this report the Board has the following Statutory Committees:

i. Audit Committee (AC)

ii. Nomination and Remuneration Committee (NRC)

iii. Stakeholders' Relationship Committee (SRC)

iv. Risk Management Committee (RMC)

v. Corporate Social Responsibility Committee (CSR)

During the year under review, the Company had voluntary constituted IPO Committee for the purpose of approving and undertaking various activities in relation to the Offer and listing of Equity Shares on the Stock Exchanges.

AUDIT COMMITTEE

The Audit Committee comprises Mr. Santosh Kumar Mohanty as Chairperson, Ms. Promila Bhardwaj and Mr. Dongmyung Seo as members.

All the recommendations made by the Audit Committee were accepted by the Board during the year. Further, details on the above committee of the Board are given in the Corporate Governance Report.

Board Independence

Pursuant to Section 149(6) of the Companies Act, 2013 and Regulation 25 (8) of the SEBI Listing Regulations, all Independent Directors have submitted declarations confirming they meet the criteria of Independence. They have further confirmed that compliance with the Company's Code of Conduct and that they are not debarred by any SEBI order. The Board has formally taken these declarations on record.

Familiarization program

The details of familiarization programs for Independent Directors are available on the Company's website at https://www.lg.com/in/investorrelations/disclosure-under-regulation-46-of-SEBI-LODR-regulation/

Board Meetings

10 (Ten) meetings of the Board of Directors of the Company were held during the Financial Year 2025-26. For details of meetings of the Board, please refer to the Corporate Governance Report, which forms part of this Annual Report.

Pursuant to the requirements of Schedule IV to the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, One separate Meeting of the Independent Directors of the Company were held during the reported year, on March 27, 2026, without the presence of Non-Independent Directors and members of the management, to inter-alia review the performance of Non-Independent Directors and the Board as a whole, the performance of the Chairperson of the Company, taking into account the views of Executive Directors, Non- Executive Non- Independent Directors and also to assess the quality, quantity and timeliness of flow of information between the Company Management and the Board.

Formal Annual Evaluation

Pursuant to the provisions of the Companies Act, 2013 and Regulation 17(10) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and in accordance with the parameters suggested by the Nomination and Remuneration Committee, the Board of Directors carried out an annual evaluation for the Financial Year 2025-26, of its own performance, its Committees and Individual Directors (including the Chairman). The evaluation was undertaken by way of internal assessments, based on a combination of detailed questionnaires and verbal discussions.

The Company also has in place a Nomination and Remuneration policy to consider matters relating to the remuneration, appointment and removal of the Directors, Key Managerial Personnel and Senior Management and the same is available on the website of the Company at the https://www.lg.com/in/investorrelations/code-and-policy/

Performance Evaluation of the Board and Committees

The performance of the Board was evaluated by the Board Members after considering inputs from all the Directors primarily on:

- Board composition and quality with emphasis on its size, diversity, skill set of members;
- Board's alignment with the Company's values and vision;
- Board's participation and contribution in discussions related to both strategic matters and risk management appropriately;
- Board engagement with the broader leadership team;
- Periodic review of the Company's management and internal control system for appropriateness and relevance;
- Board process and procedure with emphasis on the frequency of meetings, attendance thereof and flow of information;
- Oversight of the Financial Reporting process including Internal Controls and Audit Functions;
- Engagement in Corporate Governance, ethics and compliance with the Company's code of conduct.

The Board evaluated the performance of the Committees on the following parameters:

- Agenda and conduct of each Committee meeting is appropriately driven by the respective Committee Chair;
- Appropriateness of size and composition;
- Clarity of mandate and well-defined agenda;
- Report to the Board on the Committee's activities;
- Availability of appropriate internal and external support or resources to the Committees.

Performance Evaluation of Individual Directors

The performance evaluation of the Individual Directors were carried out by the Board and other Individual Directors, considering aspects such as:

- Display of effective leadership qualities and skill;
- Exercise their duties with due diligence and reasonable care;
- Independent Directors are also independent in their view and judgements;
- Independent Directors have separate meeting(s) each year, independent of other Board Members and the management;

- Implementation of observations/ recommendations of Board Members;
- Effective and timely resolution of grievances of Board Members;
- Sufficient knowledge of Company strategy and objective;
- Adequate and productive use of knowledge and experience of the Independent Directors for the functioning of Board;
- Efforts for professional development to enable better fulfilment of their responsibilities;
- Open and effective participation in Board discussions;

Evaluation Outcome

The outcome showed that the Board is knowledgeable, balanced and functions very effectively. Management is transparent, agendas are sent promptly and minutes are accurately recorded.

The composition of the Board Committees has been suitable, and each committee has acted responsibly.

The Audit Committee functions to maintain the highest standards, particularly concerning related party transactions, impairment and pending (outstanding) receivables. Separate meetings with statutory auditors are regularly held without the presence of management representatives. Statutory and internal auditors are encouraged to exchange their findings wherever necessary. In certain matters of high importance outside legal advice is also taken.

The Independent Directors bring extensive experience to the Board and management values their inputs. They discharge their responsibilities effectively with independent judgement and management responds promptly to their recommendations. The Independent Directors also meet separately.

The non-independent directors are well-versed in their business areas and add meaningful value to decisions.

The Chairman provides effective leadership, is well informed and ensures the smooth functioning of the Board and the Company. He encourages open and constructive discussions.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(3) (c) & (5) of the Companies Act 2013, the Directors to the best of their knowledge hereby state and confirm that:

1. In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

2. The directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year 2025-26 and of the profit and loss of the Company for that period;

3. The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

4. The directors had prepared the annual accounts on a going concern basis.

5. the Directors had laid down adequate internal financial controls to be followed by the Company and that such internal financial controls are adequate and operating effectively; and

6. The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

PARTICULARS OF EMPLOYEES AND REMUNERATION

Disclosure pertaining to remuneration and other details as required under Section 197(12) of the Companies Act, 2013 ("the Act") read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modifications or amendments thereto), is attached as **Annexure II.**

In accordance with the provisions of Section 136(1) of the Act, the Annual Report is being sent to the members of the Company excluding the statement containing particulars of employees as required under Section 197 (12) read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. Any Member interested in obtaining a copy of the said statement may write to the Company Secretary at cgc.india@lge.com.

Further, pursuant to Section 197(14) of the Act, it is confirmed that none of the managerial personnel of the Company, including the Managing Director and Whole-time Director, receive any commission from the Company. It is also confirmed that none of the employees listed in the said Annexure are related to any Director of the Company.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

LG Electronics India firmly believes that social responsibility is an integral part of our organizational philosophy. This commitment is reflected in our business practices, accountability and our dedication to enhancing the well-being of communities and society through meaningful social initiatives. The Company has in place a CSR Policy framed in accordance with the requirements of Section 135 of the Companies Act and Rules framed thereunder. The CSR Policy is available on the Company's website at https://www.lg.com/in/investorrelations/code-and-policy/

The Composition of the CSR Committee is disclosed in the Corporate Governance Report forming part of the Annual Report.

The details of the CSR, setting out the disclosures as per Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 is annexed herewith as **Annexure–III.**

ANNUAL RETURN

Pursuant to the provisions of Section 92(3) and Section 134(3)(a) of the Companies Act, 2013, the Annual Return of the Company is available on the Company's website and can be accessed at https://www.lg.com/in/investorrelations/annual-return/

CORPORATE GOVERNANCE REPORT

The Company is committed to maintaining the highest standards of Corporate Governance and adheres to best-in-class governance practices. The Company's governance framework is guided by its core values, code of conduct, and a strong emphasis on transparency, accountability, and ethical business practices.

Pursuant to Regulation 34 of the SEBI Listing Regulations, a detailed Corporate Governance Report, along with a certificate from a Practicing Company Secretary confirming compliance with conditions of Corporate Governance, forms an integral part of this Annual Report.

A Certificate of the Managing Director and Chief Financial Officer (CFO) of the Company in terms of the SEBI Listing Regulations, inter-alia, confirming the correctness of the financial statements and cash flow statements, adequacy of the internal control measures and reporting of matters to the Audit Committee, is also annexed to the Corporate Governance Report.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Management Discussion and Analysis Report for the FY 2025-26, as stipulated under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is presented in a separate section, forming part of the Annual Report.

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

Pursuant to Regulation 34(2)(f) of the Listing Regulations, as amended, the Business Responsibility and Sustainability Report in the prescribed format forms part of this Annual Report.

COMPLIANCE WITH SECRETARIAL STANDARDS

As required under Section 118 (10) of the Companies Act, 2013, the Company has complied with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

AUDITORS

A. Statutory Auditors

M/s Price Waterhouse Chartered Accountants LLP, Chartered Accountants (Firm Registration No. 012754N/N500016), the Statutory Auditors of the Company, shall complete their second consecutive term of five years at the conclusion of the ensuing Annual General Meeting ("AGM"). Accordingly, their tenure as the Statutory Auditors of the Company shall conclude at the conclusion of the ensuing AGM in accordance with the provisions of Section 139 of the Companies Act, 2013 and the rules made thereunder.

Based on the recommendation of the Audit Committee, the Board of Directors has approved and recommended the appointment of M/s Deloitte Haskins & Sells LLP, Chartered Accountants (Firm Registration No. 117364W/W100739), as the Statutory Auditors of the Company for a term of five consecutive years, commencing from the conclusion of the ensuing 29th AGM until the conclusion of the Annual General Meeting to be held in the year 2031, subject to the approval of the Members.

Statutory Auditors' Report

The Statutory Auditors' Report on the financial statements for the financial year ended March 31, 2026, does not contain any qualification, reservation, adverse remark or disclaimer. The notes to the financial statements referred to in the Auditors' Report are self-explanatory and, therefore, do not call for any further comments under Section 134(3)(f) of the Companies Act, 2013.

Details in respect of frauds reported by auditors

During the financial year under review, the Statutory Auditors have not reported any instance of fraud under Section 143(12) of the Companies Act, 2013.

B. Cost Auditors

As per Section 148 of the Companies Act, 2013, the Company is required to have the audit of its cost records conducted by a Cost Accountant in practice.

Pursuant to the provisions of Section 148 of the Companies Act, 2013 read with Rules made thereunder, based on the recommendation of the Audit Committee, the Board of Directors re-appointed M/s J K Kabra & Co, Cost Accountants (Firm Registration No 0009 & Partner registration No 11827) as the Cost Auditor of the Company for the financial year 2026-2027, at an remuneration of ₹ 2.50 lakh, plus applicable taxes, reimbursement of out-of-pocket, subject to the ratification/approval of the members, if required under the applicable provisions of the Companies Act, 2013.

M/s J K Kabra & Co, Cost Accountants, conducted the cost Audit of the Company's cost records for the financial year ended March 31, 2026.

Disclosure on maintenance of Cost Records

The Company made and maintained the Cost Records under Section 148 of the Companies Act, 2013 for the financial year 2025-26.

C. Secretarial Auditors

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, M/s Dhananjay Shukla & Associates, Practising Company Secretaries, conducted the Secretarial Audit of the Company for the financial year ended March 31, 2026.

Further, based on the recommendation of the Audit Committee, the Board of Directors has approved and recommended the appointment of M/s Dhananjay Shukla & Associates, Practising Company Secretaries, (Firm Registration No P2025HR323300 and Peer Review Certificate No. 2057/2022) as the Secretarial Auditors of the Company for a term of five consecutive years commencing from the financial year 2026-27, subject to the approval of the Members, wherever applicable.

Secretarial Audit Report

The Secretarial Audit Report for the financial year ended March 31, 2026, forms part of this Annual Report as **Annexure IV**. The Report does not contain any qualification, reservation, adverse remark or disclaimer.

Annual Secretarial Compliance Report

Pursuant to Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Annual Secretarial Compliance Report for the financial year ended March 31, 2026, issued by M/s Neeraj Arora & Associates, Practicing Company Secretaries, has been submitted to the Stock Exchanges within the prescribed timelines

DISCLOSURE UNDER FOREIGN EXCHANGE MANAGEMENT ACT, 1999

The Company is in compliance with the applicable provisions of the Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder. The Company has duly filed forms FC-GPR and FC-TRS on the RBI FIRMS portal during the year.

RISK MANAGEMENT POLICY

Pursuant to Regulation 21 of the SEBI Listing Regulations, the Company has a Risk Management Committee, the details of which are given in the Corporate Governance Report. The Company has adopted the Risk Management Policy in the board meeting held on November 28, 2024 to ensure that all the current and future material risk exposures of the Company are identified, assessed, quantified, appropriately mitigated, minimized and managed i.e. to ensure adequate systems for risk management and to establish a framework for identification of internal and external risks specifically faced by the Company, in particular including financial, operational, sectoral, sustainability, information, cyber security risks, or any other risk as may be determined by the Risk Management Committee for the company's risk management process and to ensure its implementation.

DETAILS OF ESTABLISHMENT OF VIGIL MECHANISM

As per the Companies Act, 2013 and the SEBI Listing Regulations, the Company has Vigil Mechanism/ Whistle Blower Policy and the same is hosted on the Company's website which can be accessed at https://www.lg.com/in/investorrelations/code-and-policy/.

A mechanism has been established for stakeholders to report concerns about unethical behavior, actual or suspected fraud or violation of Code of Conduct and Ethics. It also provides for adequate safeguards against the victimization of stakeholders who avail of the mechanism and allows direct access to Chairperson of the audit committee in exceptional cases.

The Company hereby affirms that no Director/ employee has been denied access to the Managing Director, during the Financial Year 2025-26. For more details refer to the Corporate Governance report of the Company.

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has a policy of zero tolerance in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

The details of number of complaints, received during FY 2025-26, pending and resolved are provided in the Corporate Governance Report:

a. Number of complaints received by the Committee during the year: 1 (one)

b. Number of complaints disposed off during the year: 1 (one)

c. Number of cases pending for more than ninety days. None

RESEARCH & DEVELOPMENT, CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE

The Company continues to focus on Research and Development activities with specific reference to emission conformance, fuel efficiency, vehicular performance and enhancement of safety, aesthetics & ride comfort and green initiatives. Expenditure incurred by way of capital and revenue on these activities is shown separately in this report. The particulars prescribed under Section 134 of the Companies Act, 2013 read with Rule 8 (3) of the Companies (Accounts) Rules, 2014, relating to Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo are also furnished in **Annexure V** to this Report.

SIGNIFICANT AND MATERIAL ORDERS PASSED

There were no significant and material orders passed by the Regulators or Courts or Tribunals impacting the going concern status of the Company and its operations in the future. However, there was one case filed against the Company under Insolvency & Bankruptcy Code by E Waste vendor namely Deshwal Waste Management Private Limited (DWMPL) which was dismissed pursuant to an order dated July 28, 2023 passed by the National Company Law Tribunal, New Delhi Bench DWMPL again filed a petition dated August 22, 2024 against our Company before the National Company Law Tribunal, New Delhi Bench at New Delhi on similar grounds, i.e., to initiate corporate insolvency resolution process under the Insolvency and Bankruptcy Code, 2016. Our Company has received court notice, and the Company have filed the reply to which DWMPL filed Rejoinder.

OTHER DISCLOSURES

- There was no instance of one-time settlement with any Bank or Financial Institution.
- There are no unclaimed/unpaid dividends during the year. Therefore, the Company was not required to transfer any amount to Investor Education and Protection Fund.
- There has been no change in the nature of business of the Company.
- The Company has complied with all relevant provisions under Maternity Benefit Act, 1961.

ACKNOWLEDGEMENT

Your Directors take this opportunity to acknowledge the continuous support of its holding company LG Electronics Inc, Institutional Investors (Domestic), Institutional Investors (Foreign), and the retail shareholders of the Company. Your Directors would like to express their appreciation for the assistance and co-operation received from the Government authorities, Financial Institutions, Banks, Customers, Dealers, Vendors, Employees Union and all other business associates. The Directors also wish to place on record their deep sense of appreciation for the committed services by all the employees of the Company.

On behalf of the Board of Directors
Of **LG Electronics India Limited**

Sd/-	Sd/-
(Hong Ju Jeon)	**(Dongmyung Seo)**
Managing Director	Whole Time Director & CFO
DIN: 10041232	DIN: 09481866
Place: Noida	Place: Seoul, South Korea

Date: July 21, 2026

ANNEXURE I

FORM NO. AOC 2

PURSUANT TO CLAUSE (H) OF SUB-SECTION (3) OF SECTION 134 OF THE COMPANIES ACT, 2013 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 arms' length transactions under fourth proviso thereto

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

S. No.	Name(s) of the related party	Nature of relationship	Nature of Contracts / arrangements/ transactions	Duration of Contracts / arrangements/ transactions	Salient terms of Contracts / arrangements/ transactions including the value, if any	Justification for entering into such contracts or arrangements or transactions	Date(s) of approval by the Board	Amount paid as advance, if any	Date on Which the Special Resolution was passed in general meeting as required under first proviso to Section 188
There were no contracts or arrangements or transactions entered into during the year ended March 31, 2026, which were not at arm's length basis.									

2. Details of material contracts or arrangements 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 Contracts / arrangements/ transactions	Salient terms of Contracts / arrangements/ transactions including the value if any	Date(s) of approval by the Board, if any	Amount paid as advance, if any
1.	LG Electronics INC	Promoter	1. Purchase of raw materials, stores & spares, service components and traded goods 2. Sale of raw materials, stores & spares and service components, manufactured goods, traded goods and others 3. Purchase of fixed assets 4. Payment of Royalty 5. Other (Service warranty, Reimbursement, others)	April 2025-March 2026	Refer Note no 28 in the financial statement for value of transactions.	February 06, 2025 and July 09, 2025	-

On behalf of the Board of Directors
Of **LG Electronics India Limited**

Sd/-
(Hong Ju Jeon)
Managing Director
DIN: 10041232
Place: Noida

Sd/-
(Dongmyung Seo)
Whole Time Director & CFO
DIN: 09481866
Place: Seoul, South Korea

Date: July 21, 2026

Annexure II

DETAILS OF REMUNERATION OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND EMPLOYEES AND COMPARATIVES

Pursuant to Section 197 and Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

1. **The ratio of the remuneration of each Director to the median remuneration of the employees of the Company and the percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer and Company Secretary in FY26:**

S. No	Name	Designation	Ratio of remuneration to median remuneration of employees	% increase in Remuneration for FY 25-26
(i)	**Executive Directors**			
	Mr. Hong Ju Jeon	Managing Director	42.31	-
	Mr. Dongmyung Seo	Whole-Time Director & CFO	31.33	-
(ii)	**Non-Executive Directors**			
	Mr. Santosh Kumar Mohanty	Independent Director	2.99	-
	Ms. Promila Bhardwaj	Independent Director	2.89	-
	Mr. Ramesh Ramachandran Nair	Independent Director	3.77	-
	Mr. Daehyun Song	Chairman, Non-Executive Director	4.33	-
(iii)	**Key Managerial Personnel**			
	Mr. Anuj Goyal	Company Secretary & Compliance Officer	2.34	-

2. **Percentage increase in the median remuneration of employees in 2025-26:** 4.35%

3. **The number of permanent employees on the rolls of Company as at March 31, 2026**: 3,835

4. **For the FY 2025-26, the average annual increase in the remuneration of employees (excluding the remuneration of managerial personnel) was** 4.35% **and average increase in Key Managerial remuneration is** Nil.

5. **The key parameters for any variable component of remuneration availed by the directors are**

   a) Company's Financial Performance based on Financial Budget and overall organization performance.

   b) Long term task performance (Long term organization budget + Individual performance)

6. **Affirmation that the remuneration is as per the Remuneration Policy of the Company:** The Company confirms that the remuneration is as per the Remuneration Policy of the Company.

On behalf of the Board of Directors
Of **LG Electronics India Limited**

Sd/-
(Hong Ju Jeon)
Managing Director
DIN: 10041232
Place: Noida

Sd/-
(Dongmyung Seo)
Whole Time Director & CFO
DIN: 09481866
Place: Seoul, South Korea

Date: July 21, 2026

Annexure III

ANNUAL REPORT ON CSR PURSUANT TO RULE 8 OF COMPANIES (CORPORATE SOCIAL RESPONSIBILITY POLICY) RULES, 2014

1. Brief outline on CSR Policy of the Company:

LG Electronics India Limited undertakes its Corporate Social Responsibility (CSR) initiatives with a forward-looking focus on inclusive and sustainable development, in accordance with the provisions Schedule VII of Section 135 of the Companies Act, 2013.

The Company prioritizes implementation of CSR programs aimed at promoting education and skilling of youth for future employability, enabling sustainable community development, supporting environmental sustainability, and strengthening livelihood opportunities for underserved communities focused on improving 'quality of life'.

All CSR initiatives are implemented through eligible implementing agencies, with a strong emphasis on measurable outcomes, transparency, impact assessment, and alignment with national development priorities and the Sustainable Development Goals (SDGs).

The CSR activities of the Company are governed by a duly constituted CSR Committee of the Board, which oversees the annual action plan, monitors implementation, and ensures compliance with applicable statutory provisions.

2. Composition of CSR Committee:

As on March 31, 2026, the Corporate Social Responsibility (CSR) Committee comprised of 3 (three) Members of the Board, 2 (Two) of which are Independent Directors, 1 (One) Non-Executive-Director. The Chairman of the Committee is an Independent Director.

S. 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	Mr. Ramesh Ramachandran Nair	Chairman (Independent Director)	1	1
2	Mr. Daehyun Song	Member (Non-Executive Director)	1	1
3	Ms. Promila Bhardwaj	Member (Independent Director)	1	1

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

CSR Committee

https://www.lg.com/in/investorrelations/committee/

CSR Policy

https://www.lg.com/content/dam/lge/in/migration/lginvestorrelations/IRPdf/CG/Policy/Policy-on-Corporate-Social-Responsibility.pdf

CSR Projects

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

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.

https://www.lg.com/in/lg-india-corporate-social-responsibility/corporate-social-responsibility-impact-assessment/

5. (a) Average net profit of the company as per sub-section (5) of section 135: ₹ **22,697.42 million**

(b) Two percent of average net profit of the company as per sub-section (5) of section 135: ₹ **453.95 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)]: ₹ **453.95 Million.**

6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): ₹ **2.82 million**

(b) Amount spent in Administrative Overheads: ₹ **6.03 million**

(c) Amount spent on Impact Assessment, if applicable: ₹ **1.33 million**

(d) Total amount spent for the Financial Year [(a)+(b)+(c)]: ₹ **10.18 million**

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

Total amount spent for the Financial Year	Amount Unspent (in ₹ Million)				
	Total Amount transferred to Unspent CSR Account as per sub-section (6) of section 135		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
10.18	443.76	April 30, 2026	-	-	-

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

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

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

1	2	3	4	5	6		7	8
Sl. No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under sub- section (6) of Section 135	Balance Amount in Unspent CSR Account under sub- section (6) of Section 135	Amount Spent in the Financial Year	Amount transferred to a Fund as specified under Schedule VII as per second proviso to sub-section (5) of section 135, if any		Amount remaining to be spent in succeeding Financial Years*	Deficiency, if any
					Amount	Date of Transfer		
1	2022-23	31,32,63,595	12,52,27,440	12,52,27,440	-	-	-	-
2	2023-24	33,29,87,229	33,29,87,229	4,03,42,772	-	-	29,26,44,457	-
3	2024-25	34,91,46,725	34,91,46,725	-	-	-	34,91,46,725	-

** Not includes interest earned on CSR Fixed Deposits (net of tax) as below:*

During 2023-24: ₹15.60 million

During 2024-25: ₹ 4.53 million

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

9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per sub- section (5) of section 135.

The Company had already identified key CSR projects under the focus areas of Health & Nutrition and Education & Skilling. The CSR expenditure is being allocated and implemented in a phase wise manner across these identified projects. Further expansion of the projects is undertaken based on actual on ground impact, execution capability of the implementation partners, and other operational considerations.

This approach ensures meaningful and effective utilization of CSR funds under the identified themes rather than accelerated or sub optimal deployment.

The Company has taken steps in the right direction and is committed to fully utilize the unspent CSR amount towards the identified activities to create maximum social impact in the coming financial years.

On behalf of the Board of Directors of
LG Electronics India Limited

Sd/-
(Hong Ju Jeon)
Managing Director
DIN: 10041232

Sd/-
Ramesh Ramachandran Nair
Chairman - CSR Committee
DIN: 02528707

Date: July 21, 2026
Place: Noida

Annexure IV

Form No. MR-3

SECRETARIAL AUDIT REPORT

For the Financial Year ended 31st March 2026

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

To,
The Members,
LG Electronics India Limited
(CIN:L32107DL1997PLC220109)
Regd. Office: A-24/6 Mohan Cooperative Industrial Estate, Mathura Road, New Delhi-110044

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **LG Electronics India Limited** (hereinafter called "**the Company**"), **a Listed entity with effect from 14th October 2025**. 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 and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of the Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended 31st March 2026 complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined, the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended 31st March 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;

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

iv. The Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowing; (to the extent applicable)

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

a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

d. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 **(No event took place under this Regulation during Audit period);**

e. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 **(No event took place under this Regulation during Audit period);**

f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the companies Act and dealing with client;

g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 **(No event took place under this Regulation during Audit period); and**

h. The Securities and Exchange Board of India (Buy Back of Securities) Regulations, 2018 **(No event took place under this Regulation during Audit period).**

i. The securities and Exchange Board of India (Depositories and Participants) Regulations, 2018.

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

I. Secretarial Standards issued by The Institute of Company Secretaries of India on Board Meetings (SS-1) and General Meetings (SS-2);

II. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("LODR") read with the Listing agreements as entered by the Company with the Stock Exchanges.

III. Applicable provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015, with respect to maintenance and compliance of Structural Digital Database.

During the period under audit, the Company has generally complied with the applicable provisions of the Acts, Rules, Regulations, Guidelines, Standards, etc. as mentioned above.

During the Audit Period, the Company has replied to the queries asked by the stock exchanges, wherever required.

vi. As identified and confirmed by the management of the Company, there were no specific laws applicable to the Company during the period under audit.

We further report that:

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

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent in advance of the meetings and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as per the minutes as duly recorded and signed by the Chairman of the meeting of the Board of Directors or Committees of the Board; therefore, there were no dissenting views required to be recorded as part of the minutes.

We further report that based on the review of compliance mechanism established by the Company and as per the compliance software installed and maintained by the company and also based upon the report placed by the Company Secretary of the company before the Board, in our opinion, there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with all applicable laws, rules, regulations and guidelines etc.

We further report that there was one case filed by E-waste vendor namely Deshwal Waste Management Private Limited ("DWMPL") against the company under The Insolvency & Bankruptcy Code, 2016, which was dismissed by the Hon'ble National Company Law Tribunal, New Delhi Bench vide order dated July 28, 2023. Further, DWMPL has again filed a petition dated 22nd August 2024 against the company before National Company Law Tribunal, New Delhi Bench on similar grounds for initiating the process of Corporate Insolvency Resolution Process under The Insolvency & Bankruptcy Code, 2016. As represented to us by the company, the company had received court notice and the Company have filed the reply to which DWMPL filed Rejoinder.

We further report that, during the audit period, the Company has not undertaken specific events/actions having major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, etc. except reported hereunder:-

1. Pursuant to the Initial Public Offerings (IPO) by the Company and listing of its equity shares on the National Stock Exchange of India Limited ("NSE") and BSE Limited. ("BSE") with effect from October 14, 2025, the status of the company has been changed from Public unlisted company to Listed entity. Consequently the Corporate Identification Number of the Company has been changed from U32107DL1997PLC220109 to L32107DL1997PLC220109.

2. The shareholders of the Company have approved the Material Related Party Transaction with LG Electronics Inc. (Holding Company) for an aggregate value not exceeding ₹ 48,900 Million at the Annual General Meeting of the Company held on September 05, 2025. Additionally, during the year the Company has ratified related party transaction(s) wherever applicable pursuant to the applicable Law. All other related party transactions were in ordinary course of business and at arm's length basis, as per the minutes of the Audit committee/Board meetings as produced before us.

We further report that during the above audit period; there has been no instance of: -

I) Right/Preferential issue of shares/debentures/sweat equity etc.

II) Redemption/buy-back of securities.

III) Major decisions taken by members in pursuance of the Section 180 of the companies act, 2013.

IV) Merger/amalgamation/reconstruction, etc.

V) Foreign Technical Collaborations.

For **Dhananjay Shukla & Associates**
Company Secretaries

Dhananjay Shukla
Managing Partner
FCS-5886, CP No. 8271
Peer Review No.2057/2022
UDIN: F005886H000432941

Place: Gurugram
Date: May 21, 2026

This report is to be read with our letter of even date which is annexed as **'Annexure –A'** and forms integral part of this report.

'Annexure-A'

To,
The Members,
LG Electronics India Limited
(CIN:L32107DL1997PLC220109)
Regd. Office: A-24/6 Mohan Cooperative Industrial Estate,
Mathura Road, New Delhi-110044

Our report of even date is to be read along with this letter:

1. Maintenance of secretarial record 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 and other relevant records as maintained by the Company. Further, the verification was done on test basis to ensure that correct facts are reflected in secretarial records and other relevant records. We believe that the processes and practices we followed and the audit evidences we have obtained are sufficient and appropriate to provide a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company. We have not examined the compliance by the Company with applicable financial laws like Direct tax and Indirect Tax Laws, since the same has been subject to review by the Statutory Financial Auditor or by other designated professionals.

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

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

6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **Dhananjay Shukla & Associates**
Company Secretaries

Dhananjay Shukla
Managing Partner
FCS-5886, CP No. 8271
Peer Review No.2057/2022
UDIN: F005886H000432941

Place: Gurugram
Date: May 21, 2026

Annexure V

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

A) CONSERVATION OF ENERGY

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

- Installation of High efficiency Chiller resulting into Annual Energy Saving: 277 MWH
- Installation of High efficiency AHU motor (IE1 > IE3) resulting into Annual Energy Saving: 133 MWH
- Energy Loss reduction by UPS Load Optimization resulting into Annual Energy Saving: 133 MWH
- Energy Loss reduction by Power Transformer (11 KV) Load Optimization resulting into Annual Energy Saving: 121 MWH
- Automatic Solar Module cleaning setup to improve Solar Energy Generation resulting into Annual Energy Saving: 300 MWH
- LED Lights replacement with Energy Efficient LED Lights at Shop Floor & Office Area resulting into Annual Energy Saving: 71 MWH
- Timer based controlling of Office area Lights & Air-Conditioning resulting into Annual Energy Saving: 74 MWH
- Installation of Smart controller for pneumatic air compressor ON-OFF Operation
- Power Factor Improvement Work PF - 0.980→0.995 -Additional 1500KVAR bank installed
- Conversion of R22 Non-inverter-based ac with inverter base at Factory area (340TR Replaced)
- Centralized Smart Aircon Controller at Canteen & Line area
- Container leak test- Auto ON/OFF Pump by sensor base-Water saving

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

- Fuel LPG to PNG (Natural Gas) at RAC line brazing area

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

The total amount invested for Energy Efficient Air conditioning units, Dual fuel conversion system, Energy Efficient fan (BLDC), Natural gas reduction & Energy Efficient LED lights & other equipment's are ₹ 19.87 Million.

B) TECHNOLOGY ABSORPTION-

(i) The efforts made towards technology absorption;

TELEVISION:

- **Gallery OLED TV**: Upgraded with a **165 Hz display and LG α11 Processor**.
- **UHD Segment**: Enhanced with **Dolby Atmos support.**
- **Customer Experience**: Improved via **WebOS 25 operating system.**

REFRIGERATOR

- **Essential Series (Kookmin) Launch:**

  For Y'26, Essential Series launched in Double Door Refrigerator WT12 (225L) / WT11(251L) / WT10 (276 L) under the Concept of "Made in India" and "Made for India" philosophies, offering durable, accessible, and localized solutions for Indian consumers. [An Affordable Frost-Free Refrigerators for Indian market]

  Launching of Convertible models of Essential Series.

- **Y'26 New Energy norms:**

  Implementation of Y'26 New Energy norms according to BEE New Energy Regulations.

  Launched New Essential series in compliance of New Energy Norms [WT10/11 in 2-Star].

  Retaining Energy Leadership through New 3-Star Development in Top Freezer Model as per Y'26 Norms.

- **New Features & Models:**

  Enhancing Customer interface through Wi-Fi based Internal-Micom Development in Top Freezer.

  Highest Volume Refrigerator in Frost Free Category Launched: QT24 (674 L).

- **Expansion:**

  In SBS (Side by side REF) category new model launched 775 L category (VS4)

ROOM AIR CONDITIONER

- **Smart Features & Energy Efficiency initiative:**
- **Energy Manager + with AI**

  LG integrates AI into Energy Manager +, which suggests usage consumption by analyzing patterns in usage history.

- **Diet Mode+**

  LG introduces an innovative solution through its "Diet Mode+", leveraging dual inverter compressor technology to reduce power consumption by 83%.

- **Pre Cool:**

  By using ThinQ app user's GPS information, Pre Cool on Automatically, turns on AC as soon as user cross GPS Fence

- **New Remote Introduction:**

  New remote with features of Backlight & child lock & dedicated buttons for distinguish feature (Viraat & Diet) for enhance usability

- **Performance & Maintenance initiative:**
- **Him Clean**

  New USP addition for Heat Exchanger Cleaning based on Frosting and Defrosting Logic

- **Y'26 New Energy norms:**

  Implementation of Y'26 New Energy norms according to BEE New Energy Regulations

SYSTEM AIR CONDITIONER

- **New Models & Initiatives:**

  Multi V TD 24HP/26HP: Locally made for "Make in India" initiative.

  Multi V 14HP Heat Pump: Introduced to meet market demand.

  Multi I Home 4-Room Models: Introduced to meet market demand

- **Market Expansion:**

  SCAC Lineup Additions:

  Introduction of 1.5TR & 2.0TR (4Star) to increase market coverage

  3.0TR & 4.0TR (Duct & 3Star/4Star) to increase market coverage

- **Premium Space Solutions:**

  Introduction of Round cassette models (SCAC) in the market

  Introduction of Floor-standing AC models (SCAC) in the market

- **Export Development:**

  Multi V & SCAC Models: Launched for Sri Lanka market

WASHING MACHINE

- **New Models & Features:**

  Launch of Top Loading new design in Big Cabinet Size of 22" (TX) & Rear Panel Jog Dial Type Control mechanism with features of Inverter Direct Drive, AI, Stain Clean Wash Program.

  Launch of New look in top load Entry price segment (21" Essential series) with Manual Fill option & Pro shield motor launched.

  Launch of Heater function in Top Loading Non direct drive models for the 1st time.

- **Market Expansion (Export & Premium segment):**

  Export models Biz Expansion in both Top Load and Twin Tub.

  Added new nations: South Africa, Philippines, Saudi, Morocco, Singapore, Hongkong.

  Introduction of VX and GVX model with new look for premium segment.

  Introduction of Digital Knob in VX Model

- **Capacity Upgrade:**

  10kg upgradation in small segment

MICROWAVE OVEN

- **New Models & Features Launch:**

  Development of 28L category with features of Wi-Fi Scan to Cook with Air Fry Tray Accessory(4SKU's)

  Development of 32L category with features of Wi-Fi Scan to Cook with Air Fry Tray Accessory (2 SKU's).

  30L Solo new category introduction with Neochef slim design

  Export market expansion through new model dev. 28L Neochef for Korea market

WATER PURIFIER:

- **New Models & Features Launch:**

  New Model Development with new efficient 8" RO Filter for >40% Recovery (10 SKU's)

  Export Development:

  Development of RO Water Purifier with 8 Liter Storage Tank for Bangladesh Market. (3 SKU's)

COMPRESSOR:

- **New Models & SKU's Launch:**

  Cost competitive Single Rotary Compressor Launched for RAC 1.5T 3star & 5 Star Category

  Cost competitive High-Capacity Inverter Compressor (BMK AL Series) Launching as per New Star Rating.

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

Television:

- **2025 UHD Line-up:**

  Improve Cost Competitiveness and Productivity with 2025 New UHD Line-up

- **Localization:**

  Localization for New commodities such as Harness and Screw.

- **Quality Enhancement:**

  Continuous Product Quality improvement through Design / Process Optimize.

Refrigerator:

- **Cycle Parts Effectiveness:**

  Double-Side Concealed Condenser (DC Orion Series):

  Removes external condenser for a sleeker design.

  Eliminates hotline, improving Value Innovation (VI)

- **Compressor Competitiveness Enhancement:**

  New Competitive compressor introduction in DC/FF Models
  DC models: VI ~ 0.69$/Set.
  FF Model: VI ~ 2.23$/Set.

- **Design Efficiency:**

  Suction OD reduced (6.35mm → 4.76mm) in DC models: VI 1.14–0.72 USD.

  Packaging [corner] Communization across DC & FF models for Cost Optimization

  Energy valve removed in VB4 3-Star models: VI ~ 4 USD.

  Shelf Trim/Decor material changed (ABS → PVC): VI ~ 0.86 USD

Room Air-conditioning:

- **Key Improvements (New Features & Models):**

  Single Rotary Compressor: Introduced for 1.5T models in 3-Star & 5-Star categories

  3 Star Category: Dual line-up with 17K & 18K variants

  5 Star Category: Dual line-up featuring Dual & Single Rotary compressors.

  Heat Pump Models: Heating guarantee range increased from -5℃ to -10℃

  17k 5 Star Split Air Conditioner: Developed via Tool Downsizing (U24A → U18A) for cost savings without performance loss.

Washing Machine:

- **Localization Improvements:**

  Top Loader parts (Hub nut, Outer Tub Hinge, Clutch Assy, Bearing Housing) Localized developed

  CEM-1 PCB Bare board localization (Indonesia ☒ India)

  WMC Plate Wood, Tempred Glass & Balance Weight Localized developed

Microwave Oven:

- **Key Improvements:**

  Cost optimization in 32L Neo chef category through commonization of Metal tray with 28L models.

  Base plate Thickness optimization in 28L Category

  Conv. Door /Control panel cost optimization (Paint process→ Mould Etching)

  Fan & Duct component making (in 21/28/32L Model) through blank scrap

Water Purifier:

- **Localization Improvements:**

  Stainless Steel Sheet Localization (Korea → India) for water Storage Tank in all models.

  Front panel Glass Localization (Malaysia → India) for NIRO Refresh premium (Glass Finish).

COMPRESSOR:

- **Key Improvements:**

  Single Rotary Compressor development helped in Low cost & improved competitiveness of RAC Models in 1.5 Ton, 3 star & 5 Star categories

  Improved cost competitiveness by keeping performance parameters same as Copper Compressor

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

The details of Technology Imported	Year of Import	Whether the technology been fully absorbed	If not fully absorbed, areas where absorption has not taken place, and the reasons thereof
32" Cinema Design Line-up	2023-2024	Yes	--
Apply Dolby Vision and Atmos to QNED Segment.	2023-2024	Yes	--
Development of HIM Clean & KW Manager Feature	2023-2024	Yes	---
Development of Integrated Neo Chef new door for 32L Premium models	2023-2024	Yes	---
Wi-fi (28/32L) with Scan to Cook feature	2023-2024	Yes	---
New RO filter with 45% recovery developed in NIRO- Refresh	2023-2024	Yes	---
Top Loader BLDC Pump technology for Export markets.	2024-2025	Yes	---
New technology in Frost Free → Convertible Bottom Freezer 3 Star	2024-2025	Yes	---
Bottom Freezer with new technology → E-Micom, I-Micom (Cabinet), Glass Door, Metal Fresh, Bluetooth & Wi-Fi convertible	2024-2025	Yes	---
New UHD Line-up with Board-to-Board PCB and Screw-less Structure.	2024-2025	Yes	--
"Dolby Atmos" application for UHD Line-up	2024-2025	Yes	--
WMC: Top loader Rear Panel design in 21" /22" category for India & Export market	2025~2026	Yes	--
REF: Essential Series [Convertible Models] with features like Knob Control, Smart Mode & Dairy Mode.	2025-2026	Yes	--
RAC: Pre-Cool function in ThinQ app for Air Conditioner Wi-Fi Models	2025~2026	Yes	--
COMP: Single Rotary Compressor Technology developed for Room Air Conditioner	2025-2026	Yes	---
COMP: High-Capacity Inverter AL Motor Designing	2025-2026	Yes	---

C. FOREIGN EXCHANGE ACTUALS EARNINGS AND ACTUAL OUTGO-

During the Year under review Foreign Exchange earnings by way of Export was ₹ 12,691 million. The Foreign Exchange outflow for Import of Goods & payment for services were ₹ 96,599 million & the Outflow on account of Royalty was ₹ 4,062 million.

On behalf of the Board of Directors
Of **LG Electronics India Limited**

Sd/-
(Hong Ju Jeon)
Managing Director
DIN: 10041232
Place: Noida

Sd/-
(Dongmyung Seo)
Whole Time Director & CFO
DIN: 09481866
Place: Seoul, South Korea

Date: July 21, 2026

Report on Corporate Governance

In terms of Regulation 34(3) read with Section C of Schedule V to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), as amended, a Report on Corporate Governance for the year ended March 31, 2026 is presented below:

(1) A BRIEF STATEMENT ON LISTED ENTITY'S PHILOSOPHY ON CODE OF GOVERNANCE

At LG Electronics India Limited, the Corporate Governance is rooted in integrity, transparency, accountability and compliance with applicable laws and regulations. As a responsible manufacturing entity, the Company is committed to maintaining the highest standards of ethical conduct in all its business operations.

The Company believes that strong governance practices are essential to enhance stakeholder value, safeguard shareholder interests, and ensure sustainable growth. It strives to achieve operational excellence while adhering to principles of fairness, disclosure and responsibility in its dealing with customers, employees, investors and the community.

LG Electronics India Limited continuously endeavors to strengthen its governance framework in line with evolving regulatory requirements and global best practices, thereby fostering trust and long-term value creation.

(2) BOARD OF DIRECTORS

The Board of Directors has an optimum combination of Executive and Non-Executive Directors with an Independent Woman Director while fifty per cent of the Board of Directors comprises of Independent Directors. The composition of the Board is in conformity with Regulation 17 of the SEBI Listing Regulations read with Section 149 of the Companies Act, 2013 (the Act). The profiles of Directors can be accessed on the Company's website at https://www.lg.com/in/investorrelations/committee/

The Board meets at least 4 (Four) times a year and more often if needed as per the business requirements. During the financial year 2025-26, the time gap between any two board meetings did not exceed 120 (One Hundred and Twenty) days. None of the Directors on the Board hold the office of Director in more than 20 companies, including 10 public companies, as per the disclosure received from them under Section 184 of the Act read with Rules framed thereunder. None of the Independent Directors serve as Independent Director in more than 7 listed entities and none of the Independent Directors who are Whole-time Directors/ Managing Directors in a Listed Entity serves as Independent Director in more than 3 listed entities. Furthermore, none of the Whole-time Directors/ Managing Director of the Company serve as Independent Directors in any listed entities. In accordance with Regulation 26 of the SEBI Listing Regulations, none of the Directors is a member in more than 10 committees or acts as chairperson of more than 5 committees [the committees being, Audit Committee and Stakeholders' Relationship Committee] across all public limited companies in which he/ she is a Director.

The Board of Directors periodically reviews compliance reports pertaining to all laws applicable to the Company. All statutory and other matters of significance including information as mentioned in Part A of Schedule II to the SEBI Listing Regulations are informed to the Board to enable it to discharge its responsibility of strategic supervision of the Company.

Selection of Independent Directors

The Company has in place a well-defined and transparent process for the selection and appointment of Independent Directors in accordance with the provisions of the Companies Act, 2013 and the applicable regulations of SEBI Listing Regulations. The Nomination and Remuneration Committee identifies and recommends individuals of integrity, possessing relevant expertise, experience and independence, to the Board. While selecting Independent Directors, due consideration is given to the skills, knowledge, industry experience, diversity and independence of the candidates, in line with the Board's skill matrix. The proposed appointees are subject to due diligence, including verification of credentials and ensuring compliance with the criteria of independence. The Board, upon recommendation of the Committee, approves the appointment, which is thereafter placed before the shareholders for their approval. The Company ensures that the Independent Directors meet the requirements of independence and have registered themselves with the databank maintained by the Indian Institute of Corporate Affairs (IICA). Necessary declarations are obtained from them at the time of appointment and annually thereafter.

Meetings of Independent Directors

A separate meeting of the Independent Directors of the Company was held on March 27, 2026, in compliance with the provisions of the Companies Act, 2013 and the applicable regulations of the SEBI Listing Regulations. The meeting was conducted without the presence of Non-Independent Directors and members of the management. During the meeting, the Independent Directors, inter alia, reviewed the performance of the Non-Independent Directors and the Board as a whole, assessed the quality, quantity and timeliness of the flow of information between the Company management and the Board, and

evaluated the performance of the Chairperson of the Company. The Independent Directors expressed their satisfaction with the overall functioning of the Board and its committees and noted that the systems and processes in place are adequate and effective.

(a) Composition and category of Directors (e.g. Promoter, Executive, Non-Executive, Independent Non- Executive, Nominee Director - institution represented and whether as lender or as equity investor)

As at March 31, 2026, the composition of the Board of Directors of the Company was as follows:

S. No.	Name of Director	Promoter/ Non-Promoter	Category/Designation
1	Mr. Daehyun Song	Non-Promoter	Chairman, Non-Executive Director
2	Mr. Hong Ju Jeon	Non-Promoter	Managing Director
3	Mr. Dongmyung Seo	Non-Promoter	Whole-time Director & Chief Financial Officer (CFO)
4	Mr. Santosh Kumar Mohanty	Non-Promoter	Non-Executive, Independent Director
5	Ms. Promila Bhardwaj	Non-Promoter	Non-Executive, Independent Director
6	Mr. Ramesh Ramachandran Nair	Non-Promoter	Non-Executive, Independent Director

(b) Attendance of each Director at the Meeting of the Board of Directors and the last Annual General Meeting

Date of Board Meeting	Mr. Daehyun Song	Mr. Hong Ju Jeon	Mr. Dongmyung Seo	Mr. Santosh Kumar Mohanty	Ms. Promila Bhardwaj	Mr. Ramesh Ramachandran Nair
April 07, 2025	✓	-	✓	✓	✓	✓
April 18, 2025	✓	-	-	✓	✓	✓
July 09, 2025	✓	-	✓	✓	✓	✓
September 10, 2025	✓	-	✓	✓	✓	✓
September 30, 2025	✓	-	✓	✓	✓	✓
October 09, 2025	✓	-	✓	✓	✓	✓
November 13, 2025	✓	✓	✓	✓	✓	✓
November 27, 2025	✓	-	✓	✓	✓	✓
January 16, 2026	✓	-	✓	✓	✓	✓
February 11,2026	✓	-	✓	✓	✓	✓
Annual General Meeting (AGM)						
September 05, 2025	✓	-	✓	-	✓	✓

(c) Number of other Board of Directors or Committees in which a Director is a member or chairperson as on March 31, 2026

S. No	Name of Director	Directorships in Board of Directors*	Membership of Committees of Boards**	Chairmanship of Committees of Boards**
1	Mr. Daehyun Song	1	1	1
2	Mr. Hong Ju Jeon	1	1	0
3	Mr. Dongmyung Seo	1	1	0
4	Mr. Santosh Kumar Mohanty	4	5	3
5	Ms. Promila Bhardwaj	3	4	1
6	Mr. Ramesh Ramachandran Nair	1	1	0

**Pursuant to Regulation 26(1) of the SEBI Listing Regulations, Directorships are reported for listed and unlisted public companies (including LG Electronics India Limited) but excludes Private limited companies, foreign companies, Section 8 companies and alternate directorships.*

***Committee Memberships/ Chairmanships are reported for listed and unlisted public companies put together (including LG Electronics India Limited) in terms of Regulation 26(1) of the SEBI Listing Regulations. Committee Memberships include Chairmanship, if any. Committees considered for the purpose are those prescribed under SEBI Listing Regulations viz. Audit Committee and Stakeholders' Relationship Committee.*

Names of the listed entities where the person is a Director and the category of Directorship as on March 31, 2026

S. No	Name of Director	Name of Listed Entity in which Director	Category of Directorship
1	Mr. Daehyun Song	LG Electronics India Limited	Chairman, Non-Executive Director
2	Mr. Hong Ju Jeon	LG Electronics India Limited	Managing Director
3	Mr. Dongmyung Seo	LG Electronics India Limited	Whole-time Director & CFO
4	Mr. Santosh Kumar Mohanty	LG Electronics India Limited	Non-Executive, Independent Director
		Emmvee Photovoltaic Power Limited	Non-Executive, Independent Director
		UPL Limited	Non-Executive, Independent Director
		Computer Age Management Services Limited	Non-Executive, Independent Director
5	Ms. Promila Bhardwaj	LG Electronics India Limited	Non-Executive, Independent Director
		Yatharth Hospital & Trauma Care Services Limited	Non-Executive, Independent Director
		Apex Capital and Finance Limited	Non-Executive, Independent Director
6	Mr. Ramesh Ramachandran Nair	LG Electronics India Limited	Non-Executive, Independent Director

(d) Number of Meetings of the Board of Directors held and dates on which held

During the financial year 2025-26, 10 (Ten) Board Meetings were held. The dates on which these Meetings were held are given in the Table provided in pt. no. (b) hereinabove.

(e) Disclosure of relationships between directors inter-se

None of the Directors are related to each other

(f) Number of shares and convertible instruments held by Non-Executive Directors

None of the Non-Executive Directors holds any share in the Company

(g) Web link where details of familiarisation programmes imparted to Independent Directors is disclosed

The Company has a robust induction process to familiarise the Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, the business model of the Company and other relevant information through various programs at regular intervals. The Directors are made aware of their roles and duties at the time of their appointment/reappointment through a formal letter of appointment which also stipulates other terms and conditions of their appointment.

Pursuant to the provisions of Regulation 25(7) and Regulation 46 of the SEBI Listing Regulations, kindly refer to the Company's website at https://www.lg.com/content/dam/lge/in/migration/lginvestorrelations/IRPdf/CG/Policy/Familiarization-Programmes-for-Independent-Directors.pdf for details of the Familiarization Programmes for Independent Directors on their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company and related matters.

(h) Skills/ Expertise/ Competence of the Board of Directors including the areas as identified by the Board in the context of the Company's Business

As on March 31, 2026, the Board comprised qualified members who brings the required skills, competence and expertise to effectively contribute to Board and Committee Meetings. The matrix below summarizes a mix of skills, expertise and competencies expected to be possessed by our individual Directors, which are key to corporate governance and Board effectiveness:

Competencies	Global Exposure	Sales & Marketing	Financial Expertise	Business Management	Leadership	Government Rules/Regulations	Consumer Durables
Mr. Daehyun Song	✓	✓	✓	✓	✓	✓	✓
Mr. Hong Ju Jeon	✓	✓	✓	✓	✓	✓	✓
Mr. Dongmyung Seo	✓	-	✓	✓	✓	✓	✓
Mr. Santosh Kumar Mohanty	✓	-	✓	✓	✓	✓	-
Ms. Promila Bhardwaj	✓	-	✓	✓	✓	✓	✓
Mr. Ramesh Ramachandran Nair	✓	✓	✓	✓	✓	✓	-

(i) Confirmation that in the opinion of the Board, the Independent Directors fulfill the conditions specified in these Regulations and are independent of the management

Based on the declarations submitted by the Independent Directors of the Company provided at the beginning of the Financial Year 2025-26, the Board hereby confirms that all the Independent Directors appointed by the Company fulfill the conditions specified in SEBI Listing Regulations and are independent of the management.

(j) Detailed reasons for the resignation of the Independent Director who resigns before the expiry of his/ her tenure along with a confirmation by such director that there are no other material reasons other than those provided

None of the Independent Directors have resigned during the financial year 2025-26.

(3) AUDIT COMMITTEE

(a) Brief description of terms of reference

The terms of reference of the Audit Committee are as per the governing provisions of the Companies Act, 2013 (Section 177) and the SEBI Listing Regulations (specified in Part C of Schedule II).

The Role of the Audit Committee includes the following:-

(a) Oversight of financial reporting process and the disclosure of financial information relating to the Company to ensure that the financial statements are correct, sufficient and credible.

(b) Recommendation for appointment, re-appointment, replacement, remuneration and terms of appointment of auditors of the Company and the fixation of the audit fee.

(c) Approval of payment to statutory auditors for any other services rendered by the statutory auditors.

(d) Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:

- Matters required to be included in the director's responsibility statement to be included in the Board's report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act 2013;
- Changes, if any, in accounting policies and practices and reasons for the same;
- Major accounting entries involving estimates based on the exercise of judgment by management;
- Significant adjustments made in the financial statements arising out of audit findings;
- Compliance with listing and other legal requirements relating to financial statements;
- Disclosure of any related party transactions; and
- Modified opinion(s) in the draft audit report.

(e) Reviewing, with the management, the quarterly, half-yearly and annual financial statements before submission to the Board for approval.

(f) Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the issue document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public issue or rights issue or preferential issue, and making appropriate recommendations to the Board to take up steps in this matter.

(g) Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process.

(h) Approval of any subsequent modification of transactions of the Company with related parties and omnibus approval for related party transactions proposed to be entered into by the Company, subject to the conditions as may be prescribed;

Explanation: The term "related party transactions" shall have the same meaning as provided in Regulation 2(1)(zc) of the SEBI Listing Regulations and/or the applicable Accounting Standards and/or the Companies Act 2013.

(i) Scrutiny of inter-corporate loans and investments.

(j) Valuation of undertakings or assets of the Company, wherever it is necessary.

(k) Evaluation of internal financial controls and risk management systems.

(l) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.

(m) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.

(n) Discussion with internal auditors of any significant findings and follow up there on.

(o) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.

(p) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.

(q) Looking into the reasons for substantial defaults in the payment to depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.

(r) Recommending to the Board the appointment and removal of the external auditor, fixation of audit fees and approval for payment for any other services.

(s) Reviewing the functioning of the whistle blower mechanism.

(t) Overseeing the vigil mechanism established by the Company, with the chairman of the Audit Committee directly hearing grievances of victimization of employees and directors, who used vigil mechanism to report genuine concerns in appropriate and exceptional cases.

(u) Approval of appointment of chief financial officer (i.e., the whole-time finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate.

(v) Reviewing the utilization of loans and/or advances from/investment by the holding company in the subsidiary exceeding ₹ 1,000,000,000 or 10% of the asset size of the subsidiary, whichever is lower including existing loans/ advances/ investments existing as on the date of coming into force of this provision.

(w) Considering and commenting on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.

(x) Approving the key performance indicators for disclosure in the offer documents.

(y) Carrying out any other functions required to be carried out by the Audit Committee as may be decided by the Board and/or as provided under the Companies Act, 2013, or as contained in the SEBI Listing Regulations or any other applicable law, as and when amended from time to time.

The Audit Committee has been granted powers as prescribed under Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, to investigate any activity within its terms of reference, seek information from any employee, obtain outside legal or other professional advice and secure attendance of outsiders with relevant expertise, if it considers necessary. The Committee also mandatorily reviews the information as specified in the SEBI Regulations –management discussion and analysis of financial condition and results of operations, management letters/ letters of internal control weaknesses issued by the statutory auditors, if any, internal audit reports relating to internal control weaknesses, the appointment, removal and terms of remuneration of the chief internal auditor and statement of deviations, if any.

(b) Composition, Name of Members and Chairperson

The Audit Committee comprises of 3 (Three) Directors, one executive and two Independent Directors. All Members are financially literate and possess sound knowledge of accounts, finance and audit matters. The Company Secretary of the Company acts as Secretary to the Audit Committee. The Composition of Audit Committee as on March 31, 2026, is given below:

S. No	Name	Designation	Category
1	Mr. Santosh Kumar Mohanty	Chairperson	Non-Executive, Independent Director
2	Ms. Promila Bhardwaj	Member	Non-Executive, Independent Director
3	Mr. Dongmyung Seo	Member	Whole-time Director & CFO

(c) Meetings and attendance during the year

Date of Meeting	Mr. Santosh Kumar Mohanty	Ms. Promila Bhardwaj	Mr. Dongmyung Seo
April 07, 2025	✓	✓	✓
July 09, 2025	✓	✓	✓
August 14, 2025	✓	✓	-
September 10, 2025	✓	✓	✓
September 30, 2025	✓	✓	✓
November 13, 2025	✓	✓	✓
February 11,2026	✓	✓	✓
March 19, 2026	✓	✓	✓

(4) NOMINATION AND REMUNERATION COMMITTEE

(a) Brief description of terms of reference

The Nomination and Remuneration Committee has formulated the criteria for determining qualifications, positive attributes and independence of directors and recommended to the Board a policy, relating to the remuneration for the Directors, key managerial personnel and other employees.

The terms of reference of the Nomination and Remuneration Committee are as per the governing provisions of the Companies Act, 2013 (Section 178) and the SEBI Listing Regulations (specified in Part D of Schedule II).

(b) Composition, Name of Members and Chairperson

The Composition of Nomination and Remuneration Committee as on March 31, 2026, is given below:-

S. No.	Name	Designation	Category
1	Mr. Ramesh Ramachandran Nair	Chairperson	Non-Executive, Independent Director
2	Mr. Daehyun Song	Member	Chairman, Non-Executive Director
3	Mr. Santosh Kumar Mohanty	Member	Non-Executive, Independent Director

The Company Secretary of the Company acts as Secretary to the Nomination and Remuneration Committee.

(c) Meetings and attendance during the year

Date of Meeting	Mr. Ramesh Ramachandran Nair	Mr. Daehyun Song	Mr. Santosh Kumar Mohanty
April 18, 2025	✓	✓	✓
November 27, 2025	✓	✓	✓
January 16, 2026	✓	✓	✓

(d) Performance evaluation criteria for Independent Directors

The Nomination and Remuneration Committee of the Board has laid out the evaluation criteria for performance evaluation of the Board, its Committees and all the individual directors, in adherence of SEBI Listing Regulations.

Brief synopsis of the performance evaluation carried out for the financial year is provided in the Directors' Report of this Annual Report.

(5) STAKEHOLDERS RELATIONSHIP COMMITTEE

The terms of reference and the ambit of powers of Stakeholders Relationship Committee are as per the governing provisions of the Companies Act, 2013 (Section 178) and the SEBI Listing Regulations (specified in Part D of Schedule II). The status of shareholder correspondences, queries, grievances etc. are endeavoured to be addressed instantaneously by the Company and status thereof is also placed before the Stakeholders Relationship Committee.

(a) Name of Non-Executive Director heading the Committee

The Composition of Stakeholders Relationship Committee as on March 31, 2026, is given below:-

S. No	Name	Designation	Category
1	Mr. Daehyun Song	Chairperson	Chairman, Non-Executive Director
2	Mr. Hong Ju Jeon	Member	Managing Director
3	Mr. Ramesh Ramachandran Nair	Member	Non-Executive, Independent Director

(b) Name and designation of compliance officer

Mr. Anuj Goyal, Company Secretary is the Compliance Officer of the Company.

(c) Number of shareholders' complaints received during the financial year

The number of shareholders' complaints received and resolved during financial year 2025-26 is given below:-

(i) Number of shareholders' complaints received : 100

(ii) Number of shareholders' complaints resolved : 99

(iii) Number of Shareholders' complaints unresolved : 1

(c) Number of complaints not solved to the satisfaction of shareholders

All complaints were resolved to the satisfaction of shareholders.

(d) Number of pending complaints

As at March 31, 2026, one complaint was pending unresolved.

(f) Meetings and attendance during the year

Date of Meeting	Mr. Daehyun Song	Mr. Hong Ju Jeon	Mr. Ramesh Ramachandran Nair
November 10, 2025	-	✓	✓

(5A) SENIOR MANAGEMENT

Particulars of Senior Management Personnel (SMP) including the changes therein during the Financial Year 2025-26:

S. No	Name	Designation	Changes, if any
1	Mr. Young Min Hwang	Home Appliances Solution Sales Division Leader	Change in Designation on 27.11.2025
2	Mr. Yoojae Kim	MS B2B Biz Department Leader	Change in Designation on 27.11.2025
3	Mr. Changhwan Kim	Customer care & Service (CC&S)	Change in Designation on 27.11.2025
4	Mr. Yongchan Jung	Chief Production Officer (CPO)	Change in Designation on 27.11.2025
5	Mr. Jwa Nam Kim	Chief Human Resources Officer (CHO)	Change in Designation on 27.11.2025
6	Mr. Sanjay Chitkara	Co-Chief Sales & Marketing Officer (Co-CSMO)	Change in Designation on 27.11.2025
7	Mr. Ashish Agrawal	Chief Commercial Officer (CCO)	Change in Designation on 27.11.2025
8	Mr. Atul Khanna	CAO (Chief Accounting Officer), Sales Finance & Account Head	-
9	Mr. Sarvesh Maheshwari	Audit Head	-
10	Mr. Jongha Hwang	CSO (Chief Strategy Officer)	Appointed as SMP on 16.01.2026
11	Mr. Younghwan Jung	Sales Director Media Entertainment Solution	Ceased to be SMP on 27.11.2025
12	Mr. Hanjun Kim	Head Advisor Sales Finance & Account	Ceased to be SMP on 27.11.2025
13	Mr. Soo Hwan Koh	Head Advisor Sales Supply Chain Management	Ceased to be SMP on 27.11.2025
14	Mr. Jae Hyung Jun	Marketing Head Advisor	Ceased to be SMP on 27.11.2025
15	Mr. Woo Hae Lee	Strategy Head Advisor	Ceased to be SMP on 27.11.2025
16	Mr. Hee Ok	Manufacturing Head - Pune	Ceased to be SMP on 27.11.2025
17	Mr. Soonjoo Seo	India IR & BS Department Leader	Ceased to be SMP on 27.11.2025
18	Mr. Jonghah Park	India Legal & Compliance Department Leader	Ceased to be SMP on 27.11.2025
19	Mr. Chang Min Han	Sales Director Eco Solution	Ceased to be SMP on 27.11.2025
20	Mr. Abhiral Bhansali	Media Solution Business Head	Ceased to be SMP on 27.11.2025
21	Mr. Rajesh Chandrasekar	Customer Services Strategy Head	Ceased to be SMP on 27.11.2025
22	Mr. Gurpinderjeet Singh	Planning Head - Sales	Ceased to be SMP on 27.11.2025
23	Mr. Vijay Ranjan Singh	Human Resources Head - Sales	Ceased to be SMP on 27.11.2025
24	Mr. Anuj Ayodhyawasi	Sales Head India 1	Ceased to be SMP on 27.11.2025
25	Mr. Ankur Pal	Sales Head India 2	Ceased to be SMP on 27.11.2025
26	Mr. Surinder Singh Sachdeva	Sales Head India 3	Ceased to be SMP on 27.11.2025
27	Mr. Sudheer Prabhakaran	Senior Sales Head India 4	Ceased to be SMP on 27.11.2025
28	Mr. Gagan Jeet Singh	CMO (Chief Manufacturing Officer), Noida Factory Head	Ceased to be SMP on 27.11.2025

(6) REMUNERATION OF DIRECTORS

There was no pecuniary relationship or transaction between the Non-Executive Directors and the Company in FY 2025-26. However, the Company paid Sitting Fee and Commission to the Independent Directors as given in the below-mentioned table. The criteria for making payments to Non-executive Directors is provided in the Nomination and Remuneration Policy which is available on the website of the Company at https://www.lg.com/content/dam/lge/in/migration/lginvestorrelations/IRPdf/CG/Policy/Nomination-and-Remuneration-Policy-2.pdf

Disclosures with respect to Remuneration

(i) Details of remuneration/ sitting fees paid to Directors during the Financial Year 2025-26 are given below:

Name of Director	Category	Salary, Commission and allowance (₹)	Perquisites (₹)	Performance Incentive (₹)	Sitting fees (₹)	Total (₹)
Mr. Daehyun Song	Chairman, Non-Executive Director	47,60,000	-	-	12,80,000	60,40,000
Mr. Hong Ju Jeon	Managing Director	3,13,78,980	2,75,86,352	-	-	5,89,65,332
Mr. Dongmyung Seo	Whole-Time Director and CFO	2,74,11,893	1,62,49,173	-	-	4,36,61,066
Mr. Santosh Kumar Mohanty	Non-Executive, Independent Director	22,60,000	-	-	19,10,000	41,70,000
Ms. Promila Bhardwaj	Non-Executive, Independent Director	22,60,000	-	-	17,70,000	40,30,000
Mr. Ramesh Ramachandran Nair	Non-Executive, Independent Director	37,60,000	-	-	14,90,000	52,50,000

(ii) Details of fixed component and performance linked incentives, along with the performance criteria:

The performance criteria for the purpose of payment of remuneration to the Directors are in accordance with the Nomination and Remuneration Policy. The payment of remuneration, including all benefits and performance-linked incentives are being paid with the approval of Board of Directors.

(iii) Service contracts, notice period, severance fees:

The details of specific service contracts, notice period etc. are governed by the board/ shareholders resolutions and appointment letters issued to respective directors at the time of his/her appointment/ re-appointment. There is no provision of payment of severance fees to any Directors.

(iv) Stock option details, if any and whether issued at a discount as well as the period over which accrued and over which exercisable:

Not Applicable

(7) RISK MANAGEMENT COMMITTEE

(a) Brief description of terms of reference

Formulation of a detailed risk management policy which shall include:

(a) a framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Risk Management Committee;

(b) measures for risk mitigation including systems and processes for internal control of identified risks; and

(c) business continuity plan;

- Ensuring that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
- Monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
- Periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity, and recommend for any amendment or modification thereof, as necessary;
- Keep the Board of Directors of the Company informed about the nature and content of its discussions, recommendations and actions to be taken; and
- Review the appointment, removal and terms of remuneration of the Chief Risk Officer (if any).
- Review and approve the Enterprise Risk Management (ERM) framework, if any
- Implement and monitor policies and/or processes for ensuring cyber security;
- Review and recommend to the Board various business proposals for their corresponding risks and opportunities;
- Review and monitor the effectiveness and application of credit risk management policies, related standards and procedures to control the environment with respect to business decisions
- Any other similar or other functions as may be laid down by the Board, from time to time, and/or as may be required under applicable law, as and when amended from time to time, including the SEBI Listing Regulations.

(b) Composition, Name of Members and Chairperson

The Composition of Risk Management Committee as on March 31, 2026, is given below:

S. No	Name	Designation	Category
1	Mr. Hong Ju Jeon	Chairperson	Managing Director
2	Mr. Dongmyung Seo	Member	Whole-time Director & CFO
3	Mr. Santosh Kumar Mohanty	Member	Non-Executive, Independent Director

(c) Meetings and attendance during the year

Not Applicable

(8) OTHER COMMITTEES

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

(a) Brief description of terms of reference

The Corporate Social Responsibility Committee was formed pursuant to Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 or as amended from time to time, to formulate and recommend to the Board, a Corporate Social Responsibility Policy indicating the activities to be undertaken by the Company as specified in Schedule VII to the Act, to recommend the amount of expenditure to be incurred on such activities, action plan and to monitor the Corporate Social Responsibility Policy of the Company from time to time.

The Corporate Social Responsibility Policy of the Company ("CSR Policy") is available on the website of the Company at https://www.lg.com/content/dam/lge/in/migration/lginvestorrelations/IRPdf/CG/Policy/Policy-on-Corporate-Social-Responsibility.pdf

The details of the Corporate Social Responsibility Policy of the Company have also been disclosed in the Directors' Report section of the Annual Report.

(b) Composition, Name of Members and Chairperson

The Composition of Corporate Social Responsibility Committee as on March 31, 2026, is given below:

S. No	Name	Designation	Category
1	Mr. Ramesh Ramachandran Nair	Chairperson	Non-Executive, Independent Director
2	Mr. Daehyun Song	Member	Chairman, Non-Executive Director
3	Ms. Promila Bhardwaj	Member	Non-Executive, Independent Director

(c) Meetings and attendance during the year

Date of Meeting	Mr. Ramesh Ramachandran Nair	Mr. Daehyun Song	Ms. Promila Bhardwaj
March 27, 2026	✓	✓	✓

(9) GENERAL BODY MEETINGS

(a) Location and time, where last three Annual General Meetings held

Date of AGM	Location	Time
September 05, 2025	Through Video Conferencing ("VC") or Other Audio Visual Means ("OAVM")	11:00 AM (IST)
September 30, 2024	A-24/6, Mohan Cooperative Industrial Estate, Mathura Road, New Delhi – 110044	04:00 PM (IST)
September 30, 2023	A-24/6, Mohan Cooperative Industrial Estate, Mathura Road, New Delhi – 110044	04:00 PM (IST)

(b) Whether any Special Resolutions passed in the previous three annual general meetings

Date of AGM	Details of Special Resolutions passed, if any
September 05, 2025	None
September 30, 2024	None
September 30, 2023	None

(c) Whether any special resolution passed last year through Postal Ballot- details of voting pattern

During the year under review, no special resolution was passed through the exercise of postal ballot. However, one postal ballot was conducted in FY 2025-26 and Ordinary Resolutions were passed. The details of the voting pattern in respect of the resolutions passed on March 31, 2026 are as under:

S. No	Resolution passed	Votes in favor of the resolution	Favour %	Votes against the resolution	Against %	Total
1.	Re-appointment of Mr. Dongmyung Seo (DIN: 09481866) as Whole Time Director of the Company	62,62,38,352	98.454%	98,30,969	1.546%	63,60,69,321
2.	Approval of Material Related Party Transactions between LG Electronics India Limited and LG Electronics Inc., Promoter of the Company	5,91,05,808	99.988%	7,065	0.012%	5,91,12,873

(d) Person who conducted the postal ballot exercise:

Mr. Neeraj Arora, Proprietor of M/s. Neeraj Arora & Associates, Practising Company Secretaries acted as scrutinizer to conduct the postal ballot voting process in a fair and transparent manner.

(d) Special Resolution proposed to be conducted through postal ballot

No special resolution is proposed to be conducted through the postal ballot as on the date of this report.

(e) Procedure for postal ballot:

The postal ballot is conducted in accordance with the provisions contained in Section 110 and other applicable provisions, if any, of the Companies Act, 2013, read with Rule 22 of the Companies (Management and Administration) Rules, 2014. The Shareholders are provided the facility to vote through remote e-voting. The postal ballot notice is sent to shareholders in electronic form to the email addresses registered with the depository (in case of electronic shareholding)/the Company's Registrar and Share Transfer Agents (in case of physical shareholding). The Company also publishes advertisement in the newspapers in accordance with the requirements under the Companies Act, 2013. The Company fixes a cut-off date to reckon the voting rights of the members. Shareholders may cast their votes through e-voting during the voting period fixed for this purpose. Alternatively, shareholders may exercise their votes through physical ballot by sending duly completed and signed forms so as to reach the scrutinizer before a specified date and time. After completion of scrutiny of votes, the scrutinizer submits his report to the Chairman and the results of voting by postal ballot are announced by the Chairman or any other Authorized person within 48 hours of conclusion of the voting period. The results are also displayed on the website of the Company at www.lg.com/in and on the notice board of the Company at its Registered office and Corporate office, besides being communicated to the Stock Exchanges and Registrar and Share Transfer Agents. The resolution(s), if passed by the requisite majority are deemed to have been passed on the last date specified for receipt of duly completed postal ballot forms or e-voting.

(10) MEANS OF COMMUNICATION

(a) Quarterly Results

The Company publishes limited reviewed un-audited financial results on a quarterly basis. In respect of the fourth quarter, the Company publishes the audited financial results for the complete financial year.

(b) Newspapers wherein results normally published

The quarterly, half-yearly and annual financial results are published in Financial Express in English and Jansatta Hindi Daily editions.

(c) Website, where displayed

The financial results and the Press releases are also placed on the Company's website www.lg.com/in in the investor relations section and can be accessed from https://www.lg.com/in/investorrelations/quarterly-reports/

(d) Official news releases

The Company regularly publishes an information update on its financial results and also displays official news releases in the investor relations section.

(e) Presentations made to institutional investors or to the analysts

The Company organises earning conference calls with analysts and investors after the announcement of financial results. The transcript and audio recording of the earning call is uploaded on the Company's website as well as filed with the stock exchanges where the securities are listed.

Presentations made to institutional investors and financial analysts are filed with the stock exchanges and uploaded on the Company's website https://www.lg.com/in/investorrelations/quarterly-reports/

(f) Dispute Resolution Mechanism (SMART Online Dispute Resolution ODR)

To enhance the dispute resolution framework for addressing issues between listed companies and/or their Registrars and Transfer Agents (RTAs) and shareholders/investors, SEBI issued a Standard Operating Procedure (SOP) via Circular dated May 30, 2022. Under this SOP, shareholders and investors are provided with the option to resolve their grievances through the Stock Exchange Arbitration Mechanism, against either the Company or its RTA.

Subsequently, SEBI, through its Circular dated July 31, 2023 (last updated on December 20, 2023), introduced the Online Dispute Resolution (ODR) Portal. This platform allows aggrieved investors to initiate dispute resolution proceedings online after exhausting preliminary remedies, such as approaching the Company directly or filing a complaint through the SEBI Complaints Redress System (SCORES). The Company has duly complied with the requirements laid out in the above-mentioned circulars.

(11) GENERAL SHAREHOLDER INFORMATION

(a) Annual General Meeting - Date, Time and Venue

Day : Friday
Date : August 21, 2026
Time : 11:00 AM IST
Venue : Through Video Conferencing (VC) or Other Audio Visual Means (OAVM)

(b) Financial year

April 01, 2025 to March 31, 2026

(c) Dividend Payment Date

Not Applicable

(d) Name and address of each stock exchange(s) at which the listed entity's securities are listed and a Confirmation about payment of annual listing fee to each of such stock exchange(s)

S. No.	Name and Address of the Stock Exchange	Stock Code
1	National Stock Exchange of India Limited Exchange Plaza, Block G, C/1, Bandra Kurla Complex, Bandra (E), Mumbai – 400 051	LGEINDIA
2	BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001	544576

The annual listing fee for the FY 2025-26 has been paid by the Company to both the stock exchanges within the stipulated time.

(e) In case the securities are suspended from trading, the directors report shall explain the reason thereof

The Company's shares were not suspended from trading during the financial year under review.

(f) Registrar to an issue and share transfer agents

KFin Technologies Limited is the Registrar and Share Transfer Agent of the Company. Investors should address their correspondence to the Registrar and Share Transfer Agent of the Company at the address mentioned herein below:

KFin Technologies Limited
Unit: LG Electronics India Limited
301, The Centrium, 3rd Floor, 57,
Lal Bahadur Shastri Road, Nav Pada,
Kurla (West), Mumbai, Maharastra-400070
Tel No.: +022 46170911
Email: einward.ris@kfintech.com
Website: https://www.kfintech.com

(g) Share transfer system

The Shares of your Company are traded on the Stock Exchanges compulsorily in dematerialized mode. Except five shares, entire paid-up share capital of your Company is held in dematerialized form as on March 31, 2026. The dematerialized shares are transferred directly to the beneficiaries by the depositories. Transfer of shares in physical form is not permitted as per applicable SEBI circulars.

(h) Distribution of shareholding as on March 31, 2026

Category (Amount)	No of Cases	% of Cases	Total Shares	Amount	% of Amount
1-5000	9,75,077	99.69	1,97,90,265	19,79,02,650	2.92
5001- 10000	1,563	0.16	11,28,954	1,12,89,540	0.17
10001- 20000	628	0.06	9,03,628	90,36,280	0.13
20001- 30000	199	0.02	5,02,028	50,20,280	0.07
30001- 40000	89	0.01	3,11,884	31,18,840	0.05
40001- 50000	79	0.01	3,62,726	36,27,260	0.05
50001- 100000	111	0.01	7,95,081	79,50,810	0.12
100001& Above	364	0.04	65,49,77,826	6,54,97,78,260	96.49
Total	**9,78,110**	**100.00**	**67,87,72,392**	**6,78,77,23,920**	**100.00**

Categories of Shareholders as on March 31, 2026

Categories	No of Shareholders *	No. of Shares	% of shareholding
Promoters	1	57,69,56,527	85.00
Mutual Funds	218	4,07,77,146	6.01
Resident Individuals	9,49,206	2,52,92,302	3.73
Foreign Portfolio - Corp	125	1,84,99,804	2.73
Qualified Institutional Buyer	29	1,08,59,306	1.60
Alternative Investment Fund	35	20,54,147	0.30
Bodies Corporates	1,339	18,07,267	0.27
H U F	20,120	9,58,787	0.14
QIB - Pension Funds	18	8,26,021	0.12
Non Resident Indian Non Repatriable	3,496	2,94,538	0.04
Non Resident Indian Repatriable	3,495	2,87,116	0.04
Trusts	15	1,17,914	0.02
Clearing Members	5	18,915	0.00
Nationalised Banks	1	13,700	0.00
NBFC	3	7,631	0.00
Foreign Portfolio Investors	2	1,023	0.00
Key Management Personnel	1	133	0.00
Foreign Nationals	1	115	0.00
Total	**9,78,110**	**67,87,72,392**	**100.00**

* Calculated on folio basis.

List of Shareholders other than Promoters holding more than 1% as on March 31, 2026

S. No	Name of Shareholder	No. of Shares held	% of Total Shareholding
1	ICICI Prudential Mutual Fund	77,84,575	1.15

(i) Dematerialization of Shares and Liquidity

The Equity shares of the Company got listed w.e.f. October 14, 2025 and the trading in Equity shares of the Company is permitted only in dematerialized form. As on the date of this report the Equity shares are frequently traded on BSE and NSE.

ISIN: INE324D01010 (Fully Paid Shares)

Category of Shareholders	No. of Shareholders	No. of Shares	% of shareholding
Physical	1	5	0.00
NSDL	2,82,841	66,32,93,841	97.72
CDSL	6,95,268	1,54,78,546	2.28
Total	**9,78,110**	**67,87,72,392**	**100.00**

(j) Outstanding global depository receipts or American depository receipts or warrants or any convertible instruments, conversion date and likely impact on equity

There are no GDRs/ ADRs/ Warrants outstanding as on March 31, 2026.

(k) Commodity price risk or foreign exchange risk and hedging activities

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company is mainly exposed to foreign exchange risk on the US Dollar.

The purpose of foreign exchange risk management is to provide the foundation of stable business operations by minimizing the uncertainty and volatility of foreign exchange gains and losses from foreign exchange rate fluctuations.

The Company has its own foreign exchange policy through which the Company minimises the exposure to foreign exchange risk by netting off foreign exchange assets and liabilities from general operating activities. The Company considers foreign exchange risk hedges against its remaining exposure with derivative financial instruments and scrutinizes changes in foreign exchange exposure and the results of hedging activities on a monthly basis.

(l) Plant locations

S. No	Unit/Plant	Products
1	Plot No. 51, Surajpur - Kasna Road, Udyog Vihar, Greater Noida, U.P., India (201306)	Refrigerator, Washing Machine, Air Conditioner, Microwave oven, Water Purifier, Compressor
2	Plot No. A-5, MIDC Ranjangaon: Taluka Shirur, District : Pune, Maharashtra, India (412220)	Refrigerator, Washing Machine, Air Conditioner, Television

(m) Address for correspondence

The Company Secretary and Compliance Officer
LG Electronics India Limited
(Corporate Governance & Compliance Team)
Address: (16th to 20th Floor) C- 001,
Tower D, KK Project, Sector-16 B, Noida - 201301
Dist. Gautam Buddha Nagar, UP (India)
Telephone No.:91 120 651 6700
Email: cgc.india@lge.com

Address for Correspondence with the Registrar and Transfer Agents
KFin Technologies Limited
Unit: LG Electronics India Limited
301, The Centrium, 3RD Floor, 57,
Lal Bahadur Shastri Road,
Nav Pada, Kurla (West) Mumbai-400070,
Maharastra.
Telephone: 91 40 6716 2222
Email: www.kfintech.com

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

The Company has obtained the following Credit Ratings:

Long Term Rating	Crisil AAA/Stable (Reaffirmed)
Short Term Rating	Crisil A1+(Reaffirmed)

The details on credit ratings are provided in the Directors Report and are also available on the website of the Company in the Investor Relations section and can be accessed at https://www.lg.com/in/investorrelations/financial-rating/

During the year ended March 31, 2026, there was no change in the above credit ratings.

(12) OTHER DISCLOSURES

(a) Disclosures on materially significant related party transactions that may have potential conflict with the interests of listed entity at large

All the transactions entered into with the Related Parties as defined under the Companies Act, 2013 and the SEBI Listing Regulations, in financial year 2025-26 were in the ordinary course of business and at arm's length. None of the transactions with related parties were in conflict with the interest of the Company at large. The details of all transactions with related parties are mentioned in note no. 28B of the financial statements.

(b) Details of non-compliance by the listed entity, penalties, strictures imposed on the listed entity by stock exchange(s) or the board or any statutory authority, on any matter related to capital markets, during the last three years

Equity shares of the Company were listed on Indian Stock Exchanges w.e.f. October 14, 2025 and we confirm that there has been no instance of non-compliance by the Company on any matter related to capital markets during the last three years and hence, no penalty or stricture was imposed by the Stock Exchanges or SEBI or any statutory authority related to capital markets.

(c) Details of establishment of vigil mechanism/ whistle blower policy and affirmation that no personnel has been denied access to the audit committee

The Board of Directors have adopted Vigil Mechanism Policy. The Vigil Mechanism Policy aims to conduct the affairs of the Company in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity and ethical behavior.

A mechanism has been established for stakeholders to report concerns about unethical behavior, actual or suspected fraud or violation of Code of Conduct and Ethics. It also provides for adequate safeguards against the victimization of stakeholders who avail of the mechanism and allows direct access to Chairperson of the Audit Committee. No complaints were received during the review period.

Stakeholders have numerous ways to voice their concerns and are encouraged to report the same internally for resolution. The said Policy provides for adequate safeguards against retaliation and access to the Audit Committee. The policy is uploaded on the Company's website at https://www.lg.com/content/dam/lge/in/migration/lginvestorrelations/IRPdf/CG/Policy/Whistle-Blower-or-Vigil-Mechanism-Policy-3.pdf

(d) Details of compliance with mandatory requirements and adoption of the non-mandatory requirements

The Company has fully complied with the mandatory requirements of the SEBI Listing Regulations.

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

The Company has framed a Material Subsidiary Policy and the same is placed on the Company's website and the web link for the same is https://www.lg.com/content/dam/lge/in/migration/lginvestorrelations/IRPdf/CG/Policy/Policy-for-Determining-Material-Subsidiaries-1.pdf

(f) Web link where policy on dealing with related party transactions

The Company has framed Related Party Transaction Policy and the same is placed on the Company's website and the web link for the https://www.lg.com/content/dam/lge/in/migration/lginvestorrelations/IRPdf/CG/Policy/Policy-on-Related-Party-Transactions.pdf

(g) Disclosure of commodity price risks and commodity hedging activities

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company is mainly exposed to foreign exchange risk on the US Dollar.

The purpose of foreign exchange risk management is to provide the foundation of stable business operations by minimizing the uncertainty and volatility of foreign exchange gains and losses from foreign exchange rate fluctuations.

The Company has its own foreign exchange policy through which the Company minimises the exposure to foreign exchange risk by netting off foreign exchange assets and liabilities from general operating activities. The Company considers foreign exchange risk hedges against its remaining exposure with derivative financial instruments and scrutinizes changes in foreign exchange exposure and the results of hedging activities on a monthly basis.

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

The Company did not raise any funds through preferential allotment or qualified institutions placement during the year ended March 31, 2026.

(i) Certificate from a company secretary in practice that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Board/ Ministry of Corporate Affairs or any such statutory authority

None of the Directors on the Board of the Company have been debarred or disqualified from appointment or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority, as stipulated under Regulation 34 of the SEBI Listing Regulations and certificate in this respect received from M/s Neeraj Arora & Associates, Practicing Company Secretaries is enclosed as "**Annexure A"** to this report.

(j) Where the board had not accepted any recommendation of any committee of the board which is mandatorily required, in the relevant financial year, the same to be disclosed along with reasons thereof

The Board has accepted all recommendations of the Board committees which are mandatorily required in the relevant fiscal year.

(k) Total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part

Particulars	Amount (In ₹ Million)
Audit Fees	20.50
IPO related services	51.59
Other	1.77
Total	**73.86**

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

a. Number of complaints received by the Committee during the year: 1 (one)

b. Number of complaints disposed off during the year: 1 (one)

c. Number of cases pending for more than ninety days. None

(m) Disclosure by listed entity and its subsidiaries of Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount

None

(n) Details of material subsidiaries of the listed entity; including the date and place of incorporation and the name and date of appointment of the statutory auditors of such subsidiaries

The Company does not have any material subsidiary.

(o) Code of Prevention of Insider Trading

In accordance with the requirements of SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended, the Company has instituted a comprehensive Code of Conduct-Regulate Monitor and Report Trading by Designated Persons and their Immediate Relatives and Code of practices and procedures for fair disclosure of unpublished price sensitive information. The Code is available on the website https://www.lg.com/content/dam/lge/in/migration/lginvestorrelations/IRPdf/CG/Policy/Code-of-Conduc-to-Regulate-Monitor-and-Report-Trading-by-Designated-Persons-and-their-Immediate-Relatives-2.pdf

(p) Reconciliation of Share Capital

In accordance with SEBI regulations, a qualified Practicing Company Secretary conducts the Reconciliation of Share Capital Audit on a quarterly basis. The purpose of this audit is to reconcile the total issued and paid-up share capital of the Company with the shares held in dematerialized form with NSDL and CDSL, as well as those held in physical form. The audit report is being submitted to the Stock Exchanges and also presented to the Board of Directors. Among other things, the audit confirms that the Company's total listed, and paid-up share capital is consistent with the aggregate number of shares held in demat form with NSDL and CDSL, along with those held in physical form.

(13) NON-COMPLIANCE OF ANY REQUIREMENT OF CORPORATE GOVERNANCE REPORT OF SUB PARAS (2) TO (10) ABOVE, WITH REASONS THEREOF SHALL BE DISCLOSED

The Company has complied with the requirement of the Corporate Governance report of sub-paras (2) to (10) of Schedule V of the Listing Regulations.

(14) DISCLOSURE OF THE EXTENT TO WHICH THE DISCRETIONARY REQUIREMENTS AS SPECIFIED IN PART E OF SCHEDULE II HAVE BEEN ADOPTED

(a) Shareholder Rights: Quarterly financial statements are published in leading newspapers and uploaded on Company's website https://www.lg.com/in/investorrelations/newspaper-publication/

(b) Modified opinion(s) in audit report: The financial statements of the Company are with unmodified opinion.

(c) Separate posts of Chairperson and the Managing Director or the CEO: The Chairman of the Board is a Non-Executive Director and his position is separate from that of the Managing Director.

(d) Reporting of Internal Auditor: Internal Auditor of the Company reports to the Audit Committee.

(15) CORPORATE GOVERNANCE REQUIREMENTS SPECIFIED IN REGULATIONS 17 TO 27 AND CLAUSES (B) TO (I) OF SUB-REGULATION (2) OF REGULATION 46

The Company has complied with all the mandatory requirements specified in Regulations 17 to 27 and clauses (b) to (i) of sub – regulation (2) of Regulation 46 of the SEBI Listing Regulations.

Chief Executive Officer and Chief Financial Officer Certification

Mr. Hong Ju Jeon, Managing Director & Mr. Dongmyung Seo, Whole-time Director and Chief Financial Officer (CFO) of the Company have certified compliance of Regulation 17(8) of the SEBI Listing Regulations for the financial year ended March 31, 2026. The Certificate issued by them to the Board in this regard is annexed as **"Annexure B"**

Declaration on Compliance with the Code of Conduct by Board of Directors and Senior Management

The Company is committed to conduct its business in accordance with the applicable laws, rules and regulations and with the highest standards of business ethics. LG India Code of Ethics is intended to provide guidance and help in recognizing and dealing with ethical issues, mechanisms to report unethical conduct and to help foster a culture of honesty and accountability.

DECLARATION ON COMPLIANCE WITH CODE OF CONDUCT

To,
The Board of Directors
LG ELECTRONICS INDIA LIMITED

Sub: Declaration by the Managing Director under Para D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015

I, Hong Ju Jeon, Managing Director of LG Electronics India Limited, to the best of the my knowledge and behielf, declared that all the members of the Board of Directors and Senior Management Personnel of the Company have affirmed the compliance with the Code of Conduct of Board of Directors and the Senior Management for the financial year ended March 31, 2026..

Sd/-
Hong Ju Jeon
Managing Director
DIN: 10041232

Date: July 21, 2026
Place: Noida

Compliance certificate from either the auditors or practising company secretaries regarding compliance of conditions of corporate governance shall be annexed with Director's Report.

The Company has appointed Mr. Neeraj Arora, proprietor of M/s Neeraj Arora & Associates, Practising Company Secretaries, to conduct the Corporate Governance Audit of the Company in compliance with the SEBI Listing Regulations. The Corporate Governance Certificate issued by them is annexed as **"Annexure C"** to the Report.

Disclosures with respect to Demat Suspense Account/ Unclaimed Suspense Account

In terms of Regulation 34 and Schedule V of the SEBI Listing Regulations, the following details in respect of unclaimed Equity Shares issued under Initial Public offer (IPO):

S. No.	Particulars	Number of Shareholders	Number of Shares
i	Aggregate number of shareholders and outstanding shares lying in the suspense account at the beginning of the year	-	-
ii	Number of shareholders who approached the Company for transfer of shares from suspense account during the year	8	273
iii	Number of shareholders to whom shares were transferred from suspense account during the year	8	273
iv	Aggregate number of shareholders and outstanding shares lying in the suspense account at the end of the year	-	-

Disclosure of certain types of Agreements binding Listed Entities

There are no such agreements that require disclosure or reporting in the Annual Report in terms of Regulation 30A of SEBI Listing Regulations.

"Annexure A"

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C Clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To
The Members of
LG Electronics India Limited
CIN: L32107DL1997PLC220109

Add: A-24/6 Mohan Cooperative Industrial Estate Mathura Road, New Delhi -110044

We have examined the relevant records, forms and disclosures received from the Directors of LG Electronics India Limited (hereinafter referred as "the Company") having CIN: L32107DL1997PLC220109 and having registered office at A-24/6 Mohan Cooperative Industrial Estate Mathura Road, New Delhi -110044, as produced before us by the Company for the purpose of issuing this Certificate, in accordance with Schedule V, Para C, Clause 10 (i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

As on March 31, 2026, the Board of Directors of the Company comprises of the following directors:

Sr. No.	Name of the Director	Director Identification Number (DIN)
1.	Mr. Daehyun Song	10835809
2.	Mr. Hong Ju Jeon	10041232
3.	Mr. Dongmyung Seo	09481866
4.	Ms. Promila Bhardwaj	06428534
5.	Mr. Santosh Kumar Mohanty	06690879
6.	Mr. Ramesh Ramachandran Nair	02528707

In our opinion and based on our verification and examination of the disclosures and other information under the Companies Act, 2013 (the "Act") and DIN based search on MCA Portal at www.mca.gov.in, we hereby certify that none of the above named Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such statutory authority/ies for the financial year ending 31st March, 2026.

Note: It is solemnly the responsibility of Directors to submit relevant declarations and disclosures with complete and accurate information in compliance with the relevant provisions. Further, ensuring the eligibility of the appointment/ continuity of every director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these, based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **Neeraj Arora & Associates**
Company Secretaries
Firm Registration No.- S2019DE706400
Firm Peer Review No.- 3738/2023

Sd/-
Neeraj Arora
Proprietor
M. No.- FCS 10781; CP No.- 16186
UDIN – F010781H000427120

New Delhi
May 21, 2026

"Annexure B"

CEO'S/ CFO'S CERTIFICATE

We have reviewed the Financial Statements and the Cash Flow Statement for the year ended March 31, 2026 and we hereby certify and confirm to the best of our knowledge and belief the following:

a. The Financial Statements and Cash Flow statement do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.

b. The Financial Statements and the Cash Flow Statement together present a true and fair view of the affairs of the Company and are in compliance with existing accounting standards, applicable laws and regulations

c. There are no transactions entered into by the Company during the year ended March 31, 2026 which are fraudulent, illegal or violative of Company's Code of Conduct.

d. We accept responsibility for establishing and maintaining internal controls for Financial Reporting and we have evaluated the effectiveness of these internal control systems of the Company pertaining to financial reporting. Deficiencies noted, if any, are discussed with the Auditors and the Audit Committee, as appropriate, and suitable actions are taken to rectify the same.

e. There have been no significant changes in the above-mentioned internal controls over financial reporting during the relevant period.

f. There have been no significant changes in the accounting policies during the relevant period.

g. We have not noticed any significant fraud particularly those involving the, management or an employee having a significant role in the Company's internal control system over Financial Reporting.

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

Sd/-
Hong Ju Jeon
Managing Director
DIN: 10041232
Place: Noida

Sd/-
Dongmyung Seo
Whole-Time Director and
Chief Financial Office
DIN: 09481866
Place: Seoul, South Korea

Date : July 21, 2026

"Annexure C"

CORPORATE GOVERNANCE CERTIFICATE

To
The Members
LG Electronics India Limited
CIN: L32107DL1997PLC220109
Add: A-24/6 Mohan Cooperative Industrial Estate,
Mathura Road, New Delhi - 110044

We have examined the compliance of conditions of Corporate Governance by LG Electronics India Limited ("the Company") for the financial year ended on March 31, 2026 as stipulated under Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and Para C, D and E of Schedule V to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

The compliance of conditions of Corporate Governance is the responsibility of the management of the Company and our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

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

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

For **Neeraj Arora & Associates**
Company Secretaries
Firm Peer Review No.- 3738/2023

Sd/-
Neeraj Arora
Proprietor
M. No.- FCS 10781; CP No.- 16186
UDIN - F010781H000844933

New Delhi
July 21, 2026

Business Responsibility & Sustainability Reporting

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity

Sr. No.	Particulars	Details
1	Corporate Identity Number (CIN) of the Listed Entity	L32107DL1997PLC220109
2	Name of the Listed Entity	LG Electronics India Limited
3	Year of incorporation	20 January, 1997
4	Registered office address	A-24/6, Mohan Cooperative Industrial Estate, Mathura Road, New Delhi, Delhi – 110044, India
5	Corporate address	16th–20th Floor, Tower D, C-001, KP Tower Sector 16B, Noida, Uttar Pradesh – 201301, India
6	E-mail	cgc.india@lge.com
7	Telephone	+91 (120) 651 6700
8	Website	https://www.lg.com/in
9	Financial year for which reporting is being done	2025-26
10	Name of the Stock Exchange(s) where shares are listed	• National Stock Exchange of India Limited (NSE) • BSE Limited (BSE)
11	Paid-up Capital	₹ 6,78,77,23,920
12	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Mr. Anuj Goyal Company Secretary & Compliance Officer Telephone No. 0120-651-6700 Email: Cgc.india@lge.com
13	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together)	Standalone
14	Name of assurance provider	Not Applicable
15	Type of assurance obtained	Not Applicable

II. PRODUCTS/SERVICES

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

Sr. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1	Manufacturer of home appliances and consumer electronics products	Manufacturing of Refrigerators, Air conditioners, Televisions, Washing Machines, Microwave, Water purifiers, Air purifiers, Compressors.	89%
2	Trading of home appliances and consumer electronics products	Trading (Stock-in-trade) of home appliances and consumer electronics products	11%

17. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

Sr. No.	Product/Service	NIC Code	% of total Turnover Contributed
1	Refrigerators	275001	89%
	Air conditioners	281902	
	Televisions	264001	
	Washing Machines	275001	
	Microwave ovens	275002	
	Water purifiers	281905	
	Air purifiers	281905	
	Compressors	281301	
2	Traded goods (Stock-in-Trade)	475904	11%

**NIC code updated as per The National Industrial Classification (NIC) 2025 released by the Ministry of Statistics and Programme Implementation (MoSPI) on 18th November 2025*

III. OPERATIONS

18. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of plants	Number of offices	Total
National	2	49*	51
International	0	0	0

**Offices: For the purpose of this disclosure, "offices" include the registered office, corporate office and branch offices.*

19. Markets served by the entity:

a. Number of locations

Locations	Number
National (No. of States)	Pan India
International (No. of Countries)	Export to 50+ countries

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

5.65%

c. A brief on types of customers

LG Electronics India Limited serves a broad customer base across consumer, commercial and institutional segments. The Company's primary customer segment comprises individual consumers and households purchasing consumer electronics and home appliances such as televisions, refrigerators, washing machines, air conditioners, microwaves, water purifiers and air purifiers through retail, dealer, distributor and online channels.

In addition to the consumer market, the Company caters to business and institutional customers, including corporates, real estate developers, hospitality establishments and other commercial users, through offerings such as commercial air-conditioning solutions, display technologies and related products. LG Electronics India also engages with a wide network of dealers, distributors and channel partners that support product availability and market reach across India. Further, its after-sales service network, covering installation, repair and maintenance services, enables continued engagement with customers throughout the product lifecycle. The Company also serves international customers through exports to distributors and business partners across overseas markets.

IV. EMPLOYEES

20. Details as at the end of Financial Year:

a. Employees and workers (including differently abled):

Sr. No.	Particulars	Total	Male		Female	
		(A)	No. (B)	% (B / A)	No. (C)	% (C / A)
EMPLOYEES						
1	Permanent (D)	2,338	2,222	95	116	4.9
2	Other than Permanent (E)	900	771	85	129	14
3	Total employees (D + E)	3,238	2,993	92	245	7.5
WORKERS						
4	Permanent (F)	1,497	1,417	95	80	5
5	Other than Permanent (G)	2,933	2,881	98	52	2
6	Total workers (F + G)	4430	4298	97	132	7

b. Differently abled Employees and workers:

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

21. Participation/Inclusion/Representation of women

Particular	Total	No. and percentage of Females	
	(A)	No. (B)	% (B / A)
Board of Directors	6	1	16.66%
Key Management Personnel	3	0	0%

22. Turnover rate for permanent employees and workers

Particular	FY 2025-26 (Turnover rate in current FY)			FY 2024-25 (Turnover rate in previous FY)			FY 2023-24 (Turnover rate in the year prior to the previous FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	12.04%	15.18%	12.19%	13.58%	15.61%	13.67%	15.45%	11.11%	15.27%
Permanent Workers	0.99%	0.00%	0.93%	0.98%	0.00%	0.93%	1.47%	0.00%	1.39%

V. HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES (INCLUDING JOINT VENTURES)

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

Sr. No.	Name of the holding / subsidiary / associate companies / joint ventures (A)	Indicate whether holding/subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business responsibility initiatives of the listed entity? (Yes/No)
1	LG Electronics Inc.	Holding	-	No

VI. CSR DETAILS

24.	(i)	Whether CSR is applicable as per section 135 of Companies Act, 2013: (Yes/No)	Yes
	a.	Turnover (in ₹)	2,46,049 million
	b.	Net worth (in ₹)	76,291 million

VII. TRANSPARENCY AND DISCLOSURES COMPLIANCES

25. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) *	FY 2025-26 Current Financial Year			FY 2024-25 Previous Financial Year		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes	-	-		-	-	
Investors (other than shareholders)	Not Applicable, as we do not have any investors other than shareholders						
Shareholders	Yes	100*	1*		-	-	
Employees and workers	Yes	-	-		-	-	
Customers	Yes	85,715*	-		71,743*	-	
Value Chain Partners	Yes	-	-		-	-	

**Numbers include formal grievances and escalations*

** Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)*

Stakeholder group from whom complaint is received	Web Link for Grievance Policy
Shareholders	The Company has designated contact channels through which stakeholders can raise grievances and seek timely redressal. These channels support structured communication, tracking, and resolution of stakeholder concerns.
Customers	The Company has designated contact channels through which stakeholders can raise grievances and seek timely redressal. These channels support structured communication, tracking, and resolution of stakeholder concerns.

Note (for customers category) - LG Electronics India places great emphasis on customer satisfaction and continuously reviews customer feedback to improve product and service experience. The reported numbers include customer concerns, suggestions and escalations received through social media, National Consumer Helpline. Several matters were not product-related and pertained to delivery, packaging and related service aspects; these were noted by the Company, addressed through improvements and amicably resolved with customers.

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

Sr. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Climate Action	R	Rising GHG emissions globally has resulted in many regulations nationally and globally which encourages GHG emission reduction. Additionally global warming is having adverse impact on businesses and society resulting in impacts to cashflows and expenses.	Adoption of renewable energy, energy efficiency projects, transitioning to lower carbon fuel, climate adaptation projects	Negative – potential compliance costs;
2	Energy & Resource Management	O	Efficient use of energy and water reduces costs and enhances sustainability	N/A	Positive – reduced operational costs, improved margins
3	Waste Management	R	Improper disposal could lead to damage to environment and may attract regulatory penalties and reputational damage	Implement waste segregation at source, introduce 3R principle of reduce, reuse and recycle, partnering with authorized and capable hazardous waste handling companies, circular economy practices in operations	Negative- - heavy penalties and remediation cost, operation closure in case of non-conformity;
4	Sustainable Value Chain	O	Strong supplier ESG compliance enhances resilience and reputation	N/A	Positive – improved supply chain reliability, customer trust, quality improvement and long-term cost benefit
5	Employee Health & Safety	R	Workplace accidents can disrupt operations and harm reputation	Safety training, audits, protective equipment, strict compliance, inculcating a safety culture in the company	Negative – potential compensation and legal cost; potential closure of operation
6	Diversity, Equity & Inclusion	O	Inclusive practices improve workforce morale and innovation and point towards companies no-discrimination culture	N/A	Positive – enhanced productivity, talent retention, positive brand image
7	Employee Skill Development	O	Upskilling workforce ensures competitiveness in evolving technology	N/A	Positive – improved efficiency, innovation capacity
8	Quality & Customer Satisfaction	R	Product defects can harm brand reputation and lead to recalls	Quality assurance systems, customer feedback loops	Negative- May lead to decrease in sales volume
		O	Increase in customer satisfaction leads to increase in sales, growth and brand enhancement	N/A	Positive- May lead to increase in market share and premium pricing
9	Good Governance & Ethics	O	Strong governance framework, whistleblower policy, compliance audits	N/A	Positive – investor confidence, brand image, employee's trust
10	Community Development	O	CSR initiatives strengthen community relations and brand goodwill	N/A	Positive – enhanced brand image, long-term market acceptance and social acceptance

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

Sr. No	Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
	Policy and management processes									
1. a	Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No/NA)	Yes	Yes*	Yes*	Yes	Yes*	Yes*	Yes	Yes	Yes*
b	Has the policy been approved by the Board? (Yes/No/NA)	Yes	No**	No**	Yes	No**	No**	Yes	Yes	No**
c	Web Link of the Policies, if available	• https://www.lg.com/in/investorrelations/code-and-policy/ • https://www.lg.com/content/dam/lge/in/migration/lginvestorrelations/IRPdf/CG/Policy/Risk-Management-Policy-5.pdf • https://www.lg.com/content/dam/lge/in/migration/lginvestorrelations/IRPdf/CG/Policy/Nomination-and-Remuneration-Policy-2.pdf • https://www.lg.com/content/dam/lge/in/migration/lginvestorrelations/IRPdf/CG/Policy/Policy-on-Succession-Planning-for-the-Board-and-Senior-Management-11.pdf • https://www.lg.com/content/dam/lge/in/migration/lginvestorrelations/IRPdf/CG/Policy/Policy-on-familiarization-of-Independent-directors.pdf • https://www.lg.com/content/dam/lge/in/migration/lginvestorrelations/IRPdf/CG/Policy/Policy-on-Corporate-Social-Responsibility.pdf								
2	Whether the entity has translated the policy into procedures. (Yes / No/ NA)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3	Do the enlisted policies extend to your value chain partners? (Yes/No/NA)	Yes	No	No	Yes	No	No	Yes	Yes	No
4	Name of the national and international codes/certifications/labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustee) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	-	-	ISO 45001	-	-	ISO 14001	-	-	ISO 9001 UL Standards/ Certification – Applicable product safety certifications adopted for relevant products and processes.
5	Specific commitments, goals and targets set by the entity with defined timelines, if any.	The Company has established sustainability commitments, goals and targets across relevant material areas, supported by defined implementation timelines. These goals are periodically reviewed and monitored through internal governance mechanisms to ensure effective execution and alignment with the Company's long-term sustainability objectives.								
6	Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	The Company continues to make satisfactory progress towards achieving its established commitments, goals and targets. Performance against these objectives is regularly assessed through defined monitoring and review processes. The Company remains committed to meeting its timelines and implementing corrective actions, where required, to address any deviations from planned outcomes.								

** The policy is available internally and is not publicly disclosed*

*** The policy is internal in nature and is administered through the Company's established governance and management processes*

7 Governance, leadership and oversight

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

At LG Electronics India Limited, sustainability is an integral part of our business strategy and the foundation of our commitment to creating a better life for our customers, employees, communities, and the environment. We continue to embed Environmental, Social and Governance (ESG) principles across our operations, products, and value chain.

As one of India's leading consumer electronics and home appliance manufacturers, we recognize that the rapidly evolving business landscape presents both opportunities and challenges. Key ESG challenges include managing climate-related risks, reducing greenhouse gas emissions across operations, increasing resource efficiency, promoting responsible e-waste management, strengthening sustainable supply chains, and meeting the growing expectations of consumers and stakeholders for environmentally responsible products and business practices.

To address these challenges, LG Electronics India remains focused on accelerating its sustainability journey through measurable targets and continuous improvement initiatives. We are actively increasing the use of renewable energy in our manufacturing operations and enhancing energy efficiency across facilities. During the year, we strengthened our clean energy transition initiative through long-term solar power partnerships for our Greater Noida and Pune manufacturing plants, which are expected to significantly increase the share of renewable energy in our operations and contribute to substantial carbon emission reductions.

We also continue to promote circular economy principles through responsible e-waste collection, recycling partnerships, and compliance with Extended Producer Responsibility (EPR) requirements. Our efforts are complemented by initiatives to increase environmental awareness among employees, customers, and communities, reinforcing our commitment to environmental stewardship.

On the social front, we remain committed to providing a safe, inclusive, and engaging workplace for our employees while contributing positively to the communities in which we operate. We continue to strengthen our health and safety practices, employee development programs, and community engagement initiatives, recognizing that long-term business success is closely linked to the well-being of our people and society.

Good governance remains central to our approach. We uphold high standards of ethics, compliance, transparency, and accountability, supported by robust policies and governance frameworks that guide responsible decision-making across the organization.

Our achievements during the reporting period reflect the dedication of our employees, business partners, and stakeholders in advancing our ESG objectives. While we acknowledge that the sustainability journey is ongoing, we remain steadfast in our commitment to responsible growth, operational excellence, innovation, and value creation for all stakeholders.

We will continue to proactively address emerging ESG challenges, set ambitious yet achievable sustainability goals, and transparently report our progress as we work towards building a more sustainable and resilient future.

8 Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).

Mr. Dongmyung Seo
Whole Time Director & Chief Financial Officer (CFO)

9 Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No/ NA). If Yes please provide details

Yes, LG Electronics India Limited has constituted a Risk Management Committee that is responsible for overseeing key business risks, including those related to sustainability.

Composition of the Risk Management Committee (RMC):

1. Mr. Hong Ju Jeon – Managing Director (RMC Chairman)
2. Mr. Santosh Kumar Mohanty – Independent Director (RMC Member)
3. Mr. Dongmyung Seo – Whole-Time Director and CFO (RMC Member)

10 Details of Review of NGRBCs by the Company

Subject for Review	Indicate whether review was undertaken by Director/Committee of the Board/Any other Committee								
	P1	P2	P3	P4	P5	P6	P7	P8	P9
a. Performance against above policies and follow up action	Y	Y	Y	Y	Y	Y	Y	Y	Y
b. Compliance with statutory requirements of relevance to the principles and rectification of any non-compliances	Y	Y	Y	Y	Y	Y	Y	Y	Y

Subject for Review	Frequency (Annually / Half yearly /Quarterly/ Any other-please specify)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9
a. Performance against above policies and follow up action	The Company is in the process of institutionalising periodic reviews of its performance against applicable policies through structured business review meetings with senior management. This mechanism is intended to strengthen oversight, enable systematic tracking of progress, identify gaps in implementation, and facilitate timely corrective and preventive actions, wherever required.								
b. Compliance with statutory requirements of relevance to the principles and rectification of any non-compliances	The Company submits quarterly compliance reports covering all applicable statutory requirements to the Directors. In addition, compliance management tools are used to track obligations, monitor implementation status, and support timely follow-up on compliance-related matters.								

11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No).

No

If yes, provide the name of the agency.	
P1	
P2	
P3	
P4	
P5	No independent external assessment was carried out during the reporting period.
P6	
P7	
P8	
P9	

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

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

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

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

Essential Indicators

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

Segment	Total number of training and awareness programmes held	Topics/principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes
Board of Directors	2	1. All Board members are updated on the key amendments and updates in laws and regulations governing the Company on a quarterly basis.	100%
Key Managerial Personnel	1	1. All KMPs are governed by and given access through our website/portals on our Human Rights, Non-Discrimination and Anti-Harassment, POSH and Direct Touch Policy 2. All KMPs are updated on the key amendments and updates in laws and regulations governing the Company on a quarterly basis.	100%
Employees other than BOD and KMPs	158	1. Employees go through Code of Ethics and Conduct during joining along with declaration of the same. 2. Employees are governed by and given access through our website/portals on our Human Rights, Non-Discrimination, and Antiharassment, POSH and Direct Touch Policy, Code of Ethics and Conduct 3. Employees were further given training on below topics • Data Security & information • Post IPO Governance & Compliance • SEBI (Prohibition of insider trading regulation) • SEBI (Related Party Transaction) • LG Electronics Compliance Training • Information Security/Personal Information Protection Training • LGE Customer Value Management	93 %
Workers	17	1. Workers were provided trainings on Code of Ethics and Conduct, Human Rights, Non-Discrimination and Anti-Harassment, POSH, and Direct Touch Policy. 2. Additionally, trainings on Goal Setting & Visualization - Value based leadership, Work-life Balance - Four quadrants of balance, Parenting in the modern world - Balancing care & Independence.	76%

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

Monetary					
Particular	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In ₹) (For Monetary Cases only)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/ Fine			Nil		
Settlement					
Compounding fee					

Non-Monetary				
Particular	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Brief of the Case	Has an appeal been preferred? (Yes/No)
Imprisonment		Nil		
Punishment				

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

Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
Not applicable	

4. Does the entity have anti-corruption or anti-bribery policy? (Yes/ No)

Yes

The Code of Conduct Policy includes provisions governing the offering and acceptance of gifts, hospitality, donations, and other benefits, establishing clear expectations for ethical behavior and conflict-of-interest management. The policy aims to prevent bribery, undue influence, and improper business practices by requiring employees to exercise transparency, integrity, and compliance with applicable laws when giving or receiving gifts and making charitable or political donations.

https://www.lg.com/in/investorrelations/code-and-policy/

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

Particular	FY 2025-26	FY 2024-25
Directors	-	-
KMPs	-	-
Employees	-	-
Workers	-	-

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

Case Details	FY 2025-26		FY 2024-25	
	Number	Remark	Number	Remark
Number of complaints received in relation to issues of Conflict of Interest of the Directors	-		-	
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	-		-	

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

Not applicable, we do not have any instances of corruption/conflict of interest.

8. Number of days of accounts payables in the following format:

Particular	FY 2025-26	FY 2024-25
Number of days of accounts payable	58 days	59 days

9. Open-ness of business

Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties, in the following format:

Parameter	Metrics		FY 2025-26	FY 2024-25
Concentration of Purchases	a.	Purchases from trading houses as % of total purchases	-	-
	b.	Number of trading houses where purchases are made from	-	-
	c.	Purchases from top 10 trading houses as % of total purchases from trading houses	-	-
Concentration of Sales	a.	Sales to dealers / distributors as % of total sales	71.73%	70.90%
	b.	Number of dealers / distributors to whom sales are made	1887	1882
	c.	Sales to top 10 dealers / distributors as % of total sales to dealers / distributors	32.49%	31.80%
Share of RPTs in	a.	Purchases (Purchases with related parties / Total Purchases)	19.7%	22%
	b.	Sales (Sales to related parties / Total Sales)	3.75%	4.12%
	c.	Loans & advances (Loans & advances given to related parties / Total loans & advances)	-	-
	d.	Investments	-	-

Leadership Indicators

1. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No)

Yes

The company has established a formal Code of Conduct for Directors and Senior Management Personnel that requires Board members to act with integrity, fairness, and in the best interests of Company while avoiding actual, potential, or perceived conflicts of interest. The Code mandates disclosure of any personal, financial, commercial, or business interests that may conflict with Company interests, including interests in customers, suppliers, competitors, related parties, other directorships, and transactions involving relatives or close personal relationships. In cases where a potential conflict exists, Board members are required to disclose the conflict to the Board and obtain necessary approvals before proceeding. The Company also monitors related party transactions in accordance with applicable laws and regulations and requires ongoing disclosures of directorships, committee memberships, and substantial shareholdings in other entities. These processes help identify, avoid, and effectively manage conflicts of interest involving members of the Board.

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

Essential Indicator

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

Sr. No.	Particular	FY 2025-26	FY 2024-25	Details of improvements in environmental and social impacts
1	R&D	Nil	Nil	NA
2	Capex	Nil	Nil	NA

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

No

The Company is currently undergoing and implementing ESG-related assessments and intends to progressively formalize its sustainable sourcing framework and enhance monitoring mechanisms in line with business requirements and stakeholder expectations.

3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for

(a)	Plastics (including packaging)	-
(b)	E-waste	-
(c)	Hazardous waste	-
(d)	other waste	-

4. a Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No)

Yes, EPR is applicable to the Company and we comply with the prevailing EPR Rules & Regulation. LG Electronics India has established systems and processes for the environmentally sound collection, recycling and disposal of end-of-life products, packaging materials and waste generated across its operations. Company also complies with applicable Extended Producer Responsibility (EPR) requirements for e-waste and plastic waste and works with authorized recyclers, dismantlers and waste management agencies approved by the relevant regulatory authorities.

b If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards?

Yes, the waste collection plan is in line with the EPR plan submitted to pollution control Board.

c If not, provide steps taken to address the same

Not Applicable.

Leadership Indicators

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

Sr. No.	Particular	FY 2025-2026			FY 2024-2025		
		Re-Used (In MT)	Recycled (In MT)	Safely Disposed (In MT)	Re-Used (In MT)	Recycled (In MT)	Safely Disposed (In MT)
1	Plastics (including packaging)	NA	14,822	NA	NA	2252	NA
2	E waste	NA	1,72,890.95	NA	NA	137652.76	NA
3	Hazardous waste	NA	53.39	NA	NA	NA	NA
4	Other waste	NA	46.651	NA	NA	19.725	NA

PRINCIPLE 3: Businesses should respect and promote the well-being of all employees, including those in their value chains.

Essential Indicators

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

Category	Total (A)	% of employees covered by									
		Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
Permanent employees											
Male	2,222	2,222	100%	2,222	100%	2,222	100%	2,222	100%	0	0%
Female	116	116	100%	116	100%	116	100%	116	100%	0	0%
Total	2,338	2,338	100%	2,338	100%	2,338	100%	2,338	100%	0	0%
Other than permanent employees											
Male	771	771	100%	771	100%	771	100%	0	0%	0	0%
Female	129	129	100%	129	100%	129	100%	0	0%	0	0%
Total	900	900	100%	900	100%	900	100%	0	0%	0	0%

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

Category	Total (A)	% of workers covered by									
		Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
Permanent workers											
Male	1,417	1,414	99.79%	1,417	100%	0	0	0	0%	0	0
Female	80	80	100%	80	100%	80	100%	0	0%	80	100%
Total	1,497	1,497	100%	1,497	100%	80	5%	0	0%	80	5%
Other than permanent workers											
Male	2,881	2,881	100%	2,881	100%	0	0%	0	0%	0	0%
Female	52	52	100%	52	100%	52	100%	0	0%	52	100%
Total	2,933	2,933	100%	2,933	100%	52	1%	0	0%	52	1%

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

	FY 2025-26	FY 2024-25
Cost incurred on well-being measures as a % of total revenue of the company	0.06%	0.06%

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

Benefits	FY 2025-26			FY 2024-25		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	98.08%	100%	Yes	97.35%	100%	Yes
Gratuity	98.08%	100%	NA	97.35%	100%	NA
ESI*	0%	7.01%	Yes	0%	13.44%	Yes

As per ESI Regulations, all the Eligible employees and workers have been covered under the benefits.

3. Accessibility of workplaces

Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

Yes, the premises and offices of the Company have been designed with accessibility of differently abled employees in mind. Ramps have been built to facilitate easy movements.

If not, whether any steps are being taken by the entity in this regard.

Not Applicable.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016?

Yes

If so, provide a web-link to the policy.

Internal policy

5. Return to work and Retention rates of permanent employees and workers that took parental leave.

Gender	Permanent Employees		Permanent Workers	
	Return to work rate	Retention Rate	Return to work rate	Retention Rate
Male	-	-	-	-
Female	-	-	-	-
Total	-	-	-	-

Note – No permanent employees or permanent workers have availed parental leave in FY 2025-26.

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

Category	Yes/No	Details of the mechanism in brief
Permanent Workers	Yes	The grievance mechanism is initiated through the Human Resources department, after which a dedicated Grievance Committee manages the issue from initial registration through to final resolution.
Other than Permanent Workers	Yes	
Permanent Employees	Yes	
Other than Permanent Employees	Yes	

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

Category	FY 2025-26			FY 2024-25		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B/A)	Total employees / workers in respective category (C.)	No. of employees / workers in respective category, who are part of association(s) or Union (D)	% (D/C)
Total Permanent employees	2,338	0	0%	2,326	0	0%
Male	2,222	0	0%	2,197	0	0%
Female	116	0	0%	129	0	0%
Total Permanent Workers	1,497	0	0%	1,472	0	0%
Male	1,417	0	0%	1,420	0	0%
Female	80	0	0%	52	0	0%

8. Details of training given to employees and workers:

Category	FY 2025-26					FY 2024-25				
	Total (A)	On Health and Safety Measures		On Skill Upgradation		Total (D)	On Health and Safety Measures		On Skill Upgradation	
		Number (B)	% (B / A)	Number (C)	% (C / A)		Number (E)	% (E / D)	Number (F)	% (C / D)
Employees										
Male	2,222	785	35%	1,805	81%	2,197	897	41%	1,710	78%
Female	116	21	18%	68	59%	108	9	8%	63	58%
Total	2,338	806	34%	1873	80%	2,305	906	39%	1,773	77%
Workers										
Male	1,417	1,146	81%	220	16%	1,420	1,159	82%	229	16%
Female	80	21	26%	0	0%	80	9	11%	0	0.00%
Total	1,497	1,167	78%	220	15%	1,500	1,168	78%	229	20%

Note - Disclosure is provided for both permanent employees and workers.

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

Category	FY 2025-26			FY 2024-25		
	Total (A)	No. (B)	% (B / A)	Total (D)	No. (E)	% (E / D)
Employees						
Male	2,222	2,172	97.75%	2,197	2,141	97.45%
Female	116	117	100%	108	106	98.15%
Total	2,338	2289	97.90%	2,305	2,247	97.48%
Workers						
Male	1,417	1,417	100%	1,420	100%	100%
Female	80	80	100%	80	100%	100%
Total	1,497	1,497	100%	1,500	100%	100%

Note - Disclosure is provided for both permanent employees and workers.

10. Health and safety management system

a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No)

Yes

If Yes, the Coverage such systems?

These System covers employees, workers, contractors, and relevant workplace activities, and includes Hazard Identification and Risk Assessment (HIRA), legal compliance, safety training, emergency preparedness, incident management, corrective and preventive actions, audits, and continuous improvement of health and safety performance as per Management System's Requirements.

b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

Work-related hazards are identified and risks are assessed for routine and non-routine activities through HIRA (as per ISO 45001), workplace inspections by Top Management - Safety Walk, incident/near-miss reporting, Monthly Line safety audits, and JSA. Appropriate control measures are implemented and reviewed periodically.

c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks? (Yes/ No)

Yes

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

Yes

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

Safety Incident/Number	Category*	FY 2025-26	FY 2024-25
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0.09	0.09
	Workers	-	-
Total recordable work-related injuries	Employees	1	1
	Workers	0	0
No. of fatalities	Employees	0	0
	Workers	0	0
High-consequence work-related injury or ill health (excluding fatalities)	Employees	0	0
	Workers	0	0

*Including in the contract workforce

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

Corrective and preventive actions have been implemented to mitigate key safety risks identified through audits and inspections. Machine safety has been improved through interlocks, guarding, safety curtains, emergency stop systems. Traffic risks are controlled via AI-based speed monitoring, defined routes, and awareness programs. Ongoing actions include closing audit observations, safety trainings, toolbox talks, with management reviews.

Regular safety activities include:

- Training
- Monthly Inspections
- SIF Inspections
- Monthly MD Talks & Walks
- Quarterly Safety Committee Meetings

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

Particulars	FY 2025-26			FY 2024-25		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	0	0		0	0	
Health & Safety	0	0		0	0	

14. Assessment for the year:

Particulars	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100% of plants and offices were assessed for health and safety practices by the entity, statutory authorities, and/or third parties during the reporting period.
Working Conditions	100% of plants and offices were assessed for working conditions by the entity, statutory authorities, and/ or third parties during the reporting period.

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks/ concerns arising from assessments of health & safety practices and working conditions.

Corrective and preventive actions have been implemented to mitigate key safety risks identified through audits and inspections. Machine safety has been enhanced using interlocks, guarding, safety curtains, improved emergency stops. Traffic risks are controlled through AI-based speed monitoring, defined routes, and awareness programs. Additional actions include closing audit observations, safety trainings, toolbox talks, line audits, with management reviews to ensure timely closure and prevent recurrence.

Further improvements were made in following areas:

- Gangway standardization.
- Installation of dome mirrors for better visibility

Leadership Indicators

1. Does the entity extend any life insurance or any compensatory package in the event of death of

(A)	Employees (Y/N)	Yes
(B)	Workers (Y/N)	Yes

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

Particular	Total no. of affected employees/ workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2025-26	FY 2024-25	FY 2025-26	FY 2024-25
Employees	0	0	0	0
Workers	0	0	0	0

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

No

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

Essential Indicators

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

The Company follows a structured approach to identify and prioritize its key stakeholder groups based on the nature of its business operations, the level of influence that stakeholders have on the company, and the extent to which the company's activities may impact them. Stakeholders are identified through regular interactions across business functions, review of operational and regulatory requirements, customer and employee engagement channels, supply chain interactions, community outreach initiatives, and investor communications.

The key stakeholder groups identified by the company include customers, employees, workers, suppliers and service partners, dealers and distributors, shareholders and investors, regulators and government authorities, local communities, and industry associations. Stakeholder prioritization is based on factors such as dependency on the Company, business relevance, potential impact on business continuity, regulatory expectations, and the ability of stakeholders to influence business outcomes.

The company engages with stakeholders through multiple channels including customer service platforms, employee engagement programmes, grievance redressal mechanisms, supplier interactions, statutory and regulatory consultations, shareholder communications, CSR initiatives, and community engagement activities. The frequency and mode of engagement vary depending on the stakeholder group and the significance of issues being addressed. The stakeholder identification process is reviewed periodically to ensure that evolving business priorities, stakeholder expectations, and sustainability considerations are appropriately reflected in the company's decision-making processes.

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

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website, Other- Please Specify)	Frequency of engagement (Annually, Half-yearly, Quarterly, others- Please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Shareholders	No	Email Website, Emails, Meetings, Media Releases, Print/ Online Media, Stock Exchanges Intimation, Meetings	Quarterly	Dissemination & sharing of Information to Shareholders on general business updates & critical event and to seek their approval for resolutions, as per requirements through notices. Further engage with investors through earnings calls & meetings to inform about the quarterly/ annual business results & to address their queries/ concerns.
Communities	Yes	Meetings	Regular	Engagement with local communities to understand their concerns, support community development initiatives, promote social well-being, environmental stewardship, education, health, sanitation and livelihood-related programs, and address any community grievances or expectations arising from the Company's operations.
Customers	No	Email, Messaging, social media, App based Notification	Regular	Engagement with the customers involves providing attractive offers, delivering valuable benefits, and actively seeking feedback to improve products and services.
Employees and Workers	No	Notice boards, employee engagement surveys, internal newsletters, internal portals E-mails.	Monthly/quarterly, depending on the channel	To communicate organizational goals, policies and updates, obtain employee feedback, enhance employee engagement and satisfaction, discuss workplace health and safety, learning and development, diversity and inclusion, welfare initiatives, performance management, and grievance redressal mechanisms.
Dealers and Distributors	No	Feedback through meetings	Need based	Business updates, employee engagement, policies, complaints and related matters

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website, Other- Please Specify)	Frequency of engagement (Annually, Half-yearly, Quarterly, others- Please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Government and Regulatory Authorities	No	Meetings	Need based	Engagement to ensure compliance with applicable laws and regulations, obtain necessary approvals and licenses, respond to regulatory requirements, participate in consultations, provide statutory disclosures, and discuss matters related to environmental, health & safety, labour, taxation and other regulatory obligations.

Leadership Indicators

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

   The company currently engages with its stakeholders through various operational and functional channels, including customer feedback mechanisms, employee engagement platforms, supplier interactions, regulatory communications, investor relations activities, grievance redressal mechanisms, and community outreach initiatives. Feedback received through these channels is reviewed by the respective business and functional teams and is escalated to senior management, as appropriate, based on the nature, significance, and potential business impact of the issues raised.

   Economic, environmental, and social matters identified through these engagements are periodically discussed within management forums and are incorporated into the company's decision-making processes, risk management practices, and business strategies, where relevant. While the company does not currently have a dedicated formal mechanism for direct consultation between stakeholders and the Board on ESG-related matters, significant stakeholder concerns and material sustainability-related issues may be communicated to the Board through management updates, governance processes, and regulatory reporting channels, as applicable.

2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes/No).

   Yes

   If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.

   Stakeholder consultations are used to identify and manage material environmental and social topics. Feedback received from employees, customers, communities, investors and other stakeholders is considered in the development and enhancement of policies, operational practices, health and safety initiatives, employee welfare programs, environmental management measures and community engagement activities.

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

   The company recognizes that certain stakeholder groups, including economically weaker communities, women, differently abled individuals, contract workers, and underserved sections of society, may require additional attention and support. Engagement with such groups is primarily undertaken through employee welfare initiatives, community development programmes, CSR activities, grievance redressal mechanisms, and workplace engagement channels.

   During the year, concerns and expectations relating to access to healthcare, education, workplace well-being, safety, and community development were considered through ongoing stakeholder interactions and community outreach initiatives. In response, the Company continued to support social development programmes focused on healthcare, education, skill development, and community welfare, while also promoting an inclusive, safe, and non-discriminatory work environment.

   Company remains committed to strengthening its understanding of stakeholder needs and identifying opportunities to enhance engagement with vulnerable and marginalized groups as part of its broader sustainability and social responsibility efforts.

PRINCIPLE 5: Businesses should respect and promote human rights.

Essential Indicators

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

Benefits	FY 2025-26			FY 2024-25		
	Total (A)	No. of employees/ workers covered (B)	% (B / A)	Total (C)	No. of employees/ workers covered (D)	% (D / C)
Employees						
Permanent	2,338	2,338	100%	2,305	2,305	100%
Other than permanent	900	900	100%	892	892	100%
Total Employees	3,238	3,238	100%	3,197	3,197	100%
Workers						
Permanent	1,497	1,497	100%	1,500	1,500	100%
Other than permanent	2,933	2,933	100%	2,986	2,986	100%
Total Workers	4,430	4,430	100%	4,486	4,486	100%

2. Details of minimum wages paid to employees and workers

Category	FY 2025-26					FY 2024-25				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B /A)	No. (C)	% (C /A)		No. (E)	% (E /D)	No. (F)	% (F /D)
Employees										
Permanent										
Male	1,417	-	-	1,417	100.00%	1,420.00	-	-	1,420	100.00%
Female	80	-	-	80	100.00%	80.00	-	-	80	100.00%
Total	1,497	-	-	1,497	100.00%	1,500.00	-	-	1,500	100.00%
Other than Permanent										
Male	2,881	-	-	2,881	100.00%	2,946.00	-	-	2,946.00	100.00%
Female	52	-	-	52	100.00%	40.00	-	-	40.00	100.00%
Total	2,933	-	-	2,933	100.00%	2,986.00	-	-	2,986	100.00%
Workers										
Permanent										
Male	1,417	-	-	1,417	100%	1,417	-	-	1,417	0%
Female	80	-	-	80	100%	80	-	-	80	0%
Total	1,497	-	-	1,497	100%	1,497	-	-	1,497	0%
Other than Permanent										
Male	2,881	-	-	2,881	100%	2,946	-	-	2,946	100%
Female	52	-	-	52	100%	40	-	-	40	100%
Total	2,933	-	-	2,933	100%	2,986	-	-	2,986	100%

3. Details of remuneration/salary/wages

   a. Median remuneration / wages:

Particular	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BOD)	5	60,40,000	1	40,30,000
Key Managerial Personnel	3	4,36,61,066	-	-
Employees other than BOD and KMP	2,222	17,80,511	116	11,70,778
Workers	1,417	7,74,566	80	10,86,290

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

Particulars	FY 2025-26	FY 2024-25
Gross wages paid to females as % of total wages	3.53%	3.6%

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business?

Yes

The Company has a designated committee responsible for addressing the human rights impacts or issues caused or contributed to by the business. The Committee oversees the identification, review, investigation and resolution of human rights related concerns ensuring that appropriate corrective and preventive actions are taken in line with the Company's policies and applicable laws.

Name of Policy: Grievance Policy

Department: HR

Roles & Responsibilities: Described in the policy definition section

Note - Working Committees have been established at the manufacturing facilities, ensuring meticulous adherence to all labor welfare regulations.

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

The Company has established grievance redressal mechanisms at the factory level to address the human rights related concerns. Designated Committees are responsible for receiving, reviewing, investigating and resolving grievances in a fair impartial and timely manner.

Employees can raise the concerns through multiple reporting channels, and all complaints are handled confidentially without fear of retaliation. Corrective and preventive actions are taken based on the findings to ensure compliance with the Company's policies and applicable laws.

Mechanisms Available: Described in the policy
Complaint Channels: Employees are encouraged to reach out to the HR or use the designated email ID for reporting grievances, concerns, or complaints.
Investigation Process: Described in the policy
Closure Timeline: 30 days

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

Particulars	FY 2025-26			FY 2024-25		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	1	0	Closed	2	0	Closed
Discrimination at workplace	Nil	Nil		Nil	Nil	
Child Labour	Nil	Nil		Nil	Nil	
Forced Labour / Involuntary Labour	Nil	Nil		Nil	Nil	
Wages	Nil	Nil		Nil	Nil	
Other human rights related issues	Nil	Nil		Nil	Nil	

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

Particulars	FY 2025-26	FY 2024-25
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	1	2
Complaints on POSH as a % of female employees / workers	0.265%	0.560%
Complaints on POSH upheld	0	0

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

To create awareness and educate our employees, we ensure online sessions/trainings and policies such as: Human Rights Policy, Code of Ethics and Conduct, Non-Discrimination and Anti-Harassment, Anti Bribery, Direct Touch Policy and Prevention of Sexual Harassment are accessible to them.

Under our Prevention of Sexual Harassment Policy, The Company has instituted an "Internal Complaints Committee" for redressal of sexual harassment complaint and for ensuring time bound redressal of such complaints.

The policy outlines clauses on Protection to Complainant, wherein the Company calls out its commitment to ensuring that no employee who brings forward a harassment concern is subject to any form of reprisal. Any reprisal will be subject to disciplinary action.

We are an equal opportunity employer, and all our employees are evaluated solely by their performance, regardless of their race, religion, gender, sexual orientation, age, or disability, ensuring no discrimination in recruitment, remuneration, promotion processes and career development.

The company has established a Code of Conduct and Grievance redressal mechanism that provides employees with a channel to report concerns related to discrimination, harassment or other unethical conduct. Complaints are handled confidentially and investigated in a fair and unbiased manner. The Company follows a non-retaliation approach and does not tolerate any adverse action against individuals who raise concerns or report violations in good faith. Appropriate measures are in place to protect complainants from retaliation, victimization or discrimination.

9. Do human rights requirements form part of your business agreements and contracts? (Yes/No/NA)

Yes

10. Assessments for the year:

Name of the Assessment	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	100%
Forced/involuntary labour	100%
Sexual harassment	100%
Discrimination at workplace	100%
Wages	100%

11. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 10 above.

No unusual findings during the assessment hence no corrective actions taken.

Leadership Indicators

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

The Company has introduced a requirement for all business partners to acknowledge and sign the Company's code of conduct. This ensures that suppliers, vendors, contactors and other business partners are aligned with the Company's commitment to human rights, ethical business practices and compliance with applicable laws and standards.

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

Essential Indicators

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

Parameter	FY 2025-26 (in Giga Joules)	FY 2024-25 (in Giga Joules)
From renewable sources		
Total electricity consumption (A)	1,222.97	1,715.49
Total fuel consumption (B)	Nil	Nil
Energy consumption through other sources (C.)	Nil	Nil
Total energy consumed from renewable sources (A+B+C)	1,222.97	1,715.49
From non-renewable sources		
Total electricity consumption (D)	3,05,292.80	2,99,167.30
Total fuel consumption (E)	73,745.20	38,027.90
Energy consumption through other sources (F)	Nil	Nil
Total energy consumed from non-renewable sources (D+E+F)	3,79,038.00	3,37,195.20
Total energy consumed (A+B+C+D+E+F)	3,80,260.98	3,38,910.69
Energy intensity per rupee of turnover [Total energy consumed (in GJ) / Revenue from operations (in rupees)]	0.00000155	0.00000139
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) [Total energy consumed (in GJ)/ Revenue from operations in rupees adjusted for PPP] (GJ per INR-PPP adjusted)	0.0000314	0.0000279
Energy intensity in terms of physical output [Total energy consumed (in GJ) / units manufactured]	0.014	0.012
Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency?	No	No
If yes, name of the external agency.		

Note:
The revenue from operations has been adjusted for Purchasing Power Parity (PPP) using the latest PPP conversion factor published by the International Monetary Fund (IMF) for India for the year 2026, which is 20.34 and 2025, which is 20.09

2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Yes/No)

   No

   If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

   NA

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

Parameter	FY 2025-26 (KL)	FY 2024-25 (KL)
Water withdrawal by source (in kilolitres)		
(i) Surface water	0	0
(ii) Groundwater	3,48,399	4,27,185
(iii) Third party water	1,49,520	1,75,539
(iv) Seawater / desalinated water	0	0
(v) Others	0	0
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	4,97,919	6,02,724
Total volume of water consumption (in kilolitres)	4,54,215	5,57,013
Water intensity per rupee of turnover [Total water consumption (in KL) / Revenue from operations (in rupees)]	0.00000185	0.00000229
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) [Total water consumption (in KL) / Revenue from operations in rupees adjusted for PPP] (KL per INR-PPP adjusted)	0.0000375	0.0000459
Water intensity in terms of physical output [Total water consumption (in KL) /units manufactured]	0.016	0.020
Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Yes/No)	No	No
If yes, name of the external agency.		

Note:

The revenue from operations has been adjusted for Purchasing Power Parity (PPP) using the latest PPP conversion factor published by the International Monetary Fund (IMF) for India for the year 2026, which is 20.34 and 2025, which is 20.09

4. Provide the following details related to water discharged:

Parameter	FY 2025-26	FY 2024-25
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water	-	-
No treatment		
With treatment – please specify level of treatment		
(ii) To Groundwater	-	-
No treatment		
With treatment – please specify level of treatment		
(iii) To Seawater	-	-
No treatment		
With treatment – please specify level of treatment		
(iv) Sent to third-parties	-	-
No treatment		
With treatment – please specify level of treatment		
(v) Others		
No treatment	-	-
With treatment	43,704	45,711
Total water discharged (in kilolitres)	43,704	45,711
Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N)	No	No
If yes, name of the external agency.		

5. Has the entity implemented a mechanism for Zero Liquid Discharge?

   Yes

   If yes, provide details of its coverage and implementation.

   100% treated water is used in gardening & washroom, and no water discharge happens outside compound boundary.

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

Parameter	Please specify unit	FY 2025-26	FY 2024-25
NOx	MT	5.580	7.164
SOx	MT	0.782	1.492
Particulate matter (PM)	MT	4.459	5.068
Persistent organic pollutants (POP)		0	0
Volatile organic compounds (VOC)		0	0
Hazardous air pollutants (HAP)		0	0
Others – please specify		0	0
Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N)		No	No
If yes, name of the external agency.			

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

Parameter	Unit	FY 2025-26	FY 2024-25
Total Scope 1 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	4,455.82	2,778.57
Total Scope 2 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	61,407.49	60,449.36
Total Scope 1 and Scope 2 emissions per rupee of turnover [Total Scope 1 and Scope 2 GHG emissions (in MTCO2e) / Revenue from operations (in rupees)]	MTCO2e per rupees of turnover	0.00000026	0.00000025
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) [Total Scope 1 and Scope 2 GHG emissions (in MTCO2e) / Revenue from operations in rupees adjusted for PPP] (MTCO2e per INR-PPP adjusted)	MTCO2e per rupees adjusted for PPP	0.0000054	0.0000052
Total Scope 1 and Scope 2 emission intensity in terms of physical output [Total Scope 1 and Scope 2 GHG emissions (in MTCO2e)/ units manufactured>	MTCO2e per unit of product	0.0024	0.0022
Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N)		No	No
If yes, name of the external agency.			

Note:

Source of emission factors used -IPCC's Guidelines for National GHG Inventories, CEA's CDM - CO2 Baseline Database User Guide Version 19 has been used for the purpose of GHG Emissions calculations.

*GHG emission calculation for both years were done as per GHG protocol and ISO 14064 to ensure consistencies with reporting requirements

The revenue from operations has been adjusted for Purchasing Power Parity (PPP) using the latest PPP conversion factor published by the International Monetary Fund (IMF) for India for the year 2026, which is 20.34 and 2025, which is 20.09

8. Does the entity have any project related to reducing Green House Gas emission? (Yes/ No)

Yes

As part of its energy efficiency and sustainability initiatives, the Company has implemented solar power systems at its Noida facilities to support cleaner and lower-carbon energy sources. The integration of solar energy has contributed to expanding the renewable energy share within the Company's overall energy mix, reinforcing its commitment to responsible resource management and environmental stewardship. Building on these efforts, the Company has taken initiative and a formalized plan to further increase the adoption of renewable energy from solar consumption during FY 2026–27 through additional capacity augmentation aimed at enhancing the contribution of renewable sources to its operational energy requirements.

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

Parameter	FY 2025-26	FY 2024-25
Total Waste generated (in metric tonnes)		
Plastic waste (A)	1,297.10	1,342.72
E-waste (B)	287.80	263.44
Bio-medical waste (C)	0.02	0.02
Construction and demolition waste (D)	-	-
Battery waste (E)	10.72	4.74
Radioactive waste (F)	-	-
Other Hazardous waste. Please specify, if any. (G)	259.35	308.87
Used Oil (5.1)	46.09	30.24
Discarded containers (33.1)	183.37	253.96
ETP Sludge (35.3)	-	
Paint Sludge (21.1)	-	
Oil-contaminated rags/ cotton waste (33.2)	0.18	
RT films	-	
Process waste Residues(1-21.1 Category)	7.57	5.28
X-Ray Fixer(II-A-9)	-	
X-Ray-Film(II-A-9)	-	
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	12,082.78	14,321.64
Cardboard Paper	83.05	2,476.05
Metal	2,525.93	2,388.99
Corrugated	1,415.93	1,361.12
Aluminium	125.44	120.10
Copper	42.45	53.63
Iron	2,330.88	2,048.12
Wood	4,180.11	4,227.69
Glass	32.58	27.58
Solder Dross	3.08	2.08
PVC Wire	11.15	7.46
Steel	11.63	7.23
Housekeeping	1,320.55	1,601.60
Total (A+B + C + D + E + F + G + H)	13,937.77	16,241.43
Waste intensity per rupee of turnover [Total waste generated (in MT) / Revenue from operations (in MT per rupees)]	0.000000057	0.0000000667
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) Total waste generated (in MT) / Revenue from operations in rupees adjusted for PPP (MT per INR-PPP adjusted)	0.00000115	0.00000134
Waste intensity in terms of physical output Total waste generated (in MT) / units manufactured (MT / unit)	0.00050	0.00060

For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)

Category of waste	FY 2025-26	FY 2024-25
(i) Recycled	13,907.87	16,216.74
(ii) Re-used	-	-
(iii) Other recovery operations	-	-
Total	13,907.87	16,216.74

For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)

Category of waste	FY 2025-26	FY 2024-25
(i) Incineration	29.91	24.67
(ii) Landfilling	-	-
(iii) Other disposal operations	-	-
Total	29.91	24.67

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

Note:

The revenue from operations has been adjusted for Purchasing Power Parity (PPP) using the latest PPP conversion factor published by the International Monetary Fund (IMF) for India for the year 2026, which is 20.34 and 2025, which is 20.09

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

UL-Zero Waste to Landfill certification is implemented. We have waste Management Policy & Approved Vendors.

1. Waste is segregated at source into general waste, recyclable waste, hazardous waste, e-waste, plastic waste and chemical waste.
2. Recyclable materials such as paper, plastic, metal, packaging waste and e-waste are sent to authorized recyclers.
3. Hazardous and chemical waste are stored separately in labeled containers with proper safety precautions.
4. Hazardous waste is disposed of only through authorized waste handlers as per applicable environmental regulations.
5. The company aims to reduce hazardous and toxic chemicals by using safer and eco-friendly alternatives wherever possible.
6. Products and processes are reviewed to comply with RoHS, REACH, and other applicable restricted substance requirements.
7. Employees are trained in safe handling, storage, spill control, and disposal of hazardous waste.
8. Waste generation and disposal records are maintained, and periodic reviews are conducted for continual improvement.

11. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:

Sr. No.	Location of operations/ offices	Type of operations	Whether the conditions of environmental approval/clearance are being complied with? (Y/N)	If no, the reasons thereof and corrective action taken, if any.
1	Ranjangaon, Pune	Manufacturing	Yes	-
2	Greater Noida	Manufacturing	Yes	-

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

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

13. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India, such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N/NA).

Yes, The entity is fully compliant with all the applicable Environmental law/regulations/guidelines in India.

If not, provide details of all such non-compliances, in the following format:

Specify the law/regulation/ guidelines which was not complied with	Provide details of the non-compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
NA	NA	NA	NA

Leadership Indicators

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

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

(i) Name of the Area
Greater Noida

(ii) Nature of Operations
Manufacturing

(iii) Water withdrawal, consumption and discharge in the following format:

Parameter	FY 2025-26	FY 2024-25
Water withdrawal by source (in kilolitres)		
(i) Surface water	0	0
(ii) Groundwater	3,48,399 KL	4,27,185
(iii) Third party water	1,49,520	1,75,539
(iv) Seawater / desalinated water	0	0
(v) Others	0	0
Total volume of water withdrawal (in kilolitres)	4,97,919	6,02,724
Total volume of water consumption (in kilolitres)	4,54,215	5,57,013
Water intensity per rupee of turnover (Water consumed / turnover)	0.00000185	0.00000229
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water		
No treatment		
With treatment – please specify level of treatment		
(ii) To Groundwater		
No treatment		
With treatment – please specify level of treatment		
(iii) To Seawater		
No treatment		
With treatment – please specify level of treatment		
(iv) Sent to third-parties		
No treatment		
With treatment – please specify level of treatment		
(v) Others	43,704	45,711
No treatment		
With treatment – please specify level of treatment	43,704	45,711
Total water discharged (in kilolitres)	43,704	45,711
Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N)	No	No
If yes, name of the external agency.		

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

Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative	Corrective action taken, if any
UL-ZWTL (Zero Waste to Landfill certification.	Third party certification for promotion of ethical waste management.	UL-ZWTL certified factory for good waste management.	Improvement and maintenance in waste management.
High Efficiency Electrical Motor	Motor Replaced with IE3 Motor	Energy Saving of 15000 KWH/ Year	
Reuse Water	WM Reject Water Reuse Post Cleaning	Water Consumption reduction by 12000KL/Year	
Internal Use of ETP Treated Water	ETP and STP Treated water usage in Gardening and other Area	Water Consumption reduction by 6000KL/Year	
Reduce HSD Usage	Covered all Oven and Heating system from HSD to Natural Gas	Reduced Emission Level at Hot Water Generator	
HSD Genset Conversion into Dual Fuel Genet	Dual Fuel (HSD + Natural Gas) Kit installed in all DG Set to reduce the HSD Consumption and Emission Level Reduction	Reduced GHG emissions	

3. Does the entity have a business continuity and disaster management plan? (Yes/No)

   Yes

   Give details in 100 words/ web link.

   Business Continuity plan, Emergency Response Manual for Natural Disaster, civil Disorder & war are part of environment and Health and safety policy and plan.

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

Essential Indicators

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

   7

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

Sr. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National/ International)
1	Consumer Electronics and Appliances Manufacturers Associations (CEAMA)	National
2	Refrigeration and Air-Conditionings Manufacturers Association (RAMA)	National
3	Manufacturers Association for Information Technology (MAIT)	National
4	Federation of Indian Export Organization (FIEO)	National
5	Electronics and Computer Software Export Promotion Council (ESC)	National
6	PHD Chambers of Commerce and Industry	National
7	The Refrigeration and Air-Conditionings Trade Association Limited	National

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

Name of authority	Brief of the case	Corrective action taken
NA	NA	NA

PRINCIPLE 8: Businesses should promote inclusive growth and equitable development.

Essential Indicators

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

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
Let's build a house	NA	NA	Yes	Yes	Link
Karein roshni	NA	NA	Yes	Yes	Link
Cancer support	NA	NA	Yes	Yes	Link
MDM and Morning Nutrition program	NA	NA	Yes	Yes	Link

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

Sr. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In ₹)
1	NA	NA	NA	NA	NA	NA

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

   The company has established a grievance redressal mechanism for its CSR projects, wherein the implementing NGO serves as the primary point of contact for receiving and addressing stakeholder grievances. Any concerns that remain unresolved or require further review are escalated to the CSR Department of the company for appropriate action and resolution.

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

Particular	FY 2025-26	FY 2024-25
Directly sourced from MSMEs/ small producers	17.39%	16.28%
Directly from within India	53.67%	52.23%

5. Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost

Particular	FY 2025-26	FY 2024-25
Rural	0%	0%
Semi-urban	0%	0%
Urban	2%	2%
Metropolitan	98%	98%

Leadership Indicators

1. Details of beneficiaries of CSR Projects:

Sr. No.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
1	Nutrition Program	1,20,000	100%
2	LG Hope Technical Skill Academy	1,200	100%
3	CSR Retail Skills Training Program	1,600	100%

PRINCIPLE 9: Businesses should engage with and provide value to their consumers in a responsible manner.

Essential Indicators

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

   LG Electronics India Limited has established a comprehensive customer support and grievance redressal framework to ensure timely resolution of consumer complaints and continuous improvement of customer experience. Consumers can raise concerns, service requests, and feedback through multiple channels, including customer care helplines, email support, online service portals, and authorized service centers. LG also provides dedicated escalation mechanisms through its MD Office feedback platforms for addressing unresolved or critical customer concerns.

   All customer complaints and service requests are registered through LG's customer support system and are assigned reference numbers for tracking and resolution. Complaints are reviewed by the relevant service or technical teams, who investigate the issue and communicate the resolution status to customers. Where necessary, complaints can be escalated through higher levels of management to ensure appropriate resolution.

   In addition to grievance handling, LG actively collects customer feedback through support interactions, digital channels, and post-service engagements. Feedback received from consumers is analyzed to identify recurring issues, improve product quality, enhance service delivery, and strengthen customer satisfaction. This structured approach enables LG Electronics to maintain a customer-centric culture while continuously improving its products, services, and overall consumer experience.

2. Turnover of products and/ services as a percentage of turnover from all products/service that carry information about

Particular	As a percentage to total turnover
Environmental and social parameters relevant to the product	100%
Safe and responsible usage	100%
Recycling and/or safe disposal	100%

3. Number of consumer complaints in respect of the following:

Particular	FY 2025-26		Remark	FY 2024-25		Remark
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data privacy	0	0		0	0	
Advertising	0	0		0	0	
Cyber-security	0	0		0	0	
Delivery of essential services	0	0		0	0	
Restrictive Trade Practices	0	0		0	0	
Unfair Trade Practices	0	0		0	0	
Other	0	0		0	0	

4. Details of instances of product recalls on account of safety issues:

Particular	Number	Reason for recall
Voluntary recalls	Nil	Nil
Forced recalls	Nil	Nil

5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No)

   Yes

   If available, provide a web link of the policy

   Policy available for internal usage only

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.

   No such issues were observed hence no corrective actions taken.

7. Provide the following information relating to data breaches

   a. Number of instances of data breaches along-with impact

      No Issue Reported

   b. Percentage of data breaches involving personally identifiable information of customers

      No Issue Reported

   c. Impact, if any, of the data breaches

      No Issue Reported

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Independent Auditor's Report

To the Members of LG Electronics India Limited
(Formerly known as LG Electronics India Private Limited)

Report on the Audit of the Financial Statements

OPINION

1. We have audited the accompanying financial statements of LG Electronics India Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2026, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the financial statements, including material accounting policy information and other explanatory information.

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

BASIS FOR OPINION

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

KEY AUDIT MATTERS

4. Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key audit matter
Revenue from contracts with customers (variable consideration – estimation of discounts and rebates)- Refer Note 2.3(A) and 18 to the Financial Statements The Company recognises revenue from sale of goods when control of the goods is transferred to the customer based on the delivery terms, at the 'transaction price' being the consideration adjusted net of volume discounts, rebates, incentives and right to returns (collectively 'discounts and rebates'). If the consideration in a contract includes variable consideration, the Company estimates the transaction price, including variable consideration, at the inception of the contract. This estimate is recognised to the extent that it is highly probable that there will not be a significant reversal of cumulative revenue recognised when the uncertainty around the variable consideration is resolved. Variable consideration has been considered as a key audit matter in view of management judgement involved in assessing the nature and complexities relating to discounts and rebate arrangements.	Our audit procedures included the following: • Obtained an understanding and evaluated the design and tested the operating effectiveness of the internal financial controls relating to variable consideration in revenue and receivables process. • Inspected, on a sample basis, key customer contracts and, based on the terms and conditions relating to discounts and rebates, evaluated the Company's accounting policies for revenue recognition (including discounts and rebates) and its compliance with Ind AS 115 'Revenue from Contracts with Customers'. • Verified management computations for accrual of discounts and rebates with the underlying documents and in respect of sample of revenue transactions, verified that the actual discounts/ rebates did not exceed approved amounts. • Tested unusual variances, if any, in the revenue recognised including discounts and rebates. • Tested the underlying assumptions and estimates used by management for determination of variable consideration. • Tested arithmetical accuracy of the computation of discounts and rebates. • On a sample basis, checked the credit notes issued to customers subsequent to the year end for discounts and rebates. • Examined journal entries impacting revenue using specified risk-based criteria to identify unusual items, if any. • Evaluated adequacy of the disclosures made in the financial statements.

OTHER INFORMATION

5. The 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 financial statements and our auditor's report thereon.

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

   In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE FINANCIAL STATEMENTS

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

7. In preparing the financial statements, Board of Directors 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 Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

8. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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

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

    - Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

    - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

    - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

    - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

11. 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.

12. 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.

13. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

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

15. As required by Section 143(3) of the Act, we report that:

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

    (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books, except that the backup of books of account and other books and papers maintained in electronic mode has not been maintained on a daily basis on servers physically located in India during the year and the matters stated in paragraph 15(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended).

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

    (d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.

    (e) On the basis of the written representations received from the directors as on March 31, 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 maintenance of accounts and other matters connected therewith, reference is made to our remarks in paragraph 15(b) above on reporting under Section 143(3)(b) and paragraph 15(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended).

    (g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in **"Annexure A"**.

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

        i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 31 (A) to the financial statements;

        ii. The Company was not required to recognise a provision as at March 31, 2026 under the applicable law or Indian Accounting Standards, as it does not have any material foreseeable losses on long-term contracts. The Company did not have any long-term derivative contracts as at March 31, 2026.

        iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2026.

        iv. (a) The management has represented that, to the best of its knowledge and belief, as disclosed in Note 40(vii)(A) to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

        (b) The management has represented that, to the best of its knowledge and belief, as disclosed in the Note 40(vii)(B) to the financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

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

        v. The Company has not declared or paid any dividend during the year.

        vi. Based on our examination, the Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility. However, the audit trail feature did not operate throughout the year. Accordingly, the question of our commenting on whether the audit trail feature was tampered with does not arise. Further, the audit trail was not maintained in the prior year and hence the question of our commenting on whether the audit trail was preserved by the Company as per the statutory requirements for record retention does not arise.

16. The Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

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

Anurag Khandelwal
Partner
Membership Number: 078571
UDIN: 26078571VZFIJP3908

Place: Noida
Date: May 21, 2026

Annexure A to Independent Auditor's Report

Referred to in paragraph 15(g) of the Independent auditor's report of even date to the members of LG Electronics India Limited on the financial statements as of and for the year ended March 31, 2026

REPORT ON THE INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE ACT

1. We have audited the internal financial controls with reference to financial statements of LG Electronics India Limited (Formerly known as LG Electronics India Private Limited) ("the Company") as of March 31, 2026 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

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

AUDITOR'S RESPONSIBILITY

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

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

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

MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

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

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

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

OPINION

8. In our opinion, the Company has, in all material respects, adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 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 ICAI.

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

Anurag Khandelwal
Partner
Membership Number: 078571
UDIN: 26078571VZFIJP3908

Place: Noida
Date: May 21, 2026

Annexure B to Independent Auditor's Report

Referred to in paragraph 14 of the Independent auditor's report of even date to the members of LG Electronics India Limited on the financial statements for the year ended March 31, 2026

In terms of the information and explanations sought by us and furnished by the Company, and the books of account and records examined by us during the course of our audit, and to the best of our knowledge and belief, we report that:

i. (a) (A) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of Property, plant and equipment (including Right of use assets).

(B) The Company is maintaining proper records showing full particulars of Intangible assets.

(b) The Property, plant and equipment of the Company have been physically verified by the Management during the year. The discrepancies noticed on such verification were not material and have been properly dealt with in the books of account. In our opinion, the frequency of verification is reasonable.

(c) The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), as disclosed in Note 3(a) to the financial statements, are held in the name of the Company.

(d) The Company has not revalued its Property, plant and equipment (including Right of use assets) or Intangible assets or both during the year. Consequently, the question of our commenting on whether the revaluation is based on the valuation by a Registered Valuer, or specifying the amount of change, if the change is 10% or more in the aggregate of the net carrying value of each class of Property, plant and equipment (including Right of use assets) or Intangible assets does not arise. Also refer Note 40(x) to the financial statements.

(e) No proceedings have been initiated on or are pending against the Company for holding benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) (formerly the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)) and Rules made thereunder, as stated in Note 40(i) to the financial statements and therefore the question of our commenting on whether the Company has appropriately disclosed the details in the financial statements does not arise.

ii. (a) The physical verification of inventory excluding stocks with third parties has been conducted at reasonable intervals by the Management during the year and, in our opinion, the coverage and procedure of such verification by Management is appropriate. In respect of inventory lying with third parties, these have substantially been confirmed by them. The discrepancies noticed on physical verification of inventory as compared to book records were not 10% or more in aggregate for each class of inventory.

(b) During the year, the Company has not been sanctioned working capital limits in excess of ₹ 5 crores, in aggregate from banks and financial institutions on the basis of security of current assets and accordingly, the question of our commenting on whether the quarterly returns or statements are in agreement with the unaudited books of account of the Company does not arise. Also refer Note 40(ii) to the financial statements.

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

Particulars	Loans (Amount in ₹ Millions)
Aggregate amount granted/ provided during the year - Loans to employees	420.10
Balance outstanding as at balance sheet date in respect of the above case	391.84

(Also, refer Note 6 to the financial statements)

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

(b) In respect of the aforesaid loans, the terms and conditions under which such loans were granted are not prejudicial to the Company's interest.

(c) In respect of the loans, the schedule of repayment of principal has been stipulated, and the parties are repaying the principal amounts, as stipulated. These loans given to employees are interest free and hence the question of payment of interest does not arise.

(d) In respect of the loans, there is no amount which is overdue for more than ninety days.

(e) There were no loans which have fallen due during the year and were renewed/extended. Further, no fresh loans were granted to same parties to settle the existing overdue loans.

(f) There were no loans which were granted during the year, including to promoters/ related parties other than loans granted to few employees. The loans granted during the year, had stipulated the scheduled repayment of principal and the same were not repayable on demand.

iv. The Company has not granted any loans or made any investments or provided any guarantees or security to the parties covered under Sections 185 and 186. Therefore, the reporting under clause 3(iv) of the Order are not applicable to the Company.

v. The Company has not accepted any deposits or amounts which are deemed to be deposits referred in Sections 73, 74, 75 and 76 of the Act and the Rules framed there under. Accordingly, the reporting under clause 3(v) of the Order is not applicable to the Company.

vi. Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as specified under Section 148(1) of the Act in respect of its certain products and services. We have broadly reviewed the same and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.

vii. (a) In our opinion, the Company is regular in depositing the undisputed statutory dues, including goods and services tax, provident fund, employees' state insurance, income tax, duty of customs, cess and other statutory dues, as applicable, with the appropriate authorities. Also, refer Note 31A(iv) to the financial statements regarding management's assessment on certain matters relating to provident fund.

(b) The particulars of statutory dues referred to in sub-clause (a) as at March 31, 2026 which have not been deposited on account of a dispute, are as follows:

Name of the Statute	Nature of Dues	Amount (₹ In million)	Amount deposited (₹ in million)	Amount not paid (₹ in million)	Period to which amount relates	Forum where dispute is pending
The Customs Act, 1962	Customs Duty	885.07	-	885.07	April 07, 2022 to September 30, 2022	Custom Excise & Service Tax Appellate Tribunal, Mumbai Bench
The Customs Act, 1962	Customs Duty	84.36	2.28	82.08	March 2018 to November 2022	Custom Excise & Service Tax Appellate Tribunal, Mumbai Bench
The Customs Act, 1962	Customs Duty	81.38	3.05	78.33	December 03, 2019 to January 30 , 2024	Custom Excise & Service Tax Appellate Tribunal, Mumbai Bench
The Customs Act, 1962	Customs Duty	77.40	-	77.40	2020-21	Custom Excise & Service Tax Appellate Tribunal, Mumbai Bench
The Customs Act, 1962	Customs Duty	18.90	-	18.90	January 01, 2020 to April 04, 2024	Custom Excise & Service Tax Appellate Tribunal, Mumbai Bench
The Customs Act, 1962	Customs Duty	8.18	0.31	7.87	2006-07	Custom Excise & Service Tax Appellate Tribunal, Delhi Bench
The Customs Act, 1962	Customs Duty	6.99	0.20	6.79	2018-19	Supreme Court of India
The Customs Act, 1962	Customs Duty	3.56	-	3.56	1998-99	Custom Excise & Service Tax Appellate Tribunal, Delhi Bench
The Uttar Pradesh Goods and Services Tax Act, 2017	Goods and Services Tax	1,410.19	-	1,410.19	Multiple	High Court Allahabad
The Karnataka Goods and Services Tax Act, 2017	Goods and Services Tax	184.28	-	184.28	2018-19	High Court, Karnatka
The Tamil Nadu Goods and Services Act, 2017	Goods and Services Tax	141.93	12.90	129.03	2018-19	Joint Commissioner (Appeals)
The Uttar Pradesh Goods and Services Tax Act, 2017	Goods and Services Tax	79.75	-	79.75	2019-20	Additional Commissioner, Appeal
The Tamil Nadu Goods and Services Act, 2017	Goods and Services Tax	6.38	0.38	6.00	2021-22	Joint Commissioner (Appeals)
The Telangana Goods and Services Act, 2017	Goods and Services Tax	0.48	0.09	0.39	2017-2018 to 2019-2020	GST Appelate Tribunal
The Tamil Nadu Goods and Services Act, 2017	Goods and Services Tax	0.30	0.03	0.27	2023-24	Administrative Appeal (JC/ADC)

Name of the Statute	Nature of Dues	Amount (₹ In million)	Amount deposited (₹ in million)	Amount not paid (₹ in million)	Period to which amount relates	Forum where dispute is pending
The Punjab Goods and Services Act, 2017	Goods and Services Tax	31.18	1.70	29.48	2021-22	Joint Commissioner (Appeals)
The Kerela Goods and Services Act, 2017	Goods and Services Tax	0.22	0.02	0.20	2021-22	Administrative Appeal (JC/ADC)
The Assam Goods and Services Act, 2017	Goods and Services Tax	4.80	0.44	4.36	2021-22	Joint Commissioner (Appeals)
The Bihar Goods and Services Act, 2017	Goods and Services Tax	0.12	0.01	0.11	2021-22	Deputy Commissioner - State Tax
The Uttar Pradesh Goods and Services Tax Act, 2017	Goods and Services Tax	28.23	1.55	26.68	2021-22	Additional Commissioner Appeal
The West Bengal Goods and Services Tax Act, 2017	Goods and Services Tax	0.35	0.02	0.33	2021-22	Administrative Appeal (JC/ADC)
The Telangana Goods and Services Act, 2017	Goods and Services Tax	174.68	15.88	158.80	2021-22	Joint Commissioner (Appeals)
The Telangana Goods and Services Act, 2017	Goods and Services Tax	259.86	23.62	236.24	2021-22 and 2022-23	Administrative Appeal (JC/ADC)
The Andhra Pradesh Goods and Services Act, 2017	Goods and Services Tax	1.11	0.17	0.94	2018-19 to 2022-23	Superintendent - Vijaywada
The Tamil Nadu Goods and Services Act, 2017	Goods and Services Tax	132.79	11.85	120.94	2017-18	Joint Commissioner (Appeals)
The Karnataka Goods and Services Tax Act, 2017	Goods and Services Tax	126.47	-	126.47	2017-18	High Court, Karnatka
The Bihar Goods and Services Tax Act, 2017	Goods and Services Tax	2.19	2.19	-	2020-21	Joint Commissioner (Appeals)
The Uttar Pradesh Goods and Services Tax Act, 2017	Goods and Services Tax	64.07	11.62	52.45	2017-18	GST Appelate Tribunal
The Tamil Nadu Goods and Services Act, 2017	Goods and Services Tax	28.85	1.53	27.32	2019-20	Joint Commissioner (Appeals)
The Tamil Nadu Goods and Services Act, 2017	Goods and Services Tax	27.52	2.50	25.02	2017-18	Joint Commissioner (Appeals)
The Tamil Nadu Goods and Services Act, 2017	Goods and Services Tax	23.14	1.42	21.72	2021-22	Joint Commissioner (Appeals)
The Tamil Nadu Goods and Services Act, 2017	Goods and Services Tax	13.55	1.23	12.32	2022-23	Joint Commissioner (Appeals)
The Tamil Nadu Goods and Services Act, 2017	Goods and Services Tax	11.46	1.04	10.42	2022-23	Joint Commissioner (Appeals)
The Tamil Nadu Goods and Services Act, 2017	Goods and Services Tax	6.76	0.31	6.45	2018-19	Joint Commissioner (Appeals)
The Tamil Nadu Goods and Services Act, 2017	Goods and Services Tax	6.46	0.36	6.10	2020-21	Joint Commissioner (Appeals)
The Tamil Nadu Goods and Services Act, 2017	Goods and Services Tax	5.72	0.29	5.43	2019-20	Joint Commissioner (Appeals)
The Gujarat Goods and Services Act, 2017	Goods and Services Tax	3.75	0.33	3.42	2017-18 to 2019-20	GST Appelate Tribunal
The Bihar Goods and Services Tax Act, 2017	Goods and Services Tax	1.68	0.17	1.51	2019-20	GST Appelate Tribunal
The Tamil Nadu Goods and Services Act, 2017	Goods and Services Tax	2.84	0.26	2.58	2022-23	Joint Commissioner (Appeals)
The Union Territory Goods and Services Tax Act, 2017	Goods and Services Tax	1.78	0.11	1.67	2017-18	GST Appelate Tribunal
The West Bengal Goods and Services Tax Act, 2017	Goods and Services Tax	0.94	0.09	0.85	2017-18	Joint Commissioner (Appeals)
The Uttarakhand Goods and Services Tax Act, 2017	Goods and Services Tax	0.80	0.07	0.73	2017-18	Joint Commissioner (Appeals)
The Telangana Goods and Services Tax Act, 2017	Goods and Services Tax	0.40	0.07	0.33	2017-2018 to 2019-2020	GST Appelate Tribunal
The Tamil Nadu Goods and Services Act, 2017	Goods and Services Tax	0.19	0.01	0.18	2022-23	Joint Commissioner (Appeals)

Name of the Statute	Nature of Dues	Amount (₹ In million)	Amount deposited (₹ in million)	Amount not paid (₹ in million)	Period to which amount relates	Forum where dispute is pending
The Jharkhand Goods and Services Tax Act, 2017	Goods and Services Tax	0.06	0.06	-	2017-18	Joint Commissioner (Appeals)
The Jammu and Kashmir Goods and Services Tax Act, 2017	Goods and Services Tax	0.02	-	0.02	2020-21	Joint Commissioner (Appeals)
The Income Tax Act, 1961	Income Tax	2,017.36	180.13	1,837.23	2013-14	High Court of Delhi
The Income Tax Act, 1961	Income Tax	1,748.19	156.01	1,592.18	2014-15	Income Tax Appellate Tribunal, Delhi
The Income Tax Act, 1961	Income Tax	1,624.09	100.00	1,524.09	2011-12	High Court of Delhi
The Income Tax Act, 1961	Income Tax	1,606.04	67.59	1,538.45	2015-16	High Court of Delhi
The Income Tax Act, 1961	Income Tax	1,573.38	100.00	1,473.38	2012-13	High Court of Delhi
The Income Tax Act, 1961	Income Tax	1,433.83	41.41	1,392.42	2016-17	Income Tax Appellate Tribunal, Delhi
The Income Tax Act, 1961	Income Tax	1,389.59	284.00	1,105.59	2009-10	High Court of Judicature at Allahabad
The Income Tax Act, 1961	Income Tax	1,350.33	184.05	1,166.28	2010-11	High Court of Judicature at Allahabad
The Income Tax Act, 1961	Income Tax	1,389.85	113.32	1,276.53	2021-22	Income Tax Appellate Tribunal, Delhi
The Income Tax Act, 1961	Income Tax	775.38	310.51	464.87	2008-09	High Court of Judicature at Allahabad
The Income Tax Act, 1961	Income Tax	728.88	-	728.88	2019-20	Income Tax Appellate Tribunal, Delhi
The Income Tax Act, 1961	Income Tax	696.72	380.30	316.42	2006-07	High Court of Judicature at Allahabad
The Income Tax Act, 1961	Income Tax	669.18	363.19	305.99	2007-08	High Court of Judicature at Allahabad
The Income Tax Act, 1961	Income Tax	624.84	241.12	383.72	2004-05	High Court of Judicature at Allahabad
The Income Tax Act, 1961	Income Tax	623.40	254.50	368.90	2005-06	High Court of Judicature at Allahabad
The Income Tax Act, 1961	Income Tax	490.86	139.39	351.47	2017-18	Income Tax Appellate Tribunal, Delhi
The Income Tax Act, 1961	Income Tax	274.44	-	274.44	2014-15 to 2018-19	Commissioner of Income Tax (Appeals)
The Income Tax Act, 1961	Income Tax	225.90	45.18	180.72	2009-10	Commissioner of Income Tax (Appeals)
The Income Tax Act, 1961	Income Tax	172.43	126.33	46.10	2002-03	High Court of Judicature at Allahabad
The Income Tax Act, 1961	Income Tax	149.90	135.41	14.49	2003-04	High Court of Judicature at Allahabad
The Income Tax Act, 1961	Income Tax	146.19	-	146.19	2011-12 to 2013-14	Commissioner of Income Tax (Appeals)
The Income Tax Act, 1961	Income Tax	101.00	101.00	-	2001-02	High Court of Judicature at Allahabad
The Income Tax Act, 1961	Income Tax	83.73	-	83.73	2005-06	Commissioner of Income Tax (Appeals)
The Income Tax Act, 1961	Income Tax	71.46	-	71.46	2007-08	Commissioner of Income Tax (Appeals)
The Income Tax Act, 1961	Income Tax	69.52	13.90	55.62	2008-09	Commissioner of Income Tax (Appeals)
The Income Tax Act, 1961	Income Tax	54.47	54.47	-	2007-08	Income Tax Appellate Tribunal, Delhi
The Income Tax Act, 1961	Income Tax	48.18	-	48.18	2006-07	Commissioner of Income Tax (Appeals)
The Income Tax Act, 1961	Income Tax	40.34	8.07	32.27	2005-06	Commissioner of Income Tax (Appeals)
The Income Tax Act, 1961	Income Tax	21.57	4.31	17.26	2004-05	Commissioner of Income Tax (Appeals)
The Income Tax Act, 1961	Income Tax	5.00	5.00	-	2022-23	Commissioner of Income Tax (Appeals)
The Income Tax Act, 1961	Income Tax	0.57	-	0.57	2000-01	Commissioner of Income Tax (Appeals)
The Income Tax Act, 1961	Income Tax	0.56	-	0.56	2000-01	High Court of Judicature at Allahabad
The Legal Metrology Act, 2009	Legal Metrology	0.15	-	0.15	2015-16	Patiala House Court Complex
The Provident Fund and Miscellaneous Provisions Act, 1952	Provident Fund	36.55	18.28	18.27	August'12-March'15	High Court of Bombay
The Finance Act, 1994	Service Tax	1,032.60	-	1,032.60	April 2006 to October 2010	High Court of Judicature at Allahabad
The Finance Act, 1994	Service Tax	196.96	7.38	189.58	Jun'10~Mar'15	Commissioner of CGST (Appeals), Pune
The Finance Act, 1994	Service Tax	157.74	5.93	151.81	Sep'04-Mar'08	Custom Excise & Service Tax Appellate Tribunal, Allahabad Bench
The Finance Act, 1994	Service Tax	123.77	3.52	120.25	April 2012 to December 2015	Custom Excise & Service Tax Appellate Tribunal, Mumbai Bench
The Finance Act, 1994	Service Tax	120.24	0.06	120.18	Apr'11~Mar'15	Custom Excise & Service Tax Appellate Tribunal, Mumbai Bench
The Finance Act, 1994	Service Tax	92.06	-	92.06	July 2011 to March 2016	High Court of Judicature at Allahabad

Name of the Statute	Nature of Dues	Amount (₹ In million)	Amount deposited (₹ in million)	Amount not paid (₹ in million)	Period to which amount relates	Forum where dispute is pending
The Finance Act, 1994	Service Tax	82.35	2.71	79.64	January 2016 to June 2017	Custom Excise & Service Tax Appellate Tribunal, Mumbai Bench
The Finance Act, 1994	Service Tax	59.21	-	59.21	Apr'12- Sep'15 and Apr'11- Jan'13	Custom Excise & Service Tax Appellate Tribunal, Allahabad Bench
The Finance Act, 1994	Service Tax	58.26	2.19	56.07	Jul'15~Mar`16	Custom Excise & Service Tax Appellate Tribunal, Mumbai Bench
The Finance Act, 1994	Service Tax	53.85	-	53.85	Aug'02-Mar'06	High Court of Judicature at Allahabad
The Finance Act, 1994	Service Tax	48.91	1.85	47.06	Apr'15~Dec'15	Commissioner of CGST (Appeals), Pune
The Finance Act, 1994	Service Tax	7.30	-	7.30	Oct'15-Jul'16	Custom Excise & Service Tax Appellate Tribunal, Allahabad Bench
The Finance Act, 1994	Service Tax	5.88	-	5.88	Apr'15~Jun'15	Custom Excise & Service Tax Appellate Tribunal, Mumbai Bench
The Finance Act, 1994	Service Tax	3.24	-	3.24	Aug'16~Jun'17	Commissioner of CGST (Appeals), Noida
The Finance Act, 1994	Service Tax	2.25	0.09	2.16	Apr'07 ~ Apr'13	Custom Excise & Service Tax Appellate Tribunal, Mumbai Bench
The Uttar Pradesh Trade Tax Act, 1948	VAT/ Sales tax	166.97	-	166.97	1997-98	High Court of Judicature at Allahabad
The Rajasthan Value Added Tax Act, 2003	VAT/ Sales tax	102.46	-	102.46	Apr'08-Mar'10	Rajasthan High Court
The Telangana Value Added Tax Act, 2005	VAT/ Sales tax	100.16	23.90	76.26	2012-13 to 2013-14	High Court for the state of Telangana
The West Bengal Sales Tax Act, 1994	VAT/ Sales tax	98.78	15.00	83.78	2011-12	Sales Tax Tribunal
The Kerala Value Added Tax Act, 2003	VAT/ Sales tax	55.04	4.03	51.01	2015-16	Commissioner (Appeals)
The Rajasthan Value Added Tax Act, 2003	VAT/ Sales tax	26.68	1.24	25.44	2010-11	Sales Tax Tribunal
The Delhi Value Added Tax Act, 2004	VAT/ Sales tax	25.72	-	25.72	2017-18	Commissioner (Appeals)
The Kerala Value Added Tax Act, 2003	VAT/ Sales tax	25.31	-	25.31	2016-17	High Court of Kerala
The Kerala Value Added Tax Act, 2003	VAT/ Sales tax	25.26	5.91	19.35	2006-07	High Court of Kerala
The West Bengal Sales Tax Act, 1994	VAT/ Sales tax	10.69	-	10.69	2001-02	Sales Tax Tribunal
The Jharkhand Value Added Tax Act, 2005	VAT/ Sales tax	8.18	1.64	6.54	2010-11	Commissioner (Appeals)
The Rajasthan Value Added Tax Act, 2003	VAT/ Sales tax	7.56	7.56	-	Apr'09 -Mar'13	Rajasthan High Court
The Orissa Entry Tax Act, 1999	VAT/ Sales tax	7.03	5.50	1.53	2003-04	High Court of Orissa
The Bihar Value Added Tax Act, 2005	VAT/ Sales tax	5.57	5.57	-	2011-12	Supreme Court of India
The Maharashtra Value Added Tax Act, 2002	VAT/ Sales tax	5.45	-	5.45	2006-07	High Court of Bombay
The Bihar Finance Act, 1961	VAT/ Sales tax	5.43	5.43	-	2002-03	Commissioner (Appeals)
The Gujarat Value Added Tax Act, 2003	VAT/ Sales tax	4.78	3.29	1.49	2006-07	Sales tax Tribunal
The Uttar Pradesh Value Added Tax Act, 2008	VAT/ Sales tax	4.63	4.63	-	Apr'17-Jun'17	Commissioner (Appeals)
The Madhya Pradesh Vanijiyik Kar Adhiniyam, 1994	VAT/ Sales tax	4.51	2.51	2.00	2001-02	High Court of Madhya Pradesh
The Rajasthan Entry Tax Act, 1999	VAT/ Sales tax	3.78	-	3.78	Apr'08-Mar'13	Sales Tax Tribunal

Name of the Statute	Nature of Dues	Amount (₹ In million)	Amount deposited (₹ in million)	Amount not paid (₹ in million)	Period to which amount relates	Forum where dispute is pending
The Kerala Value Added Tax Act, 2003	VAT/ Sales tax	3.73	-	3.73	2017-18	High Court of Kerala
The Rajasthan Entry Tax Act, 1999	VAT/ Sales tax	3.26	3.26	-	2011-12	Rajasthan High Court
The Rajasthan Entry Tax Act, 1999	VAT/ Sales tax	2.97	2.97	-	2014-15	Sales Tax Tribunal
The Tamil Nadu Value Added Tax Act, 2006	VAT/ Sales tax	2.94	2.94	-	2007-08	Sales Tax Tribunal
The Orissa Value Added Tax Act, 2004	VAT/ Sales tax	2.49	0.33	2.16	2008-09	Commissioner (Appeals)
The Bihar Value Added Tax Act, 2005	VAT/ Sales tax	2.28	0.91	1.37	2017-18	Commissioner (Appeals)
The Jharkhand Value Added Tax Act, 2005	VAT/ Sales tax	2.25	-	2.25	2009-10	Commissioner (Appeals)
The Uttar Pradesh Value Added Tax Act, 2008	VAT/ Sales tax	2.01	1.64	0.37	2010-11	Sales Tax Tribunal
The Uttar Pradesh Trade Tax Act, 1948	VAT/ Sales tax	1.93	-	1.93	2003-04	Sales Tax Tribunal
The Orissa Entry Tax Act, 1999	VAT/ Sales tax	1.89	0.60	1.29	2002-03	Sales Tax Tribunal
The Jharkhand Value Added Tax Act, 2005	VAT/ Sales tax	1.74	-	1.74	2015-16	Commissioner (Appeals)
The Tamil Nadu Value Added Tax Act, 2006	VAT/ Sales tax	1.66	-	1.66	2011-12	Sales Tax Tribunal
The Kerala Value Added Tax Act, 2003	VAT/ Sales tax	1.63	0.54	1.09	2008-09	Sales Tax Tribunal
The Orissa Value Added Tax Act, 2004	VAT/ Sales tax	1.26	0.15	1.11	2007-08	Sales Tax Tribunal
The Madhya Pradesh Vanijiyik Kar Adhiniyam, 1994	VAT/ Sales tax	1.23	1.23	-	1998-99	High Court of Madhya Pradesh
The Rajasthan Entry Tax Act, 1999	VAT/ Sales tax	1.12	1.12	-	2013-14	Sales Tax Tribunal
The Bihar Value Added Tax Act, 2005	VAT/ Sales tax	1.05	1.05	-	2007-08	Commissioner (Appeals)
The Rajasthan Value Added Tax Act, 2003	VAT/ Sales tax	0.93	-	0.93	2015-16	Commissioner (Appeals)
The Kerala Value Added Tax Act, 2003	VAT/ Sales tax	0.90	-	0.90	2008-09	High Court of Kerala
The Uttar Pradesh Value Added Tax Act, 2008	VAT/ Sales tax	0.85	0.85	-	2008-09	Sales Tax Tribunal
The Kerala Value Added Tax Act, 2003	VAT/ Sales tax	0.71	0.71	-	2010-11	High Court of Kerala
The Kerala Value Added Tax Act, 2003	VAT/ Sales tax	0.64	0.08	0.56	2011-12	Sales Tax Tribunal
The Bihar Value Added Tax Act, 2005	VAT/ Sales tax	0.58	0.10	0.48	2013-14	Commissioner (Appeals)
The Jharkhand Value Added Tax Act, 2005	VAT/ Sales tax	0.49	0.49	-	2013-14	Commissioner (Appeals)
The Andhra Pradesh Value Added Tax Act, 2005	VAT/ Sales tax	0.43	0.39	0.04	2015-16	Sales Tax Tribunal
The Uttar Pradesh Value Added Tax Act, 2008	VAT/ Sales tax	0.38	0.31	0.07	2015-16	Sales Tax Tribunal
The Rajasthan Entry Tax Act, 1999	VAT/ Sales tax	0.38	0.38	-	2012-13	Sales Tax Tribunal
The Gujarat Value Added Tax Act, 2003	VAT/ Sales tax	0.38	0.23	0.15	2012-13	Sales Tax Tribunal
The Rajasthan Entry Tax Act, 1999	VAT/ Sales tax	0.25	0.23	0.02	2010-11	Sales Tax Tribunal

Name of the Statute	Nature of Dues	Amount (₹ In million)	Amount deposited (₹ in million)	Amount not paid (₹ in million)	Period to which amount relates	Forum where dispute is pending
The Delhi Value Added Tax Act, 2004	VAT/ Sales tax	0.25	0.04	0.21	Apr'15-Dec'15	Commissioner (Appeals)
The Kerala Value Added Tax Act, 2003	VAT/ Sales tax	0.19	0.03	0.16	2012-13	Sales Tax Tribunal
The Uttarakhand Value Added Tax Act, 2005	VAT/ Sales tax	0.16	0.16	-	2013-14	Commissioner (Appeals)
The Punjab Value Added Tax Act, 2005	VAT/ Sales tax	0.02	-	0.02	2017-18	Commissioner (Appeals)

viii. There are no transactions previously unrecorded in the books of account that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961. Also refer Note 40(viii) to the financial statements.

ix. (a) As the Company did not have any loans or other borrowings from any lender during the year, the reporting under clause 3(ix)(a) of the Order is not applicable to the Company.

(b) On the basis of our audit procedures, we report that the Company has not been declared Wilful Defaulter by any bank or financial institution or government or any government authority. Also refer Note 40(iii) to the financial statements.

(c) The Company has not obtained any term loans. Accordingly, reporting under clause 3(ix)(c) of the Order is not applicable to the Company.

(d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, the Company has not raised funds on short-term basis. Accordingly, reporting under clause 3(ix)(d) of the Order is not applicable to the Company.

(e) According to the information and explanations given to us and procedures performed by us, we report that the Company did not have any subsidiaries, joint ventures or associate companies during the year. Accordingly, reporting under clause 3(ix)(e) of the Order is not applicable to the Company.

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company did not have any subsidiaries, joint ventures or associate companies during the year. Accordingly, reporting under clause 3(ix)(f) of the Order is not applicable to the Company.

x. (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the reporting under clause 3(x)(a) of the Order is not applicable to the Company. Also refer Note 1 to the financial statements.

(b) The Company has not made any preferential allotment or private placement of shares or fully or partially or optionally convertible debentures during the year. Accordingly, the reporting under clause 3(x)(b) of the Order is not applicable to the Company.

xi. (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, we have neither come across any instance of material fraud by the Company or on the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.

(b) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, a report under Section 143(12) of the Act, in Form ADT-4, as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 was not required to be filed by us, as statutory auditors, with the Central Government. Accordingly, the reporting under clause 3(xi)(b) of the Order is not applicable to the Company.

(c) During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India, and as represented to us by the management, no whistle-blower complaints have been received during the year by the Company. Accordingly, the reporting under clause 3(xi)(c) of the Order is not applicable to the Company.

xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the reporting under clause 3(xii) of the Order is not applicable to the Company.

xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of related party transactions have been disclosed in the financial statements as required under Indian Accounting Standard 24 "Related Party Disclosures" specified under Section 133 of the Act.

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

(b) The reports of the Internal auditor for the period under audit have been considered by us.

xv. In our opinion, the Company has not entered into any non-cash transactions with its directors or persons connected with the directors. Accordingly, the reporting on compliance with the provisions of Section 192 of the Act under clause 3(xv) of the Order is not applicable to the Company.

xvi. (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the reporting under clause 3(xvi)(a) of the Order is not applicable to the Company.

(b) The Company has not conducted non-banking financial / housing finance activities during the year. Accordingly, the reporting under clause 3(xvi)(b) of the Order is not applicable to the Company.

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

(d) In our opinion, the Group (as defined in the Reserve Bank of India (Core Investment Companies) Directions, 2025) does not have any CICs, which are part of the Group. Accordingly, the reporting under clause 3(xvi)(d) of the Order is not applicable to the Company.

xvii. The Company has not incurred any cash losses in the financial year or in the immediately preceding financial year.

xviii. There has been no resignation of the statutory auditors during the year and accordingly the reporting under clause 3(xviii) of the Order is not applicable.

xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date will get discharged by the Company as and when they fall due. (Also, refer Note 39 to the financial statements).

xx. (a) The Company has not undertaken any "other than ongoing projects" in pursuance of its Corporate Social Responsibility Policy. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable to the Company.

(b) The Company has transferred the amount of Corporate Social Responsibility remaining unspent under sub-section (5) of Section 135 of the Act pursuant to ongoing projects to a special account in compliance with the provision of sub-section (6) of Section 135 of the Act. (Also, refer Note 33 to the financial statements).

xxi. The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of Standalone Financial Statements. Accordingly, no comment in respect of the said clause has been included in this report.

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

Anurag Khandelwal
Partner
Membership Number: 078571
UDIN: 26078571VZFIJP3908

Place: Gurugram
Date: May 21, 2026

Balance Sheet

as at March 31, 2026

(All amounts in ₹ Millions, unless otherwise stated)

	Note No.	As at March 31, 2026	As at March 31, 2025
ASSETS			
Non-current assets			
(a) Property, plant and equipment	3(a)	15,488.00	13,196.70
(b) Capital work-in-progress	3(b)	4,573.63	753.12
(c) Intangible assets	4(a)	114.87	94.39
(d) Intangible assets under development	4(b)	6.72	-
(e) Financial assets			
(i) Trade receivables	5	-	-
(ii) Loans	6	369.31	56.03
(iii) Other financial assets	7	1,349.50	1,265.59
(f) Deferred tax assets (net)	26(b)	2,059.38	2,040.13
(g) Other non-current assets	8	4,817.77	2,357.17
Total non-current assets		**28,779.18**	**19,763.13**
Current assets			
(a) Inventories	9	29,616.24	30,314.55
(b) Financial assets			
(i) Trade receivables	5	28,250.76	23,611.71
(ii) Cash and cash equivalents	10	44,762.65	37,414.73
(iii) Loans	6	22.53	30.65
(iv) Other financial assets	7	2,462.89	1,605.02
(c) Other current assets	8	2,468.30	2,431.66
Total current assets		**107,583.37**	**95,408.32**
Total assets		**136,362.55**	**115,171.45**
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	11	6,787.72	6,787.72
(b) Other equity	12	69,867.84	52,913.98
Total equity		**76,655.56**	**59,701.70**
LIABILITIES			
Non-current liabilities			
(a) Financial liabilities			
- Lease liabilities	17	3,443.81	3,305.32
(b) Provisions	13	911.74	939.22
(c) Other non-current liabilities	14(a)	3,653.12	2,240.62
Total non-current liabilities		**8,008.67**	**6,485.16**
Current liabilities			
(a) Financial liabilities			
(i) Lease liabilities	17	1,147.75	972.96
(ii) Trade payables	15		
- total outstanding dues of micro enterprises and small enterprises; and		4,431.93	3,194.79
- total outstanding dues of creditors other than micro enterprises and small enterprises		30,702.73	30,476.35
(iii) Other financial liabilities	16	5,198.60	4,720.03
(b) Other current liabilities	14(a)	7,719.22	7,132.42
(c) Provisions	13	2,076.62	1,851.90
(d) Current tax liabilities (net)	14(b)	421.47	636.14
Total current liabilities		**51,698.32**	**48,984.59**
Total liabilities		**59,706.99**	**55,469.75**
Total equity and liabilities		**136,362.55**	**115,171.45**

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

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

Anurag Khandelwal
Partner
Membership No. : 078571

Place : Noida
Date : May 21, 2026

For and on behalf of the Board of Directors of **LG Electronics India Limited**
(Formerly known as LG Electronics India Private Limited)

Hong Ju Jeon
Managing Director
DIN. : 10041232

Dongmyung Seo
Whole Time Director and Chief Financial Officer
DIN. : 09481866

Atul Khanna
Chief Accounting Officer

Anuj Goyal
Company Secretary and Compliance officer
Membership No : A23761

Suresh Kumar Jhawar
Senior General Manager, Accounting

Place : Noida
Date : May 21, 2026

Statement of Profit and Loss

for the year ended March 31, 2026

(All amounts in ₹ Millions, unless otherwise stated)

	Note No.	Year ended March 31, 2026	Year ended March 31, 2025
Income			
Revenue from operations	18	246,049.12	243,666.38
Other income	19	3,278.97	2,639.90
Total income		**249,328.09**	**246,306.28**
Expenses			
Cost of materials consumed	20(a)	150,167.77	147,405.50
Purchases of stock-in-trade	20(b)	20,882.82	19,729.36
Changes in inventories of finished goods, stock-in-trade and work-in-progress	20(c)	618.35	(1,333.98)
Employee benefits expense	21	9,969.89	9,627.94
Finance costs	22	405.84	306.46
Depreciation and amortisation expense	23	3,961.07	3,803.57
Other expenses	24	40,327.24	37,136.32
Total expenses		**226,332.98**	**216,675.17**
Profit before tax		**22,995.11**	**29,631.11**
Tax expense			
- Current tax	26(a)	6,024.75	7,900.87
- Current tax expense relating to previous years	26(a)	173.30	(1.06)
- Deferred tax	26(b)	(53.87)	(302.18)
Total tax expense		**6,144.18**	**7,597.63**
Profit for the year		**16,850.93**	**22,033.48**
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
- Remeasurement of post-employment benefit obligation	27	137.55	(72.48)
Income tax relating to these items	26(b)	(34.62)	18.24
Other Comprehensive Income for the year (net of tax)		**102.93**	**(54.24)**
Total Comprehensive Income for the year		**16,953.86**	**21,979.24**
Earnings per equity share from operations attributable to the equity holders of the Company			
Basic earnings per share (₹)	29	24.83	32.46
Diluted earnings per share (₹)	29	24.83	32.46

See accompanying notes forming part of the Financial Statements.
This is the Statement of Profit and Loss (including Other Comprehensive Income) referred to in our report of even date.

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

Anurag Khandelwal
Partner
Membership No. : 078571

Place : Noida
Date : May 21, 2026

For and on behalf of the Board of Directors of **LG Electronics India Limited**
(Formerly known as LG Electronics India Private Limited)

Hong Ju Jeon
Managing Director
DIN. : 10041232

Dongmyung Seo
Whole Time Director and Chief Financial Officer
DIN. : 09481866

Atul Khanna
Chief Accounting Officer

Anuj Goyal
Company Secretary and Compliance officer
Membership No : A23761

Suresh Kumar Jhawar
Senior General Manager, Accounting

Place : Noida
Date : May 21, 2026

Statement of Change in Equity

for the year ended March 31, 2026

(All amounts in ₹ Millions, unless otherwise stated)

Particulars	Equity share capital	Reserves and surplus			
		Amalgamation reserve	Retained earnings	General reserve	Total
Balance as at April 01, 2024	**1,131.29**	**364.25**	**34,402.62**	**1,824.30**	**36,591.17**
Profit for the year	-	-	22,033.48	-	22,033.48
Other Comprehensive Income	-	-	(54.24)	-	(54.24)
Total Comprehensive Income for the year	**-**	**-**	**21,979.24**	**-**	**21,979.24**
Transactions with owners in their capacity as owners :					
Add/(Less) : Issue of bonus shares during the year	5,656.43	-	(5,656.43)	-	(5,656.43)
Balance as at March 31, 2025	**6,787.72**	**364.25**	**50,725.43**	**1,824.30**	**52,913.98**
Balance as at April 01, 2025	**6,787.72**	**364.25**	**50,725.43**	**1,824.30**	**52,913.98**
Profit for the year	-	-	16,850.93	-	16,850.93
Other Comprehensive Income	-	-	102.93	-	102.93
Total Comprehensive Income for the year	**-**	**-**	**16,953.86**	**-**	**16,953.86**
Balance as at March 31, 2026	**6,787.72**	**364.25**	**67,679.29**	**1,824.30**	**69,867.84**

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

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

Anurag Khandelwal
Partner
Membership No. : 078571

Place : Noida
Date : May 21, 2026

For and on behalf of the Board of Directors of **LG Electronics India Limited**
(Formerly known as LG Electronics India Private Limited)

Hong Ju Jeon
Managing Director
DIN. : 10041232

Dongmyung Seo
Whole Time Director and Chief Financial Officer
DIN. : 09481866

Atul Khanna
Chief Accounting Officer

Anuj Goyal
Company Secretary and Compliance officer
Membership No : A23761

Suresh Kumar Jhawar
Senior General Manager, Accounting

Place : Noida
Date : May 21, 2026

Statement of Cash Flows

for the year ended March 31, 2026

(All amounts in ₹ Millions, unless otherwise stated)

	Year ended March 31, 2026	Year ended March 31, 2025
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	**22,995.11**	**29,631.11**
Adjustments for:		
Depreciation and amortisation expense	3,961.07	3,803.57
Profit on sale of property, plant and equipment (net)	(13.65)	(33.10)
Interest income on bank deposits	(2,679.29)	(2,476.99)
Interest on lease liabilities	359.46	304.59
Property, plant and equipment written-off	2.90	18.03
Allowance for doubtful trade receivables, other assets and other financials assets	(35.13)	(127.68)
Trade receivables written-off	16.44	1.71
Provision for warranty expenses	24.05	181.90
Unrealised loss / (gain) on foreign currency (net)	542.27	(200.17)
	2,178.12	**1,471.86**
Operating profit before change in operating assets and liabilities	**25,173.23**	**31,102.97**
Changes in working capital:		
Adjustment for (increase) / decrease in operating assets:		
Inventories	698.31	(6,340.37)
Trade receivables	(4,563.32)	(5,711.48)
Other assets	(115.12)	(1,154.45)
Other financial assets	(923.87)	(801.12)
Loans	(305.16)	(13.57)
Adjustment for increase / (decrease) in operating liabilities:		
Trade payables	872.03	4,153.17
Provisions	310.74	129.53
Other liabilities	1,999.30	1,793.84
Other financial liabilities	272.41	919.13
	(1,754.68)	**(7,025.32)**
Cash generated from operations	**23,418.55**	**24,077.65**
Net income tax (paid) / refunds	(6,206.07)	(7,538.73)
Net cash inflow from operating activities (A)	**17,212.48**	**16,538.92**
B. CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment and intangible assets (including Capital work-in-progress and Intangible assets under development)	(11,722.37)	(3,393.26)
Proceeds from government grant	477.18	593.12
Proceeds from sale of property, plant and equipment (including intangible assets under development)	1.14	47.70
Interest income on bank deposits	2,679.29	2,476.99
Net cash outflow from investing activities (B)	**(8,564.76)**	**(275.45)**
C. CASH FLOWS FROM FINANCING ACTIVITIES		
Principal payment of lease liabilities	(914.87)	(759.95)
Interest paid on lease liabilities	(359.46)	(304.59)
Net cash outflow from financing activities (C)	**(1,274.33)**	**(1,064.54)**
Net increase / (decrease) in cash and cash equivalents (A+B+C)	**7,373.39**	**15,198.93**
Cash and cash equivalents at the beginning of the year	37,414.73	22,226.05
Effect of exchange differences on restatement of foreign currency accounts	(25.47)	(10.25)
Cash and cash equivalents at the end of the year	**44,762.65**	**37,414.73**

Statement of Cash Flows

for the year ended March 31, 2026

(All amounts in ₹ Millions, unless otherwise stated)

	Year ended March 31, 2026	Year ended March 31, 2025
Non-cash investing activities		
Acquisition of right of use assets	1,370.12	1,619.35
Cash and cash equivalents at the end of the year comprises:		
(a) Balances with banks		
(i) In current accounts	1,071.50	722.37
(ii) Exchange Earner's Foreign Currency (EEFC) Accounts	594.42	621.56
(b) Cash on hand	9.97	11.70
(c) Bank deposits with original maturity of less than three months	43,086.76	36,059.10
	44,762.65	**37,414.73**

Notes:

(i) The above Statement of Cash Flows has been prepared under the indirect method as set out in "Ind AS 7 Statement of Cash Flows".

(ii) Amount in bracket represent outflows, except for working capital changes

(iii) Net cash inflow from operating activities includes amount of ₹ 183.99 Millions (March 31, 2025 : ₹ 445.37 Millions) spent towards Corporate social responsibility.

(iv) Balance with banks in current accounts includes balance in separate CSR unspent account amounting to ₹ 652.13 Millions (March 31, 2025: ₹ 476.80 Millions) and balance in public offer Escrow account amounting to ₹ 5.31 Millions (March 31, 2025: ₹ Nil Million) which are considered to be restricted.

See accompanying notes forming part of the Financial Statements.
This is the Statement of Cash Flows referred to in our report of even date.

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

Anurag Khandelwal
Partner
Membership No. : 078571

Place : Noida
Date : May 21, 2026

For and on behalf of the Board of Directors of **LG Electronics India Limited**
(Formerly known as LG Electronics India Private Limited)

Hong Ju Jeon
Managing Director
DIN. : 10041232

Dongmyung Seo
Whole Time Director and Chief Financial Officer
DIN. : 09481866

Atul Khanna
Chief Accounting Officer

Anuj Goyal
Company Secretary and Compliance officer
Membership No : A23761

Suresh Kumar Jhawar
Senior General Manager, Accounting

Place : Noida
Date : May 21, 2026

Notes to the Financial Statements

for the year ended March 31, 2026

(All amounts in ₹ Millions, unless otherwise stated)

NOTE 1 : COMPANY INFORMATION

LG Electronics India Limited (Formerly known as LG Electronics India Private Limited) (the "Company") was incorporated on January 20, 1997 in India, having registered office at Delhi and is engaged in the business of manufacturing and trading of Television (Flat panel, Signage, Projectors, Monitor TV etc.), Air Conditioners, Refrigerators, Microwave Ovens, Washing Machines, Dishwasher, Vacuum Cleaners, Ceiling Fan, Monitor, Audio Visual, Water Purifiers, Air Purifiers, Compressors, Personal Computer and Security Camera.

The Manufacturing facilities of the Company are situated at Greater Noida in the State of Uttar Pradesh and in Ranjangaon near Pune in the State of Maharashtra.

The Company was converted from a Private Limited Company to a Public Limited Company and the name of the Company was changed to LG Electronics India Limited pursuant to a special resolution passed in the extraordinary general meeting of the shareholders of the Company held on November 11, 2024. A fresh certificate of incorporation dated December 03, 2024 was issued by the Registrar of Companies, National Capital Territory of Delhi and Haryana (the "ROC") in New Delhi.

During the year ended March 31, 2026, the Company has completed the initial public offer (IPO) of 101,815,859 equity shares of face value of ₹ 10 each at an issue price of ₹ 1,140 per share, comprising offer for sale of shares by LG Electronics Inc, South Korea (Holding company). Pursuant to the IPO, the equity shares of the Company were listed on National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) on October 14, 2025.The Company has not received any proceeds from the offer and all such proceeds (net of any offer related expenses which are borne by Holding company) have gone to the Holding company.

The Financial Statements were authorised for issue in accordance with a resolution of the meeting of Board of Directors held on May 21, 2026.

NOTE 2 : BASIS OF PREPARATION, CRITICAL ESTIMATES AND JUDGMENTS, MATERIAL AND OTHER ACCOUNTING POLICIES

2.1 Basis of preparation

A) Compliance with Ind AS

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

B) Historical cost convention

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

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

ii) Defined benefit plans - plan assets have been measured at fair value.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

C) Functional currency and rounding off

The financial statements are presented in ₹, which is also the Company's functional currency. All amounts disclosed in the financial statements and notes have been rounded off to the nearest ₹ Millions up to two decimal places, unless otherwise stated. Amount below rounding off norm are disclosed as "*".

D) New and amended standards adopted by the company

The Ministry of Corporate Affairs vide notification dated May 07, 2025 and August 13, 2025 notified the Companies (Indian Accounting Standards) Amendment Rules, 2025 and Companies (Indian Accounting Standards) Second Amendment Rules, 2025, respectively, which amended certain accounting standards (see below), and are effective for annual reporting periods beginning on or after April 01, 2025:

(a) Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants – Amendments to Ind AS 1

(b) Supplier Finance Arrangements – Amendments to Ind AS 7 and Ind AS 107

(c) International Tax Reform – Pillar Two Model Rules – Amendments to Ind AS 12

(d) Lack of Exchangeability – Amendments to Ind AS 21

These amendments did not have any material impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

Notes to the Financial Statements

for the year ended March 31, 2026

(All amounts in ₹ Millions, unless otherwise stated)

E) New standards or amendments not yet adopted

Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants – Amendments to Ind AS 1 - This amendment also includes specific provisions that will take effect for reporting periods beginning on or after April 01, 2026, as outlined below.

Under the existing Ind AS 1, where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

However, the amended requirements stipulate that entities will no longer be permitted to consider lender waivers that are granted after the reporting date but before the financial statements are approved for the purpose of classification of loans. This amendment is required to be applied retrospectively in accordance with Ind AS 8.

The Company does not expect this amendment to have an impact on its operations or financial statements.

2.2 Critical estimates and judgments

The preparation of financial statements requires the use of accounting estimates which, by definition, will likely differ from the actual results. Management also needs to exercise judgement in applying the Company's accounting policies.

In the process of applying the Company's accounting policies, management has made the following estimates, assumptions and judgments, which have a significant effect on the amounts recognised in the financial statements:

(a) Provisions and contingencies

Management judgment is required for estimating the possible outflow of resources, if any, in respect of contingencies/claim/litigations against the Company as it is not possible to predict the outcome of pending matters with accuracy.

(b) Warranty

The estimated liability for product warranties is recorded when products are sold. These estimates are established using historical information on the nature, frequency and average cost of warranty claims and management estimates regarding possible future incidence based on corrective actions or product failures.

(c) Revenue from operations-Variable consideration

The discounts and rebates are assessed based on expected cost.The Company estimates an amount of variable consideration by using the expected value approach which the Company expects to better predict the amount of consideration.

2.3 Material accounting policies

The material accounting policies applied by the Company in the preparation of its financial statements are listed below. Such accounting policies have been applied consistently to the year presented in these financial statements, unless otherwise indicated.

A) Revenue recognition

The Company recognises revenue when the amount of revenue can be reliably measured; when it is probable that future economic benefits will flow to the entity; and specific criteria have been met for each of the Company's activities as described below:

Sales of products

Revenue from sale of finished goods, stock-in-trade, raw material, service components and spares is recognised when control of the goods is transferred to the customers (retailers, distributors and large format stores etc.) being when the products are delivered to the customer. Delivery does not occur until the products have been shipped to the specified location and the risk of loss (i.e. control) has been transferred to the customer.

Revenue is recognised based on the consideration specified in a contract with a customer (transaction price) and is net of discounts and Goods and Services Tax (GST).

The products are often sold with discounts and rebates and customers have a right to return faulty products. Accumulated experience is used to estimate and provide for the discounts and returns. The discounts and rebates are assessed based on expected cost. The Company recognises contract liabilities for sales return (hereinafter referred to as 'refund liability') based on reasonable expectation reflecting sale return rate incurred historically. The Company estimates an amount of variable consideration by using the expected value approach which the Company expects to better predict the amount of consideration. The Company recognises revenue with transaction price including variable consideration to the extent that it is highly probable that a significant reversal in the accumulated amount of revenue will not occur when the refund period has lapsed.

The transaction price is allocated to each performance obligation based on relative stand alone selling price of the goods or services being provided to a customer. The Company determines the stand alone price for each performance obligation by using 'adjusted market assessment approach'. In limited circumstances, the Company uses an 'expected cost plus a margin approach' to estimate stand alone selling price.

Refund liability for the expected returns from customers is recognised as an adjustment to revenue. The Company has a right to recover the products from the customer when the customer exercises his right of return and recognises an asset and a corresponding adjustment to cost of sales. A right to recover the products is measured at the former carrying amount of the product.

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

Revenue from sale of scrap arising during the manufacturing is recognised when control is transferred being when the scrap materials are collected by the scrap dealer.

Sales, installation and commissioning contracts

The fixed price contract of sales, installation and commissioning are integrated contracts and revenue is recognised at a point in time when the performance obligation is met basis the output oriented method (i.e. milestone completion) and where no significant uncertainty exists regarding the amount of consideration that will be derived on completion of the contract. Milestone is determined on the basis of survey of work performed up to the reporting date.

Provision for anticipated loss is recognised where it is probable that the estimated contract costs are likely to exceed the total contract revenue. Provision is made for liquidated damages and penalties in terms of the contract wherever there is a delayed delivery attributable to the Company.

Maintenance service contracts

Revenue from maintenance contracts are recognised on a pro-rata basis over the period of the contract.

Financing components

The Company does not have any contracts where the period between the transfer of promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, the Company does not adjust any of the transaction prices for the time value of money.

B) Inventories

Inventories are valued at lower of cost and net realisable value after providing for obsolescence and other losses, wherever considered necessary.

Cost of raw materials and traded goods comprises cost of purchases. Cost of work-in-progress and finished goods comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Cost of inventories also include all other costs incurred in bringing the inventories to their present location and condition. Goods in transit are valued at lower of cost and net realisable value. Net realisable value is estimated selling price in the ordinary course of business less the estimated cost of completion and costs necessary to make the sales. The basis for determination of cost of various categories of inventory are as follows:

Category	Basis of determination
Raw materials, stores and spares and packaging materials	Monthly weighted average
Stock-in-trade	Monthly weighted average
Finished goods, work in progress	Monthly weighted average of material cost plus an appropriate share of labour and manufacturing overheads wherever applicable.

Provision for obsolescence on surplus stores and spares held to support servicing of discontinued models and cost of certain obsolete/dormant models is accrued at lower of carrying value and estimated fair value. The recoverability of all other inventories is periodically reviewed and an impairment loss is recognised only when carrying value exceeds the fair value.

Notes to the Financial Statements

for the year ended March 31, 2026

(All amounts in ₹ Millions, unless otherwise stated)

C) Provisions and contingencies

The Company creates provision when there is present obligation as a result of a past events and it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

The assessments undertaken in recognising provisions and contingencies have been made in accordance with Ind AS 37, 'Provisions, Contingent Liabilities and Contingent Assets'. The evaluation of the likelihood of the contingent events requires best judgment by management regarding the probability of exposure to potential loss. Should circumstances change following unforeseeable developments, this likelihood could alter.

Provisions are reviewed at each Balance Sheet date and adjusted to reflect the current best estimate. If it is no longer probable that the outflow of resources would be required to settle the obligation, the provision is reversed.

Contingent assets are not recognised in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an economic benefit will arise, the asset and the related income are recognised in the period in which the change occurs.

D) Property, plant and equipment

Property, plant and equipment are stated at original cost net of tax/duty credit availed less government grants received to purchase/construct assets, accumulated depreciation and impairment losses, if any. When the significant part of property, plant and equipment are required to be replaced at intervals, the Company derecognises the written down value of replaced parts and recognises the new part with it own associated useful life and it is depreciated accordingly. Likewise, when a major repair and inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as replacements, only if recognition criteria are satisfied. All the other repair and maintenance costs are recognised in the Statement of Profit and Loss as incurred.

Depreciation on property, plant and equipment is provided on the straight-line method over the estimated useful life of the assets at rates which are higher / lower than the rates specified in Schedule II to the Companies Act, 2013. The life of the assets has been assessed as under based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturer's warranties and maintenance support etc. The estimated useful lives are as follows:

Category of property, plant and equipment	Useful life as per Schedule II (Years)	Estimated useful life (Years)
Buildings	30	10-20
Plant and machineries	15	5-10
Furniture and fixtures	10	5
Office equipments	5	5
Vehicles	8	5

Useful lives, depreciation method and residual value are reviewed by the management at the end of each reporting period.

Gain and losses on disposals are determined by comparing proceeds with carrying amount of property, plant and equipment. These are included in the Statement of Profit and Loss.

An asset's carrying amount is written down immediately to its recoverable amount if the assets carrying amount is greater than its estimated recoverable amount.

E) Impairment

At the end of each reporting period, the Company reviews the carrying amounts of its property, plant and equipment and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the Statement of Profit and Loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in Statement of Profit and Loss.

Non-financial assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

F) Warranty

The estimated liability for assurance type warranty is recorded when products are sold based on management's best estimate. The expense for such warranties is included under customer service expenses (other expenses). These estimates are established using historical information on the nature, frequency and average cost of warranty claims and management estimates regarding possible future incidence based on corrective actions or product failures.The timing of outflows will vary as and when warranty claim will arise.

2.4 Other accounting policies

The other accounting policies applied by the Company in the preparation of its financial statements are listed as below.

A) Financial instruments

Financial assets and financial liabilities

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the relevant instrument. Financial assets are derecognised when the rights to receive benefits have expired or been transferred, and the Company has transferred substantially all risks and rewards of ownership of such financial asset. Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires. Purchase or sale of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date i.e., the date when the Company commits to purchase or sell the asset.

The Company classifies its financial assets in the following measurement categories:

i) those to be measured subsequently either by fair value through Other Comprehensive Income or fair value through profit and loss, and

ii) those measured at amortised cost.

The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in the Statement of Profit and Loss or Other Comprehensive Income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through Other Comprehensive Income. The Company reclassifies debt investments when and only when its business model for managing those assets changes.

Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the Balance Sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

Notes to the Financial Statements

for the year ended March 31, 2026

(All amounts in ₹ Millions, unless otherwise stated)

Measurement

At initial recognition, the Company measures a financial asset at its fair value other than trade receivables which are measured at the transaction price, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in the Statement of Profit and Loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

- Amortised cost: Assets (Bank Balances, loans, security deposits and grant receivable) that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in the Statement of Profit and loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

- Fair value through Other Comprehensive Income (FVTOCI): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the asset's cash flows represent solely payments of principal and interest, are measured at fair value through Other Comprehensive Income (FVTOCI). Movements in the carrying amount are taken through Other Comprehensive Income (OCI), except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in the Statement of Profit and Loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in Other Comprehensive Income (OCI) is reclassified from equity to Statement of Profit and Loss and recognised in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method.

- Fair value through profit or loss (FVTPL): Assets that do not meet the criteria for amortised cost or FVTOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in the Statement of Profit and Loss and presented net in the Statement of Profit and Loss within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in other income.

Trade receivables

Trade receivables are recognised initially at transaction value and subsequently measured at amortised cost using the effective interest method less any expected credit loss.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, bank deposits and other short-term highly liquid investments/deposits with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdraft.

Impairment of financial assets

The Company recognises loss /allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables is measured at an amount equal to lifetime ECL as they do not include a significant financial component. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognised as an impairment gain or loss in the Statement of Profit and Loss.

Notes to the Financial Statements

for the year ended March 31, 2026

(All amounts in ₹ Millions, unless otherwise stated)

Derecognition of financial assets

A financial asset is derecognised only when

- the Company has transferred the rights to receive cash flows from the financial asset or

- retains the contractual rights to receive the cash flows of the financial asset but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the Company has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the Company has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the Company has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to end of reporting period which are unpaid. The amounts are unsecured and are usually paid based on trade terms.Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period.They are recognised initially at fair value and subsequently measured at amortised cost using effective interest method.

Derivative financial instruments

The Company holds derivative financial instruments such as foreign exchange forward to mitigate the risk of changes in exchange rates on foreign currency exposures. The counterparty for these contracts is generally a bank. Changes in fair value of derivatives including forward exchange contracts are recognised in the Statement of Profit and Loss.

Other income

Income from interest on bank deposits is recognised on the time proportion method taking into consideration the amount outstanding and the applicable interest rates.

B) Government grants

Government grants are not recognised until there is reasonable assurance that the Company will comply with the conditions attached to them and the grants will be received.

i) Government grants wherein primary condition is that the Company should purchase, construct or otherwise acquire non-current assets are recognised as deduction from property, plant and equipment and intangible assets in the Balance Sheet and transferred to the Statement of Profit and Loss on a systematic and rational basis over the useful lives of the related assets.

ii) Government grants of industrial promotion subsidy are recognised in the Statement of Profit and Loss on a systematic basis over the periods in which the Company recognises related revenue on which grant for taxes are intended to compensate.

iii) Export benefits in respect of Merchandise Exports from India Scheme (MEIS) and Remission of Duties or Taxes on Export Products Scheme (RoDTEP) under Foreign Trade Policy of India are recognised as income in the period in which goods are exported at fair value of consideration received or receivable.

iv) Export benefits arising from duty drawback scheme are recognised on export of goods in accordance with the underlying scheme at fair value of consideration received or receivable.

C) Employee benefits

Employee benefits include salaries, wages, bonus, provident fund, employees' state insurance, gratuity, compensated absences, long term service award and staff welfare expenses.

Defined contribution plans

In accordance with the provisions of the Employees Provident Funds and Miscellaneous Provisions Act, 1952 and The Employee's State Insurance Act, 1948, eligible employees of the Company are entitled to receive benefits with respect to provident fund and employee state insurance, a defined contribution plan in which both the Company and the employee

Notes to the Financial Statements

for the year ended March 31, 2026

(All amounts in ₹ Millions, unless otherwise stated)

contribute monthly at a determined rate. Company's contribution to provident fund and employees state insurance is charged to the Statement of Profit and Loss.

Retirement benefit costs

The Company operates the following schemes:

- Defined benefit plans such as gratuity.
- Defined contribution plans such as provident fund.

Payments to retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the benefit.

Benefits payable to eligible employees of the Company with respect to gratuity, a defined benefit plan is accounted for on the basis of an actuarial valuation as at the Balance Sheet date using projected unit credit method. In accordance with the Payment of Gratuity Act, 1972, the plan provides for lump sum payments to vested employees on retirement, death while in service or on termination of employment an amount equivalent to 15 days' basic salary for each completed year of service. Vesting occurs upon completion of five years of service.

Service costs and net interest expense or income is reflected in the Statement of Profit and Loss. Gain or Loss on account of measurements are recognised immediately through Other Comprehensive Income in the period in which they occur.

Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorised as follows:

- service cost (including past service cost, as well as gains and losses on curtailment and settlement);
- net interest expense or income; and
- measurement

The Company presents the first two components of defined benefit costs in the Statement of Profit and Loss in the line item - employee benefits expense.

Short-term employee benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the period when the employees render the service.

Long-term employee benefits

Compensated absences benefits payable to employees of the Company on retirement, death while in service or on termination of employment or separation with respect to accumulated leaves outstanding at the period end are accounted for on the basis of an actuarial valuation as at the Balance Sheet date using projected unit credit method. Measurements as result of experience adjustment and changes in actuarial assumptions are recognised in the Statement of Profit and Loss.

Long-term service award

Eligible employees are entitled to long term service award, which are in the nature of long term benefit and are estimated based on actuarial valuation as at the Balance Sheet date using projected unit credit method.

D) Income tax

Income tax expense represents sum of the current tax and deferred tax. Current tax assets and liabilities are offset where the Company has a legally enforceable right to offset and either intends to settle on a net basis, or to realise the asset and the liability simultaneously.

Current tax

The tax currently payable is based on taxable profit for the period. Taxable profit differs from 'profit before tax' as reported in the Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period. Management periodically evaluates position taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and establishes provision wherever appropriate.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences.

Notes to the Financial Statements

for the year ended March 31, 2026

(All amounts in ₹ Millions, unless otherwise stated)

Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit amended with effect from April 1, 2023.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset is realised, based on tax rates (and tax laws) that have been enacted or substantively enacted at the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current and deferred tax for the period

Current and deferred tax are recognised in the Statement of Profit and Loss, except when they relate to items that are recognised in Other Comprehensive Income or directly in equity, in which case, the current and deferred tax are also recognised in Other Comprehensive Income or directly in equity, respectively.

E) Leases

The Company recognises right of use assets and lease liabilities for all non cancellable leases with a term of more than twelve months, unless the underlying asset is low value in nature.

Right of use assets are measured at cost comprising the following:

- The amount of the initial measurement of lease liability
- Any lease payment made at or before the commencement date
- Initial direct cost (if any)

Depreciation on right of use assets and finance costs on lease liabilities are recognised as an expense in the Statement of Profit and Loss over the shorter of the asset's useful life and the lease term on a straight line basis. The lease payments made by the Company under the lease arrangement are adjusted against the lease liabilities.

Payment of cancellable or low value leases are recognised as an expense on a straight-line basis over the lease term, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

For lease liabilities at the commencement date, the Company measures the lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the incremental borrowing rate.

F) Intangible assets

Intangible assets acquired separately

Intangible assets mainly representing computer software are acquired separately and are carried at cost less government grants received to purchase/ construct assets, accumulated amortisation and accumulated impairment losses, if any. Amortisation is recognised on a straight-line basis over their estimated useful life. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

The estimated useful life is as follows:

Category of assets	Useful life (Years)
Software	3 - 5

G) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM). Managing Director and Chief Financial Officer have been identified as the chief operating decision maker to assess the financial performance and position of the Company and make strategic decisions. The Company identifies operating segments based on the dominant source, nature of risks and returns and the internal organisation and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit / loss amounts are evaluated regularly by the executive management in

Notes to the Financial Statements

for the year ended March 31, 2026

(All amounts in ₹ Millions, unless otherwise stated)

deciding how to allocate resources and in assessing performance.

The accounting policies adopted for segment reporting are in line with the accounting policies of the Company. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment (Refer Note No 34 for reportable segments determined by the Company and segment information presentation).

Revenue, expenses, assets and liabilities which relate to the Company as a whole and are not allocable to segments on reasonable basis are included under unallocated revenue / expenses / assets / liabilities.

H) Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

Diluted earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of shares outstanding during the period as adjusted for the effects of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

I) Dividends

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the Company, on or before the end of the reporting period but not distributed at the end of the reporting period.

J) Customs duty

Customs duty (including GST) payable on stocks lying with customs or in bonded warehouses as at the Balance Sheet date is accrued and included in the valuation of closing stock. Payment of customs duty is deferred till clearance of goods.

K) Insurance claims

Insurance claims are accounted for on the basis of claims admitted and to the extent that there in no uncertainty in receiving the claims.

L) Foreign currency transactions and translations

Items included in the financial statements are measured using the currency of primary economic environment in which the Company operates. The Company's functional currency is ₹ as Company operates primarily in India.

Foreign currency transactions are recorded on initial recognition in the functional currency using the exchange rate at the date of transaction. At each Balance Sheet date foreign currency monetary items are reported using the closing exchange rate. Exchange difference that arise on settlement of monetary items or on reporting at each balance sheet date of the Company's monetary items at the closing rate are recognised as income or expense in the period in which they arise. Translation differences on assets and liabilities carried at fair value are reported as part of fair value gain or loss.

M) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Investment Income earned on temporary investment of specific borrowing pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in the Statement of Profit and Loss in the period in which they are incurred.

Notes to the Financial Statements

for the year ended March 31, 2026

(All amounts in ₹ Millions, unless otherwise stated)

NOTE 3(A) : PROPERTY, PLANT AND EQUIPMENT

Particulars	As at March 31, 2026	As at March 31, 2025
I. Owned assets	11,558.06	9,450.79
II. Right of use assets	3,929.94	3,745.91
Total	**15,488.00**	**13,196.70**

I. Owned assets

Particulars	Buildings	Leasehold improvements	Plant and machineries [Refer Note No (i)]	Office equipments	Furniture and fixtures	Vehicles	Total
As at March 31, 2026							
Gross carrying amount							
Opening gross carrying amount as at April 01, 2025	3,147.72	598.25	23,591.93	2,040.87	389.52	180.52	29,948.81
Additions during the year	225.61	51.66	4,692.25	414.47	36.86	24.54	5,445.39
Government grant received during the year	9.10	-	450.25	17.63	-	0.20	477.18
Disposals during the year	7.77	-	251.98	109.29	14.04	4.26	387.34
Closing gross carrying amount as at March 31, 2026	**3,356.46**	**649.91**	**27,581.95**	**2,328.42**	**412.34**	**200.60**	**34,529.68**
Accumulated depreciation							
Opening accumulated depreciation as at April 01, 2025	2,053.42	270.61	16,555.74	1,152.58	315.93	149.74	20,498.02
Depreciation charge during the year	252.28	85.95	2,695.68	308.32	46.54	24.41	3,413.18
Government grant amortised during the year	17.77	-	528.06	9.72	-	0.14	555.69
Disposals during the year	7.38	-	251.60	106.65	14.00	4.26	383.89
Closing accumulated depreciation as at March 31, 2026	**2,280.55**	**356.56**	**18,471.76**	**1,344.53**	**348.47**	**169.75**	**22,971.62**
Net carrying amount as at March 31, 2026	**1,075.91**	**293.35**	**9,110.19**	**983.89**	**63.87**	**30.85**	**11,558.06**
As at March 31, 2025							
Gross carrying amount							
Opening gross carrying amount as at April 01, 2024	2,991.94	531.44	22,032.66	1,697.63	367.30	174.87	27,795.84
Additions during the year	180.86	73.31	2,379.97	456.72	34.49	9.96	3,135.31
Government grant received during the year	19.52	-	570.90	2.39	0.06	0.16	593.03
Disposals during the year	5.56	6.50	249.80	111.09	12.21	4.15	389.31
Closing gross carrying amount as at March 31, 2025	**3,147.72**	**598.25**	**23,591.93**	**2,040.87**	**389.52**	**180.52**	**29,948.81**
Accumulated depreciation							
Opening accumulated depreciation as at April 01, 2024	1,820.79	199.32	14,543.59	997.55	270.48	127.17	17,958.90
Depreciation charge during the year	252.32	73.46	2,509.25	259.44	58.49	27.18	3,180.14
Government grant amortised during the year	15.01	-	292.17	1.85	1.15	0.58	310.76
Disposals during the year	4.68	2.17	204.93	102.56	11.89	4.03	330.26
Closing accumulated depreciation as at March 31, 2025	**2,053.42**	**270.61**	**16,555.74**	**1,152.58**	**315.93**	**149.74**	**20,498.02**
Net carrying amount as at March 31, 2025	**1,094.30**	**327.64**	**7,036.19**	**888.29**	**73.59**	**30.78**	**9,450.79**

Note:

(i) Gross carrying amount and net carrying amount includes assets aggregating to ₹ 14,787.58 Millions and ₹ 3,300.28 Millions, respectively (March 31, 2025: ₹ 12,253.72 Millions and ₹ 1,855.83 Millions, respectively) lying with third parties.

(ii) Refer Note No 32 for disclosure of contractual commitments for the acquisition of property, plant and equipment.

Notes to the Financial Statements

for the year ended March 31, 2026

(All amounts in ₹ Millions, unless otherwise stated)

II. Right of use assets

Particulars	Land - leasehold	Buildings	Office equipments	Vehicles	Total
As at March 31, 2026					
Gross carrying amount					
Opening gross carrying amount as at April 01, 2025	115.00	5,148.93	9.29	141.19	5,414.41
Additions during the year	-	1,305.23	3.31	61.58	1,370.12
Deletions/Termination during the year	-	579.40	9.86	34.11	623.37
Closing gross carrying amount as at March 31, 2026	**115.00**	**5,874.76**	**2.74**	**168.66**	**6,161.16**
Accumulated depreciation					
Opening accumulated depreciation as at April 01, 2025	10.35	1,586.82	8.77	62.56	1,668.50
Depreciation charge during the year	1.62	1,007.47	1.35	46.75	1,057.19
Deletions/Termination during the year	-	453.63	9.54	31.30	494.47
Closing accumulated depreciation as at March 31, 2026	**11.97**	**2,140.66**	**0.58**	**78.01**	**2,231.22**
Net carrying amount as at March 31, 2026	**103.03**	**3,734.10**	**2.16**	**90.65**	**3,929.94**
As at March 31, 2025					
Gross carrying amount					
Opening gross carrying amount as at April 01, 2024	115.00	4,401.86	9.29	131.59	4,657.74
Additions during the year	-	1,575.59	-	43.76	1,619.35
Deletions/Termination during the year	-	828.52	-	34.16	862.68
Closing gross carrying amount as at March 31, 2025	**115.00**	**5,148.93**	**9.29**	**141.19**	**5,414.41**
Accumulated depreciation					
Opening accumulated depreciation as at April 01, 2024	8.73	1,318.94	6.80	54.78	1,389.25
Depreciation charge during the year	1.62	843.43	1.97	40.86	887.88
Deletions/Termination during the year	-	575.55	-	33.08	608.63
Closing accumulated depreciation as at March 31, 2025	**10.35**	**1,586.82**	**8.77**	**62.56**	**1,668.50**
Net carrying amount as at March 31, 2025	**104.65**	**3,562.11**	**0.52**	**78.63**	**3,745.91**

Also Refer Note No 17.

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

Particulars	Total
As at March 31, 2026	
Opening carrying amount as at April 01, 2025	753.12
Additions during the year	9,265.90
Capitalised during the year	5,445.39
Closing carrying amount as at March 31, 2026	**4,573.63**
As at March 31, 2025	
Opening carrying amount as at April 01, 2024	242.05
Additions during the year	3,646.38
Capitalised during the year	3,135.31
Closing carrying amount as at March 31, 2025	**753.12**

Ageing of capital work-in-progress

Projects-in-progress	Amount in capital work-in-progress for a period of				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
As at March 31, 2026	4,562.07	-	-	11.56	4,573.63
As at March 31, 2025	740.49	1.07	11.56	-	753.12

Notes to the Financial Statements

for the year ended March 31, 2026

(All amounts in ₹ Millions, unless otherwise stated)

Completion schedule for capital work in progress whose completion is overdue as compared to its original plan

Projects-in-progress	Amount in capital work-in-progress for a period of				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
As at March 31, 2026	68.18	-	-	-	68.18
As at March 31, 2025	11.56	-	-	-	11.56

Note:

(i) Capital work-in-progress mainly comprises Plant and machineries, Buildings and Office equipments.

(ii) There are no projects which have been temporarily suspended.

Note 4(a) : Intangible assets

Particulars	Computer software
As at March 31, 2026	
Gross carrying amount	
Opening gross carrying amount as at April 01, 2025	437.68
Additions during the year	66.88
Government grant received during the year	-
Disposals during the year	6.50
Closing gross carrying amount as at March 31, 2026	**498.06**
Accumulated amortisation	
Opening accumulated amortisation as at April 01, 2025	343.29
Amortisation charge during the year	46.39
Government grant amortised during the year	-
Disposals during the year	6.49
Closing accumulated amortisation as at March 31, 2026	**383.19**
Net carrying amount as at March 31, 2026	**114.87**
As at March 31, 2025	
Gross carrying amount	
Opening gross carrying amount as at April 01, 2024	386.49
Additions during the year	57.73
Government grant received during the year	0.09
Disposals during the year	6.45
Closing gross carrying amount as at March 31, 2025	**437.68**
Accumulated amortisation	
Opening accumulated amortisation as at April 01, 2024	303.43
Amortisation charge during the year	46.40
Government grant amortised during the year	0.09
Disposals during the year	6.45
Closing accumulated amortisation as at March 31, 2025	**343.29**
Net carrying amount as at March 31, 2025	**94.39**

Notes to the Financial Statements

for the year ended March 31, 2026

(All amounts in ₹ Millions, unless otherwise stated)

Note 4(b) : Intangible assets under development

Particulars	Computer software
As at March 31, 2026	
Opening carrying amount as at April 01, 2025	-
Additions during the year	73.60
Capitalised during the year	66.88
Closing carrying amount as at March 31, 2026	**6.72**
As at March 31, 2025	
Opening carrying amount as at April 01, 2024	2.49
Additions during the year	55.24
Capitalised during the year	57.73
Closing carrying amount as at March 31, 2025	**-**

Ageing for Intangible assets under development

Projects-in-progress	Amount in intangible assets under development for a period of				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
As at March 31, 2026	6.72	-	-	-	6.72
As at March 31, 2025	-	-	-	-	-

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

Projects-in-progress	Amount in intangible assets under development for a period of				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
As at March 31, 2026	2.89	-	-	-	2.89
As at March 31, 2025	-	-	-	-	-

NOTE 5 : TRADE RECEIVABLES

Particulars	As at March 31, 2026		As at March 31, 2025	
	Current	Non-current	Current	Non-current
Trade receivables from contract with customers	27,028.58	208.57	22,096.82	72.23
Trade receivables from contract with customers – related parties [Refer Note No 28(b)]	1,403.93	-	1,869.48	-
Less: Loss allowance	181.75	208.57	354.59	72.23
	28,250.76	**-**	**23,611.71**	**-**
Break-up of security details				
- Secured, considered good	-	-	-	-
- Unsecured, considered good	28,432.51	-	23,829.96	-
- Which have significant increase in credit risk	-	208.57	136.34	72.23
- Credit impaired	-	-	-	-
Less: Loss allowance	181.75	208.57	354.59	72.23
Total trade receivables	**28,250.76**	**-**	**23,611.71**	**-**

Notes to the Financial Statements

for the year ended March 31, 2026

(All amounts in ₹ Millions, unless otherwise stated)

Ageing of non current trade receivables

As at March 31, 2026

Non-current trade receivables	Not due	Outstanding for following periods from the due date					Total
		Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Undisputed trade receivables							
- Considered good	-	-	-	-	-	-	-
- Which have significant increase in credit risk	-	-	-	-	-	208.57	208.57
- Credit impaired	-	-	-	-	-	-	-
Less: Loss allowance	-	-	-	-	-	208.57	208.57
Disputed trade receivables							
- Considered good	-	-	-	-	-	-	-
- Which have significant increase in credit risk	-	-	-	-	-	-	-
- Credit impaired	-	-	-	-	-	-	-
Less: Loss allowance	-	-	-	-	-	-	-
Trade receivables-Unbilled	-	-	-	-	-	-	-
Total non-current trade receivables	**-**	**-**	**-**	**-**	**-**	**-**	**-**

As at March 31, 2025

Non-current trade receivables	Not due	Outstanding for following periods from the due date					Total
		Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Undisputed trade receivables							
- Considered good	-	-	-	-	-	-	-
- Which have significant increase in credit risk	-	-	-	-	-	72.23	72.23
- Credit impaired	-	-	-	-	-	-	-
Less: Loss allowance	-	-	-	-	-	72.23	72.23
Disputed trade receivables							
- Considered good	-	-	-	-	-	-	-
- Which have significant increase in credit risk	-	-	-	-	-	-	-
- Credit impaired	-	-	-	-	-	-	-
Less: Loss allowance	-	-	-	-	-	-	-
Trade receivables-Unbilled	-	-	-	-	-	-	-
Total non-current trade receivables	**-**	**-**	**-**	**-**	**-**	**-**	**-**

Ageing of current trade receivables

As at March 31, 2026

Non-current trade receivables	Not due	Outstanding for following periods from the due date					Total
		Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Undisputed trade receivables							
- Considered good	27,248.66	1,084.04	21.93	33.31	8.95	35.62	28,432.51
- Which have significant increase in credit risk	-	-	-	-	-	-	-
- Credit impaired	-	-	-	-	-	-	-
Less: Loss allowance	137.96	10.58	3.74	6.34	3.85	19.28	181.75
Disputed trade receivables							
- Considered good	-	-	-	-	-	-	-
- Which have significant increase in credit risk	-	-	-	-	-	-	-
- Credit impaired	-	-	-	-	-	-	-
Less: Loss allowance	-	-	-	-	-	-	-
Trade receivables-Unbilled	-	-	-	-	-	-	-
Total current trade receivables	**27,110.70**	**1,073.46**	**18.19**	**26.97**	**5.10**	**16.34**	**28,250.76**

Notes to the Financial Statements

for the year ended March 31, 2026

(All amounts in ₹ Millions, unless otherwise stated)

As at March 31, 2025

Non-current trade receivables	Not due	Outstanding for following periods from the due date					Total
		Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Undisputed trade receivables							
- Considered good	22,597.06	1,109.29	55.45	21.26	17.71	29.19	23,829.96
- Which have significant increase in credit risk	-	-	-	-	2.51	133.83	136.34
- Credit impaired	-	-	-	-	-	-	-
Less: Loss allowance	164.08	10.51	9.62	11.62	7.96	150.80	354.59
Disputed trade receivables							
- Considered good	-	-	-	-	-	-	-
- Which have significant increase in credit risk	-	-	-	-	-	-	-
- Credit impaired	-	-	-	-	-	-	-
Less: Loss allowance	-	-	-	-	-	-	-
Trade receivables-Unbilled	-	-	-	-	-	-	-
Total current trade receivables	**22,432.98**	**1,098.78**	**45.83**	**9.64**	**12.26**	**12.22**	**23,611.71**

NOTE 6 : FINANCIAL ASSETS - LOANS

Particulars	As at March 31, 2026		As at March 31, 2025	
	Current	Non-current	Current	Non-current
Loans to employees				
- Secured, considered good	-	-	-	-
- Unsecured, considered good	22.53	369.31	30.65	56.03
- Significant increase in credit risk	-	-	-	-
- Credit impaired	-	-	-	-
- Considered doubtful	0.04	1.53	0.06	0.23
- Less: Loss allowance	0.04	1.53	0.06	0.23
Total financial assets - Loans	**22.53**	**369.31**	**30.65**	**56.03**

NOTE 7 : OTHER FINANCIAL ASSETS

Particulars	As at March 31, 2026		As at March 31, 2025	
	Current	Non-current	Current	Non-current
(a) Recoverable from related parties [Refer Note No 28(b)]	985.71	-	93.80	-
(b) Government grant recoverable				
Unsecured, considered good	1,169.27	799.84	1,316.08	827.52
Considered doubtful	6.56	-	6.56	-
Less: Loss allowance	6.56	-	6.56	-
	1,169.27	**799.84**	**1,316.08**	**827.52**
(c) Security deposits #				
Unsecured, considered good	190.25	549.66	161.31	438.07
Considered doubtful	0.65	2.26	0.61	2.26
Less: Loss allowance	0.65	2.26	0.61	2.26
	190.25	**549.66**	**161.31**	**438.07**
(d) Derivative financial assets	90.36	-	-	-
(d) Other recoverables				
Unsecured, considered good	27.30	-	33.83	-
Considered doubtful	1.36	-	1.56	-
Less: Loss allowance	1.36	-	1.56	-
	27.30	**-**	**33.83**	**-**
Total other financial assets	**2,462.89**	**1,349.50**	**1,605.02**	**1,265.59**

 # Includes Current and Non-current portion of deposits made for residential accommodation on behalf of directors amounting to ₹ 1.10 Millions and ₹ 1.50 Millions, respectively (March 31, 2025 ₹ Nil Million and ₹ 1.10 Millions, respectively) [Refer Note No 28(b)].

Notes to the Financial Statements

for the year ended March 31, 2026

(All amounts in ₹ Millions, unless otherwise stated)

NOTE 8 : OTHER ASSETS

Particulars	As at March 31, 2026		As at March 31, 2025	
	Current	Non-current	Current	Non-current
Capital advance				
(i) Capital advances				
Unsecured, considered good	-	2,607.09	-	18.06
Unsecured, considered doubtful	-	-	-	0.12
Less: Loss allowance	-	-	-	0.12
	-	**2,607.09**	**-**	**18.06**
Advance other than capital advance				
(i) Advance to suppliers				
Unsecured, considered good	50.12	-	31.04	-
Unsecured, considered doubtful	0.43	-	1.85	-
Less: Loss allowance	0.43	-	1.85	-
	50.12	**-**	**31.04**	**-**
(ii) Balances with government authorities (other than income taxes)				
Unsecured, considered good				
a) Excise and customs duty recoverable	8.82	459.76	16.62	389.86
b) Sales tax recoverable (Refer Note No (i) below)	-	116.13	-	147.09
c) GST recoverable	1,844.27	96.77	1,866.31	64.99
Unsecured, considered doubtful				
a) Excise and customs duty recoverable	-	144.08	-	138.67
b) Sales tax recoverable	-	19.11	-	22.49
c) GST recoverable	-	10.94	-	10.94
Less: Loss allowance				
a) Excise and customs duty recoverable	-	144.08	-	138.67
b) Sales tax recoverable	-	19.11	-	22.49
c) GST recoverable	-	10.94	-	10.94
	1,853.09	**672.66**	**1,882.93**	**601.94**
(iii) Advance income tax [net of provision for income tax ₹ 57,611.82 Millions (March 31, 2025: ₹ 65,098.04 Millions) (Refer Note No 31(A) and Note No (ii) below)]	-	1,496.39	-	1,703.04
(iv) Prepayments	134.77	20.63	130.42	13.21
(v) Insurance advance				
Unsecured, considered good	101.19	-	111.91	-
Unsecured, considered doubtful	0.46	-	0.72	-
Less: Loss allowance	0.46	-	0.72	-
	101.19	**-**	**111.91**	**-**
(vi) Right to recover returned goods	328.97	-	252.65	-
(vii) Contract assets	0.16	-	22.71	-
(viii) Others				
Unsecured, considered good	-	21.00	-	20.92
Unsecured considered doubtful	-	34.63	-	34.61
Less: Loss allowance	-	34.63	-	34.61
(Refer Note No (iii) below)				
	-	**21.00**	**-**	**20.92**
Total other assets	**2,468.30**	**4,817.77**	**2,431.66**	**2,357.17**

Notes:

(i) Sales tax recoverable include amount paid under protest aggregating to ₹ 122.53 Millions (March 31, 2025: ₹ 156.30 Millions).

(ii) Adjustment of provision has been done assessment year wise to the extent of tax paid. In respect of any assessment year, where tax provision created is in excess of tax paid then (net) provision for the respective years are reflected in Note No 14(b).

(iii) Others includes withholding tax recoverable amounting to ₹ 9.92 Millions (March 31, 2025: ₹ 9.92 Millions) and deposits paid under protest amounting to ₹ 45.71 Millions (March 31, 2025: ₹ 45.61 Millions).

Notes to the Financial Statements

for the year ended March 31, 2026

(All amounts in ₹ Millions, unless otherwise stated)

NOTE 9 : INVENTORIES

Particulars	As at March 31, 2026	As at March 31, 2025
(a) Raw materials	16,122.41	15,890.18
(b) Work-in-progress	369.68	366.43
(c) Finished goods	8,194.81	8,968.08
(d) Stock-in-trade	2,632.45	2,480.78
(e) Stores and spares	2,267.73	2,589.88
(f) Packaging material	29.16	19.20
Total inventories	**29,616.24**	**30,314.55**
Included above, goods-in-transit:		
(i) Raw materials	7,958.38	7,558.62
(ii) Stock-in-trade	575.10	656.81
(iii) Stores and spares	134.99	284.25
Total goods-in-transit	**8,668.47**	**8,499.68**

Notes:

(i) Write-down of inventories to net realisable value recognised as an expense during the year amounts to ₹ 15.70 Millions (March 31, 2025: ₹ 11.74 Millions). These were included in changes in inventories of finished goods, stock-in-trade and work-in-progress in Statement of Profit and Loss.

(ii) Details of inventories lying with third parties:

Particulars	As at March 31, 2026	As at March 31, 2025
Raw materials	2,132.97	1,435.03
Finished goods and stock-in-trade	22.39	8.00
Total	**2,155.36**	**1,443.03**

NOTE 10 : CASH AND CASH EQUIVALENTS

Particulars	As at March 31, 2026	As at March 31, 2025
(a) Balance with banks		
(i) In current accounts#	1,071.50	722.37
(ii) In Exchange Earner's Foreign Currency Accounts	594.42	621.56
(b) Cash on hand	9.97	11.70
(c) Bank deposits with original maturity of less than three months*	43,086.76	36,059.10
Total cash and cash equivalents	**44,762.65**	**37,414.73**

 # Balance with banks in current accounts includes balance in separate CSR unspent account amounting to ₹ 652.13 Millions (March 31, 2025: ₹ 476.80 Millions) [Refer Note No 33] and balance in public offer Escrow account amounting to ₹ 5.31 Millions (March 31, 2025 : ₹ Nil Million) which are considered to be restricted.

** Includes interest accrued on Bank deposits of ₹ 195.76 Millions (March 31, 2025: ₹ 138.00 Millions).*

NOTE 11 : EQUITY SHARE CAPITAL

Share capital

Particulars	As at March 31, 2026	As at March 31, 2025
(a) Authorised		
1,500,000,000 (March 31, 2025: 1,500,000,000) Equity shares of ₹ 10 each with voting rights	15,000.00	15,000.00
(b) Issued		
678,772,392 (March 31, 2025: 678,772,392) Equity shares of ₹ 10 each with voting rights	6,787.72	6,787.72
(c) Subscribed and fully paid up		
678,772,392 (March 31, 2025: 678,772,392) Equity shares of ₹ 10 each with voting rights	6,787.72	6,787.72

Notes to the Financial Statements

for the year ended March 31, 2026

(All amounts in ₹ Millions, unless otherwise stated)

Notes:

(i) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting year:

Particulars	As at March 31, 2026		As at March 31, 2025	
	No. of shares held	₹ (In Millions)	No. of shares held	₹ (In Millions)
Equity shares with voting rights				
Balance at the beginning of the year	678,772,392	6,787.72	113,128,732	1,131.29
Add: Bonus shares issued during the year	-	-	565,643,660	5,656.43
Balance at the end of the year	**678,772,392**	**6,787.72**	**678,772,392**	**6,787.72**

The Company has only one class of equity shares having par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion of their shareholding.

(ii) Details of shares held by the Holding company and nominees shareholders:

Name of shareholder	As at March 31, 2026		As at March 31, 2025	
	No. of shares held	₹ (In Millions)	No. of shares held	₹ (In Millions)
Equity shares with voting rights				
LG Electronics Inc., South Korea, (The Holding company)	576,956,527	5,769.57	678,772,386	6,787.72
Nominees of LG Electronics Inc., South Korea, (The Holding company)	6	*	6	*
Total	**576,956,533**	**5,769.57**	**678,772,392**	**6,787.72**

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

(iii) Details of each shareholder holding more than 5% shares:

Name of shareholder	As at March 31, 2026		As at March 31, 2025		% of change in holding
	No. of shares held	₹ (In Millions)	No. of shares held	₹ (In Millions)	
LG Electronics Inc., South Korea, (The Holding company)	576,956,527	85.00%	678,772,386	100%	(15.00%)
Nominees of LG Electronics Inc., South Korea, (The Holding company)	6	*	6	*	*

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

(iv) Details of each shareholder holding more than 5% shares:

Name of shareholder	As at March 31, 2026		As at March 31, 2025		% of change in holding
	No. of shares held	₹ (In Millions)	No. of shares held	₹ (In Millions)	
LG Electronics Inc., South Korea, (The Holding company)	576,956,527	85.00%	678,772,386	100%	(15.00%)
Nominees of LG Electronics Inc., South Korea, (The Holding company)	6	-	6	*	*

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

(v) Changes to share capital:

The Company increased the authorised share capital from 115,000,000 equity shares to 1,500,000,000 equity shares of ₹ 10 each, which was approved by the Board of Directors in their meeting and shareholders in their extraordinary general meeting held on October 17, 2024 and October 18, 2024 respectively.

The Board of Directors of the Company, at its meeting held on October 17, 2024 also approved the issuance of five bonus shares for every one share held by the shareholders of the Company, which was approved by the shareholders in extra-ordinary general meeting held on October 18, 2024. The date of allotment of bonus shares was November 18, 2024.

Notes to the Financial Statements

for the year ended March 31, 2026

(All amounts in ₹ Millions, unless otherwise stated)

NOTE 12 : OTHER EQUITY

Particulars	Reserves and surplus			Total
	Amalgamation reserve*	Retained earnings	General reserve	
Balance as at April 01, 2024	**364.25**	**34,402.62**	**1,824.30**	**36,591.17**
Profit for the year	-	22,033.48	-	22,033.48
Other Comprehensive Income/ (Loss) (net of tax)	-	(54.24)	-	(54.24)
Total Comprehensive Income for the year	**-**	**21,979.24**	**-**	**21,979.24**
Less: Issue of bonus shares	-	(5,656.43)	-	(5,656.43)
Balance as at March 31, 2025	**364.25**	**50,725.43**	**1,824.30**	**52,913.98**
Balance as at April 01, 2025	364.25	50,725.43	1,824.30	52,913.98
Profit for the year	-	16,850.93	-	16,850.93
Other Comprehensive Income/(Loss) (net of tax)	-	102.93	-	102.93
Total Comprehensive Income for the year	**-**	**16,953.86**	**-**	**16,953.86**
Balance as at March 31, 2026	**364.25**	**67,679.29**	**1,824.30**	**69,867.84**

**This reserve was created at the time of amalgamation carried out in earlier years. This reserve is to be utilised in accordance with the provisions of the Act.*

NOTE 13 : PROVISIONS

Particulars	As at March 31, 2026		As at March 31, 2025	
	Current	Non-current	Current	Non-current
(a) Provision for employee benefits (Refer Note No 27)				
(i) Provision for compensated absences	478.33	-	441.28	-
(ii) Provision for long term service award	14.49	53.92	35.39	49.53
(iii) Provision for gratuity	193.63	705.54	173.46	744.56
	686.45	**759.46**	**650.13**	**794.09**
(b) Other provisions (Refer Note No 30)				
(i) Warranty	857.88	152.28	840.98	145.13
(ii) Provision for other contingencies	532.29	-	360.79	-
	1,390.17	**152.28**	**1,201.77**	**145.13**
Total provisions	**2,076.62**	**911.74**	**1,851.90**	**939.22**

NOTE 14(A) : OTHER LIABILITIES

Particulars	As at March 31, 2026		As at March 31, 2025	
	Current	Non-current	Current	Non-current
(i) Advances received from customers [including ₹ Nil Million (March 31, 2025: ₹ 2.22 Millions) from related party. Refer Note No 28 (b)]	195.86	-	232.47	-
(ii) Statutory dues				
- Statutory remittances	2,614.52	-	3,329.07	-
(iii) Contract liabilities				
- Deferred revenue (Refer Note No.18)	3,322.55	3,653.12	2,365.13	2,240.62
(iv) Refund liability	490.39	-	379.81	-
(v) Liability towards Corporate social responsibility (Refer Note No 33)	1,095.90	-	825.94	-
Total other liabilities	**7,719.22**	**3,653.12**	**7,132.42**	**2,240.62**

Notes to the Financial Statements

for the year ended March 31, 2026

(All amounts in ₹ Millions, unless otherwise stated)

NOTE 14 (B) : CURRENT TAX LIABILITIES (NET)

Particulars	As at March 31, 2026		As at March 31, 2025	
	Current	Non-current	Current	Non-current
Income tax liabilities (Refer Note No 8)	421.47	-	636.14	-
[net of Advance income tax ₹ 27,373.73 Millions				
(March 31, 2025: ₹ 13,651.91 Millions)]				
Current tax liabilities (net)	**421.47**	**-**	**636.14**	**-**

NOTE 15 : TRADE PAYABLES

Particulars	As at March 31, 2026	As at March 31, 2025
Trade payables to micro enterprises and small enterprises [Refer Note No 35]		
- Related parties [Refer Note No 28(b)]	67.26	244.46
- Others	4,364.67	2,950.33
Trade payables to creditors other than micro enterprises and small enterprises		
- Related parties [Refer Note No 28(b)]	6,691.43	5,901.52
- Acceptances	-	77.95
- Others	24,011.30	24,496.88
Total trade payables	**35,134.66**	**33,671.14**

Ageing of trade payables

As at March 31, 2026

Trade Payables	Unbilled	Not due	Outstanding for following periods from due date of payment				Total
			Less than 1 Year	1-2 Years	2-3 Years	More than 3 years	
Undisputed Trade Payables							
Micro enterprises and small enterprises	831.80	3,581.02	0.48	0.01	-	0.16	4,413.47
Others	6,381.86	20,818.09	3,452.88	3.42	1.97	21.66	30,679.88
Disputed Trade Payables							
Micro enterprises and small enterprises	-	18.46	-	-	-	-	18.46
Others	-	22.85	-	-	-	-	22.85
Total trade payables	**7,213.66**	**24,440.42**	**3,453.36**	**3.43**	**1.97**	**21.82**	**35,134.66**

As at March 31, 2025

Trade Payables	Unbilled	Not due	Outstanding for following periods from due date of payment				Total
			Less than 1 Year	1-2 Years	2-3 Years	More than 3 years	
Undisputed Trade Payables							
Micro enterprises and small enterprises	487.08	2,689.24	0.01	-	-	-	3,176.33
Others	5,089.85	22,682.53	2,630.83	20.24	3.74	26.31	30,453.50
Disputed Trade Payables							
Micro enterprises and small enterprises	-	18.46	-	-	-	-	18.46
Others	-	22.85	-	-	-	-	22.85
Total trade payables	**5,576.93**	**25,413.08**	**2,630.84**	**20.24**	**3.74**	**26.31**	**33,671.14**

Notes to the Financial Statements

for the year ended March 31, 2026

(All amounts in ₹ Millions, unless otherwise stated)

NOTE 16 : OTHER FINANCIAL LIABILITIES

Particulars	As at March 31, 2026	As at March 31, 2025
Capital creditors	591.43	378.21
Capital creditors-related parties [Refer Note No 28(b)]	102.55	109.61
Expected promotional incentive for customers	3,631.73	3,495.29
Employee benefits payable	872.89	654.90
Derivative financial liabilities	-	82.02
Total other financial liabilities	**5,198.60**	**4,720.03**

NOTE 17 : LEASE LIABILITIES

Particulars	As at March 31, 2026		As at March 31, 2025	
	Current	Non-current	Current	Non-current
Lease liabilities (Refer Notes below)	1,147.75	3,443.81	972.96	3,305.32
Total lease liabilities	**1,147.75**	**3,443.81**	**972.96**	**3,305.32**

Notes:

i) Interest expense relating to lease liabilities are included in finance cost (Refer Note No 22).

ii) Depreciation charge of right of use asset are included in depreciation and amortisation expense (Refer Note No 23).

iii) Expense relating to short-term and low value leases are included in other expenses as rent (Refer Note No 24).

iv) The Company does not have any leases with variable lease payments.

v) The total cash outflow for leases including interest and short term leases amounting to ₹ 2,073.44 Millions (March 31, 2025: ₹ 1,839.50 Millions).

vi) Extension and termination options are included in a number of property and equipment leases across the Company. These are used to maximise operational flexibility in terms of managing the assets used in the Company's operations. The majority of extension and termination options held are exercisable only by the Company and not by the respective lessor.

vii) Refer Note No 32 for contractual commitments on lease liabilities.

NOTE 18 : REVENUE FROM OPERATIONS

Particulars	For the Year ended March 31, 2026	For the Year ended March 31, 2025
Revenue from contracts with customers		
- Sale of products (Refer Note No (i) below)	237,444.09	234,907.54
- Rendering of services (Refer Note No (ii) below)	7,150.10	6,659.00
	244,594.19	**241,566.54**
Other operating revenues (Refer Note No (iii) below)	1,454.93	2,099.84
Total revenue from operations	**246,049.12**	**243,666.38**

Notes :

Particulars	For the Year ended March 31, 2026	For the Year ended March 31, 2025
(i) Sale of products		
Stock-in-trade	25,623.40	25,402.54
Less: Sale return	251.17	169.75
Total - sale of stock-in-trade	**25,372.23**	**25,232.79**
Manufactured goods	213,541.39	210,939.33
Less: Sale return	1,469.53	1,264.58
Total - sale of manufactured goods	**212,071.86**	**209,674.75**
Total - sale of products	**237,444.09**	**234,907.54**

Notes to the Financial Statements

for the year ended March 31, 2026

(All amounts in ₹ Millions, unless otherwise stated)

Particulars	For the Year ended March 31, 2026	For the Year ended March 31, 2025
(ii) Rendering of services		
Service charges	3,438.90	3,217.70
Installation and commissioning	3,711.20	3,441.30
Total - rendering of services	**7,150.10**	**6,659.00**
(iii) Other operating revenue		
Government grant related to revenue	561.68	1,224.24
Sale of scrap	577.49	523.44
Duty drawback and other export incentives	315.76	352.16
Total - other operating revenue	**1,454.93**	**2,099.84**

The following table shows timing of revenue recognition:

Particulars	For the Year ended March 31, 2026	For the Year ended March 31, 2025
Satisfied at a point in time	240,882.99	238,125.24
Satisfied over time	3,711.20	3,441.30
Total revenue from contracts with customers	**244,594.19**	**241,566.54**

Revenue recognition on the basis of product category and geographical location of customers has been disclosed in Note No.34.

The following table shows unsatisfied performance obligation resulting from fixed-price contracts:

Particulars	As at March 31, 2026	As at March 31, 2025
Aggregate amount of the transaction price allocated to fixed price contracts that are partially or fully unsatisfied as at reporting date	6,975.67	4,605.75

The Company estimates that transaction price amount to ₹ 3,322.55 Millions (March 31, 2025 : ₹ 2,365.13 Millions) will be recognised as revenue during the next twelve months out of unsatisfied contracts and remaining amount will be recognised in subsequent financial years.

Reconciliation of revenue recognised with contract price :

Particulars	For the Year ended March 31, 2026	For the Year ended March 31, 2025
Contract price	281,156.57	273,664.46
Variable considerations	35,107.45	29,998.08
Revenue from operations	**246,049.12**	**243,666.38**

Movement of contract liabilities

Particulars	For the Year ended March 31, 2026	For the Year ended March 31, 2025
At the beginning of the year	4,605.75	3,525.23
Invoiced/billed during the year	5,439.31	3,909.89
Income recognised during the year	3,069.39	2,829.37
At the end of the year	**6,975.67**	**4,605.75**

Notes to the Financial Statements

for the year ended March 31, 2026

(All amounts in ₹ Millions, unless otherwise stated)

NOTE 19 : OTHER INCOME

Particulars	For the Year ended March 31, 2026	For the Year ended March 31, 2025
Interest Income		
- on bank deposits	2,679.29	2,476.99
- on refund of income tax	257.11	84.72
- on refund of excise, custom and GST deposits	11.37	1.14
Other non-operating income (net of expenses directly attributable to such income)		
Profit on sale of property, plant and equipment (net)	13.65	33.10
Gain on derivatives measured at fair value (net)	267.86	-
Miscellaneous income	49.69	43.95
Total other income	**3,278.97**	**2,639.90**

NOTE 20

(a) Cost of materials consumed

Particulars	For the Year ended March 31, 2026	For the Year ended March 31, 2025
Opening inventories	15,909.38	11,663.34
Add: Purchases of raw materials	184,902.00	183,356.60
	200,811.38	**195,019.94**
Less: Sales of raw materials	39,960.50	36,925.49
Less: Closing inventories	16,151.57	15,909.38
Cost of raw materials consumed*	**144,699.31**	**142,185.07**
Cost of service spare parts sold	1,761.46	1,777.34
Consumption for Installation and commissioning	6,634.77	5,635.96
Captive consumption of finished goods	(2,927.77)	(2,192.87)
Cost of materials consumed	**150,167.77**	**147,405.50**

**Cost of raw materials consumed includes packaging material.*

(b) Purchase of stock-in-trade

Particulars	For the Year ended March 31, 2026	For the Year ended March 31, 2025
Purchase of stock-in-trade	21,527.91	20,243.30
Captive consumption of stock-in-trade	(645.09)	(513.94)
Purchase of stock-in-trade	**20,882.82**	**19,729.36**

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

Particulars	For the Year ended March 31, 2026	For the Year ended March 31, 2025
Closing inventories:		
Finished goods	8,194.81	8,968.08
Stock-in-trade	2,632.45	2,480.78
Work-in-progress	369.68	366.43
A) Total	**11,196.94**	**11,815.29**
Opening inventories:		
Finished goods	8,968.08	8,098.71
Stock-in-trade	2,480.78	2,031.17
Work-in-progress	366.43	351.43
B) Total	**11,815.29**	**10,481.31**
Net (increase) / decrease (B-A)	**618.35**	**(1,333.98)**

Notes to the Financial Statements

for the year ended March 31, 2026

(All amounts in ₹ Millions, unless otherwise stated)

NOTE 21 : EMPLOYEE BENEFITS EXPENSE

Particulars	For the Year ended March 31, 2026	For the Year ended March 31, 2025
Salaries and wages, including bonus*	8,094.93	7,866.28
Contribution to provident fund and employees' state insurance scheme	322.36	308.67
Contribution to defined benefit plan*	270.26	163.74
Staff welfare expenses	1,282.34	1,289.25
Total employee benefits expense	**9,969.89**	**9,627.94**

** Includes an incremental impact of ₹ 124.50 Millions (March 31, 2025: ₹ Nil Million) towards gratuity and compensated absence due to the revised wage definition as per the New Labour Code (Refer Note No.41).*

NOTE 22 : FINANCE COSTS

Particulars	For the Year ended March 31, 2026	For the Year ended March 31, 2025
Interest on lease liabilities	359.46	304.59
Interest on delayed payment of income tax	46.38	1.87
Total finance costs	**405.84**	**306.46**

NOTE 23 : DEPRECIATION AND AMORTISATION EXPENSE

Particulars	For the Year ended March 31, 2026	For the Year ended March 31, 2025
Depreciation of property, plant and equipment		
- Owned assets (net of government grant amortisation)	2,857.49	2,869.38
- Right of use assets	1,057.19	887.88
Amortisation of intangible assets (net of government grant amortisation)	46.39	46.31
Total depreciation and amortisation expense	**3,961.07**	**3,803.57**

NOTE 24 : OTHER EXPENSES

Particulars	For the Year ended March 31, 2026	For the Year ended March 31, 2025
Consumption of consumables and spares	457.95	478.57
Customer service expenses [Refer Note No (ii) below]	3,432.81	2,893.98
Sample and testing	17.87	5.39
Power and fuel	938.23	919.82
Royalty [Refer Note No 31(B)]	4,596.58	4,546.10
Rent	799.11	774.96
Repairs and maintenance - buildings	112.13	120.44
Repairs and maintenance - plant and machineries	170.40	145.57
Repairs and maintenance - others	454.29	366.34
Insurance	428.68	401.70
Rates and taxes	77.11	42.56
Communication and information technology expenses	835.34	792.37
Travelling and conveyance	432.69	564.50
Research and development	1,248.80	1,014.36
Freight and forwarding	9,166.22	8,720.66
Advertisement	2,513.93	2,758.27
Sales promotion	7,086.25	7,332.92
Bank charges	45.71	45.01
Legal and professional	159.50	107.79
Payments to auditors [Refer Note No (i) below]	21.21	26.27
Trade receivables written-off	16.44	1.71

Notes to the Financial Statements

for the year ended March 31, 2026

(All amounts in ₹ Millions, unless otherwise stated)

Particulars	For the Year ended March 31, 2026	For the Year ended March 31, 2025
Loss on derivatives measured at fair value (net)	-	16.28
Loss on foreign currency transactions and translation (net)	1,607.33	412.78
Property, plant and equipment written-off	2.90	18.03
Allowance for doubtful trade receivables, other financial assets and other assets	(35.13)	(127.68)
Provision for warranty expenses	24.05	181.90
Corporate social responsibility (Refer Note No 33)	453.95	367.04
Waste of electrical and electronic equipment	2,842.88	2,119.36
Miscellaneous expenses [Refer Note No (iii) below]	2,420.01	2,089.32
Total other expenses	**40,327.24**	**37,136.32**

Notes:

Particulars	For the Year ended March 31, 2026	For the Year ended March 31, 2025
(i) Payments to auditors comprises:		
Audit fee	18.95	23.13
Tax audit fee	1.05	1.05
Certification fee	0.50	-
Fee related to IPO activities	51.59	39.20
Reimbursement of expenses	0.71	2.09
Gross payment to auditors	**72.80**	**65.47**
Less: Reimbursed from LG Electronics Inc., South Korea, (The Holding company) for fee related to IPO activities.	(51.59)	(39.20)
Net payment to auditors	**21.21**	**26.27**

(ii) Customer service expenses include consumption of spares aggregating to ₹ 1,233.14 Millions (March 31, 2025: ₹ 1,240.74 Millions) and indirect expenses (including expenses related to service and call centres) aggregating to ₹ 550.36 Millions (March 31, 2025: ₹ 522.81).

(iii) It includes sitting fees and commission amounting to ₹ 19.49 Millions (March 31, 2025 ₹ 3.75 Millions) paid to Non-executive non-independent director and independent directors [Also Refer Note No 28(b)].

NOTE 25 : FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Recognition and initial measurement

A) At initial recognition, the Company measures a financial asset (excluding trade receivables which do not contain a significant financing component) at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset.Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Subsequent measurement

All financial assets and liabilities of the Company (other than derivative assets / liabilities) are subsequently measured at amortised cost.

B) Fair value hierarchy

Fair value of the financial instruments is classified in various fair value hierarchy based on the following three levels:

Level 1: Quoted prices (unadjusted) in active market for identical assets or liabilities.

Level 2: Inputs other than quoted price including within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Notes to the Financial Statements

for the year ended March 31, 2026

(All amounts in ₹ Millions, unless otherwise stated)

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

Level 3: Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case with listed instruments where market is not liquid and for unlisted instruments.

The fair value of trade receivables, loans, cash and cash equivalents, other financial assets and trade payables (including capital creditors) are considered to be equal to the carrying amounts of these items due to their short – term nature.

Financial assets and liabilities as at March 31, 2026	Level 1	Level 2	Level 3	Total
Financial assets				
Security deposits (measured at amortised cost for which fair value is disclosed)	-	-	739.91	739.91
Derivative financial assets	-	90.36	-	90.36
Total	**-**	**90.36**	**739.91**	**830.27**

Financial assets and liabilities as at March 31, 2025	Level 1	Level 2	Level 3	Total
Financial assets				
Security deposits (measured at amortised cost for which fair value is disclosed)	-	-	599.38	599.38
Financial liabilities				
Derivative liabilities not designated as hedge (measured at fair value-recurring fair value measurement)	-	82.02	-	82.02
Total financial liabilities	**-**	**82.02**	**599.38**	**681.40**

Valuation technique used to determine fair value:

Specific valuation techniques used to value financial instruments include:

- the fair value of forward foreign exchange contracts is determined using forward exchange rates at the Balance Sheet date.
- the fair values for security deposits (assets and liabilities) were calculated based on present values of cash flows and the discount rates used were adjusted for counterparty or own credit risk. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counterparty credit.

C) Risk management

Financial risk management

The Company's activities expose it to various risks such as market risk, liquidity risk and credit risk. This section explains the risks, which the Company is exposed to and how it manages those risks.

Market risk

i) Foreign exchange risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company is mainly exposed to foreign exchange risk on the US Dollar.

The purpose of foreign exchange risk management is to provide the foundation of stable business operations by minimising the uncertainty and volatility of foreign exchange gains and losses from foreign exchange rate fluctuations.

The Company has its own foreign exchange policy through which the Company minimises the exposure to foreign exchange risk by netting off foreign exchange assets and liabilities from general operating activities. The Company considers foreign exchange risk hedges against its remaining exposure with derivative financial instruments and scrutinises changes in foreign exchange exposure and the results of hedging activities on a monthly basis. Speculative foreign exchange trading is prohibited.

Refer Note No 36 for the details on derivative instruments and unhedged foreign currency exposure.

Notes to the Financial Statements

for the year ended March 31, 2026

(All amounts in ₹ Millions, unless otherwise stated)

ii) Sensitivity

The sensitivity of profit or loss due to changes in exchange rates arises mainly from US Dollar denominated financial assets and liabilities. Following are impact on profit and loss due to increase or decrease of foreign currency against ₹ . Impact on other components of equity is Nil.

	Impact on profit before tax	
	March 31, 2026	March 31, 2025
Foreign currency sensitivity		
Trade receivables		
Increase by 10%*	180.55	214.13
Decrease by 10%*	(180.55)	(214.13)
Other receivables		
Increase by 10%*	98.49	9.38
Decrease by 10%*	(98.49)	(9.38)
EEFC		
Increase by 10%*	59.44	62.16
Decrease by 10%*	(59.44)	(62.16)
Trade payables		
Increase by 10%*	(1,531.44)	(1,220.09)
Decrease by 10%*	1,531.44	1,220.09
Net impact		
Increase by 10%*	(1,192.96)	(934.42)
Decrease by 10%*	1,192.96	934.42

**Keeping all other variables constant*

Interest rate risk

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

Credit risk

Credit risk arises from the possibility that the counterparty will default on its contractual obligations resulting in financial loss to the Company. To manage this, the management periodically analyses historical bad debts and ageing of accounts receivable. The Company has secured the credit risk against the trade receivables through credit insurance.

For other financial assets, the Company considers the probability of default upon initial recognition of assets and whether there has been a significant increase in credit risk on an ongoing basis through each reporting period. To assess whether there is significant increase in credit risk, the Company does reasonable analysis of counterparty's financial capability based on following information :

(i) Actual or expected significant adverse changes in business;

(ii) Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligation;

(iii) Significant increase in credit risk and other financial instruments of the same counterparty;

(iv) Significant changes in the value of collateral supporting the obligation or in the quality of third party guarantees or credit enhancements.

The expected credit loss on security deposits, bank balances / deposits and government grants has been determined to be immaterial.

Notes to the Financial Statements

for the year ended March 31, 2026

(All amounts in ₹ Millions, unless otherwise stated)

The allowance for expected credit (gain) / loss on customer balances is given below :

Particulars	As at March 31, 2026	As at March 31, 2025
Balance at the beginning of the year	**426.82**	**384.51**
Impairment (gain) / loss recognised	(20.06)	44.02
Amount written off	16.44	1.71
Balance at the end of the year	**390.32**	**426.82**

The Company's credit period generally ranges from 0-30 days. Considering the large number of customers to which the Company sells, the credit risk in trade receivables is not concentrated in a single / few customers. The Company has performed an analysis of historical bad debts and has used the provision matrix approach to determine expected credit loss (ECL) on such receivables.The expected credit loss on trade receivables as at March 31, 2026 and March 31, 2025 is determined to be not material.

D) Capital management

Risk management

The Company's objectives when managing capital is to safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders.

The Company monitors capital on the basis of the following gearing ratio:

Net debt (total borrowings net of cash and cash equivalents) ÷ Total equity (as shown in the Balance Sheet)

Particulars	As at March 31, 2026	As at March 31, 2025
Equity share capital	6,787.72	6,787.72
Other equity	69,867.84	52,913.98
Total equity	**76,655.56**	**59,701.70**
Lease liabilities	4,591.56	4,278.28
Total debt	**4,591.56**	**4,278.28**
Less :		
Cash and cash equivalents	44,762.65	37,414.73
Net debt	-	-
Net debt to equity ratio	**0.00%**	**0.00%**

E) Liquidity risk

The liquidity risk encompasses any risk that the Company cannot fully meet its financial obligations. To manage the liquidity risk, cash flow forecasting is performed by finance team. The Company's finance team monitors rolling forecasts for the Company's liquidity requirements to ensure it has sufficient cash to meet operational needs and so that the Company does not breach borrowing limits or covenants (where applicable) on any of its borrowing facilities.

Financing arrangements

The entity had access to the following undrawn borrowing facilities at the end of the reporting year:

Particulars	As at March 31, 2026	As at March 31, 2025
Undrawn working capital facility* #	2,659.00	3,410.81

**Working capital facility from banks were secured by letter of support from LG Electronic Inc., South Korea (The Holding company) till March 13, 2026.*

[(Refer Note No 28(b)].

 # Includes working capital facility of USD Nil Million (March 31, 2025: USD 10.00 Millions).

Notes to the Financial Statements

for the year ended March 31, 2026

(All amounts in ₹ Millions, unless otherwise stated)

Maturities of financial liabilities

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

i) All non-derivative financial liabilities, and

ii) Derivative financial liabilities

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

Contractual maturities of financial liabilities as at March 31, 2026	Less than 1 year	1 to 5 years	More than 5 years	Total
Non-derivatives				
Trade payables	35,134.66	-	-	35,134.66
Other financial liabilities	5,198.60	-	-	5,198.60
Lease liabilities	1,147.75	2,914.08	1,751.88	5,813.71
Total	**41,481.01**	**2,914.08**	**1,751.88**	**46,146.97**

Contractual maturities of financial liabilities as at March 31, 2025	Less than 1 year	1 to 5 years	More than 5 years	Total
Non-derivatives				
Trade payables	33,671.14	-	-	33,671.14
Other financial liabilities	4,638.01	-	-	4,638.01
Lease liabilities	972.96	2,574.41	2,069.76	5,617.13
Derivatives				
Derivative financial liabilities	82.02	-	-	82.02
Total	**39,364.13**	**2,574.41**	**2,069.76**	**44,008.30**

NOTE 26 (A) : INCOME TAX

Income tax expense in the Statement of Profit and Loss comprises:

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Current taxes		
Current taxes on profits for the year	6,024.75	7,900.87
Current tax expense relating to previous years	173.30	(1.06)
(Increase)/ decrease in deferred tax assets	(60.75)	(432.81)
Increase/ (decrease) in deferred tax liabilities	41.50	112.39
Total	**6,178.80**	**7,579.39**

Current tax expense for the year ended March 31, 2026 includes ₹ 173.30 Millions (March 31, 2025: ₹ 1.06 Millions) pertaining to prior years.

A reconciliation of the income tax provision to the amount computed by applying the statutory income tax rate to the income before income taxes is summarised below:

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Profit before tax [includes profit on remeasurement of post-employment benefit obligation]	23,132.66	29,558.63
Enacted tax rates in India	25.17%	25.17%
Computed expected tax expense	5,822.03	7,439.32
Current tax expenses relating to previous year	173.30	(1.06)
Permanent differences - Corporate social responsibility expense, tax on non-monetary perquisites and others	183.47	141.13
Total tax expense	**6,178.80**	**7,579.39**

Notes to the Financial Statements

for the year ended March 31, 2026

(All amounts in ₹ Millions, unless otherwise stated)

NOTE 26 (B) : DEFERRED TAX

In assessing the realisability of deferred income tax assets, management considers whether some portion or all of the deferred income tax assets will not be realised. The ultimate realisation of deferred income tax assets is dependent upon the generation of future taxable income during the periods in which the temporary differences become deductible. Management considers the scheduled reversals of deferred income tax liabilities, projected future taxable income, and tax planning strategies in making this assessment. Based on the level of historical taxable income and projections for future taxable income over the periods in which the deferred income tax assets are deductible, management believes that the Company will realise the benefits of those deductible differences. The amount of the deferred income tax assets considered realisable, however, could be reduced in the near term if estimates of future taxable income during the carry forward period are reduced.

The tax effects of significant temporary differences that resulted in deferred income tax assets and liabilities are as follows:

Particulars	As at March 31, 2026	As at March 31, 2025
Deferred income tax assets		
Property, plant and equipment	890.31	874.67
Provision for employee benefits	379.40	379.72
Provision for cenvat credit on goods transport agency services	43.37	28.30
Disallowances u/s 40(a)	32.46	30.34
Allowance for doubtful assets	148.43	157.27
Provision for long term service award	17.22	21.37
Provision for waste of electrical and electronic equipment	251.22	327.69
Lease liabilities	1,155.60	1,076.76
Provision for stamp duty	74.15	54.96
UP Mega Incentive (provision)	13.33	-
Others	6.69	0.35
Total deferred income tax assets	**3,012.18**	**2,951.43**
Deferred income tax liabilities		
Right of use assets	934.63	893.13
Interest on Income tax refund	18.17	18.17
Total deferred income tax liabilities	**952.80**	**911.30**
Deferred income tax assets (net)	**2,059.38**	**2,040.13**

Reconciliation of deferred tax assets (net)

Particulars	As at March 31, 2026	As at March 31, 2025
Opening balance	2,040.13	1,719.71
Tax (expense)/ income recognised during the year in the Statement of Profit and Loss	53.87	302.18
Tax (expense)/ income recognised during the year in the Other Comprehensive Income	(34.62)	18.24
Closing balance	**2,059.38**	**2,040.13**

NOTE 27 : DISCLOSURE AS REQUIRED BY INDIAN ACCOUNTING STANDARDS (IND AS) 19 EMPLOYEE BENEFITS

a) Defined contribution plans

The Company makes Provident Fund and Employees' State Insurance contributions to defined contribution plans for qualifying employees. Under the Scheme, the Company is required to contribute a specified percentage of the payroll costs to registered provident fund and employee state insurance administered by government. The Company recognised ₹ 322.36 Millions (March 31, 2025 : ₹ 308.67 Millions) for Provident Fund contributions and Employees' State Insurance contributions in the Statement of Profit and Loss. The contributions payable under these plans by the Company are at the rates specified in the rules of the respective schemes.

Notes to the Financial Statements

for the year ended March 31, 2026

(All amounts in ₹ Millions, unless otherwise stated)

b) Defined benefit plans

The Company offers various employee benefit schemes to its employees. Benefits payable to eligible employees of the Company with respect to defined benefit plan are accounted on the basis of an actuarial valuation determined using projected unit credit method as at the Balance Sheet date.

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

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Expense recognised in the Statement of Profit and Loss		
Current service cost	138.01	120.41
Past service cost	91.76	-
Interest cost	107.72	97.98
Expected return on plan assets	(49.26)	(44.78)
Net expenses recognised in the Statement of Profit and Loss	**288.23**	**173.61**
Remeasurements (gains)/ losses recognised directly in Other Comprehensive Income		
Return on plan assets (greater)/less than discount rate	(7.54)	(1.64)
Actuarial (gains) / losses		
- From changes in financial assumptions	(55.65)	46.46
- Experience adjustments	(74.36)	27.66
Total amount recognised in Other Comprehensive Income	**(137.55)**	**72.48**
Actual contribution and benefit payments for the year		
Actual benefit payments	71.72	72.55
Actual contributions	170.00	140.00

Particulars	As at March 31, 2026	As at March 31, 2025
Net liability/ (asset) as at year end		
Present value of defined benefit obligation	1,831.39	1,695.16
Fair value of plan assets	932.22	777.14
Funded status [Deficit / (Surplus)]	899.17	918.02
Net liability/ (asset) recognised in the Balance Sheet	**899.17**	**918.02**

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

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Changes in DBO during the year		
Present value of DBO at beginning of the year	1,695.16	1,489.34
i) Current service cost	138.01	120.41
ii) Interest cost	107.72	97.98
iii) Change due to Acquisition / Divesture	0.47	(14.14)
iv) Actuarial losses / (gains)	(130.01)	74.12
v) Benefits paid	(71.72)	(72.55)
vi) Past service cost	91.76	-
Present value of DBO at the end of the year	**1,831.39**	**1,695.16**
Change in fair value of assets during the year		
i) Plan assets at beginning of the year	777.14	663.27
ii) Expected return on plan assets	49.26	44.78
iii) Actual Company contributions	170.00	140.00
iv) Actuarial (losses) / gains	7.54	1.64
v) Benefits paid	(71.72)	(72.55)
Fair Value of Plan assets at end of the year	**932.22**	**777.14**

Notes to the Financial Statements

for the year ended March 31, 2026

(All amounts in ₹ Millions, unless otherwise stated)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Composition of the plan assets is as follows:		
Government of India securities	47.14%	53.12%
Debt instruments	37.39%	32.21%
Equity shares	3.82%	4.27%
Other deposits	11.65%	10.40%

The plan assets of the Company are managed by Life Insurance Corporation of India, ICICI Prudential Life Insurance, India First Life Insurance Company Limited and Birla Sun Life Insurance Company Limited to fund obligations of the Company with respect to its gratuity plan which is being administered by LG Electronics India Limited Employee Group Gratuity Fund. The categories of plan assets as a percentage of total plan assets is based on information provided by Life Insurance Corporation of India, ICICI Prudential Life Insurance, India First Life Insurance Company Limited and Birla Sun Life Insurance Company Limited with respect to their investment pattern for group gratuity fund for investments managed in total for several other companies.

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Actuarial assumptions		
Discount rate	7.00%	6.50%
Expected return on plan assets	7.00%	7.00%
Salary escalation	8.00%	8.00%
Mortality tables	IALM (2012-14)	IALM (2012-14)
Attrition	10.00%	10.00%
Retirement age	58 years	58 years

The discount rate is based on the prevailing market yields of Government of India securities as at the end of each of the years presented for the estimated term of obligations.

The estimate of future salary increases considered, takes into account the inflation, seniority, promotion, increments and other relevant factors.

Through its defined benefit plans, the Company is exposed to a number of risks, the most significant of which are detailed below:

A) **Asset volatility**- The plan liabilities are calculated using a discount rate set with reference to bond yields; if plan assets underperform this yield, this will create a deficit. Most of the plan asset investments are in fixed income securities with high grades and in government securities. These are subject to interest rate risk and the fund manages interest rate risk with derivatives to minimise risk to an acceptable level. A portion of the funds are invested in equity securities and in alternative investments which have low correlation with equity securities. The equity securities are expected to earn a return in excess of the discount rate and contribute to the plan deficit. The Company has a risk management strategy where the aggregate amount of risk exposure on a portfolio level is maintained at a fixed range. Any deviations from the range are corrected by rebalancing the portfolio. The Company intends to maintain the above investment mix in the continuing years.

B) **Changes in bond yields** - A decrease in bond yields will increase plan liabilities, although this will be partially offset by an increase in the value of the plans' bond holdings.

C) **Inflation risks** - In the defined plans, the payment is not linked to inflation, so this is a less material risk.

D) **Life expectancy** - The increases in life expectancy will result in an increase in the plans' liabilities. This is particularly significant where inflationary increases result in higher sensitivity to changes in life expectancy.

E) **Withdrawals** - Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact plan's liability.

Notes to the Financial Statements

for the year ended March 31, 2026

(All amounts in ₹ Millions, unless otherwise stated)

Experience adjustments	Year ended March 31, 2026	Year ended March 31, 2025
Present value of DBO	1,831.39	1,695.16
Fair value of plan assets	932.22	777.14
Funded Status [(Deficit) / Surplus]	(899.17)	(918.02)
Experience (gain) / loss adjustments on liabilities	(130.01)	74.12
Experience (loss) / gain adjustments on plan assets	(7.54)	(1.64)

Present value of obligations at end of the year	Year ended March 31, 2026	Year ended March 31, 2025
Current	193.63	173.46
Non-Current	705.54	744.56
Total	**899.17**	**918.02**

Expected contribution to defined benefit plan for the period ending March 31, 2027 is ₹ 145.02 Millions (March 31, 2026 : ₹ 134.93 Millions)

The expected maturity analysis of undiscounted gratuity is as follows:

Expected maturity analysis	As at March 31, 2026	As at March 31, 2025
Less than a year	193.63	173.46
Between 1-2 years	218.70	179.92
3-5 years	621.02	539.72
6 years and above	1,831.55	1,831.55
Total	**2,864.90**	**2,724.65**

Sensitivity analysis	As at March 31, 2026	As at March 31, 2025
Discount Rate		
Revised DBO due to 1% decrease in Discount Rate	1,945.71	1,806.91
Revised DBO due to 1% increase in Discount Rate	1,728.35	1,594.85
Salary Escalation Rate		
Revised DBO due to 1% decrease in Salary Escalation Rate	1,732.37	1,595.30
Revised DBO due to 1% increase in Salary Escalation Rate	1,939.03	1,804.20

The above sensitivity analysis are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated.

c) Other employee benefit obligations:

Sensitivity analysis	As at March 31, 2026	As at March 31, 2025
Current	478.33	441.28
Non-current	-	-
Total	**478.33**	**441.28**

Compensated absences are presented as current liabilities in the Balance Sheet as the Company does not have an unconditional legal and contractual right to defer settlement for a period beyond twelve months after the reporting period.

Sensitivity analysis	As at March 31, 2026	As at March 31, 2025
Current	14.49	35.39
Non-current	53.92	49.53
Total	**68.41**	**84.92**

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for the year ended March 31, 2026

(All amounts in ₹ Millions, unless otherwise stated)

NOTE 28 : RELATED PARTY TRANSACTIONS

The Company has entered into transactions with its Holding company and Fellow subsidiaries controlled by the Holding company as mentioned below. The names of related parties of the Company as required to be disclosed under Ind AS 24 are as follows:

(a) Details of related parties:

Description of relationship	Name of related parties
The Holding company	LG Electronics Inc.
Fellow subsidiaries (Controlled by the Holding company)	LG Soft India Private Limited
	LG CNS Co. Ltd.
	LG CNS India Private Limited
	S&I Corp.
	LG Display Co. Ltd.
	LG Electronics (Huizhou) Inc.
	LG Electronics (Levant) Jordan
	LG Electronics Thailand Co., Ltd.
	LG Electronics Africa Logistics FZE
	LG Electronics Alabama, Inc.
	LG Electronics Almaty Kazakhstan LLP (Formerly "LG Electronics Almaty Kazakhstan Co. Ltd.")
	LG Electronics Australia Pty., Ltd
	LG Electronics Dubai FZE
	LG Electronics Gulf FZE
	LG Electronis Reynosa, S.A. de C.V. (Formerly "LG Electronics Mexico Monterrey S.A.De C.V.")
	LG Electronics S.A.(Pty) Ltd.
	LG Electronics Singapore Pte Ltd
	LG Electronics Taiwan Taipei Co.Ltd.
	LG Electronics (M) SDN.BHD.
	LG Electronics HK Ltd.
	LG Electronics Tianjin Appliances Co. Ltd.
	PT. LG Electronics Indonesia
	PT. LG Innotek Indonesia
	LG Electronics Inc. Chile Limited
	LG Electronics Middle East Company FZCO (Formerly "LG Electronics Middle East Co. Ltd.")
	LG Electronics Morocco S.A.R.L.
	LG Electronics Panama S.A.
	LG Electronics Philippines Inc.
	LG Electronics Polska LLC (Formerly "LG Electronics Polska Sp.z o.o")
	Nanjing LG Panda Appliances Co., Ltd.
	LG Electronics Magyar Kft.
	LG Electronics (Kunshan) Co. Ltd
	LG Electronics Qinhuangdao Co. Ltd. (till December 31, 2025)
	Taizhou LG Electronics Refrigeration Co. Ltd.
	LG Electronics Vietnam Haiphong Co. Ltd.
	LG Electronics Hellas Single Member S.A.
	LG Electronics Nanjing New Technology Co.,Ltd
	LG Electronics Air-Conditioning(Shandong) Co. Ltd.
	LG Electronics Mexico S.A. DE C.V.
	LG Electronics Egypt S.A.E
	LG Electronics Mlawa LLC (Formerly "LG Electronics Mlawa Sp. z o.o")
	LG Electronics Nanjing Display Co., Ltd
	LG Electronics (China) Co., Ltd.
	LG Electronics Argentina S.A.
	LG Electronics Peru S.A.

Notes to the Financial Statements

for the year ended March 31, 2026

(All amounts in ₹ Millions, unless otherwise stated)

Description of relationship	Name of related parties
	PT. LG Electronics Service Indonesia
	LG Electronics Canada, Inc.
	LG Electronics Ticaret A.S.
	LG Innotek Yantai Co., Ltd
	Arcelik-LG Klima Sanayi ve Ticaret A.S.
	Hi-M.Solutek India Private Limited
	LG-Shaker Co. Ltd.
	LG Electronics Overseas Trading FZE
	Robostar Co., Ltd
	LG Electronics Wroclaw Sp. z o.o
	LG Electronics RUS, LLC
	LG Electronics France S.A.S
	LG-MRI LLC
	LG Electronics Saudi Arabia LLC
	LG Electronics Algerie EURL (Formerly "LG Electronics Algeria SARL ")
	LG Electronics European Shared Service Center B.V.
	LG Electronics do Brasil Ltda.
	Acerna Eco India Private Limited
Non-executive non-independent director	Mr. Daehyun Song (Chairman) (with effect from November 18, 2024)
Key management personnel (KMP)	Mr. Hong Ju Jeon (Managing Director) (with effect from January 31, 2023)
	Mr. Dongmyung Seo (Whole Time Director and Chief Financial Officer) (with effect from January 27, 2022)
	Mr. Hwayoung Seo (Director) (with effect from August 10, 2022 and till July 10, 2024)
	Mr. Jaeil Kim (Director) (with effect from January 01, 2021 and till November 18, 2024)
	Mr. Yongchan Jung (Director) (with effect from January 18, 2024 and till November 18, 2024)
	Mr. Hanjun Kim (Director) (with effect from July 10, 2024 and till November 28, 2024)
	Mr. Pradeep Panda (Company Secretary) (till July 05, 2024)
	Mr. Manish Kumar Surolia (Company Secretary) (with effect from July 05, 2024 and till November 25, 2024)
	Mr. Anuj Goyal (Company Secretary and Compliance Officer) (with effect from November 25, 2024)
Non-executive independent directors	Mr. Ramesh Ramachandran Nair (with effect from November 19, 2024)
	Ms. Promila Bhardwaj (with effect from November 19, 2024)
	Mr. Santosh Kumar Mohanty (with effect from November 19, 2024)

Notes to the Financial Statements

for the year ended March 31, 2026

(All amounts in ₹ Millions, unless otherwise stated)

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

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Sale of manufactured goods		
Holding company	7,104.12	6,311.33
Fellow subsidiaries		
PT. LG Electronics Indonesia	1,614.25	2,208.86
LG Electronics Africa Logistics FZE	-	679.11
LG Electronics Morocco S.A.R.L.	59.39	301.89
LG Electronics (Levant) Jordan	37.95	2.91
Others	296.73	291.66
Sale of stock-in-trade		
Holding company	397.25	419.66
Fellow subsidiaries		
LG Electronics Africa Logistics FZE	-	37.64
LG Electronics Singapore Pte Ltd	-	3.85
Others	36.27	4.87
Sale of raw materials, stores and spares and service components		
Holding company	0.43	0.30
Fellow subsidiaries		
PT. LG Electronics Indonesia	8.11	125.90
LG Electronics Singapore Pte Ltd	7.88	23.39
LG Electronics Algerie EURL (Formerly "LG Electronics Algeria SARL")	22.66	-
LG Electronics Vietnam Haiphong Co. Ltd.	31.93	-
LG Electronics (M) Sdn. Bhd	22.25	-
Arcelik-LG Klima Sanayi ve Ticaret A.S	30.74	-
Others	43.84	36.18
Sale of property, plant and equipment		
Fellow subsidiaries		
LG Electronics do Brasil Ltda.	-	35.10
LG Electronics Thailand Co., Ltd.	-	4.48
Reimbursement of expenses recovered		
Holding company	92.70	143.85
Fellow subsidiaries		
LG Electronics Nanjing New Technology co.,LTD	1.43	2.07
Hi-M.Solutek India Private Limited	13.60	-
Others	1.40	9.84
Service warranty claims recovered		
Holding company	354.83	277.20
Fellow subsidiaries		
Taizhou LG Electronics Refrigeration Co. Ltd.	5.41	14.86
Others	0.58	-
Service Charges Recovered		
Fellow subsidiaries		
Hi-M.Solutek India Private Limited	17.56	1.76
LG CNS India Private Limited	-	0.52
Purchase of raw materials, stores and spares and service components		
Holding company	15,039.40	16,045.66
Fellow subsidiaries		
LG Display Co.Ltd	1,845.20	3,237.02
Nanjing LG-Panda Appliances Co., Ltd.	2,126.17	2,441.75
LG Electronics Tianjin Appliances Co. Ltd.	2,491.78	2,311.72
Others	4,167.98	4,510.30

Notes to the Financial Statements

for the year ended March 31, 2026

(All amounts in ₹ Millions, unless otherwise stated)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Purchase of stock-in-trade		
Holding company	11,423.46	9,919.53
Fellow subsidiaries		
PT. LG Electronics Indonesia	164.63	316.68
Service warranty charges		
Fellow subsidiaries		
LG Electronics Middle East Company FZCO (Formerly "LG Electronics Middle East Co. Ltd.")	7.11	2.05
LG Electronics (Levant) - Jordan	2.72	4.23
LG Electronics Saudi Arabia LLC	4.25	8.97
LG Electronics Africa Logistics FZE	2.56	-
Others	1.25	1.27
Royalty		
Holding company [Also Refer Note No 31(B)]	4,596.58	4,546.10
Service charges		
Fellow subsidiaries		
LG Electronics Singapore Pte Ltd	23.59	20.85
Hi-M.Solutek India Private Limited	110.41	492.64
Others	0.96	-
Other expenses		
Holding company	66.89	20.09
Fellow subsidiaries		
LG CNS India Private Limited	824.70	796.11
LG CNS Co. Ltd.	85.68	47.71
Hi-M.Solutek India Private Limited	1.35	31.26
Others	1.00	-
Managerial remuneration		
Key Management Personnel		
Salaries and wages*	102.63	170.88
Non-executive non-independent director and independent directors (Also Refer Note No 23)		
Directors' sitting fees	6.45	2.20
Commission	13.04	1.55
Purchase of property, plant and equipment		
Holding company	380.91	343.37
Fellow subsidiaries		
LG CNS India Private Limited	327.75	216.35
Acerna Eco India Private Limited	52.20	-
LG Electronics (Thailand) Co., Ltd.	-	53.46
Nanjing LG Panda Appliances Co., Ltd.	-	97.84
PT. LG Electronics Indonesia	12.61	-
Trade receivables		
Holding company	1,223.09	1,625.65
Fellow subsidiaries		
LG Electronics Gulf FZE	15.90	-
LG Electronics Morocco S.A.R.L.	-	27.01
PT. LG Electronics Indonesia	79.80	148.25
Others	85.14	68.57

Notes to the Financial Statements

for the year ended March 31, 2026

(All amounts in ₹ Millions, unless otherwise stated)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Other financial assets		
Holding company	977.55	55.77
Fellow subsidiaries		
LG Electronics Qinhuangdao Co. Ltd.	0.48	2.37
LG Electronics do Brasil Ltda.	-	34.72
LG Electronics (Taizhou) Refrigeration Co. Ltd.	5.23	-
Others	2.45	0.94
Trade payables		
Holding company	4,937.56	3,951.71
Fellow subsidiaries		
LG Display Co.Ltd	245.72	257.77
Nanjing LG-Panda Appliances Co., Ltd.	402.32	303.91
LG Electronics Thailand Co. Ltd	98.53	374.23
Taizhou LG Electronics Refrigeration Co. Ltd.	242.01	211.00
LG Electronics Tianjin Appliances Co. Ltd.	367.72	453.64
Others	464.83	593.72
Capital creditors		
Holding company	59.32	104.87
Fellow subsidiaries		
LG CNS India Private Limited	33.83	4.74
Acerna Eco India Private Limited	9.40	-
Advance received from customer		
Fellow subsidiaries		
Hi-M.Solutek India Private Limited	-	2.22
Security deposit for residential accommodation paid on behalf of director		
Key Management Personnel		
Mr. Hong Ju Jeon	2.60	1.10

Notes:

1) Refer Note No 25(E) for working capital facility secured by letter of support from the Holding company.

2) Refer Note No 31(B) for contingent liability in relation to royalty payable to related party.

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

Terms and conditions of transactions with related parties - All related party transactions entered during the year were in the ordinary course of the business and are on arm's length basis. All outstanding receivable balances are unsecured and repayable in cash. Further, no loss allowances were made against such balances.

Notes to the Financial Statements

for the year ended March 31, 2026

(All amounts in ₹ Millions, unless otherwise stated)

NOTE 29 : EARNINGS PER SHARE

The following is the computation of earnings per share and a reconciliation of the equity shares used in the computation of basic and diluted earnings per equity share:

Particulars		Year ended March 31, 2026	Year ended March 31, 2025
a)	Profit/(Loss) for the year	16,850.93	22,033.48
b)	Weighted average number of equity shares outstanding	678,772,392	678,772,392
c)	Effect of dilutive potential equity share equivalents	-	-
d)	Weighted average number of equity shares and potential equity share equivalents outstanding	678,772,392	678,772,392
e)	Nominal Value of Equity Shares (₹)	10.00	10.00
f)	Earnings per equity share from operations attributable to the equity holders of the Company		
	- Basic earnings per share	24.83	32.46
	- Diluted earnings per share	24.83	32.46

NOTE 30 : DETAILS OF PROVISIONS

The Company has made provision for various contractual and other obligations based on its assessment of the amount to be incurred to meet such obligations, details of which are given below:

Particulars	As at March 31, 2026	As at March 31, 2025
Provision for warranty		
At the beginning of the year	986.11	804.21
Additions during the year	1,017.22	1,256.37
Utilised during the year	993.17	1,074.47
At the end of the year	**1,010.16**	**986.11**
Current	857.88	840.98
Non-current	152.28	145.13
	1,010.16	**986.11**
Provision for other contingencies*		
At the beginning of the year	360.79	274.20
Additions during the year	171.50	86.59
At the end of the year	**532.29**	**360.79**
Current	532.29	360.79
Non-current	-	-
	532.29	**360.79**

**represents provision for indirect tax and legal contingencies.*

NOTE 31 : CONTINGENT LIABILITIES

(A) Claims against the Company not acknowledged as debt #

Particulars		As at March 31, 2026	As at March 31, 2025
(a)	**Demand notices from Central Excise/ Service Tax/ Customs Department:**		
	Total demand	3,210.48	2,067.44
	Less: Provision	119.91	112.43
	Total	**3,090.57**	**1,955.01**
(b)	**Demand notices from Sales Tax Department / GST Department:**		
	Total demand	3,528.58	3,353.24
	Less: Provision	38.81	53.33
	Total	**3,489.77**	**3,299.91**
(c)	**Demand from Income Tax Department:**		
	Total demand	23,084.63	23,485.13
	Less: Provision	1,985.12	1,985.12
	Total	**21,099.51**	**21,500.01**

Notes to the Financial Statements

for the year ended March 31, 2026

(All amounts in ₹ Millions, unless otherwise stated)

Particulars		As at March 31, 2026	As at March 31, 2025
(d)	**Other claims**	480.47	320.19
	Less: Provision	166.43	76.53
	Total	**314.04**	**243.66**
	Total demands	**30,304.16**	**29,226.00**
	Less: Provision	**2,310.27**	**2,227.41**
	Grand total	**27,993.89**	**26,998.59**

 # Notes:

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

ii) Excludes show cause notices replied by the Company. The Company has not yet heard back from the appropriate authorities in the matter and is of the view that same are not contingent in nature.

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

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

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

(B) Contingency on advance pricing agreement of royalty

The Company had accrued royalty expense and paid ₹ 4,596.58 Millions for the year ended March 31, 2026 (₹ 4,546.10 Millions for the year ended March 31, 2025) to its holding company, i.e., LG Electronics Inc., Republic of Korea, for the use of technology and brand name. The royalty was determined in accordance with the revised license agreement dated July 27, 2017, effective from April 01, 2016, as amended from time to time, between the Company and its holding company.

The revised license agreement also provided for additional payment of royalty, which was contingent upon the approval of the application dated March 28, 2018 for Advance Pricing Agreement ('APA') filed with the income-tax authorities in India and the Republic of Korea. The period of APA expired on March 31, 2023 and thereafter an application for extension was filed on March 31, 2023 covering the financial years 2023-24 to 2027-28. The possible obligation arising from additional royalty payments based on the aforesaid revised license agreement amounting to ₹ 67,436.64 Millions was disclosed as contingent liability as at March 31, 2024.

On May 8, 2024, the Company and its holding company, filed a Mutual Agreement Procedure ('MAP') application with the respective Competent Authority of India and the Republic of Korea, under Article 25(1) of the comprehensive agreements between India and the Republic of Korea to resolve the consequences of double taxation arising from certain transfer pricing tax adjustments made by the tax authority of the Republic of Korea on the holding company.

The Company entered into an addendum on November 18, 2024 to the aforesaid revised license agreement, aligning its royalty obligation to the amount accrued and paid for the respective years and updated its APA application accordingly. The Company withdrew the APA extension application dated March 31, 2023 through its filing with the Income-tax authority in India on November 20, 2024. Pursuant to the addendum dated November 18, 2024 and pending approval of the MAP application, the contingent liability determined as of March 31, 2025 was ₹ 3,153.00 Millions.

Consequent to agreeing to the terms of a draft Mutual Agreement as shared by the Tax Authorities of India, the Company received a draft Advance Pricing Agreement ('APA') on August 21, 2025 covering a period of nine years from April 01, 2014 to March 31, 2023.

On January 05, 2026, the Company entered into and concluded the APA with the Central Board of Direct Taxes (CBDT).

Notes to the Financial Statements

for the year ended March 31, 2026

(All amounts in ₹ Millions, unless otherwise stated)

Pursuant to the conclusion of the APA:

- Contingent liabilities relating to Mutual Agreement Procedure (MAP) amounting to ₹ 3,153.00 Millions, has been reduced to Nil.
- Contingent liabilities relating to certain other transfer pricing related matters covered under the APA have been reduced by ₹ 1,724.38 Millions.
- Amounts of ₹ 894.84 Millions payable to, and ₹ 856.25 Millions receivable from, LG Electronics Inc., arising from secondary adjustment provisions in compliance with the applicable transfer pricing regulations in India, have been recognised in the Financial Statements for the year ended March 31, 2026. (Also Refer Note No 7, Note No 15 and Note No 28)
- The Company has agreed to pay tax expenses aggregating to ₹ 223.59 Millions (including applicable interest of ₹ 46.47 Millions) which has been recognised in the Financial Statements for the year ended March 31, 2026.

NOTE 32 : COMMITMENTS

(i)

Particulars	As at March 31, 2026	As at March 31, 2025
Estimated amount of contracts remaining to be executed on capital account and not provided for		
Property, plant and equipment (also Refer Note No (ii) below)	327.01	567.19
Leases	5,813.71	5,617.13

(ii) The Company is setting-up its third manufacturing facility ("facility") in the Sri City, Tirupati, in the state of Andhra Pradesh with projected investment of ₹ 50,010.00 Millions. This proposal has received the requisite approvals from the Government of Andhra Pradesh. The aforesaid facility is expected to become operational by the year ending March 31, 2027, initially focusing on the manufacturing of Air Conditioners and Air Conditioner compressors followed by the manufacturing of Washing Machines and Refrigerators in the forthcoming years. The Company has executed agreements for factory design and construction, as well as for installation and commissioning of supporting infrastructure. Based on the agreements executed, the total capital commitment other than disclosed in (i) above, till March 31, 2026 amounts to ₹ 19,635.91 Millions (March 31, 2025 ₹ 10,931.67 Millions).

NOTE 33 : EXPENDITURE ON CORPORATE SOCIAL RESPONSIBILITY (CSR)

Section 135(5) of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, requires that the board of directors of every eligible Company, shall ensure that the Company spends, in every financial year, at least 2% of the average net profits of the Company made during the three immediately preceding financial years, in pursuance of its Corporate Social Responsibility Policy. The details of CSR expenditure incurred are as follows:

Particulars		As at March 31, 2026	As at March 31, 2025
(a)	Gross amount required to be spent by the Company during the year	453.95	362.51
	Additional amount required to be spent on account of interest earned on bank deposits made out of separate CSR unspent account (net of tax)	-	4.53
(b)	Amount spent during the period/year on:		
	(i) Promoting healthcare and awareness	2.07	2.77
	(ii) Promoting education	-	0.16
	(iii) Ensuring environmental sustainability	0.75	1.26
	(iv) CSR compliance and administrative expenses	7.36	9.18
		10.18	**13.37**
(c)	Accrual towards unspent obligation in relation to:		
	-Ongoing project	443.77	349.14

Notes to the Financial Statements

for the year ended March 31, 2026

(All amounts in ₹ Millions, unless otherwise stated)

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

Balance as at April 01, 2025		Amount required to be spent during the year	Additional amount required to be spent on account of interest earned on bank deposits made out of separate CSR unspent account (Net of tax)	Amount spent during the year		Balance as at March 31, 2026	
With the Company	In separate CSR unspent account			From the Company's bank account	From separate CSR unspent account	With the Company #	In separate CSR unspent account
349.14	476.80	453.95	-	10.18	173.81	443.77	652.13

Balance as at April 01, 2024		Amount required to be spent during the year	Additional amount required to be spent on account of interest earned on bank deposits made out of separate CSR unspent account (Net of tax)	Amount spent during the year		Balance as at March 31, 2025	
With the Company	In separate CSR unspent account			From the Company's bank account	From separate CSR unspent account	With the Company #	In separate CSR unspent account
332.97	571.30	362.51	4.53	13.37	432.00	349.14	476.80

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

NOTE 34 : SEGMENT REPORTING

The Company has identified two reportable business segments as primary segments: Home appliances and air solution division and Home entertainment division. These segments have been identified and reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM).

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

Business segments:

- Home appliances and air solution division: Air Conditioners, Refrigerators, Microwave Ovens, Washing Machines, Dishwasher, Vacuum Cleaners, Compressors, Ceiling Fan, Water Purifiers and Air Purifiers.
- Home entertainment division: Televisions (Flat panel, Signage, Projectors, Monitor TV etc,), Audio Visual, Monitors, Security Camera, and Personal computers.

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

Particulars	Business segments		Total
Reportable segments	Home appliances and air solution division	Home entertainment division	
Revenue from operations			
-External	**181,604.64**	**64,444.48**	**246,049.12**
	(182,678.57)	(60,987.81)	(243,666.38)
Other income	**11.31**	**2.87**	**14.18**
	(7.87)	(2.04)	(9.91)
Total	**181,615.95**	**64,447.35**	**246,063.30**
	(182,686.44)	(60,989.85)	(243,676.29)
Cost of materials consumed, Purchases of stock-in-trade and Changes in inventories of finished goods, stock-in-trade and work-in-progress	**124,189.23**	**47,479.71**	**171,668.94**
	(121,995.63)	(43,805.25)	(165,800.88)
Expenses excluding cost of goods sold	**39,682.85**	**8,694.53**	**48,377.38**
	(37,256.49)	(7,875.50)	(45,131.99)
Segment result	**17,743.87**	**8,273.11**	**26,016.98**
	(23,434.32)	(9,309.10)	(32,743.42)
Unallocable income (Other income)			**317.02**
			(67.14)

Notes to the Financial Statements

for the year ended March 31, 2026

(All amounts in ₹ Millions, unless otherwise stated)

Particulars	Business segments		
Reportable segments	**Home appliances and air solution division**	**Home entertainment division**	**Total**
Unallocable expenses			**5,880.82**
			(5,435.84)
Operating income			**20,453.18**
			(27,374.72)
Interest expense			**405.84**
			(306.46)
Interest income			**2,947.77**
			(2,562.85)
Profit before tax			**22,995.11**
			(29,631.11)
Tax expense			**6,144.18**
			(7,597.63)
Profit for the year			**16,850.93**
			(22,033.48)
Segment assets	**51,896.14**	**17,044.27**	**68,940.41**
	(48,967.27)	(15,033.48)	(64,000.75)
Unallocable assets			**67,422.14**
			(51,170.70)
Total assets			**136,362.55**
			(115,171.45)
Segment liabilities	**29,724.86**	**11,590.74**	**41,315.60**
	(27,963.05)	(9,463.16)	(37,426.21)
Unallocable liabilities			**18,391.39**
			(18,043.54)
Total liabilities			**59,706.99**
			(55,469.75)
Other information			
Shareholders' funds			**76,655.56**
			(59,701.70)
Capital expenditure (unallocable)			**10,709.62**
			(5,320.97)
Depreciation and amortisation (unallocable)			**3,961.07**
			(3,803.57)

Note: Figures in brackets relate to the previous year.

Additional information

The Company has disclosed Geographic information on revenue for the year end is as follows:

Particulars	Revenue Year ended March 31, 2026
Domestic	**232,133.86**
	(229,143.82)
Asia (excluding India)	**10,163.63**
	(12,100.86)
Africa	**2,403.63**
	(2,414.24)
America	**1,339.76**
	(3.85)

Notes to the Financial Statements

for the year ended March 31, 2026

(All amounts in ₹ Millions, unless otherwise stated)

Particulars	Revenue Year ended March 31, 2026
Europe	**0.83**
	(0.06)
Others	**7.41**
	(3.55)
Total Revenue from operations	**246,049.12**
	(243,666.38)

Notes:

(a) Figures in brackets relate to the previous year.

(b) Administrative and corporate expenses, interest expense and interest income, unallocable other income and provision for tax have not been allocated to reportable segments. Consequently, segment wise net profit has not been disclosed.

(c) Unallocable other income has not been measured and reported segment wise as these components are not realistically allocable and identifiable.

(d) Unallocable corporate expenses include expenses such as depreciation, employee remuneration and benefits, administrative and other expenses which are not directly related to the specific segments.

(e) Unallocable assets include property, plant and equipment, intangible assets, cash and cash equivalents, deferred tax assets, Unallocable loans and advances and other current assets which are not directly related to the specific segments.

(f) Capital expenditure pertains to additions made to property, plant and equipment during the year and movement in capital work in progress during the year.

NOTE 35 : DISCLOSURES UNDER SECTION 22 OF THE MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006

In terms of notification dated September 4, 2015 issued by the Government of India, the disclosure of payments due to any supplier are as follows:

Particulars		As at March 31, 2026	As at March 31, 2025
(i)	Principal amount remaining unpaid to any supplier as at the end of the accounting period/year.	4,431.93	3,194.79
(ii)	Principal amount (excluding interest) paid during the period/year to any supplier beyond the appointed date.	-	-
(iii)	Interest due thereon remaining unpaid to any supplier as at the end of the accounting period/ year.	-	-
(iv)	The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day.	-	-
(v)	The amount of interest due and payable for the period/year.	-	-
(vi)	The amount of interest accrued and remaining unpaid at the end of the accounting period/year.	-	-
(vii)	The amount of further interest remaining due and payable even in the succeeding year, until such date when the interest dues as above are actually paid.	-	-

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management.

NOTE 36 : DETAILS ON DERIVATIVES INSTRUMENTS AND UNHEDGED FOREIGN CURRENCY EXPOSURE

The following derivative positions are open as at March 31, 2026. These transactions have been undertaken to act as economic hedges for the Company's exposures to various risks in foreign exchange markets.

Forward exchange contracts which are not intended for trading or speculative purposes but for hedge purposes required at the settlement date of certain payables and receivables.

Outstanding forward exchange contracts entered into by the Company as at March 31, 2026:

Currency	Amount	Buy / Sell	Cross Currency
USD	USD 38.90 Millions equivalent to ₹ 3,689.28 Millions (March 31, 2025 : USD 69.67 Millions equivalent to ₹ 5,955.02 Millions)	Buy	₹

Notes to the Financial Statements

for the year ended March 31, 2026

(All amounts in ₹ Millions, unless otherwise stated)

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

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

Particulars	As at March 31, 2026		As at March 31, 2025	
	Receivable/ (Payable)	Receivable/ (Payable)	Receivable/ (Payable)	Receivable/ (Payable)
	₹	FC	₹	FC
i) Receivables in foreign currency				
- Trade receivables	1,805.50	US $ 19,037.30	2,141.32	US $ 20,050.51
		€ 3.84		€ 0.13
- Other receivables	984.94	US $ 10,385.33	93.75	US $ 1,096.70
- EEFC A/c	594.42	US $ 6,267.59	621.56	US $ 7,271.38
ii) Payables in foreign currency				
- Trade payables	(15,314.38)	US $ (159,539.00)	(12,200.93)	US $ (141,056.60)
		JPY (120,157.20)		-
		(€ 1,028.92)		(€ 1,073.19)
		AUD (1.29)		AUD (1.31)
		-		¥ (78,431.00)
- Advances from customers	(50.73)	US $ (534.89)	(75.95)	US $ (888.56)

NOTE 37 : GOVERNMENT GRANTS

a) In terms of the Infrastructure & Industrial Investment Policy, 2012 as notified by the Pradeshiya Industrial & Investment Corporation of Uttar Pradesh Limited ('PICUP'), the Company has received claim approval for availing incentive with respect to the sales made for products eligible under the aforementioned policy which have been manufactured and sold in the state of Uttar Pradesh. The Company is eligible for the subsidy provided the additional fixed capital investment of the Company is not less than ₹ 5,000 Millions made over a period of five years commencing from January 01, 2015 to December 31, 2019. The industrial promotion subsidy is restricted to 80% of the State Goods and Service Tax ('SGST') payable after utilisation of the GST input tax credit calculated on the increased eligible turnover in proportion to the existing investment in factory situated at Greater Noida in the state of Uttar Pradesh.

Pursuant to fulfillment of the above stated criteria, the Company has recognised incentive aggregating to ₹ 124.68 Millions for the year ended March 31, 2026 (March 31, 2025: ₹ 692.98 Millions) (Included in Note No. 18) which pertains to the eligible sale of products manufactured and sold in the state of Uttar Pradesh during the year ended March 31, 2026. The outstanding balance of claims receivable as at March 31, 2026 aggregating to ₹ 240.26 Millions (March 31, 2025: ₹ 340.15 Millions) has been included in government grant recoverable in Note No. 7.

b) In the prior years, the Company was availing sales tax exemption in the State of Uttar Pradesh. Pursuant to an amendment in the Uttar Pradesh Values Added Tax Act, 2008, the Company is required to deposit with the VAT authorities, the amount of VAT collected from the dealers and thereafter file a refund claim for the VAT deposited.

The outstanding balance of claims receivable as at March 31, 2026 aggregating to ₹ 155.54 Millions (March 31, 2025: ₹ 155.54 millions) has been included in government grant recoverable in Note No. 7.

The Company believes it has good case on merits for the recoverability of the same. Based on legal opinion obtained by the Company, the Company has taken up matter with appropriate forum and is pending resolution.

c) On January 16, 2025 the Government of Maharashtra, Directorate of Industries has issued eligibility certificate for Mega (expansion) Unit under Electronics Policy - 2016 and Package Schemes of Incentive - 2013.

As per the eligibility certificate investment of ₹ 7,057.41 Millions for the period November 01, 2017 to October 30, 2024 is approved under Mega category. Pursuant to this approval, the Company is entitled to get the incentive of ₹ 7,057.41 Millions in the form of SGST refund, electricity duty exemption, stamp duty exemption, refund of employees contribution to Employees provident fund, power tariff subsidy and exemption from payment of property tax. The period to claim the incentive amount is from May 01, 2025 to April 30, 2040 subject to and overall annual limit of ₹ 470.50 Millions.

Notes to the Financial Statements

for the year ended March 31, 2026

(All amounts in ₹ Millions, unless otherwise stated)

The Company has recorded claim aggregating to ₹ 431.29 Millions for the year ended March 31, 2026 (March 31, 2025: Nil Million).The outstanding balance of claims receivable as at March 31, 2026: ₹ 431.29 Millions (March 31, 2025: Nil Million) has been included in government grant recoverable in Note No. 7.

d) In terms of the package scheme of incentive 2007 as notified by the Government of Maharashtra, the Company received another eligibility certificate for availing industrial promotion subsidy under the status of mega project involving expansion by way of fixed capital investment in the existing project at its factory at Ranjangaon, Pune. The Company is eligible for the subsidy provided the additional fixed capital investments of the Company is not less than ₹ 5,000 Millions made over a period of five years commencing from April 1, 2011 to March 31, 2016. The industrial promotion subsidy is restricted to the lower of 75% of the fixed capital investment and 50% of VAT deposited with the Government of Maharashtra on the increased turnover calculated in proportion to the existing investment in factory at Ranjangaon.

The Company has recorded claim aggregating to ₹ 5.71 Millions for the year ended March 31, 2026 (March 31, 2025: ₹ 531.26 Millions). The outstanding balance of claims receivable as at March 31, 2026 aggregating to ₹ 1,035.38 Millions (March 31, 2025: ₹ 1,522.13 Millions) has been included in government grant recoverable in Note No. 7.

e) Export benefit recoverable includes Duty Drawback Scheme wherein relief of duties suffered on the inputs used in the manufacture of products which are exported is allowed to the Company, the Merchandise Exports from India Scheme (MEIS) under Foreign Trade Policy of India (FTP 2015-20) which provides incentive in the form of duty credit scrip to the exporter to compensate for loss on payment of duties and, the Remission of Duties or Taxes on Export Products Scheme (RoDTEP) allowed to neutralize duties and taxes suffered on the inputs used in the manufacture of products which are exported in a freely convertible foreign currency.

The Company has recorded claim aggregating to ₹ 315.76 Millions for the year ended March 31, 2026 (March 31, 2025: ₹ 352.16 Millions) (Included in Note No.18).

The outstanding balance of claims receivable as at March 31, 2026 aggregating to ₹ 106.64 Millions (March 31, 2025: ₹ 125.78 Millions) has been included in government grant recoverable in Note No. 7.

f) In terms of the package scheme of incentive scheme 2012 as notified by the Government of India, the Company received eligibility certificate for availing industrial promotion incentive under the status of modified special incentive package scheme involving expansion by way of fixed capital investment in the existing project at its factory at Ranjangaon, Pune and Surajpur, Noida. The Company is eligible for the incentive provided the additional fixed capital investments of the Company is not less than 25% of existing fixed capital investment made over a period of 10 years. The industrial promotion incentive is restricted to the 25% of fixed capital investment.

The Company has recorded claim aggregating to ₹ 477.18 Millions for the year ended March 31, 2026 (March 31, 2025: ₹ 593.12 Millions).

g) The Company is setting-up its third manufacturing facility ("facility") in Sri City, Tirupati, in the state of Andhra Pradesh with projected investment of ₹ 50,010.00 Millions.The required approvals have been received from the Government of Andhra Pradesh vide G.O. MS. No. 77 dated November 26, 2024, granting a special incentive package to the Company in the form of providing fiscal and other incentives which are subject to compliance with relevant Government Policy.

The recognition and measurement of the aforesaid incentives in the financial statements shall be based on fulfillment of the prescribed conditions and in accordance with the applicable accounting standards.

Notes to the Financial Statements

for the year ended March 31, 2026

(All amounts in ₹ Millions, unless otherwise stated)

NOTE 38 : TRANSFER PRICING

The Company has established a comprehensive system for maintenance of information and documents as required by the transfer pricing legislation under Sections 92-92F of the Income Tax Act, 1961 and has documented transfer pricing benchmarking study upto the year ended March 31, 2025. Since the law requires contemporaneous transfer pricing documentation, the Company is in the process of updating the documentation in respect of international transactions entered into with the associated enterprises during the year ended March 31, 2026, and expects such records to be in existence on or before the due date prescribed under the law. The management is of the opinion that the international transactions entered are at arm's length and that the aforesaid transfer pricing legislation is not expected to have any material impact on the Financial Statements.

NOTE 39 : ANALYTICAL RATIOS

Ratios	Unit of measurement	Numerator	Denominator	March 31, 2026	March 31, 2025	% Change	Reason for Variance (where change is more than 25%)
Current Ratio	Times	Total Current Assets	Total Current Liabilities	2.08	1.95	7%	Not applicable.
Debt-Equity Ratio	Times	Total Debt = Borrowings + Lease liabilities	Shareholder's equity	0.06	0.07	-16%	Not applicable.
Debt Service Coverage Ratio	Times	Earning Available for Debt Service= Profit for the year + Finance costs + Non cash Operating expenses	Debt Service = Finance costs and lease payment + Principal repayment	16.48	24.33	-32%	Variance is on account of decrease in profit earned and increase in lease liability and interest payment.
Inventory turnover ratio	Times	Revenue from operations	Average Inventories	8.21	8.98	-9%	Not applicable.
Trade receivables turnover ratio	Times	Revenue from operations	Average Trade receivables	9.49	11.72	-19%	Not applicable.
Trade payables turnover ratio	Times	Purchases	Average Trade payables	4.84	5.26	-8%	Not applicable.
Net capital turnover ratio	Times	Revenue from operations	Working capital (Current Assets-Current Liabilities)	4.40	5.25	-16%	Not applicable.
Return on Equity Ratio	%	Profit for the year	Average Shareholder's equity	24.72	45.23	-45%	Variance is on account of increase in Average Shareholders equity due to no dividend payout during the year ended March 31, 2026.
Net profit ratio	%	Profit for the year	Revenue from operations	6.85	9.04	-24%	Not applicable.
Return on Capital employed	%	Earnings before finance costs and tax	Capital employed= (Shareholder's equity -Amalgamation reserve+ Total Debt + Deferred tax liabilities)	28.93	47.06	-39%	Variance is on account of decrease in profit during the year ended March 31, 2026 .
Return on Investment	%	Earnings before finance costs and tax	Average Total assets	18.61	29.91	-38%	Variance is on account of decrease in profit during the year ended March 31, 2026.

Notes to the Financial Statements

for the year ended March 31, 2026

(All amounts in ₹ Millions, unless otherwise stated)

NOTE 40 : ADDITIONAL REGULATORY INFORMATION REQUIRED BY SCHEDULE III OF THE COMPANIES ACT, 2013

(i) Details of benami property held

No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

(ii) Borrowing secured against current assets

The Company does not have borrowings from banks and financial institutions on the basis of security of current assets.

(iii) Willful defaulter

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

(iv) Relationship with struck off Companies

The Company does not have any relationship with any struck off Company.

(v) Compliance with number of layers of companies

The Company has not invested in any other company during the current financial year or previous financial year and does not have any investment in any other company as at March 31, 2026 and March 31, 2025. Hence, the compliance with respect to the number of layers prescribed under clause 87 of Section 2 of the Companies Act, 2013 read with the Companies (Restriction on number of Layers) Rules, 2017 is not applicable to the Company.

(vi) Compliance with approved scheme(s) of arrangements

The Company has not entered into any scheme of arrangement which has an accounting impact on current financial year or previous financial year.

(vii) Utilisation of borrowed funds and share premium

A) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

a. Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or

b. Provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

B) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

a. Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

b. Provide any guarantee, security or the like on behalf of the ultimate beneficiaries.

(viii) Undisclosed income

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

(ix) Details of crypto currency or virtual currency

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

(x) Valuation of Property, plant and equipment, right-of-use assets, and intangible asset

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

Notes to the Financial Statements

for the year ended March 31, 2026

(All amounts in ₹ Millions, unless otherwise stated)

NOTE 41 : On November 21, 2025, the Government of India notified four labour codes: the Code on Wages, 2019; Industrial Relations Code, 2020; Code on Social Security, 2020; and Occupational Safety, Health and Working Conditions Code, 2020, thereby consolidating 29 labour laws. The Ministry of Labour & Employment also issued draft Central Rules and FAQs to facilitate impact assessment.

Based on the best available information and guidance from the Institute of Chartered Accountants of India, the Company recognised an incremental impact of ₹ 124.50 Millions towards gratuity and compensated absences in the Financial Statements for the year ended March 31, 2026, primarily due to the revised wage definition.

The Company will continue to monitor the finalisation of Central and State Rules and further Government clarifications and will record any additional impact, as and when required.

NOTE 42 : SUBSEQUENT EVENTS

There are no subsequent events that have occurred after the reporting period till the date of approval of the Financial Statements.

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

Anurag Khandelwal
Partner
Membership No. : 078571

Place : Noida
Date : May 21, 2026

For and on behalf of the Board of Directors of **LG Electronics India Limited**
(Formerly known as LG Electronics India Private Limited)

Hong Ju Jeon
Managing Director
DIN. : 10041232

Dongmyung Seo
Whole Time Director and
Chief Financial Officer

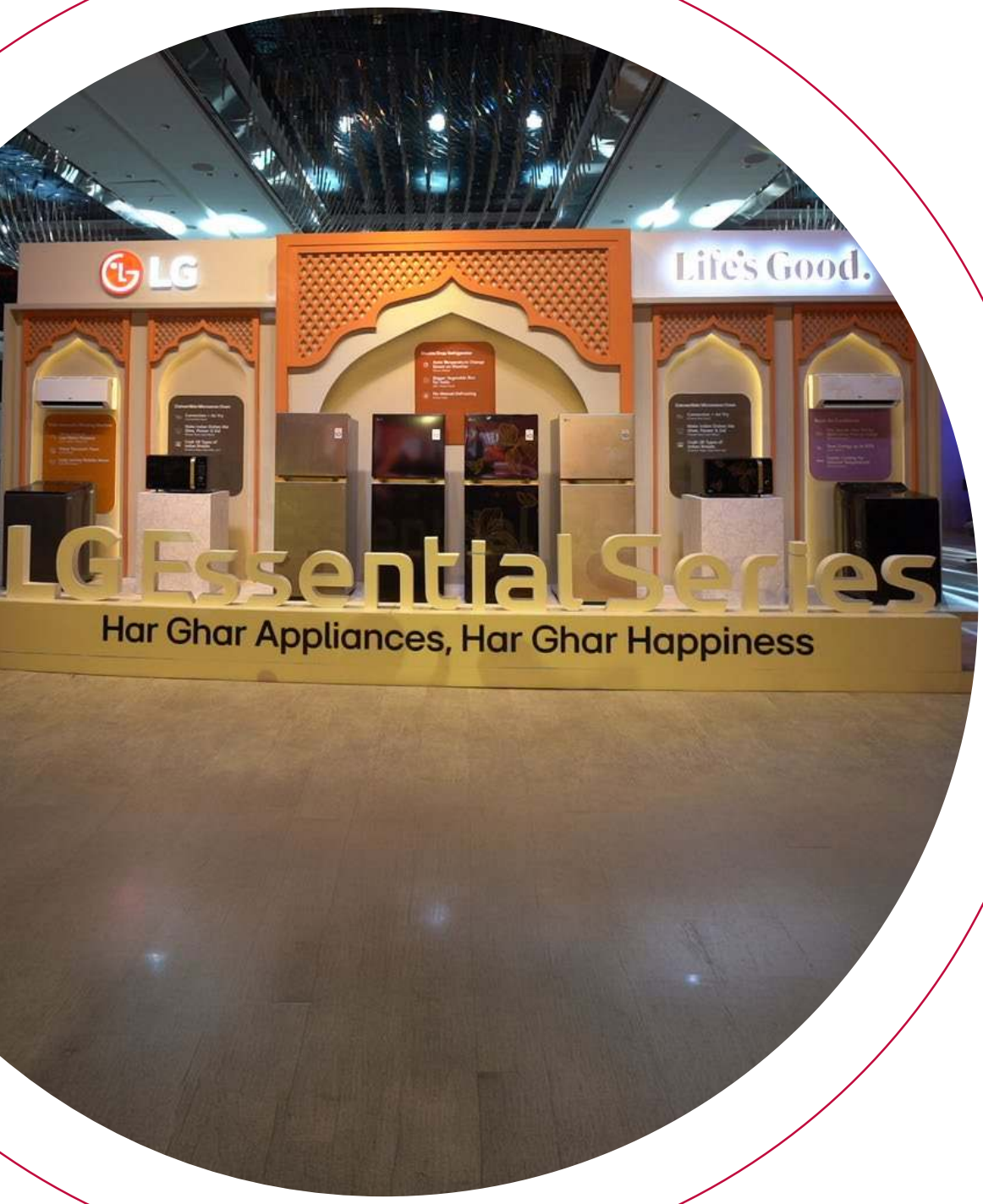
Atul Khanna
Chief Accounting Officer

Anuj Goyal
Company Secretary and
Compliance officer
Membership No : A23761

Suresh Kumar Jhawar
Senior General Manager,
Accounting

Place : Noida
Date : May 21, 2026

Registered Office (New Delhi):
A-24/6, Mohan Cooperative Industrial
Estate, Mathura Road, New Delhi - 110044.



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